

# STATEMENT OF COMPLIANCE

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

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

- The total number of directors are eight as per the following:

a.	Male	Seven
b.	Female	One

- The composition of the board is as follows:

Category	No.	Name
i) Independent Directors	4	Mr. Tariq Ikram Mr. Zafar Aziz Osmani Mr. Mohammad Saeed Ms. Zareen Aziz (Female Director)
ii) Non-Executive Directors	3	Mr. Maqbool H. H. Rahimtoola Mr. Shehzad M. Hussain Mr. Ilyas Sharif
iii) Executive Director	1	Dr. Mahmood Ahmad

Dr. Mahmood Ahmad being CEO is deemed director of the Company

- The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company;
- 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;
- 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;
- 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;
- 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;
- The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- All directors have minimum 14 years of education and 15 years' experience on the board of listed Company hence exempt from directors training program (DTP).
- During the year, the Board has approved appointment of CFO, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations and there was no appointment of Company Secretary and Head of Internal Audit.
- Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

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12. The Board has formed committees comprising of members given below:

a). **Audit Committee**

Mr. Tariq Ikram	Chairman
Mr. Maqbool H. H. Rahimtoola	Member
Ms. Zareen Aziz	Member

b) **HR and Remuneration Committee**

Mr. Zafar A. Osmani	Chairman
Dr. Mahmood Ahmed	Member
Mr. Muhammad Saeed	Member

c) **Committee for Business Strategies**

Mr. Tariq Ikram	Chairman
Mr. Zafar Aziz Osmani	Member
Mr. Zahid Majid (Alternate to Mr. Ilyas Sharif)	Member

13. The terms of the reference of the aforesaid committees have been developed by the Board, documented and advised to the committee for compliance except for Committee for Business Strategies;

14. The Board has provided adequate resources and authority to enable the Audit Committee to carry out its responsibilities effectively.

15. Secretary of Audit Committee circulated minutes of meetings of the audit committee to all members, directors, and head of internal audit and to chief financial officer, when required, and prior to the next meeting of the Board.

16. The frequency of the meetings of the committees were as following:

<b>BOD Committee</b>	<b>Frequency</b>
Audit Committee	Four meetings
HR and Remuneration Committee	Two meetings
Committee for Business Strategies	Two meetings

17. The Board has set up an effective audit function and the staff is suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

18. 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;
19. The Board has recommended appointment of external auditors for a year and such recommendations included in the Directors' Report.
20. 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;
21. Company has ensured that the statement of compliance is reviewed and certified by statutory auditors as per relevant Regulations specified by Commission.
22. We confirmed that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

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Mr. Maqbool H.H. Rahimtoola  
Chairman

# INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BERGER PAINTS PAKISTAN LIMITED

## REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Berger Paints Pakistan Limited for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Lahore

Date: 03 October 2023

UDIN: CR202310131yOKQSaTqb



CHARTERED ACCOUNTANTS

Engagement Partner: Muhammad Imran