

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

Name of Company: Thal Limited (The Company)
Year ended: June 30, 2019

01. The company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) in the following manner:

- The total number of directors are 8 as per the following:
- | | | |
|----|--------|---|
| a. | Male | 7 |
| b. | Female | 1 |

02. The composition of board is as follows:

a.	Independent Directors	Mr. Asif Qadir Ms. Aliya Saeeda Khan
b.	Other Non-Executive Director	Mr. Rafiq M. Habib Mr. Ali S. Habib Mr. Mohammedali R. Habib Mr. Sohail P. Ahmed Mr. Salman Burney
c.	Executive Director	Mr. Mazhar Valjee (Effective July 1, 2019, Mr. Muhammad Tayyab Ahmad Tareen has been appointed as Chief Executive Officer in place of Mr. Mazhar Valjee).

03. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies, where applicable).
04. 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.
05. The board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
06. 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 (the Act) and these Regulations.

07. 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 board.
08. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
09. All of the Directors of the Company have undertaken Directors' Training Program or are exempted from the same by SECP.
10. The board has approved appointment of 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.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
- a. **Audit Committee**

Mr. Asif Qadir	Chairman
Mr. Mohamedali R. Habib	Member
Mr. Sohail P. Ahmed	Member
Mr. Salman Burney	Member

b. **Human Resource and Remuneration Committee**

Mr. Asif Qadir	Chairman
Mr. Salman Burney	Member
Mr. Ali S. Habib	Member
Mr. Mazhar Valjee	Member
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 (quarterly / half-yearly / yearly) of the committee were as per following:
- a. Audit Committee 4 meetings

b. HR and Remuneration Committee 1 meeting
15. The board has outsourced the internal audit function to Noble Computer Services (Private) Limited 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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guide-lines on code of ethics as adopted by the ICAP.
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 the Regulations have been complied with.

Karachi

Rafiq M Habib
Chairman