

# SUSTAINABILITY REPORT

2021-2022

Paving the way for a Sustainable Future





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# ABOUT THIS REPORT

This sustainability report encompasses Pakistan Telecommunication Company Limited's (PTCL) operations throughout the calendar years 2021 and 2022 and demonstrates PTCL's commitment to sustainable development. The report also highlights our economic, environmental, and social performance. This report has been prepared in accordance with the GRI Standards: Core option. We report on the topics that are most material to our business and stakeholder groups.



## About PTCL

### Vision and Mission

Our vision is to be the leading and most admired Telecom and ICT provider in and for Pakistan. To be the partner of choice for our customers, to develop our people and to deliver value to our shareholders. PTCL Group introduced a new set of Corporate Values after extensive engagement sessions with employees across the organization. These values encapsulate our collective culture and mindset designed to achieve our ambition of becoming No.1 Telecom Operator of Pakistan. Our values are defined as follows:



- 1. Be Resilient:** We embrace challenges, bounce back stronger and never give up.
- 2. Think Big:** We unleash the power of our imagination to shape our business and ignite inspiration.
- 3. Win Every Battle:** We are obsessed with the idea of winning and table actions to overcome failure.
- 4. Value Success:** We believe people are at the heart of our success and we recognize their individual and collective efforts.

## Awards

PTCL received recognition at the Best Place to Work Awards 2021 organized by the Pakistan Society for Human Resource Management (PSHRM) and Engage Consulting, during a ceremony held in Karachi. Out of 160 companies that competed from all over Pakistan, PTCL stood out as the one with "The Most Improved Score."

In 2022, PTA awarded Ufone for the best quality in both voice and data services, as well as the most consistent and superior 4G quality network in Pakistan.

PTCL Group's strong focus on energy efficiency measures not only allowed us to optimize our operating costs, but also helped reduce our carbon footprint. The efforts were recognized by e& Group by conferring an award for "Driving Sustainability" to PTCL Group during its Leadership Forum Awards.



Pakistan Telecommunication Company Limited (PTCL) is the largest integrated Information and Communications Technology (ICT) company in Pakistan. With a humble start from a telephone and telegraph department in 1947, it has evolved to offer the latest digital and telecommunications technologies today. PTCL was incorporated in Pakistan on 31st December 1995 and commenced business on 1st January 1996. The company, which is listed on the Pakistan Stock Exchange (PSX), was established to undertake the telecommunications business formerly carried on by the Pakistan Telecommunication Corporation (PTC) and before that by the telephone and telegraph department. The company provides telecommunications facilities and provides domestic and international telephone services and other communication facilities throughout Pakistan. The company has also been licensed to provide such services in the territories of Azad Jammu and Kashmir and Gilgit-Baltistan.



# President & Group CEO's Message

As we navigate the transformative years of 2021 and 2022, I am honoured to present an overview of PTCL Group's journey, marked by resilience, innovation, and commitment to our mission of connecting Pakistan and contributing to a 'Digital Pakistan.'

In 2021, the global community saw a gradual recovery from the pandemic's impact, and Pakistan's economy rebounded with a 5.4% GDP growth rate. Despite economic challenges such as currency devaluation and rising power tariffs, PTCL Group, as the largest integrated telecom operator, remained steadfast in its commitment to providing seamless connectivity. Our financial outlook for 2021 was strong, with a 6.3% increase in revenue, reaching Rs 137.6 billion. PTCL's strategic focus on modernization and fiber optic deployment led to significant achievements, including the highest fixed broadband sales since 2015 and a 61.5% YoY growth for Flash Fiber. Despite challenges, PTCL posted an operating profit of Rs 5.1 billion and a net profit of Rs 2.6 billion.

As we transitioned into 2022, global economies faced new challenges with inflation and geopolitical shocks. Pakistan, being import-dependent, felt the impact, affecting the cost of doing business. The telecom sector, reliant on telecom equipment imports, experienced additional pressure due to deteriorating rupee-dollar parity. However, despite economic headwinds, Pakistan's telecom industry displayed promising growth potential. PTCL Group capitalized on these opportunities, posting its highest-ever revenue of Rs 151.6 billion, a 10.2% increase over the previous year.

PTCL's performance in 2022 showcased continuous innovation, customer service improvement, and shareholder value enhancement. Flash Fiber, our premium Fiber-To-The-Home service, achieved a remarkable 102.7% revenue growth. PTCL's enterprise business grew by 18.8%, and the carrier and wholesale business achieved an 11% overall revenue growth. Ufone, despite challenges, achieved a 7.1% YoY revenue growth and received recognition for the best quality in voice and data services from PTA. U Bank, our microfinance and branchless banking subsidiary, recorded a remarkable 35.4% growth in revenue.

While PTCL Group reported a net loss of Rs 7.8 billion due to economic challenges, our entity rating of "AAA" and short-term rating of "A-1+" reflect stakeholders' confidence in our financial outlook. We remain committed to our corporate social responsibility initiatives, contributing to flood relief efforts and various projects focused on digital inclusion, education, and environmental sustainability.

I extend my deepest gratitude to our customers, employees, management team, and shareholders for their invaluable contributions to PTCL Group's success. With your continued support, PTCL stands ready to face challenges and seize opportunities, ultimately enhancing shareholder value.

## HATEM BAMATRAF

*President and Group CEO*







# SUSTAINABILITY AT PTCL





In our pursuit of sustainability, we proactively identify and address both existing and emerging global and regional issues that may pose risks or present opportunities for our business and stakeholders. To pinpoint key material issues, we follow a systematic approach:

- Identify potential material issues through comprehensive desk-based research, encompassing a review of peer companies, industry standards, and employee interviews.
- Prioritize stakeholders, both internal and external, and topics to assess material issues in terms of perceived importance.
- Internally review the results within PTCL management to ensure alignment with our sustainability objectives.



## Sustainability Framework

To conceptualize sustainability, PTCL relies on its sustainability framework for defining and managing the environmental, social and economic impacts. In order to align its sustainability framework with the parent company (e&), PTCL has also used the same framework with the following key pillars:

- Securing a digital future for all,
- Maintaining ethical and transparent business practices, diverse, inclusive and ethical employer,
- Low carbon operations and helping the world decarbonize,
- Giving back to the society.



At PTCL we believe technology and connectivity are right at the centre of a future that is good for the planet, creates a better life for all, and brings cohesion and trust within societies. We aim to play a significant role in this 'digital revolution.' The aim is to build a more comprehensive and better aligned sustainability strategy that:

- Continues to contribute towards national ESG ambitions such as Sustainable Development Goals and climate agreements.
- Drives the digital transformation of society and enhances the penetration of digital skills and infrastructure.
- Attracts and retains 'sustainability conscious' capital providers, talent, and consumers.
- Effectively forecasts, manages, and mitigates evolving ESG risks.
- Steers rapid digital transformation within the economy to help other sectors decarbonize and meet ESG ambitions.

PTCL believes that an effective framework, supported by progressive improvement programs, will help the company achieve its strategic business objectives. This report contains information about PTCL's disclosure and progress in each of these areas.

Sustainability lies at the heart of PTCL's operations, as the company is dedicated to conducting business responsibly and transparently, guided by the ethos of 'Make Possible'. Our commitment extends to making a positive impact on the communities we serve while ensuring enduring success through sustainable practices.

Striving to be a market leader in sustainability, PTCL actively integrates sustainability principles into its internal systems and processes. We continually adapt and evolve, aiming to act as a catalyst for positive change across all business verticals, aligning our efforts with national Environmental, Social, and Governance (ESG) ambitions.

PTCL is embarking on a forward-looking roadmap, systematically monitoring, benchmarking, and enhancing governance, environmental, and social performance. Understanding the perspectives and concerns of our diverse stakeholders is integral to comprehending our business practices and corporate priorities. Regular engagement with key stakeholder groups informs and shapes our sustainability strategy, fostering a collaborative approach to driving positive outcomes.



# Alignment with Standards

The telecom sector faces many specific ESG issues, particularly relating to social and environmental aspects of the business. If not properly managed, these risks can result in significant financial regulatory, and reputational impacts. PTCL recognizes its role in the industry to deliver meaningful contributions to national and international standards and sustainability priorities.

PTCL's sustainability report provides a comprehensive view of its sustainability approach and performance for the current fiscal year. PTCL discloses its sustainability performance in line with the GRI Standards: Core option, Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standards, and the United Nations Sustainable Development Goals (SDGs). These standards provide the world's most widely used frameworks for sustainability reporting and offer a structured format to comprehensively share information about material issues, performance metrics, and the management of sustainability-related topics within the organization. Building on the Paris Agreement and the subsequent Glasgow Climate Pact, drafted at the 2021 United Nations Climate Change Conference (COP26), the importance of accelerated action to tackle the climate crisis through collaboration among stakeholders is emphasized within the organization.

The Telecom industry is faced with a great responsibility to meet increased demand for data and digital services while meeting its obligations to curb carbon emissions. At PTCL, we have worked to overcome these challenges and bring a positive change to the overall environment of the country. We have identified and selected the following key goals and targets that we believe our contribution has a material impact on.



## Contribution to the SDGs

PTCL acknowledges the need to play its part in transitioning towards a more sustainable future, recognises the interconnection between the 17 SDGs, meaning that one action can result in multiple outcomes, and is committed to supporting the SDGs. The company aims to ensure its business practises are in line with the goals, operating in a manner that positively contributes to the goals.

Pillars	Related SDGs	Target
Securing Digital Future	<ul style="list-style-type: none"> <li>Industry, innovation, and infrastructure (SDG 9);</li> <li>Responsible consumption and production (SDG 12);</li> </ul>	9.a, 9.c, 12.a
Maintaining ethical and transparent business practices	<ul style="list-style-type: none"> <li>Good Health and well-being (SDG 3);</li> <li>Gender equality (SDG 5);</li> <li>Decent work and economic growth (SDG 8);</li> <li>Peace, justice, and strong institutions (SDG 16).</li> </ul>	3.8, 3.a, 5.c, 8.5, 8.6, 16.6
Low carbon operations	<ul style="list-style-type: none"> <li>Affordable and clean energy (SDG 7);</li> <li>Industry, innovation, and infrastructure (SDG 9);</li> <li>Responsible consumption and production (SDG 12);</li> </ul>	7.2, 7.3, 9.1, 9.4, 12.2, 12.5, 12.6, 12.b
Giving back to the society	<ul style="list-style-type: none"> <li>Good Health and well-being (SDG 3);</li> <li>Gender equality (SDG 5);</li> <li>Decent work and economic growth (SDG 8);</li> <li>Reduced inequalities (SDG 10);</li> <li>Sustainable cities and communities (SDG 11);</li> <li>Peace, justice, and strong institutions (SDG 16).</li> </ul>	3.c, 5.c, 8.9, 10.4, 11.7,





# SECURING **DIGITAL** **FUTURE**



## Digitalization

Dedicated to driving customer engagement and fostering digital accessibility, PTCL embarked upon a transformative journey by integrating innovative features into the My Ufone app, PTCL Vibe app, and its websites. These developments stand as pillars of customer-centric initiatives that not only enhance digital experiences but also embody sustainable practices by reducing physical footprints and enhancing operational efficiencies.

The "Daily Rewards" program within digital channels is a testament to PTCL's commitment to continuous customer interaction. Designed strategically to incentivize daily usage of the apps, this initiative not only provides customers with complimentary minutes, data, and SMS but also serves as a driver for sustained user engagement. By strategically offering the most substantial rewards towards the week's end, it instills a sense of encouraging regular visits to the app. Beyond enhancing user experience, this program also reduces the reliance on physical touchpoints, aligning with sustainability goals by decreasing the need for paper-based communications and in-person visits to retail shops.

The introduction of the "Deep linking for Digitalization" feature signified our pursuit of user convenience and collaborations. Enabling direct access to specific app sections via deep links not only streamlined the user experience but it also opened doors for partnerships with external stakeholders, offering potential marketing collaborations. This digital advancement promotes ease of use as well as indirectly minimizes the environmental impact by reducing the need for traditional advertising methods, thus contributing to a more sustainable advertising approach.

The "Make Your Own Bundle" feature embodies the ethos of customization and sustainability. Allowing customers to personalize different packages and bundles aligns with modern sustainability principles by promoting resource optimization. Customers create tailor-made bundles that match their unique usage patterns, eliminating unnecessary components and reducing waste. This customization, aimed at cost-effectiveness and customer convenience, significantly reduces the environmental impact associated with standard, one-size-fits-all service offerings.



Digital innovation stands as a cornerstone in PTCL's strategic direction. Our focus on cloud computing, IoT, and 5G technology reflects our position as a leader in the telecommunications industry. Our ongoing digital transformation journey aligns with the growing importance of digital inclusion in various aspects of modern life, notably in remote working, distance learning, telemedicine, e-commerce, and other remote services. To harness market opportunities, our forward trajectory emphasizes on bolstering our organizational capabilities in Information and Communications Technology (ICT) services and System Integration, paving the way for Managed Security Solutions, Data Centers, and Managed Services in the ICT landscape.

Continual updates and feature enhancements across our brands' websites and apps underscore our commitment to aligning digital strategies with our organizational goals and enhancing the customer experience on digital platforms. These initiatives successfully transitioned traffic from traditional to digital platforms. Through these digital channels, we empower our customers with self-service features, streamlining bill inquiries, payments, complaint handling, usage tracking, and providing convenient payment options. Thus, reducing reliance on in-store channels and alleviating mobility constraints for our customers.

Cognizant of the vital role of sustainability in today's global landscape, our commitment extends beyond digital innovation. We actively integrate sustainability principles into our operations, emphasizing eco-friendly practices, reducing carbon footprint, and promoting a circular economy. This encompasses initiatives aimed at energy efficiency and fostering a culture of environmental stewardship within our organization and the communities we serve. Through these efforts, we not only aim to adapt to the evolving digital era but also contribute to a more sustainable and environmentally conscious future for generations to come.



In parallel, the implementation of "Events tagging" is pivotal for the optimization of digital journeys within the app. By identifying and refining customer drop-off points, this tool ensures a seamless and efficient user experience. By streamlining the digital journey, it minimizes unnecessary steps, reducing energy consumption and data usage, thus aligning with sustainability through operational efficiency.

PTCL Shop's significant overhaul has resulted in improved functionality and performance, offering push notifications to PTCL App users. This enhancement not only fosters increased customer engagement but also reduces the reliance on physical communication, minimizing the environmental impact of printed materials and physical storefronts. The "Location-based bundles on the App" initiative is a demonstration of Ufone's regional focus, providing customers with tailored options through digital channels. This localized approach not only enhances customer experiences but also significantly reduces the environmental impact associated with physical distribution by minimizing the need for region-specific physical marketing materials.

Collectively, these innovative features and digital advancements underscore PTCL's commitment to sustainability through reduced physical footprints, resource optimization, and operational efficiencies. By promoting a digital-first approach, PTCL has not only enhanced customer experiences but also significantly contributed to environmental sustainability by reducing reliance on physical resources and streamlining operational processes.

## Product Service and Quality

In pursuit of sustainable practices in our services and product quality, PTCL has actively embraced environmentally conscious measures. One such initiative includes the introduction of e-billing through email, marking a fundamental shift away from traditional paper billing methods. Starting as a pilot in March 2023, this initiative rapidly expanded, encompassing 60% of monthly sales by October. Notably, by November 1, 2023, all existing Flash Fiber internet subscribers seamlessly transitioned to this paperless billing system. Through extensive use of communication channels such as our website, social media, service centers, and the customer helpline, we've diligently educated our consumers about the advantages and convenience of e-billing.

To support our commitment to environmentally friendly practices, we've implemented an additional monthly charge for customers who choose to continue receiving paper bills. This strategic financial incentive not only promotes our sustainability goals but also provides a more user-friendly, digital solution for our customers. PTCL remains dedicated to fostering a greener future and invites all stakeholders to participate in our journey toward a more sustainable and digitally driven landscape.

Moreover, our dedication to sustainable practices extends to product service and quality through the swift migration of our existing xDSL customers to Flash Fiber, a remarkably energy-efficient technology compared to traditional DSL. This transition significantly reduces our energy consumption and contributes to a more environmentally friendly technological environment. By upgrading customers to fiber internet, we minimize power usage, subsequently reducing our carbon footprint. This strategic move not only reflects our environmental responsibility but also ensures superior service quality by providing high-quality fiber technology to our esteemed customers. This transition embodies our commitment to both environmental stewardship and maintaining superior service standards.

Expanding our efforts, PTCL continually assesses and improves its services to align with sustainable principles. We are dedicated to enhancing service quality while reducing our ecological footprint. To achieve this, ongoing investments in research and development enable us to identify and implement more eco-friendly solutions across our service and product offerings. Our aim is to continually innovate and integrate sustainable technologies into our services, elevating not only customer satisfaction but also our environmental impact. This ongoing dedication to sustainability in our product service and quality is a testament to our commitment to environmental stewardship and offering high-quality, eco-conscious solutions.



## Responsible Marketing and Communication

Responsible marketing and communication stand as essential pillars in Pakistan Telecommunication Company Limited's (PTCL) commitment to sustainability and ethical business practices. These, alongside product service and quality, digital innovation, and customer satisfaction, form the foundation of our endeavor to create a robust brand presence and foster enduring customer trust.

At PTCL, our marketing and communication strategies revolve around ethical, transparent, and customer-centric approaches. It is our firm commitment to responsible marketing that shapes our messaging, ensuring accuracy, truthfulness, and deep respect for cultural and social values. We steadfastly steer clear of any deceptive practices, focusing instead on delivering valuable, informative content to our customers. We firmly believe in empowering our customers with knowledge and insights that support their decision-making processes.

Moreover, our dedication to responsible marketing extends beyond product promotion. PTCL actively engages in communicating our corporate social responsibility initiatives, aiming to showcase our commitment to the well-being of the community and the environment. By transparently and authentically communicating these initiatives, we not only build trust and credibility with our audience but also contribute to a positive societal and environmental impact.

Our responsible marketing and communication practices extend to various touchpoints, be it digital platforms, customer service interactions, or public communication. Every facet of our brand communication is meticulously designed to uphold our ethical and responsible standards, ensuring that our customers receive accurate and valuable information, ultimately contributing to a mutually beneficial relationship based on trust and transparency.

Furthermore, the integrity of our marketing and communication strategies is rigorously monitored and aligned with the evolving ethical standards and practices in the industry. As part of our ongoing commitment to sustainability, we continuously reassess and refine our communication strategies to ensure that they remain at the forefront of ethical and responsible practices in the telecommunications industry.

In conclusion, our commitment to responsible marketing and communication at PTCL isn't just about building brand loyalty or customer trust; it's an integral part of our ethical framework that underpins our commitment to sustainability, customer satisfaction, and contributing positively to the community and the environment.





# MAINTAINING **ETHICAL & TRANSPARENT** BUSINESS PRACTICES



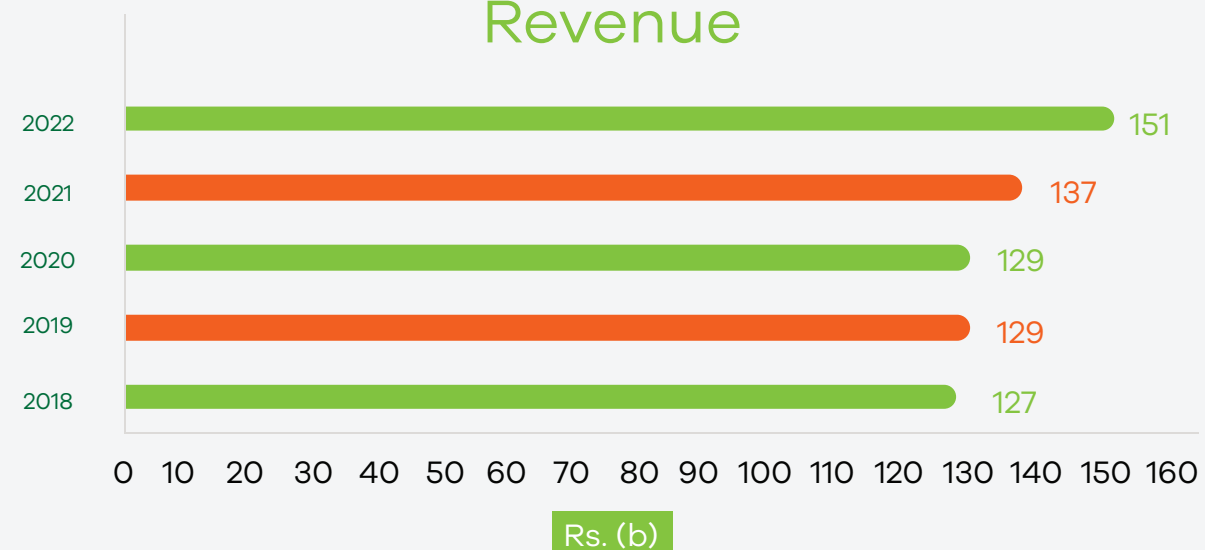
## Economic Performance

Pakistan Telecommunication Company Limited (PTCL) has been a pivotal force in the nation's progress since its inception, contributing significantly to economic development. As a socially responsible organization, PTCL is committed to enhancing the quality of life for its workforce, their families, and the broader local community. The company operates in an environment where transparency and high corporate standards are increasingly demanded, especially within the dynamic Telecom sector.

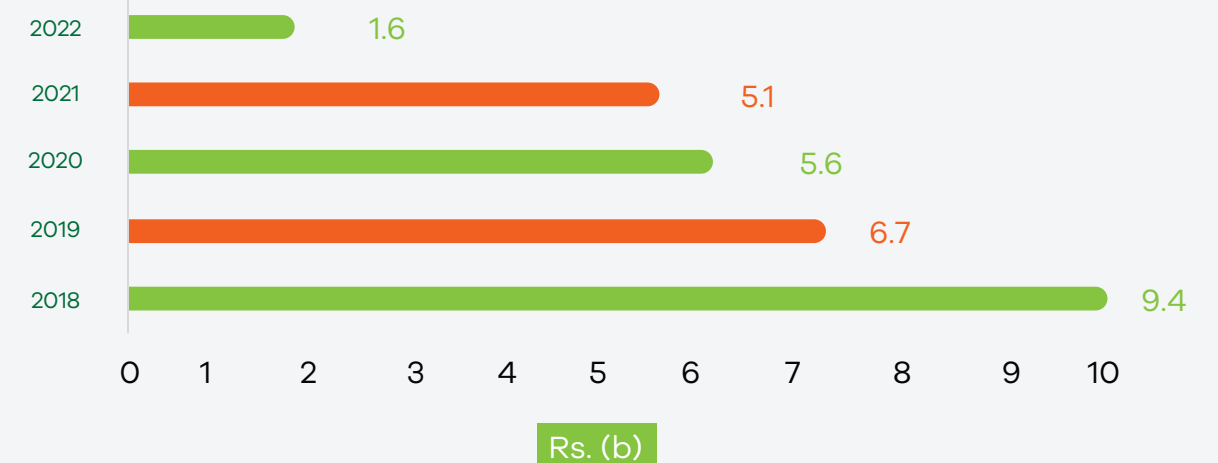
Addressing these demands, PTCL ensures transparency and consistency in its financial statements, catering to the informational needs of stakeholders. The company adheres to the International Financial Reporting Standards (IFRS) and complies with provisions under the Companies Act 2017. PTCL emphasizes the faithful representation of transaction effects, enabling comparability with peers, particularly within the Telecom sector. Furthermore, PTCL provides a comprehensive financial statement analysis for the past six years, aiding owners, managers, investors, and creditors in assessing financial performance and stability.

In the fiscal year 2022, the PTCL Group achieved remarkable financial results, reporting its highest-ever revenue of PKR 151.6 billion, marking a 10.2% increase from the previous year. Despite facing challenges such as rising power and fuel tariffs, Pak Rupee depreciation against the USD, elevated interest rates, and expenses associated with acquiring 4G spectrum and network expansion, the Group posted a net loss of PKR 7.8 billion. Importantly, PTCL has maintained a strong financial position, retaining the prestigious entity rating of "AAA" (Triple-A) and short-term rating of "A-1+" (A-One Plus) for the fourth consecutive year. This resilient performance underscores PTCL's commitment to meeting stakeholders' needs and building long-term shareholder value through mutual understanding and sustained excellence.

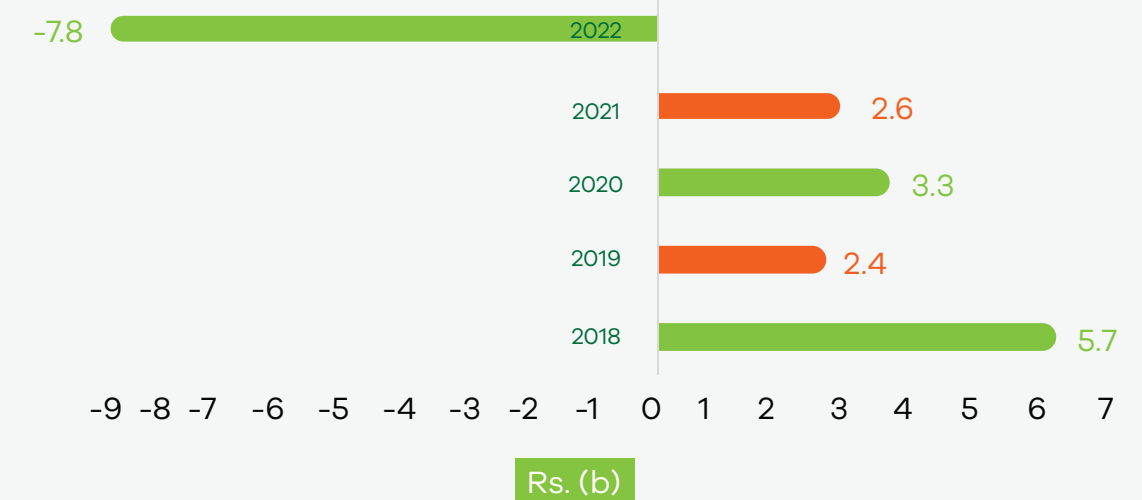
### Revenue



### Operating Profit



### Net Profit/Loss





## Our People Our Ambition

At PTCL Group our ambition is to:

**“Become the  
# 1 Telecom Operator in  
Pakistan”**

Must win battles for People and Organization to achieve our ambition include:

- Transforming Organization Culture
- Transforming into an Agile Organization
- Enhancing Organization Performance
- Future-Fit Leadership
- Building Critical Capabilities
- Ensuring Industrial Peace and Harmony

## 2021-22 Performance Highlights

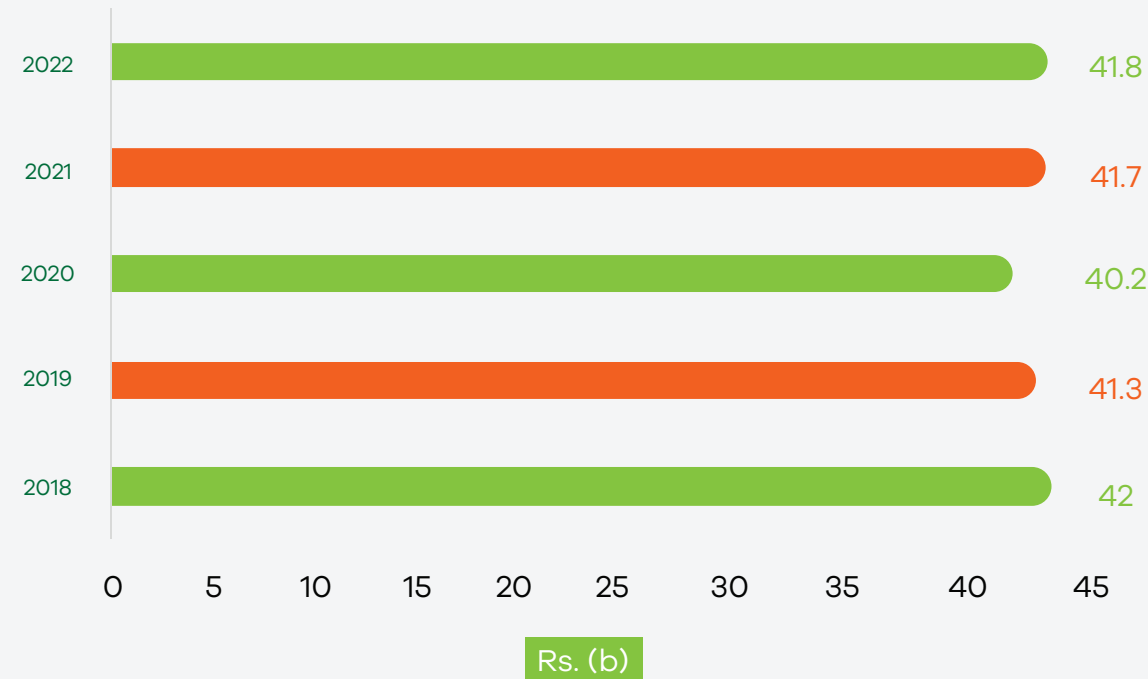
A journey from Performance Management (2021) to Performance Enhancement (2022):

- The dynamic Performance Enhancement was launched in 2022 with the purpose of enhancing the performance of individuals, teams, and organization while focusing on “Feedback on the go”. This dynamic model is ongoing as compared to the traditional Performance Management process (2021) which was a cyclical activity. It is proactive, outcome-focused, forward looking that emphasizes on developing leaders as coaches.

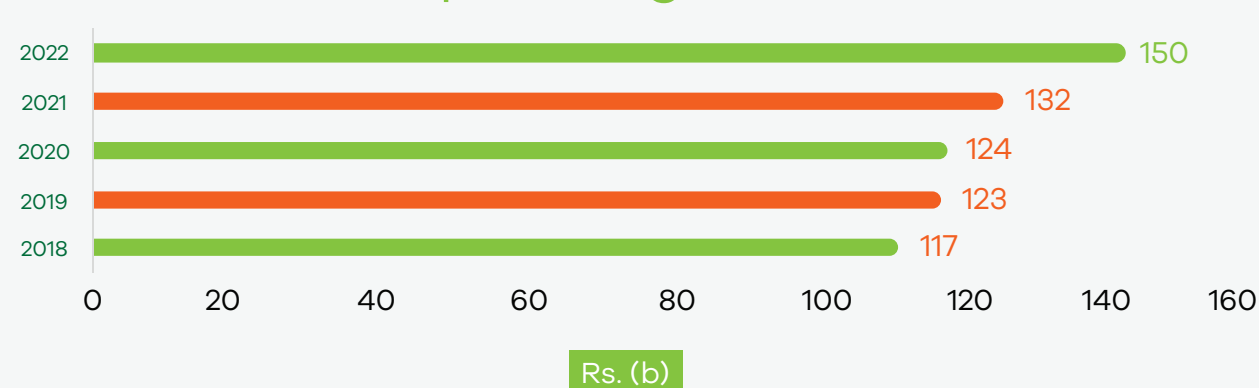
The highlights of the dPE model 2022 include:

- No Forced Ranking/ Forced Bell Curve
- Continuous Check-ins – Feedback on the Go instead of Quarterly check-ins
- Performance Calibration for Extraordinary performance Level instead of all performance levels
- 3 Performance Levels with impactful definitions instead of 4 Performance Ratings
- Ongoing Performance Boosters
- A Unified Performance Enhancement IT System for PTCL & Ufone – MYPE instead of 2 separate systems for PTCL and Ufone in 2021

### EBITDA



### Operating Costs





# Talent Attraction and Development

PTCL employs a multifaceted approach to attract top-tier talent, ensuring a dynamic and skilled workforce. Central to this strategy is a commitment to fostering a vibrant and inclusive workplace culture irrespective of geographical boundaries. PTCL emphasizes competitive compensation packages, acknowledging the value of its employees and their contributions. The company actively engages in talent development programs, offering continuous learning opportunities and career growth avenues. PTCL leverages cutting-edge technologies and innovative projects, providing a stimulating environment that appeals to professionals seeking challenging and impactful work.

PTCL		
TOTAL EMPLOYEES	2022	2021
Total Count	15,392	16,106
EMPLOYMENT TYPE		
Management	3,906	2,120
Non-Management	11,486	13,986
EMPLOYMENT TYPE		
Senior Management	136	164
Middle Management	1262	1,705
Staff	2,108	2,411
AGE		
18-30	239	408
31-50	4359	6704
50+	10794	8,994
GENDER		
Male	14912	15561
Female	480	545

Additionally, the company focuses on creating a work-life balance, recognizing the importance of employee well-being. Through targeted recruitment campaigns, strategic partnerships with educational institutions, and participation in industry events, PTCL ensures a strong presence in talent networks. This comprehensive approach enables PTCL to attract and retain quality talent, contributing to its position as a leader in the telecommunications industry.

UFONE		
TOTAL EMPLOYEES	2022	2021
Total Count	2564	2762
EMPLOYMENT TYPE		
Management	2310	2477
Non Management	254	285
EMPLOYMENT LEVELS		
Senior Management	91	114
Middle Management	559	641
Staff	1660	1722
AGE		
18-30	481	335
31-50	1911	2187
50+	172	240
GENDER		
Male	2179	2423
Female	385	339



## Employee Hirings:

### PTCL

#### TOTAL HIRES

2022

2021

Total Count

206

287

#### EMPLOYMENT LEVELS

Senior Management

13

4

Middle Management

66

68

Staff

127

215

#### AGE

18-30

105

131

31-50

98

149

50+

3

7

#### GENDER

Male

164

246

Female

42

41

### UFONE

#### TOTAL HIRES

2022

2021

Total Count

416

634

#### EMPLOYMENT LEVELS

Senior Management

24

37

Middle Management

90

137

Staff

302

460

#### AGE

18-30

123

362

31-50

282

271

50+

11

1

#### GENDER

Male

337

465

Female

79

169



## Employee Turnover:

### PTCL

#### TOTAL TURNOVER

2022

2021

Total Count

17%

11%

#### AGE

18-30

33%

21%

31-50

13%

9%

50+

5%

4%

#### EMPLOYMENT LEVELS

Senior Management

9%

6%

Middle Management

15%

8%

Staff

22%

15%

#### GENDER

Male

15%

15%

Female

28%

10%

### UFONE

#### TOTAL TURNOVER

2022

2021

Total Count

30%

22%

#### AGE

18-30

55%

58%

31-50

24%

17%

50+

11%

6%

#### EMPLOYMENT LEVELS

Senior Management

24%

9%

Middle Management

18%

10%

Staff

34%

27%

#### GENDER

Male

27%

21%

Female

43%

28%





## Building the Employer Brand

PTCL/Ufone has utilized its internal and external social media platforms to connect with its employees, potential employees, customers, and the community at large. Our social media handles, Facebook, Instagram, Twitter, and LinkedIn are a dynamic showcase of our organization's transformation, and culture. Our aim is to be an employer of choice by keeping a strong focus on improving diversity, attracting top-tier talent, and providing career (and) growth opportunities. As an employer of choice, we strive to work on all fronts and offer market-competitive and off-the-rack employee experience. We also build campaigns that market our home-grown HR frameworks and products.

## The Onboarding Experience

The PTCL Group places a high value on our new hires' onboarding process. The organization attracts top talent and creates innovative retention plans for those new joiners. Our first step in doing that is to make sure the onboarding experience is easy and seamless. We onboard new employees in a way that makes them feel right away like a member of the PTCL Group family. They receive an orientation that goes over all the necessary procedures and information that a new hire could require in depth. PTCL Group gives new hires welcome kits as an additional way to commemorate their hiring and to increase their motivation. We have fully digitalized our onboarding procedure in collaboration with the talent acquisition team.

## Developing the Future Workforce

### SummerSpark:

The Annual SummerSpark Internship Program is a flagship initiative of the PTCL Group to mentor the brightest minds across top-tier universities of the country. PTCL was able to run the first-ever cohort of SummerSpark entirely on a virtual model this year. The six-week program focused on their personal and professional development. It was also used as an opportunity to involve the youth in solving pertinent challenges of the corporate sector.





## ICAEW/ICAP Trainee Program

The organization rolled out the ICAEW/ICAP program for students of Accounting in order to give them real-life exposure and augment their technical skillset. High-potential employees at PTCL were engaged in delivering capacity-building sessions to students at over 15 universities in major cities of the country. The sessions covered a myriad of topics and a multitude of functions and skillsets. We were also able to challenge young minds by conducting a hackathon on contemporary business problems. Students were engaged in an immersive process of problem-solving and top performers were recognized for their contribution to the project.

## Business Intelligence Trainee Program

In addition to this, PTCL onboards trainees in the BI team to develop them for future needs of data analysis and modelling. BI being a crucial need of the day, is a core area in focus for PTCL as this enables us to maintain bench strength all the time. Such platforms provide an opportunity to fresh graduate to express their talents and prepare them for future challenges

## Benefits

PTCL Group is constantly optimizing its Benefits to make it market-competitive while benchmarking against the leading telco players within the industry. PTCL Group offers the following major benefits to its full-time employees:

- OPD Medical Allowance
- IPD
- Car Assistance Allowance
- Fuel Assistance in the form of a fuel card
- Life Insurance
- Gratuity
- Travel Allowances
- Product Offerings



## Support for New Parents

The company provides support to new parents through paid Maternity and Paternity Leave. We have extended the Maternity Leave from three months to six months to allow new mothers to settle into a routine with their new-born child and tend to their physical and mental health. We ensure that we provide them medical counsel during this time and allow them to adopt a flexible work schedule once they resume work after their leave period. Children up to five years of age are welcome to accompany their mothers at our office locations and are provided with state-of-the-art Day Care facilities at PTCL Head Office and NEST. Furthermore, we have recently extended the paternity leave from five days to thirty days allowing fathers to support their spouse in welcoming a new life into the family. We encourage all our male staff to avail the leave so they can contribute to their domestic duties and play a responsible role in settling the family into a new routine. People Managers are also encouraged to support and assist new fathers in managing their work with flexibility and accommodation. A total of 17,178 employees are entitled to parental leave.

## Maternity Leaves:

### Maternity Leaves PTCL

	2022	2021
Number of female employees that took maternity leaves	22	29
Number of female employees that returned to work after availing maternity leaves	19	26
Number of female employees who were still employed twelve months after returning to work	19	26

### Maternity Leaves Ufone

	2022	2021
Number of female employees that took maternity leaves	8	7
Number of female employees that returned to work after availing maternity leaves	7	5
Number of female employees who were still employed twelve months after returning to work	7	5



## People Capacity Building

The PTCL Learning & Culture department excels in facilitating the expanding developmental requirements of its diverse and multigenerational workforce throughout the country. In our dedication to fostering and advancing a dynamic learning culture as a forward-thinking organization, we operate 10 cutting-edge training centers nationwide. These centers are equipped with an in-house team comprising highly skilled instructional designers, seasoned trainers, facilitators, and subject matter experts, strategically positioned to address and surpass the challenges of workforce development. We have transformed our learning environment through a suite of digital platforms, including TalentLMS, Udemy Business, and LinkedIn, providing a broad array of functional, leadership, and management courses. This empowers and enables our employees to engage in continuous learning while on the move. Our extensive portfolio includes a diverse range of highly tailored development programs for leadership, management, and non-management staff, offering them opportunities for skill development, upskilling, and reskilling within the workplace.

## Developing Talent

Pursuing our Organizational Learning Framework to enhance learning efficacy and improve outcomes, we have aggressively embraced the imperative task of developing talent within our organization. Our comprehensive People & Organization Reborn initiative aims to elevate functional and behavioural competencies. Transformational Leadership programs foster the nurturing of leadership capabilities, while Feedback Conversation initiatives create a culture of continuous dialogue. Programs such as the Values in Action, Business Solutions Young Leaders Program, People Manager Toolkit, Management Development Program, Learning Journey for Justuju, and Spark Internship Program further contribute to talent development at various organizational levels.

On the digital front, our success is evident through impactful programs designed not only to nurture talent but also to make a substantial learning impact. Udemy Business has played a pivotal role in our success, facilitating over 11,000+ course completions this year while 15000+ course completions are achieved on Talent LMS. Notable projects include the Udemy Learning Cup 2023, Udemy Microlearning Marathon, Udemy Learning Impact Challenge 2023, and Udemy Unlocked: Post Eid Expedition 2023. Critical areas such as Business Continuity Management, Regulatory and Compliance, Health Safety, and Environment are covered through digital courses. Additionally, customized functional learning paths on these platforms address the specific needs of major organizational functions, including Business Development, Business Operations, Customer Care, Retail Sales, Digital Services, Carrier and International Wholesale, as well as support functions such as P&O, Marketing, IT, and Finance. These initiatives collectively contribute to the holistic development of talent across the organization, ensuring a skilled and agile workforce for the future.

## Developing Skillsets

Our shift towards becoming a tech-centric organization is driven by an unwavering dedication to the professional and personal growth of our workforce. In order to enhance the skills, knowledge, and safety awareness of our workforce, we have developed an extensive suite of functional learning programs. These programs cover a wide range of disciplines, ensuring that our employees are equipped with the necessary expertise to excel in their roles and contribute to a secure and efficient working environment. To promote a safe workplace and ensure employees are equipped to handle unforeseen incidents, we have developed a number of HSE initiatives including Basic Firefighting, Life Support and First Aid, Driving Safety training, Earthing guidelines and preventive maintenance routines, Electrical safety and working at heights, Incident Investigation and Reporting, Motorcycle Safety Training, Skill Building for Fire Wardens and HSE Learning pack. Several virtual functional programs including Artificial Intelligence, Machine Learning, IOT, Cloud

Computing, SAP, and Data Analytics are also delivered successfully by external facilitators and industry experts. As a major step towards skill development regarding the GPON network expansion plan, Flash Fiber Installation Training, Flash Fiber Planning & Architecture, and Flash Fiber Splicing & Testing are offered to Business Operations and Technology teams. For non-management staff, a tailor-made learning program “Taraki ka Safar” has been developed comprising of Bunyaad, Computer Ustad, and Uraan providing them opportunities to acquire new skills relevant to their roles resulting in enhanced performance.

## Reward and Recognition

Percentage of total employees by gender and by employee category who received a Business Excellence Award were:

Levels	Female	Male
L4 - Senior Manager	9%	42%
L5 - Manager	73%	42%
S1 - Executive	18%	15%
Non-Management		1%
<b>Grand Total</b>	<b>100%</b>	<b>100%</b>

## Set for Growth

In the pursuit of becoming the # 1 telecom operator in Pakistan, PTCL Group has undergone significant transformations.

PTCL Group’s spotlight has shifted towards aligning the organizational levels. Organizational Levels were introduced based on the decision-making ladder to strengthen our key pillars by being outcome-focused, increasing Speed to Market, empowerment, and ensuring accountability to drive decision-making across all levels. Building on the introduction to organizational levels, PTCL Group in meticulously crafted a comprehensive set of six leadership expectations: Disruptive Thinker, Change Agile, BI Savvy, Fearless, Inclusive, and Connect to shape the leadership DNA within the PTCL Group. These expectations have not only set the standards for leadership but also revolutionized our talent processes. The goal is to seamlessly integrate these expectations into talent acquisition, talent reviews, leadership growth, and succession planning strategies. By doing so, we aim to create a robust and dynamic pool of #ReadyToRise leaders. Simultaneously, a disruptive assessment mechanism was developed to evaluate employees based on these expectations, tailored to their organizational levels. The results generated from this evaluation feed into the Talent Reviews, where relevant stakeholders deliberate on the potential of each employee and manage the succession.

Talent Management Suite is another milestone in the #ReadyToRise journey. The suite comprises of comprehensive frameworks that facilitate the upward and lateral growth and development of our most valuable assets – our employees. These frameworks enable employees to Be The Architects of Their Own Careers and equips the People Managers to explore and anticipate the development opportunities for their teams to enable more diverse organizational and functional capabilities.

The evolution in talent management at PTCL Group is poised to empower its employees to embody the Leadership Expectations necessary to achieve the ambition of being the #1 telecom operator thereby leading to growth.



## Celebrating Women

The Company truly values its female staff. We have a multitude of female-centric policies that aim to ensure a conducive working environment for women working at the PTCL Group. These include paid maternity leave followed by flexible working schedules under the hybrid work policy. There are daycare facilities available at the Head Office and NEST so new mothers can bring their children to work without having to worry about childminding services. The facility is also open to female/male staff that who may want to bring their toddlers and school-going children along for a few hours. The female staff gets exclusive company transport and women with cars enjoy priority parking services. Across all office buildings, secluded prayer spaces are provided to enable female staff to observe obligatory prayers without distractions. The female staff also enjoys a special quota in the annual Hajj ballot sponsored by the company. Furthermore, all of the female staff at the PTCL Group is part of the Internal Women's Network – Connected Women – that undertakes a myriad of initiatives around the health, well-being, and engagement of the women at our organization. One of our recurring campaigns is the celebration of October for Breast Cancer Awareness whereby an entire month is dedicated to highlighting the importance of self-examination for early detection and treatment. Regular Town Hall meetings with the Group Chief People Officer provide a platform for women to directly address their concerns with the management, fostering open communication and ensuring that the voices of female staff are heard and valued within the PTCL Group.



## DIVERSITY AND INCLUSION:

PTCL		
	2022	2021
<b>FEMALE EMPLOYMENT RATE (%)</b>		
Number of female employees (Hired During Year)	42	41
Female Employment Rate (%)	20%	14%
<b>FEMALE EMPLOYMENT RATE (%) BY EMPLOYMENT LEVEL</b>		
Senior Management	6%	0%
Middle Management	23%	15%
Staff	0%	0%

UFONE		
	2022	2021
<b>FEMALE EMPLOYMENT RATE (%)</b>		
Number of Female Employees (Hired During Year)	79	169
Female Employees Rate (%)	19%	27%
<b>FEMALE EMPLOYMENT RATE (%) BY EMPLOYMENT LEVEL</b>		
Senior Management	6%	6%
Middle management	22%	22%
Staff	73%	73%



## Celebrating Ability Over Disability

PTCL Group signed an agreement with the Network of Organizations Working for People with Disabilities Pakistan (NOWPDP) and Deaftawk to launch the third cohort of its flagship skill training program, Justuju for professional development of persons with disabilities (PWDs). For the 3rd cohort, the program duration has been extended from six weeks to six months with two months of soft skills training and four months of on-the-job training to allow extended mentorship and learning for professional success.

Justuju internship program is one of the most sought-after internship programs, designed to bridge the gaps in the society through social and economic inclusion of persons with disabilities. Talented individuals are prepared for careers through robust training and hands-on experience under expert mentorship at PTCL and Ufone offices.



## Corporate Governance

PTCL endeavors to showcase high standards of corporate governance and intends to nurture a culture throughout the organization that follows the best practices of corporate governance. We are committed to developing an optimal governance environment for our business, activities, and operations in accordance with the local governance laws, rules and regulations, and international best practices. PTCL has adopted effective governance principles that allow the Company to smoothly run its operations aligned with an integrated system of policies and procedures.

PTCL operates through several transparency platforms including the media and press announcements, Pakistan Stock Exchange web portal- PUCARS, and the PTCL website, which articulates the Company's information and disclosures. Moreover, PTCL Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, serves as the most important platform for transparency and interaction with the shareholders and general public. Corporate governance refers to all laws, rules and regulations, codes, and practices under which the Company is administrated and inspected to perform its operations efficiently. Moreover, it allows us to determine the role and responsibilities of different departments as well as partners and provides economic value to stakeholders in the long run while respecting the values of the community and also, observing the corporate social responsibility with due attention. This report enunciates the governance enabling shareholders and the general public to get acquainted with the Company.

## Board of Directors

The Board of Directors comprises nine members having appropriate mix of core competencies, requisite skills, knowledge, and experience. Pursuant to the provisions of the Shareholders Agreement between the President of Pakistan on behalf of the Government of Pakistan (GOP) and Etisalat International Pakistan (Strategic Investor) and the Articles of Association of the Company, the GOP nominates four (04) Members, while Strategic Investor nominates five (05) Members. All members of the Board are non-executive Directors. The Board members and their respective shareholding is annually disclosed in PTCL Annual Report.

During the year 2021, eight meetings of the Board were held while in 2022, five meetings were held. PTCL Board has formulated a formal and effective mechanism for an annual evaluation of its own performance and of its committees.

The Board has developed its Terms of Reference in accordance with the applicable laws, and Articles of Association of the Company. Also, approved a comprehensive set of policies that serve as the governance framework for PTCL's Board of Directors. The significant policies include the Corporate Compliance Policy, Anti-Bribery and Anti-Corruption (ABAC) Policy, Third-Party Due Diligence and Engagement Policy, governance of risks and internal control measures (ERM policy), related party transactions policy, health safety, and environment policy, corporate social responsibility policy, business continuity and disaster recovery policy, corporate social responsibility policy, dividend policy, etc.

## Board Committees

Three committees assist the Board of Directors to effectively manage the Company's affairs. Each committee is governed by its own charter which defines its respective roles, functions, constitutional mechanisms, governing meetings, meeting quorum, and decision making.

The meeting fee of the Board members is the amount paid for attending each meeting of the Board and Board's committees. The meeting fees of the Board Members are in accordance with the applicable local laws and Articles of Association of the Company. The remuneration of the Chairman has been approved by the shareholders at the general meeting. The Board has a formal Board's Remuneration Policy.

PTCL annually disclosed the aggregate amount of remuneration/meeting fee, including all benefits details in respect of the Chairman, Board of Directors, Chief Executive Officer, and Executives of the Company in its Annual Report. Further, PTCL also makes a disclosure of related party transactions in the Annual Report. PTCL Annual Reports for 2021 and 2022 provided the details of related party transactions with the Directors, Chief Executive, and key management personnel of the Company. The disclosure of the related party transactions in the Annual Reports of the Company is in compliance with the requirements of IFRS as applicable to the Company. The Annual Report of the Company is duly adopted by the shareholders at the general meeting.



## Audit Committee

The Board has constituted an Audit Committee comprising five non-executive members; four of them are Board Members in addition to one external member who is the Group Chief Internal Auditor, Etisalat. Audit Committee members are experienced and well-versed in financial and accounting matters. The frequency of the minimum number of meetings is subject to the provisions as contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019 whereby the audit committee shall meet at least once every quarter of the financial year prior to the approval of interim results of the Company by the Board and after completion of external audit. During the year 2021, a total of five meetings of the Audit Committee were held, and in 2022 Audit Committee also conducted five meetings. The Audit Committee undertakes an annual self-assessment of its own performance.

The Board has developed the terms of reference of the audit committee. The Board has provided adequate resources and authority to the audit committee to carry out its responsibilities effectively in accordance with its Charter and in compliance with the applicable laws and regulations. The following are the key functions of the audit committee:

- Recommends to the Board in approving the Company's financial statements and appointment of External Auditors.
- Review the scope of internal control.
- Monitors statutory and corporate governance compliances.
- Determines the appropriate measures to safeguard the Company's assets.
- Review enterprise risk management processes and exposures and recommend appropriate policies to the Board.
- Reviews and recommends significant policies and the Company's delegation of fiduciary powers.
- Oversees tax and fiscal exposures.
- Discuss major internal audit findings with external auditors.
- Reviews whistle-blowing material cases.

## Human Resource and Remunerations Committee

The HR&R Committee comprises five members. All members of the Committee are non-executive Directors. The meetings of the Committee are convened periodically and whenever necessary. A total of three meetings of the HR&R Committee were held in 2021, and in 2022 HR&R Committee conducted five meetings. The Committee reviews its own performance and ensures its work efficiency. The following are the key functions of the Committee:

- Review and recommend the development and maintenance of long-term HR policies, effective employee development programs, appropriate compensation and benefit plans, and good governance model in line with statutory requirements and best practices of good corporate governance.
- Ensures that the governance and HR policies and procedures are aligned with the strategic vision and core objectives of the Company.
- Provide leadership and guidance for the organizational transformation required to achieve the Company's corporate objectives.

## Investment and Finance Committee:

The Investment and Finance Committee consists of five members. All members are non-executive Directors. The Committee held seven meetings in 2021, and in 2022 IFC Committee conducted five meetings. The Committee has the mechanism to review its own performance. The following are the key functions of the Committee:

- Review and recommend the Company's annual budgets and business plans, Company's treasury policies and framework including investment/divestment strategy, financial risk management strategy and rules, execution of mergers and acquisition strategy, procurement policy and procedures, investment projects encompassing expansions and new technologies based on evaluation measurement indicators and Company's capital structure strategy including external funding requirements.
- Evaluate the Company's dividend policies with regard to regulatory provisions and the Company's funding and working capital requirements.

## Transparency, Anti-bribery and Anti-corruption

PTCL is committed to applying the highest standards of ethical conduct and integrity in its business activities and prohibits all forms of bribery and corruption. PTCL has formulated an Anti-Bribery and Anti-Corruption ("ABAC") policy that sets out our responsibilities to comply with laws against bribery and corruption. Subject to the applicable ABAC laws, the policy applies to PTCL, its members of the Board of Directors, as well as to its employees. PTCL endeavors to ensure that all its vendors, contractors, suppliers, and third parties may also adopt and implement a similar policy with respect to the jurisdictions in which they operate. All employees must understand and adhere to the ABAC Policy that provides clear guidelines about bribery, facilitation payments, gifts, entertainment, meals and hospitality, political donation, and charitable contributions, requirements for accurate books and records, avoiding and managing conflicts of interest, and managing transactions with intermediaries and third parties. To ensure that all employees are aware of and understand the ABAC Policy PTCL launched an ABAC awareness campaign and developed ABAC e-learning modules.

In addition to the ABAC Policy, PTCL has also developed a Third-Party Due Diligence and Engagement Policy to ensure that our relationships with our business partners are based on PTCL's ethical business standards and made in a legal, ethical, and transparent manner, specifically from the perspective of Anti-Bribery and Anti-Corruption laws.

We ensure that any concerns that may arise in the course of dealings with current and future stakeholders, including but not limited to customers, partners, and suppliers are identified, disclosed, and properly resolved. PTCL is committed to prohibiting the giving or receiving of improper payments that are made to expedite or facilitate the performance of routine governmental actions and/or for inappropriately obtaining or retaining a commercial advantage. The ABAC policy also defines the processes and procedures to deal with non-compliance instances.



## Anti-competitive Practices

We promote fair competition and are committed to combating anti-competitive practices and behavior in line with applicable laws. In 2021 and 2022, no claims were raised against PTCL for anti-competitive behaviour, anti-trust, or monopoly practices. Training and awareness sessions for our staff are part of our compliance governance framework.

## Combatting Fraudulent Activities

Fraud Management monitors 24/7 and detects all known fraud incidents to take corrective action and block the leakages as its priority action. The cases requiring investigations are escalated to relevant teams for determination and classification with RCA. Fraud Management also performs forensic analysis to create its own judgement in light of the possible revenue or reputation loss that may occur as a result of abnormal incidents. For all newly discovered frauds, controls are put in place after setting rational thresholds. PTCL's Fraud Management is responsible for providing alerts on all KPIs, to analyses and owner departments. It makes changes in the thresholds in view of the risk profiles and provides the underlying data needed for end-user consumption and understanding. It also educates the owner departments on the fraud paradigm of new technologies. We follow E& standard practices and quantification methodologies and produce reports shared with Group Fraud Management on a regular basis.

Fraud management covers the following main domains:

- Technical Frauds
- Subscription Frauds
- Business Frauds
- Prepaid/Postpaid Frauds
- Sales & Distribution Fraud

## Whistleblowing Policy

PTCL is committed to the highest possible standards of openness, probity, and accountability. In line with that commitment PTCL expects employees and others that it deals with who have serious concerns about any aspect of PTCL's work to come forward and voice those concerns. The process is outlined within the PTCL Whistleblowing Policy publicly available. The objective of this policy is to promote greater openness in the workplace and to encourage all individuals to disclose immediately any malpractice or wrongdoings that may adversely impact PTCL.

PTCL will make every effort to keep confidential the identity of an individual raising a concern if so desired by the individual. In this case, the identity of that individual raising the concern or making the report will not be revealed without his/her prior permission unless PTCL is required to reveal the identity of the individual by law.

Whistle Blowers should endeavor to provide sufficient corroboratory evidence to justify the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations may not be undertaken without verifiable evidentiary support. Where there are deliberate false allegations, no matter how minor, disciplinary actions in the case of employees and blacklisting and/or legal action for defamation may be taken against the Whistle Blower.

In 2022, 21 WB investigations were completed by the Internal Audit department through the whistleblowing channels, compared to 34 completed in 2021, 42 completed in 2020, and 61 completed in 2019.

## Telecommunication Regulatory Violations and Penalties

Pakistan Telecom Authority (PTA), Pakistan Electronic Media Regulatory Authority (PEMRA), and Frequency Allocation Board (FAB) are the regulatory authorities that devise the framework for telecom operators to operate in Pakistan. PTCL's business operations are governed in accordance with the licenses granted to it by the Pakistan Telecom Authority (PTA) and Pakistan Electronic Media Regulatory Authority (PEMRA) and the frequency allocated to it by the Frequency Allocation Board. The Competition Commission of Pakistan also played a pivotal role in the telecom sector in Pakistan to avoid anti-competitive and monopolistic behaviours of telecom operators. PTCL abides by the regulations and instructions issued by the Regulatory authorities. PTCL is also a member of the International Telecommunication Union (ITU). ITU is the United Nations specialized agency for information and communication technologies. ITU is at the very heart of the ICT sector, brokering agreements on technologies, services, and allocation of global resources like radio-frequency spectrum and satellite orbital positions, to create a seamless global communications system that's robust, reliable, and constantly evolving. In addition to the 193 Member States, the ITU includes around 900 "sector members" - private organizations like carriers, equipment manufacturers, media companies, funding bodies, research and development organizations, and international and regional telecommunication organizations. These non-voting members can play a role in shaping the decisions of the Union.

Regulatory authorities ensure the implementation of a framework that stimulates competition and develops the quality of services provided. Our regulatory and commercial functions operate on a continuous basis with cross-departmental teams dedicated to achieving ongoing compliance requirements to the country's Regulatory Framework. It has been a great accomplishment for the company that its business and operations are being carried out in pursuance of applicable regulatory regimes and guidelines issued by respective regulators, from time to time. Accordingly, there has been no material breach or non-compliance identified by any regulator in recent years.





## PTCL's **Sustainable Procurement Initiatives** in the Post-COVID-19 Era-Navigating Towards a Greener Future:

In the wake of the global COVID-19 pandemic, businesses worldwide have been prompted to reevaluate their operations and strategies. The telecommunications sector, including Pakistan Telecommunication Company Limited (PTCL), has not been exempt from this reexamination. Beyond the immediate challenges, the pandemic has given rise to a heightened awareness of the need for sustainable business practices. This article delves into PTCL's sustainable procurement initiatives in the year 2021, focusing on how the company is aligning its procurement processes with principles of sustainability.

### Understanding **Sustainable Procurement**

Sustainable procurement is a strategic approach to purchasing that considers the environmental, social, and economic impact of goods and services throughout their entire life cycle. PTCL recognizes the importance of aligning its procurement practices with sustainable development goals, aiming to achieve value for money while addressing equity principles and contributing to societal and environmental well-being.

### PTCL's **Commitment to Sustainability**

In the aftermath of the COVID-19 pandemic, PTCL has reaffirmed its commitment to sustainability, acknowledging the interconnectedness of business operations with global challenges such as climate change and social inequality. The company understands that sustainable procurement is not merely a compliance requirement but a proactive strategy to build resilience and contribute positively to the communities it serves.



### **Life-Cycle** Approach

PTCL adopts a life-cycle approach to procurement, considering the environmental and social impact of products and services from raw material extraction to disposal. By assessing the entire life cycle, the company aims to minimize its ecological footprint and enhance social benefits. This approach involves evaluating suppliers based not only on cost-effectiveness but also on their commitment to sustainable practices.

### **Environmental Impact Reduction**

One of PTCL's key focuses in 2021 is minimizing its environmental impact through sustainable procurement. This involves selecting products and services that are energy-efficient, use environmentally friendly materials, and adhere to responsible waste management practices. By partnering with suppliers who share these values, PTCL aims to contribute to global efforts in combating climate change.

### **Social Responsibility** Integration

In addition to environmental considerations, PTCL is integrating social responsibility into its procurement processes. The company recognizes the importance of fair labor practices, human rights, and diversity in the supply chain. PTCL is committed to working with suppliers who demonstrate ethical business practices and contribute to the well-being of their employees and communities.

### **Benefits to the Society** and Environment

By embracing sustainable procurement practices, PTCL aims to generate positive outcomes for both society and the environment. This includes supporting local economies, fostering innovation in sustainable technologies, and promoting responsible business conduct. PTCL believes that these efforts will not only enhance its reputation as a socially responsible organization but also create long-term value for stakeholders.







# LOW CARBON OPERATIONS



In Pakistan, the energy landscape is characterized by a significant gap between electricity supply and demand, leading to chronic grid power shutdowns. This situation poses a challenge for the telecom sector, necessitating reliance on on-site generation of electricity. However, the use of traditional solutions such as gensets adversely impacts the environment, therefore PTCL Group has undertaken a committed effort to reduce its carbon footprint and minimize environmental impact. This write-up explores PTCL Group's journey toward sustainability covering measures and achievements in the following areas:

- Mitigating greenhouse gas emissions;
- Optimizing network energy consumption;
- Transitioning to renewable energy sources; and
- Reducing waste and pollutants.



## Year 2021-2022 Highlights

In 2021 and 2022, PTCL Group achieved substantial milestones in mitigating the environmental impact of Operations:

- Rejuvenated and reused over 2,600 depleted battery cells to minimize waste;
- Expansion of energy-efficient FTTH (Fiber-to-the-Home) network footprint by 479K home passes; and
- Generated 25 gigawatt hours of energy through solar power solutions.

### PTCL:

Year	PTCL Network Fuel Consumption (Liters)	PTCL NW CO2 Emission from Fuel (Kg)	PTCL Network Electricity Consumption (kWh)	PTCL NW CO2 Emission from Electricity (Kg)	Energy Generated from Solar (kWh)
2021	6,400,000	17,034,240	170,910,000	67,629,087	7,446,667
2022	6,800,000	18,098,880	172,000,000	68,060,400	7,506,588

Year	GJ from kWh of Purchased Electricity (GJ)	GJ from kWh of Solar Electricity (GJ)	GJ from Liters (GJ)	Total GJ Energy Consumption (GJ)	Total Metric Tons of GHG Emissions (Tons)
2021	615,276	26,808	57,600	699,684	84,663
2022	619,200	27,024	61,200	707,424	86,159

### UFONE:

Year	Ufone Network Fuel Consumption (Liters)	Ufone NW CO2 Emission from Fuel (Kg)	Ufone Network Electricity Consumption (kWh)	Ufone NW CO2 Emission from Electricity (Kg)	Energy Generated from Solar (kWh)
2021	19,489,488	51,873,221	226,725,629	89,715,331	5,201,225
2022	21,661,939	57,655,417	228,051,432	90,239,952	5,456,352

Year	GJ from kWh of Purchased Electricity (GJ)	GJ from kWh of Solar Electricity (GJ)	GJ from Liters (GJ)	Total GJ Energy Consumption (GJ)	Total Metric Tons of GHG Emissions (Tons)
2021	816,212	18,724	175,405	1,010,342	141,589
2022	820,985	19,643	194,957	1,035,585	147,895



# Mitigation of Greenhouse Gast Emissions

One of the key challenges the telecommunications industry in Pakistan is faced with is the need for backup power solutions during grid outages. This challenge was exacerbated in the Year 2022 whereby a 25% Year-on-Year (Y-o-Y) increase in average grid power outages was observed across the country. Traditionally, the availability of power during outages is managed through on-site generation of electricity through the operation of generators, however, this reliance on fossil fuels contributes to greenhouse gas emissions. PTCL Group has been actively addressing this issue by reducing fuel consumption and promoting energy storage solutions.

## PTCL

PTCL managed 4% Year-on-Year optimization in Network fuel consumption in the Year 2021 and largely contained consumption of fuel in Year 2022 despite a 25% Y-o-Y increase in the average daily power outages. This was enabled through a series of concerted efforts and measures implemented over the years that center around reducing reliance on on-site generation of electricity through fossil fuels. In Years 2021 and 2022 PTCL implemented solutions that allowed the shutdown of gensets on over 45 exchanges reducing annual consumption by 0.1 Million liters of diesel and CO2 emissions by 290 Tons.

## Ufone 4G

Despite increasing network size, significant expansions in the coverage footprint of 4G technology, and a challenging local energy landscape, Ufone has mitigated unwarranted increases in network fuel consumption. This has been enabled by increasing reliance on advanced energy storage solutions such as Lithium-Ion batteries. In addition to the already deployed high autonomy deep discharge batteries and fast charging cyclic batteries, Ufone has brought up Li-Ion footprint to 25% of Tower Sites. In line with our strategy, Ufone modernized DC Power Systems across 500 x Tower Sites with Li-ion-based solutions in Year 2021 and 2022.



# Optimizing Network Energy Consumption

## PTCL

PTCL has been migrating legacy copper cable-based systems with energy-efficient FTTH networks. In addition to this, we review the operational usage of our equipment to capitalize on opportunities that allow us to consolidate, offload and shut down network nodes to reduce electricity usage in the network. In the years 2021 and 2022, PTCL shut down 660 offloaded Wireless Sites and shut down over 400 remote line units. These measures have allowed PTCL to achieve consecutive Year-on-Year optimization of 7% in network electricity consumption in the Year 2021 and Year 2022.

## Ufone 4G

Despite the fact that Ufone undertook a significant increase in 4G overlay in the Year 2021-2022, after the acquisition of additional spectrum in the 1800 MHz band, the energy consumption of the network was efficiently managed to minimize impact. This was made possible by adopting energy-efficient products for the modernization of legacy network equipment. In addition to this, Ufone expanded across the network, a software feature suite designed to optimize radio equipment energy consumption during low traffic intervals.

# Use of Renewable Sources of Energy

## PTCL

PTCL has made significant strides in deploying solar power solutions with a combined capacity of over 6 megawatts on various network sites. These solutions generate over 7 gigawatt hours of electricity per annum, significantly reducing GHG emissions. In line with our ambition of increasing the usage of renewable energy sources, PTCL deployed over 700 kW of Solar capacity in the years 2021 and 2022 across 38 different Network locations.

## Ufone 4G

Ufone's commitment to clean and green energy is evident in its investment in solar power solutions, particularly in remote areas where solar energy is a feasible source. Over 650 Tower sites of Ufone are utilizing solar power solutions to meet energy requirements in a sustainable fashion. The combined footprint of Solar solutions across Ufone contributes more than 5-gigawatt hours of electricity on a yearly basis. Ufone deployed 470 kW of solar solutions across 52 Tower sites in the Year 2021 while 397 kW of solar solutions were deployed across 42 towers in the Year 2022.



# Reduction of Wastage and **Environmental Pollutants**

Traditional Valve Regulated Lead Acid (VRLA) batteries, commonly used in the telecom industry, pose environmental concerns, especially with lead components that can lead to air and water pollution if improperly disposed of. PTCL Group not only takes steps to ensure proper disposal and recycling of such waste but also undertakes rejuvenation and reuse of depleted VRLA batteries, significantly reducing wastage.

In the Year 2022 PTCL Group extended the life of over 2,600 depleted VRLA cells and reused these rejuvenated cells in the network to reduce the environmental impact of network operations through wastage.

In addition to this, PTCL Group is increasing the footprint of Li-Ion batteries in the network, which have a significantly longer life and thereby reduce the need for frequent replacements to minimize wastage of network operations.

PTCL Group's dedicated efforts in mitigating greenhouse gas emissions, optimizing energy consumption, transitioning to renewable energy sources, and reducing waste and environmental pollutants reflect its commitment to a sustainable and environmentally responsible future. By embracing eco-friendly technologies and greener energy sources, PTCL Group not only enhances operational efficiency but also contributes to a greener planet. Their initiatives serve as our contribution to the fight against climate change and the protection of our environment.



GIVE BACK  
**TO THE SOCIETY**



## PTCL GROUP CSR INITIATIVES - 2021

### Support to Pehli Kiran Schools

PTCL Group provided 10 Evo Charji Devices to JAQ Education Trust - Pehli Kiran Schools in its aim to provide access and quality education to out-of-school children. Pehli Kiran schools have been set up in slum areas of Islamabad where children lack basic everyday facilities. Therefore, PTCL Group played a significant role by ensuring seamless internet connectivity to avoid any hindrance in education for these children.

### Young Leader's Conference

PTCL joined hands with the School of Leadership (SoL) for the third time in 3 years by providing an opportunity to 10 children of PTCL and Ufone employees to become a part of the Young Leader's Conference held in Karachi. Two additional seats were sponsored for our National Wheelchair Champion and member of the Blind Cricket Team in order to create an inclusive space for multiple population groups at the event.

### Girls 4 Girls Graduation Ceremony

In an effort to support women's education, PTCL sponsored the Graduation Ceremony of the Girls 4 Girls (G4G) 2021 cohort for Bahria University Islamabad. Project G4G is an international forum that aims to help young women develop the courage, vision, and skills to take on public leadership. Bringing together insights from established leaders and a global network, they mobilize mentors to grow the pipeline of women in public leadership.

### Mobile Medical Health Units:

To help ease the burden on the country's health sector due to the pandemic, PTCL played its part by setting up Mobile Medical Health Units across the country whereby vans equipped with supplies and medical staff reached out to underserved communities and provided them with basic medical assistance.

### Health Awareness Sessions

PTCL also hosts Health Awareness Sessions for a multitude of medical issues every year. This year, sessions were conducted for COVID-19, diabetes, hypertension, and seasonal illnesses along with dengue and mental health awareness, among other topics.

### Polio Eradication Campaign

PTCL pledged its support to the Pakistan Polio Eradication Program to raise awareness for the cause of vaccination of children across Pakistan and to also uplift the well-being of polio health workers. PTCL played its role in this pledge by using its social media reach to celebrate World Polio Day and encourage parents to get their children vaccinated during the multiple Polio campaigns in the year. PTCL also extended its Exchange buildings to lend support to Polio teams in Lahore and Karachi.

### Justuju Internship Program

The company, yet again, successfully executed its Justuju Internship Program for Persons with Disabilities (PWDs) in collaboration with 'Network of Organizations Working with Persons with Disabilities, Pakistan' (NOWPDP) with a batch of 19 interns. Each intern was paired with a mentor from within PTCL and Ufone to take their development journey forward against pre-defined scorecards. All mentors underwent Disability Sensitivity Training (DST) courtesy of our technical partners to equip them with the skills and attitude necessary to manage a resource with multiple needs.

## Razakaar Force Initiatives

PTCL's in-house employee volunteer force "PTCL Razakaar" partnered with a renowned charitable organization; Akhuwat Clothes Bank and managed to collect clothing for 9,000 deserving persons from the employees of PTCL and Ufone. The employee volunteer force also participated in a webinar, organized by PTCL, on various aspects of Down Syndrome. The session helped our employees understand what this condition is, how it is caused, the preferred associated vocabulary, and possible streams of employment that persons with Down Syndrome can excel in.

Moreover, the PTCL Razakaar force arranged open-air picnics for over 1,000 children from impoverished community groups across 17 locations in Pakistan. Primary and senior school children were engaged in a day full of physical and cognitive activities after having to stay indoors amidst the pandemic for over a year.

### One Nest at a Time

PTCL ran the 'One Nest at a Time' initiative for its employees and installed birdhouses across its different regional offices to bring back disappearing birds to safe homes and provide them with shelter.

## PTCL GROUP CSR INITIATIVES - 2022

### Reaching out to people affected by the worst flood in the national history

In 2022, Pakistan experienced the worst flood in its national history. Nearly 1500 people were killed, thousands injured and countless uprooted from their homes. Financial losses were also colossal and many people lost everything to the deluge and were able to escape only with their lives. PTCL and Ufone stepped forward to respond to the government of Pakistan's distress call.

The Group pledged a generous amount of PKR 1.75 billion toward relief and rehabilitation activities. The Group (PTCL and Ufone) provided free calls across all the flood-hit regions to aid search and rescue activities, besides helping the affected people connect to their loved ones. PTCL opened the doors of its medical centers across the country to provide medical care to the injured, and people suffering from water-borne diseases in the wake of floods.

The package provided safe and clean drinking water and food to the flood-affected Sindh and Balochistan communities. As winter compounded the miseries of the people rendered homeless in Balochistan, PTCL & Ufone donated warm jackets to ease their suffering.

### Reaching out to people stranded in snowfall

A tragic episode unfolded at the beginning of 2022 at a popular hill station, Murree. Thousands of people, including families got stuck in a heavy snowfall in Murree. A number of people expired due to the accumulation of poisonous gases inside their cars overnight. As the news of the tragedy broke, panic ensued as people frantically tried to contact their loved ones. Ufone offered free calls to and from Murree to aid in the search and rescue of stranded tourists and to help people connect with their loved ones.



## Connecting Women

Ufone 4G, a subsidiary of Pakistan Telecommunication Company Limited (PTCL) provided its flagship Wi-Fi internet device ‘Blaze’ to each participant of the Khyber Pakhtunkhwa Women Civic Internship Program to connect them to the world of opportunities. This initiative was taken to support the personal and professional growth of women and equip fresh graduates with technological skills and practical job experience. The program was a joint partnership between Khyber Pakhtunkhwa Information Technology Board (KPITB), Code for Pakistan, The World Bank, and the Swiss development agency, Helvetas.

## Promoting Breast Cancer Awareness

PTCL & Ufone illuminated their iconic ‘Ufone Tower’ to raise awareness regarding breast cancer. During its month-long campaign, the group disseminated awareness messages to its user base to sensitize them regarding the timely detection of life-threatening diseases. First Lady of Pakistan Samina Alvi penned a letter to the PTCL Group to appreciate its contributions to the campaign.

## Financial Inclusion of Women

PTCL collaborated with Pakistan Poverty Alleviation Fund, a social enterprise, to foster digital and economic inclusion of women entrepreneurs through training and access to digital and financial tools and opportunities for economic growth. The year-long project is being implemented across four union councils and ten villages of Haripur, Khyber Pakhtunkhwa which will benefit 100 women entrepreneurs.

## Collaboration for Gender Inclusivity

Pakistan Telecommunication Authority (PTA) collaborated with other telecom operators and stakeholders to reduce the digital gender gap in Pakistan through initiatives related to accessibility, affordability, and digital skills. The National Telecom Regulatory Authority, PTA signed agreements with companies to foster gender inclusion in ICTs and facilitate the digital empowerment of women in Pakistan through collaborative initiatives.

## Digital inclusion of women

Ufone 4G committed to GSMA to significantly expand its women's customer base by 2025. This initiative aims to bring high-speed connectivity to 15% more Pakistani women to enhance their participation in the mainstream socio-economic system. The company is focused on reducing the gender gap in access to connectivity and helping women leverage the Internet to explore opportunities for personal and professional growth.

## International Women’s Day:

PTCL Group organized a week-long campaign in connection with International Women’s Day 2022 to raise awareness and galvanize support for ending gender discrimination in the workplace. The campaign was designed to promote diversity and inclusivity in the workplace by ending gender stereotypes and bias against women. The campaign featured an array of activities, including screening amateur videos by employees that showcased discriminatory expressions and practices against women.

## We plant so the world can grow

PTCL Group is committed to reducing the country's carbon footprint and promoting environmental protection and sustainability. In line with its ambition, PTCL Razakaar (Employee Volunteer Force) ran a tree plantation drive across Pakistan with the slogan, “We plant so the world can grow”, to increase forest cover and decrease pollution in the country..

## Eradicating Polio

PTCL & Ufone 4G joined hands with the National Emergency Center, the Government of Pakistan, and UNICEF to extend its support for Polio eradication from Pakistan. The companies created awareness by leveraging their vast network to promote vaccination against the disease, which can physically impair children for life if not prevented in time. The initiative was taken to support the Government of Pakistan's efforts to eradicate the disease and safeguard the lives and future of children.

## Connecting Schools

PTCL Group provided 10 Evo Charji Devices to JAQ Education Trust - ‘Pehli Kiran Schools’ to provide access to quality education for out-of-school children. Pehli Kiran schools have been set up in slum areas of Islamabad for underprivileged children. PTCL Group ensured seamless internet connectivity to help avoid any hindrance in education for these children.

## Supporting livelihoods in Murree

Ufone donated pushcarts and food stalls to local people in Murree to help them earn a livelihood for themselves and their families. Murree is a popular hill station frequented by tourists from all over Pakistan, so it offers a good opportunity for small-scale businesses to flourish.

## Ensuring the safety of small-scale fishermen

PTCL Group donated life jackets to the fishermen community of Karachi to ensure the safety of small-scale fishermen during the high tide season. The initiative was taken to support the community, which risks their lives to earn a livelihood and sustain the seafood supply chain so that the fishermen can return to their loved ones safely at the end of the day.

