

DYNEA PAKISTAN LIMITED

JUNE 30, 2022

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	6
b.	Female	1

2. The composition of the Board is as follows:

i.	Independent directors (Including female director)	Mr. Adnan Afridi
		Mr. Andalib Alavi
		Ms. Anam Fatima Khan
		Mr. Tariq Ahmed
ii.	Non-executive directors	Mr. Donald John Jenkin
		Mr. Lee Kin Seng
iii.	Executive director	Mr. Shabbir Abbas

3. During the year, one casual vacancy occurred in the Board of Directors which was filled up within 30 days;
4. Election of Directors was held on June 28, 2022 and the related pre/post requirements of the relevant laws and regulations have also been complied with;
5. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
6. 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;
7. 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;
8. 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;
9. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
10. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
11. All Directors have either completed Directors' Training program or are exempt from doing so under these Regulations;
12. The Board has approved appointment of company secretary, including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. However, no new appointments or change in terms and conditions of chief financial officer and head of internal audit took place during the year while the Board has duly approved their change in remuneration;

13. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

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

**a. Audit Committee**

Mr. Adnan Afridi	Chairman
Mr. Donald John Jenkin	Member
Mr. Andalib Alavi	Member

**b. HR and Remuneration Committee**

Mr. Andalib Alavi	Chairman
Mr. Donald John Jenkin	Member
Ms. Anam Fatima Khan	Member
Mr. Shabbir Abbas	Member

15. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

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

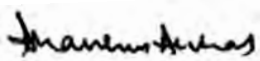
- |                                   |                         |
|-----------------------------------|-------------------------|
| a) Audit Committee:               | Four quarterly meetings |
| b) HR and Remuneration Committee: | Yearly meeting          |

17. The board has outsourced the internal audit function to M/s. A.F. Ferguson & Co, Chartered Accountants (a member of the PwC network) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

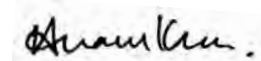
18. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance 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 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; and

20. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



**Shabbir Abbas**  
Chief Executive Officer



**Anam Fatima Khan**  
Director

Karachi:  
September 13, 2022



EY Ford Rhodes  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530  
Pakistan

UAN: +9221 111 11 39 37 (EYFR)  
Tel: +9221 3565 0007-11  
Fax: +9221 3568 1965  
ey.khi@pk.ey.com  
ey.com/pk

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dynea 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 Dynea Pakistan Limited (the Company) for the year ended 30 June 2022 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 30 June 2022.

Chartered Accountants  
Place: Karachi  
Date: 22 September 2022  
UDIN: CR202210078I6IKZHFCU