

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: **Attock Refinery Limited**

Year ended: **June 30, 2022**

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

1. The total number of directors are eight (8) as per the following:

Gender	Number
Male	8*
Female	Nil

* This includes seven elected directors and one Chief Executive Officer of the Company.

2. The composition of the Board as at June 30, 2022 is as follows:

Category	Name
Independent Directors	Mr. Shamim Ahmad Khan Mr. Tariq Iqbal Khan
Other Non-executive Directors	Mr. Laith G. Pharaon (<i>Alternate Director: Mr. Shuaib A. Malik</i>) Mr. Wael G. Pharaon (<i>Alternate Director: Mr. Babar Bashir Nawaz</i>) Mr. Shuaib A. Malik Mr. Abdus Sattar Mr. Jamil A. Khan
Executive Director	Mr. M. Adil Khattak (<i>Chief Executive Officer</i>)
Female Directors	Nil

A Constitutional Petition was filed by the Company before the Sindh High Court, where in Company has challenged compliance with, inter alia, the provision of regulation 7 of the Code / law relating to appointment of female director. The matter is still pending adjudication. The law officer of Securities and Exchange Commission of Pakistan has also made a statement before the Court that no action contrary to the law would be taken against the Company.

3. The directors have confirmed that none of them is serving as a director on more than seven 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. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. In terms of Regulation 19 of the Code, companies are encouraged that all directors on their board have acquired the prescribed certification under Directors Training Program (DTP) by June 30, 2022. Presently, five (5) directors of the Company meet the exemption requirement of the DTP, while two (2) directors have already completed this program. Further, one alternate director and the Chief Executive Officer (CEO) of the Company have also completed DTP;



10. The Board has approved appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

Committees	Composition/Name
Audit Committee	Mr. Shamim Ahmad Khan (Chairman) Members: Mr. Shuaib A. Malik Mr. Abdus Sattar Mr. Tariq Iqbal Khan Mr. Babar Bashir Nawaz (Alternate Director for Mr. Wael G. Pharaon)
HR and Remuneration Committee	Mr. Tariq Iqbal Khan (Chairman) Members: Mr. Shuaib A. Malik Mr. Jamil A. Khan Mr. M. Adil Khattak

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;
14. The frequency of meetings of the committees were as per following:

Meetings	Frequency
Audit Committee	Four quarterly meetings were held during the financial year ended June 30, 2022.
HR and Remuneration Committee	One meeting was held during the financial year ended June 30, 2022.

15. The Board has set up an effective internal audit function who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

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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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
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 confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. Please refer paragraph 2 above of the Statement of Compliance. However, fraction (0.33) contained in one-third number for Independent directors has not been rounded up as one, as the existing independent directors have the requisite skills, knowledge and diversified work experience to take independent decision in the interest of the Company; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is below:

Committee	Reg. No.	Explanation
Nomination Committee: The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29 (1)	The responsibilities as prescribed for the nomination committee are being taken care of at board level as and when needed so a separate committee is not considered to be necessary.
Risk Management Committee: The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30 (1)	Risk Management Committee (RMC) at the level of the Company's management is already in place which is headed by the CEO. The CEO briefs the Board about the Committee's findings and recommendations for consideration and approval of the Board.



Shuaib A. Malik
Chairman



M. Adil Khattak
Chief Executive Officer

August 16, 2022
Rawalpindi