

## Statement of Compliance with Listed Companies

(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Khairpur Sugar Mills Limited (the Company) has complied with the requirements of listed Companies (Code of Corporate Governance) Regulations 2019, in the following manner:

Name of Company : **KHAIRPUR SUGAR MILLS LIMITED**

For the Year ended : **SEPTEMBER 30, 2025**

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

Sr. No.	Category	Number
a)	Male:	Five (5)
b)	Female:	Two (2)

2. The composition of the Board is as follows:

Sr. No.	Category	Number
(i)	Independent Directors	Mr. Asif Khan Brohi Mr. Ghulam Nabi Memon Morai
(ii)	Non-Executive Directors	Mr. Fahad Mubeen Jumani Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani
(iii)	Executive Directors	Mr. Muhammad Mubeen Jumani Mr. Faraz Mubeen Jumani
(iv)	Female Directors	Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani

Fraction (0.33) related to the requirement for number of independent Director is less than 0.5 and therefore, has not been rounded up as one.

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 a 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 the Regulations.
7. The meetings of the Board were presided over by the Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.

8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations.
9. All directors are exempted from the Director Training Program (DTP) as they meet the exemption requirements except one director. The company is planning to arrange DTP for one director and at least one head of department in next year. Additionally, the two (2) independent directors, have been registered with the Pakistan Institute of Corporate Governance (PICG) as per the regulations.
10. There were no new appointments of the Chief Financial Officer during the year. The Board acknowledged the resignation of Mr. Irfan Ali, who was serving as the Internal Auditor of the Company, effective from January 31, 2025. Subsequently, the Board approved the appointment of Mr. Ali Kazmi as the new Head of Internal Audit, based on the recommendation of the Audit Committee in its meeting held on February 10, 2025, with effect from February 15, 2025. All appointments, including their remuneration and terms and conditions of employment, are in compliance with the 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 had formed committees comprising of members given below:

Sr. No.	Name of Committee	Composition	
		Name	Designation
(i)	Audit Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Ghulam Nabi Memon Morai	Member
		Mrs. Qamar Mubeen Jumani	
(ii)	Human Resource and Remuneration Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Ghulam Nabi Memon Morai	Member
		Mrs. Qamar Mubeen Jumani	
(iii)	Nomination Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Fahad Mubeen Jumani	Member
		Mrs. Qamar Mubeen Jumani	
(iv)	Risk Management Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Muhammad Mubeen Jumani	Member
		Miss. Arisha Mubeen Jumani	
(v)	Sustainability (ESG) Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Muhammad Mubeen Jumani	Member
		Miss. Arisha Mubeen Jumani	

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) were during the financial year as per following:

Sr. No.	Name of Committee	Number of meetings held during the Financial Year ended September 30, 2025
01.	Audit Committee:	Four (04)
02.	Human Resource and Remuneration Committee	One (01)
03.	Nomination Committee	One (01)
04.	Risk Management Committee	One (01)
05.	Sustainability (ESG) Committee	One (01)

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 (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 (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouse, parents, 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.
19. Explanation for non-compliance with requirements, other than Regulations 3, 6, 7, 8, 27, 32, 33 and 36 are given below:

Sr. No.	Requirement	Regulation Number	Explanation of Non - Compliance
01.	<p><b>Director's Training:</b></p> <p>The directors on their board are encouraged have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specific by commission and approved by it.</p> <p><b>Head of department DTP training.</b> It is encouraged that the company makes an arrangement of training for:</p> <p>a) At least one head of department every year, Under the Director's Training programs.</p>	19	Six out of seven directors are in compliance with director training program, and for the remaining director, the company has planned to arrange DTP over the next year for one director and at least one head of department.
02.	<p><b>Simultaneously holding office by the same person officer and the company secretary by same person</b></p> <p>Office of holding of chief financial officer and the company secretary by same person</p>	24	Considering the volume and nature of transactions and corporate structure of the Company, positions of CFO and Company Secretary are not segregated. However, we may segregate duties of two offices if situation needed.



**Mrs. Qamar Mubeen Jumani**  
Chairperson

**Dated:** December 30, 2025  
**Place:** Karachi