

Statement of Compliance with the Code of Corporate Governance

For the year ended 30 June 2018

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:

- a) Male: Seven
- b) Female: None

Latest elections of the Board were held in October 2017 before these Regulations came into force. The Company shall comply with the requirement of at least one female director on its Board upon expiry of the term in 2020 as per clause 7 of the Regulations.

2. The composition of the board is as follows:

Category	Name
Independent Directors	Mr. Sohail Osman Ali Mr. Zafar Aziz Osmani Mr. Muhammad Naseem Mr. Muhammad Saeed
Non-Executive Directors	Mr. Maqbool H. H. Rahimtoola Mr. Shehzad M. Hussain Mr. Ilyas Sharif
Executive Director	Dr. Mahmood Ahmad

- 3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company.
- 4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- 5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with dates on which they are approved or amended has been maintained.
- 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
- 7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
- 8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. Requirement of the Regulations on Director's Training Program has been complied with.
10. No new appointment of the CFO, Company Secretary and Head of Internal Audit occurred during the year.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The Board has formed committees comprising given below:

a) Audit Committee

Mr. Muhammad Naseem	Chairman
Mr. Sohail Osman Ali	Member
Mr. Maqbool H. H. Rahimtoola	Member

b) HR and Remuneration Committee

Mr. Zafar A. Osmani	Chairman
Dr. Mahmood Ahmed	Member
Mr. Shehzad M. Hussain	Member

13. The terms of the reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of the meetings of the committees were as per following:
 - a) Audit Committee – Four quarterly meetings during the financial year ended June 30, 2018
 - b) HR and Remuneration Committee – One during the financial year ended June 30, 2018
15. The board has outsourced the internal audit function to Messer. Ernst & Young (EY) Ford Rhodes who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirmed that the all other requirements of the Regulations have been complied with

ON BEHALF OF THE BOARD

Lahore
Date: 24 September 2018

Mr. Maqbool H.H. Rahimtoola
Chairman