

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

Pakistan International Bulk Terminal Limited

For the year ended June 30, 2024

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

1. The total number of directors are seven as per following:

Male	Six
Female	One

2. The composition of board is as follows:

Category	Name
Independent Directors	Syed Nadir Shah
	Ms. Farah Agha
Non - Executive Directors	Capt. Haleem Ahmed Siddiqui
	Capt. Zafar Iqbal Awan
	Mr. Nadeem Nisar
	Mr. M. Masood Ahmed Usmani
Executive Director	Mr. Sharique Azim Siddiqui

In terms of Regulation 6(1) of COCG, one-third of the Company's Board of seven members works out to 2.33. As a general principle, since the fraction is below 0.5 (half), the fraction contained in such one-third is not rounded up as one. Furthermore, the Board has an adequate number of independent directors that have diligently looked after the interests of the Company and its minority shareholders.

- 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 a complete record of particulars of 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 Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
- 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of the meetings of the Board.
- The Board of Directors has a formal policy and transparent procedures for the remuneration of directors in accordance with the Act and these Regulations.
- The Company was majorly compliant with the optional requirements for the Directors' Training Program stipulated in the Listed Companies (Code of Corporate Governance) Regulations, 2019, where out of the seven (07), six (06) Directors have either obtained certificate of Directors' Training Program (DTP) or are exempted from the requirement of DTP, while remaining one (01) Director will undertake the DTP in due course.
- The Board has approved the appointment of 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.
- Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before approval of the board.
- The Board has formed Committees comprising of members given below

Audit Committee

Name	Chairman / Member	Category
Syed Nadir Shah	Chairman	Independent Director
Ms. Farah Agha	Member	Independent Director
Capt. Zafar Iqbal Awan	Member	Non-Executive Director

HR and Remuneration Committee

Name	Chairman / Member	Category
Syed Nadir Shah	Chairman	Independent Director
Ms. Farah Agha	Member	Independent Director
Mr. Sharique Azim Siddiqui	Member	Executive Director

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committees were as per following;
 - a) Audit Committee: Four (04) quarterly meetings during the financial year ended June 30, 2024.
 - b) Human Resource and Remuneration Committee: One (01) meeting during the year ended June 30, 2024.
15. The Board has set up an effective internal audit function which comprises professionals 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 (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.
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 other requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33, and 36 are below:

Non-Mandatory Requirement	Regulation No.	Explanation
Nomination Committee 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.	29(1)	The Board effectively discharges all the responsibilities of the Nomination Committee as recommended by the Code. It regularly monitors and assesses the requirements with respect to any changes needed on the Board's committees including the chairmanship of those committees.
Risk Management Committee 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 the effectiveness of risk management procedures and present a report to the Board.	30(1)	The Board itself and through its Audit Committee review business risks facing the Company to ensure that a sound system of risk identification, risk management and related systemic and internal controls is being maintained to safeguard the assets. The Board ensures that risk mitigation measures are robust.
Directors' Training Companies are also encouraged to arrange training for: <ol style="list-style-type: none"> (i) at least one female executive every year under the Directors' Training program from year July 2020; and (ii) at least one head of department every year under the Directors' Training program from July 2022. 	19(3)	The Company plans to arrange training for the relevant individuals in next financial year.
Environmental, Social and Governance (ESG) matters The board is responsible for setting the company's sustainability strategies, priorities and targets to create long term corporate value. The board may establish a dedicated sustainability committee having at least one female director.	10(A)	At present the Board provides governance and oversight in relation to the Company's initiatives on Environmental, Social and Governance (ESG) matters. Nevertheless, the requirements introduced recently by the SECP through notification dated June 12, 2024 will be complied with in due course.

Capt. Haleem Ahmed Siddiqui
Chairman

Sharique Azim Siddiqui
Chief Executive Officer