



EDITOR'S NOTE

Dear Readers,

We hope you have been keeping safe and healthy in these unprecedented times. We are excited to share with you the important developments and achievements of our Company during this quarter.

First of all, on behalf of the Company and the Management, we would extend our sincere congratulations to Mr. Muhammad Haroon Rasheed on his re-appointment as Chairman of the Board of Directors of SPL. The same goes to all the existing and newly appointed Directors of the Board.

We are also pleased to inform you all that SPL has won the 17th Annual Environment Excellence Awards 2020 arranged by the National Forum for Environment & Health (NFEH). Recognized among the top organizations of Pakistan for its leading efforts to protect the environment, the award secured by SPL underlines the Company's vision, commitment to protect the environment, and its robust CSR programs.

We express our heartiest congratulations to all the employees who got promoted this Year. We look forward to their valuable contributions to the progress of our Company and we wish them a prosperous future.

This issue also covers inauguration of Waste Water Recycling Plant, Session with Comber suppliers, various in-house and external trainings conducted at SPL, Employee of the Quarter Award, separation and superannuation, obituary etc.

Last but not the least, continuing with the past tradition, the Independence Day was celebrated at SPL by decorating the building and adjoining areas with National Flag and illuminating with beautiful lights. The whole area was lit up in national colors of green and white, becoming a source of inspiration and heightening the patriotic feelings.

We hope you will enjoy the read. Please share your feedback at hr@security-papers.com.

Stay Safe and Stay Connected!

Sincerely, Newsletter Committee

Newsletter Team

Shoaib Siddiqui
(Product Diversification)

Faisal Saeed Khan
(Corporate Affairs)

Syeda Rabia Ahmed
(Finance & Investments)

Afia Tehmeen
(Integrated Management System)

Imran Ali Dhamrah
(Production Planning & Control)

Abdul Rauf
(Human Resources)

Chairman's Message

Dear All,

I am deeply honored and humbled to be given the opportunity to serve as Chairman of the Board of Directors of SPL for another term. I pledge my best to lead SPL in alignment with our Vision and Mission.



In the Financial Year 2019-20, SPL once again delivered resilient results with respect to revenue growth and profitability, thereby meeting shareholder expectations. At the corporate governance level, we have continued to evolve the structure of the Board of Directors by welcoming two female members to the Board. I also welcome our new Board members – Mr. Munir Ahmed, Ms. Figen Caliskan, and Mrs. Uzma Aijaz. Additionally, I would also like to bid farewell to our two important directors – Mr. Muhammad Ayub and Sheikh Aijaz Akhtar. I look forward to working together with my esteemed colleagues towards a brighter and better future of SPL.

The Financial Year 2019-20, held many challenges caused by the Covid-19 pandemic; with timely response, we were able to not only mitigate adverse effects but deliver solid business results and enhance shareholder value

On behalf SPL's Board of Directors, management and employees, I would like to thank our shareholders, customers, and the management for their trust and support of the Company's operations at all times. I can assure you that we will continue to conduct our business upon a strong foundation of good corporate governance, with a strong sense of responsibility to all our stakeholders in every sector, allowing SPL to grow steadily and surely while also caring for every aspect of our society, community and the environment, and creating sustainable returns for our shareholders.

Thank You,

Muhammad Haroon Rasheed

Chairman Board of Directors, SPL

WELCOME TO THE DIRECTORS ELECTED AT THE ANNUAL GENERAL MEETING HELD ON 01ST SEPTEMBER 2020

The election of directors was held at the 55th Annual General Meeting convened on 1st September, 2020. The Board and Management of Security Papers Limited extended their warm felicitations to the following directors who were elected by shareholders for a term of three years;

- Mr. Jamal Nasim
- Mr. Muhammad Sualeh Ahmad Faruqui
- Mrs. Uzma Aijaz
- Mr. Munir Ahmed

We are also pleased to inform that we have two female Directors on the Board of SPL, Ms. Figen Caliskan (nominee from M/S Sumer Holdings, Turkey) and Mrs. Uzma Aijaz (Independent Director). The PSX has set a target that we should have two female members on the Board and we have complied accordingly. SPL has the highest standards of professionalism and indeed it is a matter of great pride for SPL that the elected directors have now become a part of SPL and together as a team the Board and Management look forward towards achieving the Company's goals and objectives.

MR. JAMAL NASIM

Mr. Jamal Nasim has been a member of the Board of Directors since 2010 and was elected in 2020. He is a Non-Executive Director. He is Chairman of the Board Procurement Committee and member of Board Audit Committee and Board Human Resource & Remuneration Committee. After completing his Bachelor of Commerce, he did his MBA from The Asian Institute of Management, Manila, Philippines. Mr. Nasim has over 39 years' professional experience in Banking, Finance and Audit fields. He had been an ardent debater with a passion for poetry. He has taken part in declamation contests and won numerous prizes, gold medal and certificate of honor. Presently he is the Chairman/President of the Industrial Development Bank Limited (IDBL). Other Directorships include: 1. Ellcot Spinning Mills Limited 2. KSB Pumps Limited 3. First National Bank Modaraba 4. Pioneer Cement Limited 5. National Investment Trust Limited (Not listed). He is also on the Board of Governors of Lahore University of Management Sciences (LUMS) and Lahore School of Economics (LSE)



MR. MUHAMMAD SUALEH AHMAD FARUQUI

Mr. Muhammad Sualeh Ahmad Faruqui was appointed as member of the Board of Directors of Security Papers Limited in July and elected subsequently in September 2020. He is a Non-Executive Independent director. He is the Chairman of Board Investment & Risk Management Committee, and member of Board Strategic Committee. Mr. Muhammad Sualeh Ahmad Faruqui is an officer of Pakistan Administrative Services (PAS) who joined the Civil Service in 1990. Before joining as Secretary Commerce, he has remained posted as Secretary, Trade Development Authority of Pakistan and Chief Executive Officer, Sindh Infrastructure Development Company. Besides, he held various positions at Federal, Provincial and Divisional/District administration levels. He earned his Master degree from London School of Economics, UK. He is a Britannia Chevening Scholar and a lead International fellow in the field of Sustainable Development. Further to this, he has been particularly associated with economic, financial, and structural reforms initiatives at various levels. During the span of his service, he has widely travelled and represented Pakistan at various international forums. Presently, Muhammad Sualeh Ahmad Faruqui is serving as Federal Commerce Secretary, Government of Pakistan.



MR. MUNIR AHMED

Mr. Munir Ahmed is presently serving as acting President/ Chief Executive Officer of The Punjab Provincial Cooperative Bank Limited (PPCBL). Mr. Munir is a Non-Executive Independent Director. He is member of Board Human Resource & Remuneration Committee as well as Board Investment & Risk Management Committee. Mr. Munir holds about 32 years' professional experience with PPCBL. He has done his M.Sc. from Bahauddin Zakariya University, Multan. He is highly motivated devoted and committed to professional standards and ambitious to sustain a continuing program of self-development and education.



MRS. UZMA AIJAZ

Mrs. Uzma Aijaz is a business woman and has experience of family business. She is a Non-Executive Independent Director and is the Chairperson of both Board Audit Committee and Board Human Resource & Remuneration Committee. She has done her graduation in Commerce. Other Directorships include Gulf Builder and Developers (Private) Limited.



Landmark achievements of previous Board of Directors

The Organization had made tremendous progress under the previous Board of Directors tenure. Over the last three years, sales revenue increased to approximately Rs. 4.9 billion, showing a rise of 72% and production of Bank Notes and other Security Paper products has increased significantly from 2,822 tons to 4,377 tons. It was a remarkable accomplishment in just three years, and it was accomplished under the leadership of the previous Board.

Corporate Briefing Session (CBS)

Corporate Briefing Session (CBS) is a unique opportunity to the investors and capital market analyst community for gaining understanding about the Company, its ongoing progress, operations, the Company's competitive business environment, investment decisions, challenges, and business perspectives.



The Security Papers Limited (SPL) philosophy behind arranging Corporate Briefing Session is to give the investors and analyst community the right perspective of the business affairs of the Company along with engaging the investors (both existing and potential) which helps them in making their investment decisions.



SPL has been consistently exceeding the established corporate governance standards. The Company held its Annual Corporate Briefing Session for the year ended 30th June 2020 as part of its best corporate governance practices. The CBS of the company was held on 24th September 2020, at PSX Auditorium, Pakistan Stock

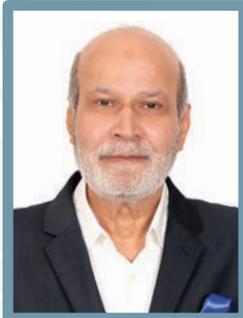
MS. FIGEN ÇALIŞKAN (Non-Executive Director)

Ms. Figen Çalışkan was nominated to the Board of Directors on July 13, 2020 as Non-Executive Director, being nominee of M/S Sümer Holding Inc. Co, General Directorate, Turkey. She is a member of Board Investment & Risk Management Committee as well as Board Strategic Committee. She is a Graduate from Erciyes University, Faculty of Economics and Administrative Sciences, Department of Business Administration, Turkey. Ms. Çalışkan has over 29 years of experience in government departments. Presently she is serving as Director of Strategy Development Branch in M/s. Sümer Holding, JSC, Turkey.



Appreciation notes for Outgoing Directors

The Management has expressed its sincere appreciation for the excellent performance and significant contribution made by the outgoing Director, Shaikh Mohammad Aijaz Akhtar, who has been on the Board of SPL for years and has made a significant contribution to the success of the Company as Chairman of the Board of Directors, as well as a member of the Board Audit Committee and the Board Human Resource & Remuneration Committee during his tenure.



We would also like to thank Mr. Muhammad Ayub, who represented the Board with great dedication and hard work. He has made a major contribution as Chairman of the Board Investment and Risk Management Committee and as a member of the Board Audit Committee and the Board Strategic Committee.



Exchange, Karachi, in compliance with the directives of the Exchange. The senior management of the Company shed light on the annual financial performance as well as the current endeavors and prospects.



On the occasion the Chairman of the Board, Mr. Muhammad Haroon Rasheed, also addressed various questions of the audience concerning the company's strategic objectives, risks and major challenges. Dr. Mohammad Ashraf Butt opened the session in which he presented Company profile, strategic / operational developments, financial details, precautionary measures taken during COVID-19, outlook / challenges of the Company and answered various questions raised by the participants.



Waste Water Recycling Plant Inauguration

The project of waste water recycling plant which will recycle process waste water for its re-use at the manufacturing plant has been commissioned on September 11, 2020 by our Board of Directors. It has the capacity to recycle up to one third of all our effluent water. It will enhance SPL water resource capability and reduce its reliance on the procurement of water through water tankers. The project will lead to water conservation and improve compliance of environmental standards.



17th Annual Environmental Excellence Award 2020

The Annual Environmental Excellence Award-AEEA is the benchmark for environment standards in Pakistan. It is exclusively designed to recognize, appreciate and promote the organizations that made outstanding contributions towards sustainable development by controlling all kinds of emissions, wastes and pollutants thereby protecting the overall environment of the country and region.



It is heartening to announce, that impressed by our organization's vision and its effective implementation of environment friendly policies, assessment of our documents and testimonials, the distinguished Panel of Jury unanimously decided to confer 17th Annual Environmental Excellence Award 2020 to Security Papers Ltd.



A graceful ceremony was held on Friday September 18, 2020 at Marriott Hotel, Karachi that was attended by dignitaries from reputable organizations as well as media personnel. Mr. Syed Nasir Hussain Shah, Sindh Information and Local Government Minister was the Chief Guest of the occasion. A special newspaper supplement was also issued one day before the event in "The NEWS, Karachi Edition" highlighting the importance of environmental issues in Pakistan and counter measures taken by the winning organizations during the last fiscal year 2019-20.

It is also worthwhile to mention that the "Monthly Energy Update"-the only industrial magazine on "Environment & Energy in Pakistan" (www.energyupdate.com.pk) shall be bringing out the special edition on this annual occasion that would accommodate our Company's profile and logo as well.

Comber Session

The Security Papers Limited believes in working in close coordination with suppliers to get quality raw material at competitive price. Even during the challenging times of COVID-19 pandemic lockdown, our raw material availability was sufficient and free from interruptions for our operations. This was made possible largely due to our strong and collaborative relationships with our suppliers.

SPL hosted an interactive session on September 30, 2020 in our Board room for our Comber suppliers. The purpose was to further reinforce the commitment from our suppliers to provide quality material.

As good quality Comber Noil can vastly reduce our spoil rate, our Quality Assurance and Production departments along with the Supply Chain team members discussed all the minute details about the supplies being received from different Spinning Mills. All participants were given a round of our Dry Clean Plant, Pulp Mill, Rag Store and the Quality Assurance Laboratory to give them a feeling about how important their quality controls are for SPL. We shared with them how our lab determine trash and contraries percentages, how the sorting is done and how our State of the Art – Dry Cleaning Plant works. The occasion was honored by our Chairman of the Board of



Directors and Chief Executive Officer with their presence and they shared their views with the participants in the session as well.

It was a day long interactive session which would certainly have a long term positive impact for both SPL and the Spinning Mills. SPL intends to hold more of such sessions in future as well which will be of benefit for all stakeholders.



SPL DIRECTORS COMPLETED DIRECTORS' TRAINING PROGRAMME

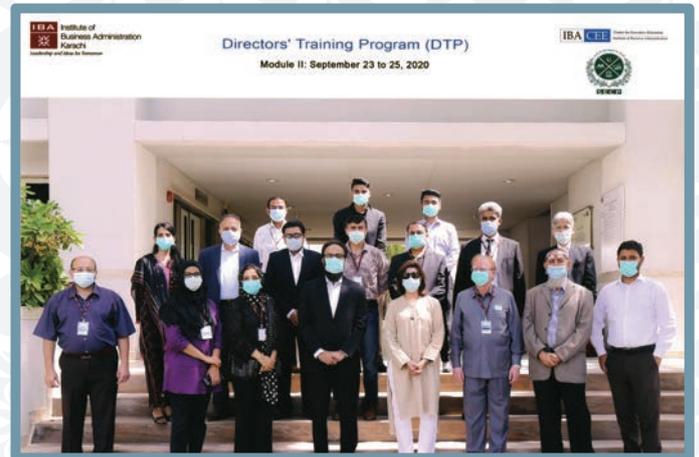


Corporate governance is an important part of a business; it provides standards and laws for sustainable growth and creates a foundation for building long-term trust between organization and their stakeholders.

The Directors Training Program is prepared by subject matter experts and is structured to keep listed company directors aware of leading developments and activities that encourage corporate governance, preserve competitive advantages and keep abreast for regulatory changes.

Listed Companies Corporate Regulations 2019 issued by the Securities and Exchange Commission of Pakistan

(SECP) encourages the directors of listed companies to have certification of Directors' Training Program (DTP) with an objective to acquaint them with the regulations, applicable laws and their duties and responsibilities to enable them to effectively manage the affairs of the listed companies for and on behalf of stakeholders.



The Director Training Program (DTP) offered by Center for Executive Education (CEE), IBA, Karachi, is an approved program by the Securities & Exchange Commission of Pakistan (SECP) and Supplemented by Institute of Directors, UK. The DTP offered by CEE, IBA is the program which provides guidance on targeted areas to ensure that Directors of listed companies with specific requirements remain up to date. The program consists of two modules covering the essential regulatory knowledge requirements and broad subject matter awareness expected of Directors of listed companies with local and global best practices.

The Security Papers Limited (SPL) lays down and retains the highest standards of corporate governance which are central and important to the business' long-term success and sustainability. The Board acknowledges that good governance is more than just compliance with laws and regulations.

The SPL encourages its directors to complete the Directors Training Program in compliance with the provisions of the Corporate Governance Regulations, 2019. Therefore, the Chairman of the Board of Directors Mr. Muhammad Haroon Rasheed, Dr. Mohammad Ashraf Butt, CEO, and Mr. Naveed Ehtesham, Director SPL, attended the Directors' Training Programme offered by CEE, IBA that met the criteria specified by the Commission and approved by SECP. The Program was conducted in two sessions, Module I and II conducted from March 16 to 18, 2020 and September 23 to 25 2020 at IBA Karachi, respectively. The course broadly covers essential principles of Corporate Governance, applicable laws, Business Management, Financial Management, Reporting and Communication.

IN HOUSE TRAINING & DEVELOPMENT SESSIONS, (HR & ADMIN.)



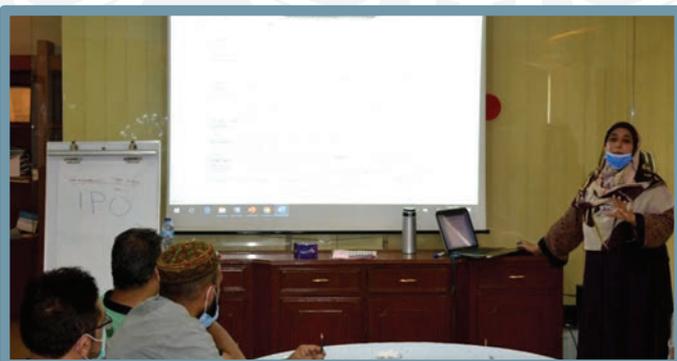
Training on Document Archiving & Management System facilitated by Mr. Salman Ahmed (Sr. Manager, I.T. Department)



Training on RO & ETP Plant facilitated by Mr. Syed Kamran Ahmed (D.A.M. – Mechanical, E&P Department)



Training on 5S Methodology facilitated by Mr. Shahid Athar (Manager, IMS Department)



Training on Permit to Work facilitated by Mr. Shahid Athar (Manager, IMS) & Ms. Afia Tehmeen (D.M., IMS)

External Training & Workshop



New Amendments in PPRA Rules 2004

Mr. Zaheer Uddin (Sr. Manager – Supply Chain), Mr. Syed Adeel Imran (Sr. Manager – Inventories, Supply Chain) & Mr. Syed Durak (Asst. Manager, Supply Chain)

External Training on “Sustaining a Kaizen Culture”



Mr. Hafeezullah (Sr. Manager – PP&C/R&D) and Ms. Hafiza Afia Tehmeen (Dy. Manager – IMS)

Safety Shoes inspection jointly managed by HR & Admin. & IMS Dept.



PROMOTIONS 2020

Management is pleased to announce promotions of the following Employees with effect from July 1, 2020. The overall objective is to enhance efficiencies in work processes and improvement in quality of services offered to our stakeholders.



Muhammad Afzal

Promoted to

Manager (Electronics), OG-III



Umair Shahid

Promoted to

Manager (PP&C), OG-III



Zafar Ullah Khan

Promoted to

Manager (Mechanical), OG-III



Muhammad Khaliq Qureshi

Promoted to

Deputy Manager (F&A), OG-IV



Ayaz Ahmed Shah

Promoted to

Deputy Manager (HR & Admin.), OG-IV



Muhammad Wasim Khan

Promoted to

Deputy Manager (Mechanical), OG-IV



Hafiza Afia Tahmeen

Promoted to

Deputy Manager (IMS), OG-IV



Muhammad Yousuf

Promoted to

Deputy Manager
(Software Development), OG-IV



Muhammad Arif

Promoted to

Dy. Assistant Manager
(Finance & Accounts), OG-VI



Moin

Promoted to

Dy. Assistant Manager (Electrical), OG-VI



Ajmal Tanweer

Promoted to

Senior CCTV Operator - I, WG-07



Syed Mehmood-ul-Hassan

Promoted to

Sr. Networking / Hardware
Support Resource, WG-06



Muhammad Tariq

Promoted to

Sr. Access Control Operator, WG-06



Tariq Hussain

Promoted to

Sr. Charge Hand, WG-06



Sher Afzal

Promoted to

Senior Security Inspector - I, WG-06



Asif Iqbal Javeed

Promoted to

Junior Machine man, WG-05



Abdul Waqar

Promoted to

HR Assistant, WG-04



Omer Farooq

Promoted to

Sr. Checker, WG-04



Haider Ali

Promoted to

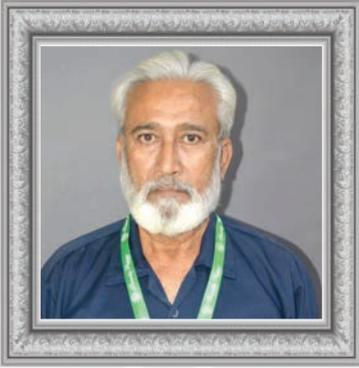
Assistant, WG-04



Adeel Aziz

Promoted to

Sr. Fitter, WG-04



Pervaiz Ahmad
Promoted to
Sr. Fitter, WG-04



Naheed Zeb
Promoted to
Sr. Female Checker, WG-03



Nadeem Ahmed
Promoted to
Sr. Bobbin Man, WG-03



Muhammad Faraz Khan
Promoted to
Sr. Security Guard, WG-02



Nadia Begum
Promoted to
Sr. Lady Searcher, WG-02



Abdul Jabbar
Promoted to
Sheerding Machine Operator, WG-02



Shams-ud-Din
Promoted to
Weighing man, WG-02



Naseer Zada
Promoted to
Sr. Security Guard, WG-02

