Corporate Conscience
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CSR in Pakistan - A Study
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Foreword

This study is part of our work to assess the status and trends of Corporate Social Responsibility in Developing Asian countries with focus on Pakistan.

Prakruthi, with the active support from Sustainable Policy Development Institute is extremely delighted to bring this book for our readers & stakeholders. We hope this study would help in devising new interventional strategies in CSR related activities in South and South east Asia.

This is an unique tribute to all those in Pakistan and around the world who have contributed towards the growth of CSR as a concept and more-so-over as developing a culture keeping people first in the agenda in the economic development. We all are grateful to Dr. Abid Suleri of SDPI, for his lead in bringing out this rich information on a single platter.

Many elements of CSR have been kindled in this research for adoption and adaptation and taking it forward. There is a
detailed compilation giving insight to the growth and progress of CSR in Pakistan. Although the emphasis of this work is on CSR concepts and trends, it contains much more that would be of interest to those outside this field and to the students of this subject - indeed to anyone with a commitment to the agenda of Responsible Business.

We are hopeful that this pioneering work will help us for improving further and for many others to move in the same direction. We are certain about this becoming a guidance document to further Triple Bottom-line Approach among the National and multi-national Businesses in Pakistan.

We would like to put on record our sincere gratitude to Oxfam Novib, of The Netherlands for the relentless support given to us in bringing out this document.

**Pramod John**
Executive Director
Prakruthi
Governments, civil society and businesses in private sector are largely thinking of winning over their beneficiaries, right holders, consumers and clients through applying various methods and tools. Governments undertake development programmes, civil society organizations launch rights based campaigns and implement service delivery projects and private sector supports in cash and kind social sector developments, largely to the consumers’ gain.

The contemporary social science calls upon businesses and private sector to add value to its financial capital gain in terms of social capital gain by empowering and facilitating communities through sustained social development programmes under their Corporate Social Responsibility (CSR). The concept of CSR is many developing countries including Pakistan is new and is being usually confused with consumer welfare or public relations practices. The very spirit
of CSR automatically calls for a greater role of large businesses in addressing the issues faced by the societies they operate in.

With globalization of trade and standards, realization for CSR is increasing, both in terms of more companies developing CSR policies and investing in increasing percentages of gross sales to community service and sustainable development as they need it to get standardization certification. This is a turning point where civil society can interact with private sector to promote CSR as right of the communities.

At the moment, industry and private sector in Pakistan in general is far from adopting CSR practices. The approach to it is still relatively primitive, while the fogged distinction between Philanthropy and CSR is evident in the choice of CSR initiatives that too limited to the vicinity where the industry operates in.

The concept of creating shared value by inculcating CSR into value chain dynamics requires major changes in organizational cultures and value chain arrangements, and this is far from being fully understood or fully applied in businesses, as most of the companies aware of CSR resort to simple CSR or philanthropy instead of complex CSR modeling and its implementations. Furthermore, the presence of laws and effective codes in dictating certain sustainable practices is lacking, resulting in the main drivers behind CSR being only voluntary actions designed to enhance company image. In addition, stakeholder activism is lacking, both on the consumer and supply ends, hence the only push factor behind CSR is the company itself.
This study takes stock of the dairy industry’s value chain analysis. The sample was selected because dairy industry is an agro based industry and forms major part of economy and Pakistan stands among a few big milk-producing countries. This industry’s area of work is also spread across villages and on the hand to the cities where its consumers live. Furthermore, dairy product supply chain could be easily traced through all of its steps and procedures and hence effects of CSR could be elaborated.

From the starting point, the farmer, to the final point, the individual consumer, the three main parts of supply side, demand side and operational aspect were evaluated on the terms of voluntary and code enforced CSR. The problems and effects of internalization costs in each of these categories and CSR oriented value chain analysis was compared to the costs of ordinary business operations.

The study traces the missing links between conceptualization of the CSR and its practical shapes and suggests that active communities and stakeholders and responsive businesses and private sector are essential to achieve a healthier and integrated state of CSR. The consumers need to be educated with regards to product integrity and sustainable CSR practices. Civil society should form pressure groups that can force businesses to abide by standards, certifications commitments, laws and regulations set forth by government and standardization bodies.

There is a dire need to understand CSR with clear definition as integral part of successful business, drawing up distinction between corporate philanthropy and CSR. We need to focus on ethical CSR practices, making standardized CSR principles
available in local languages to put CSR in the context to ensure comprehensive environment protection policies and a clear focus on long-term sustenance and success of business.

This study surely is a beginning point. More such researches in future would set the agenda of the private sector in spirit of the Corporate Social Responsibility.

Dr. Abid Qaiyum Suleri  
Executive Director  
Sustainable Development Policy Institute (SDPI)
The purpose of the study is to contextualize Corporate Social Responsibility in Pakistan. Corporate Social Responsibility is an emerging concept in Pakistan. The potential for CSR in a developing country automatically calls for a greater role of large businesses in addressing the issues faced by the societies they operate in. The trend for CSR related activities is increasing, both in terms of more companies developing CSR policies and investing in increasing percentages of gross sales to community service and sustainable development.

The leaders in this trend are a few big multinational companies that are importing their CSR practices from the developed countries into the developing countries, thereby promoting a culture of consumer awareness and pride in community service, and the main motivation behind this is to keep elevated their socially responsible status in Pakistan. This overall concept however, is still far from maturity in Pakistan. The approach to it is still relatively primitive, while the fogged
distinction between Philanthropy and CSR is evident in the choice of CSR initiatives by businesses in Pakistan.

The concept of creating shared value by inculcating CSR into value chain dynamics requires major changes in organizational cultures and value chain arrangements, and this is far from being fully understood or fully applied in businesses, as most of the companies aware of CSR resort to simple CSR or philanthropy instead of complex CSR modeling and its implementations. Furthermore, the presence of laws and effective codes in dictating certain sustainable practices is lacking, resulting in the main drivers behind CSR being only voluntary actions designed to enhance company image. In addition, stakeholder activism is lacking, both on the consumer and supply ends, hence the only push factor behind CSR is the company itself.

This study took dairy product industry as its sample for study in explaining the value chain analysis. The sample was selected because dairy industry is an agro based industry and forms major part of economy and Pakistan stands among a few big milk-producing countries. This industry’s area of work is also spread across villages and on the hand to the cities where its consumers live. Furthermore, dairy product supply chain could be easily traced through all of its steps and procedures and hence effects of CSR could be elaborated.

From the starting point, the farmer, to the final point, the individual consumer, the three main parts of supply side, demand side and operational aspect were evaluated on the terms of voluntary and code enforced CSR. The problems and effects of internalization costs in each of these categories and
CSR oriented value chain analysis was compared to the costs of ordinary business operations.

Finally, the study has suggested that in order to achieve a healthier and integrated state of CSR, stakeholders’ activism was an essential prerequisite. On the demand side, consumers need to be educated with regards to product integrity and sustainable practices. Civil society should form pressure groups that can force businesses to abide by laws and regulations set forth by government. The construction of a uniform code nationwide, and its effective implementation can result in major value creation by the businesses towards their supply sides.
Every corporation tries to expand its business for profit motive. But companies are also responsible of their impact on people and planet. The word “people” includes company’s stakeholders, employees, and customers, investors, suppliers, business partner, government and community. All them are linked together through the corporation and form a social circle. In order to stay competitive and a productive, the corporation has to be socially responsible. As every business has two types of assets; one type is tangible assets that are physical in nature and the other is intangible that relates to corporate social responsibility or social dividends. The corporation’s worth is counted on both. But in a competitive environment, corporations benefit from their goodwill, which comes through effective corporate social responsibility (CSR) efforts. CSR emphasizes businesses to promote public interest by encouraging development and growth of community, especially when extractive activities are done and local resources are exploited.
1.1 Corporate Social Responsibility Defined

- Conducting business in the interests of wider community in an ethical way
- Responding positively to priorities and expectations of society
- Balancing shareholder interests against the interests of wider community
- Being a responsible citizen in the society

Businesses are responsible for both creating wealth and well-being of society, while corporate social responsibility only looks at well being part on behalf of businesses. When any corporation sets its objectives and goals and makes long term policies, they use CSR as a tool to achieve them. CSR requires corporation to manage economic, environmental and social impacts of its operations/corporate governance to maximize benefits.

The concept of Corporate Social Responsibility is linked to the concept of **Triple Bottom Line (TBL) Reporting:** People, Planet, and Profit\(^1\). TBL is used as a framework for measuring performance of any company against economic, environmental and social parameters. Corporate Social Responsibility (CSR) is an obligation of business to add to sustainable economic development. CSR is a way to improve quality of life of employees, consumers, local community and society at large for a mutual benefit.

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William C. Fredrick contributed to an early definition of corporate social responsibility. He writes:

“Social responsibility means that the business should oversee the operations of economic systems that fulfill the expectations of the public and this means in turn that the economy’s means of production and distribution should enhance total socio-economic welfare.

Social responsibility in our final analysis implies a public posture toward society’s economic and human resources and willingness to see that those resources are used for broad social ends and not simply for narrowly circumscribed interest of private persons and firm”.²

1.2 The World Business Council for Sustainable Development

CSR is a continuing commitment by business³

- To behave ethically
- To contribute in economic development to improving the quality of life of the
  - Workforce and their families
  - As well as of the local community
  - And society at a large

1.3 Components of CSR

Carrol Archie identifies the following components of the CSR⁴;

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³ Adila Buhariwalla, Vice-President Internal Audit, Emirates Group, “THE SOUL PURPOSE OF CORPORATE SOCIAL RESPONSIBILITY” 2011.
1.3.1 Economic Responsibility (to shareholder/owners)
Economic responsibility relates to profit motive and maintaining high level of efficiency to the extent that the shareholders and owners feel that company is progressing.

1.3.2 Legal Responsibility (to the law)
Legal responsibility deals with codified ethics as well as it enforces corporation to provide goods and services that at least meet minimal legal requirements and standards of industry and perform consistently as law of land and government expect from corporations.

1.3.3 Ethical Responsibility (moral aspect)
On moral grounds, corporations are expected to meet ethical norms of the society where they do business. Ethical responsibility is either to adhere to the expectation of that society or follow certain prohibitions the society imposes under its ethical codes and standards.

1.3.4 Philanthropic Responsibility (charitable aspect)
Philanthropic Responsibility relate to corporations’ charity work they do for uplift of the communities in the areas from where they extract resources or cause any imbalances in ecosystem due to their extractive activities, exploitation of resources natural and human or otherwise even doing a normal business. It is not expected in ethical or moral sense but voluntary participation for charitable purpose to enhance the community’s “Quality of life”, also assisting private and public educational institutions and basic health facilities. Some corporations form charities and foundations to sponsor brilliant students, to provide potable water and healthcare services. There is no limit to corporations’ philanthropic responsibilities.
1.4 Key Drivers of Corporate Social Responsibility

Corporations’ own interest is a primary driver of CSR that ultimately creates a sustainable global economy catering to the needs of market, labor and community to enable them to function well together. Second important thing is social investment. Physical infrastructure and social capital is required for running business. Transparency and trust is the main driver of CSR. Internal audit is necessary to maintain transparency. Companies sometimes do window-dressing to show their profits, but, in real, there are no such benefits; they are misleading their customers. Companies are likely to contribute for welfare of society because of higher expectation of public from business.

Corporate social responsibility is about integrating the issues of workplace, the community and market place into core business strategies. Opportunities in CSR reflect the diversity of field and incorporate the private public and non-profit sectors.5

Private Sector

In private sector, CSR department can be located in anywhere from public relations to compliance or legal divisions and can be known as “human rights programs” or “environmental risk” and other thematic areas.

Public Sector

The public sector opportunities are mainly found in national government agencies or international organizations.

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5 Career Opportunities in Corporate Social Responsibility” by school of International and Public Affairs , COLOMBIA, 2007
Non Profit Sector
A wide range of NGOs, industrial associations, mostly trade unions, and academic institutions are engaged in learning CSR. There is requirement of standards, codes and practices for the quality of company, which is enforced by expectation of consumer and reputational concerns of shareholders. CSR is basically a tool used to handle reputational risks. The customers are attracted when organizations offer more social contribution programs, which enhance their reputation as good organizations. So, it is necessary for Board of Directors (BoD) and management of companies to set codes and standards and elaborate them in Annual General Meeting (AGM) for implementation. The company’s employees should also be responsible for implementation and accountability to higher management. Most of NGOs have also developed codes for CSR duly supported by ethical principles and adopted by customers; for example, Rainforest Alliance and Fair-trade.
Corporate Social Responsibility in South Asia

CSR is undergoing an evolutionary process around the world. Businesses in different countries are adopting CSR as an integral part of business. They are learning to sustain growth of their operations by winning hearts and minds of their customers and consumers.

As businesses grow it is necessary for them to look beyond short term profits and to identify ways and means of sustaining long term growth. CSR cannot be imposed, but governments could encourage and support businesses to participate in community development programs.

Many countries in the developed world have benefited immensely from positive impact of CSR programs undertaken by their leading businesses. Community care and development programs, supporting and funding education, research, investigative journalism, and environmental protection initiatives have brought many benefits to international businesses.
Successful CSR programs in the developed world have also brought communities together. They have strengthened the people’s commitment to the collective development of their countries. Leading global businesses have played an instrumental role through their development and philanthropy foundations in their own countries and to alleviate rising poverty in developing world.

Development foundations and funds have been set up in the UAE, Qatar, Kuwait, and the Kingdom of Saudi Arabia through the participation and donations from leading businesses, whose commitment and financial backing for the development of communities they operate in is winning them more loyal customers, and is maximizing returns for their shareholders.

In recent years, major businesses in the oil-rich countries of the Persian Gulf have also taken on CSR. Their partnerships, joint ventures and acquisitions of stakes in global business have brought with them the knowledge and desire to be responsible corporate citizens. A positive corporate image and perception has become a necessity, and CSR is no longer being viewed as an obligation by top management.

Strategic CSR focused on brand-associated corporate philanthropy has progressed at a faster pace than ethical CSR in South Asia. The mindset of business owners has proved to be a formidable obstacle. Due to lack of awareness, knowledge and appropriate advice, many companies suffer from a myopic vision and tend to focus on short term profits only. Even some of the larger companies are not well equipped with the concept of CSR and continue to see it as a burden. Businesses prefer donating rather than researching and planning; they
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find it hard to developing and implementing CSR programs for social and community development.

Progress in South Asia on adoption of responsible business policies, however, has been slow. The acceptance of CSR principles has been unorganized and continues to be more philanthropic in nature. Few businesses initiate projects to promote education, healthcare, sanitation and develop rural communities. Special education, vocational training, research and projects aimed at creating awareness and changing mindset and behavior of ill exposed communities rank low on the regional CSR agenda.

Another challenge is that there is little distinction between corporate responsibility and corporate philanthropy. Businesses continue to remain oblivious to the reality that CSR leads to a better business, new customers and markets, and higher level of sensitivity of the organization and its employees towards society.

Missing links in South Asian CSR policies

- Understanding CSR as integral part of successful business
- Uniform definition of CSR
- Distinction between corporate philanthropy and CSR
- Focus on ethical CSR practices
- Making standardized CSR principles available in regional languages to put CSR in local context
- Comprehensive environment protection policies
- Focus on long-term sustenance and success of business.
Corporate Social Responsibility in Pakistan

3.1 From Philanthropy to Corporate Social Responsibility

Family tradition and Religion are the most radical factors among many others including tax benefits, better marketing, elevated public image, that compel the organizations here in Pakistan to donate.\(^6\) Most of the Public listed companies (PLCs) contribute towards social development through the charity. Most of these donations go to the education and health sector.

A study conducted by the Aga Khan Development Network (AKDN) in 1981,\(^7\) says that the volume of indigenous philanthropy by Pakistani individuals stood at US $ 1.5

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\(^6\) Case study of Pakistan- published by the Center for Philanthropy in Pakistan.

billion. This included volunteered value of time (42%), monetary charity (42%) and giving in-kind (16%). About 93% of corporate entities were involved in some form of charity i.e, direct giving to individuals or philanthropy through non-profit organizations (NPOs) and trusts/ foundations owned by the companies. In recent years the trend is shifting towards developing CSR plans and projects. The process is slow because of the unsustainable market conditions prevailing in the country. There are efforts on the intellectual front as well an example is the yearly report on the State of Corporate social responsibility in Pakistan. Philanthropy and Corporate Philanthropy have many faces. They are often linked with sales promotion, advertising, sponsorships, and event marketing. Though they are different from each other but there is a correlation between these activities, as all tend to better position a business in the minds of its stakeholders and customers.

Multinational companies have the biggest proportion in pie of corporate social responsibility while local corporations are the following but with a very slow pace. Overall, CSR in Pakistan is in a premature state when compared with the same in the developed world. The lack of awareness among the corporate heads is a reason among many. Local industries faced the serious dilemma more than once. For instance, the breakdown of the local carpet industry in 1996 and remarkable declines in the supports goods recently.

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8 This compares favourably with the total health and education sectors government spending of US $ 1.8 billion and the size of the Social Action Plan (US $ 1.1 billion) in the years 1996 – 97.

9 UNDP 2005: Evaluation of the state of the corporate social responsibility in Pakistan and a strategy for Implementation.
A consortium, comprising the Ministry of commerce, textile sector in Pakistan and the international buyers, initiated a forum named as “Pakistan Compliance Initiative” in 2003. The forum succeeded in drafting the compliance standard that was approved by the Government of Pakistan. After that point social compliance was inculcated into the trade policy and other relevant official documents.

Only a few companies comply with the 10 guiding principles (UN Global Compact) of conducting business in a responsible manner and becoming a socially responsible corporate citizen. So for the corporate heads in Pakistan with exception of the Multinational companies are not aware of the real meaning, necessity, importance, and scope of the CSR. Most of them consider the corporate giving as CSR. Many consider it a legal binding rather than a shared social responsibility. In the following section it is being discussed in detail.

3.2 Law and Regulations

Corporate Social Responsibility is a concept that has in some guise been present since the 1950s. It can go under the names of corporate responsibility, corporate citizenship, responsible business and sustainable responsible business. One of its earliest articulations, by Howard R Bowen (1953) sets forth that there are “…obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society”\(^\text{10}\). While the role and scale of corporations around the world have obviously increased since the 1950s,

the concept that corporate entities should have a role to play beyond pecuniary motives has not. Currently CSR entails that in some way corporations should integrate into its business model, practices that have a positive social impact on the areas that they operate in. Ideally, this would entail corporations to function with self-regulating, built-in mechanisms to monitor its adherence to law, ethical standards and international norms. It relies on businesses to independently pursing social and public interest by using its resources to aid in developing communities and also by voluntarily eliminating practices that have negative consequences on the public regardless of legality.

By this definition CSR is not something that can be enforced via legislation or regulation from any level of government, as this would entail imparting a legal responsibility on corporations to act in a certain way. A legislative framework compelling corporations to partake in CSR would be akin therefore to strengthening labour laws or introducing levies for infrastructure development. Enforcing CSR in this way would alter it by making it a legal and political relationship between the concerned corporations and the state. In this way CSR necessarily exists outside any strong legislative framework, it relies more on promoting ethical practices rather than enforcing them. It compels corporate entities to operate in good faith in areas that the law does not or cannot apply.

3.2.1 Legal Framework
As far as legal framework ensuring CSR is concerned, there is no binding legal framework that required corporate entities to practice CSR. This essentially means that the law surrounding CSR relates to either
a) Basic Labour laws relating to the wellbeing of employees or

b) Procedural guidelines that promote the inclusion of CSR in decision making, or

c) Codes and regulations that allows for CSR, if practiced, to be monitored.

Governments cannot impose CSR as the practice is totally voluntary and encourages and supports businesses to participate in community development programs for their goodwill and brand. By providing a clear legal framework around CSR, companies can engage with it with a greater degree of certainty. There is likewise the need for recipients of CSR to be protected from bad practice by making sure that money spent in any area is properly monitored, something which the Pakistani government has taken steps to do.

Overall situation on legal framework is that there are a limited number of laws that relate to CSR in Pakistan, the bulk of which are provided by the Securities and the Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan, also there are some Pakistani Labour laws and constitutional provisions that can be interpreted as legislative underpinnings of CSR. Though there is no specific law that governs the CSR in Pakistan, there is a wide variety of laws that in one or the other way lead to CSR. These include;

1. Corporate Laws
2. Environmental Laws
3. Labour Laws
3.2.2 Constitutional Provisions

The Constitution of Pakistan\(^{11}\) provides in part II: Fundamental Rights and Principles of Policy: that firstly all forms of slavery, forced labour and child labour should be abolished.

Article 11(3) expressly prohibits the employment of children below the age of fourteen years in any factory, mine or other hazardous employment. Article 37(e) makes provision for securing just and humane conditions of work, ensuring that children and woman are not employed in vocations unsuited for their age or sex, and for maternity benefits for woman in employment.

Finally Article 38 obliges the Pakistani State to secure the well being of people, irrespective of sex, cast, creed or race with the aim of achieving equality.

These constitutional articles echo concepts core to CSR in that they relate to the social welfare of the broader community by protecting the rights of children and woman who, typically speaking, are more vulnerable to exploitation while in employment. They are limited in that they prohibit employers from acting in a certain way, while they do not go further to require businesses actively promote welfare by investing in the communities they work in.

3.2.3 Labour Laws

The Factories Act, 1934 similarly limits the extent to which workers can work. It provides that no adult employee, defined

\(^{11}\) Constitution of the Islamic Republic of Pakistan
as worker who is of 18 years of age or older, can be required or permitted to work in any establishment in excess of nine hours a day and 48 hours a week. Likewise no person under the age of 18, can be required or permitted to work in excess of seven hours and 42 hours a week. This applies to work in industrial labour with employment of 10 or more workers. Furthermore it also empowers provincial governments to extend provisions in the act to five workers.

These laws are limited in scope and can only be applied to factory workers and their working hours. They, like the constitutional provisions mentioned do not enforce any broader notion of CSR beyond the immediate Labour conditions of employees. The existing labour laws do not cover CSR, yet in these laws workers’ welfare aspects are ensure.

3.2.4 Corporate Code of Governance\textsuperscript{12}

Published on March 28, 2002 by the SECP, the Corporate Code of Governance provides that information on significant issues shall be provided for the consideration of the respective boards of directors for decisions to be made. This code seeks to formalize a process whereby the Board of Directors of listed companies are, at least procedurally, required to take a range social factors into account in their decision making.

Issues of significance can include: accidents, dangerous occurrences and instances of pollution and environmental problems related to the listed company. It also calls for company awareness of any public or product liability claims

\textsuperscript{12} Securities and Exchange Commission of Pakistan, Corporate Code of Governance
that could be made against the business, including any adverse judgement or order made against the conduct of the listed company or on any other company that may bear negatively on the listed company.

It also requires Boards to Directors to recognise labour relations and disputes while also considering a variety of solutions to the issues. It asks that any existing Labour Union or Collective Bargaining Agent (CBA) and any character of detriment of the listed company to be considered.

The SECP also sets out a Corporate and financial reporting framework for director’s reports to shareholders. These required directors of listed companies to include statements under section 236 of the Companies Ordinance, 1984 whereby: ‘Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations, shall be outlined along with the future prospects, risks and uncertainties surrounding the listed companies.’

The intent of the SECP code of conduct is purely procedural that requires certain social considerations to at least be considered during the corporate decision-making process. While it stops short of requiring action, this code is in line with the nature of CSR being a voluntary endeavour of businesses.

3.2.5 Prudential Regulations
Under the State Bank of Pakistan, a number of prudential regulations have been introduced on the 31st of January 2009. These relate to corporate banking and how CSR is to be taken into account respectively. They are directed at the boards of directors and managers.
Under the regulations, the board shall approve and monitor the objectives, strategies and overall business plans of the institution and shall oversee that the affairs of the institution are carried out prudently within the framework of existing laws and regulations and high business ethics.

Under Regulation 3, which pertains to the contributions and donations made for charitable, social, such as educational and public welfare purposes; banks/ Development Finance Institution (DFIs) shall strictly observe the following needs in the manner of making any donation / contributions for charitable, social, educational or public welfare purposes:

(i) The total donations/ contributions made by the banks/ DFIs during the year shall not exceed such amount as approved by their Board of Directors. It is expected that bank/ DFIs making these donations/contributions would have already met provisioning and capital adequacy requirements.

(ii) The bank/DFIs shall develop policy/ guidelines duly approved by the Board of Directors for making donations/ contributions.

(iii) Banks/DFIs are further directed to expressly disclose in their annual audit financial statements the total donations / contributions made during the year along with names of donors, to whom total donations/ contributions during the year were made in excess of Rs. 100,000/. In the case of donations where in any director or
his family members have any interest, the name of such directors, their interest in the donation and the names and addresses of all donators, shall also be given.

This form of regulation is aimed at monitoring acts of CSR, most likely for the sake of preventing corruption on the part of donors. Similar guidelines are presented in the SECP’s ‘Companies (Corporate Social Responsibility) General Order 2009. This stipulates, under section 2 that ‘Every company shall provide descriptive as well as monetary disclosures of the Corporate Social Responsibility activities undertaken by it during each financial year. It makes it the responsibility of the Board of Directors to include in their annual audit reports the disclosure of acts of CSR. These include, but are not limited to:

(i) Corporate philanthropy
(ii) Energy conservation
(iii) Environmental protection measures
(iv) Community investment and welfare schemes
(v) Consumer protection measures
(vi) Welfare spending for under-privileged classes
(vii) Industrial relations
(viii) Employment of special persons
(ix) Occupational safety and health
(x) Business ethics and anti-corruption measures
(xi) National-cause donations
(xii) Contribution to national exchequer
(xiii) Rural development programs.
This order is limited as it only provides a monitoring mechanism but it is useful and gives us a broad legal definition of what CSR is and by doing so it further promotes clarity on the matter for the corporations involved.

3.3 Voluntary Codes of Conduct

Businesses are developed with a profit motive. Many say it is good for a business itself to achieve sustainability through means of sharing social responsibility. Entrepreneurs and corporations invest only in ventures potentially profitable. Business in the country are gradually getting aware of the fact that they need to participate not in the awareness raising movements but in the hard core developmental issues. It is easy for the business to deliver a public service message attached to their advertisement campaigns. Few of the corporations have developed a voluntary code of conduct.

Some professional associations related to ‘trade and traits’ have adopted voluntary codes of conduct, which are advisory in nature. Pakistan Agriculture and Dairy Farming Association has prescribed aims and objectives which are related to development of the sector. The Ministry of Information Technology has issued an advisory to the regulator and the industry on environment standards and safety instructions. A majority of the industries in the country such as sugar industry, manufacturing industry, transportation industry and many others still haven’t considered developing such kinds of voluntary Codes of Conduct.
3.4 Multi-stakeholders Initiatives and Active Organizations promoting CSR

Some national and international organizations in Pakistan are working to promote CSR and its benefits for businesses and consumers. The concept of CSR is in its initial stages in Pakistan and for the time being it hasn’t reached certain maturity level where not only the corporation bosses but the general public get conscious of their duties towards the shared responsibilities. With the passage of time and stability in economic indicators, CSR will take roots in the country. At slow pace but with consistency, CSR is spreading as more and more organizations have started CSR related activities and awareness about CSR has also reportedly been increasing during last decade.

The leading players in the field from the government and non-government sectors are enlisted below:

- Ministry of Commerce
- State Bank of Pakistan (SBP)
- Securities and Exchange Commission of Pakistan (SECP)
- Chambers of Commerce and Industry, Pakistan (CCIP)
- Ministry of Information Technology
- Oxfam (NOVIB)
- Global initiative reporting (GRI)
- Pakistan Compliance Initiative (PCI)
- Pakistan Centre for Philanthropy (PCP)
- International Labor Organizations (ILO)
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- Responsible Business Initiative (RBI)
- United Nations Development Programme (UNDP)
- United Nations Industrial Development Organization (UNIDO)
- Institute of Chartered Accountants of Pakistan (ICAP)
- Institute of Cost and Management Accountants of Pakistan (ICMAP)
- National Commission for Human Development (NCHD)
- Global compact Foundation Pakistan (GCFP)

These organizations are working to enhance the scope for CSR in Pakistan in their areas of specialization. SECP, SBP and Ministry of Commerce are working to draw the rules, laws, regulations and code of conducts. Chamber of Commerce and Industry has its unique role to provide a bridge between international demands and standards and existing realities and shortfalls in terms of implementing CSR in local industries. There are organizations such as OXFAM, RBI, and UNDP that are facilitating research on CSR and its further dissemination. ILO is to monitor labor related issued and GCFP is to sign compacts. There are others such as NPO, and NCP that are working in the field of environment. All four components of the CSR seem pretty covered by one or more of these organizations.
Supply Chain Analysis

Globalization has been instrumental in changing trade and business trends and environment and in reshaping the trade relations, techniques of doing successful businesses in a global environment. Now meaning of successful businesses in the context of perceptions of various stakeholders ranging from consumers to policy makers, nature of production processes and cost structures are dramatically changing. Realization is fast growing among businesses to adopt new business growth concepts including corporate social responsibility and its dynamics on supply chains of businesses.

Value Chain Analysis (VCA) is a vital connection between explaining CSR and the effect of stakeholders’ perceptions and demands on overall success of business. VCA or more accurately ‘global’ VCA is about better positioning of a firm or sector within the context of global markets. In relation

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13 A corporate Social Responsibility (CSR) Diagnosis Module for Application in Value Chain Analysis (VCA), Foreign Investment Advisory Services 2006
to CSR, it can relate to attempts by businesses to correct inadequacies of the localities that the companies are operating in, and utilizing such initiatives in sustaining a global competitive advantage. Stakeholders’ actions, such as enforcing CSR codes and standards are actions that will directly affect various dimensions of value chain of any business, thus making VCA an integral part in understanding CSR effects in any industry.

The impact on value chain in Pakistan is less significant than in a developed country. A major factor that causes CSR to significantly affect supply chains is the stakeholders’ insistence on sustainable practices that resultanty influence the supply chain of the concerned business, and this drive is less prevalent in Pakistan due to less maturity in the understanding of global business impacts and sustainable practices.

This phenomenon is what the VCA of the specific industry chosen in the context of this study aims to address. Dairy industry is an important sector of Pakistan’s economy, accounting for a significant proportion of the total contribution. Livestock as a whole accounts for 52.2% of agricultural output and some 10% of the country’s GDP, whereas milk production in Pakistan (4th largest milk producer of the world) is higher than the combined output of wheat, maize, rice and sugarcane\(^\text{14}\). The size and contribution of this industry, especially in the context of Pakistan being a primarily agricultural economy makes milk production a representative sample for investigating the effects of CSR on Value Chain.

\(^{14}\) Dairy Sector Report, Livestock and Dairy Development Board, n.d
Analysis. Furthermore, the processes of milk production are such that they can be comfortably modeled upon the VCA to relate to effects of CSR and the drivers of CSR. Hence milk procurement qualifies as a suitable sample for investigation, and thus this study has utilized this sample to gain further idea of CSR in Pakistan.

The category of milk considered here is the UHT packaged milk. Following process explains the value chain of milk production.

4.1 The Value Chain

The inception point of the process is the farmer, who takes his share of milk produced to the village collection center, from where the milk goes to the milk chilling centre (can be owned by the farmer also). The collected milk goes to the central milk collection center and then to the factory. Here it is tested through multi-stage process for quality and safety. The quality control process starts right from the village milk center (VMC), followed by several tests at the main collection center.
center for approval of entry into the factory. At the factory it is processed for UHT and then sent for packaging. The final packaged milk is sent to the distributors /wholesalers and reaches the retailer. The following figure illustrates the supply chain of the milk production process.

For the purpose of the study, the value chain of milk procurement broadly can be categorized into three simplified parts: the supply side, the internal company operations and the demand side. The supply side consists of the first stage of milk production, from where untreated milk is obtained as primary input, to be later processed into a saleable commodity. In Pakistan, this stage includes

- Rural market oriented smallholdings (small units having access to milk markets, fewer than six animals)
- Rural commercial farms (larger specialized farms with over 40 animals and other facilities)
- Peri urban/urban commercial dairy farms (large holdings hosting up to 300,000 producing animals, comfortable access to market and enjoying high demand)

The next stage constitutes the internal processes of the firm. This is where the milk is processed for different products such as UHT packaged milk, margarine, butter and powdered milk. The final part of the chain is the demand side. This part consists of all the entities after the manufacturing is done, from the producer to the wholesaler/distributor and finally the retailer. In making the CSR oriented value chain analysis
for our sample industry (in describing the dynamics of CSR in each of these three different stages and the effect of the presence of CSR on the same), we will evaluate each of the three stages on the basis of three key indicators/drivers, which are:

- Law and CSR code of conduct
- Voluntary code of conduct developed by the industry
- Voluntary CSR initiatives

The evaluation in this case shall primarily include simple business value chain with one in which CSR is included by means of each of the above enforcers.

4.2 The Supply Side

Let us consider the primary stakeholder here: the farmer. The farmer provides the business with its primary input. The basic cost to the firm therefore is the price per unit paid to the farmer for the milk he provides. However, the underlined effects of the business operations follow a diverse range. Small-scale dairy farmer and his family conducts various functions ranging from fodder cutting to milking the animal, which usually involves all his family members especially, children and women.

The farmer cannot work to build his skill or invest time in other projects that may yield him a higher standard of living because his time is dedicated to earn livelihood for his family. To raise the standard of living of these communities and to invest in their sustainability is a principle responsibility of a business that is extracting profit out of these resources. If that responsibility has to be met, then the costs of all of the
above (and many other such effects) must be included as part of the value chain of the business, and this will reflect the true cost of the business as far as its supply side is concerned.

In Pakistan, supply side of the dairy industry is not influential in determining the CSR because they are segregated, uneducated, little share in the supply chain and are not organized. The dairy industry is showing considerable signs of awareness about these responsibilities. Nestle Pakistan, the largest milk manufacturer, has resolved to contribute to multi-tier rural development of its input areas. Farmers unable to access market for their milk are provided collection services from their localities. Education and health facilities have been developed in many such rural areas. Capacity building initiatives have been undertaken for both local women and farmers as part of an attempt to raise their income and abilities to a sustainable level. However, it must be kept in mind that not all practices are purely related to CSR. For example, collecting milk from farmers from the locality may be of benefit to the farmer who is unable to sell his milk otherwise, but is also part of the core production of the firm, as it is in the firm’s interest to collect milk from every potential point as a means of greater reach towards its primary input. Such steps, more commonly referred to as ‘blanket CSR’, are not solely CSR projects, though CSR benefits may occur as the ‘spillover effects’.

It is also worth noting that all of the above CSR initiatives are part of voluntary CSR, one that is not guided by any uniform code or government established law, such as agriculture code of ethics, and international guidelines of S A 8000. Any company in dairy business wishing to enter global market must conform to such international guidelines,
and thus CSR and sustainability laws in some cases become mandatory for entry of local firms in global market, and a means of competitive advantage for global businesses. To meet these guidelines is a bid to internalize certain costs that the business is inflicting upon the society, hence making them a part of the value chain.

4.3 The Core Processes

The Core processes relate to the positive and negative externalities generated by the operations of the firm, or more specifically of the manufacturing plant. The most significant among them are the environmental harms associated with daily production. The emissions of harmful gases are serious damages to the ambient air quality, while the waste sludge renders rivers unfit for domestic or agricultural use. Obviously, such damages incur high costs to the society in terms of the depletion of its critical resources. However, the point worth noting is that the external harms of daily business processes eventually culminate in creating internal costs to the firms themselves, hence automatically becoming part of their value chains as liabilities to the business. Environmental depletion provides a concrete example here. If any pollution from packaging of the milk results in environmental degradation or changes that in turn affect that land’s vegetation and primary diet of the buffalo is affected, this would in turn cause harm to the buffalo hence the primary input of that very firm is negatively affected, causing discrepancies in supply chain of milk manufacturer.

Environmental CSR programs launched by milk manufacturers may be worth noting, such as the setting up of a water filtration plant by Nestle Pakistan at a district
hospital, yet this may certainly be irrelevant to the need for averting the true costs of environmental damage that both the business and the society will face in due course of the business’s operations. In short, the CSR program in our example failed to correct the value chain for the incurred costs, since the CSR program was directed at an appreciable yet less relevant expenditure. A more relevant expenditure in this case might be to invest in technological research aimed at decreasing the environmental harms of the core manufacturing processes, such as innovations aimed at treating waste water and making available to the local community for agricultural use, or developing schemes of countrywide recycling of the used milk packing to ensure lesser future natural resource extraction.

Such practices will directly affect the value chain of the business, both in terms of temporary increased costs and extended future benefits with regards to a sustainable environment. In the case of CSR directed by law, certain protocols in manufacturing processes have been set, primarily with regards to environmental regulations. These include the regulations set by Pakistan Environmental Protection Agency (PEPA), under the environmental protection act of 1997. Meeting any emission standards by these businesses may classify as adhering to an established set of CSR codes. Yet, it is difficult to locate examples of voluntary self-imposing codes designed by businesses themselves. Such voluntary codes are different from a defined CSR policy, which almost every large business in the corporate sector and in the dairy industry of Pakistan has developed. This specific part of the value chain has the most influential effect on the CSR models in dairy and sugar industries in Pakistan.
There are no binding laws introduced by the government to inculcate the CSR in corporation functions. Whatever activities small or large corporations are performing under the head of CSR are voluntary in nature. Supply and demand both of the sides are not aware of the rights under which they may force corporations to develop their CSR models in consultations with them. Multinational companies are the real drivers of the CSR in Pakistan. These are largely originated in developed world where civil society is strong enough to compel them with certain type of legal and moral codes of conduct. Global standards are another factor compelling the organizations to develop comprehensive CSR models if they wish to be part of the global value chain. Multinational companies for their own set business goals develop and implement CSR models in the developing countries. To remain in the competition local companies in the same industry develop their CSR models. There are organizations in dairy and sugar industries that have designed and implemented impressive CSR model. For instances the CSR models of the JDW group and the Shakarganj group are worth mentioning.

4.4 The Demand Side
The demand side is perhaps the most significant driver of CSR in socially aware societies and in the developed economies, whereby standards of social acceptability have changed from delivering the best product quality to being socially responsible and environment friendly. Consumers' preferences largely dictate business successes. To be successful thus, a business has to prove to be socially useful along with delivering the best quality. This inevitably makes CSR a part of the value chain of any business, that is, being less socially
productive or carrying a reputation of causing environmental harm will result in lower sales and hence withdrawals from the value chain. In the dairy industry of the developed world, this phenomenon reigns dominant.

The debate over packaged milk causes intense analysis of the costs and benefits. For example, conventional fresh milk is under criticism for its uncontrolled levels of greenhouse gas emissions, while packaged milk is preferred for being lesser harmful. Similarly, packaged milk is under scrutiny for energy releases from its process of emission and the use of plastic and other non recyclable material in the packaging.

The milk industry of Pakistan in this case enjoys the relative immunity that characterizes the dilemma of almost all of the industries of the country: lack of consumer awareness. The masses are not aware of or they are not educated in the first place to question violation of the consumer laws and the demonstration of socially harmful behavior by firms, and this gives the firms the leverage to do away with severe violations of the principles of product integrity. A prime example is of dairy products that ought to be called back following expiration, yet are surfacing on the shelves available for sale, months later on small scale local grocery stores. The value chain that ought to be affected by consumer awareness manifesting itself in decreased demand for a product is thus unaffected, primarily because such violation of sustainable practices are not noticed by the developing country consumers, and do not result in any decreased demand for such a product by these consumers. Finally, lack of options available to consumers in a developing economy mean they would be less willing to decide upon sustainability than on price and quality.
The concept of internalizing social costs and reevaluating Value Chains in the context of Corporate Social Responsibility needs is clearly distinct from CSR initiatives aimed at simply benefiting a community or indulging in Philanthropy. One may analogize it to the difference between whole hearted transformational attempts and ‘random acts of kindesses, with the former being VC oriented CSR and the latter being simply philanthropy. According to Michael E. Porter, this is exactly the difference between Creating Shared Value (CSV) and Corporate Social Responsibility (CSR). In his recent work titled How to fix capitalism through Shared Value, Porter argues that “Societal needs, not just conventional economic needs, markets, and social harms can create internal costs for firms”. In other words, the concept of internalizing the need for CSR into the Value Chain Analysis means creating shared value.

The connection between competitive advantage and social issues is a vital link here. The businesses attempting to enter the global markets must conform to global sustainability standards. If these standards are made comprehensive and universally acceptable, then codes and laws will inevitably result in the creation of shared value by default. However, such a process requires businesses time to adopt techniques and technologies that in the near future will enable them to conform to a global comprehensive shared value code. In this scenario however, local businesses of the developing countries will be at a disadvantage, because it will be long before they can adapt to global standards and become part of the global market.
Finally, businesses in Pakistan are at a loose end, as they suffer relaxation at the hands of most of the stakeholders of the Value chain, from suppliers to unaware consumers, to absence of effective regulation. Hence the business operation in Pakistan is enjoys relative immunity due to lack of activism on part of the players of both the demand and supply sides. No wonder that most of CSR programs carried out are in fact disconnected with the Value chain, and merit to ‘random acts of kindnesses’ rather than concrete measures. It logically follows that the resulting proportion of gross revenue allotted to CSR programs in developing countries is significantly lesser than those in developed countries, with the former accruing to an average of 0.6 to 1 percent, and the latter amounting to as high as 4 percent.
Measuring State of CSR in Pakistan

Pillars of CSR as introduced by the RBI are used here as parameters to measure the state of CSR in Pakistan focusing on the supply chain perspective. CSR models of the companies are being analyzed against these pillars. Ten pillars of the corporate social responsibility are Corporate Governance, Business and Ethical Principles, Environmental Compliance, Social Compliance, Product Integrity, Disclosure and Reporting, Giving and Community Investment, Finance performance, Stake holder Involvement, and the Supply chain security. Corporation bosses and other stake holders were being asked the question in direct interviews regarding the following compliances. Karachi Stock Exchange has chosen Nestle for its CSR and financial efficiency award. Pakistan center of philanthropy surveys the organization and award them on the best performance basis. Nestle is winning the award for past 3 years continuously.
5.1 Corporate Governance  
Corporate governance means the system to control and direct the organization. It is to ensure the working relationship between all the stakeholders of the business. It is ranked high above all the CSR pillars. Most of the companies are following the corporate governance model per rules of the SECP, they have the board of directors, management committees, and managing directors are complimentary who enforces the compliance and then auditors internal and external. These organizations follow all the regulations imposed by the government of Pakistan not only in order to ensure the smooth running of their businesses but also to meet their corporation social responsibilities.

Multinational organizations have designed and implemented better corporate governance structures than their local counterparts. Local Corporations also have the corporate governance structures largely comprised upon family members who are also the shareholders.

The same commitment to the highest standards of integrity and transparency that has shaped Engro’s governance framework and processes form the bases of the governing system of Engro Foundation. Engro Foundation is governed by a Board of Trustee, which consists of five members. The Board meets at least twice a year.

5.2 Business and Ethical Principles  
Without the shadow of doubt the primary motive of the businesses is profit. Organizations should not produce things harmful for the society, in organization a culture of transparency, abiding by the laws and more than that a binding ethical code should also remain in consideration.
during all stages and process in a business. The government has laid dawn food related laws at the federal and provincial level. Business in Pakistan is aware of the demands in the international market, a business manager says, “World is shrinking now a days and milk is same in every corner of the world what more we can offer to the world is implication of the international standards of quality to sell our product in the international market and to achieve the world competitiveness and the government can’t make laws on each and every thing in that case we simply need to follow the general ethical codes.” Most of the interviewees responded with similar answers.

There are no codes defined by the industries in this sphere but with awareness raising campaigns and in the training programs they keep on educating their employees about the ethical principles and their importance in the industry. For instance “EnVISION” (Engro volunteers in service Of the Nation) is the company-wide initiative to support employees voluntary activities. Through “EnVISION”, Engro Foundation provides a platform for all Engro employees to positively impact the communities around them. Same kind of initiative has been taken by some other organizations too to enhance morality and sympathy towards humanity.

5.3 Environmental Compliance

Environmental impact analysis is conducted by the government each year through an independent agency. Organizations are bound to follow the environmental compliance. Business with an aim to enter the global supply chain and those concerned with the reputation keep strict eye on pollutant emissions. Nestle has water treatment plant
at each and every facility/factory in the country. Nestle claims to have zero level of environmental pollution through its carbon control mechanism and energy compliance. Large business in Pakistan like Nestle, JDW, Shakar GanJ, financial sector, and health sector is continually spending in research to support the environment and to raise awareness internally and externally.

A business manger says, “Buyers do not ask us to be compliant but they seek that we are meeting the basic standards, we are clean environmentally concerned, and we consider the society equally important as our business.” Noor Pur Limited which is primarily involved in the dairy and sugar business and few other organizations are in the process of getting the ISO 14000 standards implemented. GDW group is working to secure ‘environment for all’. They have initiated a program of rural sanitation. They have mobilized the community to create awareness regarding environment among them. More than 80 villages in Lodhran are provided with underground sanitation. The program was reportedly well received in the region and it was represented as a model at the South Asia summit of Rural Sanitation that appreciated the program. A sum of Rs 15.43 millions was allocated for this project. Water filtrations plants, playgrounds for the children and many other programs for better environment are on their agenda.

There are rules that bind transport industry not to allow smoke emitting vehicles to ply on roads. At various industries, there is limited facility for treatment of contaminated water and other waste material for its onward disposal in a safer way to protect environment from Pollution. Moreover, workers are not very familiar with safe working conditions
in industry where hazardous jobs are done at the cost of their health. In a nutshell we can say that industry is far behind in compliance of environmental standards and procedures.

5.4 Social Compliance

More in developed and lesser number of people in developing world ask businesses to be socially compliant to their corporate responsibility. But no matter wherever a business operates keeping in view its CSR expressing social compliance, it enjoys an elevated status in the society where in it operates. The status increases broader chances of attracting global market which prefer CSR compliant companies to do business with. Food industry especially and many others in general, along with their promotional campaigns create awareness among masses for nutrition value of food. Nestle, Halib Oil Mills, Noor Pur, Lux, and even mobile companies deliver public services messages serving their advertisement purpose on one hand and on the other hand, get a sort of license for being socially compliant.

Organizations such as Nestle and GDW provided funding for schools, hospitals and supported free milk programs for school children and also stood by the nation in the time of disasters. Nestle claims to be among top 25 tax payers of Pakistan although it has zero rating in sales tax but it had paid in the form of income tax. Self respect integrity, equal rights, gender empowerment, and all the concepts for betterment of humanity are being promoted internally and externally in such organizations. It is a general perception among corporate bosses that their business itself is a blessing for society as it provides them employment opportunities,
better income levels and help in eradicating poverty. Business acknowledges that their biggest responsibility towards society is to provide services they are specialized in.

For example, the NP identified provision of food to the growing population as its prime responsibility towards society, but it lacks proper understanding of CSR. There are a few organizations, which come up with a complete model of CSR. JDW and the SG can be considered leaders in sharing social responsibilities. Most of the organizations consider their philanthropic contribution as their sole responsibility as they do not want to design complete CSR models or do not have proper understanding and expertise for the task. Nestle have a global program, signed a package with Unilever Pakistan to promote sustainable agriculture development and to invest in capacity building of general public, as a responsible sourcing model. Globally, Nestle is practicing responsible sourcing and trying to do it in Pakistan as well. It means that the company will purchase raw material from those who practice good norms, and will not purchase raw material from those involved in child labor, under wages and any other malpractices. So the social compliance in increasing in Pakistan rooted multinational companies that have global CSR programs and commitment towards community development.

5.5 Disclosure and Reporting
Reports and audits are a way to ensure transparency. The documentation helps create a competitive environment based on comparisons. As required by the government of Pakistan, SECP and the State Bank of Pakistan publish businesses’ audit reports. Nestle reportedly got published its reports based on
environmental and social audits. There is hardly any other organization that has conducted social audits as apparently many of CEOs of corporations are not aware of the concept of social and environmental audits. With exception of multinational companies, there are only few businesses that have separate departments for CSR designing and implementation. Unfortunately, disclosure is not a priority agenda of any of the industry operating in the country despite the fact that freedom of information law exists at federal level in Pakistan (though it only covers the federal government related business and not the private sector, but yes it provides a moral binding for disclosure). Disclosure and environmental and social audit reporting are the methods through which, CSR implementations can be reflected for the communities and larger audiences.

5.6 Product Integrity

Product integrity among consumers earns companies huge sales and profits thereof. In Pakistan, most of the local industry even do not bother to print nutrition value, expiry dates and basic ingredients in case of food and similar situation is with other manufacturing sector. While they advertise without these basic information, they loose people’s trust as the consumers prefer to buy only those products about whom they know maximum and know of the product’s integrity. In this race, multinationals again win as compared to national industry as they observe maximum information leading to know of the products and its benefits, hence establishing integrity of the product. Providing health tips relating to the products at one hand established the integrity and on the other hand it in a way provides health information to the consumers as part of their CSR effort.
Product integrity performs best, offers good value, and in all respects have ability to satisfy customers’ expectations. It is a legal and moral duty of organizations to ensure product integrity both for profit and non-profit as CSR. It helps business win consumers’ trust that sustains businesses in long run. Dairy Industry in Pakistan, to some extent, meets product integrity criteria though not fully as it lacks on a few other counts regarding product integrity. The sugar industry even do not mention any ingredients on product’s packs and do not advertise any of its products in the market. Most of industries in Pakistan lack product integrity with a few exceptions of services sector and telecommunications, financial, fuel and tobacco industries.

5.7 Corporate Giving and Community Investment

As discussed earlier corporate giving as philanthropy is a significant spending in Pakistan. It is considered important to gain good will in the society. NP, for instance, mentioned that they heavily participate in philanthropic activities in times of natural calamities. Same is the case with Nestle that claims to have contributed at a large scale during recent floods in cash, in kind and food distributions in the affected areas. Almost all the business in Pakistan are involved in this activity. Education and health sectors and the people affected in natural calamities are major beneficiaries of these giving. A number of organizations report investing in communities. JDW group with multi-sector community investments, Shakar Ganj, Engro and Nestle are a few leading companies that are investing in the communities they are doing business with.
5.8 Stakeholder Dialogue

For this study and in the CSR perspective, we have identified five stakeholders for the industry and business. They are: board, employees, customers, buyers and community at large. Developed world duly acknowledge importance of stakeholders and they do conduct dialogue with them from time to time, even sometimes before launch of any products or after launching them. But in case of Pakistan, stakeholders hardly matter to companies as producers, manufacturers and the consumers have no common forum for dialogues. There is a little effort being initiated by JDW group. The group as a purchaser of sugarcane has developed a link with farmers. They collaborate with each other in complete process of growing sugarcane, purchasing and in payment mechanism. They have sort of a dialogue mechanism in place between them.

The JDW group facilitated farmer in many ways including conducting research on how to get better yield of sugarcane and increase production. The group stays close to its suppliers but at the consumer end, there are no such linkages developed because the sugar industry in Pakistan has huge demand and limited supply and the consumers know nothing about sugar producing company. Almost same is the case with Nestle, which is deeply involved with suppliers that include small-scale farmers and dairy farmers. On the other end of the string, there are no linkages between the corporation and the consumers. Financial sector is consumer driven. It keeps on developing products at a very fast pace to satisfy its clients, still it also do not have a dialogue between all its stake-holders.
5.9 Financial Performance
Managers, when asked to provide brief of their companies’ financial performance, responded with simple answers rather than discussing technical aspects and describing about cost saving measures by applying durable energy efficient production process, efficient buying and benefits from waste recycling. Nestle proved to be competitive and has its volume base business with normal profits, ranging from 7 to 8 percent. It has also been chosen by KESC for the best financial performance award. Sugar and dairy industries as our focus of the study have emerged as profitable businesses. There are no financial reports being published by the businesses other than audit reports. This is legal binding for the public listed companies by SECP. But hardly companies share their financial reports for public except for those companies that do trading at the stock exchange.

5.10 Supply Chain Security
To stay in business for a long run, it is important to secure and strengthen supply chain. Firms in dairy and sugar industries have taken steps to develop unbreakable supply chains. Nestle provides technical, financial, and medical support to the dairy farmers doing business with the company. Nestle and other companies are providing credit, technical aid for farmhouse construction, machinery, expert opinion in purchasing animals, animal husbandry services, fodder growing, silage making, storing milk and preparing financial reports. In sugar industry JDW has initiated many programs to enhance the production capacity of the farmers that includes provision of the agriculture credits, expert opinion, machinery, and timely payments. Nestle, Noor Pur, and the companies owning brands such as Olpers and Millac
and all other companies in the dairy sector provide support to their basic suppliers. The companies working in the dairy sector extend benefits to the first level participants of the supply chain.
Good CSR Practices

Despite the fact, that most of the active Corporate Social Responsibility programs are involuntary in nature, there are some businesses in Pakistan which are undertaking CSR programs at their own initiative. Some of the best practices at various companies are listed in this chapter.

6.1 The Jalal Din Wali Group (JDW)

The JDW Group largely owns sugar mills and agriculture farms in Southern Punjab. In order to sustain supply chain and to optimize production, the JDW group has involved local communities in its Corporate Social Responsibility program. The initiative is largely economic in nature and also a number of other programs including health and education. Establishment of schools and drinking water filtration facilities are among a few such initiatives. The Group is also engaged in flood relief activities, where it has provided food, shelter and other daily utilities to the same community. The Group
also runs women’s development program, through community organizations (Cos). The programs provide skill development opportunities to women at vocational training centers in areas, for which seed money has been allocated. Almost similar programs have been replicated by the Group in other areas where the group has its dairy and farming business.

The JDW CSR initiative has enabled a socio-economic program to playing a positive role in sustaining economic development of agriculture region. Trying to make it holistic, the company has taken a holistic approach to the socio-economic development, through the program. The JDW’s CSR model has four main programs around which different tailored program have been designed and implemented. These features are:

- Social mobilization and organization of rural poor into community organizations (COs)
- Provision of agriculture extension services; agriculture graduates employment by JDW Sugar Mills that provide services through direct advice in CO meetings and, publish literature and facilitate farm visits.
- Credit facility from JDW Sugar Mills and NRSP for purchase of seed and other agriculture inputs on guarantee of the COs is provided to the farmers.
- Small farmers have access to farm machinery provided by JDW Sugar Mills on credit at subsidized rates.
JDW has also taken a number of environmental initiatives. For example, the JDW Group converted agriculture land into playground one each for boys and girls in the thickly populated rural area of (Basti Shah Pur) Union Council Jamal Din Wali. It cost Rs. 39.23 million including price of land. The JDW has also established water filtration plants in Lakar Wali and Awami Colony Tehsil Sadiqabad. Both plants are operated and maintained by JDW staff. Periodical water tests are also arranged to maintain quality of water. Yearly expenditure is Rs. 200,000. Furthermore, a pilot project has been initiated that provides Rs. 15.43 million to the Lodhran Pilot Project (LPP) for improvement in sewerage system. Lastly, in light of a growing fuel crisis, NRSP with financial support from Jamal Din Wali Sugar Mills (JDW-SM), has introduced a technology for producing biogas fuel at the household level. The biogas system is likely to replace the currently unaffordable kerosene oil and cylinder gas option as cooking fuel for the poor rural households. It is also expected that the ‘eco-friendly’ biogas system will, in time, replace the traditional firewood fuel systems that are both damaging to environment and to people’s health.

Other initiatives that have been taken by the JDW group include free eye camps, free limbs camp, and flood relief activities. Along with NRSP, JDW Sugar Mills organized eleven free eye camps. Financial as well as logistical support was provided. These successful eye camps, which focus on providing integrated eye care, have become an ongoing initiative for the poor rural community. Cataract surgery was initially conducted in Al-Shifa Eye Trust, Sukkur. However, the surgery was facilitated in local premises with the passage of time. The practice is likely to continue in future. In
November 2009, NRSP collaborated with the “Naya Qadam Trust” and organized a free prosthetic (artificial limbs) camp for disabled members of the community. The 14-day camp, which was organized at JDW Sugar Mills, ensured that a total of 219 disabled people get 225 prosthetic limbs.

The 2010 Floods caused severe damage in district Rahim Yar Khan. Pakistan’s worst floods in recorded history have claimed more than 1,750 lives and affected 20 million - more than tenth of the population. JDW Group in collaboration with NRSP has set up a Flood Relief Fund (NRSP and JKT). The Management of JDW Group collected Rs. 42.96 million for the fund, out of which Rs. 23.22 million were contributed personally by the top management, Rs. 5 million by JDWSML and remaining Rs. 14.74 million by the general public on the request of the management. This donation was immediately provided food and shelter assistance for the flood affected families and also assisted in reconstruction of 16 schools and 23 mosques.

6.2 The Shakarganj Group

The Shakarganj Sugar Mills is a brand of Shakarganj Foundation, which is undertaking a sizeable ‘Social Action Program’ in the Central Punjab. Through the program the group is trying to improve life of local community surrounding the mills’ premises. This has translated into a good health and education program. Through the Social Action Program, the Shakarganj group has provided schools and Arts and Skill development centers to the local community. Through its education program, the Shakarganj group has adopted 31 local schools, out of which 6 primary and 25 elementary schools are for girls and one elementary school is
for boys. Under the Shakarganj Nutritional Programme, over 5,000 students, teachers and non-teaching staff have been tested for hepatitis B and C. Furthermore, 5,420 have also received blood-group testing and issued blood-group identification cards. There is also a regular program to distribute fruit and milk at school campuses. The Shakarganj group also runs programs on adult literacy and health care for local communities around the premises of Shakarganj Mills.

The Shakarganj Mills Limited obtained the SA-8000 certificate in 2005. The certificate covers procedure for child labor, forced labor, health and safety, freedom of association, discrimination disciplinary practices, and compensation. The Shakarganj group is also running an important program on adoption of environment standards. This program has a component program for ecological balance and plant protection likely to be damaged by industrial waste and carbon emission produced in the sugar manufacturing process. The Shakarganj group is also producing ethanol and using biocomposite as fertilizer in the areas to optimize recycling of industrial waste.

6.3 The Nestle Group

The multinational corporation Nestle runs a ‘Corporate Social Responsibility’ Program with farming communities in Punjab. The Programme is social and financial in nature. The company’s CSR model is based on three key working area; Compliance, Sustainability and Community. According to the company, compliance is respect for law; sustainability is sustenance of farming community’s productivity and community is defined as the farming community. Nestle is
helping local farmers to develop dairy farming which improves profitability of farmers as well as well of the company. This also helps local community to develop socially. Nestle encourages public-private partnerships for active implementation of its CSR program.

Nestle also runs a nutrition program in the areas from where it collects milk. Under the program, 25,000 children are provided milk supplement in schools. In an open-ended interview, conducted during the survey, local dairy farmers of Sargodha enumerated benefits of the help being provided to them by Nestle Corporation. The farmers are given loans and technical facilities for more productive dairy farming. The company has provided loans to the farmers to establish dairy farms and collection points with chillers. Farmers own these business units and repay the loan in easy mode. This improves profitability of farmers and the Nestle Corporation alike. Farmer gets better production and productivity and the corporation gets more raw milk, as a result. However, it is difficult to categorize this program as CSR. By definition, the program is closer to a commercial activity, rather than a CSR activity.

A number of other dairy companies and sugar mills doing business in the adjoining areas (activities analyzed) have similar CSR programs as Nestle did.

6.4 Barclays Bank
Barclays Bank has embarked upon building a comprehensive sustainability program in Pakistan within a few months of its arrival in the country. After starting commercial operations in August 2008, the bank has already committed over PKR 25
million to CSR projects, and PKR 30 million to a global partnership with UNICEF to bring about a positive change. According to Barclays, investing in the community is an important part of the bank’s sustainability strategy. It is believed that the bank’s business will benefit from contributing to the development and sustainability of the communities it operates in. Globally, Barclays has been consistent in implementing and encouraging CSR projects for the past 13 years. It has demonstrated its global support to communities it operates in by investing in projects related to critical socio-economic development sectors such as education, entrepreneurship, financial inclusion and health.

**Sector-wise Companies undertaking CSR or related activities**

Following is a list of companies undertaking CSR or related activities in various sectors of business and economy. From among them, 28 organizations are working in Community Development, 18 in Environmental concerns, 28 in promoting education, 04 in water provision and purification, 25 in health care, 12 in infrastructure development and 21 in disaster relief activities. (Mian Yawar, ‘*Corporate Social Responsibility in Pakistan*’)

**Community Development:**
1. 3M Pakistan (Pvt.) Limited
2. Asia Petroleum Limited (APL)
3. Attock Cement Pakistan Limited (ACPL)
4. Attock Refinery Limited (ARL)
5. BMA Capital Management Limited
6. City Bank
7. BP Pakistan Exploration and Production
8. Dawood Hercules Chemicals
10. Engro Polymer and Chemicals Limited
11. GlaxoSmithKine Pakistan Limited
12. HUBCO
13. Indus Motor Company
14. Merck Private Limited
15. Orix Leasing Pakistan Limited
16. OUP Pakistan
17. Pakistan Cables Limited
18. Pakistan Petroleum Limited
19. Pakistan Tobacco Company (PTC)
20. Shell Pakistan Limited
21. Siemens Pakistan Engineering Company Limited
22. Singer Pakistan Limited
23. Standard Chartered Bank
24. Telenor Pakistan Private Limited
25. Unilever Pakistan Limited
26. Lakson Tobacco Company
27. JDW Group
28. Shakarganj Foundation

Environment
1. Attock Refinery Limited
2. Cadbury Pakistan Limited
3. Citibank
4. Dawood Hercules Chemicals Limited
5. Engro Polymer and Chemical Pakistan Limited
6. HSBC
7. ICI Pakistan Limited
8. Indus Motor Company
9. Lakson Tobacco Company (PTC)
11. Pakistan Mobile Communication Limited (Mobilink)
12. Pakistan PTA Limited
13. Pakistan Tobacco Company (PTC)
14. Rafhan Maize Products Company Limited
15. Shell Pakistan Limited
16. Tetra Pak
17. JDW Group
18. Shakarganj Foundation
10. Merck Pvt Limited

Companies conducting Programs relating to Education
1. Abbot Laboratories
2. Asia Petroleum Limited (APL)
3. Attock Refinery Limited
4. Barrett Hodgson Pakistan (Pvt.) Limited
5. BMA Capital Management Limited
6. BP Pakistan Exploration and production
7. Clariant Pakistan Limited
8. Continental Biscuits (Pvt.) Limited
9. Engro Vopak Terminal
10. Engro Chemical Pakistan Limited (ECPL)
11. Fauji Oil Terminal and Distribution Company Limited (FOTCO)
12. GlaxoSmithKline Pakistan Limited
<table>
<thead>
<tr>
<th>No.</th>
<th>Company Name</th>
</tr>
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<tbody>
<tr>
<td>13.</td>
<td>HSBC</td>
</tr>
<tr>
<td>14.</td>
<td>IBM Pakistan</td>
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<td>15.</td>
<td>Indus Motor Company</td>
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<td>16.</td>
<td>OUP Pakistan</td>
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<td>17.</td>
<td>Pakistan Tobacco Company (PTC)</td>
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<tr>
<td>18.</td>
<td>Pakistan PTA Limited</td>
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<td>19.</td>
<td>Pakistan Mobile Communication Limited (Mobilink)</td>
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<td>20.</td>
<td>Procter and Gamble Pakistan Pvt. Limited</td>
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<tr>
<td>21.</td>
<td>Roche Pakistan Limited</td>
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<td>22.</td>
<td>Shell Pakistan Limited</td>
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<tr>
<td>23.</td>
<td>Standard Chartered Bank</td>
</tr>
<tr>
<td>24.</td>
<td>Telenor Pakistan Private Limited</td>
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<tr>
<td>25.</td>
<td>The HUB power company (HUBCO)</td>
</tr>
<tr>
<td>26.</td>
<td>United Bank Limited (UBL)</td>
</tr>
<tr>
<td>27.</td>
<td>JDW Group</td>
</tr>
<tr>
<td>28.</td>
<td>Shakarganj Foundation</td>
</tr>
</tbody>
</table>

**Health Care**

1. Attock Cement Pakistan Limited
2. Attock Refinery Limited
3. Cadbury Pakistan Limited
4. Dawood Hercules Chemicals Limited
5. DuPont Pakistan
6. Engro Chemical Pakistan Limited
7. GlaxoSmithKline Pakistan Limited
8. ICI Pakistan Limited
9. Lakson Tobacco Company (LTC)
10. Pakistan Tobacco Company (PTC)
11. Pakistan Cables Limited
12. Pakistan Mobile Communication Limited (Mobilink)
13. Pakistan Petroleum Limited (PPL)
14. Pakistan Refinery Limited
15. Procter and Gamble Pakistan Pvt. Limited
16. Rousch Pakistan Power Limited
17. Shell Pakistan Limited
18. Siemens Pakistan Engineering Company
19. Singer Pakistan Limited
20. Standard Chartered Bank
21. Telenor Pakistan Private Limited
22. The Hub Power Company (HUBCO)
23. Unilever Pakistan Limited
24. United Bank Limited (UBL)
25. Shakarganj Foundation

**Water provision and Purification**

1. Attock Refinery Limited
2. Cadbury Pakistan Limited
3. Clariant Pakistan Limited
4. Dawood Hercules Chemicals Limited
5. ICI Pakistan Limited
6. Lakson Tobacco Company (PTC)
7. Nestle Pakistan Limited
8. Pakistan Petroleum Limited
9. Pakistan Tobacco Company (PTC)
10. Proctoe & Gamble Pakistan Limited
11. Unilever Pakistan Limited
Infrastructure and Development
1. Engro Vopak Terminal
2. ICI Pakistan Limited
3. Orix Leasing Pakistan Limited
4. Pakistan Mobile Communication Limited (Mobilink)
5. Pakistan Oil Fields Limited
6. JDW Group
7. Pakistan Refinery Limited
8. Rafhan Maize Products Company Limited
9. Rousch (Pakistan) Power Limited
10. Shell Pakistan Limited
11. Unilever Pakistan
12. United Bank Limited (UBL)

Disaster Relief
1. Abbot Laboratories
2. BMA Capital Management Limited
3. BP Pakistan Exploration and Production
4. Cadbury Pakistan Limited
5. Dawood Hercules Chemicals Limited
6. Engro Chemicals Pakistan Limited
7. GlaxoSmithKline Pakistan
8. HSBC
9. IBM Pakistan
10. ICI Pakistan Limited
11. Indus Motor Company
12. Merck Pvt. Limited
13. Pakistan Mobiles Communications Limited (Mobilink)
14. Pakistan Petroleum Limited (PPL)
15. Pakistan PTA Limited
16. Pakistan Tobacco Company
17. Proctor & Gamble Pakistan (Pvt.) Limited
18. Roche Pakistan Limited
19. Sanofi-Aventis
20. Shell Pakistan Limited
21. Siemens Pakistan Engineering Company
Designing a New CSR Program

*For any new program to be meaningful and good in extension, rural households should be the prime target recipients of CSR program benefits. The CSR program should be prepared to target households that lost value and to set social development precedence over commercial development. In the absence of a thoroughly conducted census, it is very difficult to identify affected households. However, with a proper approach, the desired households can be identified. The best approach of targeting households could be the gender based approach. If after a study, the selection criteria for the implementation of the gender based approach is developed, there are good chances that implementation through this approach will rid the CSR program of any hidden commercial activity in the garb of the CSR, like providing loans to the dairy farmers by the milk packing industry. The CSR activity linked to the women folk of the same community, towards which any corporation has a social
responsibility, would lessen the chances of the program being molded into a commercial activity. This would be in benefit of the corporation, in the end.

- Any program evolved for those rural workers, who are an integral part of any rural-agro supply chain should have a well-defined time-frame, adoptable with the delivery of tangibles linked to an accepted standard, like Millennium Development Goals’ benchmarking, and quantum of delivery should be measured against the commercial benefit of the organization, during the timeframe.

- All those good CSR practices, which are already being adopted by the industry, should further be improved upon after their replication, elseware. There should be clear performance criteria attached to the deliverables.

- Before replicating any CSR program, a broader dialogue should be arranged among all the stakeholders, to define criteria and form rules for implementation after sharing responsibility. If CSR is a right, rather than charity, there should be a legal binding under the given constitutional provisions of the country for their delivery. Obviously, Public institutional arrangement has to be there, for its dispensation.
Training ‘Community Organizations’ can also play a major part in negotiating and implementing CSR programs. Training local communities can start by ‘training the trainers,’ who can then further impart skills and knowledge to the communities. Tools of New medium like videos and documentaries can be used to share good practices among different COs. Internet and Web can be used to create a portal of knowledge, after the production of initial videos. Similarly, health and education programs can also have their video tools, which can become a regular part of the toolkit. If required, a regular institutional training setup can be established at a centralized location.

For possible replication CSR program being run by the JDW group (owned by Jahanghir Tareen and family) is a better model. This group is engaged in corporate farming and is doing crop replacement in Southern Punjab (cotton with sugarcane). Both these initiatives have major socio-economic impact on local communities. Therefore, probing into new possibilities in their areas can show new ways. The case of Shakarganj Sugar Mills is also important because owners are personally pushing the ‘Social action program.’
7.1 CSR Opportunities in Pakistan

There are endless opportunities for responsible business seeking to build CSR programms in Pakistan. The unequal distribution of wealth and lack of employment opportunities in and outside major urban centers are taking their toll and choking Pakistani cities. Pakistan is the world’s sixth most populous country and more than 70% of its 180 million people live in rural areas. Development of infrastructure and community improvement programs in rural areas could reduce the population pressure on cities, as well as bridge the widening gap between the standards of living of the urban and rural population. For Pakistan to become a productive and progressive nation able to feed itself, development of rural areas is essential. The poor infrastructure and lack of basic amenities of life in remote rural areas is one of the biggest challenges faced by the country.

For the continuity of a self-sustaining and merit based political and judicial system in Pakistan, development of rural areas ought to be a priority. Rural areas account for more than 75% of the registered voters in Pakistan. They could only produce better leadership to represent them at the provincial and federal level if people are able to make informed decisions. Pakistan’s biggest asset is its people and indigenous demand for goods and services. Many multinationals and local companies recognize this, and are investing in expanding their production facilities and operations. Pakistan’s tremendous potential for economic growth could be realized if its people have security and protection of law. This can mean access to education, healthcare, water and sanitation, roads and telecommunications facilities, as well as awareness about individual and collective human rights and duties towards community and country.
7.2 Findings

*Existing Situation*

- Multinational companies are the leaders in CSR implementation, they have specialized departments to design, implement and publish reports on companies’ activities towards social wellbeing of the communities. They have also imported CSR models from developed economies into Pakistan.

- Medium and small scale businesses are largely unaware of the idea of socially responsible behavior in the first place.

- Most of the Industrial groups haven’t designed the code of ethical conducts to bind the units to follow them.

- Major portion of the CSR activities performed by the businesses are voluntary in nature.

- Corporate, Environment, Labor, and consumer laws are governing CSR in Pakistan.

- Few industries have introduced code of conduct and ethical principles. A uniform CSR code or compelling law governing CSR practices does not exist at governmental level.

*The Gaps*

- There is a lack of complete conceptual understanding of the CSR, its framework,
design, and scope in Pakistan’s corporate sector.

- Lack of understanding and willingness among businesses to distinguish between philanthropic CSR and the Creation of shared Value i.e. the relevant CSR that affects the value chain.

- Lack of awareness among general public of basic human rights, citizen rights, and consumer rights hence lack of questioning by the public and mass media over violations of the above rights.

- Only a handful of local organizations have separate CSR departments where comprehensive CSR models are recognized and practiced.

The way forward (What needs to be done)

- Corporate social responsibility has a special role to play in overall growth of economy of Pakistan.

- CSR has potential to create difference in the following spheres of life; Development of the rural areas, community empowerment, health care, education, protection of law, awareness about rights and duties, creating more business opportunities, increasing the financial performance of the businesses, ensuring the transparency parameters, and the development of infrastructure.
In the rural areas CSR can play its role in community empowerment, reducing unemployment, developing poor infrastructure, provision of basic amenities, minimizing the gaps in income distributions, managing the population pressure and helping farmers adopt modern techniques.

In the given sectors there is a need of vibrant role to be played by the CSR to increase the canvas of the social responsibility and to enhance public well being. The sectors where CSR may provide the opportunities for further improvement are special health care, water and sanitation, education, information technology, vocational education, development research, bio gas energy, child protection, and gender empowerment.

There is a need for constructive role of civil society to be played in the following three dimensions:

1. A massive campaign needs to be launched to raise awareness on importance and overall gains of CSR not only for the business, but also for all the stakeholders involved in any of the business.

2. The government needs to make regulations to inculcate CSR in the business activities as a compulsory part. These regulations will not be formulated until the citizens demand their rights.

3. Citizens of the state should form voluntary bodies that may work as pressure groups that encourage positive CSR
initiatives and question the unethical practices by large businesses, in addition to raising awareness.

- All stakeholders meetings/dialogue should be arranged by the businesses, civil society or by the government to develop future strategies and to design the products and businesses as being demanded by all the stakeholders. This initiative may include trade associations, chambers of commerce, labor unions, NGOs, media groups and educational institutions so as to construct mutual appreciation of other’s point of view and can work together to achieve the competitive advantage.

- There is a need to synchronize community needs with CSR initiatives. This must be done at governmental level, i.e. areas and sectors in need of CSR the most should be communicated to and coordinated with any willing actors of CSR.

- CSR requirements of Pakistan must be evaluated and specific solutions should be tailored as required, rather than simply importing solutions from the developed countries.
Annexure

1. Questionnaire for the Business Managers

1. Please specify the value chain in your industry?
2. How do you define corporate social responsibility?
3. What is your model to meet the CSR?
4. Do you think that philanthropy is the only component of the CSR?
5. Are there some legalities, laws and govt. obligations implacable to your industry?
6. Do you think there is need of CSR in Pakistan?
7. Does CSR have a value to corporate and national competitiveness as well as to society at large?
8. What barriers you find in implementation of CSR?
9. Implementation of CSR helps cope WTO how and to what extent?
10. Do your CSR Model is only to follow the government regulations or you have more than that to do?
11. Do you strictly follow the government compliance towards the CSR?
12. How many units within industry are following it?
13. Where do you see your unit stand in terms of compliance?
14. What ethical principals or code of conduct are in your industry?
15. Have your unit or industry carved a self imposing social responsibility code of the conduct if yes please provide a copy of that?
16. What is your strategy for effective implementation of CSR?
17. In your opinion how much general public know about the CSR?
18. Do your buyers insist you to follow the international practices of CSR?
19. Do your retailers ask you to take CSR?
20. Do you consider that by following CSR standards you can approach the Global Value chain?
21. What is your corporate governance model?
22. Do you consider environment compliance?
23. What measures have you taken for capacity building of the stakeholders?
24. What measures have you taken to damage control to the supply chain and to the environment?
25. To what extent you are socially compliance?
26. Can you tell me something of your disclosure and Reporting strategy
27. What is your product integrity?
28. Please elaborate your giving and Community Investment?
29. What is your financial performance?
30. Do government any department/ unit to ensure the CSR practice in Pakistan?
31. In Europe business organizations and their stakeholders are taking collaborative actions for debating and creating CSR policies and strategies to achieve a competitive advantage at a national stage and to move towards the next wave of responsible competitiveness which is innovation, sustainability, and future focus. Are you following the same patron? Please elaborate.
32. What is the social responsibility sharing of your organization for the environmental cause?
33. What are you doing to promote the education?
34. What philanthropy practices you are doing?
35. What are you doing of the pollution created by the manufacturing you are doing?
36. What impact do you think you have on the society?
   - These, including the ISO 14000 standard for environmental management systems,
   - The SA 8000 social accountability standard
37. The Global Reporting Initiative guidelines for sustainability reporting?
38. Have you ever conducted the social auditing, if yes please provide your social report?
39. Please express your support for universal human rights and, particularly, those of employees, the communities?
40. Do you Promote equal opportunity for employees with respect to issues such as color, race, gender, age, ethnicity or religious beliefs?
41. Do you Compensate employees to enable them to meet at least their basic needs and provide the opportunity to improve their skill and capability?
42. Do you provide a safe and healthy workplace; protect human health and the environment?
43. Do you promote fair competition including respect for intellectual and other property rights?
44. Do you Work with governments and communities, in which you do business, to improve the quality of life?
45. Do businesses have a responsibility for raising awareness, building capacities, and affecting change in ways that impact national competitiveness in a globalizing world i.e. in this global world only where perfect competition is the norm. Only competitive firms will remain in the business?
46. Do Pakistani businesses have anything to contribute meaningfully to the global CSR debate and how it influences it?
47. What opinion your organization have of organic farming i.e. you believe it a good thing, promote it or you differ with the idea?
48. What you are doing to keep the supply chain running?
49. What you are doing to promote the conditions/productivity/efficiency of the basic producer in your industry?

50. Is there at all, a role for business in working with policy makers to create an enabling environment for responsible and ethical business to flourish?

51. How serious is government you think in ensuring CSR in Pakistan?

52. Do you promote the application of these principles by those with whom you do business?

**Questionnaire for the the base line participants of the value supply chain:**

a) How you feel that your income has improved by getting involved with this specific company?

b) Have they provided you any training?

c) What do you know of the environment and what benefit people do get from the activity you are involved?

d) Has this business opportunity to do business with the specific company have improved your life standards?

e) Why you are engaged with this company?

f) Do you think the company you are doing business is doing something for the environment, education, infrastructure, trees, or any other social cause they are serving?

g) Do they participate in the Philanthropy?

h) Have they done in response of the natural disasters to help the community if there was any during your business?

i) What benefit your community has got by getting involved with them in business other than financial gain?

**Question to ask from the End Users:**

1. Why do you purchase this specific product?

2. Are they damaging environment?

3. Are they ensuring the sustainability?

4. Are they doing philanthropy?

5. Do you think companies do prioritize customer?

6. What benefit you have of this specific product?
7. Do you ask them to be CSR compliant?
8. Have you participated in any of the activity to force them to perform CSR?
9. Do you think they have some motive other than profit?

2. Questionnaire for the Business Community

1. What do you understand about CSR?
2. Do you have long term plans encapsulating CSR?
   i. Do you have employee benefits schemes?
   ii. Do the benefit schemes cover their family’s health and education?
3. Are you aware of the environmental impacts as a result of your industrial activities on the local community?
   i. Are you aware of the environmental concerns of the public?
   ii. Do you intend to rectify these costs?
   iii. Have you previously engaged in mitigation measures?
   iv. Were the measures in any way enacted due to pressure from environmental groups?
   v. Have you collaborated with other institutions on tackling environmental pollution?
4. What is your perception of CSOs?
   i. Have you channelled out money to CSOs and CBOs before?
5. Are you aware of other organisations that partake in CSR?
   i. Do you have a special relationship with any other organisation pursuing CSR?
   ii. Would you be able to identify welfare or development organisations present in your locality?
   iii. Are you aware what kind of sectors these organisations are involved with?
   iv. Are you aware of the roles and responsibilities of the welfare organisations?
   v. Have you ever been approached by a CSO?
   vi. What resources would be mobilized by a CSO in different sectors?
vii. Have you considered the opportunity of joint venture?

6. If you invest in a community, what would be the overlying goal supporting that action?
   i. What resource would be most preferred by you (cash, books, clothes, food?)
   ii. Have you donated second hand items to local communities before?

7. Have you been approached by local politicians to fund their welfare & development programs?

8. Have you, in the past, funded local philanthropists?

9. Do staff members give out individual donations or they’d rather pool in the resources with others under the organizational umbrella?

10. How much potential is there to expand coverage to sectors such as health, education, etc?

11. Are there any sectors in particular that you fund?
   i. If you have allocated funds to a sector, how much would that be?
   ii. Do you intend to increase the allocated amount?
   iii. Have you funded a sector in the past?
   iv. Are you personally involved in philanthropy?

12. How passionate are you about children’s welfare?
   i. Where do you obtain the money from?
   ii. Who is the first recipient of fund you get from children?
   iii. Through which organisation is this money channeled out?

3. Questionnaire for the Philanthropists

1. What do you understand about CSR?

2. What is your perception of CSOs?
   i. Have you channelled out money to CSOs and CBOs before?

3. Are you aware of any other organisation that partakes in CSR?
   i. Do you have a special relationship with any other organisation pursuing CSR?
ii. Would you be able to identify welfare or development organisations present in your locality?

iii. Are you aware what kind of sectors these organisations are involved with?

iv. Are you aware of the roles and responsibilities of the welfare organisations?

v. Have you ever been approached by a CSO?

vi. What resources would be mobilized by a CSO in different sectors?

vii. Have you considered the opportunity of joint venture?

6. If you invest in a community, what would be the overlying goal supporting that action?

i. What resource would be most preferred by you (cash, books, clothes, food?)

ii. Have you donated second hand items to local communities before?

7. Have you been approached by local politicians to fund their welfare & development programs?

i. Have you, in the past, collaborated with the business community in funding welfare & development programs?

8. Are there any sectors in particular that you fund?

i. If you have allocated funds to a sector, how much would that be?

ii. Do you intend to increase the allocated amount?

iii. Have you funded a sector in the past?

9. How passionate are you about children’s welfare?

i. Where do you obtain the money from?

ii. Who is the first recipient of fund you get from children?

iii. Through which organisation is this money channeled out?

10. Since how long have you been involved in philanthropy?

11. Do you espouse your cause by getting eminent personalities involved?

12. What is greatest amount of funding you have ever made?
4. Questionnaire for Local Government Bodies

1. What do you understand about CSR?

2. What is your perception of CSOs?
   i. Have you channelled out money to CSOs and CBOs before?

3. Are you aware of other organisations that partake in CSR?
   i. Do you have a special relationship with any other organisation pursuing CSR?
   ii. Would you be able to identify welfare or development organisations present in your locality?
   iii. Are you aware what kind of sectors these organisations are involved with?
   iv. Are you aware of the roles and responsibilities of the welfare organisations?
   v. Have you ever been approached by a CSO?
   vi. What resources would be mobilized by a CSO in different sectors?
   vii. Have you considered the opportunity of joint venture?

4. How do you intend to strengthen the collaboration between the business community and the local CSOs?

5. Are you actively following any welfare & development programs?

6. Have you been approached by the local communities to address the environmental pollution?
   i. Have you been approached by local CSOs to check environmental pollution?
   ii. Have you ever pursued certain entities within the business community to check their environmental pollution?
Annexure

CSR Activities of different companies related to Education

<table>
<thead>
<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Education</th>
</tr>
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<tbody>
<tr>
<td>01.</td>
<td>Abbot Laboratories</td>
<td>Provides scholarships and financial assistance to its employees. Sponsors a school at Quaidabad and works through the Abbot Fund and the Clara Abbot Foundation for its CSR activities.</td>
</tr>
<tr>
<td>02.</td>
<td>Asia Petroleum Limited (APL)</td>
<td>Initiated primary education programs in six villages, imparting education to over 250 children. Additionally APL also sponsored technical programs at Pak-German Technical institute, Hub, for the benefit of local youth.</td>
</tr>
<tr>
<td>03.</td>
<td>Attock Refinery Limited</td>
<td>Offers internship, apprenticeship, training programs and study projects to students and fresh graduates and provide support to educational institutions in the company’s vicinity.</td>
</tr>
<tr>
<td>No.</td>
<td>Company Name</td>
<td>Description</td>
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<td>04.</td>
<td>Barrett Hodgson Pakistan (Pvt.) Ltd.</td>
<td>Established the 'Barrett International School' as their first project. This was done in collaboration with the 'Salim Habib Education Foundation' which has been established to promote quality international schools and colleges all over Pakistan. The company acquires 6 acres land in Korangi area of Karachi for setting up this school, which is expected to start from September, 2009. A 10 acre plot has been purchased in education city on super highway in Karachi to establish 'the college of science and technology'. Future plans include implementing such projects in Lahore, Islamabad and other cites.</td>
</tr>
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</table>
| 05. | BMA Capital Management Ltd.                   | Supports the efforts of The Citizen's Foundation, The Human Development Fund (HDF), the helpline trust (a consumer rights advocacy group), the Women's Foundation, LUMS, SZABIST, the Massachusetts Institute of Technology (MIT), and other worthy causes. BMA participated in TCF's Mentorship program, bringing under privileged
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<th>Corporate Conscience - CSR in Pakistan</th>
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<tr>
<td>youth the opportunity to intern at BMA, passing on professional and leadership skills as well as networking opportunities at BMA.</td>
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<td><strong>06. BP Pakistan Exploration and Production</strong></td>
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<tr>
<td>BP also conducts a Road Traffic Safety program.</td>
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<tr>
<td><strong>07. Clariant Pakistan Limited</strong></td>
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<tr>
<td>Has set up the Clariant Scientific Center for in-house product solutions to the Textiles and Leather industry.</td>
</tr>
<tr>
<td>It also provides a complimentary 6-weeks vocational training course to students of engineering universities and textile institute of Pakistan.</td>
</tr>
<tr>
<td><strong>08. Continental Biscuits (Pvt.) Limited</strong></td>
</tr>
<tr>
<td>Provides scholarships to deserving students for higher studies.</td>
</tr>
<tr>
<td><strong>09. Engro Vopak Terminal</strong></td>
</tr>
<tr>
<td>Conducts a scholarship program.</td>
</tr>
<tr>
<td><strong>10. Engro Chemical Pakistan Limited (ECPL)</strong></td>
</tr>
<tr>
<td>Invest a significant amount of funds in its education related projects including Sahara Community School, Katcha Schools Program, Government Schools, Adopting Program, Teaching and Resources Centre, Sahara Arts and Craft Centre, among others. 22 schools, 45 teachers and more than 4000 children have benefited from Engro’s investments in these projects.</td>
</tr>
<tr>
<td>Good example of Engro’s contributions and their impact is the Government Schools’ adoption programs. Under this program Engro</td>
</tr>
</tbody>
</table>

93
identifies and adopt government schools in neighboring villages with support from the Education Department and the local communities.

Currently 10 government schools have been adopted by Engro with an enrollment of 2234 students.

Engro’s support has led to significant improvements in the physical infrastructure and academic standards of the adopted schools, leading to increase in enrollment in these schools.

<table>
<thead>
<tr>
<th>11. Fauji Oil Terminal and Distribution Company Limited (FOTCO)</th>
<th>Provides two complete scholarships, one for pursuing medical education and one for management studies at the universities run by Fauji Foundation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. GlaxoSmithKline Pakistan Limited</td>
<td>Largest corporate donor to the &quot;Primary Healthcare Extension Programme&quot;, an initiative of the 'The National Commission for Human Development' (NCHD). This was a step initiated by the Government of Pakistan to conceive innovative strategies for social reformation with focus on sustainable human development. The program includes education, adult literacy, reducing population growth rate, capacity building, improving infant/maternal mortality rates etc.</td>
</tr>
<tr>
<td>13. HSBC</td>
<td>HSBC is actively contributing towards education of 50 unprivileged deaf students through the Family Education Services Foundation (FESF) for a period of one year. FESF is a nonprofit, educational, volunteer</td>
</tr>
</tbody>
</table>
organization working in Pakistan since 1984, and has established the Deaf Reach School to secure better future for the deaf community. Deaf Reach School and Deaf Reach Training Centers, currently operating in Karachi and Lahore, provide a place of excellence where hearing impaired persons can develop their full potential and increase their opportunities for success. Courses are designed to meet the academic and vocational needs with particular emphasis on English, IT training, communication skills, sign language and social skills, HSBC donates used computer systems to selected NGOs in Karachi, rather than discarding them. The donation has enabled the Bank to support vocational and technological programs for the children registered in these institutions.

| 14. IBM Pakistan | Has a strong commitment to improve the quality of life among individual in many ways, but the most apparent efforts are in the education field from early learning to University scholars program.

IBM has donated Kid Smart Early Learning computers to many NGOs in Karachi and Islamabad.

IBM also helped NUST to setup a Linux Competency Centre where costumers, students, developers and business partners in Pakistan experience and test Linux hands-on and explore the benefits to open standards-based computing. |
| 15. | Indus Motor Company | Supports over 20 schools and educational institutions ranging from small village and garage schools to postgraduate level universities. The company provides 50 scholarships annually to university students. Internally, at their plant site, the Apprenticeship Training Program is well institutionalized and it allows the company to develop high quality technicians for auto manufacturing. To share their knowledge and experience, Indus Motor managers assume the role of visiting faculty members and teach at several management and technical institutions. The Toyota Technical Education Program (T-TEP) is a 3 year Automobile Diploma Program conducted with the assistance of Toyota Motor Corporation that provides students training in the latest automobile technology, enabling them to pursue successful careers after graduation. Indus Motor Company offers this program at the Government College of Technology, Lahore and Saint Patrick’s Institute of Science and Technology, Karachi. It is expected to launch the same program at an institute in Islamabad in 2009. T-TEP Career Days are held annually at which the graduating students are offered jobs by the auto industry |
including company's dealerships and vendors.

Indus motor company’s commitment to spread technology amongst the younger generation prompted them to organize an all Pakistan Engineering Students Design Competition for the Engineering Universities. The main objective was to generate innovative ideas to support the development of robotics and automation in Pakistan, and in doing so, link the creativity of young people with the engineering industry. Six leading engineering universities in the country were invited to participate in the competition and engineering students were asked to apply their designing skills to real life manufacturing problem and come up with a solution.

16. OUP Pakistan

OUP Pakistan works in close partnership with various NGOs to further the cause of education for needy and deserving students in Pakistan. To facilitate access to quality textbooks for disadvantaged students, OUP Pakistan supplies school books to organizations like the Youth Development Organization and The Citizens Foundation at special subsidized prices.

17. Pakistan Tobacco Company (PTC)

Pakistan Tobacco Company (PTC) works with a learning resource centre in each of its operational regions, with the one located at Akora Khattak dedicated especially to the women.

18. Pakistan PTA Limited

Pakistan PTA Limited, since 2005, has been looking the Government Boys'
### 19. Pakistan Mobile Communication Limited (Mobilink)

Pakistan Mobile Communication Limited (Mobilink), in partnership with The Citizen’s Foundation (TCF) committed Rs 20 million for the construction of 2 schools in underprivileged areas of Lahore and Karachi in December 2006.

A single unit primary school in Nathoki Lahore was operational by August 2007 whereas a two-storey secondary school was completed and functional by April 2008 in Taiser Town, Karachi.

In total, approx. 360 students are receiving quality education in clean and healthy environment as a result of Mobilink's contribution.

Mobilink also conducts a scholarship program whereby each year Mobilink supports 3 scholarships each year at 2 leading universities in Pakistan. These include one bachelor scholarship in engineering, one for bachelor for Computer Science and one for MBA.

### 20. Procter and Gamble Pakistan Pvt. Ltd.

Procter and Gamble Pakistan Pvt. Limited runs a campaign in partnership with Health Oriented Preventive Education (HOPE), fully funding a network of 60 informal schools across Sindh, benefitting more than 2000 children through provision of free education in their neighborhood. "Safe Schooling for Building Futures".
P and G Pakistan builds seismic compliant school in partnership with READ Foundation in Azad Kashmir, two schools have already been constructed in Muzaffarabad, with over 2000 children receiving quality education.

P and G also conduct a Women Education Program; an initiative supported by Society of Obstetricians and Gynecologists of Pakistan (SOGP), It creates awareness about female healthcare and sanitary protection in Pakistan. The program reaches out to 210,000 women across Karachi, Lahore and Rawalpindi.

<table>
<thead>
<tr>
<th>21. Roche Pakistan Limited</th>
<th>Sponsored the construction of school for the earthquake affected children in collaboration with TCF. It donated a significant amount of funds for the construction of a Primary School in Hilkot.</th>
</tr>
</thead>
<tbody>
<tr>
<td>22. Shell Pakistan Limited</td>
<td>Shell Pakistan Limited's key social investment lies in education. Shell supports the technical school for SOS Children's villages. Shell Pakistan has also initiated a scholarship programme together with the Higher Education Commission, to fund the education of up to 50 students annually for degrees in engineering and MBA. The Shell Scholarship programme will enable deserving youth to seek higher education from the premium institutions in the nation and give back to society.</td>
</tr>
<tr>
<td>23. Standard Chartered Bank</td>
<td>Standard Chartered Bank launched a &quot;Help Educate Pakistan&quot; program in</td>
</tr>
</tbody>
</table>
Corporate Conscience - CSR in Pakistan

2008 to help raise funds for Education. This initiative generated enough funds to get 5000 children off the streets and into schools.

Standard Chartered also has an elaborate Post-Matriculate Scholarship programme for deserving students. So far more than 750 scholarships have been committed to deserving students studying in various institutions across Pakistan. The criteria for awarding the scholarship are financial constraints of the students and academic excellence in Matriculation. SCBP has also extended this program to its entire work force across Pakistan.

24. Telenor Pakistan Private Limited

Telenor Pakistan Private Limited introduced the higher national diploma in Telecommunication to develop skilled human resource in the telecom sector.

25. The HUB power company (HUBCO)

The HUB power company (HUBCO) has founded a fully funded school for 500 students in the rural area of Hub/Lasbella district. HUBCO has partnered with TCF to carry out CSR activities in the education sector.

In addition HUBCO funds the cost of transportation for the students to attend this school. The catchments area from where the children are brought to school is about 45 kilometers. Assistance is provided to 19 government schools in catchments area by providing school desks/benches, books, bags to the children as per requirement, in addition to the upkeep of the school building.
HUBCO also provides 40 scholarships to the female students of Sardar Bahadur Khan Women University Quetta. Each year 15 students from Baluchistan are sponsored to attend the Leaders Conference organized by the school of Leadership.

| 26. United Bank Limited (UBL) | United Bank Limited (UBL) donated a significant amount of funds to the SOS village Pakistan for the construction of there school in Jamshoro, Sindh.

UBL also partnered with TCF to cover the cost of running two TCF schools for a year. UBL contributed towards repair of the SOS village Pakistan’s School’s Boundary wall affected by rain and partnered with the Book Group to contribute for SMB Fatima Jinnah Government Girl’s School, Karachi. UBL has also contributed for the construction of an Aga Khan University Hospital building. |
### CSR Activities of different companies related to Community Development

<table>
<thead>
<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Community Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>3M Pakistan (Pvt.) Limited</td>
<td>Conducts a traffic safety school program by the name of &quot;How Street Wise Are You?&quot; Under this program children are given basic lessons about traffic rules and how to stay safe on the roads.</td>
</tr>
<tr>
<td>02.</td>
<td>Asia Petroleum Limited (APL)</td>
<td>Has installed heavy duty hand pumps in 6 different villages along APL's pipeline. This has been done to provide drinking water facility for the benefit of surrounding villages. APL has also facilitated the communities through the construction of 8 twin cities separately for men and women in different villages.</td>
</tr>
<tr>
<td>03.</td>
<td>Attock Cement Pakistan Limited (ACPL)</td>
<td>Contributors to local communities by recruiting a large share of their employees from them, thereby ensuring their welfare and sense of ownership.</td>
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<tr>
<td><strong>ACPL</strong> is committed to being a responsible neighbor i.e. operating in compliance with applicable regulations and being an integral part of life of communities. ACPL accomplishes this through support from local nonprofit organizations, providing access to their properties and engaging in constant dialogue with local residents to inform them of their activities, as well as listen and respond to their concerns.</td>
<td><strong>04.</strong> <strong>Attock Refinery Limited (ARL)</strong> Strives to conserve biodiversity of the Potohar Region for future generation via pro-poor public private partnership and by providing jobs to the local community. Attock Sahara Foundation (ASF) works in the Morgah, Kotha Kalan, Bareen and the nearby regions. Main objectives of ASF are women development, basic health and skills development including embroidery, knitting, computer and beautician courses and various other programs for poverty alleviation. ASF also provides financial assistance in the form of scholarships, Dowry Fund, Zakat Fund and Medical Treatment. ARL inaugurated the Morgah Biodiversity Park as a joint venture with the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the government of Pakistan to create awareness that biodiversity has commercial value and can be a source of income by providing jobs to the local community.</td>
<td></td>
</tr>
<tr>
<td><strong>05.</strong> <strong>BMA Capital Management Ltd.</strong> Has actively partnered with AIESEC, a Youth Leadership Development and</td>
<td></td>
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</tbody>
</table>
Cultural exchange organization which runs a global internship exchange program. BMA has regularly placed AIESEC members to add to the diversity at BMA and also given the delegates hands on experience in working for a professional world class financial service firm in Pakistan.

06. BP Pakistan Exploration and Production

Emphasizes on hiring from local communities so as to grant a greater sense of ownership to indigenous communities, enhance community participation and help in transfer of skills.

07. Citibank

Provides personal financial education to young people through in-school and after school programs that develop students’ money management skills by increasing their knowledge about the importance of budgeting, spending wisely, saving and investing and managing credit and debt responsibly and increase young people’s knowledge and interest in economics, entrepreneurship and the financial services industry.

Citibank also provides personal financial education for adults through workshops, counseling pre & post purchase homeownership through workshops or counseling.

Citibank also provides business focused financial education to micro-entrepreneurs and small business owners.

Citibank also supports asset building through saving initiatives and trains non-governmental organizations, financial institutions, intermediaries...
<table>
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<tr>
<th></th>
<th>Corporate Conscience - CSR in Pakistan</th>
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</thead>
<tbody>
<tr>
<td>08.</td>
<td>Dawood Hercules Chemicals is supporting Rohni Association, an NGO providing day care facilities and vocational training to above-16 age groups.</td>
</tr>
<tr>
<td>09.</td>
<td>DuPont Pakistan Operations (Pvt) Limited has upgraded Korangi Fire Station Operations (Pvt) Limited. It also contributed to provide gears and fire fighting coveralls for firemen.</td>
</tr>
<tr>
<td>10.</td>
<td>Engro Polymer and Conducts the Neighborhood Care Chemicals Limited Program with Citizens Police Liason Committee (CPLC)</td>
</tr>
<tr>
<td>11.</td>
<td>GlaxoSmithKine Pakistan Limited approved a sizable grant in 2008 to support the development of a &quot;Center of Nursing Excellence&quot; in Karachi. This 3 year project in collaboration with the Pakistan National Forum on Women’s Health (PNF) and the Pakistan Nursing Council (PNC) aims at providing the quality of nursing education in the country through an extensive training program that develops the teaching capabilities of the nursing faculty from across Pakistan. The Pilot batch of nursing instructors was recruited in October 2008 and the academic year is in full swing.</td>
</tr>
<tr>
<td>12.</td>
<td>HUBCO has been associated with Darul Sukoon and Al-shifa Trust in Karachi (both take care of special children) for the last 8 years, through donations and time spent with the children at Eid and Christmas parties. All of HUBCO’s employees are encouraged to contribute and participate on these occasions.</td>
</tr>
<tr>
<td>No.</td>
<td>Company</td>
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<tr>
<td>13</td>
<td>Indus Motor</td>
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</tbody>
</table>
the efforts of stakeholders in the private, government, academic and other sectors reducing road traffic injuries.

14. Merck Private Limited

Promotes the ethnic art of Pakistan. The company constructed the Merck Chowk roundabout in Quetta Cantonment area. Also, merck calendars for the last 5 or 6 years, have focused on promotion of artists in Pakistan.

15. Orix Leasing Pakistan Limited

Conducts the Poverty Alleviation Program to finance income generations projects on short term basis. These also include loans to fully recovered patients of MALC and Pakistan Center for the Rehabilitation of the Disabled (PSRD). These are implemented in financial assistance with Pakistan Center for the Rehabilitation of the Disabled (SDC).

16. OUP Pakistan

Conducts free workshops based on different school textbook series published by OUP.

In 2007, OUP Pakistan in conjunction with the Society for International Education (SIE) organized a special workshop on Dictionary Skills for the teachers of schools run by the Citizens Foundation.

17. Pakistan Cables Limited

Contributes to the SAARC Women’s Association.

18. Pakistan Petroleum Limited

Constructed the Mother and Child Health Care Center at Taluka Headquarter Hospital, Hala. District Matiari. It also constructed the Mother & Child Health Care Center at Kandhkot, District Kashmore, youth hostels and common facility at
19. Pakistan Tobacco
Focuses on providing treatment to the rural dwellers through mobile doctor units and prosthetic help to those suffering from disability in the 2005 earthquake affected areas.

PTC also gives donations to Roshni Homes and is providing scholarships for the 12 top performing students of Roshni Homes Trust until 2010.

20. Shell Pakistan Limited
Has a social investment portfolio that extends itself to general community development initiatives as well. Shell’s Good Neighbors project was aimed at beautifying the neighborhood around Shell house. Shell Pakistan’s effort have made the neighborhood area greener and cleaner, and evoked great appreciation from neighbors and stakeholders in the area.

21. Siemens Pakistan Engineering Company Limited
Focuses on "More Enjoyable Pakistan" by providing support to art and literature. It has a special assistance trust fund established to help employees with education of their children. It also awards gold medals to top engineering students of the country. It donated a refrigerator to SOS Village, as well as IBM equipment including a mainframe.
<table>
<thead>
<tr>
<th></th>
<th>Company</th>
<th>CSR Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>Singer Pakistan Limited</td>
<td>Supports the Anjuman Behbood-e-Samat-e-Atfal (ABSA), a center for disabled children that conducts classes on sewing and confectionery by providing them with Singer sewing machines and cooking ranges.</td>
</tr>
<tr>
<td>23</td>
<td>Standard Chartered Bank</td>
<td>It is providing employment, training, hiring opportunities to graduates as Telesales Officers in the bank. Four graduates from the Ida Rieu Institute for the Blind &amp; Deaf were trained by the Bank's Telemarketing Department and hired in Karachi. Seeing the effectiveness of this project, this program was launched in more cities and has hired a total of 14 graduates so far. SCB has also a unique Employee Volunteering Program whereby all staff are given two days paid volunteering leave (In addition to the annual leave) to volunteer the Community. This amounts to over 12000 man days in a year alone. Staff is greatly encouraged to take this leave and help make a difference in the community.</td>
</tr>
<tr>
<td>24</td>
<td>Telenor Pakistan Private Limited</td>
<td>Enabled enterprising individuals in indigenous communities by introducing the ApnaPCO program for the rural Punjab and interior Sindh entrepreneurs.</td>
</tr>
<tr>
<td>25</td>
<td>Unilever Pakistan Limited</td>
<td>UPL and World Food Program (WFP) joined in a 3-year global partnership to fight child hunger. In 2008 Unilever launched the employee payroll programme to further support the</td>
</tr>
</tbody>
</table>
WFP School feeding programme and help feed over 600 children a month.

To date Unilever has provided a number of hand pumps in over 5000 households of Tharparker and support has been provided for the drip irrigation pilot project for small scale cultivation.

It has also provided support to Micro Drip to build resource capacity and capability of Waste Busters to recycle scrap, writeoffs and production waste material.

It has also launched the employee involvement programme, InLuv (Integrated League of Unilever Volunteers).

It involves over 160 Unilever volunteers for projects with CSR partners, for instance TCF book reading activity, TCF Rahbar Programme, Sheat First, Micro Drip etc.

| 26. Lakson Tobacco Company | Conducts a Youth Smoking Prevention (YSP) campaign aimed to encourage local authorities and trade partners to educated retailers to only sell cigarettes to adults and help government establish and implement effective laws to prevent minors from buying cigarettes. |
# CSR Activities of different companies related to Disaster Relief

<table>
<thead>
<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Disaster Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Abbot Laboratories</td>
<td>Provides medicines to flood affected families and individuals. It also conducts a healthcare center at Garhi Dupatta, and works through the Abbot Fund and the Clara Abbot Foundation.</td>
</tr>
</tbody>
</table>
| 02.  | BMA Capital Management Ltd       | Has chartered an airplane at the time of the 2005 earthquake, filled it with relief goods including medicines, tents and other supplies and flew it directly to the affected areas.  
In addition, BMA organized a fund raising musical concert whose proceeds were donated to The Citizen's Foundation, earmarked for Earthquake relief.  
BMA also donated directly to employees who were impacted by... |
the quake, rebuilding their destroyed homes.

| 03. | BP Pakistan Exploration and Production | Provided aid for earthquake victims, as well as flood victims in Badin. |
| 04. | Cadbury Pakistan Limited | With the help of TCF donated two houses and water supply to the victims of the tragic earthquake that struck the North Western part of Pakistan. Its employees also contributed one day’s salary. |
| 05. | Dawood Hercules Chemicals Limited | Dispatched 200 quilts and 150 cotton blankets to Quetta on October, 31, 2008 as part pf relief efforts for the Balochistan earthquake. The company also helps those affected by the situation in Swat Valley and dispatched 400 bags containing flood items (flour, rice, tea, and sugar), blankets, and toys for children. Volunteers from the Head Office and Plant assembled to pack these goods and load them on the trucks. |
| 06. | Engro Chemicals Pakistan Limited | Provided 4000 cartons of milk as part of primary relief efforts in response to the devastation caused by the earthquake in Balochistan in October 2008. These were distributed among the earthquake affectees of seven union councils of Ziarat and Pishin districts in Balochistan. |
| 07. | GlaxoSmithKline Pakistan | Donated emergency relief medicines and vaccines to the Balochistan earthquake victims. At the time of 2005 earthquake, GSK Pakistan responded to the calamity affected areas with antibiotics, analgesics and topical anti bacterial supplies. |
A donation of up to 350000 doses of Hepatitis A vaccine was given to health authorities to cope with arising health concerns in the wake of the earthquake, which made it one of the top donors at that time. The UK head Office also provided continued support and administrative assistance to route aid. In alliance with CFC a crisis team was also formed which contributed in the general relief work. They operated in Garhi Duppatta, a town near Muzaffarabad. Its employees also donated one day's salary for the relief efforts.

08. HSBC

Partnered with TCF in the construction of 14 homes and a water supply scheme in the entire Bandi Karim Haider Shah Village in Azad Jammu and Kashmir. With Dawn Relief Earthquake Welfare Organization, 25 prefabricated homes imported from China were installed within the mountainous regions of the Hattian Bala Village, thus providing shelter to the earthquake affected families. Working with the Pakistan Red Crescent Society, HSBC provided necessary funding for the construction of a Girl's Primary School at Toofarabad with a well established earthquake resistance infrastructure. A primary school for 450 orphan children is being constructed in Rawalakot, Azad Jammu and Kashmir, together with the SOS Children's Village of Pakistan.

09. IBM Pakistan

Provided relief to the 2005 earthquake victims in the form of cash, laptop
computers, server hardware, KisdSmart computers, rehabilitation centers, and open source disaster management, software.

IBM also sponsored Trauma Management Workshops whereby they invited doctors from Harvard Medical School who conducted sessions to train the trainers to manage trauma of adults and children.

10. ICI Pakistan Limited

Provides relief and rehabilitation for earthquake victims & also conducts ICI Relief Camp for rain affected on regular basis. ICI donated a significant amount to the President’s Earthquake Relief Fund following the October 2005 earthquake in Kashmir.

11. Indus Motor Company

Helped in Balochistan and Sindh after cyclone "Yemyin". Working with HOPE in interior Sindh, IMC set up medical camps that attended to over 1000 patients and provided food and temporary shelter to 100 families. Similarly, IMC directly participated in an extensive relief operation for victims of the disastrous earthquake in 2005 by setting up base camps for distribution of supplies and providing emergency medical assistance. A similar effort was undertaken by the Company when an earthquake hit Balochistan in 2008.

12. Merck Pvt. Limited

Built seismic houses in Muzafarabad in the aftermath of the earthquake in October, 2005. The project included training of local crafts people in technical skills to build earthquake-proof seismic houses.
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<tr>
<th></th>
<th>Company Name</th>
<th>Details</th>
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<tbody>
<tr>
<td>13.</td>
<td>Pakistan Mobiles Communications Limited (Mobilink)</td>
<td>Partnered with TC F in rehabilitation and reconstruction activities in Chamman Kotli Nawab Khan Village following the 2005 earthquake. The project included construction of 172 houses, as well as providing infrastructure and a water supply system for the residents of the village. Mobilink was also able to effectively and efficiently provide aid and support to the victims of floods in Pakistan. Victims received aid that included food items, medicines, tents, clothes and most importantly clean water. It also collected funds for flood victims through SMS donations which were then used to install hand pumps in the area of Badin in collaboration with NRSP, the National Rural Support Program.</td>
</tr>
<tr>
<td>14.</td>
<td>Pakistan Petroleum Limited (PPL)</td>
<td>Conducts an emergency relief and rehabilitation program that has been operating the PPL Rehab Center at Bagh, Azad Jammu &amp; Kashmir for rehabilitation of earthquake victims and general public throughout the year. PPL has also contributed to the President's Flood Relief Fund as well as provided emergency relief for flood victims of District Kech and District KAmbar-Shahdadkot and earthquake victims of District Ziarat, Balochistan.</td>
</tr>
<tr>
<td>15.</td>
<td>Pakistan PTA Limited</td>
<td>Contributed to the Earthquake Relief Fund</td>
</tr>
<tr>
<td>16.</td>
<td>Pakistan Tobacco Company</td>
<td>Partnered with the Pakistan Institute of Prosthetic and Orthotic Sciences (PIPOS) and CHAL- a Pakistan based network aimed at rehabilitating the</td>
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*Corporate Conscience - CSR in Pakistan*
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<td>disabled in the earthquake affected areas-to set up rehabilitation facilities at a Batagram.</td>
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<tr>
<td>17.</td>
<td>Proctor &amp; Gamble Pakistan (Pvt.) Limited.</td>
<td>Helped the Balochistan flood victims in 2007 by donating 550 cases of PuR water purifier-a cornerstone of P &amp; G Global Sustainability- equivalent to 132000 sachets. PuR water purifier is a product of O &amp; G manufactured exclusively in Pakistan solely for purposes of donation and distribution to disaster affected areas all over the world. P &amp; G in collaboration with READ Foundation also launched the “Safe Schooling for Building Future”. In the 2005 earthquake affected areas of Pakistan to provide high-quality education to the children there.</td>
</tr>
<tr>
<td>18.</td>
<td>Roche Pakistan Limited</td>
<td>Sponsored the construction of a school for the earthquake affected children in collaboration with TCF. It donated a large sum of money for the construction of a Primary School in Hilkot. Employees of Roche Pakistan Limited also contributed significantly to the President’s Earthquake Relief Fund. It also contributed to medicines and tents.</td>
</tr>
<tr>
<td>19.</td>
<td>Sanofi-Aventis</td>
<td>Donated medicines to the people affected by the Kashmir earthquake. Donations of cash and dry food stuff were also provided to the people affected by the floods in Sindh and Balochistan.</td>
</tr>
<tr>
<td>20.</td>
<td>Shell Pakistan Limited</td>
<td>Has partnered with TCF building primary schools in the earthquake-struck northern areas to reach out to under privileged children.</td>
</tr>
<tr>
<td></td>
<td>Siemens Pakistan Engineering Company</td>
<td>Has set up camp and collected goods for earthquake victims of Balochistan. First Aid boxes were provided in cooperation with Sindh Hilal-e-Ahmer at all traffic check posts in Karachi and traffic police was given training to provide first aid. Siemens also completed the second phase of the &quot;Light for Life&quot; project, providing Solar Energy to village Butnara in Azad Kashmir consisting of 150 houses. Siemens also sponsored the &quot;Munawar-uz-Zama Memorial&quot; hockey tournament.</td>
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### CSR Activities of different companies related to Environment Plantation and Forestation

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<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Environment Plantation and Forestation</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Attock Refinery Limited</td>
<td>Conducts National Cleaner Production Center (NCPC) Pakistan. Through its Cleaner Production Program, NCPC is bridging the gap between competitive industrial productions, environmental concerns and offering sustainable and cost effective solutions, through waste minimization at source. ARL also stopped the use of polythene bags and introduced paper bags at ARL's Fair Price Shop.</td>
</tr>
<tr>
<td>02.</td>
<td>Cadbury Pakistan Limited</td>
<td>Celebrated the World Environment Day by planting 12 trees in the Factory at Hub in December 2007. The &quot;Purple Goes Green&quot; paper and energy saving project was started at the Head Office &amp; Factory and all the</td>
</tr>
</tbody>
</table>
employees continuously working towards this initiative. As part of Health & Safety Parameters Training, basic hygiene, cleaning and sanitation training was given to permanent and contractual workers by the Quality Assurance & Safety Manager. The HVAC System has been set up to improve operational environment in order to meet global environmental standards.

<p>| 03. Citibank | Provides entrepreneur training including Business Plan Development, Business Development Skills, Management Skills, accessing capital, mentoring, value chains, and networking in such areas as forestry, sustainable agriculture, or ecotourism. Citibank is also engaged in research or data collection to initiate local needs assessments or market assessments that support the development of sustainable businesses and assess their environmental benefits. It also aims to develop financial instruments and tools that support sustainable enterprises, and build awareness of sustainable enterprises through awards or other forms of recognition. |
| 04. Dawood Hercules Chemicals Limited | Conducts the maintenance of 37,000 trees planted in the land surrounding the DH plant throughout the year. Now many of the planted trees have reached the self sustaining stage. A boundary wall is being constructed around the plantation area. |</p>
<table>
<thead>
<tr>
<th></th>
<th>Company</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>05.</td>
<td>Engro Polymer and Chemical Pakistan Limited</td>
<td>Participates in the Indus Dolphin Conservation Program.</td>
</tr>
<tr>
<td>06.</td>
<td>HSBC</td>
<td>Has joined hands with World Wide Fund (WWF) in a Mangrove Watch and Saplings Plantation project at the Sandspit Beach in Karachi, as part of its celebrations of World Environment Day on 5th June 2008. 50 HSBC Karachi employees participated to show commitment towards environment conservation.</td>
</tr>
<tr>
<td>07.</td>
<td>ICI Pakistan Limited</td>
<td>Reclaimed approximately 55 acres of land at Khewra by planting 300000 trees over the last several years, hence turning the land into a forest habitat for local and migratory wildlife. The project is being monitored and sustained so as to ensure its long term viability as an ecological benefactor to the area. ICI also partners with WWF Pakistan to support projects such as the Natural Carnival and WWF Save the Marine Turtle Project.</td>
</tr>
<tr>
<td>08.</td>
<td>Indus Motor Company</td>
<td>Contributes to the environment friendly co generation power plant to save energy and reduce carbon emissions which have gone down by 11% last year. Also wastewater treatment plant, a thinner recycling machine to reduce waste thinner in the trees at the plant site. IMC was the first automobile company to commence use of environment friendly gas R-134a in car air conditioners (instead of CFC-12). The company also undertook the preservation of Lake Saiful Muluk. It is an ISO 14001 and 9001 certified company.</td>
</tr>
<tr>
<td></td>
<td>Company Name</td>
<td>Description</td>
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<tr>
<td>09.</td>
<td>Lakson Tobacco Company (LTC)</td>
<td>Is actively engaged in its reforestation project and has distributed in excess of 7 million saplings to tobacco farmers to date. LTC has also launched its own saplings’ nursery on 8 acres of land in Mardan. The nursery has successfully raised indigenous and exotic species of forest saplings such as Poplar, Acacia, Mulberry, Shisham, Bakain and serene. The nursery is expected to be ready with some 1.1 million saplings by spring 2009 for distribution to tobacco growers. LTC plans to extend its reforestation project on waste lands, saline soils and riverside belts in collaboration with the Forest Department and Pakistan Tobacco Board.</td>
</tr>
<tr>
<td>10.</td>
<td>Merck Pvt. Limited</td>
<td>Conducted a tree plantation project close to Hanna Lake, Quetta.</td>
</tr>
<tr>
<td>11.</td>
<td>Pakistan Mobile Communication Limited (Mobilink)</td>
<td>Has implemented a recycling program which uses outdated billboard skins to manufacture school bags for under privileged children. The program is aimed at reducing the burden of non-biodegradable materials on the environment. So far 5,000 school bags have been donated to CARE Foundation Schools. Mobilink is the first and only corporate organization in Pakistan to implement such a program.</td>
</tr>
<tr>
<td>12.</td>
<td>Pakistan PTA Limited</td>
<td>Has launched a tree plantation project as a response to a biodiversity survey that was conducted by WWF of the PTA site.</td>
</tr>
<tr>
<td>13.</td>
<td>Pakistan Tobacco Company (PTC)</td>
<td>Regularly sponsors forestation, waste management, and energy and water conservation projects.</td>
</tr>
<tr>
<td></td>
<td>Company Name</td>
<td>Description</td>
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</tr>
<tr>
<td>15.</td>
<td>Shell Pakistan Limited</td>
<td>Conducts the Neighborhood Beautification Project as well as contributes to the Mangrove Forest Reservation program and Ayubia Natural Park Conservation.</td>
</tr>
<tr>
<td>16.</td>
<td>Tetra Pak</td>
<td>Tetra Pak’s environmental sustainability aim is to offer customers the best packaging for the environment. Official studies indicate that paperboard packaging companies well with other kinds of food packaging, especially with regard to climate impact. Tetra Pak’s environmental strategy is currently primarily aimed at recycling, renewability and carbon footprint. Under recycling, in 2007, the global recycling rate for Tetra Pak was 16%. In Pakistan, Tetra Pak expanded their recycling network to 44 cities, employing more than 1100 persons, thus generating employment and helping infrastructure building. Under renewability, around 75% of the raw materials Tetra Pak uses to manufacture packaging come from cellulose fiber, a renewable resource. Under carbon footprint, Tetra Pak aims to reduce its carbon footprint in many ways, including working to increase recycling, reduce the quantity of materials in its packaging and reduce energy use in its own production.</td>
</tr>
</tbody>
</table>
CSR Activities of different companies related to Healthcare

<table>
<thead>
<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Healthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Attock Cement Pakistan Limited</td>
<td>Operates a 6-bed hospital near its factory premises. The treatment is free for local communities.</td>
</tr>
<tr>
<td>02.</td>
<td>Attock Refinery</td>
<td>Significant improvements were recorded in their lost-time &amp; injury frequency rate, &amp; they continued to outperform the industry in this important matrix. During the year, by virtue of strict compliance to internal policy, they have a lost time &amp; incidence rate of 0.3 only, as compared to industry average of 2.77. The company is focused on providing the best in health care in an equitable, affordable, accessible and cost effective manner to the company's corporate clients and the financially compromised community.</td>
</tr>
</tbody>
</table>
| 03. | **Cadbury Pakistan Limited** | Has set up blood donation camps with the help of Fatimid Foundation at their factory & Regional office. A total of 69 people donated blood and this is planned to be an ongoing activity which could be organized at regular intervals during the year.

Sales officers of Karachi also participated in the Karachi City Marathhon Health Walk. Moreover, all permanent workers' families are vaccinated for hepatitis. |
| 04. | **Dawood Hercules Chemicals Limited** | Has been organizing weekly free eye camps since November 2006. A qualified ophthalmologist examines these patients. People with minor problems are given suitable medical advice along with free medicines. Those requiring cataract surgery are referred to a private hospital in Lahore. All expenses related to surgery including transport, medicines, examinations & procedures are borne by the Company.

To date, 103 camps have been held, recording over 22,500 outpatient visits and 1056 cataract operations. In view of the huge beneficial impact of this activity the CSR Committee has decided to continue it in 2009.

Also a third Blood Donation Drive was successfully conducted in May 2008, in collaboration with the Red Crescent Society of Pakistan. A total of 36 employees donated blood. |
| 05. | **DuPont Pakistan** | Conducted the First Aid Community Program, which provided safety training experience, essential |
elements of what is considered safe, helpful and effective in occupational settings. The program aimed to empower TCF teachers to help their school children and their families at home to prevent injuries and what to do in emergency.

The training was conducted by the Department of Nursing Education Services of the Aga Khan University Hospital.

| 06. Engro Chemical Pakistan Limited | Invested in Projects like Dar ul Shifa Clinic, Snakebite clinic, Thalassemia Center, Kidney Dialysis Centers, and Telemedicine "Project Hope", among others. More than 23000 patients benefited from these projects in 2008. Engro’s Snakebite treatment facility, housed in Engro Clinic, at Daharki, is the only facility available for snakebite victims in the Ghotki and surrounding districts. In 2008, a large sum of money was spent on treatment of 4962 snake bite patients at the facility. |
| 07. GlaxoSmithKline Pakistan Limited | Supports the Concern for Children (CFC) Trust, established in 1997. With GSK’s support CFC has set up three computer literacy projects with low income schools across Karachi. Approximately 8000 children have benefited from these facilities. Currently CFC is engaged in developing a project in Mohammadi (Machhar) Colony-a shanty settlement along the city port. A "mother and child" healthcare center is also being set up there to |
provide primary, pre-natal and anti-natal services and health information.

Approximately eight to ten thousand mothers and children annually are expected to be reached through this program. A sizable sum is donated by GSK Pakistan for this purpose.

GSK also provides medication in the free healthcare camps organized by CFC in different parts of the country.

| 08. | ICI Pakistan Limited | Contributes to healthcare sector through its partnership with the Layton Rehmatullah Benevolent Trust (LRBT) Eye Clinics at ICI's Winnington Hospital at Khewra. To date this clinic has conducted over 10000 major and minor eye surgeries and over 100000 eye patients have been treated on an OPD basis. The hospital on its own is visited by over 100 OPD patients per day. |
| 09. | Lakson Tobacco Company (LTC) | Started its initiatives in 1992 in the healthcare field by offering local residents free eye checkups and eye operations at mobile medical units. Later in 1999, LTC under the umbrella of the Lakson Medical Trust, LTC financed two eye hospitals in Swabi and Sahiwal in 2001 and 2004, respectively. Over the last 6 years some 200,000 patients have been treated over there & 10,000 operations conducted at these hospitals. A diagnostic center in Mardan was also established by the trust in 2007. Earlier this year, LTC and Philip Morris International Inc. (PMI) contributed USD 100,000 in the Lakson |
**Corporate Conscience - CSR in Pakistan**

| 10. | Pakistan Tobacco Company (PTC) | Medical Trust fund to be utilized for the purchase of 2 state of the art Argon Laser Treatment Machines for diabetic patients suffering from blindness.  

| 11. | Pakistan Cables Limited | It runs Mobile Doctor Units in Mansehra, Buner, Yar Hussain, Shergarh, and in the outskirts of Akora Khattak factory. The doctors there treat about 3000 people in a month.  
PTC has also partnered with National Institute of Health/Ministry of Health and the Prime Minister's Program for Hepatitis to launch a drive for the prevention and control of hepatitis in district Swabi.

| 12. | Pakistan Mobile Communication Limited (Mobilink) | PTC also provides eye care through partner Layton Rahmatullah Benevolent Trust (LRBT) benefiting over 1000 people per year.  

Contributes to Kidney center, LRBT, and the Al-Shifa Trust Eye Hospital.  

Has been collaborating with Pakistan Myasthenic Welfare Organization (PMWO) at the Pakistan Institute of Medical Sciences (PIMS) hospital, Islamabad for the treatment of patients suffering from Myasthenic Gravis and GBS.  
It also conducts the Lady Health Workers Pilot Project. In 1994, Mobilink launched program for Family Planning and Primary Health Care through the Ministry of Health with the aim of providing primary healthcare at community level.  
Today, 100000 Lady Health Workers (LHWs) provides basic healthcare to their community.  

Today, 100000 Lady Health Workers (LHWs) provides basic healthcare to their community.
<p>| 13. Pakistan Petroleum Limited (PPL) | PMCL in collaboration with the Ministry of Health, United Nations Population Fund (UNFPA) and the GSMA Development Fund to test two possible communication solutions for the timely referral of patients. These are low cost mobile phones and PCO which will also provide a secondary income generation opportunity for the lady health worker. The pilot is being run in Chakwal and Muzaffargarh districts in rural Punjab. |
| | Free medical dispensaries at Sui and Mazzarani throughout the year |
| | Free surgical eye camps at Dera Bugti, Kamber, Kandhkot and Adhi (Rawalpindi) |
| | Contributes to Marie Adelaide Leprosy Centers (MALC) at Kandhkot, Kech &amp; Panjgur for control of Leprosy, tuberculosis and blindness. |
| | Also supports Fatimid Foundation, Karachi to establish the Hematological center &amp; Blood Bank at Hyderabad. It also monthly contributes to Psychiatric Club &amp; Rehab Center of Karwan-e-Hayat, Karachi for purchase of psychotropic Medicines. |
| | It has also constructed Patient Wards at DHQ hospital Khuzdar and Rural Health Center, Jhall Magsi town. |
| | It also supports Patients Welfare Society for treatment of poor patients at Agha Khan University, Hospital Karachi. |
| | PPL contributes to Sindh Institute of Urology and Transplantation (SIUT), |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Company Name</th>
<th>CSR Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.</td>
<td>Pakistan Refinery Limited</td>
<td>Has provided over 1000 health treatment kits to communities.</td>
</tr>
<tr>
<td>15.</td>
<td>Procter and Gamble Pakistan Pvt. Ltd.</td>
<td>Conducts the Pampers Hospital Education Program and Mobile Clinics, educating about 5.6 million young mothers about healthy baby care practices. It also conducts Safeguard Sehat-o-Safai Program. This campaign, led by Safeguard in collaboration with the Infectious Diseases Society of Pakistan (IDSP) and Pakistan Medical Association (PMA) has educated more than 5 million children from all socioeconomic classes, in 8000 schools, about better hygiene practices, especially the importance of regular hand washing with soap. Safeguard led the first ever Global Hand-washing Day on 15th October 2008 in Pakistan. In partnership with UNICEF &amp; the Ministry of Environment. About 700,000 children washed their hands with Safeguard and received vital hygiene education to commemorate the day.</td>
</tr>
<tr>
<td>17.</td>
<td>Shell Pakistan Limited</td>
<td>Has contributed to support the LRBT, a chain of 14 hospitals throughout the country, which provide free eye-care treatment including cornea replacement surgery to over one million patients annually, completely free of cost. Its one of the first companies to fight the spread of HIV/AIDS. Breaking</td>
</tr>
<tr>
<td>18. Siemens Pakistan Engineering Company</td>
<td>Focuses on working towards a &quot;Healthier Pakistan&quot; by providing support to sports activities.</td>
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<tr>
<td>19. Singer Pakistan Limited</td>
<td>Sponsors a program for free restoration of eyesight through the Al-Shifa Trust Eye Hospital for prevention and treatment of blindness.</td>
<td></td>
</tr>
<tr>
<td>20. Standard Chartered Bank</td>
<td>Has a global campaign &quot;seeing is believing&quot; which aims to eradicate blindness and was launched in Pakistan towards the end of 2004. Two leading eye care hospitals in Karachi &amp; Lahore have been supported under this program. These hospitals are being run by Layton Rehmatulla Benevolent Trust (LRBT). SCB also provides advanced training to practicing ophthalmologists in Cataract Surgery under the same program. This program was conducted at LRBT Hospital in Korangi, Karachi, Prevention and Control of Blindness Cell in Civil Hospital, Karachi and Punjab Institute of Preventive Ophthalmology in Mayo Hospital, Lahore. So far over 90 Ophthalmologists have been trained. Also under &quot;Seeing is Believing &quot; is &quot;Eye Care for Millions&quot; a healthcare services. Through this intervention, a sustainable training program has been built to deliver preventive eye care at the community level by training 20000 Lady Health Workers. The project</td>
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was formally launched on December 27, 2007, at the national level. An estimated 1 million people (including 400,000 children) are expected to receive primary eye care services annually at the end of the project and at least 20 million will benefit indirectly.

<table>
<thead>
<tr>
<th>21. Telenor Pakistan Private Limited</th>
<th>Conducts the &quot;Donate Blood, Save a Life&quot; whereby blood donors' registration takes place through sms/web in a database.</th>
</tr>
</thead>
<tbody>
<tr>
<td>22. The Hub Power Company (HUBCO)</td>
<td>Provides medicines on a quarterly basis to 6 government dispensaries located in the villages in Hub &amp; Gadani Areas of Baluchistan as per requirement. Two free eye clinics are organized in collaboration with Al Ebrahim Eye Hospital. Once a year the children of 20 schools (1 TCF/HUBCO and 19 government primary schools) are examined by eye specialists and are provided medicines at HUBCO's expense. HUBCO has been associated with LRBT Eye Hospital for a long time and every year it donates a significant amount for the medicines provided to patients in their Quetta hospital. Computers have been donated to LRBT Quetta &amp; Karachi to assist with their plan to computerize all medical records. Equipment provided to LRBT Quetta includes Photo Coagulator-Laser &amp; YAG Laser. HUBCO in collaboration with International Power also donated 6 ambulances to</td>
</tr>
</tbody>
</table>
| 23. | **Unilever Pakistan Limited** | EDHI to be used in HUB and Quetta region.  

- Annually supports Marie Adelaide Leprosy Center (MALC) hospitals, dialysis support to the Kidney Center as well as eye treatment support to the Layton Rahmatullah Benevolent Trust (LRBT) Fund for free consultation and surgery.  

- There is also Lifebuoy’s partnership with USAID and PPAF to educate communities and children on hygiene and the importance of hand-washing. Lifebuoy cosponsored Global Hand-washing Day on 15th October and hereby educated 500,000 children across Pakistan.  

- Fair & Lovely supports breast cancer awareness programs; 2 patients were also treated at the Shaukat Khanum Cancer hospital.  

- Surf helps educate mothers and teachers on the importance of playing for child development. It has partnered with NGO ITA to include experimental learning in early childhood Government curriculums in Lahore, which will be beneficial to over 35,000 children and teachers. Surf also partnered with local park authorities to set up play equipment in community parks to encourage families and children in outdoor activities. |

| 24. | **United Bank Limited (UBL)** | It has adopted the Marie Adelaide Leprosy Center (MALC) in Garhi Dupatta. UBL also sponsored six dialysis machines given to SIUT. |
### CSR Activities of different companies related to Water Provision and Purification

<table>
<thead>
<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Water Provision and Purification</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Attock Refinery Limited (ARL)</td>
<td>Provides portable water to surrounding villages of Morgah, Nai Abadi, Kothakalan, Jhamra &amp; welfare organizations such as SOS village, school for special children and Fauiji Foundation Hospital.</td>
</tr>
<tr>
<td>02.</td>
<td>Cadbury Pakistan Limited</td>
<td>Provided water filters for schools. Seven complete cartridge water purifying filters were donated to under privileged schools in Hub. Cadbury also looks after the maintenance and cleaning of these filters on a regular basis.</td>
</tr>
<tr>
<td>03.</td>
<td>Clariant Pakistan Limited</td>
<td>Has set up a water purification plant at Clariant Manufacturing site in Jamshoro for provision of high quality drinking water to surrounding villages. There is also a waste water treatment plant at Clariant site in</td>
</tr>
<tr>
<td>No.</td>
<td>Company Name</td>
<td>Project Details</td>
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<tr>
<td>04.</td>
<td>Dawood Hercules Chemicals Limited</td>
<td>Has installed water purification plant to provide clean drinking water to TCF School-DH campus as well as the people living in its proximity. Another such plant installed at Noor Pur Virkan and other in the heavily populated area of village Bawe Dee Kultiya, opposite Dawood Hercules Plant. The third plant was installed at the Mayo Hospital, Lahore for benefit of patients and hospitals staff.</td>
</tr>
<tr>
<td>05.</td>
<td>ICI Pakistan Limited</td>
<td>Provides 23,000 gallons per day of drinking water for the residents of Khewra, a town where the company operates its soda ash plant. ICI has recently approved a project whereby a pipeline will be installed for providing water directly to residents' homes.</td>
</tr>
<tr>
<td>06.</td>
<td>Lakson Tobacco Company (LTC)</td>
<td>Has installed a water filtration plant at its factory in Mardan. This initial project is to be enlarged in the coming months to also benefit other residents of Mardan and a few more of those water filtration units are planned to be built in the surrounding communities where LTC grows tobacco.</td>
</tr>
<tr>
<td>07.</td>
<td>Nestle Pakistan Limited</td>
<td>Has set up the Nestle Water Filtration plant at District Headquarter Hospital Sheikhupura in Punjab for the patients.</td>
</tr>
<tr>
<td>08.</td>
<td>Pakistan Petroleum Limited (PPL)</td>
<td>Established a free water supply for communities living around Sui gas field. PPL also established a water supply scheme for Ghabi Dero.</td>
</tr>
<tr>
<td>No.</td>
<td>Company Name</td>
<td>CSR Activity</td>
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</tr>
<tr>
<td>09.</td>
<td>Pakistan Tobacco Company (PTC)</td>
<td>Installed 4 water filtration plant that are currently operational in Buner, Akora Khattak, Isori Payan and Yar Hussain &amp; four more units were installed in 2007 in partnership with district governments &amp; the Community Citizen Boards of NWFP.</td>
</tr>
<tr>
<td>10.</td>
<td>Proctor and Gamble Pakistan (Pvt.) Limited</td>
<td>In collaboration with US Centers for Disease Control and Prevention has developed a low cost technology called PuR, Purifier of water, to purify even heavily contaminated drinking water so that it meets World Health Organization standards for safe drinking water. Studies show that the PuR sachets can reduce diarrheal illness in children by more than 50%. PuR not only exports over 2.8 million liters of clean water around the globe but also creates goodwill for Pakistan in the international community. For the 2005 earthquake disaster an immediate PuR response was undertaken in partnership with Greenstar and UNICEF. PuR contributed over 15 million sachets - enough to treat over 150 million liters of water in Tsunami affected areas in December 2004.</td>
</tr>
<tr>
<td>11.</td>
<td>Unilever Pakistan Limited</td>
<td>Has installed hand pumps in over 5000 households of Tharparker and provided support for the drip irrigation pilot project for small scale cultivation.</td>
</tr>
</tbody>
</table>
## CSR Activities of different companies related to Infrastructure Development

<table>
<thead>
<tr>
<th>S.No</th>
<th>Names of Companies</th>
<th>Infrastructure Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Engro Vopak Terminal</td>
<td>Supported the development of health facilities at PQ, including emergency services.</td>
</tr>
<tr>
<td>02.</td>
<td>ICI Pakistan Limited</td>
<td>Supported the Government’s rehabilitation efforts by building an earthquake-proof school building at Garhi Habibullah for the victims of the 2005 earthquake.</td>
</tr>
<tr>
<td>03.</td>
<td>Orix Leasing Pakistan Limited</td>
<td>Has a Microfinance Program whereby Orix constantly strives to work with various Microfinance Institutions to provide help to small scale entrepreneurs, particularly women, to improve their lifestyle.</td>
</tr>
<tr>
<td>04.</td>
<td>Pakistan Mobile Communication Limited (Mobilink)</td>
<td>Is committed to the rebuilding of Chamman Kotli Village. Mobilink is also engaged in renovation of cricket grounds.</td>
</tr>
<tr>
<td>No.</td>
<td>Company/Project Name</td>
<td>Description</td>
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<tr>
<td>05</td>
<td>Pakistan Oil Fields Limited</td>
<td>Has undertaken road development projects.</td>
</tr>
<tr>
<td>06</td>
<td>Pakistan Refinery Limited</td>
<td>Contributed to the Korangi Road Repair Program.</td>
</tr>
<tr>
<td>07</td>
<td>Rafhan Maize Products Company Limited</td>
<td>Contributed to the construction of Jaranwala Bypass Road.</td>
</tr>
<tr>
<td>08</td>
<td>Rousch (Pakistan)</td>
<td>Undertakes improvement/development projects at surrounding areas of their Power Plant at Abdul Hakim District Khanewal.</td>
</tr>
<tr>
<td>09</td>
<td>Shell Pakistan Limited</td>
<td>Conducts the Shell Tameer Program, introduced in 2003, today it exists as one of the foremost efforts to facilitate youth entrepreneurship in the country. Now in its fifth year of providing entrepreneurship guidance, the Shell Tameer Program has engaged more than 38,000 young people through Workshops, Seminars, Meetings and our Website. 43 Workshops have been conducted for 2500 young people and 61 seminars have provided awareness to over 12,000 students.</td>
</tr>
<tr>
<td>10</td>
<td>Unilever Pakistan</td>
<td>Has undertaken a project named &quot;Vitality Village&quot; which will house approximately 700 people in 100 homes. The project is in partnership with TCF for a seismic housing.</td>
</tr>
<tr>
<td>11</td>
<td>United Bank Limited (UBL)</td>
<td>Contributed to repair the SOS Village Pakisan's School's boundary wall affected by rain. UBL also contributed to the construction of an Aga Khan University Hospital building.</td>
</tr>
</tbody>
</table>
Annexure

Existing State of CSR in Pakistan from perspective of different Legislatures

1. Corporate Code of Governance under SECP:

SECP provides guidelines about CSR in its Corporate Code of Governance published in March 28, 2002, under following heads:

*Significant issues to be placed for decision by the board of directors*

- In order to strengthen and formalize corporate decision-making process, significant issues shall be placed for the information, consideration and decision of the Boards of Directors of listed companies.

Significant issues for this purpose may include:

- Any significant accidents, dangerous occurrences and instances of pollution and environmental problems involving the listed company;

- significant public or product liability claims likely to be made against the listed company, including any adverse judgment or order made on the conduct of the listed company or of another company that may bear negatively on the listed company;
• disputes with labour and their proposed solutions, any agreement with the labour union or Collective Bargaining Agent and any charter of demands on the listed company.

**Corporate and financial reporting framework the directors’ report to shareholders**

• The directors of listed companies shall include statements to the following effect in the Directors’ Report, prepared under section 236 of the Companies Ordinance, 1984:

The Directors’ Reports of listed companies shall also include the following, where necessary:

• Significant plans and decisions, such as corporate restructuring, business expansion and discontinuance of operations, shall be outlined along with future prospects, risks and uncertainties surrounding the listed company.

### 2. Prudential Regulations under SBP

SBP provides guidelines about CSR in its Prudential Regulations for Corporate banking updated on 31st January 2009, under following heads:

**REGULATION G-1**

Corporate governance / board of directors and management

*Responsibilities of the board of directors:*

• The Board shall approve and monitor the objectives, strategies and overall business plans of the institution and shall oversee that the affairs of the institution are carried out prudently within the framework of existing laws & regulations and high business ethics.

**REGULATION G-3**

*Contributions and donations for charitable, social, educational and public welfare purposes*

Banks / DFIs shall strictly observe the following rules in the matter of making any donation / contribution for charitable, social, educational or public welfare purposes:

• The total donations/contributions made by the bank / DFI during the year shall not exceed such amount as approved by their Board of Directors. It is expected that banks / DFIs
Corporate Conscience - CSR in Pakistan

making these donations / contributions would have already met provisioning and capital adequacy requirements.

- The banks / DFIs shall develop policy / guidelines duly approved by the Board of Directors for making donations/ contributions.

- All donations or contributions to be made during the year must be specifically approved by the Board of Directors on pre or post facto basis as convenient.

- Banks / DFIs are further directed to expressly disclose in their annual audited financial statements the total donation / contribution made during the year along with names of donees, to whom total donations/ contributions during the year were made in excess of Rs. 100,000/. In the case of donations where any director or his family members have interest in the donee, the names of such directors, their interest in the donee and the names and addresses of all donees, shall also be given.

3. Handbook of Corporate Governance under SBP

Chapter 2: International Developments

The Responsibilities of the Board

The corporate governance framework should ensure the strategic guidance of the company, the effective monitoring of the management by board, & the board’s accountability to the shareholders and the company,

- the board should ensure compliance with applicable law and take into account the interests of stakeholders.

2.6 Code of Business Ethics

Observance of highest level of business and professional ethics
(Kings Committee on Corporate Governance, 1994)

2.8 Stakeholders

The corporate governance framework should recognize the rights of stakeholders as established by law and encourage active cooperation between corporations and stakeholders in creating wealth, jobs and the sustainability of financially sound enterprises.

- The corporate governance framework should assure that the rights of stakeholders that are protected by law are respected.
- Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.
- The corporate governance framework should permit performance enhancing mechanism for stakeholder participation
- Where stakeholders participate in the corporate governance process, they should have access to relevant information.

(OECD Principles of Corporate Governance -1999)

4. Labor Laws in Pakistan under Constitution and Factories Act 1934

The Constitution of Pakistan contains a range of provisions with regards to labour rights found in Part II: Fundamental Rights and Principles of Policy.

Article 11 of the Constitution prohibits all forms of slavery, forced labour and child labour;

Article 37(e) makes provision for securing just and humane conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex, and for maternity benefits for women in employment.

**Working Time and Rest Time**

**Working Hours**

Under the Factories Act, 1934 no adult employee, defined as a worker who has completed his or her 18th year of age, can be required or permitted to work in any establishment in excess of nine hours a day and 48 hours a week. Similarly, no young person, under the age of 18, can be required or permitted to work in excess of seven hours a day and 42 hours a week. The Factories Act, which governs the conditions of work of industrial labour, applies to factories, employing ten or more workers. The Provincial Governments are further empowered to extend the provisions of the Act, to even five workers.

Where the factory is a seasonal one, an adult worker shall work no more than fifty hours in any week and no more than ten hours in any day. A seasonal factory, per section 4 of the Factories Act is that which is exclusively engaged in one or more of the following manufacturing processes, namely, cotton ginning, cotton or cotton jute pressing, the manufacture of coffee, indigo, rubber, sugar or tea. However, if such
adult worker in a factory is engaged in work, which for technical reasons must be continuous throughout the day, the adult worker may work no more than fifty-six hours in any week.

Section 8 of the West Pakistan Shops and Establishments Ordinance, 1969 likewise, restricts weekly work hours at 48 hours. The Shops and Establishments Ordinance regulates persons employed in shops and commercial establishments, who are neither covered by the Factories Act nor by the Mines Act. The Ordinance is exclusive in the whole of Pakistan except for the Federally Administered Tribal Areas. Section 22-B of the Mines Act, 1923 also fixes weekly hours of work for workers at 48 hours or 8 hours each day, with the limitation of spread-over 12 hours and interval for rest for one hour every six hours. Section 22-C further limits the spread-over to 8 hours for work done below ground level.

In factories, the periods and hours of work for all classes of workers in each shift must be notified and posted in a prominent place in the principal language in the industrial or commercial establishment. The law further provides that no worker shall be required to work continuously for more than six hours, unless he or she has had an interval for rest or meals of at least one hour.

During Ramadan (fasting month), special reduced working hours are observed in manufacturing, commercial and service organizations.

**Minimum Age and Protection of Young Workers**

**Article 11(3)** of Pakistan’s Constitution expressly prohibits the employment of children below the age of fourteen years in any factory, mine or other hazardous employment. In addition, the Constitution makes it a Principle of Policy of the State of Pakistan to protect the child, to remove illiteracy and provide free and compulsory education within the minimum possible period and to make provision for securing just and human conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex. The Act further restricts the employment of a child in a factory to five hours in a day. The hours of work of a child should thus be arranged in such a way that they are not spread over more than seven-and-a-half hours in any day. In addition, no child or adolescent is allowed to work in a factory between 7 p.m. and 6 a.m. The Provincial Government may, by notification in the Official Gazette in respect of any class or classes of factories and for the whole year or any part of it, vary these limits to any span of thirteen hours between 5 a.m. and 7.30 p.m. Moreover,
no child is permitted to work in any factory on any day on in which he or she has already been working in another factory.

Factories are further required to display and correctly maintain in every factory a Notice of Periods for Work for Children, indicating clearly the periods within which children may be required to work. The manager of every factory in which children are employed is compelled to maintain a Register of Child Workers identifying the name and age of each child worker in the factory, the nature of his or her work, the group, if any, in which he or she is included, where his or her group works on shifts, the relay to which he or she is allotted, the number of his or her certificate of fitness granted under section 52, and any such other particulars as may be prescribed.

The provisions of the Factories Act, 1934 are cited in addition to, and not in derogation of the provisions of the Employment of Children Rules, 1995. The Employment of Children Rules extends to the whole of Pakistan with the exception of the State of Azad Jammu and Kashmir and delimits finite labour conditions afforded for the protection of minors. Rule 6 insists on cleanliness in the place of work. No rubbish, filth or debris shall be allowed to accumulate or to remain in any part of the establishment and proper arrangements shall be made for maintaining in a reasonable clean and drained condition for the workers of the establishment. Rule 7 further calls for proper ventilation in work places where injurious, poisonous or asphyxiating gases, dust or other impurities are evolved from any process carried on, in such establishment. As long as workers are present in an establishment, the latrines, passages, stairs, hoists, ground and all other parts of the establishment in so far as the entrance of the said places is not closed, must be lighted in such manner that safety is fully secured. In addition, in every establishment an arrangement of drinking water for child and adolescent workers is to be provided free of charge. All shafts, couplings, collars, clutches, tooth end wheels, pulleys, driving straps, chains projecting set screws, keys, nuts and belts on revolving parts, employed in the establishment, shall be securely fenced if in motion and within reach of a child worker and further may not be operated by a child worker.

Equality

Article 38 of the Constitution imparts the State's obligations aimed at achieving equality in the form of securing the well-being of the people, irrespective of sex, caste, creed or race, by raising their standard of living, by preventing the concentration of wealth and means of
production and distribution in the hands of a few to the detriment of general interest and by ensuring equitable adjustment of rights between employers and employees, and landlords and tenants. **All citizens are bestowed, within the available resources of the country, facilities for work and adequate livelihood with reasonable rest and leisure and the basic necessities of life, such as food, clothing, housing, education and medical relief, for all such citizens, irrespective again of their sex, caste, creed or race, as are permanently or temporarily unable to earn their livelihood on account of infirmity, sickness or unemployment.**

5. **Pakistan Agricultural and dairy farming Association**

*Aims and objectives:*

The aim of the association, which is non-political, is to unite members in their common approach and for this purpose the objects of the association are:

- To urge, support or suppose legislative or other measures and procure change of law or practice affecting the interest of agricultural and dairy farmers or adversely affecting the common interest of the community.

- To aid in subscribing money to any charitable or benevolent purposes or for the promotion generally of any matters of charity or other useful objects with a view to establish harmony and business relationship amongst various communities in general and Pakistan community in particular.

- To provide for help and encourage study and training in technical and commercial matters by granting scholarships, awarding prize-stipends or giving other monetary aids to institutions through such other ways and, means as may be determined from time to time.
SANSAR
South Asia Network for Sustainability and Responsibility

Organizations of South Asia promoting Corporate Social Responsibility such as CSR Centre (Bangladesh), Sustainable Development Policy Institute (Pakistan), Centre for Afghan Civil Society Support (Afghanistan) have come together to launch new platform called SANSAR along with Prakruthi (India). The whole idea to make sure that a platform for discussing and promoting sustainability and CSR issues in South Asian Countries has been well supported by OXFAM NOVIB, The Netherlands. This was also well received by other organizations from Nepal, Sri Lanka and Indonesia.

SANSAR’s core strategy is to make stakeholders redefine and commonly understand the concept of CSR and promote it actively to address social, environmental and business related issues across the globe & sectors in the long run. To achieve this, SANSAR employs strategies such as policy outreach, activism capacity building, research and networking. The above pages document the initial research work done in sugar sector, which visibly affects lives of large number of population in these countries. While trying to identify with the CSR issues in counties which are at different levels of understanding and praxis of sustainability issues, we create a platform to discuss, share, learn and implement CSR to reduce structural poverty. This would not have been possible without the help of many like-minded people.

I would like to thank Dr. Abid Suleri of SDPI Pakistan, Shahamin Zaman of CSR Centre Bangladesh, Mujeeb Niazi of Centre for Afghan Civil Society Support, Afghanistan who have extended their whole-hearted support even within their busy schedules to make the pillars for this network made. We are hoping that more and more organisations would join this network to realize our collective dream of a peaceful and prosperous South Asia.

I would like to, in this regard, extend our sincere thanks to Mr. Viraf Mehta, Dr Shatadru Chattopadhayay, Dr Bimal Arora, Prof. VasanthiSrinivasan, Dr MC Gopinathan in helping us with their valuable inputs and guidance whenever needed.

Pramod John
Prakruthi, India
27th March 2012
The purpose of the study is to contextualize Corporate Social Responsibility in Pakistan. Corporate Social Responsibility is an emerging concept in Pakistan. The potential for CSR in a developing country automatically calls for a greater role of large businesses in addressing the issues faced by the societies they operate in. The trend for CSR related activities is increasing, both in terms of more companies developing CSR policies and investing in increasing percentages of gross sales to community service and sustainable development.

Sustainable Development Policy Institute, founded in August 1992 on the recommendation of the Pakistan National Conservation Strategy (NCS), also called Pakistan’s Agenda 21 placed Pakistan’s socio-economic development within the context of a national environmental plan. This highly acclaimed document, approved by the Federal Cabinet in March 1992, outlined the need for an independent non-profit organization to serve as a source of expertise for policy analysis and development, policy intervention, and policy and program advisory services. SDPI is registered under the Societies Registration Act, XXI of 1860.

Prakruthi, Bangalore-based non-profit organisation established in 1991, envisages a society where the economic and social divide created by a non-egalitarian system is minimised. Prakruthi works with the poor and the marginalised in various sectors of Indian economy- the plantation workers, small and marginal farmers, women, youth and children addressing issues in garments, tea, coffee and sugarcane sectors with special focus in social and environmental sustainability.

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