



# **CPF GROUP CORPORATE SOCIAL RESPONSIBILITY POLICY**

*“A company cannot succeed, or even survive, if it does not manage its business ethically and live up to the trust placed in it by its customers, employees, and shareholders. This trust not only rests on the company as a business, but on the company as a citizen, striving to build a better society.” (Michael Sabia, President and CEO, BCE Inc.)*

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## INTRODUCTION

The CPF Group has been involved in Community support and development activities since the commencement of its operations.

Being a leading professional services provider, the CPF Group believes that this position carries with it both opportunity and responsibility. An opportunity to serve those within our sphere of influence, and a responsibility to be a good corporate citizen for the sustainability of our planet. Pursuant to this, the CPF Group is committed to provide exceptional value creation for all its shareholders, customers, employees and other stakeholders. CPF commits to the pursuit of economic opportunities while taking into consideration the social and environmental impact of its business operations. We commit to conduct our business in an ethical manner.

CPF Group believes in applying its skills and resources where it can make the greatest impact on the society. This belief is enshrined in all the Community Involvement programs at CPF Group and is accomplished through a skill-based approach, driving meaningful change in the community by establishing a 360-degree connect by CSR program initiatives. The Community Involvement programs endeavor to deliver based on the shared values of CPF Group: *Teamwork, Integrity, Professionalism, Innovation and Customer Focus*.

The CSR Policy also upholds the principles of Code of Ethics and Professional Conduct of CPF Group. The policy for Corporate Social Responsibility is designed and governed with a clear focus on promoting Environmental Conservation in Kenya, Promoting Learning and addressing Mental Health.

## **OBJECTIVES OF THE CSR POLICY**

The primary objective of the CSR policy is to govern and enhance the reach of CSR programs undertaken by the institution while ensuring that the environment in which the CPF Group operates remains sustainable for posterity. To ensure that CSR programs and activities remain resonant and relevant, the CPF Group shall review these focus areas in line with the periodical Corporate Strategic Plan to ensure the CSR policy and initiatives are in line with the overall business strategy.

The objectives of the CPF Group will be achieved by:

1. Driving measurable change in communities where the CPF Financial Services, Laptrust and its constituent subsidiaries operate.
2. Inspiring our actions as societal change makers, and instilling pride in doing what we do best—applying our skills and expertise to accelerate positive societal impact.
3. Improving our people’s wellbeing, upholding fair labour practices and encouraging a diverse workforce, where people are treated with respect and are supported to realize their full potential.

## **CPF GROUP CORPORATE SOCIAL RESPONSIBILITY PILLARS**

The CPF Group has identified three strategic pillars, central to its operations upon which CSR programs and Community Involvement Initiatives shall focus. These are Environmental Conservation, Education and Mental Health.

### **Environmental Conservation**

CPF will proactively engage in activities that seek to promote and protect the environment in our course of business. This will include measures such as;

- Conservation of energy
- Use of environment friendly technologies
- Safe Recycling of waste
- Tree planting and Reforestation

### **Education**

CPF will seek to partner with like-minded institution in the promotion of quality education for all in Kenya; with the objective of attaining a well-trained and empowered workforce for growth and sustainability of the economy. This shall be achieved through;

- Promotion of early adoption of technology in learning
- Employee –Student Mentorship programs
- Support to disadvantaged learning institutions and programs

### **Mental Health**

Pensioners and other disadvantaged groups are a key stakeholder to the CPF Group. Increasingly, mental health issues are becoming a major issue of concern. In line with the Constitution of Kenya 2010, Vision 2030, the Kenya Health Policy (2014–2030) the CPF Group CSR Policy commits the organization to efforts geared towards addressing the challenges and mitigating the burden of mental health problems and disorders among vulnerable groups in both rural and urban centers.

## **OUR GLOBAL IMPACT**

The Initiatives and Community Involvement Programs to be undertaken by CPF Group are also aligned to the Sustainable Development Goals (SDGs), specifically:

**SDG 3: Ensure healthy lives and promote well-being for all at all ages:**With a keen focus on mental health, the CPF Group CSR Policy identifies mental disorders as a key area of focus. The United Nations (UN) postulates that nearly 800,000 suicides occurred worldwide in 2015, with men about twice as likely to commit suicide as women. This is an issue of growing prominence in Kenya as the Ministry of Health (MOH) estimates that least one in every four Kenyans will suffer from mental illness at one point in their lives. This means that at least 11.5 million Kenyans will grapple with mental illness in their lifetime, while another 20 to 40 per cent of those seeking outpatient services in hospitals have one or more mental disorders.

**SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all:**Sustainable Development Goal 4 seeks to achieve inclusive and equitable quality education for all. To this end, the CPF Group seeks to bridge the gap by enhancing efforts towards the attainment of this objective for vulnerable populations, including persons with disabilities and poor children in rural areas.

**SDG 6: Ensure availability and sustainable management of water and sanitation for all.** The CPF Group commits to play a role in mitigating the challenges that prevent Kenyans from accessing safe and clean water and sanitation. The CPF Group shall promote sound management of water and water ecosystems; which are essential to human health and to environmental sustainability and economic prosperity. This shall be done through strategic partnerships with stakeholder groups within the water sector in the country.

## OUR GUIDING PRINCIPLES

The CPF Group recognizes and appreciates the importance of integrating identified business values and operations to meet and exceed the expectations of its stakeholders. These include Customers, Employees, Suppliers, The Community as well as the organization's operating Environment. Subsequently, the CSR programs shall work within the following guiding principles (listed below). These principles define what "doing the right thing" means to the CPF Group. They are central to the success and sustenance of the identified CSR pillars.

While the principles are grounded in CPF's practical experience, they are also aspirational, recognizing that social responsibility is a journey and not a destination. At the same time, they are intended to serve as firm, non-negotiable guidelines that apply to every CPF Group employee across our operations. The Principles are also in line with the UN Global Compact principles.

1. We maintain the highest standards of **corporate governance, ethics and honesty** in all of our dealings, and operate in compliance with the law wherever we work.
2. We promote an ongoing dialogue and **engagement with stakeholders** in the communities where we operate, maintained in a spirit of transparency and good faith.
3. We exercise utmost vigilance in **protecting the environment** and seek ways to minimize our environmental footprint wherever we operate. We will always meet, and where possible exceed, regulatory requirements in our environmental performance.
4. We conduct all of our activities in accordance with accepted standards in the **protection and promotion of human rights**. We respect the cultural and historical perspectives and rights of those affected by our operations.
5. We provide a rewarding and **meaningful livelihood to our employees** and strive to be an employer of choice.
6. We seek to maximize employment, business and economic opportunities for **local communities** from our existing operations and new projects.
7. We provide lasting benefits to the communities where we work by supporting **sustainable initiatives** to develop their social, economic, and institutional fabric. We recognize that every community is unique and we work with our community partners to ensure that our support matches their priorities.

8. We maintain an active engagement and dialogue with our **global industry peers**, associations, governments, and civil society on CSR best practices and evolving global standards.

### **CPF GROUP CSR GOVERNANCE MODEL**

The CPF Group Executive Committee (EXCO) shall constitute the Corporate Social Responsibility (CSR) Committee and shall give reports to the Board on a quarterly basis. The CSR committee shall hold at least one CSR Committee meeting in every quarter. The Corporate Communication division, shall design the Annual CSR programs and initiatives for each financial year and accordingly recommend the agenda to the Board of Trustees through the Executive Committee.

The CSR agenda for the financial year shall indicate the activities to be undertaken for the financial year, the expenditure to be incurred on the CSR programs and initiatives and the anticipated Impact.

### **THE ROLE OF THE CSR COMMITTEE**

The role of the CSR Committee shall be:

1. To review and recommend to the Board of Trustees/Directors, the Annual CSR Plan which shall indicate the activities to be undertaken by the organization in any given Financial Year.
2. To review and recommend the amount of expenditure to be incurred on the CSR activities;
3. To create an effective due diligence and monitoring mechanism for implementation of the approved CSR activities;
4. To submit reports to the Board of Trustees/Directors in respect to the CSR activities undertaken by the CPF Group.

Policy Holder;



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