

Statement of Compliance with Listed Companies

for the year ended June 30, 2023

(Code of Corporate Governance) Regulations, 2019

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 as at June 30, 2023 were seven (7) as per the following:

Directors	Total No. of Directors
a) Male	06 (Six)
b) Female	01 (One)

2. The composition of Board is as follows:

Category	Name of Director
Independent Directors*	Mr. Najmul Hassan Mr. A Samie Cashmiri Mr. Salman Hussain Chawala Ms. Samia Zuberi
Non-Executive Directors	Mr. Ayaz Abdulla Mr. Saqib Abbas
Executive Directors	Mr. Asad Abdulla Mr. Mirza Asmer Beg (CEO)
Female Directors	Ms. Samia Zuberi (Also mentioned above in the list of independent Directors)

The number of elected directors on the Board are seven (7) whereas Mr. Mirza Asmer Beg being Chief Executive of the Company is a "deemed director" under section 188(3) of the Companies Act 2017.

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 Companies Act 2017 ("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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;
9. The Board has appointed, amongst its current employees, Company Secretary and Head of Internal Audit on the same remuneration and terms and conditions as their current employment contract and complied with relevant requirements of the Regulations. However, no new appointment of Chief Financial Officer was made during the year;
10. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board;
11. The Board has formed following committees comprising members given below:

Audit Committee

Name	Category
Mr. Salman Hussain Chawala	Chairman
Mr. Ayaz Abdulla	Member
Mr. Najmul Hassan	Member

Human Resources and Remuneration Committee

Name	Category
Ms. Samia Zuberi	Chairman
Mr. Ayaz Abdulla	Member
Mr. Abdul Samie Cashmiri	Member
Mr. Saqib Abbas	Member

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

12. The frequency of meetings of the committee were as per following:
 - a) Audit Committee: Four quarterly meetings during the financial year ended June 30, 2023
 - b) HR and Remuneration Committee: Two meetings were held during the year ended June 30, 2023
13. The Board has outsourced the internal audit function to Baker Tilly & Co. Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
14. 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 Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
15. 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;
16. We confirm that all requirements of the regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with.
17. Explanation for non-compliance with requirements (non-mandatory requirements), other than regulations 3,6,7,8,27,32,33 and 36 are below:

S/No.	Requirement	Explanation	Reg. No
1.	The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	No member representing minority shareholders filed papers to contest elections.	5
2.	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of Directors, as it may deem appropriate in its circumstances.	The responsibilities 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.	29
3.	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.	As per Regulation 30 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, constituting a Risk Management Committee is not mandatory, therefore the responsibilities prescribed for the risk management committee have been assigned to the Audit Committee by the Board of Directors. However, the Board intends to constitute the Risk Management Committee in future years.	30

For and on behalf of the Board



MIRZA ASMER BEG
Chief Executive officer



AYAZ ABDULLA
Chairman

Karachi: October 03, 2023

Review report to the Members



To the members of United Distributors 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 UNITED DISTRIBUTORS 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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.

Chartered Accountants Karachi
Engagement Partner: Tariq Feroz Khan
UDIN: CR202310166W7Tpr85lb
Date: October 3, 2023