Statement of Corporate Intent 2026-27

Fueling Progress: A 60-year Journey

Statement of Corporate Intent (2026-27)

Preface

As per Clause 8(4) of the State-Owned Enterprises (Governance And Operations) Act, 2023, the board of every state-owned enterprise shall at the start of each financial year, adopt and cause to have published a statement of corporate intent for the state-owned enterprise or the group comprising the state-owned enterprise and its subsidiaries (if any), in respect of that year and the following two financial years in the manner and form set out in Schedule-III.

The Board of Directors, in its 650th meeting held on 30-06-2026, has approved SNGPL's Statement of Corporate Intent (FY 2026-27) along with the Business Plan for the period of FY 2027-29

This comprehensive plan, developed through a 360-degree approach, aims to leverage the Company's strengths and assets while considering the evolving environment and stakeholders' expectations.

The plan is built around the theme of:

1. **Strengthening the Core Business** through efficient and sustainable management of gas transmission, distribution and sales operations.
2. **Exploring More** through development of new business ventures and expansion into emerging energy opportunities.

The plan assumes stability in the Company's corporate structure, regulatory environment, and government control. Significant changes in these factors could materially impact the plan's dynamics.

Statement of Corporate Intent (SCI)
FY 2026-27

Section 8(4) of the SOE Act 2023 states that The board of every state-owned enterprise shall at the start of each financial year, adopt and cause to have published a statement of corporate intent for the state-owned enterprise or the group comprising the state-owned enterprise and its subsidiaries (if any), in respect of that year and the following two financial years in the manner and form set out in **Schedule-III**.

Statement of Corporate Intent [Sec- 8, Schedule-III]			Ref. Slides
1	**Name of State-Owned Enterprise**	**Sui Northern Gas Pipelines Ltd**	-
2	Incorporated/established on	17th June 1963	
3	Subsidiaries included in this statement of Corporate Intent.	Nil	-
4	**Description of the main Business** of the state-owned enterprise [as per the constitutive documents/relevant statute]	The principal activity of the Company is the purchase, **transmission, distribution and supply of local and imported natural gas**.	-
5	Summary of the **business goal** of the state-owned enterprise. [as per the approved business plan]	**Strengthening the Core** **Exploring More**	**06-15**
6	Summary of the **performance measures and benchmarks** against state-owned enterprises business goal and its primary objective. [targets of state-owned enterprise]	Set out in the document	**16-33**
7	**Summary of the strategies** of the State-owned enterprise **for achieving its business goals and primary objective**. [commercially sensitive strategies are not required to be included here summary of the key risks identified in the achievement of the business goals to also be included here]		
8	The **current or anticipated borrowing** of the state-owned enterprise, including borrowing by a subsidiary. [Current borrowing has to be specific-anticipated borrowing to be included on the basis of projected revenue requirements of the state-owned enterprise and will not be binding on the state-owned enterprise]	Tabulated in Financial Plan section	**34**

Statement of Corporate Intent (SCI)
FY 2026-27

Statement of Corporate Intent [Sec- 8, Schedule-III]			Ref. Slides
9	The **accounting policies** that state-owned enterprise will apply for financial records and reporting	Being a public sector listed company, it complies with all related accounting as well as the reporting requirements given in Company's Act, International Accounting and Financial Reporting Standards.	-
10	Summary of **indicative Balance Sheet and Profit and Loss Statement** for the state-owned enterprise.	Projected Financial Statements are not being disclosed as it falls under the ambit of price-sensitive information as defined in the Securities Act, 2015 [Section-96] and PSX Regulations [Clause 5.6.1(a)].	35
11	**Consolidated summary of indicative Balance Sheet and Profit and Loss Statement** for the state-owned enterprise and its subsidiaries as a group:[need to be filled if the state-owned enterprise does not have any subsidiary]	Not applicable	-
12	The **proposed dividend declaration and distribution policy** of the state-owned enterprise.	This information is not disclosed being a price sensitive information, where confidentiality needs to be maintained under the corporate laws. The Company understands that any disclosure of such information at this stage is strictly prohibited to avoid insider trading implications.	-
13	Description of any **public service obligation and their impact on the forecasted financial outcomes** of the state-owned enterprise [as agreed with the Federal Government]	Although cross-subsidies exist for some gas sectors yet this does not come under public service obligation as the same is compensated through cross subsidy mechanism which is in accordance with the tariff determined by the regulator in consultation with the Federal Govt. as provided in section 8(3) and 8(4) of OGRA Ordinance, 2002.	-
14	**Any other matter** directed to be included in this statement by the Federal Government.	-	-

Appendices

1. Strategic Priorities & Goals

2. Strategies / Action Plans & KPIs of Business Plan

3. Financial Plan
   - Financing Analysis
   - Statement of Profit & Loss

1. Strategic Priorities & Goals

Summary

As Pakistan's leading gas utility, SNGPL recognizes its evolving role in a dynamic energy landscape and aspires to become a future-ready, consumer-centric energy enterprise, ensuring safe, efficient and equitable gas delivery while embracing cleaner energy solutions. To achieve this, the Company plans to implement the following strategies:

Strengthening the Core

- Operational Excellence
- Sales Growth
- Improve Consumer Perception
- Financial Sustainability
- Human Resource Recruitment & Development
- Digital Transformation

Exploring More

- Business Diversification

1. Strategic Priorities & Goals

Strengthening the Core

Digital Transformation

Operational Excellence

Human Resource Recruitment & Development

Sales Growth

Financial Sustainability

Improve Consumer Perception

1. Strategic Priorities & Goals
Strengthening the Core

Operational Excellence

GOALS

- Gas Supply Management
- Infrastructure Reforms for Demand Management
- Secure Indigenous Gas Supplies
- Operation, Maintenance and System Rehabilitation
- Enhancement of Operational Capacity
- Safety & Security of Pipeline Network
- UFG Control
- Strengthening GIS & SCADA Systems
- Champion Sustainability and Environmental Stewardship

1. Strategic Priorities & Goals
Strengthening the Core

Sales Growth

GOALS

- Provision of New Gas Connections
- Enhance Existing LPG Business

1. Strategic Priorities & Goals
Strengthening the Core

Improve Consumer Perception

GOALS

- Streamline Customer Services Experience
- Reinforcement of Corporate Image and Credibility

1. Strategic Priorities & Goals
Strengthening the Core

Financial Sustainability

GOALS

- Manage Circular Debt through Full Cost Recovery
- Address Extensive Litigation & Enhance Recoveries

1. Strategic Priorities & Goals

Strengthening the Core

Human Resource Recruitment & Development

GOALS

- Development & Training of Workforce
- Establishing High-performance Organizational Culture
- Recruitment of Additional Human Resources
- Performance Measurement & Accountability

1. Strategic Priorities & Goals

Strengthening the Core

Digital Transformation
GOALS ▪ Cybersecurity Management ▪ Adoption of Cutting-Edge Technologies ▪ Digitalization and Modernization of Enterprise Systems

1. Strategic Priorities & Goals

Exploring More

Business Diversification

Establish and operationalize an integrated subsidiary company to:

A. Establish LPG bottling plant and distribution network to expand the Company's presence in the LPG market.
B. Pursue EPC opportunities in gas transmission, distribution and allied energy infrastructure sectors.
C. Secure gas supply and industrial customers for gas trading operations under the TPA regime.

1. Strategic Priorities & Goals

Alignment of Company Strategy with Government Expectations

5Es
NATIONAL ECONOMIC TRANSFORMATION PLAN
2024-2029
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		National Vision	Strategic Focus	Aligning Company Strategy
1	**Exports**	Boost exports through key industries, innovation and global competitiveness	**Exploring More**	- Being the major provider of energy needs of Textile and glass sectors, played an important role in the exports of the country. - Export of EPC services, pipeline construction & pipeline O&M services.
2	**E-Pakistan**	Accelerate digital transformation and innovation to build a tech-driven economy.	**Strengthening the Core**	- AI, digitization, cybersecurity
3	**Environment**	Prioritize climate resilience via water, food security, sustainability and Green Revolution.	**Exploring More**	- Contribution to food-security through supply of 24% of total supply of natural gas to fertilizer sector. - Contributing to a low-carbon future by supplying cleaner natural gas as a substitute for high-emission fuels. - Investments in energy efficiency and UFG control help conserve resources, cut emissions and leakages of natural gas (methane being a green house gas) and advance national climate and green growth goals. - Transition to green initiatives
4	**Energy & Infrastructure**	Ensure energy sustainability, enhance transport and utilize minerals for economic growth.	**Strengthening the Core**	- Construction of pipelines for injection of new gas finds and diversification through alternate energy sources like biomethane to mitigate Energy Security Risks.
5	**Equity & Empowerment**	Ensure equity through health, education and inclusive empowerment.	**Strengthening the Core**	- Training, safety, ethics, local inclusion, equal opportunity in employment.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Gas Supply Management	• Sale of surplus cargoes in the market under Net Price Differential (NPD) arrangement OR; • Possible walk away from SPA 1 OR; • Extension of SPA1 where surplus cargoes can be used in subsequent years to mitigate shortages at that time*	Mitigation options under deliberation of GOP and stakeholders	Mitigation options under deliberation of GOP and stakeholders	Mitigation options under deliberation of GOP and stakeholders	Sales
		• Identification & Prioritization of bottlenecks, critical segments, and improvement areas • Continuously augment and de-bottleneck the transmission network to facilitate integration of gas from new and emerging gas fields • Ensure transmission system operational flexibility for optimized gas flows • Upgrade distribution network to ensure smooth operations at optimum pressures	**Transmission:** 100 % completion of planning, design and subsequent implementation of network augmentation for system flexibility and to absorb newly discovered gas fields after their full allocation to the company. **Distribution:** Laying of operational phases to remove bottlenecks as per targets.			ES/ Projects/ Transmission/ Distribution

* Mitigation measures are dependent on GOP policy and decision on G to G framework which are beyond the control of the Company

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

<table>
<tr><th rowspan="2">Strategic Priority</th><th rowspan="2">Goals</th><th rowspan="2">Strategy/Action Plan</th><th colspan="3">Performance Measure (KPI)</th><th rowspan="2">Responsible Department(s)</th></tr>
<tr><th>2026-27</th><th>2027-28</th><th>2028-29</th></tr>
<tr><td rowspan="5">Operational Excellence</td><td rowspan="5">Infrastructure Reforms for Demand Management</td><td>Facilitate integration of gas from new indigenous sources through timely development of transmission infrastructure and network connectivity</td><td>Injection of gas from Kot Palak Gas Field by laying of 12"dia x 103 kms proposed Transmission pipeline from D.I.Khan to Manjuwal</td><td>Completion of civil works of commissioned Kot Palak Pipeline</td><td>--</td><td>ES / Projects</td></tr>
<tr><td rowspan="4">Undertake phased augmentation of the transmission network through development of new pipeline infrastructure to strengthen system reliability, improve gas flow management, and support future growth requirements</td><td>Augmentation of Transmission network from CV-25 to Mandra (Phase-I) by designing / laying of 24"dia x 63.5 km Transmission pipeline from CV-25 to Mandra</td><td>--</td><td>--</td><td>ES / Projects</td></tr>
<tr><td rowspan="3">--</td><td colspan="2">Augmentation of C-4 Choa Saiden Shah to C-5 Chakwal & from C-2 Kot Momin to CC-1 Haranpur (Phase-II)*</td><td rowspan="3">ES / Projects</td></tr>
<tr><td rowspan="2">Designing / Laying of 30"dia x 32 km Transmission loopline from C-4 Choa Saidan Shah to C-5 Chakwal</td><td>Completion of Civil Works of commissioned C4 – C5 Line</td></tr>
<tr><td>Designing / Laying of 30"dia x 50 km Transmission loopline from C-2 Kot Momin to CC-I Haranpur</td></tr>
</table>

*Subject to approval from OGRA

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Infrastructure Reforms for Demand Management	Enhance transmission and compression system performance through capacity expansion and operational optimization initiatives to improve gas transportation capability, system reliability, and operational flexibility.	a. Capacity enhancement at CC-1 (Haranpur) b. Operation optimization at AC1-X (Q), Bhong c. DGC system capacity enhancement at CC-3, Gali-Jagir (Capacity enhancement from 270 MMCFD to 450 MMCFD (180 MMCFD increase))	--	--	Compression
	Secure Indigenous Gas Supplies	Secure anticipated indigenous gas supplies*	100 MMCFD	200 MMCFD	250 MMCFD	Sales

*Additional indigenous supplies represent 75% of the projected volumes communicated by E&P companies and reflect the Company's strategy to secure gas from new discoveries, field developments, and enhanced engagement with upstream producers. Gas allocation is subject to allocation by Federal Government.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Operation, Maintenance and System Rehabilitation	System Rehabilitation Program (SRP), in relation to the TBS-wise reconciliation	1,800 kms network replacement; 225,000 Service lines shifting	1,800 kms network replacement; 225,000 Service lines shifting	1,800 kms network replacement; 225,000 Service lines shifting	Distribution
		CP System New/ Renovation of Existing CP Stations	Total=180 No. New = 15 No. Renovation=165 No.	Total=140 No. New = 10 No. Renovation=130 No.	Total=110 No. New = 10 No. Renovation=100 No.	ES
		Rehabilitation of Transmission Network	Rehabilitation at Jalalpur Pirwala (Flood affected pipelines)	▪ HDD of Canal Crossing on Sahiwal-Lahore Pipeline ▪ HDD of Canal Crossings on Qadirpur – AC 1X lines ▪ HDD of River Crossing at River Sutluj	▪ HDD of River Crossing at River Indus (Guddu) ▪ HDD of River Crossing at River Chenab (Sher Shah)	Transmission/ Projects / ES
		• Compliance of O & M activities as per Schedule • Identification of bottlenecks, critical segments, and improvement areas • Prioritization of high-risk and high-impact sections for improvement • Execution of Engineering, Procurement, and Construction (EPC) projects for modification / upgradation / repair • Implementation of preventive maintenance practices • Adoption of modern technologies for network monitoring	Length: 9,537 KM ROW Length: 6,475 KM No. of Valve Assemblies: 482 No. of SMSs/CMSs: 449 No. of Repeater Stations: 85 No. of Crossings: 88	9,630 KM* ***Length of Total Transmission Network after completion of ongoing projects for system capacity enhancement.**		Transmission
		Execute 5-year overhaul plans for gas turbines and centrifugal compressors	3 Gas turbines 2 Compressors	3 Gas turbines 2 Compressors	3 Gas turbines 1 Compressor	Compression

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Enhancement of Operational Capacity	Construction / Modification of TBS/DRSs	200	200	200	Distribution
		Laying of Distribution Mains against System Augmentation, 100% Cost Recovery cases & pending GOP funded projects	2,000 Km Pipeline	1,800 Km Pipeline	1,250 Km Pipeline	Distribution
		Capacity enhancement of meter workshop from 4,000 meters/year to 11,000 meters/year .	7,000 Meters / Year		11,000 Meters / Year	ES
			1- Civil Construction Complete 2- Procurement of Equipment Complete		3- Shifting / relocation of Low Pressure Commercial & Domestic Sections	
		Establishment of Northern Metering Lab (Kamra)	• Approval from OGRA • Planning and designing	• Award of contract • Execution of Civil Construction & Shifting of DMISs		
		Improvement in Transmission Section V			Construction of office and residential setup at newly established section i.e., Kohat Transmission including purchase of Land	Transmission
		Creation of New Transmission Section VI			Creation of Transmission Section – VI (Rahimyar Khan)	Transmission / HR

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the **Core**

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Safety & Security of Pipeline Network	▪ Establish an independent Security Cell headed by Brigadier level ex-military / police professional to strengthen security oversight of transmission assets, project sites and operations in high-risk/ law affected areas, especially Kohat, Bannu etc. ▪ Recruit retired armed forces personnel and local resources to strengthen liaison with law enforcement agencies, district administration and local communities. ▪ Develop dedicated security governance, threat assessment, incident response and community engagement mechanisms. ▪ Utilize the pilot Security Cell as a foundation for establishing an independent Company-wide Security Department.	Establish Security Cell to be headed by a Brigadier level ex-military / police professional	Evaluate Security Cell performance and strengthen manpower to enhance operational coverage of the Security Cell	Establish Dedicated Security Department headed by a General Manager along with complete departmental hierarchy based on performance of security cell	Admin / Transmission / HR

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI) 2026-27	2027-28	2028-29	Responsible Department(s)
Operational Excellence	UFG Control	Plan UFG activities in line with the revised UFG benchmark study by OGRA*	**Reduction Target****			Distribution
			700 MMCF	500 MMCF	500 MMCF	
			Total Dist. Loss***			
			28,327	27,827	27,327	
		Underground leakage detection and rectification.	78,000 kms of planned scanning of network	80,500 kms of planned scanning of network	82,000 kms of planned scanning of network	Distribution / ES
		Vigilance of Industrial, Commercial, Special Domestic & Domestic Consumers	Industrial: 2,400 (On Monthly basis) Commerical & Spl. Domestic: 42,000 On Quaterly Basis Domestic: 1,400,000 (On Annual Basis)	Industrial: 2,400 (On Monthly basis) Commerical: 42,000 On Quaterly Basis Domestic: 1,400,000 (On Annual Basis)	Industrial: 2,400 (On Monthly basis) Commerical: 42,000 On Quaterly Basis Domestic: 1,400,000 (On Annual Basis)	Distribution
		Replacement of defective/ undersized / aged / suspected meters	Industrial: 3,000; Commerical: 13,000; Domestic: 600,000	Industrial: 3,000; Commerical: 13,000; Domestic: 600,000	Industrial: 3,000; Commerical: 13,000; Domestic: 600,000	Distribution
		TBS level loss monitoring and scanning of networks under high losses TBSs	1,400 -1,500 TBSs	1,400 -1,500 TBSs	1,400 -1,500 TBSs	Distribution

*New UFG Benchmark is under review and approval by OGRA. Any variation in the benchmark may impact the assigned reduction targets.

** The achievement of UFG target is dependent upon Gas Input, Gas sales Mix (i.e. Gas Sale to Bulk sector and Industrial Sector), budget approval/provision by OGRA, and timely & uninterrupted material supplies.

***Total distribution loss figure is provisional and subject to OGRA decision through FRR for respective year.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI) 2026-27	Performance Measure (KPI) 2027-28	Performance Measure (KPI) 2028-29	Responsible Department(s)
Operational Excellence	UFG Control	Improvement of Network Visibility through segmentation of Transmission Network	Installation of 06 No Mainline Check Meters	Installation of 03 No Mainline Check Meters	Installation of 03 No Mainline Check Meters	Transmission
		Inspection/Flow-proving & refurbishment of Gas meters	• Inspection/Repairing of EVC Meters (Ind & TBS) **11,700* Nos.** • Inspection/Repairing of Non-EVC Meters (Comm) **14,000 Nos.** • Inspection of Domestic Meter **800,000 Nos.** • Repairing of Domestic Meters **220,000 Nos.**	• Inspection/Repairing of EVC Meters (Ind & TBS) **11,700* Nos.** • Inspection/Repairing of Non-EVC Meters (Comm) **14,000 Nos.** • Inspection of Domestic Meter **800,000 Nos.** • Repairing of Domestic Meters **220,000 Nos.**	• Inspection/Repairing of EVC Meters (Ind & TBS) **15,700* Nos.** • Inspection/Repairing of Non-EVC Meters (Comm) **14,000 Nos.** • Inspection of Domestic Meter **800,000 Nos.** • Repairing of Domestic Meters **220,000 Nos.**	ES

*Actual progress will be as per requirement of meters by the distribution regions.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Strengthening GIS & SCADA Systems	Ensure that the GIS of gas distribution networks is complete and up to date.	Total Distribution Network's digitization = 72%	Total Distribution Network's digitization = 86%	Total Distribution Network's digitization = 100%	ES
		Installation of IoT based pressure Transducers	1,000-nos.	500-nos.	500-nos.	Telecom
		Installation of SCADA System for Transmission network intakes points	All 7 offline intake points	As per actual discoveries / allocation to SNGPL	As per actual discoveries / allocation to SNGPL	Telecom
		Installation of SCADA System for Transmission network offtake points (SMSs)	150	150	--	Telecom
		SCADA Integration of Block Valves of Transmission Mainline	70	50	26	Telecom
		Installation of SCADA System for Transmission network Valve Assemblies	23	50	50	Telecom
		TBS Regulation Automation using Tail-end Pressure Feedback	100	100	100	Telecom
		Telecom & SCADA Services for North-Western Transmission Segments (Shewa-Bettani-Kakakhel Network)	Installation and Commissioning	Operations	Operations	Telecom
		Telecom & SCADA Services for North-Western Transmission Segments (Kot-Palak-DI-Khan-Manjowal Network)	Procurement	Installation & Commissioning	Operations	Telecom

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Operational Excellence	Champion Sustainability and Environmental Stewardship	Establish a company-wide ESG reporting framework	Meet applicable requirements of IFRS S1 & IFRS S2	Monitoring & reporting		Accounts / HSE / Risk Management

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Sales Growth	Provision of New Gas Connections*	New industrial connections	40	45	50	Sales / Distribution
		New commercial connections	1,700-1,750	1,750-1,800	1,800-1,850	Sales / Distribution
		New domestic connections	600,000	600,000	600,000	Sales / Distribution
	Enhance Existing LPG Business	Increase existing LPG gas sales	4,800 MT	6,000 MT	7,200 MT	LNG / LPG

*Provision of new gas connections are subject to Government directions.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Enhance Consumer Perception	Streamline Customer Services Experience	Implement one-window operation at regional offices	05 regions	All regions	Monitoring & improvement	Distribution
		Develop AI Chatbot for Company's website	Testing and implementation	Review and improvement		Distribution
		Implementation of Robo Calls against closed resolved complaints to improve monitoring of complaints resolution	100%	100%	100%	Distribution
		Strengthen customer-centric culture through core values and customer service training programs	100% of customer-serving employees trained	Refresher training conducted for customer-facing employees	Refresher training conducted for customer-facing employees	Distribution
		Conduct periodic mystery shopping exercises to assess service quality and adherence to service standards	Mystery shopping conducted in all CSCs annually on a rolling basis			Distribution
		Undertake 3rd party customer satisfaction surveys to monitor consumer perception and identify improvement opportunities	Third-party customer satisfaction survey conducted across all regions by making 500 calls daily			Distribution
	Reinforcement of Corporate Image and Credibility	Increase views / outreach of social media posts pertaining to conservation and safe use of natural gas	20%YoY	20%YoY	20%YoY	Media Affairs

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Financial Sustainability	Manage Circular Debt through Full Cost Recovery*	Pursue amendment in OGRA procedures to cater for monthly gas prices not only for imported gas but for indigenous gas consumers as well	▪ Engage with regulatory authorities and policymakers to develop a sustainable gas purchases and pricing mechanism. ▪ Advocate for subsidies or financial support to bridge short-term liquidity gaps.			Accounts / RA
		Pursue clearing of circular debt stock	A comprehensive Circular Debt Management Plan (CDMP) has been prepared by the GOP which will be implemented after necessary approvals.			Accounts
	Address Extensive Litigation & Enhance Recoveries	Enhance recoveries from disconnected consumers	Rs. 1.60 Bn	Rs. 1.70 Bn	Rs. 1.80 Bn	Recovery
		Pursuance of all available legal recourse including ADRC to defend the tax disputes	Company will continue to actively pursue appellate forums.			Accounts

*Mitigation measures to manage circular debt are dependent upon Government decisions / policies and are beyond the control of the Company.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI) 2026-27	Performance Measure (KPI) 2027-28	Performance Measure (KPI) 2028-29	Responsible Department(s)
Human Resource Recruitment & Development	Development & Training of Workforce	Maintain close liaison with the leading universities for talent acquisition	Reach at least 5 universities and offer 50 internships to interested candidates	Reach at least 5 universities and offer 50 internships to interested candidates	Reach at least 5 universities and offer 50 internships to interested candidates	HR
		Review compensation structure viz-a-viz market conditions	Every 2 Years Salary Survey			HR
		Carryout formal Training Need Assessment (TNA) for all employees	Annual TNA			HR
		Carryout Succession Planning and Management	Annual Succession Plan			HR
		Internal / external trainings to all employees	200 Trainings (2000 Employees)	200 Trainings (2000 Employees)	200 Trainings (2000 Employees)	T&D
		Career Progression Courses/ Assessment	10 Courses	10 Courses	10 Courses	T&D
	Establishing High-performance Organizational Culture	Identifying gaps through surveys and focus groups and ensuring necessary interventions to fill the gap.	Annual Surveys & 12 focus groups activities/culture assimilation sessions	Annual Surveys & 12 focus groups activities/culture assimilation sessions	Annual Surveys & 12 focus groups activities/culture assimilation sessions	HR

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Human Resource Recruitment & Development	Recruitment of Additional Human Resources	Timely Recruitment against Approved Manpower Requirements*	150	150	150	HR
		Effective Human Resource Planning	Annual review of manpower			HR
	Performance Measurement & Accountability	Monitor and document cases of non-compliances and carryout interventions through training and disciplinary actions	Within 90 days of reporting of case			HR

*Recruitment of employees is subject to cushion/budget availability in HR benchmark approved by OGRA during ERR/FRR decisions.

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI) 2026-27	Performance Measure (KPI) 2027-28	Performance Measure (KPI) 2028-29	Responsible Department(s)
Digital Transformation	Cybersecurity Management	▪ Strengthen security controls and tooling capabilities ▪ Enhance monitoring/reduce detection times through threat intelligence ▪ AI-related risk mitigation ▪ User Awareness Campaigns	▪ Deploy XDR across 100% endpoints ▪ Implement DNS security for 100% users ▪ Implement regional firewalls ▪ Continue user security awareness campaign	▪ Maintain 100% XDR and DNS coverage ▪ Reduce incident detection time ▪ Integrate threat intelligence platform ▪ Implement AI risk management framework	▪ Conduct periodically threat-hunting exercises ▪ Reduce high-risk vulnerabilities ▪ Continue user awareness coverage ▪ Zero major cybersecurity breaches	IT/MIS
	Adoption of Cutting-Edge Technologies	▪ Phased infrastructure modernization ▪ Virtualization optimization ▪ Hardware lifecycle management ▪ Performance monitoring tools	▪ Complete infrastructure baseline assessment ▪ 100% inventory of IT assets ▪ Identify 100% end-of-life assets ▪ Initiate phase wise hardware refresh	▪ Upgrade ≥70% of end-of-life assets ▪ Achieve 99.5% infrastructure availability ▪ Strengthen Capacity planning	▪ Upgrade 100% of end-of-life assets ▪ Achieve 99.99% infrastructure availability ▪ Reduce unplanned downtime ▪ Continuous performance tuning	IT/MIS

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Strengthening the Core

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Digital Transformation	Digitalization and Modernization of Enterprise Systems	▪ Execute CC&B upgrade with strong project governance ▪ Convert apps into API-based architecture (ERP & CC&B integration). ▪ Centralized code repository & version control ▪ AI technology adoption	▪ Complete project planning and design ▪ 100% UAT completion ▪ CC&B go-live achieved ▪ Develop and deploy core APIs ▪ New Apps development to be based on API ▪ Build date foundation and pilot AI use cases	▪ Improve system response time by 20–30% ▪ Resolve 100% critical post-go-live issues ▪ Train 100% of end users ▪ Migrate ≥50% custom integrations to APIs ▪ Integrate AI into operational workflows for measurable efficiency gains	▪ Achieve full ERP–CC&B integration ▪ Migrate 100% targeted integrations to APIs ▪ Maintain ≥99.99% system availability ▪ Leverage AI for enterprise level strategic forecasting and decision-making	IT/MIS
		Digitization of HR processes through adoption of digital workflows and automation tools	25% processes	50% processes	75% processes	HR / IT/MIS

2. Strategies / Action Plans & KPIs of Business Plan

Performance Measures & Benchmarks

Exploring **More**

Strategic Priority	Goals	Strategy/Action Plan	Performance Measure (KPI)			Responsible Department(s)
			2026-27	2027-28	2028-29	
Business Diversification	Establish Integrated Energy Subsidiary	Establish and operationalize an integrated subsidiary company to: A. Establish LPG bottling plant and distribution network to expand the Company's presence in the LPG market. B. Pursue EPC opportunities in gas transmission, distribution and allied energy infrastructure sectors. C. Secure gas supply and industrial customers for gas trading operations under the TPA regime.	Licensing approvals and company registration		LPG Sale Target 7,200 Mton Participate in local EPC tenders and expand into international markets Secure gas supply 5 MMCFD	S&C / Sales / Corporate Affairs / ES

3. Financial Plan
Financing Analysis

Rs. in Million

Item	2027			2028			2029		
	LT	ST	Total	LT	ST	Total	LT	ST	Total
Opening Debt	27,816	175,000	**202,816**	29,680	175,000	**204,680**	25,522	175,000	**200,522**
Additional Drawdown	7,400*	-	**7,400***	-	-	-	-	-	-
Debt Payment	5,536	-	**5,536**	4,159	-	**4,159**	5,409	-	**5,409**
Closing Debt	29,680	175,000	**204,680**	25,522	175,000	**200,522**	20,113	175,000	**195,113**
Finance Cost	3,544	20,896	**24,439**	3,379	20,895	**24,274**	2,772	20,895	**23,667**

** Rs. 7,400 million represents the remaining undrawn balance of the existing PKR 20,000 million Kot Palak Project term finance facility and is not a new loan.*

3. Financial Plan

Statement of Profit & Loss

Rs. in Million

	2023	2024	2025
Revenue from contracts with consumers - gas sales	1,081,530	1,374,724	1,332,321
Add. Tariff adjustment	377,514	158,187	76,230
	1,459,044	1,532,911	1,408,551
less. Cost of Goods Sold	1,331,586	1,488,497	1,328,068
Gross Profit	**127,458**	**44,414**	**80,484**
Add. Other Operating Income	**36,288**	**54,643**	**29,766**
	163,746	**99,057**	**110,250**
Less. Operating Expenses			
Selling Cost	9,527	11,397	11,053
Administrative Expenses	9,931	11,956	11,919
Take or Pay Adjustment relating to Prior years	-	1,079	1,395
Other Operating Expenses	6,021	2,686	1,702
effect of settlement agreements on interest income / expense recognized in prior periods	-	-	27,619
Expected Credit Loss	1,973	4,054	1,649
	27,452	31,172	55,337
Operating Profit	**136,294**	**67,885**	**54,913**
Less. Finance Cost	120,521	38,041	30,467
Profit Before Taxation	**15,773**	**29,844**	**24,446**
Less. Taxation	5,208	10,867	9,854
Profit for the year	**10,565**	**18,977**	**14,592**
Earning per Share - basic and diluted - (Rs.)	**16.66**	**29.92**	**23.01**

Since the Company has limited control over gas supply and demand dynamics, Management will continue to focus on measures aimed at safeguarding the Company's Return on Assets (ROA) and profitability.

Following information has also **not been included** in this document as **it falls under the ambit of price-sensitive information as defined in the Securities Act, 2015 [Section-96] and PSX Regulations [Clause 5.6.1(a)]**:

- Summary of indicative Balance Sheet and Profit or Loss Statement for the SOE.
- The proposed dividend declaration and distribution policy of the SOE.

Thank You

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