

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (THE “REGULATIONS”)

Cnergyico Pk Limited (the “Company”)

30th June 2023

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

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	03	Mr. Mushtaq Malik Lt. (R) Raja Muhammad Abbas Mr. Sami ul Haq Khilji
ii. Non-executive directors	01	Mr. Aumar Abbassciy
iii. Executive directors	02	Mr. Amir Abbassciy Mr. Usama Qureshi
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 / Chairperson and in their absence by the director elected by the board for the time being. 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, two (02) director has requisite experience to be exempted from training program as mentioned in regulation No. 19, sub-regulation 2 of the Regulations. Three (03) directors on the Board have already attended the Directors’ Training program in prior years. Remaining two (02) directors will pursue the training during the financial year 2023-24 as they could not attend directors training program planned during the year due to business travelling;

10. During the year, no change was occurred in the positions of Chief Financial Officer and Company Secretary. A change, however, occurred in the position of 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**
Mushtaq Malik, Chairman
Usama Qureshi, Member
Lt. (R) Raja Muhammad Abbas, Member
Aumar Abbassciy, Member
 - (b) **Human Resource and Remuneration Committee**
Lt. (R) Raja Muhammad Abbas, Chairman
Sami ul Haq Khilji, Member
Usama Qureshi, Member
Mushtaq Malik, Member
Aumar Abbassciy, Member
 - (c) **Risk Management Committee**
Amir Abbassciy, Chairman
Usama Qureshi, Member
Sami ul Haq Khilji, Member
Aumar Abbassciy, Member
13. The terms of reference of the aforesaid committees, except for Risk Management Committee, 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 – **Every Quarter (04)**
 - b) Human Resource and Remuneration Committee – **Yearly (01)**
 - 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, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 7, 8, 27, 32, 33 and 36 are below:

Reg. No.	Requirement	Explanation
19(1)(iii) & (2)	It is encouraged that: (1) (iii) by June 30, 2022 all the directors on their Boards have acquired the prescribed certification. (2) A newly appointed director on the Board may acquire, the directors training program certification within a period of one year from the date of appointment as a director on the Board.	The Company wishes to pursue the said program for its eligible directors during the financial year 2023-24.
19(3)	Companies are also encouraged to arrange training for: (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.	The Company wishes to pursue the said program for its eligible female executives and head of departments in the upcoming years.
29(1)	The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities as 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.
30	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.	The Board has constituted a risk management committee whose terms of reference are yet to be framed. Presently, risk management framework is managed at CEO's level who apprises the Board accordingly.
35(1)	The Company may post on its website key elements of its significant policies including but not limited to the following: i. Communication and disclosure policy; ii. Code of conduct for members of board of directors, senior management and other employees; iii. Risk management policy; iv. internal control policy; v. whistle blowing policy; vi. Corporate social responsibility / sustainability / environmental, social and governance related policy.	As the regulation provides concession with respect to disclosure of key elements of significant policies on the website, only those policies which were considered necessary, have been posted.

Uzma Abbasi
Chairperson

October 2nd, 2023