

CORPORATE SOCIAL RESPONSIBILITY

During 2020- 21, NETSOL continues to fulfil its duties as a responsible corporate entity through ongoing involvement in socially beneficial activities tailored for well-being of the environment and local communities. Over the years our Company has contributed significantly towards the welfare of the society in the shape of various socially responsible activities.

1. Corporate Philanthropy

While being the largest Asset Finance and Leasing solution provider in Pakistan, our corporate philanthropy is at the core of our daily operations and guides our future progress. We take responsibility to give back to the community in a productive way for shaping a sustainable future while our aim is to go above and beyond with our philanthropic work. For this reason, we have a dedicated CSR committee. This committee consists of our senior management: CEO, COO, CFO, Head of HR, Head of CSR and members

of the HR team. We have two full-time employees dedicated to CSR related activities. They compile internal and external CSR requests during the course of the month. Each request is then investigated for due diligence purposes, a case is created and presented to the CSR Committee.

EDUCATION SECTOR: Education is one of the key components that bring growth and progress into society. An educated society can provide a beneficial contribution to their environment.

NESTOL EDUCATION SUPPORT PROGRAM (NESP)

NETSOL has been devotedly working in the Education sector specifically

and our internal CSR initiative NESTOL Education Support Program (NESP) is an award winning program (as the BEST in CSR Practices category) for the PASHA Awards in the year 2019. NESP is principally designed to support the education of children of our employees who come from underprivileged backgrounds. Our main purpose is to educate children and provide them with better opportunities for their future. NESP encompasses **516 kids** enrolled in English medium schools and we have helped **70 kids** complete their intermediate studies and now we are looking into funding their Bachelors as well. This is our humble contribution to provide them an opportunity to attain a better life and a successful future. The company has spent **18.9 million rupees** on NESP Programme during the year.

Our focus on education stems from our belief of empowering individuals to achieve better possibilities in life





At NETSOL, we believe it is essential to empower people to build better futures for themselves and their families.

Besides the kids of our employees, we also have our own Admin Support staff enrolled in the program. Currently **6 individuals** are continuing their Computer Science degree for 4 years and have already been placed in our technical departments for their learning and growth. Security Guard, Admin Coordinators, Assistant Supervisor and Technicians have now been given the title of Associate Engineers.

How this program is supporting individuals in Pakistan is shown in the brilliant example of NETSOL's three security guard's daughters, who completed their Bachelor

in Computer Science from Lahore Garrison University through this program. All three young girls are currently working in our technical departments among all the other employees after going through the hiring process. Our aim through this program is to change the lives of the people not only connected with NETSOL, but of the people in Pakistan.

HIGHER EDUCATION PROGRAM

We have another program that solely focuses on the higher education of not only our employees but for other students as well who are facing financial

constraints to continue their higher education. This initiative was started in the year 2015 and currently **33 individuals** are being educated under this program. In the last year alone, 2020-2021, the company has disbursed an amount of **Rs. 2.0 Million** approximately on the HEC Program. This helps individuals who have limited access to funds or opportunities, grow a career after their education and in some case we also employ them.

NOBLE CAUSE FUND

The Noble Cause Fund (NCF) is a company initiative to support our employees in need. All NETSOL employees are encouraged to contribute as much or as little as they can to this fund. Employee donations are matched equally by the company to double the amount. Money from this fund is used for various noble causes such as health care, marriage, house construction, funeral arrangements and other forms of distress relief. Last year we gave out a total of 6.5 million rupees for such causes. Around 2 million rupees were donations and 4.5 million rupees' worth of loans.

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2. Welfare Spending for Underprivileged Classes and Rural Development Programs

MOU SIGNED WITH MILLION SMILES FOUNDATION

This year, we signed an MOU with Million Smiles Foundation, where NetSol will be funding the education of *161 children* of the Million Smiles

Foundation School in Kashmir for an initial period of 5 years. This was a huge achievement for us in expanding our education cause across Pakistan. NetSol will also be providing the children with internship opportunities and be in close contact with their progress.





FAROOQ CHARITY TRUST SCHOOL

Amongst other charitable projects, NETSOL also contributed and supported the growth of Farooq Charity Trust School in Khanqah, Bahawalpur which commenced in 2011. It is a rural area and the school itself required immense attention for its infrastructure and development. NETSOL supported complete annual expense of the school where **247 students** are currently enrolled and pursuing their education. Our humble contribution towards this is **1.6 million rupees**.

Development in Literacy (DIL)

DIL School System based in Khuda Ki Basti, Sheikhpura, Punjab. DIL has been providing low-cost, high-quality education to thousands of deserving children across Pakistan. NETSOL shares DIL's vision that no child in Pakistan, no matter how poor, should be denied access to quality education. Apart from being a donor, NETSOL runs the backend support for the app. We have a team of two fully dedicated employees for this task and part time support from several of our developers. The company's contribution towards this noble cause is **6.4 million rupees**.

3. Employment of differently-abled persons

Equal opportunity is of great importance to the company especially when it comes to skillset. At NetSol, we believe in hiring resources irrespective of being differently abled and accommodate them by considering their knowledge and skills. Currently, 16 such employees are working at NetSol in diverse roles. These include both males and females. In addition to this, the company has a quota fixed for people living in the rural and less privileged areas who do not get many opportunities as compared to people in urban areas. Our workforce currently includes employees with special needs of visual imparity, mobility assistance, hearing impairment and individuals on the neuro-diverse and behavioral spectrum. We also have interviewed and have brought in the transgender community on

Being responsible corporate citizens, we truly believe that one of the best ways to transform the society is to educate the children and youth.

board with us where their skillset can be matched and groomed further.

4. Occupational Safety and Health

We take it as our responsibility to provide a safe and healthy workplace to our employees and other stakeholders. The Company realizes its responsibility towards keeping the environment disease, infection and allergen free. Fumigation and Disinfection activities are regularly carried out as per the highest standards.

The COVID-19 pandemic brought a new set of challenges to all layers of our employees. NETSOL was amongst the first companies in Pakistan to adapt to WFH starting March 15, 2020. In addition to providing 24/7 technical support, our

extremely hard working Network Support team provided infrastructure and required equipment to our employees at their homes so that the work goes on seamlessly. We monitored medical leaves and kept track of employees' health. For further precautionary measures, N95 masks were distributed, in-house doctor was made available for consultation, facility for home COVID-19 tests was given and financial assistance was provided above set medical limits whenever required. As per our policy, close family members of employees also had access to these facilities provided by NETSOL.

VACCINATION DRIVE

In June 2021, we conducted a company-wide vaccination drive of the first and second dose at our head office in Lahore,



where employees could also bring their family members and get vaccinated.

FIRE & SAFETY SUPPORT

At NETSOL, we make sure all measures are strictly taken to protect the employees and the property from any form of accident. NETSOL's fire and safety team works throughout the day not only providing safety support but also educating employees by conducting safety drills and sessions regularly.

5. Energy Conservation / Environment Protection Measures

Climate change is a global crisis. NETSOL, being a responsible corporate citizen and borderless company, is committed to mitigate the global climate crisis. We acknowledge the importance of improved human well-being, health, security, livelihoods and social equity at the same time as environmental preservation. We are taking the following measures to improve environmental security:

- Purchased energy efficient air conditioners and lighting panels
- Replaced all energy savers and other lights with LED lights
- The company is switching to VRF and Inverter air conditioners which are more energy efficient compared to the conventional options

- Make sure to properly shut down computer systems at the end of the day
- Data center and server rooms are large consumers of energy in an IT landscape. These have been standardized using an eco-friendly room design which incorporates power and better mechanisms for cooling
- Our maintenance team is constantly working on the repair work (if required) of the sanitary fittings to ensure zero wastage of water

NETSOL follows a well-structured Recycling Plan by placing Recycling bins at various locations for Glass, Paper and Plastic separately. By separating the waste, we ensure that recyclable materials are reused. NETSOL has also collaborated with Green Earth Recycling Pakistan in this regard. We are going an extra mile to educate and encourage employees on the importance of a paperless environment.

6. Business Ethics and Anti-Corruption Measures

NETSOL holds frequent activities to ensure that the employees are working within the Company's Code of Conduct (Code). The Code is thoroughly observed throughout the organization. Employees are also required to sign off on the Code. There is zero tolerance towards corruption in the Company. Employees are encouraged to contact the audit committee directly, whether anonymously or otherwise, in case they come to know

about any monetary irregularities or suspicious activities taking place in the Company. For this purpose, drop boxes have been placed at prominent places within the Company's office.

7. Contribution to National Exchequer

We have always showed our responsibility by paying all government taxes in time and without any delay. For the year ended June 30, 2021 we made our humble contribution to the National Exchequer by way of general sale tax, income tax and other government levies.

Description	Rupees (000s)
Income Tax	31,472
Sales Tax	9,636
Withholding Tax	228,321

8. Community Investment and Welfare Schemes

PAID INTERNSHIPS:

The Company's internship program offers an opportunity to undergraduate students which helps them in building their career foundations. Such programs give hands-on experience to interns which cannot be obtained in classrooms and is a great way for them to acquaint themselves with the field of their interest. This also helps the Company to discover quality employees for future. During the year, more than 89 students from different reputable universities successfully completed their internships.

TREE PLANTATION DRIVE

Pakistan is on the list of the top six countries most affected by global warming. The government launched a nationwide Clean Green Pakistan Campaign to make Pakistan pollution-free and countering the effects of climate change. Taking this at an organizational level, our company runs a program for the same by the name of "Clean and Green NETSOL". Our management and employees planted several trees within the office premises, and as a part of this initiative we also participated in different plantation drives around the city.

