

EMBRACING THE FUTURE

Tomorrow's success depends on the vision and efforts of today. A nation can progress and prosper only if it plans for and works towards creating a sustainable future.

As Pakistan's leading energy provider, PSO has been working day and night to not only meet the energy needs of today but also to create a sustainable energy outlook for the future of the country.

Committed to its vision of being an innovative and dynamic company, that provides value to its stakeholders, PSO aims for continued excellence in all facets of its operations and activities.

We at PSO stand by the country, striving today, for a better and brighter future tomorrow. Let's join hands and take Pakistan to new heights and farther horizons.

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VISION



To excel in delivering value to customers as an innovative and dynamic energy company that gets to the future first.



MISSION

We are committed to leadership in the energy market through competitive advantage in providing the highest quality petroleum products and services to our customers, based on:

- Professionally trained, high-quality, motivated workforce that works as a team in an environment which recognizes and rewards performance, innovation and creativity and provides for personal growth and development.
- Lowest-cost operations and assured access to long-term and cost-effective supply sources.
- Sustained growth in earnings in real terms.
- Highly ethical, safe, environment-friendly and socially responsible business practices.



Core Values

Excellence

We believe that excellence in our core activities emerges from a passion for satisfying our customers' needs in terms of total quality management. Our foremost goal is to retain our corporate leadership.

Cohesiveness

We endeavor to achieve higher collective and individual goals through teamwork. This is inculcated in the organization through effective communication.

Respect

We are an Equal Opportunity Employer, attracting and recruiting the finest people from around the country. We value contribution of individuals and teams. Individual contributions are recognized through our reward and recognition programme.

Integrity

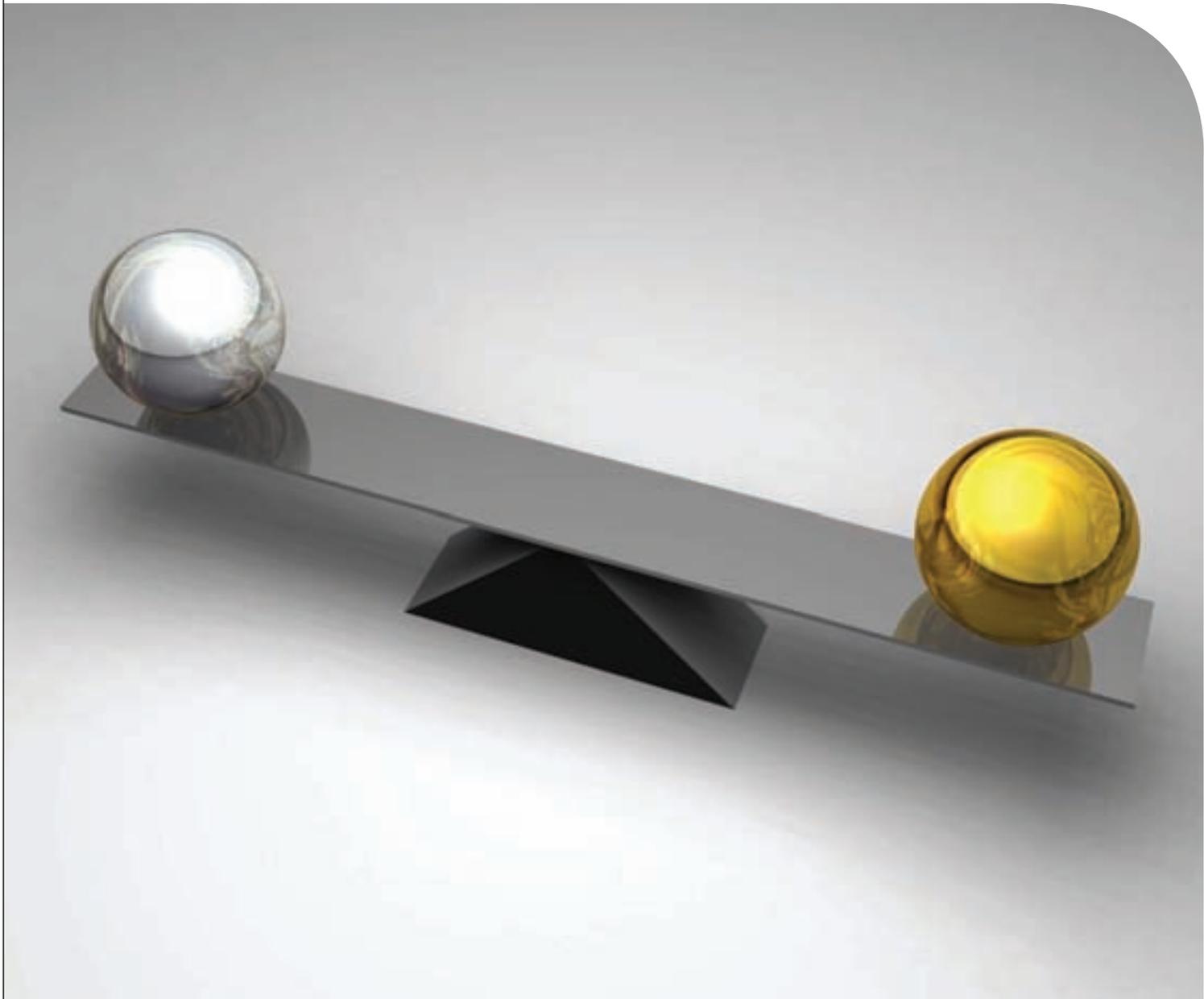
We uphold our values and Business Ethics principles in every action and decision. Professional and personal honesty, dedication and commitment are the landmarks of our success. Open and transparent business practices are based on ethical values and respect for employees, communities and the environment.

Innovation

We are committed to continuous improvement, both in New Products and Processes as well as those existing already. We encourage Creative Ideas from all stakeholders.

Corporate Responsibility

We promote Health, Safety and Environment culture both internally and externally. We emphasize on Community Development and aspire to make society a better place to live in.



Code of Conduct

In line with management's effort to maintain the decorum and ensure an environment that is cohesive to the development and success of our people, a Code of Conduct has been put in place where the following activities can result in disciplinary action:

1. Unsatisfactory and negligent job performance.
2. Excessive and unauthorized absence from duty.
3. Unsatisfactory safety performance.
4. Reporting on duty under the influence of drug or intoxicants.
5. Absence from duty without notice or permission from the supervisor unless the cause of absence prevents giving notice.
6. Using influence for promotion, transfer or posting.
7. Conduct that violates common decency and morality.
8. Engaging in a fight or in activity that could provoke fighting on site property.
9. Insubordination or deliberate refusal to comply with reasonable requests or instructions.
10. Use or possession of weapons, ammunition, explosives, intoxicants, illicit drugs or narcotics on site.
11. Acts of "horse play" on site property.
12. Gambling on site property or bringing illegal gambling paraphernalia on to the site.
13. Theft or unauthorized removal of site property or property belonging to site employee, contractor and vendor.
14. Intentional damage to site, employee, contractor or vendor property.
15. Dishonest act or fortification of records, including the giving of false information when required.
16. Bringing combustible material on site or having any type of match sticks, cigarette lighter or flame-producing device in restricted areas.
17. Smoking except in designated areas.
18. Using or divulging without permission, any confidential information gained through employment at the site.
19. Physical, mental or sexual harassment of fellow employee including threat to do bodily harm.
20. Crime involving fraud, indecency, breach of dignity or public morals and other serious offences.
21. Any other commission or omission that, in the opinion of the company, requires/justifies dismissal/termination of employment.

Company Profile

Pakistan State Oil (PSO), is the nation's largest energy company, and is currently engaged in the marketing and distribution of various POL products including Motor Gasoline (Mogas), High Speed Diesel (HSD), Furnace Oil (FO), Jet Fuel (JP-1), Kerosene, CNG, LPG, Petrochemicals and Lubricants. In addition to these products, we also import other products based on their demand patterns.

A brief overview of each of PSO's business facets is presented below:

Marketing & Distribution

PSO possesses the largest distribution network in the country comprising of 3,689 outlets out of which 3,500 outlets serve the Retail sector and 189 outlets serve our bulk customers. Out of the total of 3,689 outlets, 1,691 Retail and 167 Consumer Business outlets have been upgraded with the most up-to-date facilities as per the visualization of the New Vision Retail Programme.

PSO also operates 31 company-owned and company-operated (Co-Co) sites serving the retail sector. Co-Co sites are flagship stations which combine high levels of supervision and top quality products to maintain the highest level of efficiency, service and customer care. These sites act as benchmark for all other retail outlets.

In addition to retail customers more than 2,000 industrial units, business houses, power plants and airlines are being fueled by PSO.

Acquisition of Products

The automotive sector is the main consumer of Motor Gasoline (Mogas) and High Speed Diesel (HSD) whereas Furnace Oil (FO) is marked for power plant usage.

To meet the supply deficit of the country, PSO imports Mogas, HSD, JP 1 and FO as and when required. The total import of black and white oil in Pakistan last year was 12.4 million metric tons and PSO had the lion's share of this import with 11.2 million metric tons which came to over 90% of the total fuel imports of the country.

Other than product imports, PSO acquired 1.75 million metric tons from various refineries based in Pakistan in order to cater to our market needs.



Storage

PSO possesses the largest storage capacity in the country. The company's infrastructure stretches from Karachi to Gilgit. With 9 installations and 23 depots located across the country PSO's storage capacity of approximately a million metric tons represents 74% of the total storage capacity owned by all the oil marketing companies.

Product Movement

PSO uses three mechanisms for the movement of POL products namely, tank lorries (road), tank wagons (railways) and pipelines. We currently have a total fleet of 8,595 tank lorries out of which 2202 tank lorries are New Vision tank lorries which are complying with the latest ADR standards and are equipped with pilferage proof tracker systems.

With the commencement of operations of the White Oil Pipeline Project (WOPP) from Karachi to Mehmood Kot via Shikarpur and the MFM (Mehmood Kot/Faisalabad/Machikey) pipeline, the supply pattern for white oil from Karachi has switched from tank lorries to pipelines. PSO is present as a partner in this project and holds a 12% equity share in this venture.

Lubes Manufacturing & Sales

PSO is steadily progressing in the field of lubricants. With state-of-the-art Lubricants Manufacturing Terminal (LMT) located in Korangi Industrial Area, Karachi we are catering to a number of sectors including automotive, Hi-street and industrial consumers through the provision of products that meet international quality standard.

Corporate Events



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1. PSO celebrated its 34th anniversary on 30th December, 2010.
2. PSO sponsored the PIP conference held in Islamabad to discuss the national energy outlook for the future.
3. PSO was recognized for its excellent performance at the 27th Corporate Excellence Awards organized by the Management Association of Pakistan (MAP).
4. PSO was recognized by the Pakistan Center for Philanthropy (PCP) for being ranked as one of the top 5 public listed companies by volume of donations in the year 2008.
5. PSO was acknowledged for its exemplary performance by being ranked 20th in the 7th Annual Dinar Standard Survey of the Top 100 Businesses of the Muslim World.
6. PSO posted its highest ever half yearly profit of Rs. 7.13 billion in FY 11.
7. PSO conducted extensive flood relief operations during the year to help support the displaced population.
8. HSE Champion Program was reinitiated in PSO during the year 2011.
9. Delegation from Kuwait Petroleum visited PSO House.



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10. PSO and Allied Bank Limited signed an MoU for installation of ATMs at PSO retail outlets.
11. PSO Road Safety Awareness Campaign carried out at DAWN Lifestyles 2010.
12. PSO Carient Golf Tournament held at Karachi Golf Club.
13. PSO joined the International Earth Hour in 2011 to spread awareness on climate change and inculcate responsible behavior amongst its employees.
14. PSO intensified its CSR drive by distributing donations amongst NGO's operating in the health, education and community development sectors.
15. CNG Seminar held at PSO House to promote safe usage and handling of CNG nationwide.
16. Inter-departmental Cricket Tournament was held in March 2011 for employees from all departments.
17. PSO held an HSE Conference for dealers.
18. Spring Day was celebrated at the Day Care Center to boost employee morale.