

**Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019**

**Name of company: ZIL LIMITED**

**Year ending: DECEMBER 31, 2023**

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

1. The total number of directors are seven as per the following:

a.	Male	6
b.	Female	1

2. The composition of the Board is as follows:

i.	Independent directors	Mr. Ahsan Rashid
		Mr. Muhammad Salman Husain Chawala
ii.	Non-executive directors	Dr. Salomon Jacobus Van Rooijen
		Mr. Saad Amanullah Khan
		Mr. Irfan-Ul-Haq
iii.	Executive director	Mr. Mubashir Hasan Ansari
iv.	Female director (non-executive)	Mrs. Feriel Ali-Mehdi

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 updation 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 Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman. 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 has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. All directors, except those who are exempted or newly appointed have already completed directors training program;
10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year. The changes in remuneration including terms and conditions of employment of Chief Financial Officer, Company Secretary and Head of Internal Audit were approved by the Board;
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 (Name of members and Chairman)

Mr. Muhammad Salman Husain Chawala	Chairman
Mrs. Feriel Ali Mehdi	Member
Mr. Ahsan Rashid	Member

b) HR and Remuneration Committee (Name of members and Chairman)

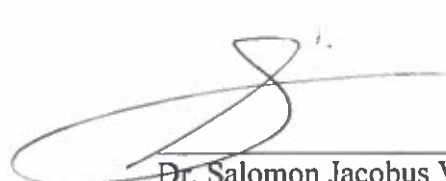
Mr. Ahsan Rashid	Chairman
Mrs. Feriel Ali Mehdi	Member
Mr. Saad Amanullah Khan	Member
Mr. Mubashir Hasan Ansari	Member

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: Quarterly;
  - b) HR and Remuneration Committee: On required basis;
15. The board has outsourced the internal audit function to M/s. Yousuf Adil & Co., Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;



16. The BDO, Chartered Accountants 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;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. Please refer paragraph 2 above of the Statement. However, fraction (0.33) contained in one-third number for Independent directors has not been rounded up as one, as the existing independent directors have the requisite skills, knowledge and diversified work experience to take independent decision in the interest of the Company.

  
Mr. Mubashir Hasan Ansari  
Chief Executive Officer

  
Dr. Salomon Jacobus Van Rooijen  
Chairman

Karachi: February 27, 2024