



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No. 2, Beaumont Road  
Karachi 75530 Pakistan  
+92 (21) 37131900, Fax +92 (21) 35685095

## Independent Auditor's **Review Report** on the **Audit of the Financial Statements**

To the members of Haleon 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 **Haleon Pakistan Limited** (the Company) for the year ended 31 December 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 31 December 2023.

**KPMG Taseer Hadi & Co.**  
Chartered Accountants

Place: Karachi  
Date: 12 March 2024  
UDIN: CR202310102VKbrYq4uC

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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

### Haleon Pakistan Limited Year ended 31 December 2023

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ('Regulations') in the following manner:

1. The total number of Directors are seven (7) with the following diversity:

- |           |          |
|-----------|----------|
| a. Male   | Five (5) |
| b. Female | Two (2)  |

2. The composition of the Board is as follows:

Category	Name
Independent Directors	• Syed Anwar Mahmood
	• Mr. M. Z. Moin Mohajir (Chairperson)
	• Ms. Ayesha Aziz
Executive Directors	• Mr. Farhan Muhammad Haroon (CEO)
	• Mr. Dilawar Meghani (CFO)
Non-Executive Directors	• Mr. Oussama Abbas
	• Ms. Sumru Atalay Besceli
Female Directors	• Ms. Sumru Atalay Besceli
	• Ms. Ayesha Aziz

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 and adopted 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 the 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 Companies Act, 2017 ('Act') and these Regulations.

7. The meetings of the Board were presided over by the Chairperson and in his absence, by a Director elected by the Board for this purpose. The Board has complied with requirements of the Act and the Regulations with respect to the frequency, recording and circulating minutes of the meetings of the Board.

8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. Six out of seven of the Board members have attained training under the Directors' Training Program either from a local or a foreign institution and one director meets the exemption criteria as provided in the Regulations. During the year, the Board arranged Directors' Training Program for Ms. Marrium Ahmed (Compliance and Internal Audit Lead).

10. The Board has approved the appointment of the Chief Financial Officer, 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. The Chief Financial Officer and Chief Executive Officer have duly endorsed the financial statements before obtaining the approval of the Board.
12. The Board has formed committees comprising of members specified below:

**a) Board Audit Committee**

- i. Ms. Ayesha Aziz - Chairperson  
 ii. Mr. M. Z. Moin Mohajir  
 iii. Syed Anwar Mahmood

**b) Human Resource, Remuneration and Nomination Committee**

- i. Syed Anwar Mahmood - Chairperson  
 ii. Mr. M. Z. Moin Mohajir  
 iii. Ms. Ayesha Aziz

**c) Supply Chain Executive Committee**

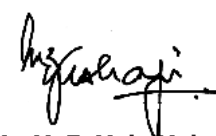
- i. Mr. Oussama Abbas - Chairperson  
 ii. Mr. Farhan Muhammad Haroon  
 iii. Mr. Dilawar Meghani

13. The Terms of Reference of the aforesaid committees have been formed, documented and advised to the said committee for compliance.
14. The frequency of the meetings (quarterly / half yearly / yearly) of the committees were as per the following:
- a) Board Audit Committee - Quarterly  
 b) Human Resource, Remuneration and Nomination Committee - Quarterly  
 c) Supply Chain and Executive Committee - 1st and 3rd Quarter
15. The Board has outsourced the internal audit function to Ernst & Young 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 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 the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanations with respect to compliance with non-mandatory requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 is specified below:

S. No.	Requirement	Explanation	Regulation No.
1.	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.	The Terms of Reference for Risk Committee are covered by the Board of Directors and the Compliance Risk Forum** which meets quarterly to review the effectiveness of the Company's risk management procedures and timely apprises the Board with results.	30

\*\*For Further Details Regarding the Compliance Risk Forum (formerly known as the Risk Management Compliance Board), please refer to page no. 58 of the Annual Report.



**Mr. M. Z. Moin Mohajir**  
Chairperson



**Mr. Farhan Muhammad Haroon**  
Chief Executive Officer

Karachi  
5 March 2024