



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2019 FIRST AL-NOOR MODARABA YEAR ENDED JUNE 30, 2023

The company has complied with the requirements of the Regulations, in the following manner:

- The total number of directors are 7 (seven) as per the following:
 - Male 6
 - Female 1
- The composition of board is as follows :

Category	Names
Independent Directors	1) Mr. Abdul Rahim Suriya 2) Mr. Tausif Ilyas 3) Dr. Irum Saba
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. A. Aziz Ayoob 2) Mr. Noor Muhammad Zakaria* 3) Mr. Zia I. Zakaria

- The directors have confirmed that none of them is serving as a director on more than seven listed companies;
- 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 complete record of particulars of significant policies along with their dates 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 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board;
- The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- Majority of the Directors of the Company have completed / are exempted from the requirement of Directors' Training program;
- The board has approved 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 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

S.No.	Name	Designation
1.	Mr. Abdul Rahim Suriya	Chairman
2.	Mr. Tausif Ilyas	Member
3.	Mr. Zia Zakaria	Member

b) HR and Remuneration Committee

S.No.	Name	Designation
1.	Mr. Tausif Ilyas	Chairman
2.	Mr. Aziz Ayoob	Member
3.	Mr. Zainuddin Aziz	Member

c) Risk Management Committee

The risk management committee was formed on June 07, 2023 comprising of:

S.No.	Name	Designation
1.	Mr. Zainuddin Aziz	Chairman
2.	Mr. Roofi Abdul Razzak	Member
3.	Mr. Sufyan Yasin	Member

13. The terms of reference of the audit committees and HR and Remuneration Committee have been formed, documented and advised to the committee for compliance. The terms of reference of Risk Management Committee were formed, documented and advised to the committee for compliance on June 07, 2023.

14. The frequency of meetings of the committee were as per following:

- Audit Committee - Quarterly
- HR and Remuneration Committee - Yearly
- Risk Management Committee- No meeting during the year as formed on June 07, 2023

15. The board has set up an effective internal audit function.

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 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;

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; and

19. Explanation for non-compliance with requirements during the year, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below; and

- The risk management committee was formed on June 07, 2023.
- The terms of reference of Risk Management Committee were formed, documented and advised to the committee for compliance on June 07, 2023. Further, the Risk Management Policy will be adopted from July 01, 2023.

for and on behalf of the Board

Sd/-
Zainuddin Aziz
Chief Executive

Dated: September 21, 2023



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE CERTIFICATE HOLDERS OF
FIRST AL-NOOR MODARABA**

**Grant Thornton Anjum
Rahman**

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**Review Report on the Statement of Compliance contained in
Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Al-Noor Modaraba Management (Private.) Limited, the Modaraba Management Company of First AL Noor Modaraba (the Modaraba) for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Modaraba Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Modaraba's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Modaraba's personnel and review of various documents prepared by the Modaraba Management Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Modaraba Management Company's corporate governance procedures and risks.

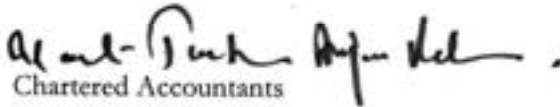
The Regulations require the Modaraba Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Modaraba Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Modaraba for the year ended June 30, 2023.



Further, we highlight below instances of non-compliance with the requirement(s) of the Regulations during the year as reflected in the paragraph 19 of the Statement of Compliance:

S.No	Paragraph reference	Description
I.	19(a)	Risk Management Committee was formed on June 07, 2023
II.	19(b)	The term of reference of Risk Management Committee was formed on June 07, 2023. Further, the Risk Management Policy will be adopted from July 01, 2023.


Chartered Accountants

Karachi

Date: September 26, 2023

UDIN: CR2023101543QV15FMqO