



Attock Petroleum Limited

SUSTAINABILITY REPORT 2025





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PRELIMINARY

“Where Performance Meets Responsibility”

At Attock Petroleum Limited (APL), sustainability is not a separate function - it is embedded within the very fabric of our performance culture. We believe that long-term business success depends not only on delivering strong financial results, but also on acting responsibly toward our people, the environment, and the communities we serve. Our commitment to excellence is guided by the principle that growth and accountability must go hand in hand.

As a key player in Pakistan’s energy sector, APL operates at the intersection of critical infrastructure and public trust. Our operations span nationwide retail fuel supply, terminal logistics, engineering, and downstream innovation. In each of areas involved, we hold ourselves to the highest standards of safety, compliance, and ethical conduct. We recognize that sustainability challenges - from climate risks and energy efficiency to workforce diversity and stakeholder engagement - are material to our long-term resilience and must be addressed with deliberate action.

Guided by our ESG, CSR & DE&I Policy approved in April 2025, we have strengthened our governance frameworks and embedded sustainability risk oversight into our Overall Risk Management Processes. Oversight responsibilities for

ESG matters have been assigned to the Audit Committee, which is well-versed in sustainability-related issues and is chaired by an independent female director. Our strategic initiatives include advancing clean energy infrastructure, accelerating digital transformation, expanding employee training programs, and deepening our community development efforts.

“Where Performance Meets Responsibility” reflects our belief that sustainable value creation requires both strategic execution and moral clarity. Whether we are installing solar infrastructure, promoting merit-based hiring, or enhancing disclosure transparency, APL continues to evolve as a responsible corporate citizen that delivers impact beyond profit.

As we move forward, we remain committed to embedding sustainability deeper into every layer of decision-making - ensuring that performance today empowers a better, more responsible tomorrow.

Disclosure Regarding Use of IFRS S1 and IFRS S2

This Sustainability Report has been prepared with reference to the principles of IFRS S1 and IFRS S2 for guidance and comparability purposes only. It must not be construed as compliance with, or formal adoption of, the IFRS Sustainability Disclosure Standards.

EXECUTIVE SUMMARY

The FY 2024–25 Sustainability Report of Attock Petroleum Limited (APL) marks a significant milestone in our journey toward integrated, transparent, and performance-driven sustainability reporting. As our first official ESG disclosure, this report establishes baseline indicators, outlines long-term strategic commitments, and demonstrates how APL is embedding ESG principles across its operations, governance, risk management, and stakeholder engagement.

Guided by our Board-approved ESG, CSR & DE&I Policy and aligned with the SECP ESG Disclosure Guidelines and IFRS S1 & S2, this report presents APL's sustainability performance across the globally accepted four-pillar framework: Governance, Strategy, Risk Management, and Metrics & Targets. Additional disclosures on Diversity, Equity & Inclusion (DE&I) and ESG-linked Board oversight are also included.

Key Highlights:

■ Governance:

The existing Audit Committee, chaired by an independent female director well-versed in ESG and sustainability matters, has been entrusted with ESG oversight. ESG responsibilities have been formally integrated into board governance and enterprise risk management structures.

■ Strategy & Priorities:

APL's ESG strategy focuses on Environmental Stewardship, Social Responsibility, and Governance & Ethics. Targets have been set for gender inclusion, emissions monitoring, digital transformation, and community engagement.

■ Risk Management:

ESG risks have been classified across short-, medium-, and long-term horizons, with mitigation strategies implemented for critical areas such as health & safety, emissions, supply chain exposure, data security, and regulatory compliance.

■ Performance Monitoring & KPIs:

Baseline indicators have been established in areas such as training, HSE performance, waste and water management, and diversity. Training records and energy conservation data have been consolidated for monitoring.

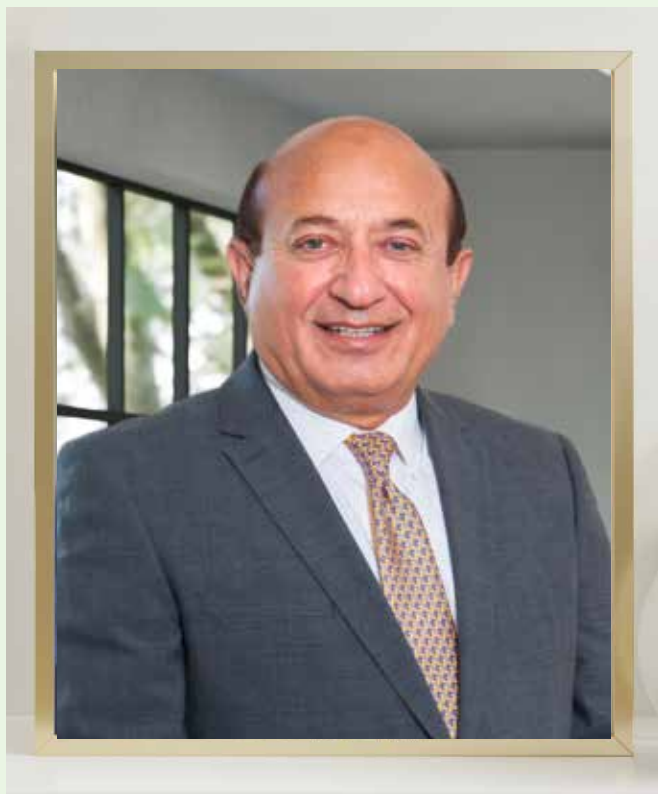
■ Future Outlook:

APL has developed a roadmap to align fully with IFRS S2 by FY 2027–28. This includes ESG data digitization, climate scenario analysis, and sector-aligned CSR frameworks.

This report reflects our belief that “Performance Meets Responsibility” when ESG goals are seamlessly integrated into business objectives. APL is committed to advancing its sustainability journey with greater transparency, measurable impact, and meaningful stakeholder engagement—delivering long-term value to shareholders, customers, employees, and the environment.



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



I am pleased to present Attock Petroleum Limited's (APL) inaugural Sustainability Report for the year ended June 30, 2025. This report marks an important step in our journey to embed environmental, social, and governance (ESG) principles into the core of our corporate strategy, operations, and culture.

At APL, we understand that long-term business resilience and value creation are intrinsically linked to sustainable practices. As we navigate a dynamic operating landscape-shaped by energy transition, regulatory expectations, and stakeholder activism-our commitment to responsible growth has never been stronger.

In April 2025, our Board approved the Company's first ESG, CSR & DE&I Policy, providing a structured framework for action. During the reporting period, we undertook a comprehensive internal assessment to identify ESG-related risks, define priorities, and

lay the groundwork for data-driven performance measurement.

This report is the culmination of those efforts and serves as our baseline disclosure under Regulation 10A of the Code of Corporate Governance, the SECP ESG Disclosure Guidelines, and global reporting principles from IFRS S1 and S2.

As this is our first year of ESG reporting, some baseline data and historical comparisons are not yet available. Nonetheless, we have initiated strong foundations-ranging from training programs, digital transformation, and quality assurance enhancements, to renewable energy deployment, inclusion strategies, and community engagement. These actions reflect our resolve to integrate sustainability across business units while upholding the highest standards of governance, safety, and ethics.

Looking ahead, our focus will be on strengthening internal monitoring systems, enhancing stakeholder engagement, and refining ESG metrics to improve transparency and accountability. We are committed to continuous improvement and to aligning our sustainability ambitions with national imperatives and global expectations.

I extend my sincere appreciation to our Board, employees, business partners, and community stakeholders for their contributions. Together, we aim to position APL as a responsible energy company-one that balances profitability with purpose.

Shuaib A. Malik

Chief Executive Officer

ABOUT THIS REPORT

This Sustainability Report 2024–25 is Attock Petroleum Limited's (APL) first standalone ESG disclosure prepared under Regulation 10A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, issued by the Securities and Exchange Commission of Pakistan (SECP). The report covers the period from July 1, 2024, to June 30, 2025, aligning with APL's financial year.

■ Purpose and Context

This inaugural report establishes a baseline year for ESG performance

disclosures at APL. Many of the metrics and data points presented represent the first cycle of formal collection and reporting, with certain forward-looking indicators still under internal review and development.

The report reflects company-wide ESG performance across key pillars-Governance, Strategy, Risk Management, and Metrics & Targets-and has been designed to ensure alignment with both local and international sustainability disclosure requirements.

Parameter	Description
Entity Covered	Attock Petroleum Limited (APL)
Geographic Boundary	All operational areas including terminals, Company-financed and Company-operated retail outlets, head office, and regional functions
Functional Scope	ESG risks, policies, and performance across terminals, retail, lubricants, aviation, and support operations
Disclosure Approach	Presented at Company-level, to maintain consistency and enterprise-wide visibility

Standards and Frameworks Followed

This report has been prepared in accordance with the following standards:

- SECP ESG Disclosure Guidelines for Listed Companies (2023)
- IFRS Sustainability Disclosure Standards: IFRS S1 & IFRS S2
- Listed Companies (Code of Corporate Governance), Regulation 10A

Where relevant, references have been made to best practices under the Global Reporting Initiative (GRI) and SASB, with priority given to local regulatory compliance and operational relevance.





APL ESG

IMPLEMENTATION CYCLE

Phase	Focus Area	Time Frame
Phase 1	ESG Policy development, Board approval, sensitization, departmental forms, baseline risk & materiality mapping	Q1-Q3 FY2025
Phase 2	Performance tracking, training, climate metrics, ESG reporting, system alignment	Q4 FY2025

Limitations

- Several ESG KPIs are in the early stages of development or internal validation.
- Quantitative metrics may not be consistently available across all operational segments.
- Data is collected using departmental ESG forms and aligned with internal policy standards.
- Future targets and goals are subject to change as monitoring systems improves.



COMPANY OVERVIEW

Business Profile, Value Chain, and Key Operations

Attock Petroleum Limited (APL), incorporated in Pakistan as a public limited company, is an Oil Marketing Company (OMC) listed on the Pakistan Stock Exchange. It is part of the Attock Oil Group of Companies, the only fully integrated oil group in the country, covering exploration, production, refining, and marketing of oil and gas. The Company was established to cater to the downstream petroleum market and has expanded its network steadily since inception.

APL's core business activities include the procurement, storage, transportation, and marketing of petroleum products such as High-Speed Diesel (HSD), Premier Motor Gasoline (PMG), Furnace Oil (FO), Light Diesel Oil (LDO), and lubricants. Its infrastructure includes strategically located bulk oil terminals, storage facilities, and a retail outlet network that spans across the country. APL also manages commercial and industrial sales through its depots and direct supply contracts with key clients.

The Company has undertaken initiatives to diversify its product and service portfolio by entering into renewable energy development and digitization of operational workflows. APL continues to expand its EV charging stations and has initiated multiple energy-efficient projects to align with emerging sustainability trends.

ESG Integration Context

In line with its ESG commitments, APL's operational model is being adapted to integrate sustainability considerations across the value chain. The procurement process is evolving to include environmental screening of suppliers, while transportation and distribution networks are being optimized to reduce emissions through better logistics planning and the deployment of ATG systems. Moreover, service delivery at retail outlets is being enhanced with digital infrastructure, consumer safety systems, and staff training in health, safety, and environment (HSE) protocols.



Vision, Mission, and Values

- **Vision:** To become a world class, professionally managed, fully integrated, customer focused, Oil Marketing Company, offering value added quality & environment friendly products and services to its customers in Pakistan and beyond.
- **Mission:** To continuously provide quality and environment friendly petroleum products and related services to industrial, commercial and retail consumers, and exceeding their expectations through reliability, economy and quality of products and services. We are committed to benefiting the community and ensuring the creation of a safe, responsible and innovative environment geared to client satisfaction, end user gratification, employees' motivation and shareholders value.
- **Core Values:** Ethical Principles And Moral Values, Corporate Social Citizenship, Environment Consciousness, Maximum Stakeholder Return, Commitment & Cooperation, Innovation And Continuous Improvement, Transparency And Accountability

ESG Integration Context:

The Company's vision and mission are now embedded with ESG-aligned growth objectives, focusing on long-term value creation that extends beyond shareholder returns. Environmental responsibility, ethical governance, and social inclusion are recognized as key performance drivers. The stated values serve as guiding principles in the Company's commitment to responsible business conduct, contributing to the Sustainable Development Goals (SDGs) while complying with SECP's ESG Disclosure Guidelines.

Stakeholder Engagement Approach

APL maintains open communication with its stakeholders including customers, suppliers, employees, regulatory bodies, shareholders, and the broader community. Feedback mechanisms and relationship-building strategies are implemented through regular meetings, digital communication platforms, and outreach programs. The Company's stakeholder engagement ensures that its decisions are responsive to evolving expectations and regulatory mandates.

ESG Integration Context:

The stakeholder engagement approach now incorporates formal materiality assessments and structured consultations on ESG topics. Key stakeholder groups have been mapped based on their influence and impact on APL's sustainability performance. During the current reporting cycle, input from internal functions was collected to define material ESG risks and opportunities. Future efforts will include community consultations, customer surveys, and collaboration with regulators to enhance transparency, inclusiveness, and trust.



MATERIALITY

ASSESSMENT

Materiality in the context of ESG reporting refers to identifying the environmental, social, governance, and sustainability issues that can significantly impact the company's ability to create or preserve value over the short, medium, and long term.

Methodology and Stakeholder Input

In developing this first Sustainability and ESG Report, Attock Petroleum Limited (APL) has undertaken an initial internal materiality assessment to identify key environmental, social, and governance (ESG) issues that are relevant to its long-term corporate value and stakeholder interests. While this reporting cycle does not include a full external stakeholder survey, input was consolidated through:

- Departmental ESG Integration Forms submitted by Engineering, MIS, HR, Sourcing, and Aviation functions.
- Board-level oversight through the Audit Committee.
- Reference to applicable regulatory frameworks including the SECP ESG Disclosure Guidelines and IFRS S1 & S2.
- Strategic directives outlined in the Company's ESG, CSR & DE&I Policy.

- Internal discussions with key management personnel regarding operations, safety, diversity, emissions, and compliance risks.

This assessment allowed APL to identify ESG matters that could reasonably be expected to affect the company's cash flows, access to finance, or cost of capital over the short, medium, or long term.

As APL matures in its ESG reporting, future materiality assessments will include wider stakeholder engagement, external benchmarking, and alignment with double materiality principles.

Management's actions to monitor and address identified ESG risks and opportunities may lead to outcomes that differ from those described in this report. Certain sections may include forward-looking statements that are subject to inherent uncertainties. These factors may influence APL's ability to achieve its stated targets, and could potentially affect our performance, profitability, or reputation.

To ensure clarity in strategic planning and disclosures, the following time horizon classifications will be consistently used throughout the report to indicate the expected timing of ESG impacts and priorities:



Short-Term (0-3 Years)

Addresses near-term actions and challenges, such as regulatory updates, immediate operational changes, or sudden market adjustments.



Medium-Term (3-6 Years)

Covers evolving priorities including digital transformation, changing consumer behaviors, or business model transitions.



Long-Term (6+ Years)

Reflects structural and environmental shifts like climate change, resource depletion, or long-run socio-economic trends.

Key Material Topics and ESG Relevance

Note: APL's materiality assessment is an evolving process. Given that this is the first formal ESG report under Regulation 10A and the SECP Guidelines, several topics are still being explored for deeper data collection and performance benchmarking. Comparative metrics may be limited and will be strengthened in subsequent reporting periods.

⚠ Material Topics (High Materiality)

These are considered material for APL due to regulatory obligations, business relevance, stakeholder expectations, and ESG risk exposure:



Materiality Matrix

Priority Index:	● High	● Medium	● Low
Time Horizons:	◆ Short-Term	◆ Medium-Term	◆ Long-Term
ESG Pillar Index:	■ Environmental	■ Social	■ Governance

Material Topic	Priority	Time	ESG Pillar
Energy Efficiency & Emissions	●	◆	■
Employee Health & Safety	●	◆	■
Governance & Ethics	●	◆	■
Stakeholder Engagement	●	◆	■
Supply Chain Risk	●	◆	■
Community Development	●	◆	■
Water Management	●	◆	■
Critical Incident Risk Management (Terminals)	●	◆	■
Critical Incident Risk Management (Retail Sites)	●	◆	■
Hazardous & Non-Hazardous Materials Management	●	◆	■
Employee Turnover & Staff Retention	●	◆	■
MIS / Data Backup / Cyber Security	●	◆	■
Market Trends	●	◆	■
Adverse Change in Tax and other Laws	●	◆	■
Climate Related Risk	●	◆	■
OMC Margin Adverse Revision	●	◆	■

GOVERNANCE

ESG Governance Framework

Attock Petroleum Limited (APL) is committed to embedding Environmental, Social, and Governance (ESG) considerations into its strategic decision-making and corporate governance practices. The governance framework is designed to ensure effective oversight, accountability, and long-term value creation through sustainable and responsible business conduct.

Board Oversight Role

The Board of Directors holds ultimate responsibility for the governance of sustainability-related risks and opportunities, as mandated under Regulation 10A of the Listed Companies Code of Corporate Governance (CCG). The Board actively sets the tone for ESG integration across the organization by:

- Approving ESG-related strategies, priorities, and policies.
- Overseeing the performance of management in implementing ESG commitments.
- Reviewing sustainability-related risk assessments and ensuring appropriate mitigation frameworks are in place.

- Endorsing periodic performance reviews against defined ESG and DE&I targets.

Committee Structure: Audit Committee

To support its oversight responsibilities, the Board has assigned ESG governance responsibilities to the Audit Committee. The Committee is chaired by an Independent Female Director, affirming APL's commitment to gender diversity and inclusive leadership in line with Regulation 10A(5).

The Committee's sustainability mandate includes:

- Reviewing and recommending the ESG, CSR & DE&I Policy.
- Overseeing the implementation of sustainability-related action plans.
- Ensuring compliance with ESG-related legal and regulatory disclosures.
- Receiving and reviewing annual reports from the management on ESG integration.
- Reporting to the Board on sustainability-related performance, risks, and opportunities.

APL's ESG, CSR & DE&I Policy, approved by the Board on April 28,



2025, provides the foundational framework for sustainability across the Company. The Policy outlines key commitments including:

- Environmental impact reduction and climate resilience.
- Promotion of diversity, equity, and inclusion at all levels.
- Ethical conduct, anti-corruption, and stakeholder engagement.
- Capacity building, performance tracking, and transparent reporting.

This Policy aligns with the SECP ESG Disclosure Guidelines and incorporates key principles from IFRS S1 and S2, ensuring forward compatibility with global sustainability standards.

Roles and Responsibilities across the Organization

To operationalize the ESG agenda, clear roles and responsibilities have been delegated across APL's organizational structure:

- **Board of Directors:** Strategic guidance and policy approval.
- **Audit Committee:** Oversight, monitoring, and reporting.
- **Chief Executive Officer (CEO):** Implementation leadership and executive accountability.



- **Departmental Heads:** Execution of ESG initiatives within respective domains (e.g., Engineering, HR, HSE, MIS, Supply Chain).
- **Focal Persons:** Designated officers in each department act as points of contact for ESG data collection, compliance reporting, and sustainability action implementation.
- **Internal Audit Function:** Provides review assurance on ESG data integrity, internal controls, and adherence to policy frameworks.

This multi-level structure ensures that ESG considerations are embedded into the DNA of corporate governance, cascading from the Boardroom to operational units.

Sustainability Oversight by the Board

Attock Petroleum Limited (APL) has formalized sustainability oversight at the highest level of governance, recognizing that long-term value creation and regulatory compliance require direct Board engagement with ESG-related matters. In line with Regulation 10A of the Listed Companies Code of Corporate Governance (CCG) and international best practices under IFRS S1, the Board plays an integral role in guiding the Company's sustainability direction.

Chairperson – Audit Committee

The Audit Committee of the Board is chaired by an Independent Female Director, reflecting APL's commitment to gender diversity, inclusive leadership, and compliance with regulatory mandates. The Chairperson brings extensive governance, financial, and risk management experience to the committee's sustainability mandate, ensuring impartial oversight and strategic focus on ESG risks and opportunities.

Integration of ESG Oversight into the Board Structure

The integration of ESG responsibilities into the Board's committee system ensures structured and informed sustainability governance. The Audit Committee has been entrusted with the following ESG-related responsibilities:

- Reviewing the implementation status of the ESG, CSR & DE&I Policy.
- Monitoring progress against sustainability targets and initiatives.
- Ensuring ESG risks-including climate, environmental, and social risks-are properly identified, assessed, and addressed.
- Evaluating departmental ESG data submitted via a standardized form-based mechanism.
- Reporting to the full Board with performance summaries, regulatory updates, and emerging ESG themes.

These responsibilities are embedded within the committee's annual agenda and work plan and are directly linked to the Company's strategic, financial, and operational review cycles.

Board-Level Engagement with Sustainability Risks, DE&I, and Compliance

The Board periodically reviews and deliberates on sustainability-related

disclosures, risks, and performance. The engagement covers the following key areas:

- **Sustainability Risks:** The Board is informed of short-, medium-, and long-term ESG risks as part of quarterly and annual risk management reviews. Climate-related risks are flagged under the Company's enterprise risk framework in compliance with IFRS S2.
- **DE&I Measures:** The Board receives updates on gender representation, inclusive hiring, and anti-harassment initiatives. The inclusion of a female director and diverse workforce development initiatives are core to the Board's DE&I oversight.
- **Regulatory Compliance:** The Board ensures that disclosures under Regulation 10A and SECP ESG Guidelines are complete, accurate, and timely. Any gaps are discussed, and corrective actions are proposed in collaboration with management.

In conclusion, the Board's direct engagement ensures that ESG considerations are not treated as peripheral but are embedded into the decision-making fabric of the organization.



STRATEGY



Sustainability Strategy, Priorities

Attock Petroleum Limited (APL) has formally embarked on its ESG transformation journey with a strategic intent to embed sustainability at the heart of its operations, governance, and stakeholder engagement. This commitment is aligned with the requirements of IFRS S1 and S2, SECP's ESG Disclosure Guidelines, and APL's Board-approved ESG, CSR & DE&I Policy (April 28, 2025). The strategy reflects both international ESG principles and APL's operating realities in Pakistan's energy sector.

Strategic ESG Pillars

APL's sustainability strategy is structured around the following interlinked ESG pillars, which guide the Company's decision-making and long-term vision:

-  **Environmental Stewardship**
Focus on resource efficiency, carbon reduction, responsible water use, and waste management.
-  **Social Responsibility**
Commitment to employee safety, gender diversity, training, health, and community engagement.
-  **Governance & Ethics**
Emphasis on board oversight, ethical business conduct, internal controls, transparency, and regulatory compliance.

Sustainability Priorities

Building upon the ESG pillars, APL has identified key priorities to drive change over the next several years. These are embedded in internal strategies and cross-departmental initiatives.

Key Strategic Priorities:

- Strengthen emissions and energy management through renewable upgrades and monitoring systems.
- Foster an inclusive work environment by promoting DE&I in leadership and recruitment.
- Digitize ESG processes through MIS enhancements.
- Deepen community engagement around environment, education, and public health.

Integration Across Functions

APL's ESG strategy is not siloed—it is integrated into various business units and functions:

- **Health, Safety & Environment (HSE):** Alignment with safety KPIs,
- **Engineering:** Focused on waste management, Emission strategy, and environmental controls.
- **Human Resources:** Rollout of ESG training, DE&I performance tracking, and wellness initiatives.
- **IT & MIS:** Digital modules implemented to track ESG events, training, and cyber risk.

- **Marketing & CSR:** Focus on community-based initiatives, green station branding, and impact communication.

Foundational Baselines

As this report marks APL's first formal ESG disclosure, foundational KPIs are under development. Targets defined in the ESG Policy, and subsequent implementation roadmap have been cross-referenced for alignment with global reporting frameworks.

All quantifiable KPIs, timelines, and status progress are disclosed in Section 12.1 – Key ESG Metrics & Targets.

Recent Sustainability Actions

APL has already initiated multiple on-ground actions reflecting strategic ESG priorities:

- ✓ **Community Engagement:** Plantation drive launched in collaboration with CDA Islamabad.
- ✓ **Gender Diversity:** Appointment of a female independent director as Chairperson of the Audit Committee.
- ✓ **Energy Efficiency:** Solarization of select retail outlets and internal review of ATG system energy use.
- ✓ **Digital ESG Transformation:** MIS and ERP modules updated to include safety reporting, ESG logs, and backup security.
- ✓ **Cybersecurity Enhancements:** Network-level protections rolled out during FY 2024–25.

Future Outlook & ESG Commitments

Attock Petroleum Limited (APL) remains steadfast in its commitment to sustainability, guided by evolving stakeholder expectations, national priorities, and global ESG standards. Fiscal Year 2024–25 served as the Company's foundational ESG disclosure period, offering key insights that shape

APL's forward strategy for long-term value creation and resilience.

ESG Roadmap: FY 2025–26 and Beyond

APL has developed a multi-year roadmap to institutionalize ESG into its business model. The roadmap reflects a phased approach toward operational integration, disclosure enhancement, and climate resilience—aligned with IFRS S2.

FY 2025–26 Milestones

- Deployment of digital ESG modules in MIS and ERP systems.
- Establishment of Scope 1 and 2 greenhouse gas (GHG) emissions baselines.
- Disclosure of first quantitative ESG targets (energy use, emissions, training).
- Organization-wide ESG and DE&I orientation programs with >10% participation.
- Internal readiness assessment for third-party ESG assurance.

FY 2026–27 Milestones

- ESG metrics integrated into department-level performance scorecards.



- Launch of CSR-linked sectoral investment framework aligned with material issues.
- First formal disclosure on emissions reduction achievements.
- Stakeholder roundtable to engage regulators, suppliers, and community leaders.

FY 2027-28 and Beyond

- Compliance with IFRS S2: Climate-related Disclosures.
- Implementation of climate scenario analysis and transition risk assessment.
- Consideration of third-party assurance for ESG disclosures.
- Strengthening partnerships in the value chain focused on sustainability goals.

Enhancing ESG Disclosures and Governance

APL acknowledges the importance of robust, decision-useful ESG information for stakeholders. To enhance transparency and data quality:

- A centralized ESG performance

dashboard is under development for internal and external reporting.

- The Board Audit Committee will validate ESG baselines and monitor progress.
- Annual Materiality Reviews will guide strategy updates and future disclosures.
- Cross-departmental teams are aligning internal control processes with ESG data collection and validation needs.

Transition Strategy under IFRS S2

To address climate-related financial risks and opportunities, APL's transition strategy includes:

- Mapping physical and transition risks relevant to Pakistan's petroleum and energy infrastructure.
- Linking key capital investments (e.g., solarization, ERP) to mitigation objectives.
- Developing climate resilience plans based on scenario analysis once emissions baselines are finalized.



RISK MANAGEMENT

Identification and Mitigation of ESG Risks

Attock Petroleum Limited (APL) recognizes that Environmental, Social, and Governance (ESG) risks are materially linked to business continuity, stakeholder trust, and regulatory compliance. In alignment with IFRS S1 and S2, and SECP ESG Disclosure Guidelines, APL has adopted a systematic approach to ESG risk identification, classification, and mitigation—integrated into

the Company's Enterprise Risk Management (ERM) framework.

10.1 ESG / Sustainability Risk Typology and Time Horizon Classification

The table below presents APL's high materiality ESG risks, classified into short-, medium-, and long-term categories with their respective ESG pillar, risk description, and impact severity.

ESG Pillar:	■ Environmental	■ Social	■ Governance
Time:	◆ Short	◆ Medium	◆ Long
Impact:	● High	● Medium	● Low



RISK	MANAGEMENT OF RISK & OPPORTUNITY
CARBON EMISSIONS & ENERGY USE Exposure to carbon pricing regulations and reputational damage from high emissions. 	APL has initiated solarization at multiple sites and conducted energy audits to identify efficiency gaps. Floating roof technology is being considered at terminal storage tanks to minimize vapor emissions and reduce carbon exposure. Energy intensity KPIs are under development for future disclosure
CLIMATE-RELATED RISKS & ADAPTATION Supply chain disruption, infrastructure resilience, and physical climate risk. 	APL is integrating climate considerations into strategic planning and infrastructure decisions. Terminal resilience measures and product quality controls are aligned with evolving environmental standards. Further, adaptation efforts will follow insights from the Carbon Emission Strategy Report.
OCCUPATIONAL HEALTH & SAFETY (HSE) Workplace incidents, non-compliance with HSE laws, and employee well-being. 	APL maintains a zero-LTI target and actively monitors safety incidents. Comprehensive HSE protocols are implemented across all terminals. Safety trainings and audits ensure compliance with industry standards and employee well-being.
DIVERSITY, EQUITY & INCLUSION (DE&I) Exposure to underrepresentation and inequity in recruitment, retention, and promotions. 	APL has set a target of 15% female representation in new hires by 2030. A dedicated DE&I framework guides inclusive recruitment and sensitization trainings. Board-level oversight ensures continuous progress on gender and diversity goals.
CORPORATE GOVERNANCE & ETHICS Risk of unethical behavior, weak controls, and erosion of stakeholder confidence. 	APL enforces strict ethical standards through its Code of Conduct and Anti-Harassment Policy. Independent Board oversight and regular audits strengthen internal controls. Governance training and whistleblower protections reinforce stakeholder trust.
Regulatory compliance Non-compliance with SECP, OGRA, tax, and ESG laws resulting in penalties. 	APL ensures timely compliance with SECP, OGRA, tax, and ESG disclosure requirements through dedicated legal and finance teams. Periodic internal reviews and external audits validate adherence. Regulatory updates are tracked and integrated into compliance workflows.
INTERNAL CONTROLS & RISK MANAGEMENT Gaps in ESG audit trails, misreporting, or process failures. 	APL has embedded ESG risks into Overall Risk Management framework and initiated ERP-based tracking to ensure audit trails and data accuracy. Cross-functional teams review risk controls quarterly, and corrective measures are implemented where gaps are identified.

RISK	MANAGEMENT OF RISK & OPPORTUNITY
TRAINING & CAPACITY BUILDING Limited ESG awareness hindering implementation and reporting quality 	APL has launched department-wide ESG orientation sessions with a minimum 80% participation target. Regular refresher programs, DE&I sensitization workshops, and ESG reporting skill development have been integrated into the annual training plan.
STAKEHOLDER ENGAGEMENT & REPUTATION Negative media or community pushback; poor stakeholder alignment. 	Stakeholder engagement is being institutionalized via planned roundtables, feedback mechanisms, and alignment of ESG messaging with local expectations.
ESG POLICY IMPLEMENTATION & OVERSIGHT Inconsistent rollout across business functions; board oversight gaps. 	APL's ESG, CSR & DE&I Policy is being operationalized through departmental ESG forms and quarterly reviews. The Audit Committee ensures oversight, while cross-functional integration is driven via digital reporting modules.
SUSTAINABILITY TARGET-SETTING Lack of measurable KPIs undermining credibility and long-term ESG benchmarking. 	Key ESG performance indicators have been finalized and will serve as the baseline for future benchmarking. APL plans to publish measurable annual targets starting FY 2025-26, aligned with IFRS S1/S2 and SECP guidelines, with oversight by the Audit Committee.
BOARD DIVERSITY & INDEPENDENCE Exposure to weak compliance with CCG, reputational exposure, and loss of investor confidence. 	APL ensures compliance with the CCG by maintaining gender diversity on its Board, including a female independent director who chairs the Audit Committee. Future appointments will continue to reflect commitment to balanced, diverse, and independent governance.
ESG DISCLOSURES & TRANSPARENCY Incomplete data or disclosure inaccuracies causing reputational or regulatory risks. 	APL is implementing an ESG performance dashboard integrated into ERP and MIS systems to enhance data quality and transparency. The Audit Committee reviews disclosures for accuracy, while internal audits verify ESG reporting processes to ensure regulatory alignment.

ESG Risk Management Framework

APL's ESG risk management process is governed by a Board-approved structure, ensuring systematic review and response mechanisms:

Policy Foundation: APL's ESG, CSR & DE&I Policy outlines roles, controls, and escalation procedures for ESG risks.

Oversight Body: The Audit Committee, chaired by a female independent director, regularly reviews ESG risk exposure and progress on mitigation.

Cross-Functional Governance: All departments identify and report ESG-related risks to the ESG focal team for evaluation and consolidation.

ERM Integration: ESG risks are embedded into the Company's overall risk register and linked with quarterly risk reviews and internal audits.

Risk Mitigation Initiatives

APL is implementing the following key mitigation strategies aligned with high-risk areas:

Risk Area	Mitigation Strategy
Carbon & Energy Use	Pilot solarization of retail sites and deploy energy-efficient equipment as per low-carbon engineering guidelines
Climate Adaptation	Infrastructure upgrades as per OGRA specifications, water conservation measures, and use of energy-efficient systems have been initiated. Supply chain climate risk screening has also been enhanced to improve long-term resilience.
Occupational Safety	Regular hazard identification, use of PPE, HSE policies and SOPs, and emergency preparedness drills are implemented. Real-time ATG monitoring and incident tracking systems support a proactive, LTI-zero safety culture.
DE&I Advancement	Diversity hiring policies, mentorship programs, and bias-sensitization workshops.
Regulatory Compliance	Automated alerts in MIS/ERP for regulatory deadlines; improved tracking of legal obligations.
Governance Controls	Clear roles and responsibilities are defined through board oversight committees and a formal Code of Conduct. ESG-linked ERM modules, conflict of interest declarations, and a whistleblower support governance integrity.
Data Quality & Reporting	ESG data entry logs, internal validation checks, and dashboard-based visualization in development.

Monitoring Performance against ESG & DE&I Targets

Attock Petroleum Limited (APL) is committed to transparent and data-driven monitoring of its ESG and DE&I performance, in line with the SECP ESG

Disclosure Guidelines and international best practices. FY 2024-25 served as the Company's baseline year, during which data systems were initiated and departmental KPIs were identified to enable effective tracking of ESG-related progress.

Performance Monitoring Framework

APL's ESG performance is evaluated across three dimensions:

1. Training & Capacity Building

- **Data Reference:** As per departmental training records compiled by HR, 199 employees participated in ESG and DE&I related sessions during FY 2024-25.
- **Coverage:** Training was conducted across Head Office, terminals, engineering, HR, and IT departments.
- **Target:** Minimum 5% coverage across departments by FY 2026 (current: ~4%) manhours.

2. Environmental Performance Metrics

- **Energy Transition:** Solar installations initiated at 9 additional sites under FY25-26 plan, contributing to a cumulative 13 operational solarized locations.
- **Waste Management:** A formal contract was signed with a licensed contractor for safe disposal and recycling of petroleum-related waste at selected terminals.
- **GHG Tracking:** Preparatory work for Scope 1 and Scope 2 emissions baselining initiated via engineering reporting and system integration planning (ERP/MIS).
- **Spill Prevention and Control:** Zero-spill operations maintained during FY25. Spill control equipment has been installed at key terminals, complemented by staff training on spill prevention and emergency response procedures.

3. DE&I Monitoring

- **Female Representation:** Female participation in new hires during FY25 ensured by implementing inclusion principles.
- **Policy Implementation:** DE&I policy awareness included in all training modules and induction sessions post-policy launch.
- **Committee Oversight:** The Audit Committee received its first DE&I implementation progress briefing.

Internal Monitoring & Validation

- **Departmental Self-Reporting:** Each functional unit is now required to submit quarterly ESG/DE&I progress updates to the Company Secretary's office for consolidation.
- **Dashboard Development:** A performance dashboard is under construction within the MIS environment to visualize ESG progress in real time.
- **Board Oversight:** The Audit Committee, chaired by an independent female director, validates data inputs, reviews anomalies, and issues strategic directives for continuous improvement.



Alignment with SECP ESG Indicators

The following are key tracked indicators currently under development or in partial implementation, aligned with SECP's recommended ESG KPIs:

SECP ESG Indicator	APL Progress FY25	Status
Man hours training linked to ESG	831*	In Progress
Man hours training linked to DE & I	4,359*	In Progress
Energy from renewable sources	13 solarized locations 4 active and 9 planned to reach capacity of 1 MW	Baseline Set
Scope 1 and 2 emissions baselines	Initial assessment and digital tracking planning underway	Under Development
Female representation %	5% current, target set for 15% by 2030	Improving
Waste recycled or treated safely	Formal disposal contracts/ systems at all terminals	Implemented

*(Man hours = training hours x no of participants)



KEY ESG/ SUSTAINABILITY METRICS & TARGETS

Key ESG Metrics, Targets, and KPIs

Attock Petroleum Limited (APL) is progressively enhancing its ESG performance tracking by integrating department-level inputs and aligning with the SECP ESG Disclosure Guidelines and international best practices. FY 2024-25 marked the beginning of structured data collection across departments, and subsequent years will witness enhanced granularity, automation, and benchmarking.

Key ESG Metrics (FY 2024-25 Performance)

Metric	Measurement
Energy Consumption	Purchased Energy Consumption: 4,734,680 kWh Indirect (Genset) Energy Consumption: 2,265,001 kWh Solar (Renewable) Energy Consumption: 237,293 kWh
Energy Mix	Fossil Fuel-Based Energy: 6,999,681 kWh 96.72% Renewable Energy (Solar): 237,293 kWh 3.28%
Solar Energy Generation	Solar generation capacity reached 320 kW (cumulative across retail outlets/ Terminals)
Carbon Emissions (Scope 1&2-Energy use only) (Net)	Estimated 7,981 MT tons CO ₂ These calculations use: <ul style="list-style-type: none"> • Pakistan's average grid emission factor: 0.47 kg CO₂/kWh • Diesel emission factor (IPCC): 2.68 kg CO₂/kWh • Net carbon emissions (after taking effect of cumulative no of trees planted)
Water Usage	Usage monitoring to be initiated at terminals; estimated baseline to be finalized FY26
Waste Management	Oil waste management contract signed; managed as per environmental standards
Environmental Oversight	APL's Board, through its Audit Committee chaired by an independent female director, oversees climate-related risks and sustainability issues including ESG strategy, policy implementation, and performance monitoring.
Climate Risk Mitigation and Adaptation	APL addresses climate-related transition and physical risks through progressive solarization initiatives and infrastructure upgrades; capital is strategically deployed toward low-carbon investments, while internal carbon pricing is under consideration as part of future climate scenario planning.
Occupational Health & Safety (HSE)	Zero Lost Time Injury (LTI); comprehensive safety reviews conducted
Working Conditions	-Number of complaints made by employees regarding working conditions during the reporting period: Zero -Number of complaints regarding working conditions resolved during the reporting period: N/A

Metric	Measurement
Injury Rate	<ul style="list-style-type: none"> -LTI reported during the year, indicating an injury frequency rate of 0%. -0 reported safety-related incidents. -0 hours lost as a result of safety-related incidents. -100% of employees are covered under company-provided health and safety facilities, including medical benefits and emergency support.
Training Hours	4500+ man-hours of ESG & DE&I linked training conducted
Diversity	Female participation at 5% overall workforce
Non- Discrimination	<p>APL has an approved Code of Conduct that includes provisions on non-discrimination, diversity, inclusion, and anti-harassment in line with national legal requirements.</p> <p>APL has established a whistleblower mechanism and designated complaint committees, ensuring confidentiality, non-retaliation, and procedural redress for incidents including harassment and workplace violence.</p>
Governance Structure	Audit Committee active with female chairperson
Whistle blower Mechanism	Policy and portal functional; no complaint received during the year.
Ethics & Anti-Corruption	Attock Petroleum Limited (APL) follows a formal Ethics and Anti-Corruption Policy as part of its corporate governance framework. During the reporting period, 100% of employees were required to acknowledge and certify compliance with the policy through internal declarations and code of conduct confirmations.
Community Engagement	Plantation drive with CDA completed; future projects under planning
Digitalization Initiatives	QA automation, live ATG monitoring rolled out, ESG related IT modules planned to develop
Data Privacy & Cybersecurity	No material cybersecurity incidents were reported during the year. Controls were enhanced through IT reviews, system encryption, and employee awareness trainings.
Policy Disclosure	ESG, CSR & DE&I Policy approved and implemented.

ESG & DE&I Targets (FY 2025–26 Onward)

APL has set the following strategic ESG and DE&I targets for the coming fiscal years:

- **Carbon Emissions:**

Establish Scope 1 & 2 emissions baseline and initiate annual reduction target of 5%–6%.

- **Energy Efficiency:**

Achieve 5% reduction in conventional energy use via increased solar deployment by FY26.

- **Water Usage:**

Implement full water metering and initiate water recycling plans at all major terminals by FY26.

- **Waste Management:**

Ensure 100% compliant disposal for oil waste and packaging by FY26.

- **Training & Awareness:**

Deliver 125+ man-hours for ESG/DE&I specific trainings in FY26.

- **Gender Diversity:**

Achieve 6% female workforce representation by FY2026. And 15% by FY30

- **Community Impact:**

Implement two new community investment initiatives aligned with CSR strategy annually.

Key Performance Indicators (KPIs)

APL's ESG KPIs will be formally tracked from FY 2025–26 through internal dashboards. Initial KPIs include:

Area	KPI	Baseline FY25	Target FY26
Carbon Emissions	Tons CO ₂ emitted (Scope 1 & 2) from energy consumption	7,981 tons (est.)	≤ 7,581 tons (5% ↓)
Solar Energy Use	Installed capacity in kW	320 kW	953 kW ≥ 300% ↑
ESG Specific Training	Total man-hours delivered	0 hours	125 hours ↑
Female Representation	% of female employees	5%	≥ 6% ↑
Waste Disposal Compliance	% of hazardous waste disposed through certified vendors	-100%	100%
HSE Incidents	Number of LTIs reported	0	0
Community Initiatives	No. of plantation/ community programs implemented	1	2 ↑
Policy Implementation	No. of ESG-linked policies updated or enforced	3	3+ ↑

SUPPLEMENTARY DISCLOSURES

Diversity, Equity & Inclusion (DE&I)

Attock Petroleum Limited (APL) remains committed to fostering a diverse, equitable, and inclusive workplace that empowers all employees to contribute meaningfully to organizational growth. DE&I is a strategic pillar of APL's sustainability framework, directly supported by board-level oversight and embedded within HR policies and employee engagement programs.

Key DE&I Policy Actions – FY 2024–25

- **Board-Level Oversight:**
The Audit Committee, chaired by a female independent director, continues to monitor DE&I progress and ensure compliance with national DE&I laws and the Code of Corporate Governance.
- **Recruitment Focus:**
Gender-sensitive recruitment practices are further enforced.
- **Training & Sensitization:**
Conducted DE&I orientation for all new joiners and organized awareness sessions for managerial staff across departments.
- **Whistleblower Policy Activation:**
DE&I-related complaints are included within the Whistleblower Policy scope. No complaint was received during FY25.
- **Workplace Accessibility:**
Ongoing assessment of inclusive infrastructure at major locations (restrooms, signage, flexible work areas).
- **Policy Integration:**
The ESG, CSR & DE&I Policy formally integrates DE&I as a governance and HR priority.

Future DE&I Goals

- Achieve 15% female workforce by FY 2030.
- Enhance inclusive recruitment outreach to educational institutes and professional networks.
- Conduct independent DE&I climate survey in FY26.
- Ensure inclusive language and visuals in all internal and external communications.

ESG & DE&I Disclosures in the Director's Report

Under Regulation 10A(6) of the Code of Corporate Governance, APL has integrated ESG and DE&I disclosures into the Directors' Report for the financial year ended June 30, 2025.

Summary of Disclosures Made

- The Directors' Report includes an overview of sustainability-related risk identification and mitigation actions.
- It references APL's ESG, CSR & DE&I Policy and outlines management's responsibility for implementing and monitoring related strategies.
- DE&I efforts, including gender inclusion, anti-discrimination, and equal opportunity employment, are highlighted with commitments to regulatory compliance.

Cross-Reference with Governance Section

- These disclosures directly align with the Governance section of this ESG Report, particularly subsections on:
 - o ESG Oversight by the Board
 - o Audit Committee's First Annual Report
 - o ESG Policy Implementation and Monitoring

These disclosures help demonstrate APL's alignment with both the SECP ESG Disclosure Guidelines and international best practices, ensuring consistency and transparency across statutory and voluntary reporting channels.

ANNEXURES

1. Moderate Materiality Topics

These are contextually material—they may not be currently quantified or considered material in perspectives of the users of General-Purpose Financial Statements or enforced but are emerging areas of importance and often influence ESG ratings or regulatory interest:

Material Topic	ESG Pillar	Relevance	Time Horizon
Water Management & Conservation	Environmental	While not currently material to core operations, water stewardship is gaining regulatory and stakeholder attention - especially for terminal sites.	Medium to Long Term
Waste Management	Environmental	Linked to petroleum waste streams, used oil, and operational cleanliness-emerging compliance expectations at site level.	Medium Term
Customer Health & Safety	Social	Fuel handling, product integrity, and on - site safety at retail locations affect brand image and legal obligations.	Short to Medium Term
Community Engagement & Development	Social	Strengthens social license to operate - particularly relevant in underserved regions and for reputation management.	Medium to Long Term
Responsible Sourcing & Supply Chain	Social / Governance	Oversight of third-party dealers and transporters is necessary to ensure ESG compliance in the extended value chain.	Medium Term
Digitalization & Innovation	Governance / Environmental	Facilitates emissions tracking, process automation, and ESG data capture - aligned with global tech-readiness benchmarks.	Short to Medium Term

2. Low or Emerging Materiality Topics

These are either less relevant for current operations or may become material in the future depending on expansion plans:

Material Topic	ESG Pillar	Comment	Time Horizon
Biodiversity & Land Use	Environmental	Not directly relevant to existing operations unless new terminals or infrastructure are developed in sensitive zones.	Long Term (Conditional)
Anti-Harassment Policies	Social / Governance	Governance and HR-level compliance issue—important internally but lower external ESG materiality in current scope.	Short Term
Product Quality & Stewardship	Social	More relevant to QA and product standards than ESG; however, overlaps exist in health, safety, and compliance areas.	Short to Medium Term