

UNITED NATIONS GLOBAL COMPACT PRINCIPLES

SUI NORTHERN GAS PIPELINES LIMITED COMMUNICATION ON PROGRESS 2019

Period covered: July 2018-June 2019



DISCLOSURE

This Communication on Progress (COP) is a standalone document which includes the Annual performance of SNGPL with respect to activities related to Health, Safety, Environment and Corporate Social Responsibility, in addition to the compliance to ten principles of UN Global Compact.

Company's Third COP report is based on "Core Option" in accordance with GRI Standard. We report our progress in implementing 10 principles at the "GC Active Level". This COP contains a statement by Managing Director expressing continued support for the Global Compact and renewing our company's ongoing commitment to the initiative and its principles.

Our Annual Report (along with Audited Financial Statements) is available at link:

http://www.sngpl.com.pk/web/page.jsp?pgids=1724&pgname=PAGES_NAME_a&secs=ss7xa852op845&cats=ct456712337&artcl=artuyh709123465





SUI NORTHERN GAS PIPELINES LIMITED

Transmission Network

AS ON 30-06-2019

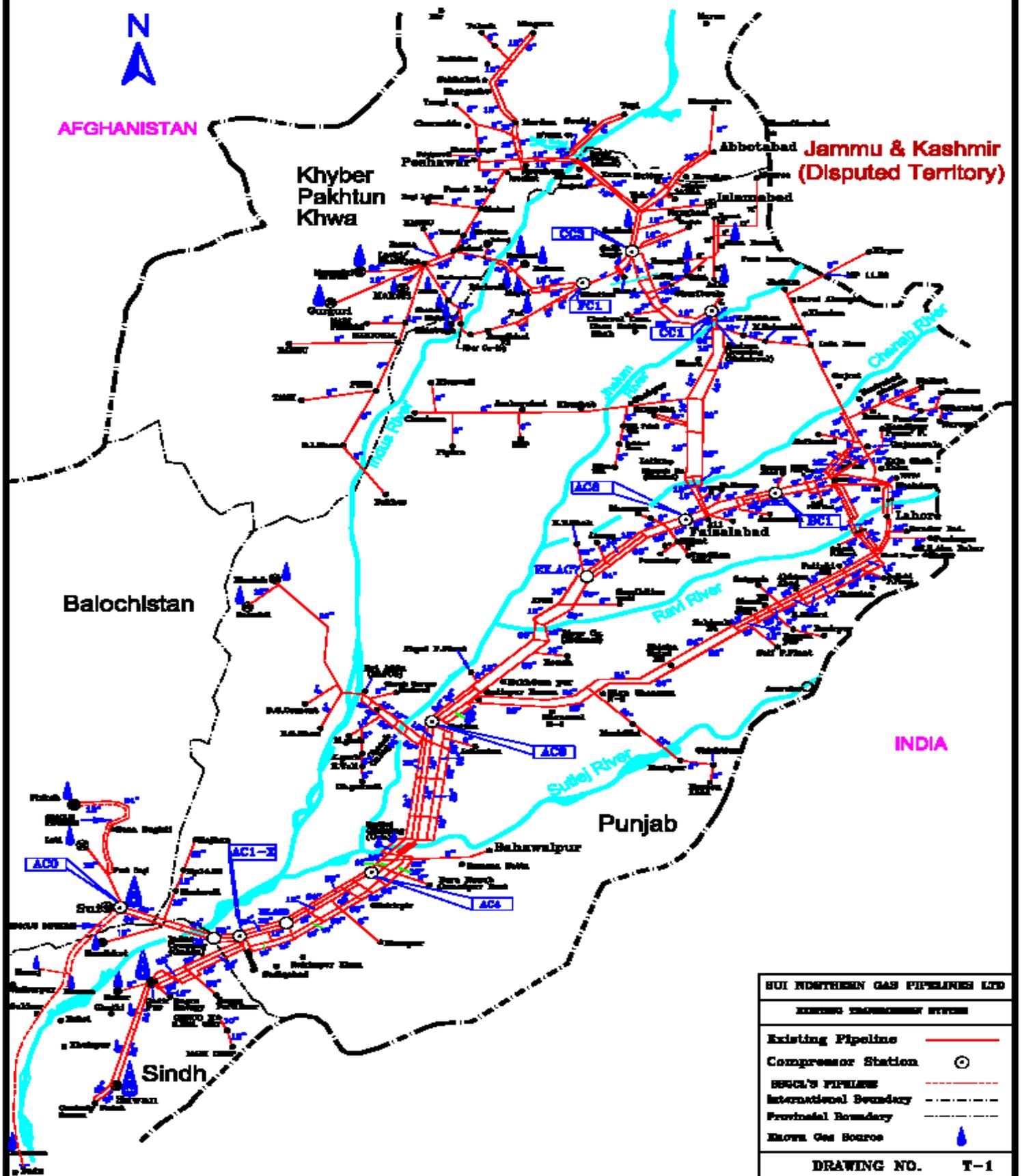


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Managing Director Statement

Sui Northern Gas Pipelines Limited (SNGPL) is committed to be the leading integrated natural gas provider in the region, seeking to improve the quality of life of customers and achieving maximum benefit for stakeholders, by providing natural gas to its consumers. We know, as we grow, we will face challenges in growing, prospering and remaining sustainable. We are neither complacent nor naive, we face challenging times ahead and we will do everything we can, to help our organization through this turbulence, by providing efficient services.



We seek to ensure that all business decisions are secure, protected and confined from a social, environmental and ethical perspective. To achieve that we have a systematic approach and well established system of Health, Safety and Environment compliant to international standards. We believe that sustained economic growth is only possible with social progress and wellbeing of local communities in particular and overall society in general. The same is reflected in our Corporate Social Responsibility (CSR) policy as the continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families, as well as the local community and the society at large.

The Communication on Progress reflects our efforts and commitment in the areas of Human Rights, Labour, Environment and Anti-Corruption that are in line with the principles defined by UN Global Compact. I would like to appreciate all Company's employees for their dedication, hard work, commitment and support. We believe that we have strived hard throughout the year to achieve the desired results and we have made commitment with ourselves for the continual improvement for the years ahead.

A handwritten signature in blue ink, appearing to read 'Amer Tufail', written over a light blue grid background.

Amer Tufail
Managing Director

PROUD TO BE A CERTIFIED ORGANIZATION FOR MORE THAN A DECADE

*WE BELIEVE IN ENSURING HEALTH SAFETY AND ENVIRONMENT
MANAGEMENT SYSTEM IN ORGANIZATION*



URS is a member of Registrar of Standards (Holdings) Ltd.





ABOUT US

Sui Northern Gas Pipelines Limited (SNGPL) was incorporated as a private limited Company in 1963 and converted into a public limited Company in January 1964 under the Companies Act 1913, now The Companies Act 2017, and is listed on the Pakistan Stock Exchange (PSX).

Company took over the existing Sui-Multan System (217 miles of 16 inch and 80 miles of 10 inch diameter pipelines) from Pakistan Industrial Development Corporation (PIDC) and Dhulian-Rawalpindi-Wah system (82 miles of 6 inch diameter pipeline) from Attock Oil Company Limited. The Company's commercial operations commenced by selling an average of 47 MMCFD gas in two regions viz. Multan and Rawalpindi, serving a total number of 67 consumers.

Sui Northern Gas Pipelines Limited (SNGPL) is the largest integrated gas company serving more than 6.5 million consumers in North Central Pakistan through an extensive network in Punjab, Khyber Pakhtunkhwa and Azad Jammu & Kashmir and is certified against ISO 14001:2015 & OHSAS 18001:2007 Standards. SNGPL is the member of 'National Safety Council' USA, which is a non-profit organization dedicated to their mission of saving lives by preventing injuries and deaths at work, in homes and communities, and on the road through leadership, research, education and advocacy. In addition to this, HSE Engineers of SNGPL are the International Member of American Society of Safety Professionals (ASSP). ASSP is a global association and premier leader for Health, Safety and Environment (HSE) professional, dedicated to the profession.

The Company has over 50 years of experience in operation and maintenance of high-pressure gas transmission and distribution systems. It has also expanded its activities as Engineering, Procurement and Construction (EPC) Contractor to undertake the planning, designing and construction of pipelines, both for itself and other organizations.

SNGPL transmission system extends from Sui in Baluchistan to Peshawar in Khyber Pakhtunkhwa (KPK) comprising over 8,900 KM of Transmission System (Main lines & Loop lines). The distribution activities covering 4,458 main towns along with adjoining villages in Punjab & Khyber Pakhtunkhwa are organized through 16 regional offices. Distribution system consists of 122,325 KM of pipeline. SNGPL has over 6.5 million consumers comprising Commercial, Domestic, General Industry, Fertilizer Power and Cement Sectors. Annual gas sales to the consumers were 615,003 MMCF worth Rs. 346,308 million during Jul 2017-18 (the values for 2018-19 will be available on Company's website as soon as finalized).

Company Registration Number: CUIIN-0043761

National Tax Number (NTN): 0801137-7

General Sales Tax Number (GST): 03-91-9999-967-19



WORK SAFELY!

SNGPL NEEDS YOU



Our Mission

“

A commitment to deliver natural gas to all door steps in our chosen areas through continuous expansion of our network, by optimally employing technological, human and organizational resources, best practices and high ethical standards.



Our Vision

“

To be the leading integrated natural gas provider in the region seeking to improve the quality of life of our customers and achieve maximum benefit for our stakeholders by providing an uninterrupted and environment friendly energy resource.



Our Values



Commitment

We are committed to our vision, mission and to creating and delivering stakeholder value.



Courtesy

We are courteous - with our customers, stakeholders, and towards each other and encourage open communication.



Competence

We are competent and strive to continuously develop and improve our skills and business practices.



Responsibility

We are responsible - as individuals and as teams - for our work and our actions. We welcome scrutiny, and we hold ourselves accountable.



Integrity

We have integrity - as individuals and as teams - our decisions are characterized by honesty and fairness.

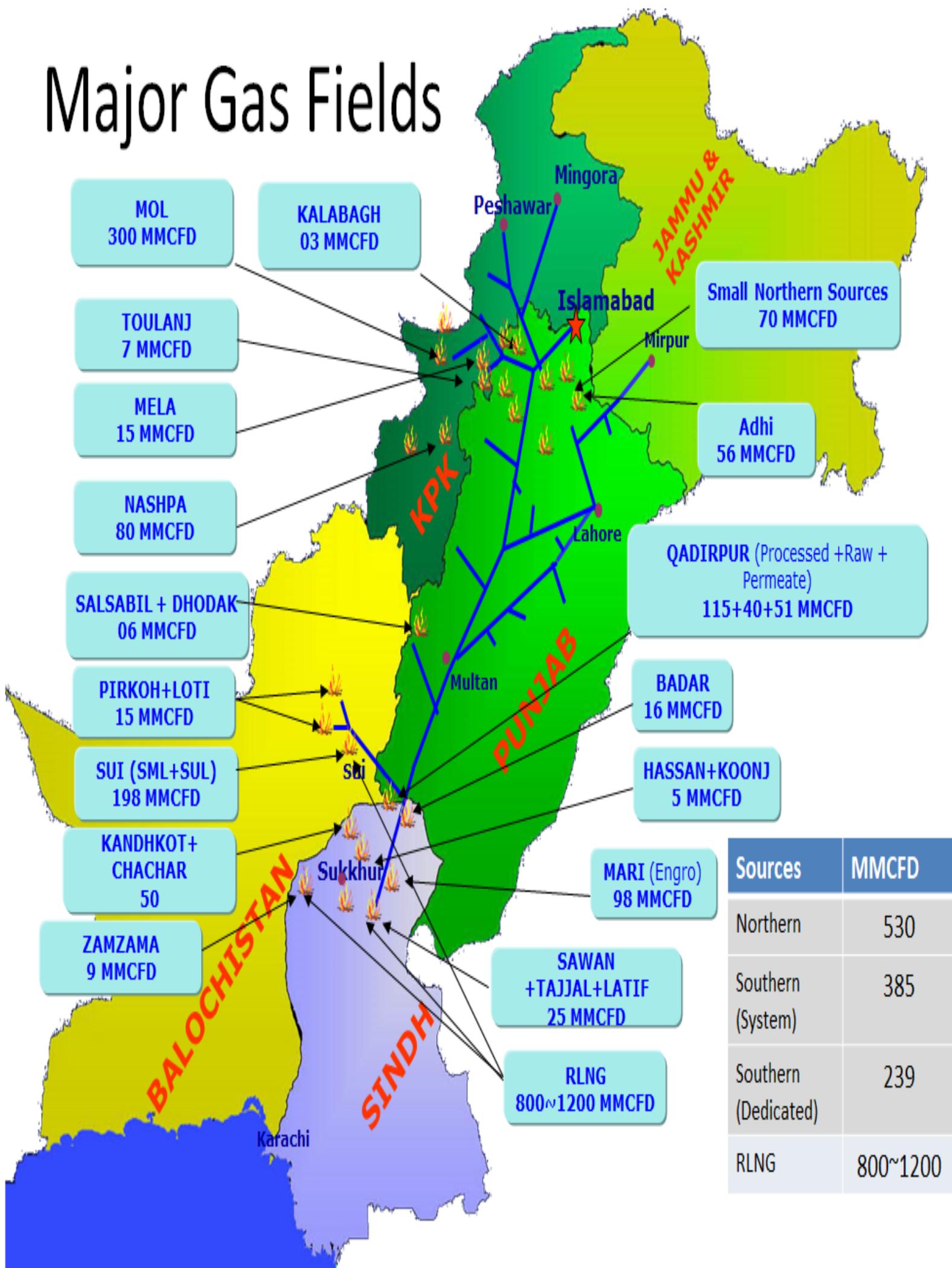
CORPORATE STRATEGY / OBJECTIVES

SNGPL is committed for:

- **Enhancement of System Capacity.**
- **Expansion of Transmission and Distribution Network.**
- **Increase in Gas Sales**
- **Rehabilitation of Transmission and Distribution Network.**
- **Reduction in Unaccounted for Gas Losses.**
- **Improvement in Profitability.**
- **Improvement in Consumer Services.**
- **Adoption of Information Technology.**
- **Human Resource Development.**
- **Pursue Pipelines Construction and Advisory Business.**



Major Gas Fields



Sources	MMCFD
Northern	530
Southern (System)	385
Southern (Dedicated)	239
RLNG	800~1200



GEOGRPHICAL LOCATIONS OF SNGPL OFFICES

Sr. No	Site	Location / Address
01	Abbottabad-D	Regional Office Mansehra Road, Jab Pul, Abbottabad, Pakistan
02	Lahore-D	Industrial area, Gulberg-III, Lahore, Pakistan
03	Multan-D	Piran Ghaib Road, Samijabad, Multan, Pakistan
04	Islamabad-D	Plot # 27-30, Industrial Area, Sector I-9, Islamabad, Pakistan
05	Faisalabad-D	Sargodha Road, Faisalabad, 38800, Pakistan
06	Peshawar-D	Phase 5, Hayatabad, behind Rehman Medical Complex
07	Gujranwala-D	M.A. Jinnah Rd, D.C. Colony, Gujranwala, Pakistan
08	Bahawalpur-D	2-A, Railway Road, Model Town A, Bahawalpur, Pakistan
09	Sahiwal-D	Farid Town, Sahiwal, Pakistan
10	Sheikhupura-D	Sargodha Road, Near Punjab College, Sheikhupura. Pakistan
11	Rawalpindi-D	Al-Mansha plaza, Main G.T Road (N-5), Rawalpindi, Pakistan
12	Gujrat-D	State Life Insurance Building, G.T Road, Gujrat, Pakistan
13	Sargodha-D	15-Muslim Town, Near New Satellite Town, Sargodha, Pakistan
14	Sialkot-D	SNGPL Regional Office, Malk-e-Kalan, Marala Road, Sialkot, Pakistan
15	Mardan-D	SNGPL Regional Office Mardan, Main Nowshera Road near Industrial estate Mardan, Pakistan
16	Faisalabad-T	Transmission Head Quarters, Terminal, Sargodha Road, Faisalabad, 38850, Pakistan
17	Multan-T	Transmission Office, Piran Ghaib Road Multan, 59030 Pakistan
18	Wah-T	Transmission Office, Gudwal Lind Road, Lalarukh, Wah Cantt, 47010, Pakistan
19	Lahore-T	Transmission Office, Section-IV, Defence Road, Mohlanwal, Lahore, Pakistan
20	Multan-C	Compression Station, A-7, Piran Ghaib Road, Multan, 60000, Pakistan
21	Faisalabad-C	Compression Department, Transmission Head Quarter, Terminal, Sargodha Road, Faisalabad, 38852, Pakistan
22	Coating Plant UCH Sharif	Pipe Coating Plant, Uch Sharif, 54000, Pakistan
23	Muridke Camp	Projects construction camp, Muridka.2-KM Narowal Road, Muridke
24	Peshawar camp	Kohat road, scheme Chowk inqalab road, Opposite to allied School near PAF Base, Peshawar.
25	Mardan camp	Main Takhtbhai Road, Jandai, Gujjar Garhi, Mardan
26	Faisalabad camp	SNGPL FSD Camp officer colony Gutwala, 199RB Faisalabad
27	Sadiqabad Camp	Near Jamal din Chowk by pass Sadiqabad Camp
28	Kabirwala camp	Near pull Baghar stop Jhung Road.
29	Manga Workshop	Stores & Maintenance Division, Manga Mandi, Lahore, Pakistan
30	Manga Store	Stores & Maintenance Division, Manga Mandi, Lahore, Pakistan
31	Civil Head Office	Gas House, 21-Kashmir Road, P.O Box # 56 Lahore, 54000, Pakistan
32	Corrosion Control Center -Lahore	150-Industrial Area, Kot Lakhpat, Lahore, Pakistan
33	Metering Workshop	Metering Workshop, Plot # 113/14, Quaid e Azam Industrial Estate, Kot Lakhpat, Lahore, Pakistan



HUMAN RIGHTS PRINCIPLE

Principle 1: Businesses should support and respect the protection of internationally proclaimed Human Rights; and

Principle 2: make sure that they are not complicit in Human Rights abuses Assessment, Policy and Goals

Assessment, Policy and Goals

SNGPL is devoted to UNGC Human Rights principles as reflected in our Code of Conduct. The Code of Conduct has been prepared for the use and guidance of all SNGPL employees. It clearly sets out the standards of professional behavior that are expected and outlines the principles that should guide employees in maintaining the highest professional level of ethical conduct. We manage our business responsibly, sustainably, and with a passion for creating value for our customers, our shareholders, consumers and communities we serve. We recognize that creating shared value for shareholders, employees, consumers, and communities is critical to our long-term success.



We believe in
social growth

Our Code of Conduct upholds the international Human Rights principles as a whole. We strive to conduct our business with the utmost integrity. Our code of conduct sets out the legal and ethical principles that guide our daily work activities. Upholding the principles is crucial to maintaining our reputation as an employer and a reliable business partner. The code of conduct is binding for all employees as well as all entities that are part of SNGPL.

The following policies stated within our Code show our compliance with the above mentioned principles.

Clause 1: Performance Management Policy:

SNGPL understands that the most important method of attaining and maintaining performance excellence in the Company lies in proper monitoring, appraisal and feedback of individual staff performance. To ensure the optimum degree for coherence of Company objectives with individual performance objectives, it is paramount to first clarify expectations and performance standards and then review delivery of each employee. Proper alignment of compensation and benefits with employee performance is ensured only after a thorough comparison of employee performance with employee objectives.

Clause 2: Health & Safety Environment Policy:

The Company has a comprehensive Health Safety & Environment Policy and referrals should be made to the policy for guidance in a typical matters pertaining to the same. Every staff member should take reasonable care to ensure the health and safety of himself / herself and others, who may be affected by his/her acts or omissions at work. Staff members should not temper with or misuse any item provided by the Company to secure the safety, health and welfare to its staff and for the protection of the environment.

To preserve and protect the environment, all SNGPL staff members should:

- Design and operate the Company's facilities and processes so as to ensure the trust of adjoining communities.
- Promote resource conservations, waste minimization and minimization of the release of chemicals / gas into the environment.
- Provide employees, customers, suppliers, public authorities and communities with appropriate information for informed decision making, and
- Strive continuously to improve environmental awareness and protection.

All SNGPL staff is to operate Company facilities in a manner, so as to ensure trust of their surrounding communities, thus contributing directly to the Company's Corporate Social Responsibility (CSR) Policy. Employees should promote resource conservation and waste minimization.

Clause 3: Statement of Intent:

SNGPL believes the key to the proper functioning and maintenance of public and stakeholder

confidence in the Company is that employees perform their duties with honesty and integrity. SNGPL requires its entire staff both in executive and subordinate cadres to observe the highest ethical standards in the conduct of its business activities to minimize the significant risk associated with noncompliance. This policy is intended to assist SNGPL staff in meeting the standards of professional and personal integrity expected of them. SNGPL staff will act with honesty at all times, protecting and safeguarding the reputation of the Company. Any contravention of this policy will be regarded as misconduct.

Clause 4: Conflict of Interest:

All employees must avoid situations where there is a conflict of interest, as failure to comply with these ethical policies may render an individual liable to disciplinary action and even subsequent dismissal in an instance where a severe breach of policy occurs.

It is not possible to make a policy comprehensive enough to cover every eventuality; hence, staff should use common sense and remain conscious of their personal behaviour with respect to the Company and its operations. The following guidelines provide a business code of conduct within which all SNGPL executives must abide.

Clause 5: Confidentiality:

During the course of employment with SNGPL, employees may have access to confidential information pertaining to the Company or its customers. As a matter of course, they are expected to maintain confidentiality and integrity of all such information during and after their employment with SNGPL. Within the Company, disclosure of such information must be limited to those persons whose duties require and permit them to have access to it. It may be noted that customer privacy is a basic principle of relationship management.

Employees should also guard against unintentional disclosure through careless handling of data. Desks and open areas should be clear of business related paperwork after business hours/ office timings and sensitive information should be kept in a locked area. During telephone conversations, care must be taken to prevent outsiders from overhearing confidential information. Particular care needs to be exercised in handling of credit information and data given must be governed by acceptable standard practice. A supervisor must be referred to whenever doubt exists in the minds of staff.

Clause 6: Honesty & Integrity:

Company employees shall not convert for their own personal use any funds or property which is not their own, nor should they assist another person in the misappropriation of such assets. SNGPL expects absolute assurance of its employees when it comes to honesty and integrity. Maximum caution has to be exercised in making sure that information given to customers is free

of errors, making it as factual or candid as can be while protecting interest of the Company. SNGPL executives shall not indulge in speculative trading of shares of the Company, or of a company or companies under the management of SNGPL.

Clause 7: Personal Conflict of Interest:

An employee must not engage in any activity that could result in a potential or perceived conflict of interest. Thus, an employee should not represent SNGPL in any transaction if the personal interests of the employee might affect his or her ability to represent SNGPL fairly and impartially. Any transaction by SNGPL that also involves a member of the employee's family must be brought to the attention of the Company management and authorized by the Company to be handled by another employee. Employees should never become personally involved in any transaction, negotiation, or contract on behalf of the Company with an entity, a family member, or a friend in which they have an interest, without full written disclosure and prior consent of SGM HR, Head of Compliance / Audit, and / or individual Department Head.

Clause 8: Exchange of Gifts:

Receiving: It is the Company policy that no gifts should be accepted from customers or suppliers. Having said this, potential donors of gifts should be informed as politely as possible regarding this policy. Since moderate hospitality is an accepted courtesy of a business relationship, recipients should not allow themselves to get into a situation where they might be influenced in making a business decision as a consequence of accepting such hospitality. However, where refusal of a gift would be regarded as an insult or where the return of a gift would be impractical, a gift may be accepted under the prescribed criteria.

Giving: It is also Company policy that no gifts should be given either directly or indirectly, or through third parties to promote SNGPL's political or economic advantage. Exceptions are made for gifts of nominal value that are given on the Company's behalf as common promotional goodwill.

Clause 9: Media Communications:

If an employee wishes to write any article or give an interview that may be construed as representing SNGPL's position, prior written approval must be obtained from the Managing Director. All other contacts with the media should be reported to the Company immediately, including any type of acting, television appearances, etc.

Clause 10: Taking Part in Collective Agitation and Political, Religious or Subversive Activities:

No political activity that interferes with employment by the Company should be carried out by any SNGPL employee. Nor should an employee utilize Company facilities and material in the pursuance of political end. No employee should collectively or through an association agitate for purposes of agitation of demands relating to their remuneration or terms and conditions.

No employee should propagate any religious or sectarian creeds or take part in such controversies that are likely to affect his / her integrity in the discharge of his / her duties, to embarrass the Company, or to create feelings of discontent or displeasure amongst the Company's employees.

No employee should indulge in provincialism, parochialism, or willful abuse of his / her office. No employee should propagate views of political parties during working hours at the establishment or bring – or attempt to bring – political or outside influence, directly or indirectly, to bear on the Company or any employee of SNGPL in support of his / her claim or intervention on his / her behalf in any matter.

Clause 11: Alcohol, Drugs and Gambling:

The use of alcohol in any form is prohibited on all Company locations / premises. Similarly, the use of drugs, except under medical advice, is prohibited on all Company locations / premises. Any staff member arriving at a work place under the influence of alcohol or drugs will not be permitted to enter the premises and will be liable to disciplinary action. All forms of gambling / betting on the Company's premises are forbidden.

Clause 12: We are Socially Responsible Business:

SNGPL is dedicated towards its CSR policy which is based on the best practices all over the world to leave a positive impact on the environment, employees, social norms and economic development. The laid out objectives are to be achieved by adopting a methodology that drives contact of the Company's business leading to commercial success in ways and manner that honor ethical values, environment, people and communities. SNGPL believes in

- Business that should be both profitable and beneficial to the society.
- Improving the quality of life of the communities especially those who are under privileged.
- Ensuring harmonious relations with our stakeholders, by working in partnership with the community, the Government and NGOs through the principles of Sustainable Development.

Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. While economics is still important, businesses need to appreciate that our global landscape is changing. The increasing concern of environmental and social impacts means that to achieve long term success.

We as “SNGPL” believe in “Social Responsibility”. SNGPL has an approved CSR Policy. CSR Cells have been established at sites for the implementation of CSR Projects.

SNGPL upholds its value of treating everyone fairly, equally and also valuing diversity within the workplace while carefully practicing human rights. We are a socially responsible corporate citizen, providing opportunities to make desired changes within the community. We have developed robust policies and we try to make sure that our third party contractors or business partners reflect the same ethos in Human Rights principles as ours. We conduct businesses with entities that do not actively violate the International Human Rights standards.

Being a responsible Company, SNGPL carries out multiple activities for enhancing the quality of life of community in which it operates. Corporate Social Responsibility (CSR) policy of the Company, approved by the Board of Directors, is in line with the laid down principles of Securities and Exchange Commission of Pakistan (SECP) and covers all aspects of CSR.



Zubaida, 4 AH Khanewal

Measurement of Outcome

During the FY 2018-19, SNGPL has achieved considerable improvements in our business processes, systems and culture.

Management Committee Meetings

Management Committee Meetings are being conducted regularly and is chaired by the Managing Director. The Agenda includes not only the issues related to the Benefits / Privileges related to the Employees but also about those pertaining to the Company's operations and business growth.

Grievance Redressal Policy

SNGPL has a well-established Grievance Redressal Policy. The purpose of which is to maintain and improve positive working relations between SNGPL Management and its employees. We encourage our employees to raise their concerns in the event they come across illegal or unethical circumstances.

The Grievance Redressal committee is headed by the Board Member or Senior Management (depending upon the seniority of the Executive whose case is to be discussed). Furthermore, our Management has an open door policy. Our Staff can meet the Management any time, in order to discuss any issue. The purpose of formulation of this committee is to make sure that Human Rights of each employee are protected, maintained and upheld at all levels.

Career at SNGPL

Following comprehensive training programs specific to Company needs have also been designed and being delivered for Executives. Pedagogy behind these programs, persists the advancement and development of participant's Technical and Managerial skills so that they can prepare themselves for senior leadership roles.

- Executive Development Program (EDP)
- Developing Future Leaders (DFL)

Executive Development Program (EDP): After detailed Training Needs Analysis (TNA), Executives (Grade I to Grade III) of the Company are exposed to a wide range of courses, which are designed for the fulfillment of TNA. A comprehensive Executive Development Program (EDP) has been envisaged in consultation with all stake holders, enabling the participants to understand the needs of the corporate cultural change, acquisition of leadership and communication / presentation skills besides understanding basic elements of company's business.

So far 51 EDPs have been conducted with participation of about 1,231 Executives.

Developing Future Leaders (DFL): Keeping up the tradition of extending excellence to the Executives (Grade V- Grade VI) another landmark was achieved in shaping of an in house training program for the future leaders namely “Developing Future Leaders”. Considering the utmost importance of human resource development a unique blend of soft and technical skills was conceived to equip the Middle Management for the current and the challenges of the future. Eleven (11) DFL’s have been conducted with the participation of 205 Executives.

These programs focus on personality development, professional and skills upgradation of employees leading to reshape the Company’s culture by creating a conducive work environment. The ongoing feedback from the Senior Management and the participant’s input has been monitored and evaluated in light of a vibrant and dynamic culture of the organization, internally and externally.

To keep the employees abreast with the latest knowledge and business trends of 21st century a repository of knowledge in hard and soft form is accessible to all employees of SNGPL.

Potential Assessment Test (PAT): PAT is devised to determine special abilities required to measure concentrate and responsiveness of the employees of the Company. These types of tests are used for the potential evaluation for jobs with high and specific requirements. Third Party Consultants/ Professionals under PPRA rules are used to hire for these activities.

Health, Safety and Environment at SNGPL

To ensure that our Health, Safety and Environmental Policy is systematically applied and best industry practices are adopted within all operations, we have developed an Integrated HSE Management System (IMS) based upon ISO 14001:2015 and OHSAS 18001:2007 standards. SNGPL HSE Management System is based on the continual improvement process of the Plan – Do – Check – Act (PDCA) cycle utilized by the international certification standards. Maintaining outstanding HSE Performance is a core value of SNGPL.





Strategy for Implementation of Integrated HSE Management System in SNGPL.

- HSE infrastructure at SNGPL is divided into 33 sites of operational sites. Incharge of each site is designated as HSE Focal Points. Each HSE Focal Points is responsible for the Implementation of Company's HSE Management System through line management under his domain.
- In compliance to Company's HSE Policy, a systematic Management Program is introduced by developing procedures and guidelines for all operational activities across the Company.
- Monitoring and measurement is carried out as per standard through HSE Internal Audits and Surveillance Audits by Certifying Body to evaluate the effectiveness of Company's HSE Management System. This reflects the Management Commitment towards implementation of HSE Management System.
- We have developed 35 procedures for implementation of HSE Management system, duly approved by the management based upon operational activities of the Company and circulated across the company for implementation in true letter and spirit. These procedures are also available on Company's web portal for easy access.
- To show its commitment towards implementing HSE Policy across the Company, Management Review Meeting headed by Managing Director is conducted bi-annually for periodic review and evaluation of HSE management system.
- All the operations and maintenance manuals of our Technical Departments are in line with the IMS Manual.

- Integrated Management System Manual is based on PDCA Cycle, which is elaborated as below.

P – Plan

D – Do

C – Check

A – Act





Issue No.06



Health, Safety & Environment Policy

Sui Northern Gas Pipelines Limited will ensure that

- The health of its employees, its consumers and its contractors is protected.
- All its activities are carried out safely.
- Environmental performance meets legislative requirements.
- There is continuous improvement in HSE performance.

To implement HSE Policy, Sui Northern Gas Pipelines Limited will

- Comply with relevant laws and regulations.
- Ensure that required Health, Safety and Environment Organization, Standards and Procedures are developed and established.
- Ensure that all its activities are carried out in accordance with relevant international standards and Company's Health, Safety and Environment Standards and Procedures.
- Set demanding targets and measure progress to ensure continuous improvement in Health, Safety and Environmental performance.
- Require every employee to exercise personal responsibility in preventing harm to himself/herself, to others and to the environment for the prevention of pollution.
- Provide appropriate Health, Safety and Environment training/information to all employees, contractors and consumers.
- Ensure provision of safe working environment in order to protect the employees from occupational illness and accidents.
- Promote awareness and give due recognition to performance in the area of Health, Safety and Environment.

Nothing contained in this policy will be interpreted so as to enhance the otherwise legal obligation of the Company.


AMJAD LATIF
 MANAGING DIRECTOR
 MARCH 14, 2016

Sui Northern Gas Pipelines Limited

پالیسی برائے صحت، حفاظت اور ماحولیات

سوئی ناردرن گیس پائپ لائنز لمیٹڈ اس امر کو یقینی بنائے گی کہ

- اس کے ملازمین، خریدار اور شہکیدا اران کی صحت کو کام سے متعلقہ کوئی نقصان نہ پہنچے۔
- ادارہ میں ہونے والے تمام کام حفاظت کے اصولوں کے مطابق ہوں۔
- ماحولیاتی کارکردگی قانونی ضوابط کے مطابق ہو۔
- صحت، حفاظت اور ماحولیات کی کارکردگی میں متواتر بہتری ہو۔

صحت، حفاظت اور ماحولیات پالیسی پر عمل درآمد کے لئے سوئی ناردرن گیس پائپ لائنز لمیٹڈ مندرجہ ذیل اقدامات کو یقینی بنائے گی۔

- تمام متعلقہ قوانین اور ضوابط پر پوری طرح عملدرآمد۔
- صحت، حفاظت اور ماحولیات کے لئے مناسب تنظیم اور ضروری معیار اور طریقہ بنانے کا کار کا تعین اور نفاذ۔
- اس امر کو یقینی بنانا کہ تمام ادارہ کے صحت، حفاظت اور ماحولیات کے معیار اور طریقہ بنانے کا کار کا تعین اور نفاذ۔
- ایسے اہداف کا تعین اور کارکردگی کا جائزہ جس سے صحت، حفاظت اور ماحولیات میں مسلسل بہتری کو یقینی بنایا جاسکے۔
- ہر ملازم کو پابند کرنا کہ وہ خود، ساتھیوں اور ماحول کو آلودگی سے محفوظ رکھے۔
- تمام ملازمین، خریدار اور شہکیدا اران کو کام سے متعلقہ صحت، حفاظت اور ماحولیات کے لئے مناسب معلومات اور تربیت فراہم کرنا۔
- کام کے لئے محفوظ ماحول کو یقینی بنانا تاکہ تمام کارکنان کام سے متعلقہ بیماریوں اور حادثات سے محفوظ رہ سکیں۔
- صحت، حفاظت اور ماحولیات کے متعلق آگاہی پیدا کرنا اور اس سلسلہ میں اچھی کارکردگی کی حوصلہ افزائی کرنا۔

اس پالیسی کے امور کسی بھی اکتہبار سے ادارہ کی مجوزہ قانونی ذمہ داریوں میں اضافہ نہیں کرتے۔


امجد لطیف
 مینیجنگ ڈائریکٹر
 ۱۳ مارچ ۲۰۱۶ء

Smoking Policy

Sui Northern Gas Pipelines Limited is committed in providing a safe, healthy and productive environment for all its employees. Sui Northern Gas Pipelines Limited recognizes that smoking is a health hazards for both smokers and non smokers. Sui Northern Gas Pipelines will Endeavor to control the exposure of employees in the workplace to the harmful effects of tobacco products with the ultimate objective to protect non-smokers and in doing so enhance the air quality of the work environment for employees.

This Smoking policy shall apply to:

- All employees, clients, visitors and contractors of the SNGPL without any exception.
- All buildings, premises or enclosed spaces occupied, owned, leased or controlled by the SNGPL.
- All workplace, which include all Company buildings, Lobbies, Elevators, Cafeterias, Washrooms, Vehicles, or any other common areas frequented by employees.

Sui Northern Gas Pipelines Limited believes that all employees have the right to a safe and healthy workplace. In accordance with this belief, Sui Northern Gas Pipelines Limited has regulated smoking in the workplace with the objective:

- To educate smokers about the harmful effect of smoking and give guidance and support if employees decide to give up smoking.
- To change the working environment to minimize the harmful effects of passive smoking on the non-smoker.
- To provide healthy and efficient working environment to the employees and to avoid conflict in the workplace.
- To provide a designated smoking area with clear markings and ensure adequate ventilation for smokers.

All employees are responsible for ensuring the implementation of this policy. In case of any non compliance strict disciplinary actions may be taken.

Nothing contained in this policy will be interpreted so as to enhance the otherwise legal obligation of the Company.



Amjad Latif
MANAGING DIRECTOR

سموکنگ پالیسی

سوئی ناردرن گیس پائپ لائنز لمیٹڈ اپنے تمام ملازمین کو ایک محفوظ، صحت مند اور تعمیری ماحول مہیا کرنے کے لیے نہایت پر عزم ہے۔ سوئی ناردرن گیس پائپ لائنز لمیٹڈ اس امر کا بخوبی ادراک ہے کہ کام کی جگہ پر سگریٹ پینا نہ صرف سگریٹ پینے والے کی بلکہ اس جگہ پر موجود تمام افراد کی صحت کے لئے خطرے کا باعث ہے۔ سوئی ناردرن گیس پائپ لائنز لمیٹڈ کوشش کرے گی کہ کام کی جگہ پر موجود تمام ملازمین کو تمباکو نوشی کے مضر صحت اثرات سے بچایا جاسکے بالخصوص تمباکو نوشی نہ کرنے والے لوگوں کے لئے ماحول کو بہتر بنایا جاسکے۔

اس سموکنگ پالیسی کا اطلاق درج ذیل پر ہوتا ہے:

● بلا تخصیص تمام ملازمین، خریدار، ملاقاتی اور ٹھیکیدار

● کمپنی کی تمام عمارتیں، اپنی ملکیت کی یا کرائے پر

● کمپنی کے تمام دفاتر، چار دیواری اور بند جگہوں پر بشمول لابی، لفٹ، واش روم، کینٹین، کمپنی میں استعمال ہونیوالی تمام گاڑیوں، اور ایسی تمام جگہیں جہاں پر لوگوں کی اکثر آمد و رفت ہو۔

سوئی ناردرن گیس پائپ لائنز لمیٹڈ یقین رکھتی ہے کہ محفوظ اور صحت مند ماحول تمام ملازمین کا بنیادی حق ہے، اس امر کو مد نظر رکھتے ہوئے سوئی ناردرن گیس پائپ لائنز لمیٹڈ نے تمباکو نوشی پر قائلہ پانے کیلئے درج ذیل اہداف بنائے ہیں:

● تمباکو نوشی کرنے والے افراد کو تمباکو نوشی کے مضر صحت اثرات سے آگاہ کرنا اور انہیں تمباکو نوشی ترک کرنے کی ترغیب دینا۔

● تمباکو نوشی نہ کرنے والے افراد کے لئے ماحول کو بہتر بنانا تاکہ وہ تمباکو نوشی کے مضر اثرات سے محفوظ رہ سکیں۔

● ملازمین کو کام کرنے کے لئے محفوظ اور صحت مند ماحول مہیا کرنا تاکہ تمباکو نوشی کی بنا پر کوئی بھگڑا نہ پیدا ہو سکے۔

● تمباکو نوشی کیلئے مخصوص جگہ کا تعین کرنا اور وہاں تازہ ہوا کے گزر کو یقینی بنانا۔

تمام ملازمین اس پالیسی پر عمل درآمد کو یقینی بنائیں۔ خلاف ورزی کی صورت میں سخت تادیبی کارروائی کی جاسکتی ہے۔

اس پالیسی کے امور کسی بھی اعتبار سے ادارہ کی مجوزہ قانونی ذمہ داریوں میں اضافہ نہیں کرتے۔



امجد لطیف
مینیجنگ ڈائریکٹر

Trainings

SNGPL is continually developing its workforce and focusing on capacity building of its employees through trainings. Training of Human Resource is crucial to any organization's success and growth. The Company in the year 2005 established Sui Northern Gas Training Institute (SNGTI) at Kot Lakh Pat, Industrial area, Lahore, with an aim to develop employee skills and competencies which contribute towards overall organizational efficiency.

The Institute has highly qualified trainers who possess best academic and corporate work experience. They are proficient in designing, developing and delivering training programs reflective of the modern business tools and techniques in today's challenging and vibrant business environment. Its professional training workforce offers and conducts trainings in more than thirteen (13) different types/categories i.e. Technical Trainings, Soft Skill Trainings, External-Domestic Trainings, External-Foreign Trainings, Orientation Programs, Management for Junior Executives (MJE), Developing Future Leaders (DFL), Executive Development Program (EDP), Guest Speakers, Gas Control, Regional Trainings, Certification Training for Welders, and Helper Trade Test etc. SNGPL investment in Training and Development is perhaps the single most important way that manifests the Top Management's recognition that employees are our greatest asset. In the FY 2018-19 SNGTI conducted 429 training courses relevant to the organizational working, culture and Training needs of the employees in above mentioned categories and trained 4,849 organizational employees. The mosaic of training modules included not only Class room lectures but also Technical workshops, Hands of Trainings, Case studies, Assignments, Presentations, Interviews, Trade tests, Theoretical and Practical examinations. Practical Trainings on drilling machines and welding machines are also arranged.

Training and awareness is an integral part of Company's HSE Management System and specific certification training plays important role for Continual Professional Development. Capacity building of HSE Engineers is required to enable them for better identification of hazards and assessment of associated risks to which Company employees are exposed at their work places especially during execution of various field activities. It is also necessary for equipping themselves with considerable knowledge and modern techniques employed for the protection of workforce.



A Training Hours per employee FY 2018-19

Average no of employees	402.5
Training Hours	107,544
Average Hours of Training	22.26

B Training hours per employee by gender FY 2018-19

Gender	Average no of employees	Man-Hours	Average Training Hours
Male	392	104,680	22.23
Female	10.16	2,856	23.40

C Training hours per employee by category FY 2018-19

Category	Average no of employees	Man-Hours	Average Training Hours
Management	2.75	1,144	34.66
Staff	147.10	26,536	15.02

***SETTING THE STANDARD
GROWING THE SAFETY CULTURE***

Employee Engagement:

i) *Employee Engagement - HSE Conference 2018 at Bara Gali, Abbottabd*

HSE department organized a conference for its executives in July – August 2018 at campus of University of Peshawar at Bara Gali, Abbottabad. Bara Gali is one of the towns of Galiyat at an altitude of 7,766 ft. The town lies on the road between Abbottabad and Murree and is around 25 KM from Abbottabad and 40 KM from Murree. The intention behind choosing this venue was to move out of the routine office environment so as

to deliberate and share innovative ideas regarding various functions / activities of HSE department in a different environment. The other obvious reasons were excellent weather and economic feasibility.

The weather felt really nice there particularly due to the fact that most of the people were moving from hot and humid climatic conditions. The place was calm and very quiet as it was a little far from the nearest locality.

The conference was comprised of two parts. The first part included but not limited to academic discussions, gap analysis of HSE IMS manual with respect to latest ISO standard 14001:2015, new



HSE objectives and targets, feedback from the participants regarding their ideas for smooth execution of various HSE initiatives etc. The outcome of this part was really amazing as participation of all the executives was superb. The discussions were so intensive and capturing that the sessions had to extend pass the lunch time almost every day.

The other part was based on few outdoor activities which were looking merely fun apparently but were actually based on corporate principles, business values and interpersonal skills. A glimpse of these activities is as follows;

Connecting stories:

This activity is based on team-building and get-to-know-others by finding common experiences among different people. Everyone was asked to write a couple of lines about any story/experience which he/she would like to share and then the other person had to connect from there with his/her own story. It was an activity full of fun along with exploring communication skills and explaining ones' own ideas in an interesting way.



Trust course game:

This activity is based upon making bond among employees, developing trust on each other, paying attention to small details and avoiding distractions. A narrow curvy course was built with the help of stones with some hurdles in between. The person, blind folded, was supposed to pass through the



whole course with the help of a partner who could guide him/her for where to move and cross the hurdles. Meanwhile other participants were free to distract and mislead the player. This fun activity helped in learning how to trust your colleagues, help and guide them meanwhile avoiding the other distractions during day to day business operations.

Pass the message:

This game is quite old but still effective in realizing the importance of communicating with each other while keeping the original message intact. A written message was provided to the first player which he had to whisper into other player's ear and so on. The number of players was not too high but even then the message was twisted; emphasizing the importance of understanding and delivering the message.



Meanwhile, organizing the conference and various activities, we were honoured by our distinguished guests, GM – Rawalpindi and GM – Islamabad, who spared some of their precious time to pay visit to us and took valuable part in the conference by sharing their views and recommendations.



Apparently, it looked like that HSE conference might be just a fun-based tour but in actual it turned out to be a very healthy, informative and learning session with a lot of cherished memories.



ii) Road Safety Awareness

Road safety initiatives are implemented to reduce the risk of road accidents and road side injury because of the unsafe acts of people and unsafe conditions while driving on the road. Every person on the road has risk of injury or death, such as pedestrians, motorists, cyclists, passengers, etc. Everyone needs to be well aware of the road traffic rules especially children and young people who are at significant road accident risks.

Keeping in view the above, trainings sessions on Safe Driving are being carried out across Company on regular basis, in order to improve awareness among the employees regarding the hazards involved during driving.



iii) Awareness to the Public / Community regarding Gas Safety

SNGPL being a socially responsible organization believes that the safety of consumers is equally important and essential, as depicted in Company’s HSE Policy. Gas Safety instructions are being communicated to the consumers through electronic and print media, time to time, as a “Public Service

Message”. Furthermore, Gas Safety and Conservation instructions are printed at the back side of our Gas Bill. Material Safety Data Sheet (MSDS) of Natural Gas, Monthly Magazine of SNGPL “PRIDE”, Bulletin on different topics of HSE, Safety Talks Booklet, First Aid Booklet, Dengue Booklet is also displayed at Company’s website.

i) Gas Conservation Awareness Walks

SNGPL, taking another step towards its Energy Conservation Initiative, carried out a series of Gas conservation awareness walk throughout the Company. The purpose of the walk was to improve public awareness about the necessity of gas conservation. The response of the general public was very encouraging and extensive media coverage was given. In most of the regions, students from various educational institutes also took part in the walk in order to support the initiative taken by SNGPL. This series of walk started on 25-11-2018 at Lahore, followed by walks in Faisalabad, Multan, Sargodha, Peshawar, Sahiwal, Gujranwala, Gujrat, Bahawalpur, Rawalpindi, Abbottabad, Mardan and culminated on 28-12-2018 at Islamabad which was led by the honourable Minister of Energy. Different sectors of the society, media, Minister all greatly appreciated this initiative taken by SNGPL and assure their full support in the noble cause.

How Responsible we Are



SNGPL is dedicated towards its CSR policy which is based on the best practices all over the world to leave a positive impact on the environment, employees, social norms and economic development. The laid out objectives are to be achieved by adopting a methodology that drives success of the Company's business leading to commercial success in ways and manner that honour ethical values, environment, people and communities. SNGPL believes in

- Business that should be both profitable and beneficial to the society.
- Improving the quality of life of the communities especially those who are under privileged.
- Ensuring harmonious relations with our stakeholders, by working in partnership with the community, the Government and NGOs through the principles of Sustainable Development.

PRINCIPLES OF CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

We pledge to perform our corporate duty, based on following acknowledge & principles with dedication, diligence and integrity.

a) Standard of business conduct

We are committed to ensure that all our corporate activities are conducted strictly in accordance with high levels of professional and legal standards as per code of business ethics.

b) Health, Safety & Environment

We are committed to provide and strive to maintain clean, healthy & safe working environment by continually conducting public awareness campaigns to promote safe use of natural gas.

c) Community

We are committed to be a responsible corporate citizen by pro-actively supporting the affected communities in the events of national and natural catastrophe.

d) Disclosure

SNGPL shall provide information about descriptive as well as monetary disclosures of the CSR activities undertaken in each financial year on its website, annual reports and other communication media. The disclosure shall be made in the Director's report to the shareholders annexed to the annual audited accounts.

The disclosure shall include but shall not be limited to the following:

- a) Education
- b) Energy Conservation
- c) Community Investment and Welfare Schemes
- d) Consumer Protection Measures
- e) Welfare spending for under privileged classes
- f) Industrial Relations
- g) Employment of special persons
- h) Occupational safety and health
- i) Rural Development Programmes

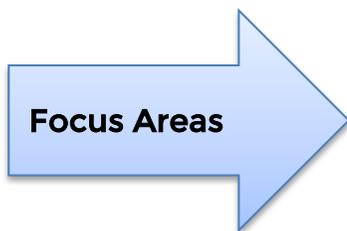
We will ensure that effective systems are in place to manage and monitor compliance with this policy and take remedial action whenever we fall short of our commitment. A CSR Committee having the following composition will review and approve strategic plans, assess progress and offer guidance about emerging CSR issues of importance.

i	Deputy Managing Director (S)	Chairman
ii	Senior General Manager (ES)	Member
iii	Chief Financial Officer	Member
iv	General Manager (Admin)	Member
v	General Manager (HSE)	Member/Secretary

CSR Committee will periodically evaluate and approve the projects recommended by the regional CSR cells headed by each Regional In-charge duly assisted by his team.

The CSR Committee will ensure:

- ✓ Those projects that are within the area of SNGPL's operation. However, being a national Company, SNGPL may extend its support regardless of geographical locations for special projects of national importance.
- ✓ That SNGPL cooperates with and/or associates with NGOs and Community Based Organizations (CBOs) working in a financially transparent manner i.e. maintaining properly audited accounts and operations on non-profit basis and having credibility and reputation in the public sector.
- ✓ That priority is given to under-privileged areas and segments of society, institution and projects which generally do not have easy access to other sources of funds.
- ✓ That NGOs/CBOs and institutions having political / ethnic affiliation are not supported.
- ✓ That special funds are being approved from the Board of Directors each year for implementation the CSR policy.



Basic Human needs

- Contribute due share in fulfillment of basic human needs of the deprived and underprivileged by focusing on health care, sport, sanitation and environment etc.

Educational Reforms

- Provide assistance for the Promotion of education in Pakistan

Self Reliance

- Build **self reliance** through programs aimed at Skill Enhancement and creating income generating opportunities for the under privileged

Health Safety & Environmnet

- Implementing sound Environment, Health & Safety Management Systems and take a proactive approach to address environmental issues like tree plantations, awareness campaigns etc

Labour Standards

- Support and uphold the principles contained in the University Declaration of Human Rights and the International Labor Organizations fundamental conventions on core labor standards

Medical Facilities

- Provide medical and community aid to alleviate hardship and distress to under privileged

National Heritage

- Conserve National Heritage, indigenous culture and sports durng implementation of projects

Awareness programs

- Organise awareness programs regarding gas conservation, dengue awareness, promotion of renewable energy resources, training workshops for workers

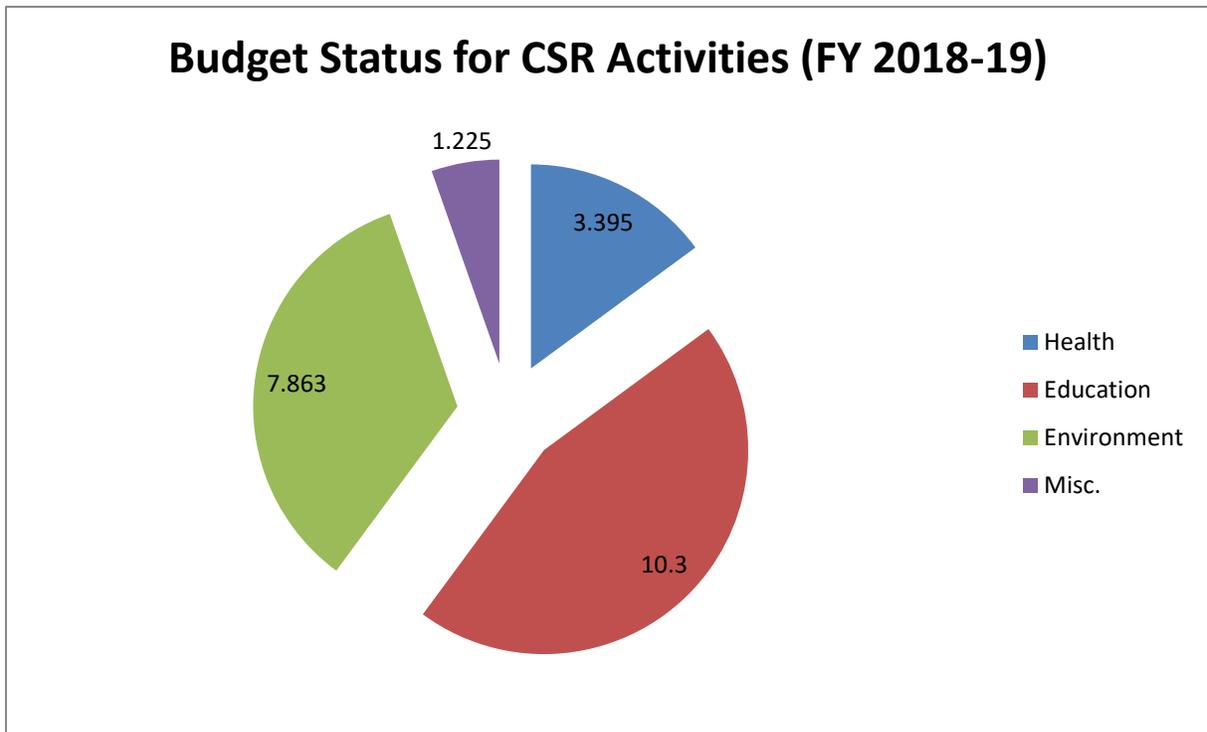
GLIMPSES OF HSE & CSR COMMITMENTS AT SNGPL

1. •International ECO Internship Program, Gas Conservancy Campaign and Agro Waste Project with WWF Pakistan
2. •Corporate Membership from WWF Pakistan
3. •Provision of Drinking Water for Community at Gujranwala, Shahdara, Islamabad, Rahim Yar Khan Faisalabad, Abbotabad(different areas of Punjab and Khyber Pakhtun Khwa), alongwith installation of Reverse Osmosis Plants at 35 Locations at Company Offices
4. •Beautification / Renovation of Chowks at Fawara Chowk Rawalpindi & Multan (Punjab)
5. •Bio Gas Plant at Village Mailu VirkanSheikhupura, Lahore, Punjab
6. •Awareness Session on Thalassemia along with Blood Donation Camps at Lahore, Sahiwal, Gujranwala, Gujrat, Multan.
7. •Awareness Session on Breast Cancer at Faisalabad
8. •Provision of Gold Medals at NFC Multan and Ghulam Ishaq Khan Institute Topi, Sawabi.
9. •CSR Award won in the Recognition of CSR Activities in Category Energy Conservation, by M/s National Forum for Environment and Health (NFEH)
10. •Sponsorship of Chair On Gas Engineering at University of Engineering and Technology -Lahore, University of Engineering and Technology-Peshawar, University of the Punjab-Lahore.
11. •Awareness Session with the students of Schools / Colleges / Universities regarding the Emergency Response Plan
12. •Tree Plantation Activity at different Events (Employee Engagement activity, Independence Day, Earth Day, HSE Week
13. •SNGPL invests a lot on the Safety and Health of its Employees (depicted at various locations in this report)
14. •Sponsorship for the Establishment of State of the Art Flue Gas Analysis Laboratory, University of Engineering and Technology, UET Lahore - Punjab
15. •Sponsorship to Pakistan Blind Cricket Council
16. •HSE Week conducted across the Company, to motivate the employees and to encourage them
17. •International Women Day celebrated at SNGPL
18. •Participation of female employees at Laore, in a Seminar on "Role of Women in Safety for Health change in Society"
19. •World Environment Day celebrated at 05th June to aware the employees regarding the Environemnt.

EXPENSE FOR SUSTAINABLE ACTIVITIES AT SNGPL (FY 2018-19)

✚ Total Budget for CSR Activities: Rs. 22.78 Million

✚ Total Budget for Sponsoring of Chair on Gas Engineering at Universities:
Rs. 9.96 Million



Break up of Cost for CSR Activities (in Rs. million)

SNGPL is highly conscientious corporate entity with a commitment to return to the society particularly to its under privileged strata.

Out of the listed areas of CSR interest, SNGPL has a focus on the following initiatives:

- | | |
|-------------------------------------|-------------------------------|
| 1) Potable Water Supply | 5) Education |
| 2) Energy Conservation / Renewables | 6) SNGPL Partnership with WWF |
| 3) Health | |
| 4) Relief Activities | |

Every year a sizeable amount is spent to carry out schemes related to new projects based on these initiatives or for the ongoing projects. SNGPL primary focus in selecting a project is to ensure that maximum benefits of the project is passed on to a larger community. Progress on each initiative and projects executed in this regard are briefly described below:

a) FILTERED WATER SUPPLY:

Potable water quality is deteriorating across Pakistan due to several factors resulting in health issue to various communities. With a view to provide clean potable water to communities, SNGPL has installed Reverse Osmosis (RO) plants/water filtration plants at its offices and made arrangements outside its office for supply of potable water through taps for the community surrounding SNGPL offices. Apart from its offices, SNGPL has also arranged potable water supply in areas where water supply is scarce or where requirement of potable water is a major issue to the community. 35 water filtration / RO plants of capacities ranging from 250 to 1000 lit/hr has been installed till now. Following RO plants have been installed for the community this year:

- a) Village Kotka Haji Sher Zaman, Landhi Jalandhar, Indus Highway, Tehsil and District Bannu
- b) Government Secondary School – Rahim Yar Khan
- c) Indus Hospital Muzafargarh

In order to ensure that the water quality remains consistent, tests are performed to check that the quality parameters remain within the defined range.

b) PROMOTING ALTERNATE / RENEWABLE ENERGY:

Sui Northern Gas Pipelines Limited is committed towards sustainable development of communities in which it operates. Corporate Social Responsibility (CSR) policy of the Company has objectives related to energy conservation and development of alternate energy sources. In this regard, SNGPL has installed a Bio gas plant and provided gasifiers that use agro waste as fuel to the communities.

c) EDUCATION:

SNGPL is sponsoring three Chairs in the universities of Punjab and KPK. These Chairs on Gas Engineering promotes research work on issues related to SNGPL especially energy conservation. Gas Engineering Chairs are established at following Universities:

- 1) Department of Chemical Engineering, University of Engineering and Technology, Lahore.
- 2) Institute of Chemical Engineering and Technology, University of the Punjab, Lahore.
- 3) Department of Mechanical Engineering, University of Engineering & Technology, Peshawar.

The research work carried out is published in reputed journal. Laboratories are established at each university by the funds provided by SNGPL. This initiative helps student to carry out advanced level course work related to Gas Engineering.

In addition to above, SNGPL also promotes students having higher education by award of Gold medals. Two students each of Ghulam Ishaq Khan institute, Topi and NFC Institute Multan are decorated with these gold medals each year as a token of appreciation.

d) HEALTH:

SNGPL contribution on health sector is also increasing as it supports blood donation campaign of Fatimid Foundation and Sundas Foundation. SNGPL has motivated its employees for this noble cause and has arranged camps at its offices with a considerable donor group among the employees.

SNGPL also supports Pakistan Red Crescent Society and has contributed for an ambulance for its Islamabad office. The participation of people in large numbers and donation blood is a sign that we do recognize our social responsibilities along with our professional ones. It is a healthy gesture, which not only portrays a positive image of the organization but further enlightens the steps being taken for the betterment of the society. Health benefits of donating blood include good health, reduced risk of cancer and risk to liver and pancreas. Donating blood may help in improving cardiovascular health and reducing obesity. It is important to note that people are the only source of blood and that is why it is important to donate blood and help those who need it



e) SNGPL PARTNERSHIP WITH WWF:

SNGPL is a corporate member of WWF (World Wide Fund for Nature - Pakistan) which is an international organization engaged in ECO friendly activities. It is essential that the youth of Pakistan realizes the importance of nature conservation and commits to conserve the precious natural resources of Pakistan. Through this partnership SNGPL has helped WWF-Pakistan to raise environmental awareness and disseminate the education of energy conservation

SNGPL supports two programs of WWF for conservation of energy.

i) ECO INTERNSHIP PROGRAM:

SNGPL has been sponsoring International ECO Internship Program since 2014. Around 10,000 students have been registered in the program in 4 years. The School Outreach Program and activities of WWF-Pakistan have succeeded in stimulating student's imaginations, and promoting public outreach and environmental conscious among peers and parents alike.

International ECO Internship Program gives students an opportunity to become ambassadors of change. This program has been implemented in the leading school systems across Pakistan. It enables the students to understand better ways of energy utilization and the significance of its conservation and impact such knowledge to their families in the larger interest of our country.

ii) GASIFIER WITH AGRO WASTE AS A FUEL:

Pakistan being an agricultural country has a large amount of agro waste after each crop. This waste is used in many ways as a fuel for cooking, as a raw material for paper production or wasted by burning for making room for new crops. SNGPL and WWF have developed a partnership for making use of the Agro Waste as a cleaner fuel in a gasifier. The project of installing gasifiers includes its fabrication and training of community in using gasifiers. The project is expected to provide better source of living for the community and improve the quality of life.

EVERY DAY, WE STRIVE TO BE BETTER





f) SPORTS

Sports and games have been part of human society for thousands of years. Playing games increase one's brain activity, never letting attention wander and also making one understand things in more detail.

SNGPL had its Annual Sports Gala in March 2019, in Lahore. Around 378 players from 20 site offices across the Company participated in 16 different Game. This event is true reflection of the company's longstanding association with sports and sportsmen which contributes greatly in promotion of healthy activities in the society. It is pertinent to note that female employees equally participated in the Annual Sports. The annual event was held for three days in WAPDA Sports Complex, Lahore. The opening ceremony of the event took place amid much fanfare. Different games e.g. Badminton, Table Tennis, Shot Put, Athletics, Long Jump, High Jump, Tug of War, Volley Ball and Cricket were played in the Sports Gala.

SNGPL annual Sports Gala is fast becoming one of the regular features of the Company which provide employees with the opportunity to showcase their sporting talent on a grand scale.



LABOUR PRICIPLES

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals

We believe that Human resource is the most valuable asset of any organization. SNGPL proactively continues to play an integral role to increase human resource efficiency and accountability, improve service to the public, and streamline administration.

Keeping pace with the changing market and incorporating the philosophies of transparency, equitability and consistency, SNGPL has an approved HR Manual which has been prepared and is being updated from time to time after profound thought, discussion and collaboration with experts. The HR Policies are the part of HR Manual and are being implemented in true letter and spirit. We are compliant to the Labor Laws and we ensure the implementation.

HR VISION STATEMENT

“To attract, retain and nurture quality human”.

HR MISSION STATEMENT

“The Human Resource Department is committed to motivate and optimize human potential through capacity building and creation of a conducive environment”.

Clause 1: Confidentiality

Staff members should not keep or make copies of correspondence, documents, papers and records, list of suppliers or consumers without the consent of the Company. Company's information and records should be kept on Company premises only and unpublished information may be disclosed to external organizations / individuals only on "need to know" basis. In case of doubt in this regard, the Management's advice should be sought.

Clause 2: Employment Policy

The Company is committed to provide an open and honest work environment that enables every employee to reach the highest possible level of professional and personal fulfillment. The Employment policy is a part of HR Manual. Primary aim is to build SNGPL from within, promoting and rewarding people on the basis of performance alone. As an equal opportunity employer, SNGPL follows a transparent and merit based recruitment policy and its selection procedure and employment policies are geared to attract and retain capable and qualified employees of the country who are willing to contribute their best to accomplish the objective of the Company.

Our aim is to build SNGPL from within, promoting and rewarding people on the basis of performance alone. SNGPL's ability to continually identify, recruit, develop, and motivate its most precious resource in an increasingly competitive marketplace will be its greatest strength going forward.

Our Hiring criteria is strictly being followed and we strongly discourage Child Labor. We do not recruit / hire any employee below the age of 18 years.

We have transparent recruitment policy and we uphold it at all levels.

Clause 3: Equal Opportunity Employment

We are committed to ensure that all staff is treated fairly and with dignity and that no discrimination or harassment occurs in the workplace. SNGPL is an equal opportunity employer, which means all their policies and procedures are aimed at ensuring that all decisions made in relation to appointments, promotions, transfers, training opportunities and performance assessments are made entirely on the basis of merit alone.

Clause 4: Workplace Harassment

SNGPL staff will maintain an environment that is free from harassment and in which all employees are equally respected. Workplace harassment is defined as any action that creates an intimidating, hostile or offensive work environment. Such actions include, but are not limited to, sexual harassment, disparaging comments based on gender, religion, race or ethnicity.

Clause 5: Health and Safety Policy

Managing Director endorses the SNGPL Environmental, Occupational Health and Safety Policy. The policy is appropriate to the nature, scale and environmental impacts of all activities at the SNGPL. The Policy includes a commitment to continual improvement and prevention of pollution and prevention of hazards & risks for occupational health & safety, as well as committed to meet or exceed relevant environmental, occupational health & safety legislation, regulations and other requirements.

Clause 6: Legal Requirements

SNGPL has established and maintained a procedure for the purpose of identifying, accessing and communicating legal and other requirements that are applicable to the SNGPL in line with the Factory's Act and International Labour laws. Additional information is also available through legal publications. Local regulations are identified, accessed and communicated by the Management Representative (MR).

Measurement of Outcome

We at SNGPL hire and recruit employees without discrimination of race, color, religion, sex, age, language, physical condition etc. and treat them equally with others respect to compensation and opportunities for advancement and career growth, including promotions & transfer. We have culture of zero tolerance against any such discrimination. We have open door policy for all employees and our Management always takes initiative to resolve their issues relating to workplace.

In order to monitor the compliance of ISO 14001 / OHSAS 18001 Standards, Surveillance audit is being carried out by third party auditors bi-annually. Successful conduction of these audits demonstrate the effectiveness of HSE Management System. Management commitment towards HSE was highly appreciated by the Auditors.

Employee Recruitment

SNGPL's recruitment decisions are based upon a careful selection process in order to determine the individual best qualified for a position to be filled in. As an equal opportunity employer, SNGPL follows a transparent and merit-based recruitment policy. SNGPL believes that its employees are the people who give the Company their skill, energy and time, making them its most precious asset.

Grievance Handling & Harassment Policy

In order to improve positive working relations between SNGPL Managements and its employees, we have a Grievance Handling Procedure / Policy. It includes Whistle Blowing policy and grievance redressal.

A full fledge committee headed by Senior Management is in place, to address any case related to the Harassment. We discourage any type of harassment at the workplace.

We provide a comfortable environment to our employees, so that they feel safe, secure and protected.

Employee Satisfaction

SNGPL believes that the employees are our asset and they must be taken care in all respect. It is necessary to ensure and enhance the business performance and for creating good working environment among the organization. We have high level of employee satisfaction and low sickness rate of our worker.

SNGPL believes in attracting and retaining talent through a combination of monetary and non-monetary rewards and incentives. Our few policies are enlisted as below.

i) Compensation Policy

In order to formulate and establish a competitive compensation structure, SNGPL evaluates its remuneration package viz competitors and aligns compensation to the market after 2 years.

ii) Medical Policy:

SNGPL regards its employees as its most valuable resource and accordingly assigns a lot of importance to the well-being of its employees and their families. The Company recognizes that medical benefits give employees the peace of mind to focus on their job function without having worry about financial risks in the event of sickness or injury. SNGPL provide Medical coverage to all serving as well as retired Company employees.

iii) Travel Policy:

We aim to provide employees travelling on the Company business with a reasonable level of comfort in their boarding and lodging arrangements at the lowest possible cost to the organization.

iv) Vehicle / Transport Policy

SNGPL provide vehicles to certain members of the executive staff as a key component of their overall compensation package.

v) Leave Policy

SNGPL appreciates the importance of rest and recreation for the well-being of employees and that contingencies arising and unforeseen eventualities require employees to be away from work. All employees are eligible to avail leaves as per Company Policy.

Sick Leave, Minimum Annual Leave, Annual Leave accumulation and encashment, Hajj Leave, Ex Pakistan Leaves, Prolonged Illness (Medical Leave), Study Leave, Special Leave and Maternity Leave (for Married Females) are the various types of leaves that are part of our Leave Policy.

We give special leave to the concerned in case of death of his / her spouse, so that one can adjust after sustaining the tragic loss.

<i>Benefits</i>	<i>Management</i>	<i>Staff</i>
<i>Life Insurance</i>	<i>YES</i>	<i>Till 05 years after Retirement - 65 years</i>
<i>Health Care</i>	<i>YES</i>	<i>YES</i>
<i>Disability / Invalidity coverage</i>	<i>YES</i>	<i>YES</i>
<i>Parental leave</i>	<i>YES</i>	<i>YES</i>
<i>Retirement Provision</i>	<i>YES</i>	<i>YES</i>

In addition to the above, Residential policy and Mobile Policy is also for our employees (depending upon the nature of job and posting). It is pertinent to mention that after every 02 years, Collective Bargaining Agreement (CBA) is agreed mutually by the Staff and SNGPL Management and is then registered in National Insurance Company Limited (NICL). It becomes a legal binding for the Management and also for the CBA to follow it as per the Agreement. We offer different attractive allowance to our staff and hence we honor them.

We are of the view that employee satisfaction and reduced sickness leads to increase job performance.

BECAUSE

WE VALUE OUR EMPLOYEE



Safety of Employees

We are OHAS 18001:2007 Certified organization and have a full fledged Health Safety Environment (HSE) Department, headed by General Manager who directly reports to the Managing Director. We have Operations and Maintenance Manual of HSE, duly approved by the Management.

SNGPL through its core values and HSE policy thrives to provide a safe work environment for its employees. We own our employee and provide necessary protection to all concerned during various operations of the Company. Hazard Identification and Risk Assessment procedure is being implemented across the Company.

i) Personal Protective Equipment (PPE)

SNGPL has diversified workforce including office and field staff, those are exposed to various hazards during operational activities at their workplace. SNGPL has strong commitment as per Company's HSE Policy for provision of adequate no. of Personal Protective Equipment (PPE's) to its employees. In this context, SNGPL allocates handsome amount of budget annually for procurement of various types of PPE's like Coverall, Safety Shoes, Fluorescent jackets, Helmet, Protective gloves, Ear muff, Ear plugs, Safety Goggles, Protective masks, Welding shield, Safety harness etc. We understand that usage of these PPE's by our staff not only protects them from any human injury but also give them confidence for being safe at their workplace. This in turn rises their moral resulting in enhanced productivity.



ii) Work Stop Authority

SNGPL is committed to ZERO TOLERANCE policy and in order to carry out daily activities like repairing, maintenance or construction work in operating areas. Guidelines for Work Permit have been implemented to prevent any injury, fire, property damage, material loss and environmental accident. Safety of our employee is our top responsibility and Management is committed towards its implementation.

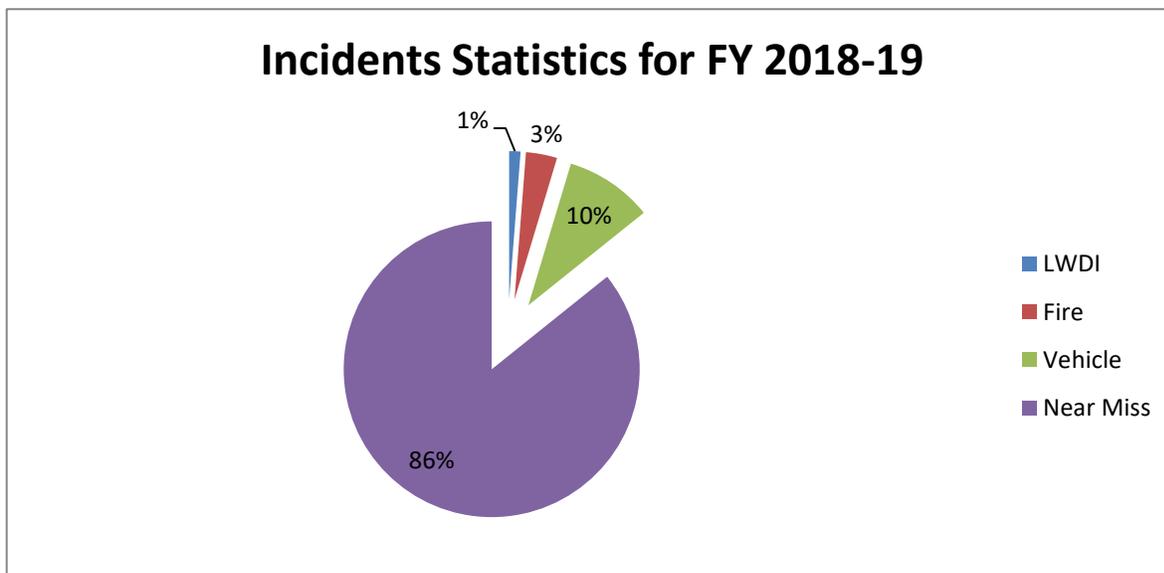
iii) Incident Reporting and Investigation

SNGPL IMS Manual provides a comprehensive guideline for reporting and investigation of dangerous occurrences, incidents, fire, environmental incidents and vehicle incidents. It enables identification of the causes and planning of correctives actions to prevent recurrence.

All incidents are required to be reported within 24 hours. Any incident requiring reporting to the relevant Government agencies shall be reported to the concerned, using their devised system as per Departmental manual. HSE Department initiates the detailed investigation (depending upon the severity of the incident). The incident is investigated in depth, in order to go to the root cause. Learning Events of the incident along with “Recommendations” are circulated by HSE Head Office, in order to promote awareness across the Company.

During the fiscal year 2018-19, most of the accidents were related to vehicle. Procedures developed by HSE department on Safe operation of vehicles & equipment are available at sites for implementation, to reduce such kind of accidents.

Online Incident Reporting System has also been established for ensuring smooth and timely reporting of all the incidents. This system has been instrumental in making it easier for employees to report incidents and has greatly reduced time for reporting.



SNGPL devised guideline for calculation of Safe Working Man Hours (SWMH) across the Company, which is in connection with the HSE IMS Manual procedure “Incident Reporting and Investigation”. SWMH calculation is an internationally recognized motivational initiative to check the occurrence of accidents and to recognize / reward those who have achieved certain milestone i.e. consecutive work hours without an Occupational injury /ill health resulting in days away from work OR without Lost Workday Injury (LWDI).

iv) ***Safety and Security through new Initiatives:***

SNGPL is committed to enhance the safety and security of its employees and consumers as well. In this regard, CCTV Cameras are being installed at around 73 locations throughout the Company. SNGPL believe that awareness is basic tool to communicate their staff and valuable customers regarding Company norms and objectives. In this context, installation of 35 nos. of Digital Signage / LED’s is in progress across the Company.

v) ***Road Safety***

Trackers / Data Loggers have been installed in Company’s vehicles to reduce vehicles related accidents. Driver Safety Report is generated each month and actions are taken against the violators. Training on Road Safety is being arranged for the Drivers, at regular frequency.

In addition to this, Vehicle fitness is ensured by issuing Vehicle Fitness Certificates, on Monthly basis. The purpose is to ensure that accidents can be avoided, due to vehicle malfunction.

Sr. No	Site	Data Loggers (Nos.)
1	Head Office	23
2	Islamabad Region	28
3	Lahore Region	18
4	Faisalabad Region	11
5	Gujranwala Region	07
6	Gujrat Region	03
7	Sargodha Region	03
8	Sahiwal Region	04
9	Multan Region	08
10	Bahawalpur Region	04
11	Peshawar Region	05
12	Abbottabad Region	03
13	Multan Compression	04
14	Manga Camp	01
15	Faisalabad Camp	02
16	Transmission department Sites	82
	Total	206

vi) *Occupational Health Surveillance*

A. Occupational Health Monitoring

SNGPL's top management is devoted to promote HSE culture across the Company. Hazard identification and evaluation / root cause analysis of the risks associated with it, is an integral part of HSE Integrated Management System (IMS). The same process is also being applied in the field of Occupational Health (OH). Many potentially hazardous situations occur in work place like high noise level, heat stress, low level of lighting etc.

Occupational Health monitoring is being carried out regularly at various sites across the Company, especially in those areas where workers are directly involved in an activity / operation which may be affecting their health. The main purpose of conducting the OH Monitoring is to make more aware of Occupational Health. A consolidated report is to be apprised to the Management for necessary review and advice.

Occupational Health Monitoring is being carried out for the following category of employees:

- ✚ Drivers
- ✚ Janitorial Staff
- ✚ Canteen Staff and Staff Attendants
- ✚ Computer Operators
- ✚ Employees exposed to Noise
- ✚ Employees exposed to Dust, Fumes and Vapors
- ✚ Employees exposed to radiation

To improve dope yards workers respiratory health, cold tape application is being substituted with dope kettle operation at dope yards and corrosion control center. Occupational health safety awareness sessions are imparted related to workplace hazards, preventive measures, first aid and fire safety to all newly hired workers at the time of induction. All newly hired vehicle drivers have to get their pre-employment health status done as part of their contract with the Organization.

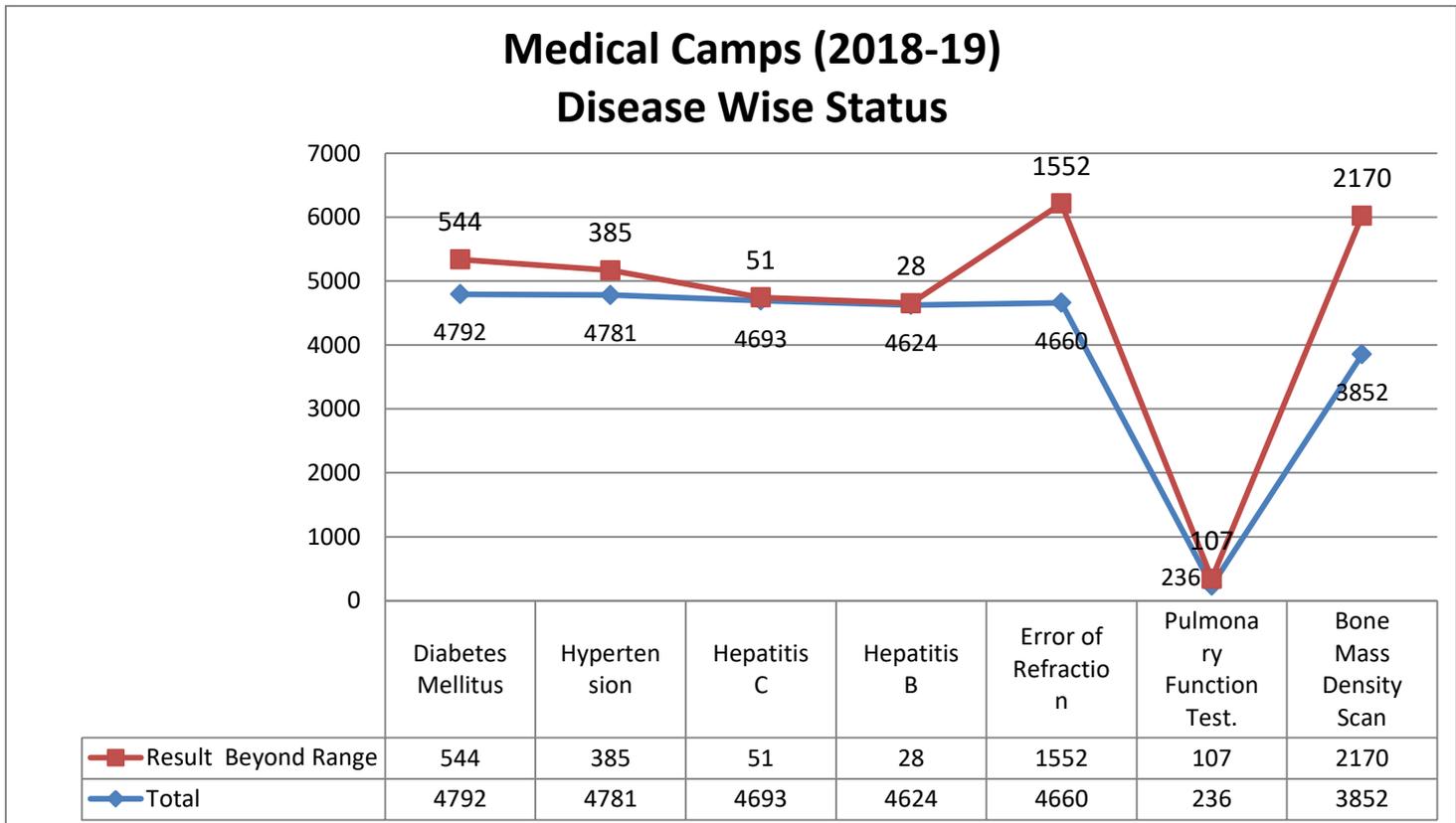
Occupational Health risk assessment is a very important tool to monitor and advise any health risk which provides input for developing suitable controls before any outbreak.

B. Medical Camps

Medical camps are organized for all personnel regardless of their nature of job and type of engagement with the Company. These camps facilitate the employees to get their health status screened with a variety of tests under one roof within a reasonable time.

Busy work environment, job stress and frequent traveling hinder our staff to give needed attention to their health. The environment in the medical camps gives them some time to interact with their colleagues and provide some break in their busy routine to think about their health and to be aware of the health related hazards from the literature available at awareness material stall which contain useful information regarding precautions to be taken during daily routine.

HSE initiative of Medical Camps is a very effective event to promote Health Care awareness, on spot health screening of employees and also provides an excellent opportunity for providing information about general HSE initiative. In 2018-19, Medical Camps have been arranged at Faisalabad, Multan, Islamabad, Sahiwal, Sargodha, Lahore, Sialkot, Rawalpindi, Sheikhpura, Peshawar, Mardan, Wah and Head Office Lahore.



After the Medical Camp, the reports are analyzed by the Occupational Health Consultant and due recommendations are given accordingly.



Healthy Work Force is Productive Work Force

vii) HSE Trainings

Training and awareness is an integral part of Company's HSE Management System and specific certification training plays important role for Continual Professional Development. Training sessions are being delivered to all concerned for better identification of hazards and assessment of associated risks to which Company employees are exposed at their work places especially during execution of various field activities.

Following Training modules are being conducted on regular basis.

- 1) Operations and Maintenance Manual of HSE
- 2) Achieving Zero Goal through Accident Prevention
- 3) Fire Fighting
- 4) First Aid

5) Defensive Driving / Road Safety

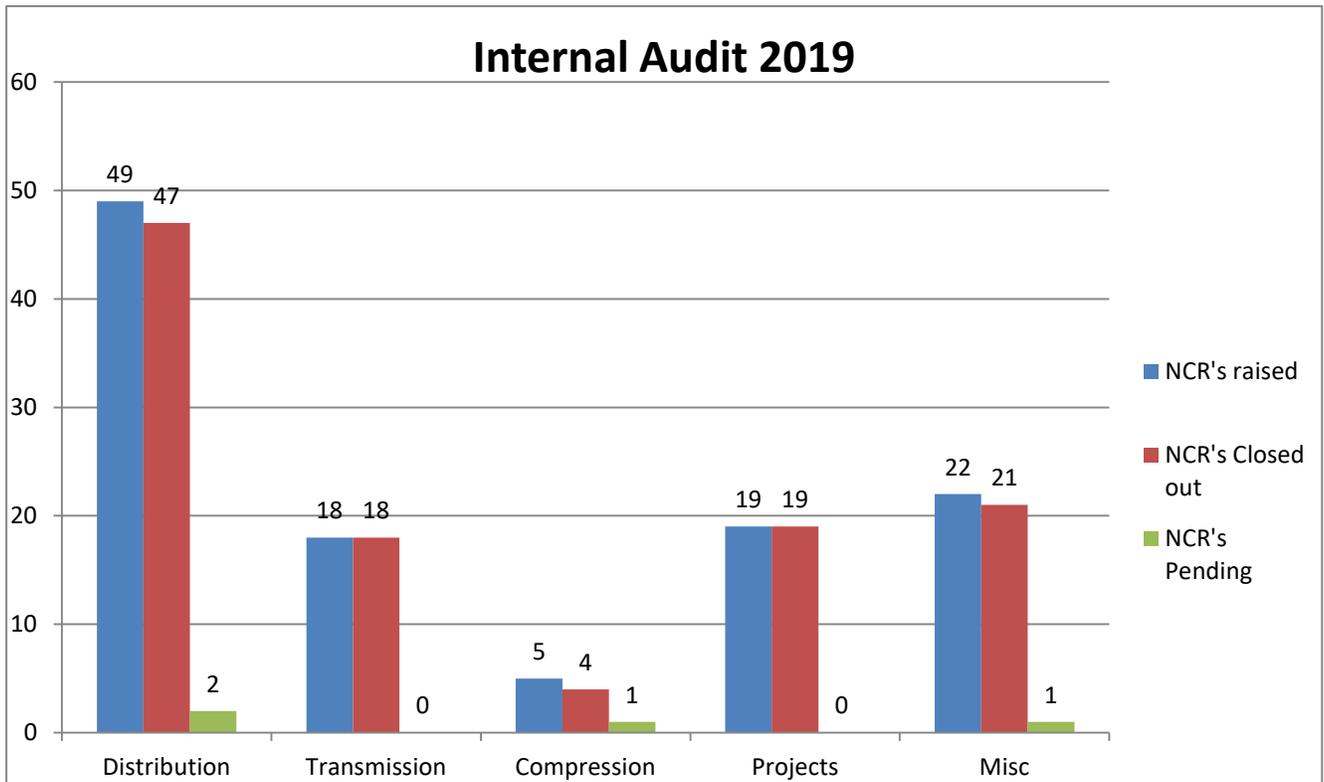
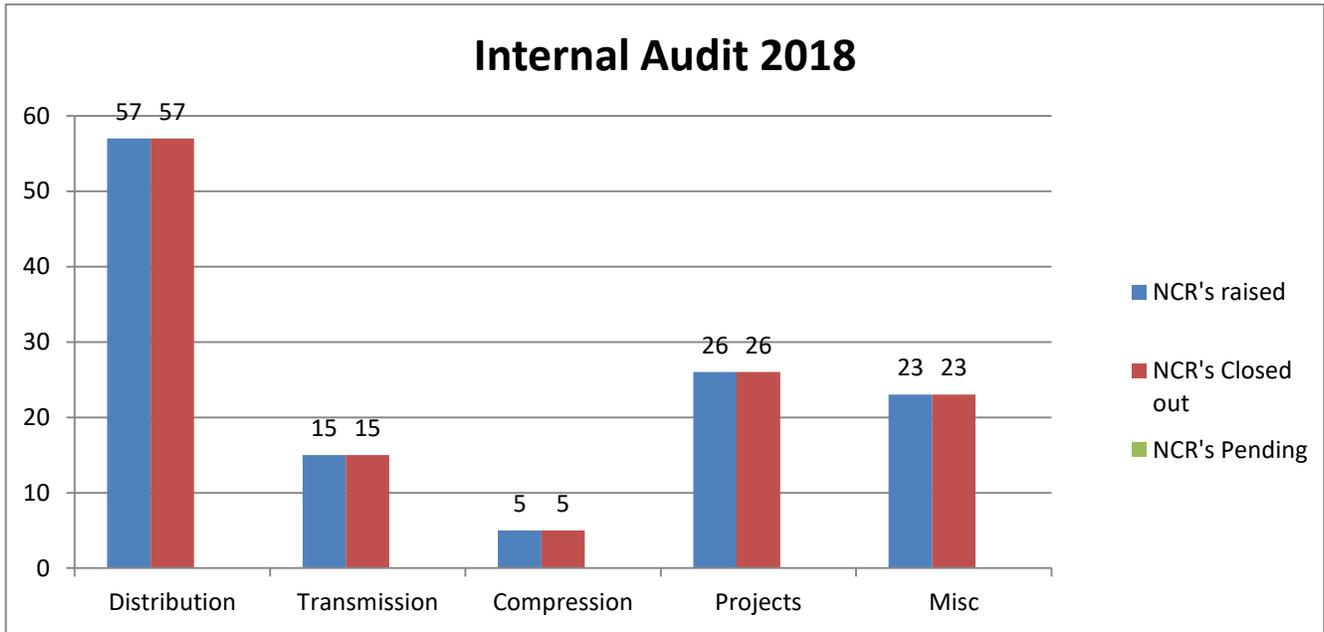
In addition to the above, different training sessions are being carried out by HSE Engineers to all employees old and new (permanent, contractual, executives, staff) regarding the HSE Awareness, Emergency Drills, Ergonomics, OHS and Environment Risk Assessment, Conservation of Environment, How to Handle Chemicals, Effects of Smoking on Health and Energy Conservation etc. The training evaluation is being carried out by evaluating at Performance observed (on the job), Oral / Written tests, Demonstration, Questions / interviews.

In addition to the above, SNGPL also coordinates with Government agencies e.g. Rescue 1122, National High Way and Motorway Police for conducting the Awareness sessions on Emergency Response Plan and Defensive Driving.

Furthermore, HSE Departments keeps on communicating the safety message time to time across Company through HSE Message of the Day, HSE Bulletin, Safety Posters, Learning Events, HSE Booklets on First Aid / Safety Talks / Dengue, Safety Theme of the Month and HSE Videos.

Xii) HSE Internal Audits

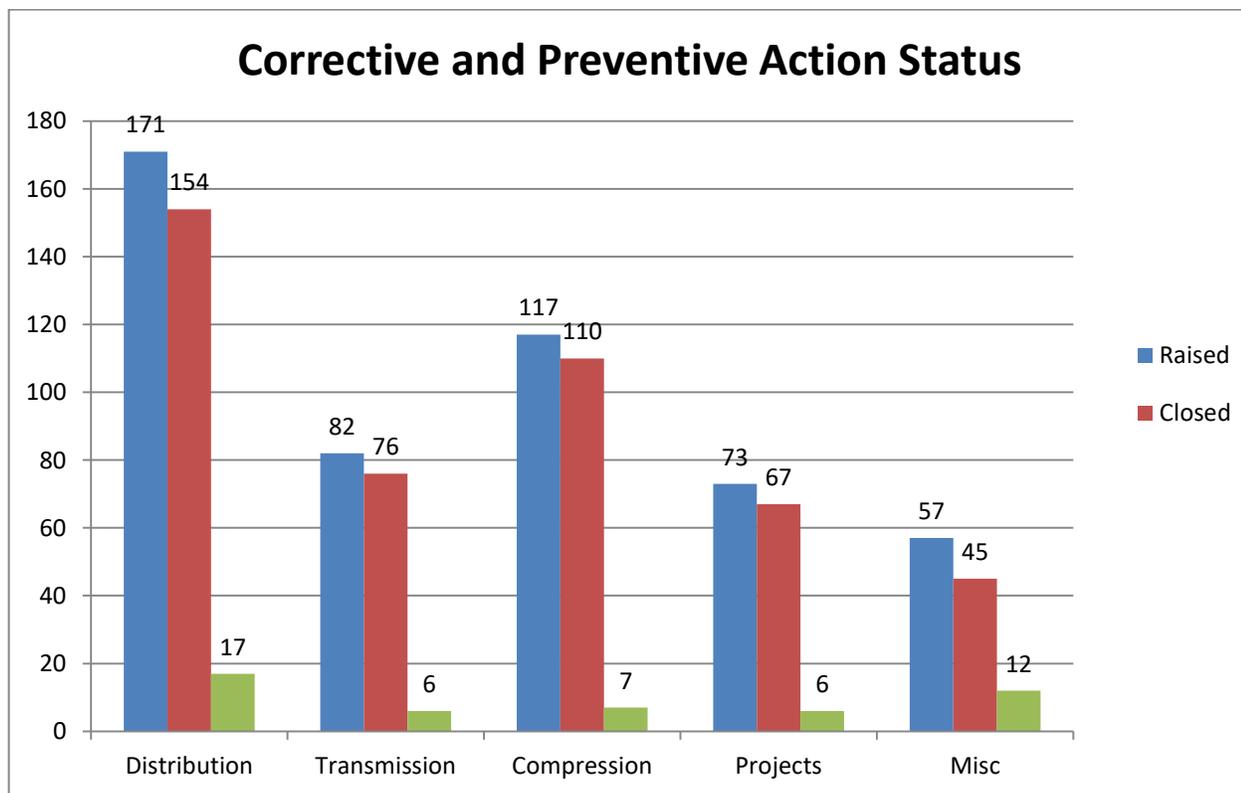
SNGPL has established a system for Internal Auditing in order to check the compliance of HSE Management System at all Company sites and identification of gaps for further improvement. Internal auditing is also a requirement of ISO 14001 and OHSAS 18001 standards to which Company is certified. Each site of SNGPL is being audited biannually by qualified Lead Auditors. Record of internal audit reports is being maintained and status shared with the top Management for further instructions. Internal auditing activity has played a very important role for overall improvement in HSE compliance of the Company. Compliance status of internal audit conducted in 2018-19 is as follows;



viii) Corrective and Preventive Action Request

Corrective and preventive actions are key elements in Occupational Health and Safety Management System (OHSAS 18001) and Environmental Management System (ISO 14001). Corrective action (CA) is an action to eliminate the cause of detected non-conformity and its re-occurrence. Preventive action (PA) is an action to eliminate the cause of potential non-conformity and its occurrence. In simple words, corrective action is a reactive approach and preventive action is a proactive approach.

^{ix)} SNGPL is certified to ISO-14001 and OHSAS-18001 standards which pay special emphasis on identification / elimination of hazards and for controlling / eliminating the hazards, corrective and preventive actions are taken. SNGPL has devised a procedure “Control on non-conformance, Corrective and Preventive actions” according to which any person can report a hazard. The CPA form is logged in HSE department and as per standard requirement its record is maintained. Pending CPA forms are regularly being monitored with great concern till they are adequately closed out.

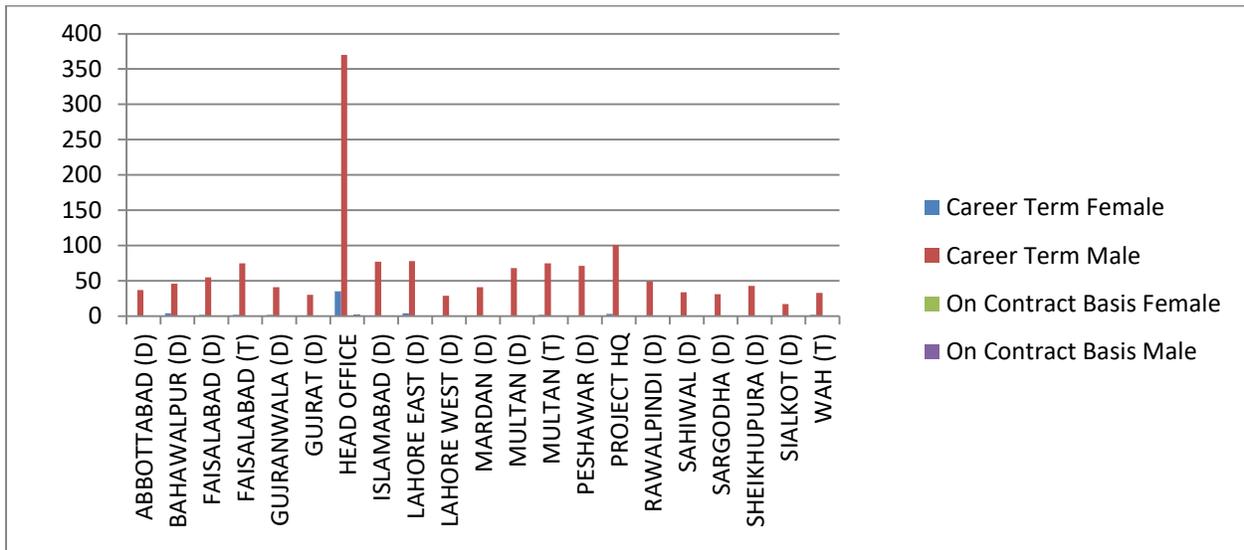


Human Resource Strength at SNGPL

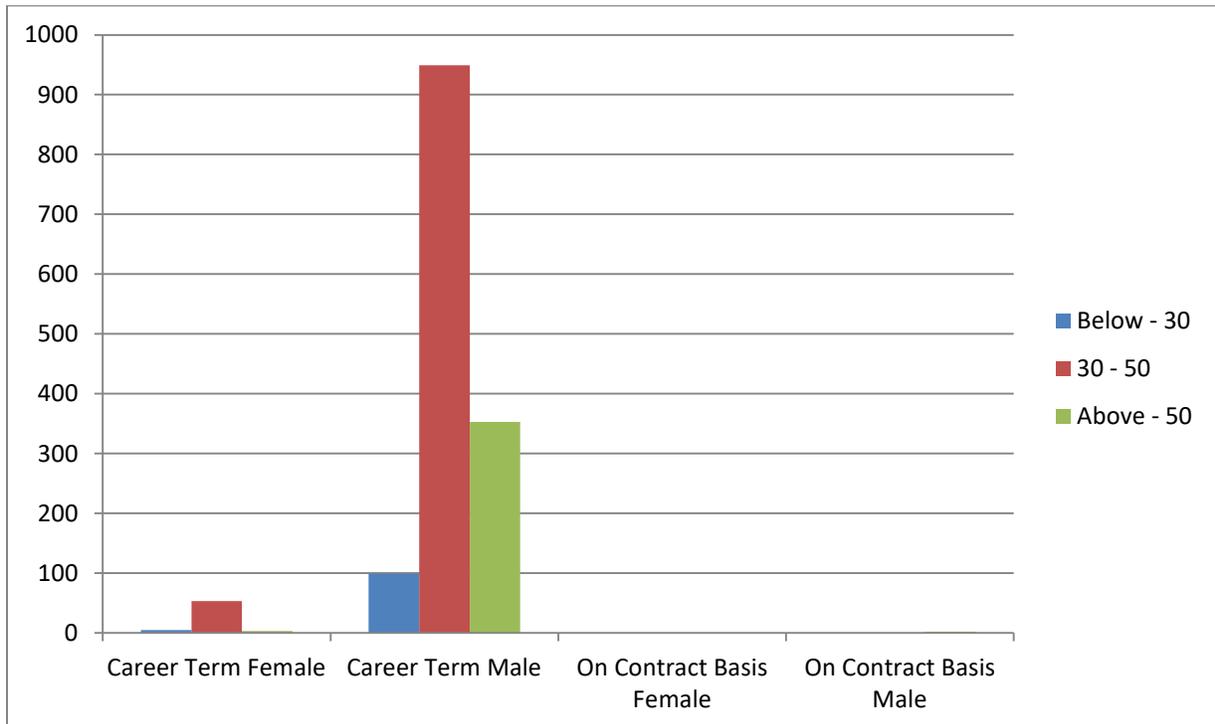
Region / Gender wise summary of Executives as on 30-Jun-2019

Sr No.	Regions	Career Term		On Contract Basis	
		Female	Male	Female	Male
1	ABBOTTABAD (D)	-	37	-	-
2	BAHAWALPUR (D)	4	46	-	-
3	FAISALABAD (D)	2	55	-	-
4	FAISALABAD (T)	2	75	-	-
5	GUJRANWALA (D)	2	41	-	-
6	GUJRAT (D)	-	30	-	-
7	HEAD OFFICE	35	370	-	2
8	ISLAMABAD (D)	1	77	-	-
9	LAHORE EAST (D)	4	78	-	-
10	LAHORE WEST (D)	-	29	-	-
11	MARDAN (D)	-	41	-	-
12	MULTAN (D)	1	68	-	-
13	MULTAN (T)	2	75	-	-
14	PESHAWAR (D)	1	71	-	-
15	PROJECT HQ	3	101	-	-
16	RAWALPINDI (D)	1	49	-	-
17	SAHIWAL (D)	-	34	-	-
18	SARGODHA (D)	-	31	-	-
19	SHEIKHUPURA (D)	-	43	-	-
20	SIALKOT (D)	1	17	-	-
21	WAH (T)	2	33	-	-
Total		61	1,401	-	2

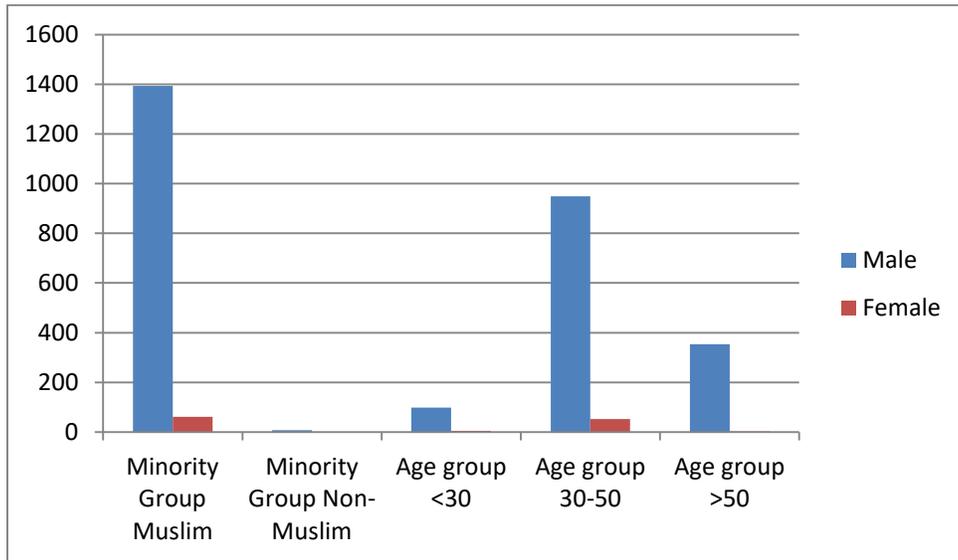
Region / Gender wise summary of Executives as on 30-Jun-2019



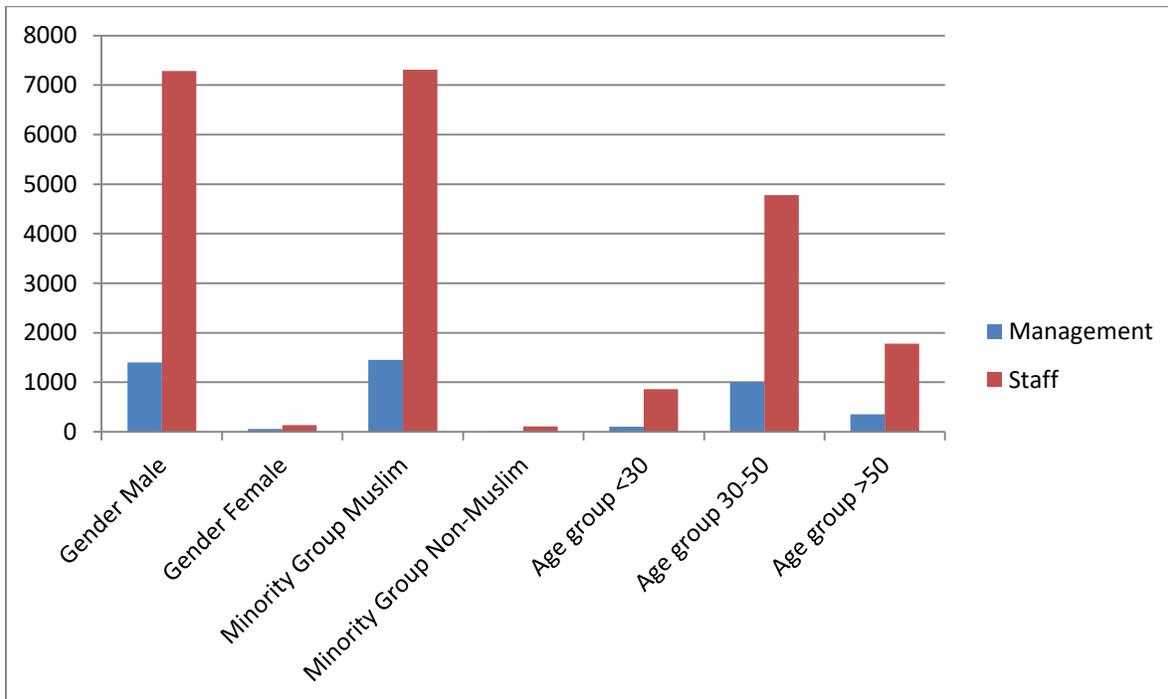
Age Band / Gender wise summary of Executives as on 30-Jun-2019



Executives by gender minority group and % age give age group as on 30-Jun-2019



Employees by employment category gender give % age minority group and age group as on 30-Jun-2019



Age Band / Gender wise summary of Executives as on 30-Jun-2019

Sr No.	Age Band	Career Term		On Contract Basis	
		Female	Male	Female	Male
1	Below - 30	5	99	-	-
2	30 - 50	53	949	-	-
3	Above - 50	3	353	-	2

Employees by gender minority group and % age give age group

Gender	Minority Group		Age group		
	Muslim	Non-Muslim	<30	30-50	>50
Male	1,393	8	99	949	353
Female	61	-	5	53	3

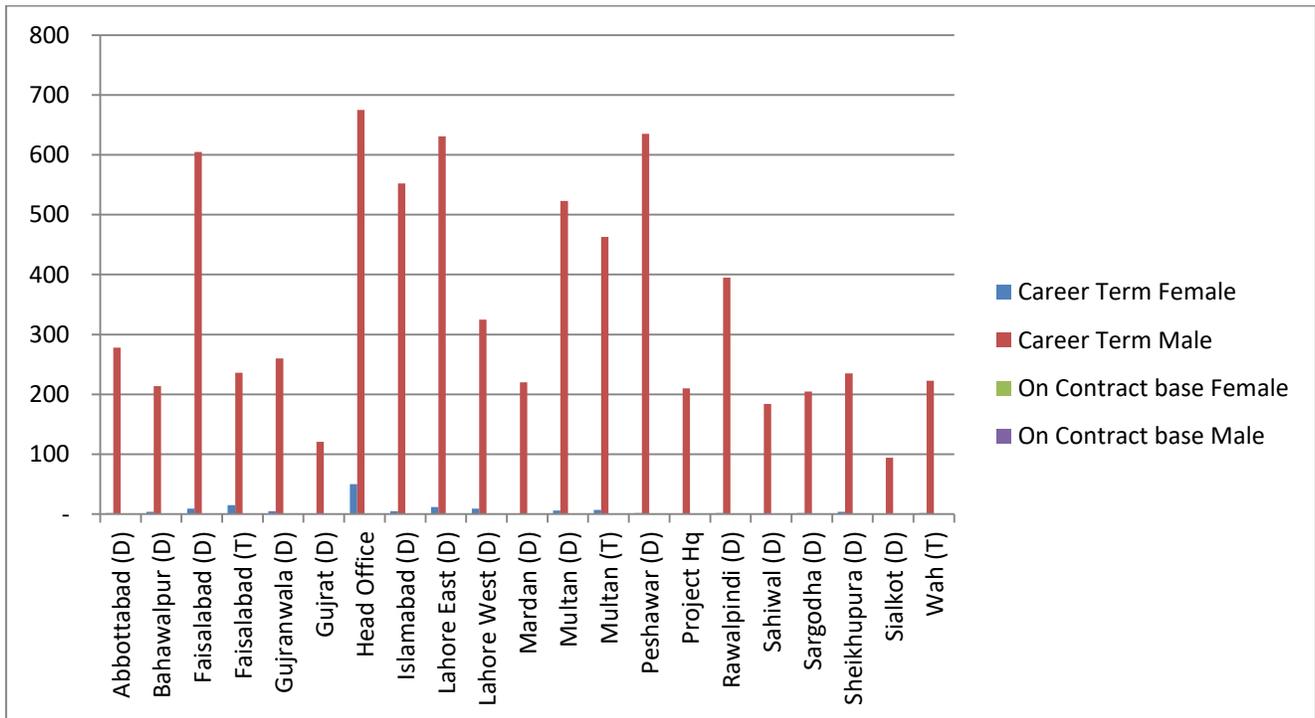
Employees by employment category gender give % age minority group and age group

Employee Category	Gender		Minority Group		Age group		
	Male	Female	Muslim	Non-Muslim	<30	30-50	>50
Management	1,401	61	1,454	8	104	1,002	356
Staff	7,284	136	7,308	112	863	4,779	1,778

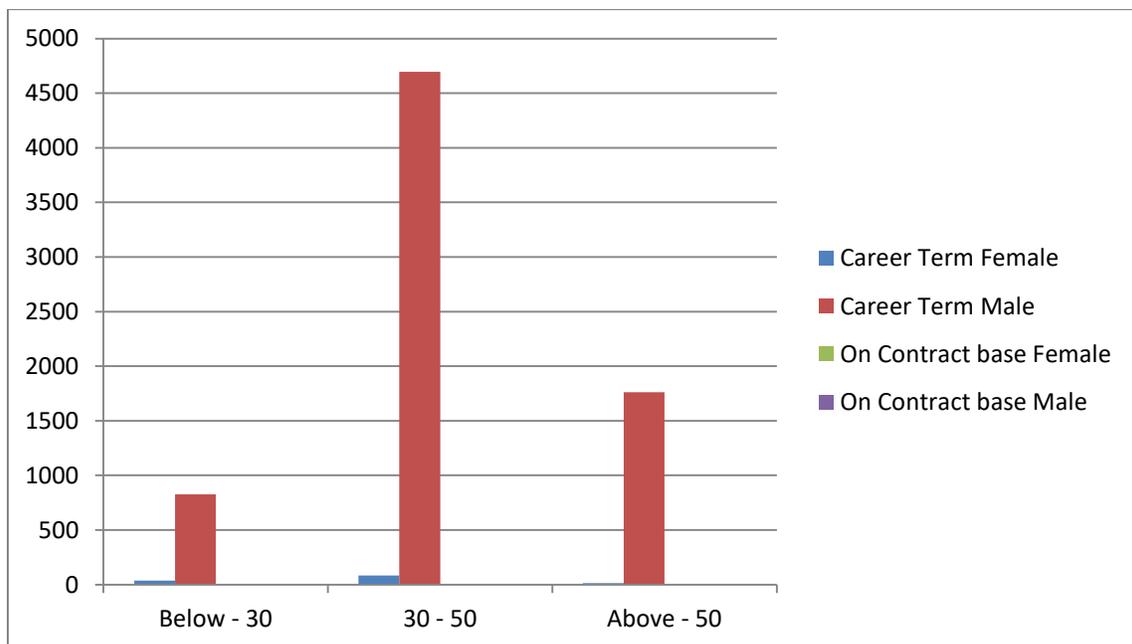
Region / Gender wise summary of Staff as on 30-Jun-2019

Sr. #	Region	Career Term		On Contract Basis	
		Female	Male	Female	Male
1	Abbottabad (D)	2	278	-	-
2	Bahawalpur (D)	4	214	-	-
3	Faisalabad (D)	9	605	-	-
4	Faisalabad (T)	15	236	-	-
5	Gujranwala (D)	5	260	-	-
6	Gujrat (D)	-	121	-	-
7	Head Office	50	675	-	-
8	Islamabad (D)	5	552	-	-
9	Lahore East (D)	12	631	-	-
10	Lahore West (D)	9	325	-	-
11	Mardan (D)	-	220	-	-
12	Multan (D)	6	523	-	-
13	Multan (T)	7	463	-	-
14	Peshawar (D)	2	635	-	-
15	Project Hq	-	210	-	-
16	Rawalpindi (D)	2	395	-	-
17	Sahiwal (D)	-	184	-	-
18	Sargodha (D)	2	205	-	-
19	Sheikhupura (D)	4	235	-	-
20	Sialkot (D)	-	94	-	-
21	Wah (T)	2	223	-	-
Total		136	7,284	-	-

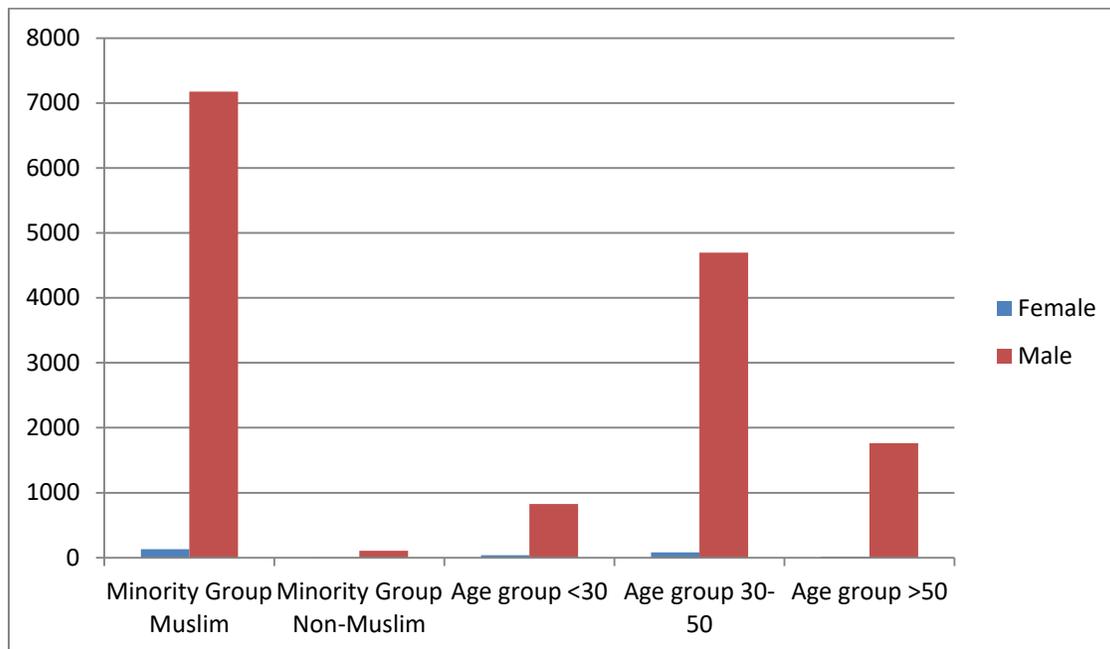
Region / Gender wise summary of Staff as on 30-Jun-2019



Age Band / Gender wise summary of Staff as on 30-Jun-2019



Staff by gender minority group and % age give age groups on 30-Jun-2019



Employment of Special Persons

The Company in accordance with its Corporate Social Responsibility has always given due consideration to engage special persons. Resultantly, present establishment of the Company comprises a number of special employees. The Board of Directors of SNGPL as well as the Management is also determined to ensure recruitment against the reserved seats for Special person in the forthcoming recruitment exercises.

Employment of Females / Minorities

As evident from data provided, SNGPL has a significant number of female employees and encourage minorities also. The data shows that no applicant / employee is discriminated on the grounds of their race, nationality, ethnic / social origin, religious or political beliefs, age, gender, marital status or disability. All human resource decisions are made by utilizing objective standards that are based on an individual’s qualifications and experience as they relate to a particular vacancy. The employment is done purely on Merit basis.

Celebration of Women Day

International Women’s Day (March 08) is a global day celebrating the social, economic, cultural and political achievements of women. The date also marks the call to action for accelerating gender parity. To acknowledge the remarkable contribution of female employees towards achievement of organizational objectives, a few moments were dedicated at SNGPL Head Office on March 8, 2019. Female employees from various departments gathered with beaming faces and lifted spirits. These few moments of acknowledgment and admiration instilled an inspiring ray of light in the female employees of SNGPL that the supportive culture will empower and motivate them for working up to their full potential for the achievement of organizational objectives.

SNGPL encourages women by providing them equal opportunities in all aspects and the Management appreciates and encourage the women empowerment. We believe that there is no tool for development more than the empowerment of women.



ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

We are proud to maintain ISO 14001 Certification for our organization. SNGPL makes extensive efforts to reduce energy consumption in its own operations as well as convince its consumers on efficient utilization of energy through improvements in processes, use of energy efficient equipment and changing life style.

Clause 1: Environment Policy

The Managing Director endorses the SNGPL Environmental, Occupational Health and Safety Policy. The policy is appropriate to the nature, scale and environmental impacts of all activities at SNGPL. The Policy includes a commitment to continual improvement and prevention of pollution and prevention of hazards & risks for occupational health & safety, as well as committed to meet or exceed relevant environmental, occupational health & safety legislation, regulations and other requirements.

Clause 2: Energy Conservation Policy

SNGPL has formulated Energy Conservation Policy to follow a systematic approach to reduce energy consumption in our own operations as well as to persuade consumers for efficient utilization of energy. Under the domain of Energy Conservation Policy Company endeavours to work on renewable energy resources, reduce emissions of greenhouse gases, promote awareness among the consumers regarding usage of energy efficient appliances/devices, coordinate with industrial consumers through Energy Efficiency Audits to assist them in making their processes energy efficient.

Clause 3: Environmental Aspects Identification and Risk Assessment

SNGPL has established and maintained a procedure for identifying environmental aspect and impact. The HSE Site Committee (HSC) identifies the environmental aspects, which SNGPL controls and over which it may be expected to have an influence, and determines which of those aspects are considered

significant. Environmental aspects are reviewed as per frequency defined or when there is a new / changed process or activity at SNGPL.

Company has also developed a procedure to monitor and measure the key characteristics of its operations and activities that can have a significant impact on the environment and significant risk for occupational health & safety at SNGPL. These guidelines include calibration and maintenance requirements and ensure that the relevant records will be retained.

Clause 4: Legal Requirements

The SNGPL has established and maintained a procedure for the purpose of identifying, accessing and communicating legal and other requirements that are applicable to SNGPL in relation with Environment. Additional information is also available through legal publications. Local regulations are identified, accessed and communicated by the Management Representative (MR) on time to time basis.

Measurement of Outcome

We are committed to minimize impact on the environment through pollution prevention, reduction in consumption of natural resource, control emissions, and reduction and recycling of waste. The company manages its product and processes that are not harmful to its surroundings and community by complying with all applicable legal and regulatory requirements. All Environmental Testing conducted by SNGPL under the guideline of NEQS (National Environmental Quality Standard) provide safe environment not only to all employees but also to the stakeholders. It is indeed heartening see companies like playing their part by contributing to the wellbeing of the environment and society.

SNGPL is putting its valuable share towards conservation of natural gas as well as for reducing greenhouse gas emissions by introducing different energy conservation devices including Solar water heaters, Geyser timer devices and conical baffles. Company has installed a number of these devices at the premises of its consumers saving emissions as well as conserving valuable resource i.e. natural gas and the practice is going on.

SNGPL is also providing guideline to its industrial consumers on professional basis convincing them regarding energy conservation by conducting energy efficiency audits and advising them to adopt energy conservation initiatives for making their equipment energy efficient.

SNGPL has developed its Energy Conservation Policy which is implemented across the Company.

ENERGY CONSERVATION POLICY

پالیسی برائے توانائی بچت

Sui Northern Gas Pipelines Limited is committed to conserve energy by optimum utilization of energy. The Company strives to preserve resources for the future and reduce environmental pollution. SNGPL makes extensive efforts to reduce energy consumption in its own operations as well as convince its consumers on efficient utilization of energy through improvements in processes, use of energy efficient equipments and changing life style.

سوئی ناردرن گیس توانائی کو محفوظ کرنے اور اس کے بہتر استعمال کے لیے پُر عزم ہے۔ کمپنی ماحولیاتی آلودگی کو کم کرنے کے ساتھ ساتھ مستقبل کیلئے وسائل کو محفوظ کرنے کی کوشش کر رہی ہے۔ سوئی ناردرن گیس نہ صرف اپنے آپریشنز میں توانائی کی کھپت کو کم کرنے کی کوشش کر رہی ہے بلکہ کام میں بہتری، نمونہ آلات کے استعمال اور طرز زندگی میں تبدیلی کے ذریعے توانائی کے نمونہ استعمال پر اپنے صارفین کو بھی قائل کر رہی ہے۔ کمپنی توانائی کی بچت کے عزم کو پورا کرنے کیلئے مندرجہ ذیل مقاصد پر کام کرے گی:

The Company endeavours to work on the following objectives in order to fulfill its commitment towards energy conservation:

- ☆ Encourage use of renewable energy resources.
- ☆ Promote awareness among the consumers regarding usage of energy efficient appliances/devices.
- ☆ Reduce emissions of green house gases espacially carbon dioxide.
- ☆ Minimize use of water through awareness campaigns and continual replacement of old water supply appliances with efficient water supply equipments/appliances.
- ☆ Replace inefficient equipments.
- ☆ Coordinate with industrial consumers through Energy Efficiency Audits to assist them in making their processes energy efficient.
- ☆ Promote awareness among the Company's personnel to make positive contribution towards energy conservation through realization of energy savings.
- ☆ Record energy savings and savings to the Company in monetary terms.
- ☆ Incorporate energy efficiency as a key variable while making decision on purchasing new equipment.

- ☆ قابل تجدید توانائی کے وسائل کے استعمال کی حوصلہ افزائی۔
- ☆ توانائی کی بچت کے آلات کے استعمال کے حوالے سے صارفین کو آگاہی دینا۔
- ☆ گرین ہاؤس گیس خاص طور پر کاربن ڈائی آکسائیڈ کے اخراج کو کم کرنا۔
- ☆ پانی کے ضیاع کو روکنے کیلئے آگاہی دینا اور پانی کی فراہمی کے پرانے آلات کو نئے نمونہ آلات سے تبدیل کرنا۔
- ☆ زیادہ توانائی استعمال کرنے والے آلات کو کم توانائی استعمال کرنے والے نمونہ آلات سے تبدیل کرنا۔
- ☆ صنعتی صارفین کے تعاون کے ذریعے توانائی کی بچت کرنے کیلئے آڈٹ کرنا تاکہ ان کے زیر استعمال مشینوں کی کارکردگی توانائی کے استعمال پر نمونہ ہوں۔
- ☆ توانائی کے تحفظ کیلئے کمپنی ملازمین میں توانائی کی بچت کے بارے میں آگاہی کو فروغ دینا۔
- ☆ توانائی کی بچت اور اس کے نتیجے میں ہونے والی مالیاتی بچت کا اندراج کرنا۔
- ☆ نئے آلات کی خریداری کا فیصلہ کرتے وقت توانائی بچت کو بنیادی اہمیت کا حامل بنانا۔

SNGPL ensures that the required information is available to all the stake holders and adequate resources are provided for achieving the Energy Conservation objectives and targets

توانائی کے تحفظ کے مقاصد اور اہداف کو حاصل کرنے کیلئے سوئی ناردرن اس بات کو یقینی بناتی ہے کہ ضرورت کی معلومات تمام متعلقین کو فراہم کر دی گئی ہیں اور مناسب وسائل مہیا کئے گئے ہیں۔



Amjad Latif
MANAGING DIRECTOR

Sui Northern Gas Pipelines Limited



امجد لطیف
مینیجنگ ڈائریکٹر

Energy Conservation Initiative

SNGPL has formulated Energy Conservation Policy to follow a systematic approach to reduce energy consumption in our own operations as well as to persuade consumers for efficient utilization of energy. To begin with gradual replacement of conventional lights with energy savers and LEDs and splits or other Air conditioning units with inverter AC's are implemented across the Company. Similarly initiative of water conservation has also been taken against which conventional running water taps are being replaced with push button taps/ sensor taps.

Energy Conservation Initiative data			
Sites	Tube lights replaced with LEDs or Energy Savers	Replacement of splits and window AC's with inverters	Replacement of water taps with efficient water supply water taps
Total	8,331	112	13

SNGPL is conducting Energy efficiency audit of captive power and boilers industries as per Guidelines provided by the Ministry of Energy. We are educating the consumers for adopting energy efficient techniques and equipment for effective utilization of the available energy.

Energy Conservation Devices

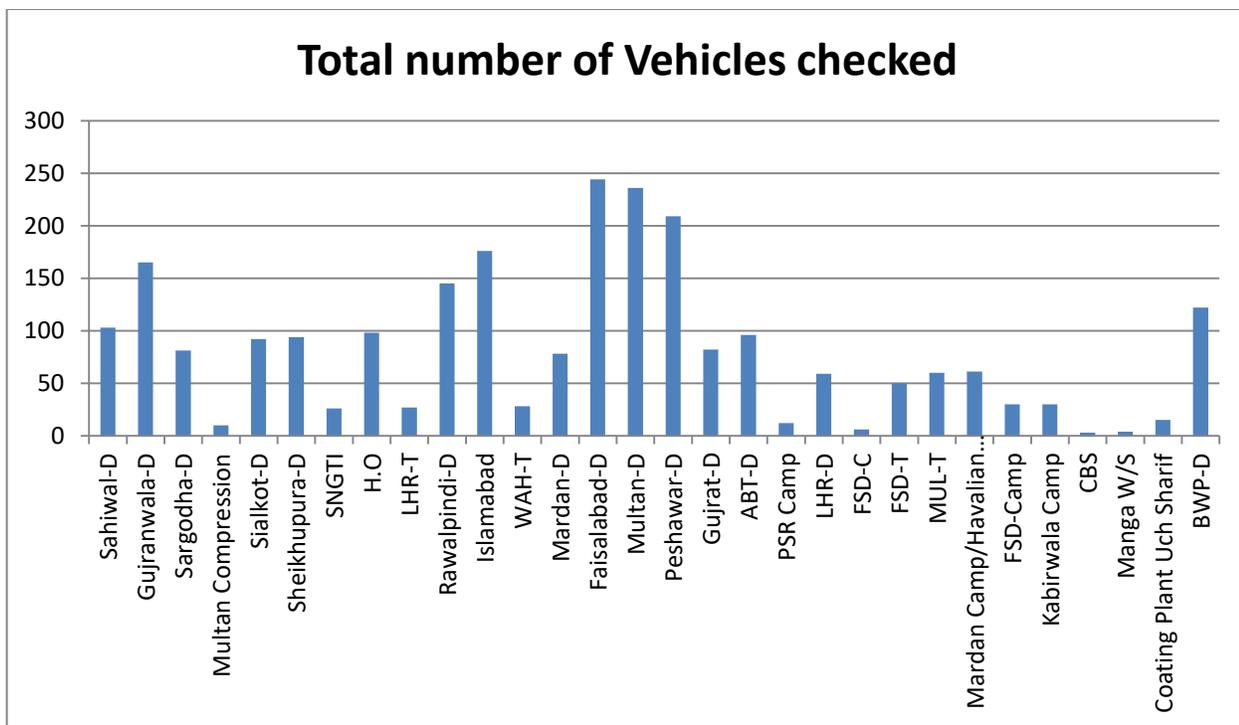
SNGPL is putting all efforts to cope with existing energy crisis. Energy Conservation Initiative is a practical step taken by the Company in this regard by providing energy efficient and gas independent devices to our consumers. These devices not only contribute towards energy conservation but also support in reducing greenhouse gas emissions. At present SNGPL is offering Solar water heaters, Geyser timer devices and conical baffles to its valued consumers who are free to explore the benefits and choose to get the device(s) as per their specific requirements. These devices are available at SNGPL offices and its cost is recovered from consumer bills through installments. SNGPL, in this way facilitate consumers by providing them such devices on installments which reduces their gas bills. SNGPL do not take any profit on these initiatives.

- i) SNGPL introduced Solar Water Heater which is used to heat up water through energy from sunlight. It is environmental friendly as it reduces / eliminates carbon emissions associated with water heating. To ensure gas conservation and optimum utilization of natural gas, SNGPL is offering solar water heaters to our valued consumers at no profit basis.

- ii) Geyser timer device is a timer device for controlling gas consumption through a set program depending upon requirement of heated water at a particular hour of the day. It can save gas consumption resulting in lesser gas bills.
- iii) Conical baffles improve energy efficiency of the conventional geyser significantly.

Control of Emissions

SNGPL is committed to preserve the environment by making compliance to all applicable laws and codes. A procedure for environmental monitoring is part of Integrated Management System Manual. In addition, emission tests of stacks, generators, vehicles and welding plants are carried out as per frequency using either in house resources or 3rd party services. SNGPL has developed in-house resources for monitoring of emissions of all vehicles, generators, stacks and welding plants with state-of-the-art portable equipment like LANCOM, TESTO, IMR. A vehicle installed with Crypton Emission Analyzer equipment has been specially designed for emission monitoring in addition to portable devices. The environmental impacts of these emissions are covered in environmental risk assessment (wherein the current controls and preventive measures are suggested).



Tree Plantation

Trees improve our air quality by filtering harmful dust and pollutants. Trees absorb carbon dioxide and potentially harmful gasses, such as sulfur dioxide, carbon monoxide, from air and release oxygen. Many species of wildlife depend on trees for habitat.

SNGPL has plantation of trees at many of its premises across the Company in Punjab and KPK and through this initiative, Company is playing its role towards prevention of pollution and global warming.

To reduce carbon footprint, SNGPL is working continuously on this initiative and has plan for plantation of trees at its premises where sufficient space might be made available. In an effort to enhance the urban forest cover and raise awareness regarding the importance of trees, SNGPL and WWF Pakistan has joined hands for the noble cause of Environment. Each Eco-Intern of our International ECO Internship Program is encouraged to plant an indigenous tree species and share their pictures Social Media. Annual Target for Tree Plantation for 2018 i.e. 100,000 Trees was successfully achieved. The same target is being followed for the forthcoming years.

Environmental Risk Assessment

SNGPL has developed a procedure and an effective system for identification and controlling of significant environmental aspects and their impacts.

Waste Water Monitoring

SNGPL has an established system for monitoring of waste water generated from the locations where water is use in some process and where Company offices are provided with HVAC systems. The waste water is drained after being examined from third party labs. SNGPL is committed towards prevention of any polluted waters and efficiently manages its processes to avoid such land or water contamination. SNGPL has effective monitoring system for controlling of waste water within National Environmental Quality Standards.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

SNGPL code of conducts has a specific clause for “Fraud, Deception, Dishonesty, Bribery and Corruption which is stated as below.

Clause 1: Use of SNGPL Information Technology Resources

Use of SNGPL Information Technology resources is strictly limited to business requirements. Employees should aware that e-mails are not confidential and may be accessed for monitoring purposes. Any breach of IT security protocol that involves private business use or unsuitable material will be considered as misconduct. Employees will be accountable for all activities created under their password and subsequently, any unauthorized use of a password will be treated as gross misconduct.

Clause 2: Personal Loans from Colleagues & Customers

SNGPL offers a handsome compensation package with fringe benefits to facilitate staff with maintaining a respectable standard of living and for the acquisition of various assets and as such allows them to borrow sufficient monies from their lenders. Therefore borrowing any amount from fellow colleagues, customers or placing oneself under pecuniary obligation to a moneylender or broker or subordinate Company staff or any other person or group having dealings with the Company is strictly forbidden.

Clause 3: Reporting Legal Violations

If an employee becomes aware of any improper, unethical or illegal conduct on the part of a colleague, he / she has a moral obligation to report it immediately to their Department Head or Line Manager. Situations that may cause concern include but are not limited to the following: any action that is detrimental to the reputation or profitability of SNGPL; any action that undermines employee or customer rights; any action of abetting consumers in pilferage of gas; any action that may qualify as misconduct as defined and explained in this policy; any illegal action. The Company prohibits any retaliatory action against an employee for reporting in good faith, any suspected violations of proper conduct.

Measurement of Outcome

SNGPL upholds its value of never indulging in any fraudulent or dishonest act with its employees or any third party. SNGPL's Human Resource (HR) Manual is a detailed and comprehensive document which addresses the actions to be taken against the concerned who gets involved in any activities like fraud, deception, dishonest, bribery and corruption. Disciplinary Enquiry and Whistle Blowing policy are in place and are implemented (if required) in true letter and spirit. Whistle Blowing policy is defined as the reporting by workers or ex-workers of wrong doings such as fraud, malpractices, mismanagement, breach of health and safety law, or any other illegal or unethical act either on the part of Management, Senior Executives or by fellow employees / workers and may include volunteers, contractors and outside agencies or others.

We have a mechanism to provide a confidential and secure mechanism to enable Company employees and other stakeholders to report concerns about behavior that might be unsafe, unlawful, unethical, corrupt, irregular or otherwise contrary to Company Values.

Furthermore, we have a well-established Anti-Corruption check and balance system in place through our Compliance Department (pre audit) and Audit department. Public Procurement Rules (PPRA) are being implemented for the Procurement across the Company. Our system procedures are stringent and are being followed to ensure the transparency at all levels of business steps. We print the message "Say No to Corruption" at the back side of Gas Bills hence discourage the corruption at all levels.



AWARDS / ACHIEVEMENTS

The accomplishment of SNGPL in the field of CSR and HSE has been recognized and the Company has been awarded keeping the following factors in view:

Evaluated for overall CSR & HSE best practices not for one offs or short term projects; Particularly good governance, addressing all key stakeholders, sincerity and ongoing commitment in incorporating ethical values into their business; employee health & safety program; involvement in community related activities and protection of the environment.



Memberships:

SNGPL is a member of National Safety Council USA since 2011.

SNGPL also has a corporate member of WWF Pakistan.

National Safety Council
2010-2011



International Safety Council

Sui Northern Gas Pipelines Ltd.

Is a Proud Member since August 13, 2010

Janet Froetscher
Janet Froetscher
President & CEO
National Safety Council

Roger H. Marks
Roger H. Marks
President
International Safety Council

Mission The National Safety Council saves lives by preventing injuries and deaths at work, in homes and communities, and on the roads, through leadership, research, education and advocacy. **Vision** Making our world safer.

SUMMARY:

We comply with the 10 Principles of UNGC. Our Business Code of Conduct is a comprehensive document along with departmental operational manuals. Code of conduct is being received by every employee on annual basis, to take an undertaking that the same have been read and understood by each and every employee. Further, it is ensured that the system is in place and is being well implemented.

We assure to continue our journey towards the acceptance, implementation, development and compliance to the Principles of UNGC relating to Human Rights, Environment and Anti-corruption.

Through our various activities, sessions and implemented processes, we continue our journey towards the acceptance, implementation and development of UNGC Principles relating to Human Rights, Labor, Environment and Anti-Corruption within our operations. Our future outcome is related to strengthening this developmental process and to publish our next Communication on Progress (COP) with a broader spectrum of initiatives with a more focused foothold within the area of Corporate Social Responsibility.

We understand that we have achieved a great deal but have a lot more to do to achieve our HSE Vision. We intend to do this by carrying our business in a way that contributes to safe work place, Environmental Improvement, Stronger communities and a better future for our all stakeholders. We believe in Continual Improvement and making efforts that leads towards this cause.

Feedback Form for COP (For Period FY 2018-19) of SNGPL

We'd love to hear from you! Tell us what you think about SNGPL's COP (Annual Sustainability covering HSE & CSR) 2018-19 Report. This will help us further improve how we put together future annual reports.

- ❖ Name: _____
- ❖ Company: _____
- ❖ Email Address: _____
- ❖ Contac No: _____

How would you rate the annual report in terms of the following attributes:

- | | | | |
|---|----------------------------------|-------------------------------|---------------------------------|
| ✚ Presentation of content | <input type="checkbox"/> Average | <input type="checkbox"/> Good | <input type="checkbox"/> Better |
| ✚ Value for information | <input type="checkbox"/> Average | <input type="checkbox"/> Good | <input type="checkbox"/> Better |
| ✚ Style of language | <input type="checkbox"/> Average | <input type="checkbox"/> Good | <input type="checkbox"/> Better |
| ✚ Level of details provided | <input type="checkbox"/> Average | <input type="checkbox"/> Good | <input type="checkbox"/> Better |
| ✚ Your overall rating for this report | <input type="checkbox"/> Average | <input type="checkbox"/> Good | <input type="checkbox"/> Better |
| ✚ How do you think we can improve our report? | (please give comments in email) | | |

Send the above form to email at
farrukh.majeed@sngpl.com.pk

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