

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 (“The Regulations”)

Pakistan Telecommunication Company Limited (the “Company”) Year ending December 31, 2022

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

- The total number of Directors are nine as per the following:
 - Male: Nine
 - Female: None
- The composition of the Board of Directors (the “Board”) is as follows:

i)	Independent Directors	None
ii)	Non-Executive Directors	1. Mr. Mohsin Mushtaq Chandna, Chairman 2. Mr. Abdulrahim A. Al Nooryani 3. Mr. Hamed Yaqoob Sheikh 4. Mr. Hatem Dowidar 5. Dr. Iram Anjum Khan 6. Mr. Mikhail Gerchuk 7. Mr. Ahad Khan Cheema 8. Dr. Mohamed Karim Bennis 9. Mr. Burak Sevilengul
iii)	Executive Directors	None
iv)	Female Directors	None

- The Directors have confirmed that none of them is serving as a director on 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 Companies Act, 2017 (the “Act”) and the Regulations.
- The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

- The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations.
- The Board has arranged Directors’ Training program for the following:
Dr. Iram Anjum Khan
- 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.
- The CFO and the Chief Executive Officer (“CEO”) duly endorsed the financial statements before approval of the Board.
- The Board has formed committees comprising members given below:

a) Audit Committee

1. Dr. Mohamed Karim Bennis, Chairman
2. Mr. Abdulrahim A. Al Nooryani
3. Mr. Mohamed Dukandar
4. Mr. Ahad Khan Cheema
5. Dr. Iram Anjum Khan

b) Human Resource and Remuneration Committee

1. Mr. Abdulrahim A. Al Nooryani, Chairman
2. Mr. Mikhail Gerchuk
3. Mr. Burak Sevilengul
4. Mr. Ahad Khan Cheema
5. Dr. Iram Anjum Khan

c) Investment and Finance Committee

1. Mr. Mikhail Gerchuk, Chairman
2. Dr. Mohamed Karim Bennis
3. Mr. Burak Sevilengul
4. Mr. Hamed Yaqoob Sheikh
5. Dr. Iram Anjum Khan

- The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
- The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
 - Audit Committee**
The frequency of meetings is on quarterly basis and as per the requirement of the Company. Total five meetings were held during year 2022.
 - Human Resource and Remuneration Committee**
The frequency of meetings is on quarterly basis and as per the requirement of the Company. Total five meetings were held during year 2022.
 - Investment and Finance Committee**
The frequency of meetings is on quarterly basis and as per the requirement of the Company. Total five meetings were held during year 2022.
- The Board has set up an effective internal audit function.

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 ("ICAP"); 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 ICAP; 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 CEO, CFO, 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, the 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. With regards to Regulations 6, 7, 27 (1)(i), 27 (1)(ii), 28 (1) and 28 (2), we explain as follows:

The Board comprises nine members. Pursuant to the provisions of the Shareholders Agreement between the President of Pakistan on behalf of the Government of Pakistan ("GOP") and Etisalat International Pakistan ("Strategic Investor") and the Articles of Association of the Company, the GOP nominates four (04) Members, while Strategic Investor nominates five (05) Members.
19. The Company routinely arranges Directors' training whenever required. The current Board is not fully certified due to recent changes in its composition post-election of directors.

Hatem Mohamed Bamatraf
President and Group Chief Executive Officer

Mohsin Mushtaq Chandna
Chairman PTCL Board

Islamabad: February 15, 2023



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Independent Auditors' Review Report

To the members of Pakistan
Telecommunication Company 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 Pakistan Telecommunication Company Limited for the year ended December 31, 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 December 31, 2022.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in paragraph 18 and 19 of the Statement of Compliance:

Reference	Description
i Paragraph 18	Board of Directors has not yet elected an independent director and a female director.
ii Paragraph 19	As at 30 June 2022 all members of the Board of Directors had not acquired the prescribed certification under a director training program.


KPMG Taseer Hadi & Co.
Chartered Accountants

Islamabad
Date: April 7, 2023
UDIN: CR202210111xCGvAuT98