

SYNOPSIS FROM KEY ELEMENTS OF SIGNIFICANT POLICIES

Communication and Disclosure Policy:

- This policy covers key areas of information to be made public for its shareholders, customers, vendors and service providers.
- It includes disclosure of products manufactured by the company and its target markets along with niche segments.
- It includes disclosure of nature of Machinery being used at its production facilities along with its technical capabilities.
- Existing Governance Framework of the company
- Human Resources required by the company from time to time
- As per Communication Policy all the information required to be disclosed under Companies Act 2017, its Regulations, Code of Corporate Governance 2019 and PSX Rule Book are duly disclosed timely and adequately available on Company website all the time.
- Any other information required to be disclosed in larger public interest or something that it deems fit for the stakeholders of the company

Risk Management Policy

Following are the synopsis of risk management policy specifying various risks that are being faced by the company and summarized as follow:

Risks faced by the company:

- Strategic Risk
- Operational Risk
- Financial Risk
- Compliance Risk

Risk registers are maintained for each type of aforementioned risks.

Risks are categorized as:

- Material Weakness
- High Risk
- Moderate Risk
- Low Risk

Considering the risk and risk categorization, risks management is done and risks are addressed depending on priority.

The Board promotes risk management and compliance culture in the Company.

Risk Management Committee considers and review the risks and suggest/supervise the mitigating controls that are to be brought in place.

Directors' Remuneration

The Board of Directors has devised a directive for determination of remuneration. Its salient features are stated as follow:

- The company will not pay any remuneration to its Non-Executive Directors except as meeting fee for attending the Board and its Committee Meetings.
- The remuneration of directors & meeting fee for attending meeting of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.
- The remuneration of Directors is paid as approved by the Board of Directors. The remuneration package is designed to attract suitable candidate and talent on the Board.
- A Director is provided or reimbursed for all travelling, boarding, lodging and other expenses incurred by him for attending meetings of the Board, its committees and General Meetings of the company.

Policy on Internal & Financial Controls

The policy stresses out Board of Directors to established an effective system of Internal & Financial Controls that ensure:

- Effective and efficient conduct of operations
- Safeguarding company assets
- Compliance with applicable Laws and Regulations
- Reliable Financial Reporting

Policy specifies the existence of independent Internal Audit Function of the company by outsourcing it to reputable audit firm that regularly appraises and monitors the implementation of Standard Operating Procedures and respective financial controls.

Policy requires Internal Audit reports to be presented to the Audit Committee quarterly, as per approved Annual Internal Audit Plan.

Accordingly, the Audit Committee reviews the effectiveness of the internal control framework and financial statements in its meetings.

Policy on Corporate Social Responsibility (CSR)

This policy ensures that the Company should continue to maintain its proven history and track record of its strong commitment for the improvement of society and communities in which it operates.

The primary focus of your company remains in:

- Education sector
- Health
- Community Development
- Women empowerment
- Environment conservation

It mandates the board to publicize the contributions made by the company for this noble cause each year to appraise its shareholders and partners regarding the contribution they make towards various charitable purposes and community development.

Whistle Blower Policy

This policy ensures that company maintains high standards of ethical, moral and legal business conduct and open communication. In line with these commitments this policy aims to provide an avenue for employees to raise their concerns and get the assurance that they will be protected from reprisals or victimization for whistle blowing. This policy covers following aspects:

- Ethical or Moral Misconduct, including harassment
- Activities that tantamount to breach of polices including code of conduct
- Incorrect Financial Reporting
- Activities that otherwise amount to serious misconduct

This policy entails step by step procedure to report a concern and prove its credibility by appropriate evidence.

Upon reporting a concern, HR department may forward the concern to disciplinary committee or audit committee as the case may be, to investigate the matter and enforce corrective measures as deemed appropriate by the forum.

Code of Conduct

This policy ensures that all employees shall:

- Conform to and abide by the company's rules and obey all lawful orders and directives, which may from time to time be given.
- Comply with and observe all applicable laws, regulations and company's policies, wherever company operates.
- Stand firmly against supporting the activities of any group or individual that unlawfully threatens public and its safety.
- Not be a member of any political party, take part in, or assist in any way, any political movement in or outside of Pakistan or relating to the affairs of Pakistan and shall not express views detrimental to the ideology, sovereignty or integrity of Pakistan.
- Not to canvass or otherwise interfere or use influence in connection with or take part in any election as a candidate to a legislative/local body or issue an address to the electorate or in any manner announce or allowed to be announced publicly as a candidate or prospective candidate whether in Pakistan or elsewhere. However, s/he may exercise right to vote.
- Serve the company honestly and faithfully and shall strictly serve the company's affairs and the affairs of its constituent, promote the interest and goodwill of the company.
- Employee shall exhibit highest standards of ethics, professional integrity and dignity in all dealings and discourages acts discreditable to company, profession and nation. If any irregularity that might affect the interests of the company is highlighted, it shall be communicated to senior management of the company immediately.