At Shell Pakistan Limited (SPL), we strive to deliver results, perform to the highest standards, develop our people, provide quality customer service and actively pursue consistent safety improvements. A firm foundation based on performance enables us to deliver strong returns and value growth for our stakeholders, greater and better choices for our customers and opportunities and improvements in the quality of life of our communities. Our commitment to performance at every level continues to be both the challenge and the aspiration.
Shell has a rich legacy and long association with this country, dating back to the early 1900s when Royal Dutch Petroleum began importing all products to the subcontinent.

Over the last century, SPL has been a partner in the region’s growth and development, and has played an important role in meeting our country’s energy requirements in a safe and efficient way.
In order to increase efficiency and enable stronger value growth for our shareholders, customers and a challenging and robust business transformation and streamline journey in 2010, the project known globally as the SAP project, which involved standardizing and streamlining Shell’s processes with the help of global SAP, was concluded in April 2010 and Poulajan implementation globally, streamline.
The improvements we made as a result of our business transformation will position SPL strongly for the future, creating a simpler operating model that is geared to deliver a more satisfying experience to our customers and stakeholders and improve our competitiveness in the market.

Customers are now offered technology-based services to improve their experience of interacting with Shell. ‘Touchless Services’ on eServe puts customers in control of their orders and provides a one-window solution to meet all their fuel requirements. Through Electronic Fund Transfer, customers can make payments at any one of 800 branches of a partner bank. Turnaround time for processing payments is greatly reduced and customers are able to place orders, track delivery dates and view their account status online, making business with SPL both convenient and beneficial.

In the Lube Oil Blending Plant (LOBP), streamlined processes ensure that production schedule adherence is above 90% and a stable flow of orders are processed without making costly changes to the schedule. The Global Asset Management Excellence (GAME) and Computerised Maintenance Management System (CMMS) modules support planned maintenance and improve the reliability of our assets, helping deliver optimum performance at every stage. Our Distribution & Scheduling system provides real-time inventory data on all fuel products in Pakistan and ensures continuity of supply.

In order to maintain the highest standards of efficiency, SPL continuously reviews each process through a LEAN methodology to optimise services and eliminate non-value-added activities.
expanding fuel card portfolio and extended call center timings to offer 24/7 dedicated services to our customers.

SPL’s Lubricant business has been the market leader in Pakistan for a number of years and has maintained this position in 2010. The year saw the launch of the Rimula Talk Time offer across our retail network to boost sales while our Shell Helix Free Oil Filter promotion delivered more than 200% growth over the previous year.

The global Portfolio Re-Image project was initiated in Pakistan to revitalise our portfolio of top tier lubricants. The launch of our technologically superior Advance AX5 multigrade was one of the highlights of the year and contributed to market share growth in the motorcycle oil sector for SPL.

To reinforce the Rimula brand, SPL launched a massive advertising campaign covering the length and breadth of the National Highway network. Almost 400,000 square feet of space was branded with Rimula artwork and public service messages including billboards, wall paintings, restaurant fascias and milestones. Along with this, mobile impact teams engaged over 2,000 consumers and 10,000 trade mechanics, educating them on the benefits of using SPL’s products for their customers.

In line with Lubricants’ vision of developing technology leadership and becoming the Technical Partner of Choice for equipment manufacturers, SPL organised a visit to Shell’s Technology Center in Hamburg, Germany for power sector customers. The visit showcased Shell’s technical edge in the field and highlighted the complete spectrum of Lubricants, Commercial Fuels and Liquefied Natural Gas capabilities.

At Shell, it is our commitment to exceed customer expectations by delivering the best quality fuels, and provide our customers with the best quantity and customer service possible, every day at every site.

With over 800 fuel stations in Pakistan, SPL is proud to be the leading foreign petroleum retail business in the country.

Our commitment to deliver top Quality and Quantity was strengthened in 2010 through the independent ‘mystery motorist’ project to review customer service levels at our retail sites. The results show a high satisfaction level, i.e., above 90%, demonstrating that a customer’s fuelling experience with Shell is best in the industry.

During the past year, SPL partnered with Sinclair Knight Merz and Johnson Controls International, two reputable international engineering companies, to help us provide safer maintenance services to our retailers and quality service to our customers.

Shell Cards recorded major business wins throughout the year adding to their
On the Commercial Fuels front SPL remains committed to supplying fuel to Independent Power Plants (IPPs) as well as industrial and commercial consumers in Pakistan. In 2010 we achieved a number of key milestones, including the supply of complete fuel requirements to Nishat and Liberty Power Plants.

Shell is the world leader in marketing aviation fuel and our Aviation business has positioned itself as the supplier of first choice for a number of foreign airlines visiting Pakistan. In 2010, we were able to build on this by growing our volumes and ensuring safe and timely refuelling at all major airports across the country.

During the tragic floods in August 2010, our aviation colleagues ensured smooth supplies of fuels to the Pakistan Army and other relief agencies and fuelled helicopters and aircrafts engaged in the relief operations. We refuelled more than 1,500 humanitarian flights during this time and for our efforts SPL received recognition by the United Nations.

Leading the industry through global solutions and being fully in tune to the ever-challenging dynamics of our customer requirements, Shell is geared towards driving growth in the market and delivering long-term value and commitment to the economic development of our country.
In the Lubricants business, a similar effort was undertaken to upgrade professionalism of staff within indirect channels. Our staff was trained on how to hire and manage the best distributors, perform capability assessments, help them maintain standards and progress their businesses. These initiatives are highly beneficial to us, in that they position us to grow our profitability and help reduce inefficiencies.

A Stakeholder Engagement Workshop was held for a cross-section of employees to further improve their understanding of customer needs. The programme helped participants define and map their critical stakeholders, develop strategies to uncover and resolve their critical issues and create feedback processes for better communications.
SPL has taken a leadership role in contributing to society through a structured social investment programme that aims to integrate the economic, social and environmental needs of the local communities.

The catastrophic flooding in August 2010 inundated one-fifth of the country and affected more than 22 million people, destroying crops, infrastructure and livestock in Pakistan’s towns and agricultural heartlands.

SPL was one of the first companies to distribute food rations and medical supplies to flood-affected communities. These efforts were sustained by staff volunteers who donated personal time and resources to assist with relief work. Through the exemplary generosity of our staff, colleagues and our parent company, Royal Dutch Shell Plc., SPL raised over Rs. 65 million for relief operations. These funds are currently being used to build schools in flood-affected areas in partnership with The Citizens Foundation and distribute over 60,000 books to school children.

SPL continues to support education. It is currently funding four Shell schools in areas affected by the 2005 earthquake and has launched a new incentive to educate the children of our forecourt workers in partnership with The Citizens Foundation.

Shell’s LiveWIRE Programme in Pakistan, known locally as Tameer, continues its efforts to facilitate youth entrepreneurship in the country, providing guidance and training to over 55,000 students. This year, Tameer expanded its outreach by partnering with leading universities to provide students on-campus entrepreneurship guidance. Tameer has also partnered with the British Council’s Active Citizens Programme to promote enterprise development in local communities.

We also continued our support to youth initiatives and this year SPL had 20 student teams from Pakistan attending the global Shell Eco-Marathon event in Malaysia – the highest number in Asia. Going forward, SPL launched the ‘village project’ to transform an impoverished community into a model settlement. We have also expanded the Awaz Project to provide employment opportunities to hearing impaired individuals at retail sites in Lahore.

On the environment front, 2010 saw the launch of a massive plastic recycling programme to reduce plastic waste, a first for any Oil Marketing Company in Pakistan. Retailers and wholesalers were given an incentive to participate, and empty bottles were collected in 71 cities across the country. From December to January alone, more than 1 million plastic packs were collected yielding 110,000 kilograms of plastic waste.
Right Thing’ – implying that our safety relies on everybody choosing to ‘Do the Right Thing’ every day and in every instance.

At the LQBP in Kemari we took further steps to provide a safer working environment for our staff by installing wind-catchers in the warehouse to improve indoor ventilation.

In our Transport business we launched an enhanced safe driving course, in collaboration with the National Highway Authority for lorry drivers. This course was implemented in several phases, some of which are still ongoing. In the first phase, 50 drivers from Machike and Mehmood Kot were successfully trained in 14 comprehensive safe driving drills.

2010 has been a challenging year for Shell’s Health Department. The regional deadline to complete the simplified Health Risk Assessments for all locations throughout Pakistan has been successfully achieved and recorded in the new one-Health IT system.

Our HIV/AIDS awareness programme was rolled out in three phases to address and educate truck drivers on HIV prevention. The programme was recognised by the Shell’s global team and is seen as an example of a best practice within Shell.

HSSE continues to be a key hallmark of all our operations and despite the present unpredictable environment, all Shell staff and assets remained safe due to proactive safety measures and a commitment to our safety culture.
Statement of General Business Principles

Introduction
Shell Polystyrene Limited General Business Principles govern how Shell Polystyrene Limited conducts its business. The principles are designed to guide and inform the behavior of employees and contractors in the execution of company business activities. They are important because they are a key part of our commitment to being a responsible and ethical business. The principles are intended to guide and inform decision making and behavior in all areas of our business activities.

Principle 1 - Economic

We believe that our activities must be sustainable and that our business activities must be profitable. We must manage resources efficiently and effectively, and we must make decisions that are consistent with our longer-term goals.

Principle 2 - Environmental

We believe that our business activities must be conducted in a manner that is consistent with the principles of sustainable development. We must minimize the impact of our activities on the environment and we must take steps to reduce our environmental footprint.

Principle 3 - Social

We believe that our business activities must be conducted in a manner that respects the rights and dignity of all people. We must be fair and just in our dealings with customers, suppliers, and other stakeholders.

Principle 4 - Technical

We believe that our business activities must be conducted in a manner that is consistent with the principles of sustainable development. We must minimize the impact of our activities on the environment and we must take steps to reduce our environmental footprint.

Principle 5 - Ethical

We believe that our business activities must be conducted in a manner that is consistent with the principles of sustainable development. We must minimize the impact of our activities on the environment and we must take steps to reduce our environmental footprint.

Principle 6 - Legal

We believe that our business activities must be conducted in a manner that is consistent with the principles of sustainable development. We must minimize the impact of our activities on the environment and we must take steps to reduce our environmental footprint.

Principle 7 - Quality

We believe that our business activities must be conducted in a manner that is consistent with the principles of sustainable development. We must minimize the impact of our activities on the environment and we must take steps to reduce our environmental footprint.

Principle 8 - Health and Safety

We believe that our business activities must be conducted in a manner that is consistent with the principles of sustainable development. We must minimize the impact of our activities on the environment and we must take steps to reduce our environmental footprint.

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Notice of Annual General Meeting

Notice is hereby given that the Forty-Second Annual General Meeting of Shell Pakistan Limited will be held on Tuesday, April 19, 2011 at 10 a.m. at Sheraton Karachi Hotel, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Report of Directors and Auditors together with Audited Accounts for the year ended December 31, 2010.

2. To approve the payment of final dividend of Rs. 9.20 per share (80%) and also the interim dividend of Rs. 4.02 per share (40%) declared on August 17, 2010 making a total of Rs. 13.22 per share (120%) for the year ended December 31, 2010.

3. To appoint Auditors for the financial year January 1 to December 31, 2011 and to fix their remuneration.

By Order of the Board

(Tariq Saeed)
Secretary

Karachi: March 3, 2011

NOTES:

(i) The register of members will remain closed from April 5 to 19, 2011 (both days inclusive). Transfers received in order at the offices of our Share Registrars, FAMCO Associates (Pvt) Ltd., First Floor, State Life Building, 1-A, I.I. Chundrigar Road, Karachi by the close of business on April 4, 2011 will be in time for the purpose of payment of final dividend to the transferees.

(ii) A member entitled to attend and vote at the meeting shall be entitled to appoint another person, as his/her proxy to attend, demand or join in demanding a poll, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. Proxies in order to be effective must be received at the registered office of the Company not later than 48 hours before the meeting. A proxy need not be a member of the Company.

(iii) Members are requested to notify any change in their addresses immediately to our Share Registrars, FAMCO Associates (Pvt) Ltd., First Floor, State Life Building 1-A, I.I. Chundrigar Road, Karachi.

(iv) Members or their proxies are required to present their original CNIC or passport along with the Participant’s I.D. and account number(s) at the time of attending the Annual General Meeting in order to authenticate their identity.

(v) A form of Proxy is enclosed with the Notice of the Meeting being sent to the members.
Board of Directors

Mr. Zafar Iqbal Ismail is the Managing Director of Shell Pakistan Limited. He joined Shell Pakistan in 1995 and has served in various roles in the company. Mr. Ismail is a graduate of Cambridge University and holds an MBA from Stanford University. He has extensive experience in the oil and gas industry and has served as Executive Director of Shell Pakistan. He is currently responsible for the business operations of Shell Pakistan.

Ms. Shakeela Wazir Ali’s career spans over three decades of experience in education, business, and leadership roles. She has served as a Board Member of various organizations and has received numerous awards for her contributions. Ms. Wazir Ali is a strong advocate for women’s rights and education.

Mr. Farooq K. Captain is the Chief Executive Officer of Shell Pakistan Limited. He has held various senior positions in the company, including being Head of Business Development in Asia and Head of Business Development in the Middle East. Mr. Captain has a strong background in the energy sector and has extensive experience in strategy, operations, and leadership.

Mr. Chong Kong Cheow is a Singaporean national with over 30 years of experience in the oil and gas industry. He has held senior positions in various organizations, including being Head of Business Development in Asia and Head of Business Development in the Middle East. Mr. Cheow has a strong background in strategy, operations, and leadership.

Mr. Nizar R. Ibrahim is a graduate of Government College, Lahore, and has served in various capacities at the Institute of Business Administration in Karachi. He is an entrepreneur with over 25 years of experience in diverse areas of business.

Mr. Zafar A. Khan graduated from the University of Karachi, Pakistan. He has held various positions in the oil and gas industry, including being the President of the Pakistan Institute of Petroleum. Mr. Khan has served in various capacities, including being the President of the Pakistan Institute of Petroleum. He is currently the Chairman of the Pakistan Institute of Petroleum.

Mr. Michael Hull is the President and General Manager of Shell Chemicals. He has held various senior positions in the company, including being the President of Shell Chemicals in the Middle East. Mr. Hull has a strong background in the energy sector and has extensive experience in strategy, operations, and leadership.

Mr. Sarim Sheikh joined Shell in 1995 and has held various senior positions in the company. He has a strong background in strategy, operations, and leadership.

Mr. Bedardillin F. Velten is a graduate of the University of Pittsburgh and has held various positions in the oil and gas industry. He has a strong background in strategy, operations, and leadership.

Mr. Gary Fisher is a graduate of Stanford University and has held various senior positions in the oil and gas industry. He has a strong background in strategy, operations, and leadership.

Mr. Imran A. Naqvi is a graduate of the University of Karachi, Pakistan. He has held various senior positions in the oil and gas industry, including being the President of the Pakistan Institute of Petroleum. Mr. Naqvi has a strong background in strategy, operations, and leadership.
Country Leadership Team

Mr. Zainul Ismail bin Abdullah

Mrs. Seema Adil
Mr. Rafi H. Bashir
Mr. Gary Fisher
Mr. Abid S. Ibrahim
Mr. Leon Menezes
Mr. Omar Mawlana
Mr. Haroon Rashid
Mr. Tariq Soeed
Mr. Anwar Shami
Mr. Omar Yaqoob Sheikh

Company Information

Board of Directors
Chairman
Mr. Zainul Ismail bin Abdullah
Ms. Shahrnaz Wazir Ali
Mr. Farrokh K. Captain
Mr. Chong Keng Cheen
Mr. Gary Fisher
Mr. Imran R. Ibrahim
Mr. Zaffar A. Khan
Mr. Michael Nall
Mr. Omar Yaqoob Sheikh
Mr. Sarim Sheikh
Mr. Badaruddin F. Yellani

Chief Executive
Managing Director & Chief Executive
Chairman
Mr. Zainul Ismail bin Abdullah
Mr. Badaruddin F. Yellani
Mr. Michael Nall
Mr. Imran R. Ibrahim

Managing Director & Chief Executive
DS1 Country Coordinator
Chief Financial Officer
General Manager Retail
General Manager External Affairs
General Manager Human Resources
General Manager Business Strategy
General Manager Distribution
Company Secretary & Head of Legal
Business Manager Commercial Fuels
General Manager Lubricants

Company Secretary
Mr. Tariq Soeed
Registered Office
Shell House,
6, Ch. Khidirwazman Road,
Karachi-75530

Auditors
A. F. Ferguson & Co.

Legal Advisers
You & Yellani
Advocates & Solicitors

Registrar & Share Registration Office
FAMCO Associates (Pvt) Ltd.,
4th Floor, State Life Building 1-A,
I.I. Chundrigar Road,
Karachi-74000