

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Shifa International Hospitals Limited - Year Ended June 30, 2023

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

1. The total number of directors are Eleven (11) (Ten elected and one ex-officio director) as per the following:

- a. Male: Ten (10)
- b. Female: One (01)

2. The composition of the Board is as follows:

Category	Names
Independent Directors*	Syed Ilyas Ahmed Dr. Mohammad Naseem Ansari Mr. Javed K. Siddiqui
Non-Executive Directors	Dr. Habib-Ur-Rahman Dr. Manzoor H. Qazi** Mr. Qasim Farooq Ahmad Dr. Samea Kauser Ahmad (Female Director) Prof. Dr. Shoab Ahmed Khan Dr. Jean-Christophe Maurice Charles Renondin***
Executive Directors	Dr. Zeeshan Bin Ishtiaque (Chief Executive Officer – Ex Officio Director)** Mr. Muhammad Zahid****

* The total number of elected directors of the Company are ten (10) and one third of the same is equal to 3.33. As decimal digit is less than 1, therefore, the figure 3.33 has been rounded off to 3.

** Dr. Manzoor H. Qazi was an Executive Director of the Company as he was the Chief Executive Officer of the Company until his resignation as CEO on March 30, 2023 and Dr. Zeeshan Bin Ishtiaque was appointed as CEO on March 31, 2023

*** Dr. Jean-Christophe Maurice Charles Renondin was appointed as director of the Company in place of Mr. Shafquat Ali Chaudhary on May 24, 2023. Dr. Renondin subsequently resigned on August 29, 2023

**** Mr. Muhammad Zahid was an Executive Director of the Company until September 12, 2023

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.

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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 Act and these Regulations.
7. 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.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. As at June 30, 2023 eight of the existing Board members have completed the Director's Training Program (DTP). Out of the three remaining Directors, one could not take-up the DTP, during the year under review, as he resides in U.S.A. The other two directors (including CEO) include a newly co-opted director as on May 25, 2023 who was to acquire the directors' training program certification till May 24, 2024, however, he opted to resign on August 29, 2023. The Chief Executive Officer who has been appointed with effect from March 31, 2023 is required to acquire the director's training program certification till March 30, 2024. The Company arranged DTP for a male and female executives namely Mr. Muhammad Salam, Associate General Manager and Ms. Komal Fiza, Assistant Director, during the year.
10. The Board had approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, as and when made, including their remuneration and terms and conditions of employment and 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
 - i. Syed Ilyas Ahmed (Chairman)
 - ii. Dr. Habib Ur Rahman
 - iii. Dr. Samea Kauser Ahmad
 - iv. Mr. Javed K. Siddiqui
 - b) HR & Remuneration Committee
 - i. Syed Ilyas Ahmed (Chairman)
 - ii. Dr. Habib Ur Rahman
 - iii. Dr. Manzoor H. Qazi
 - iv. Dr. Mohammad Naseem Ansari
 - v. Mr. Qasim Farooq Ahmad
 - c) Corporate Governance & Nominations Committee
 - i. Mr. Muhammad Zahid (Chairman)*
 - ii. Dr. Habib Ur Rahman
 - iii. Dr. Manzoor H. Qazi
 - iv. Dr. Samea Kauser Ahmad
 - v. Mr. Javed K. Siddiqui

* Subsequently after June 30, 2023, the Committee has been reconstituted with Dr. Manzoor H. Qazi as its Chairman, Dr. Habib Ur Rahman, Dr. Samea Kauser Ahmad and Mr. Javed K. Siddiqui as its members

- d) Risk Management Committee
 - i. Mr. Qasim Farooq Ahmad (Chairman)
 - ii. Prof. Dr. Shoab A. Khan
 - iii. Dr. Mohammad Naseem Ansari
- 13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
- 14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
 - a. Audit Committee: 9
 - b. HR and Remuneration Committee: 2
 - c. Corporate Governance & Nominations Committee: No meeting held
 - d. Risk Management Committee: No meeting held
- 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 Institute of

Chartered Accountants of Pakistan and are 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



DR. ZEESHAN BIN ISHTIAQUE

Chief Executive Officer

ISLAMABAD

September 30, 2023

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 requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



DR. MANZOOR H. QAZI

Director



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REVIEW REPORT TO THE MEMBERS 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 SHIFA INTERNATIONAL HOSPITALS LIMITED 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 Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company'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 Company's personnel and review of various documents prepared by the 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 Company's corporate governance procedures and risks.

The Regulations require the 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 and also ensure compliance with requirements of section 208 of the Companies Act, 2017. 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. We have not carried out any procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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 Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

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DATED: 30 September 2023
UDIN : CR202310095kZ8WzHbKB


CHARTERED ACCOUNTANTS

Engagement Partner: Abdul Qadeer

