

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

## Byco Petroleum Pakistan Limited (the “Company”)

Year ending 30<sup>th</sup> June 2021

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

1. The total number of directors are 07 as per the following,
  - a. Male: 06
  - b. Female: 01

2. The composition of the Board is as follows:

Category		Names	
i.	Independent directors	02	Mr. Amir Waheed Ahmed Mr. Muhammad Usama Qureshi
ii.	Non-executive directors	03	Mr. Syed Arshad Raza Mr. Mohammad Wasi Khan Mr. Muhammad Yasin Khan
iii.	Executive directors	01	Mr. Amir Abbassciy
iv.	Female directors	01	Mrs. Uzma Abbasi

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 the Board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the “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 these Regulations;
9. The Board remained compliant with the provision of the Regulations pertaining to the directors’ training program. Out of seven directors, one (01) director has requisite experience to be exempted from training program as mentioned in regulation No 20, sub-regulation 2 of the Regulations. Three (03) directors on the Board have already attended the Directors’ Training program in prior years, whereas for remaining three (03) directors, the training was planned during the second half of the financial year 2020-21, however, due to pandemic it could not be materialized;
10. During the year, no change was occurred in the positions of Chief Financial Officer, Company Secretary and Head of Internal Audit. Their remuneration and terms and conditions of employment complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below.-
  - a) **Audit Committee**  
 Amir Waheed Ahmed, Chairman  
 Muhammad Usama Qureshi, Member  
 Muhammad Yasin Khan, Member
  - b) **Human Resource and Remuneration Committee**  
 Muhammad Usama Qureshi, Chairman  
 Syed Arshad Raza, Member  
 Uzma Abbasi, Member
  - c) **Risk Management Committee**  
 Amir Abbassciy, Chairman  
 Muhammad Usama Qureshi, Member  
 Amir Waheed Ahmed, Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committees were as per following,
  - a) Audit Committee – **Every Quarter (05)**
  - b) Human Resource and Remuneration Committee – **Half Yearly (02)**
  - c) Risk Management Committee – **NIL**
15. The Board has set up an effective internal audit function 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; and
18. We confirm that all requirements of regulations 3, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Explanation for not rounding up the fractional number under Regulation 6 is as follows:

Regulation 6(1) of the Regulations stipulates that it is mandatory for each listed company to have at least two or one third members of the Board, whichever is higher, as independent directors. In a Board comprising of 7 directors, one third would equate 2.333 persons. Since the fractions is below half (0.5), accordingly the fraction contained in such one-third is not rounded up as one.

**Mohammad Wasi Khan**  
Chairman

**Dated:** September 23<sup>rd</sup>, 2021