



Social Performance

Management Approach

At Atlas Honda, social performance is a collaborative effort led by our various functions including: Administration & Human Resources function, Health, Safety, Environment & Sustainability (HSE&S) function and Consumer Safety & Compliance function. All the teams work in Coordination to develop, implement, and monitor initiatives that drive meaningful social impact within their respective domains. Additionally, Atlas Honda actively fosters shared value creation in the communities where it operates, both through direct corporate initiatives and the dedicated efforts of the Atlas Foundation—a trust established to support sustainable community development. This integrated approach ensures that our social responsibility commitments align with our operational goals, benefiting both stakeholders and society at large.

Human Capital Management

Unlocking Potential Through Talent Development and Inclusive Growth

The Company ensures long-term employee development by strategically aligning talent acquisition, capability enhancement, and career growth with organizational objectives. Guided by the principles of the Atlas Way, the Company has established a corporate culture focused on continuous learning, leadership development, and value creation. The Company's comprehensive HR framework covers all aspects of employment including employee relations, training programs, equal opportunity policies, and workplace health & safety measures. The Company maintains full compliance with all applicable labor regulations, strictly prohibiting forced, compulsory or child labor while upholding fair working conditions and human rights.

A strong emphasis on gender equality and diversity forms the foundation of Company's talent strategy, enabling individuals from all backgrounds to realize their full potential and grow into leadership roles. The Company continuously enhance its HR systems, practices and service quality through regular upgrades to meet evolving workforce needs. The Company focuses on recruitment and qualification of local personnel as a way of developing the local communities. No senior management employee at locations of significant operation is hired based on location or domicile and there are no specific

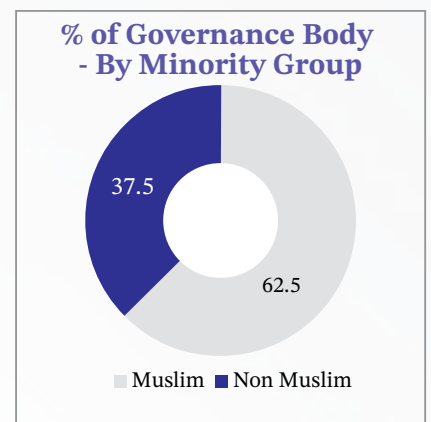
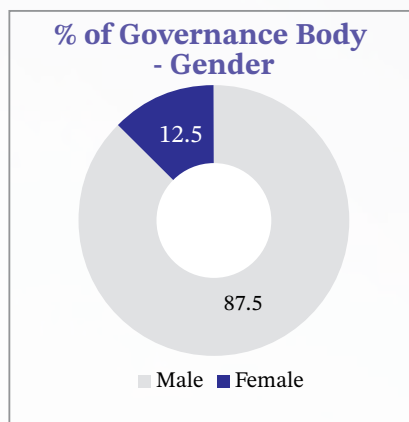
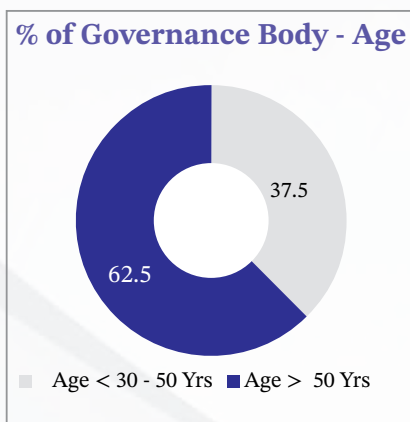
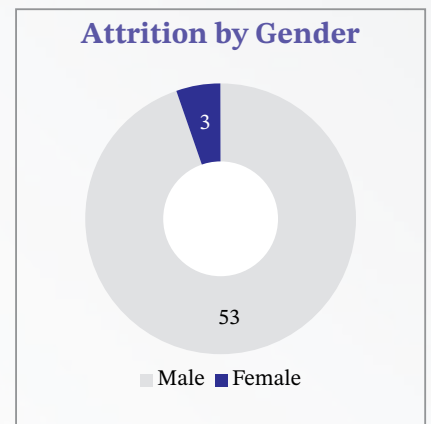
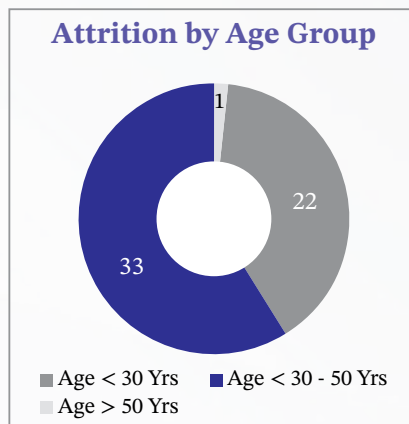
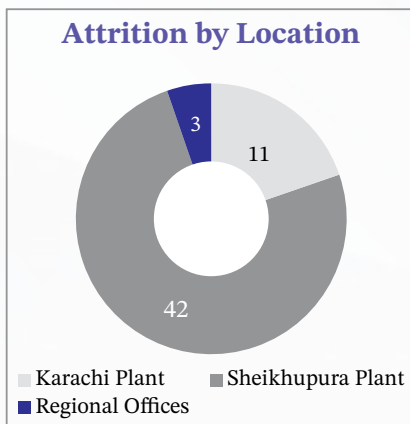
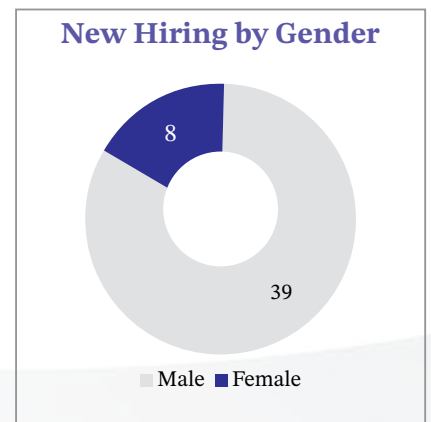
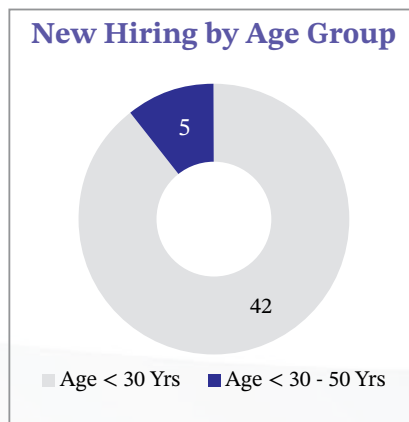
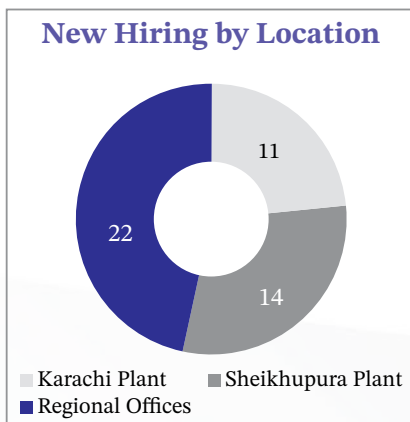
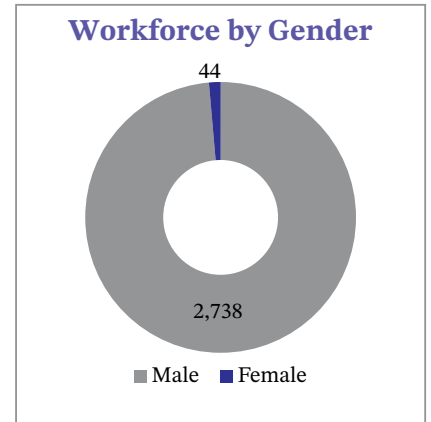
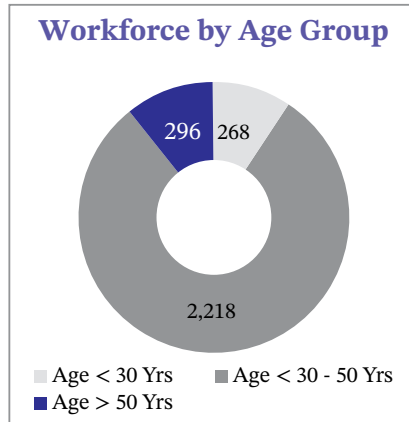
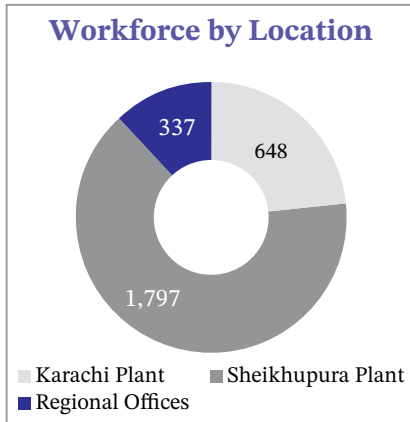
quotas for women, specific nationalities, ethnic minorities, or special age group for senior management and Executive Committee. The performance management system includes structured appraisals that identify individual development needs, inform training interventions, and ensure equitable reward mechanisms. Employee feedback through surveys and industry benchmarking further strengthens Company's human capital approach.

To sustain its market leadership position, the Company has implemented robust talent acquisition and retention strategies anchored by its flagship "Management Trainee Program". This structured initiative involves nationwide recruitment drives across Pakistani universities to identify and nurture high-potential graduates, providing them with accelerated career pathways. Its ability to offer such unique development opportunities within a diverse and supportive work environment helps attract highly skilled professionals at all levels. The HR department follows standardized policies for recruitment, placement and development to address changing competency requirements, with the Management Trainee Program serving as a key talent pipeline. All new employees, including trainees, participate in a comprehensive orientation program designed to familiarize them with company culture, values and operational processes, ensuring smooth organizational integration from day one.



Employee Composition

The following is Company's employees' composition as at the reporting date. No major variations have been reported. Further, the data has been compiled by the Company's human resource department as per actual and no assumptions have been made. During the year, the hiring rate was 1.70% while the turnover rate was 2.01%.



Work Life Balance and Parental Support

The Company is committed to supporting employees through life stages with inclusive parental leave policies. Females are entitled to maternity leaves of four months while male employees are entitled to parental leaves of 5 days. During the year, 3 female employees and 297 male employees were entitled maternity and paternity leaves, respectively. All of such entitled leaves were granted and utilized. The table below details annual trends in leave utilization:

	Female	Male
Employees that availed leaves	3	297
Employees that returned to work	2	297
Employees that returned to work are still employed 12 months after their return	2	297
Return to work and retention rate	67%	100%

These policies reinforce Company's dedication to gender equality and employee well-being while maintaining operational continuity.

Atlas Honda prioritizes gender equality and workforce inclusion through targeted initiatives such as our on-site daycare centers at our Karachi plant, Sheikhpura plant and Corporate Office Lahore. These facilities support working mothers by reducing barriers to career advancement and fostering a more equitable workplace. While this reflects Company's commitment to SDG 5 (Gender Equality), it recognizes the importance of expanding access to all caregivers as part of Company's long-term diversity. The Company continues to adopt best practices for inclusive workplaces.

Career Development and Training

Guided by the principle of "Organization Development through Self-Development," the Company implement a

holistic 70:20:10 learning model (70% experiential, 20% coaching, 10% formal training). The Company comprehensive development programs span:

- On boarding orientation programs for management trainees
- On-the-job learning and global rotation programs.
- Mentorship initiatives and executive coaching.
- International training programs that includes Association of Overseas Technical Cooperation & Sustainable Partnerships (AOTS) and partnerships with Harvard Business School and INSEAD.
- External training workshops: Leadership Grid Seminars, Critical Thinking and Analytical Skills, Power BI, Create Organizational Skills, Conflict Management, Building Team Excellence, Lean Six Sigma, Negotiation Skills.
- In-house training workshops designed to enhance employees' capabilities on Technical and Soft Skills. These Includes: Best Practices at Workplace, Role of Effective Communication Skills, Root Cause Analysis, MS Office, 5S, 7QC tools, SAP S4 Hana trainings.



The table below details Company’s training investments and participation across all the permanent employee levels:

Internal Training Programs	28
No. of Persons trained in internal training	2,275 (Female: 20)
External Training Programs	52
No. of Persons trained in external trainings	190 (Female: 15)
Trainings days	2,974 (Female: 35)
Training hours	23,792 (Female: 280)
Average training hours per year per employee	8.9 (Female: 6.4)
Average training days per employee	1.1 (Female: 0.8)

Performance Appraisal and Reward System

Atlas Honda complies with all labor laws, including minimum wage and separation benefits. Salaries are determined by education and experience, with no gender bias—ensuring a 1:1 pay ratio. Competitive compensation packages (salaries, bonuses, healthcare, transport, vehicles, fuel allowances, and retirement benefits) align with industry standards. Performance evaluations influence salary adjustments.

The Board of Directors approves the remuneration policy, reviewed periodically by the HR and Remuneration Committee with department heads to ensure competitiveness. AHL pays above minimum wage, with entry-level salaries exceeding 1.35x the minimum at key locations. Only full-time roles are offered.



All of the employees undergo bi-annual performance reviews by line managers, identifying the training needs under the Individual Development Program for leadership growth.

Human Rights and Relations with CBA

The Company fosters a discrimination-free environment where all individuals are treated with respect, equality, and dignity. Human rights violations are strictly prohibited. Key practices—including voluntary labor, fair working hours, diversity, and workplace safety—are consistently upheld. Regular operational reviews and an efficient grievance system ensure compliance with the policies and laws and regulations. No human rights violations were reported this year.

Employees receive one month’s notice for impactful changes. Collective Bargaining Agreements (CBAs) cover these terms for unionized staff. The Company respects employees’ rights to representation and collective bargaining, engaging in

constructive dialogue with unions. CBAs apply to over 9.2% of permanent employees.

Investment agreements include human rights clauses and undergo human rights screening. The Board of Directors approves all major investments and decision of the Board is based upon financial, strategic and sustainability criteria, the last of which also includes human rights aspects. During the year, all the major investment agreements and contracts were subject to human rights screening.

The Company strongly discourages any form of child labour and firmly complies with local regulations concerning legal minimum age requirement for work permits. The Company has a mechanism of periodical evaluation of its vendors for any possible violation of human rights. The Company does not have any child/forced/compulsory labour within its operations nor is it aware of any such cases at its suppliers. There were no complaints reported during the year related

to violation of human rights. For the employees that are not covered under collective bargaining agreements, their working conditions and their roles and responsibilities are guided by internally developed Human Resource policies and procedures.

Health & Safety

The Company prioritizes the health and safety of its employees, contractors, and visitors. In this regard comprehensive HSE policy and guidelines have been developed at all the locations of the Company which is supported by a management system. These policies and guidelines are established under the guidelines of ISO14001:2015 and ISO 45001:2018, and are supported by Health and Safety Management System which covers all the employees of the Company working at its premises. The responsibility for health and safety of the employees rests with the General Manager Human Resource (GM HR) and General Manager Health Safety & Environment (GM HSE).

Incident reporting mechanism is defined in the work procedures of HSE and is followed rigorously. Workers are encouraged to report any risks and safety incidents. The Company carefully tracks incidents and complaints received from stakeholders and take prompt actions for resolution. During the year, no work-related ill health fatalities, or any other cases of significant injuries have been reported.

Health and safety committees have been established under the Industrial Relations Act. These committees also include representation of the workers. The committee is involved in development, implementation and evaluation of the HSE system. Monthly meetings of committees are conducted for monitoring and evaluation purposes. These committees are responsible for identification and evaluation of work-related hazards and the risks of ill health on periodic basis and take counter measures to minimize the risk and promote safe working environment. The meetings of the committee are conducted on monthly basis. The formal agreements with the CBA cover health and safety related provisions and all the employees of the company come under the umbrella of extensive medical policy that has been formulated in the light of health and safety requirements of the Factories Act, 1934.

Company has established Job Hazard Analysis (JHA) which is essentially the assessment of routine or specific work activities to establish whether adequate precautions are in place. In other words, it is the systematic identification of potential hazards in the workplace as a step to controlling the possible risks involved. Job Hazard Analysis is an ongoing process. Based on the analysis of job processes carried out during the current year, employees of the Company do not face any major risk of occupational diseases nor did any such diseases occur related to the manufacturing processes of the Company.



Key HSE policy guidelines are prominently displayed throughout the Company facilities to re-inforce workplace safety. Regular occupational health and safety trainings - including general safety, fire drills, first aid, and job-specific hazard instructions - are conducted in local languages by qualified trainers during paid work hours. These training programs are assessed through participant feedback and practical drills to ensure effectiveness. The company has implemented additional measures to foster safety awareness and proactively identify potential health and safety risks for all employees.

- During the year 1-month medical examination activity was performed for hazardous areas to ensure good health of associates and prevent them from disease in which 1,604 associates were tested through 9-step verifications: blood test, eye examination, urine test, physical examination, chest x-ray, heart ECG, spirometry, audiometry, and weight height index.
- During the year a training session was conducted with an external consultant with an objective to train associates for emergency situations. The content of the training covered wide scope of areas including CPR (Cardio Pulmonary Resuscitation), bleeding control, and emergency response for chemical and electrical burns. 19 participants that have been designated as members of emergency response team participated in this training.
- During the year a 2-day training session with Rescue 1122 Professionals was organized with an objective to train associates for emergency situations. The content of the training covered wide scope of areas including basic life support, CPR FBAO (Foreign Body Airway Obstruction), patient shifting techniques, poisoning emergencies, snake bite, fire extinguishing process, classes of fire and method of fire-fighting through fire hydrant.
- During the year, a training session was organized for safe handling of hazardous chemicals in which 31 associates participated.
- During the year, the Company conducted 6 specialized training sessions for 48 key vendors, emphasizing the critical importance of workplace safety and sustainable practices. These sessions focused on hazard identification, risk mitigation, and compliance with HSE standards, ensuring alignment with our corporate safety culture. By equipping Company’s suppliers with the necessary knowledge and tools, AHL aims to foster a safer, more responsible supply chain and reinforce its collective dedication to a zero-harm workplace.
- During the year certifications for ISO 9001, 14001 & 45001 were renewed by an independent reviewer. The review engagement was carried out at both the manufacturing facilities of the Company.

Human Rights & Working Conditions across the Supply Chain

Respecting and safeguarding human rights—the fundamental and inalienable rights to which every individual is entitled—lies at the heart of the Company’s labour practices. The Company is committed to ensuring that all its products and services, whether created internally or by vendors, adhere to local laws and uphold human rights principles. To protect employee rights, the Company has implemented strict policies both within its own operations and among its vendors, as outlined in the following guidelines:

- Eliminate all forms of discrimination and harassment in the workplace, ensuring fairness in all aspects of employment, regardless of race, ethnicity, nationality, religion, gender, or other personal characteristics.
- Avoid employment of workers who do not meet the legal minimum working age of each country and region;
- Prohibit forced labour and guarantee that all employment is voluntary, with employees free to leave their jobs at any time ;
- To comply with the laws & regulations regarding minimum wages, overtime, wage deductions, performance-based pay and other remuneration;
- To comply with the laws & regulations regarding the setting of employees’ working hours (including overtime) and granting of scheduled days off and paid annual vacation time etc; and
- Maintain a safe and healthy working environment for all associates, ensuring their well-being at all times.

During the year, no negative social impacts were identified across the supply chain.



Corporate Social Responsibility

The Company believes that its activities contribute in overcoming societal challenges while also creating added value for the Company. Atlas Honda is fulfilling its responsibilities as a good corporate citizen through ongoing involvement in socially beneficial activities tailored for well-being of local communities. The Company's approach is driven by the needs of communities at its locations identified through surveys, social media pages, focal groups and meetings. The Company has integrated this perspective in to its development plans and overall strategy to garner the trust of and remain close to local residents. The Company regularly engages with local communities to highlight any potential negative impacts of its operations on the society as whole. During the year no such incidents were reported to the Company. All of the company's operations are frequently assessed for any environmental, social, health and safety impact on the society as a whole

Implementation and monitoring of social activities at the Company's locations are routed through senior management of Administration & Corporate Affairs department who is also responsible for review and analysis of monthly progress of such initiatives. Progress is reported to the senior management on a continuous basis. The Company's commitments & initiatives for society mainly focus on health, education, consumer safety riding campaigns, women empowerment programs and other communal initiatives which are prioritized after considering the needs of all the stakeholders through stakeholder engagement. Sustainable value creation involves establishing operations that can be maintained independently, without dependence on subsidies and grants. During the year the AHL did not receive any direct or indirect financial assistance from the government, apart direct or indirect financial assistance from the government, apart from the tax credits and rebates in accordance with the relevant laws and regulations.

During the year following activities were undertaken:

Education & Training

An educated and skilled nation is critical for socioeconomic development of a country. The Company believes that improving access to education & training is one of the most long-lasting investments it can make for the society. In this regard, following activities were carried out to support education & training:

Supporting Community Welfare through Donations to Atlas Foundation

As part of its commitment to community welfare, Atlas Honda supports Atlas Foundation a welfare and charitable organization, formed with a mission of betterment of society with particular emphasis on health and education and to provide assistance to the needy and deserving without discrimination, directly and/or through organizations of repute in the field of Health, Education and General Welfare. In this regard, Atlas Honda has committed to donate 1% of its profit before tax annually to the Atlas Foundation to support its impactful initiatives. This partnership reflects Company's belief that investing in these areas is essential for creating a healthier, more educated, and prosperous society. In line with its commitment, this year Atlas Honda contributed have contributed 207 Million to the Atlas Foundation.

Paid Internships

Company's internship program provides undergraduate students from leading universities (including NED, NUST, LUMS, and others) with hands-on industry experience to complement their academic learning. This initiative helps interns explore their professional interests while allowing the Company to identify and nurture future talent. During the year, Atlas Honda hosted 172 interns from top-tier institutions across Pakistan.



Approved Employer for Chartered Accountant Trainees

The Company has been formally recognized as an ICAP Approved Employer for Chartered Accountancy trainees by the Institute of Chartered Accountants of Pakistan (ICAP). This esteemed accreditation underscores its dedication to nurturing professional excellence and creating robust training pathways for emerging finance professionals. As an ICAP-approved organization, the Company will provide structured training programs that meet rigorous professional standards, offering CA trainees comprehensive mentorship, practical experience, and career development opportunities.



Industrial Visits

The Company facilitates students and officials from various institutes and organizations to visit its Karachi and Shekhupura plants. This year officials from Punjab Labour and Human Resource Department, State Department of Horticulture, OSH team and students from various

universities visited the plants and observed the process of production of motorcycles and parts. Visitors took keen interest in the assembly line and appreciated the precision exhibited by the workers.



During the year, the Company hosted the students from The Karachi Japanese School along with their families, to visit its Karachi plant for an educational industrial visit. The young learners explored Company's production processes, safety measures, and sustainable practices, gaining valuable insights into manufacturing operations. The visit emphasizes AHL's commitment to community engagement and fostering cross-cultural learning.

Community Initiatives

The Company acknowledges that the community initiatives are an investment that works hand-in-glove with its overall business strategy and values. Therefore, the Company collaborates with various stakeholders to address social issues and carry out initiatives that matter to local people.



Blood Donation Camps

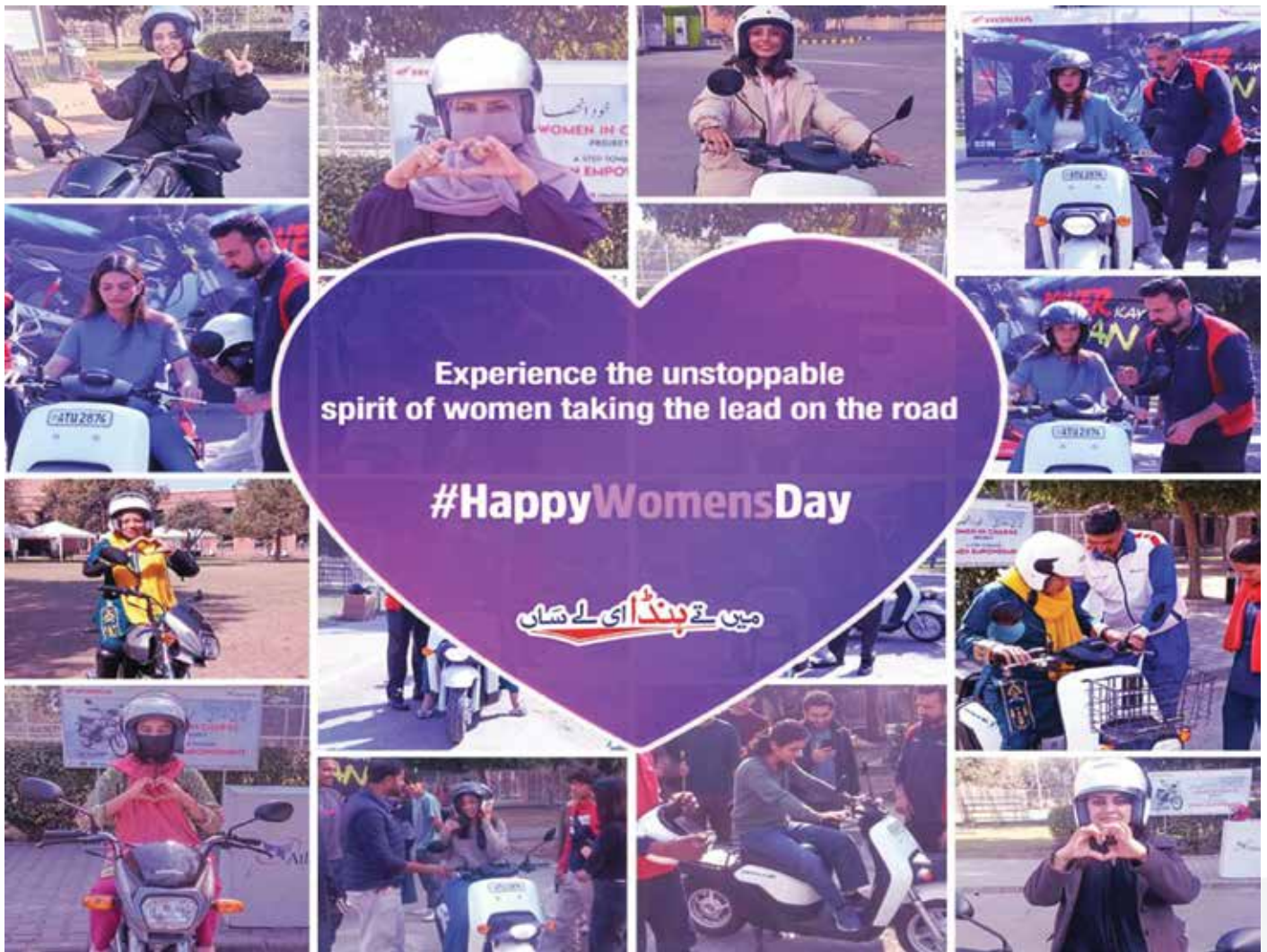
As part of its ongoing commitment to corporate social responsibility and community welfare, Atlas Honda organized a blood donation camp in collaboration with Indus Hospital. The initiative aimed to support patients in need of blood and to raise awareness among employees about the importance of regular blood donation.

Representatives from Indus Hospital were present at the event to manage the donation process, ensuring safety, hygiene, and proper medical protocols. Many Atlas Honda employees

enthusiastically participated in the camp, donating blood and showing solidarity with those in need.

This meaningful collaboration reflects Atlas Honda's dedication to giving back to society and fostering a culture of compassion and civic duty within its workforce.





Women In-Charge Project

Atlas Honda’s “Women In-Charge” initiative provides professional motorcycle training to promote women’s independence and mobility. The comprehensive program teaches road safety, traffic rules, defensive riding, and basic maintenance, with strong emphasis on helmet use.

In its first year, we trained 721 women from various sectors, helping them gain confidence and access to new opportunities. This program reflects Company’s commitment to gender equality and social progress through practical skill development.

By equipping women with riding skills, we’re breaking barriers and creating role models. “Women In-Charge” demonstrates how corporate initiatives can drive meaningful social change while supporting national development goals.

Women’s Day Celebration

Atlas Honda celebrated Women’s Day with great enthusiasm to honour the strength, achievements, and contributions of Company’s female employees. The event included motivational talks and small tokens of appreciation to recognize their vital role in the organization. It was a meaningful celebration that reinforced Atlas Honda’s commitment to gender inclusion and empowering women in the workplace.

Breast Cancer Awareness Session

A session on Breast Cancer Awareness was conducted at Atlas Honda to educate female associates about the importance of early detection, prevention, and available treatment options. The initiative aimed to raise awareness, among female staff, about recognizing early signs and promoting regular screenings. Health experts were invited to provide valuable insights, share real-life experiences, and answer participants’ questions. The session reflected Atlas Honda’s commitment to employee well-being and its proactive approach towards health education and awareness.

Safety Riding Training & Education

Atlas Honda continues to lead in road safety initiatives through comprehensive training programs and awareness sessions. Pakistan faces a severe road safety crisis, with over 11,000 fatalities annually. Motorcycles account for 70% of registered vehicles and are involved in 45% of the road accidents. Urban centers like Karachi and Lahore report high accident rates due to traffic congestion and lack of rider awareness. We aim to curb preventable accidents and align with the UN’s Decade of Action for Road Safety 2021–2030.

This year, the Company certified 619 dealership Safety Advisors across all regions, equipping them with advanced riding skills, traffic regulation knowledge, and technical



Women's Day Celebration at Karachi Plant

maintenance expertise. These advisors now serve as safety ambassadors, directly educating customers at our nationwide dealerships. The Company also uses Digital Riding Trainers to provide hands on driving experience to new users.

Atlas Honda's safety programs achieved significant reach:

- Trained 30,104 customers at dealerships
- Educated 24,050 students through institutional partnerships
- Conducted sessions for 7,039 government and corporate officials
- Empowered 721 female participants, including police & officers
- Served 10,312 customers in safety awareness & light/brake checking campaigns
- Distributed 105,632 safety brochures.

Through these efforts, the Company is creating a culture of safety while promoting women's mobility. Company's institutional collaborations deliver life-saving knowledge, contributing to Pakistan's road safety improvement.

Atlas Honda's Advocacy for Motorcycle Safety Lanes

Recognizing that motorcycles constitute over 70% of Pakistan's vehicular traffic and account for a significant portion of road accidents, Atlas Honda has taken a leadership role in lobbying for dedicated motorcycle lanes across urban centers. As part of our comprehensive road safety initiative, we have engaged with federal and provincial transport authorities, city planners, and policymakers to highlight the critical need for segregated motorcycle infrastructure. Our advocacy efforts include presenting data-driven proposals demonstrating how dedicated lanes can reduce motorcycle-related accidents by up to 40%, sharing international best practices from ASEAN



countries, and piloting lane discipline awareness campaigns among riders. These efforts align with our commitment to transforming Pakistan's traffic eco-system, where currently only 3% of roads have dedicated motorcycle lanes despite two-wheelers being the dominant mode of transport. Through sustained dialogue with the National Highway Authority and municipal corporations, The Company aims to institutionalize motorcycle lane planning in all future road development projects, creating safer commuting corridors for Pakistan's millions of daily riders.

Free Motorcycle Checkup Campaigns

During the year, the Company organized diverse customer relationship-building activities, such as complimentary checkup camps, test rides, and oil change events held at different venues. These initiatives serve to strengthen the company's relationship with its customer base and efficiently meet their needs and inquiries. Over the course of the year, more than 429,000 customers were attended to through 8 service campaigns. Furthermore, large-scale complimentary checkup camps were conducted across more than 780 dealerships, spanning over 312 cities & Towns, serving a wide range of customers.

Hiring of Female Staff at Dealerships

Contributing towards Sustainable Development Goal of gender equality and women empowerment, Atlas Honda inspired its dealers to hire female staff. As a result, 358 female employees are hired to date at various dealerships nationwide. To spur motivation and encouragement, these employees are offered opportunity to visit Company plants, where they are given orientation regarding Atlas culture.

Hiring of Specially-abled Persons at Dealerships

The Company believes that to reduce inequalities, policies should be made while keeping in view the needs of disadvantaged and marginalized populations. Over the last few years, the Company has added hiring of special persons in the business score cards for dealers. In this regard 45 specially-abled persons were deployed at various dealerships during the year. Furthermore, the Company also organizes visits of such persons at its plants.

Atlas Honda Fuels EV Innovation through Academic Partnerships

As part of Company's commitment to advancing Pakistan's electric mobility ecosystem, Atlas Honda has donated electric motorcycles to NED University of Engineering & Technology and University of Engineering & Technology's Automotive and Engineering Centre, specifically for research and development purposes. These vehicles will serve as critical platforms for engineering faculties and students to conduct cutting-edge research in battery technology, energy efficiency, and localized EV solutions. The donation enables hands-on experimentation with real-world performance data, supporting thesis projects and potentially patentable innovations tailored to Pakistan's unique urban mobility challenges. By equipping academia with practical R&D tools, the Company aims to bridge the gap between industry and education while cultivating homegrown expertise that will shape the nation's sustainable transportation future.

