CORPORATE GOVERNANCE POLICY

JS investments
Better Investments for a Better Future!

Contents

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INTRODUCTION

The Policy on Corporate Governance applies to JS Investments Limited (the Company / JSIL) and is formulated to comply with Regulation 38(A) of NBFC and NE Regulations 2008. This policy document has been set out per the Code of Corporate Governance 2019.

The cornerstone of our corporate governance framework is a steadfast commitment to our stakeholders' best interests. We have designed an efficient set of incentive and monitoring mechanisms to ensure that our management always aligns with these interests, fostering a sustainable relationship built on trust and mutual benefit. We have established decision-making bodies and institutionalized procedures that reflect our meritocratic, performance-focused, and long-term value-creation culture to achieve this.

Our internal policies and procedures, encompassing Succession Planning, Gender Diversity, Health, Safety, Security and Environment Policy, and Stewardship Policy, are consistently adapted as needed and well-documented. The Board plays a pivotal role in upholding the highest standards of corporate governance, accountability, and risk management. For the past 27 years, our business philosophy has been to create value for all stakeholders through fair and transparent practices, reflected in the policies approved by the Board of Directors and implemented across the Company.

1. Composition of the Board

- The JSIL Board of Directors is a balanced mix of executive and non-executive directors, including independent directors and those representing minority interests. Each member brings unique skills, competence, knowledge, and experience, creating a diverse and competent group that aligns with the company’s operations.
- JSIL shall have at least two or one-third members of the Board, whichever is higher, as independent directors.
- The Independent Director must submit his consent to act as a director and declare to the company that he qualifies for the independence criteria notified under the Act. Such declaration shall be submitted to the Chairperson of the Board at the first meeting after the election of directors and in the event of any change affecting his independence.
- Ensure that Executive Directors, i.e., paid executives of the company from among the senior management, shall not be more than one-third of the elected directors, including the Company's Chief Executive Officer. Provided that nothing contained in this clause shall supersede any law for the time being in force or regulation made by any regulatorregarding the composition of the board.
- Whereas no director shall be considered independent if one or more of the following circumstances exist:
    a) He/she has been an employee of the company, any of its subsidiaries or holding company within the last three years;
    b) He/she is or has been the CEO of subsidiaries, associated company, associated undertaking or holding company in the last three years;
    c) He/she has, or has had within the last three years, a material business relationship with the company either directly or indirectly as a partner, major shareholder or director of a body that has such a relationship with the company;
    d) He/she has received remuneration in the three years preceding his/her appointment as a director or receives additional remuneration, excluding retirement benefits from the company apart from a director’s fee or has participated in the company’s share option or a performance-related pay scheme;

e) He/she is a close relative of the company's promoters, directors or major shareholders;
f) He/she holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;
g) He/she has served on the board for more than three consecutive terms from the date of his first appointment, provided that such person shall be deemed "independent director" after a lapse of one term.

1.1. Independent Director

The Company shall have at least two or one-third members of the Board, whichever is higher, as independent directors. The independent director shall submit his consent to act as director, along with a declaration to the Company that he qualifies the criteria of independence notified under the Act. Such declaration shall be submitted to the Chairperson of the Board at the first meeting following the election of directors, as well as in the event of any change affecting the director's independence.

1.2. Female Director

It is mandatory that the Board shall have at least one female director.

1.3. Executive Director

It is mandatory that the number of executive directors, including the chief executive officer, shall not be more than one-third of the Board.

1.4. Chairperson of the Board

The Chairperson and the Chief Executive Officer of the Company shall not be the same person. The Chairperson shall be elected subject to the terms, conditions, and responsibilities provided under section 192 of the Act, the CCG, Regulations and the Article of Association of the Company.

2. Maximum number of directorships to be held by a director

As mentioned in the Code of Corporate Governance 2019, no person shall simultaneously be elected or nominated as a director of more than seven listed companies.

3. Filling up a casual vacancy

Any casual vacancy on the board of directors shall be filled up by the directors at the earliest but not later than 90 days thereof or such other period as prescribed in the Code of Corporate Governance, 2019 or any other applicable laws.

4. Responsibilities, Powers and Functions of the Board of Directors

- The board of directors shall exercise its powers and carry out its fiduciary duties with a sense of objective judgment and independence in the best interests of the listed company.
- The board of directors shall ensure that:
  a) Professional standards and corporate values promote integrity for the board, senior management, and other employees. A Code of Conduct defines acceptable and unacceptable behaviors.
  b) Adequate systems and controls are in place to identify and redress grievances arising from unethical practices.
  c) Establish a system of sound internal control which will be effectively implemented and maintained

at all levels within the company;

d) The Chairperson and the Chief Executive Officer (CEO), by whatever name called, shall not be the same person except where provided for under any other law.

e) The Chairperson shall be elected from among the company's non-executive directors. He shall be responsible for leading the board and ensuring its effective performance.

f) The Board of Directors shall clearly define the respective roles and responsibilities of the Chairperson and CEO.

5. Responsibilities, Powers and Functions of the Chairperson

In compliance with the Code of Corporate Governance, 2019, it is mandated that the roles of Chairperson and Chief Executive Officer ("CEO") must be distinct individuals, except as permitted by any other applicable law. Additionally, the Chairperson is to be elected from among the non-executive directors of the listed company. The Code also specifies that the Board of Directors of a listed company is obligated to explicitly outline and define the distinct roles and responsibilities of both the Chairperson and the CEO.

In alignment with these principles, the ensuing description clearly divides roles and responsibilities between the Chairperson and the CEO. This demarcation ensures transparency, accountability, and effective governance within the listed company, aligning with the regulatory requirements outlined in the Code.

The Chairperson shall ensure that the board functions effectively and adheres to the highest standards of corporate governance. Specifically, the Chairperson shall ensure:

a) **Effective Board Functioning**: Ensure the Board and its committees operate in accordance with the highest standards of corporate governance.

b) **Stakeholder Communication**: Facilitate effective communication with shareholders and other stakeholders to understand their perspectives.

c) **Strategic Agenda**: Set a strategic agenda focusing on strategy, performance, value creation, and accountability, ensuring regular consideration by the Board.

d) **Constructive Board Discussions**: Promote constructive debate and effective decision-making during Board discussions.

e) **Risk Management**: Ensure the Board identifies significant risks and regularly reviews the effectiveness of risk management and internal control systems.

f) **Board Meeting Efficiency**: Allocate adequate time for discussion, especially for complex or contentious issues, ensuring non-executive directors have sufficient time for consideration.

g) **Information Flow**: Ensure Board members receive accurate, timely, and clear information on agenda items and the company's performance.

h) **Delegation of Authority**: Oversee the delegation of appropriate authority to the management by the Board.

i) **Board Committees**: Ensure proper establishment, composition, and effective operation of all Board committees as required by the Code.

j) **Effective Board Composition**: Focus on building an effective Board, considering composition, balance, diversity (including gender), and succession planning for the Board and senior executives.

k) **Annual Report Compliance**: Ensure proper disclosure in the annual report in accordance with the Code of Corporate Governance.

l) **Director Development**: Ensure directors continually update their skills, knowledge, and familiarity with the company in line with the Code of Corporate Governance.
m) **Communication with CEO**: Maintain open communication with the Chief Executive Officer as needed.
n) **Board Evaluation:** Ensure the formal annual evaluation of the performance and effectiveness of the Board, its committees, and individual directors.
o) **Harmonious Relationship**: Establish a harmonious and open relationship with all executive directors, providing advice and support while respecting their executive responsibilities.
p) **Conflict of Interest**: Ensure adequate addressing of conflict of interest issues at the Board level.

6. Responsibilities, Powers and Functions of the CEO

The Chief Executive Officer (CEO) is entrusted with the leadership of the business, operating under the control, direction, and authority delegated by the Board of Directors. The CEO assumes a pivotal role in steering the company's course, ensuring that strategic decisions align with the directives and guidance provided by the Board. This structure establishes a clear chain of command and accountability, with the CEO holding the primary responsibility for the overall direction and management of the organization while working within the parameters set by the Board.

In this capacity, he/she is responsible for:

a) **Corporate Strategy Development:** Develop the company's strategy for Board approval and ensure alignment with the business.
b) **Financial Planning:** Collaborate with the Chief Financial Officer to create an annual budget and cash flow plan consistent with approved corporate strategies. This involves a thorough review of capital investment proposals and risk management.
c) **Performance Accountability:** Be accountable to the Board for business performance, providing updates on progress against approved plans, corporate strategies, and policies.
d) **Human Resource Planning:** Plan human resources to align with company plans, ensure the availability of necessary capabilities, and present management succession and development plans to the Board.
e) **Organizational Structure:** Develop an efficient organizational structure, along with processes and systems to optimize resource utilization.
f) **Reporting to the Board:** Present financial results, business strategies, targets, and milestones to the Board.
g) **Stakeholder Communication:** Foster effective communication with shareholders and other stakeholders.
h) **Corporate Governance:** Ensure business is conducted in accordance with the highest standards of corporate governance.
i) **Board Information Flow:** Ensure accurate, timely, and clear information flow to the Board.
j) **Relationship with Chairperson:** Establish a close, trust-based relationship with the Chairperson, report key developments in a timely manner, and seek advice and support as needed.
k) **Reporting Lines**: Ensure clear and effective reporting lines within the company.
l) **Compliance with Laws**: Establish proper procedures to ensure compliance with all applicable laws, rules, and regulations.
m) **Internal Controls and Risk Management**: Implement an effective framework of internal controls, including risk management for all business activities.

n) **Information Disclosure**: Ensure the company has a suitable system and policy for the timely and accurate disclosure of information in accordance with regulatory requirements.
o) **Conflict of Interest:** Adequately address conflict of interest issues at the management level.

7. Record Keeping of Significant Policies

The Company places significant emphasis on the safety and accessibility of its records in compliance with applicable laws. Physical files and documents are stored in designated cabinets and racks within record rooms to safeguard them against physical and environmental damage. Regular backups of digital records are taken and stored both onsite and offsite. The offsite backup tapes are maintained in secured and fire-resistant storage locations. To ensure the integrity of the backups, periodic samples are restored.

8. Meetings of the Board

- All written notices, including the agenda, of meetings shall be circulated at least seven days before, except in emergency meetings, where the notice period may be reduced or waived.
- The Chairperson shall ensure that the minutes of meetings of the board of directors are appropriately recorded. The Company Secretary shall be the secretary to the board.
- If a director believes that his dissenting note has not been satisfactorily recorded in the Board of Directors meeting minutes, he may refer the matter to the Company Secretary.

9. Significant Issues to be placed for the decision of the Board of Directors

To strengthen and formalize the corporate decision-making process, significant issues shall be presented to the JSIL board of directors and/or its committees for information, consideration, and decision.
The Chief Executive Officer shall be responsible for the leadership of the business, subject to the control and direction of the authorities delegated to him/her by the Board of Directors. It shall immediately bring before the Board, as soon as it is foreseen that the company will not be in a position to meet its obligations on any loans (including penalties on late payments and other dues to a creditor, bank, or financial institution or default in payment of public deposit). Full details of the company's failure to meet obligations shall be provided in the company's quarterly and annual financial statements.

The significant issues for this purpose may include:

- Annual business plan, cash flow projections, forecasts, and strategic plan;
- Budgets including capital, manpower, and overhead budgets, along with variance analysis;
- Matters recommended and/or reported by the committees of the board;
- Quarterly operating results of the Company;
- Internal audit reports, including cases of fraud, bribery, corruption, or irregularities of a material nature;
- Management letter issued by the external auditors;
- Details of joint venture or collaboration agreements or agreements with distributors, agents, etc.;
- Promulgation or amendment to a law, rule, or regulation, enforcement of an accounting standard, and such other matters as may affect the listed company;
- Status and implications of any lawsuit or proceedings of a material nature filed by or against the company or its funds under management;
- Any show cause, demand, or prosecution notice received from revenue or regulatory authorities;

- Failure to recover material amounts of loans, advances, and deposits made by the listed company, including trade debts and inter-corporate finances;
- Any significant accidents, dangerous occurrences, and instances of pollution and environmental problems involving JSIL;
- Report on governance, risk management, and compliance issues. Risks considered shall include reputational risk and shall address risk analysis, risk management, and risk communication;
- Whistle-blowing protection mechanism; and
- Reports on Corporate Social Responsibilities activities.

10. Related Party Transactions

a) The details of all related party transactions shall be placed before the company's audit committee, and upon the recommendations of the audit committee, the same shall be placed before the board for review and approval.

b) Related party transactions not executed at an arm's length price shall also be placed separately at each board meeting, along with necessary justification for consideration and approval by the board on the recommendation of the listed company's Audit Committee.

c) The board of directors of a company shall approve the pricing methods for related party transactions made on terms equivalent to those that prevail in an arm's length transaction only if such terms can be substantiated.

d) Every company shall maintain a party-wise record of transactions in each financial year entered into with related parties in that year, along with all relevant documents and explanations. The record of related party transactions shall include the following particulars in respect of each transaction:

   i. Name of related party;
   ii. Nature of relationship with the related party;
   iii. Nature of transaction;
   iv. Amount of the transaction; and
   v. Terms and conditions of the transaction, including the amount of consideration received or given.

11. Directors Training Program

The Company adopts a keen interest in the professional development of its Board members as per the requirements of the Code of Corporate Governance. A newly appointed director on the Board may acquire the director's training program certification within a period of one year from the date of appointment as a director on the Board:

A director with a minimum of 14 years of education and 15 years of experience on the Board of a listed company, local and/or foreign, shall be exempt from the director's training program. The Company shall further arrange a training for:

i. at least one female executive every year under the Directors' Training program; and
ii. at least one head of department every year under the Directors' Training program

12. Appointment, Removal and Qualification

The Board of Directors shall determine the appointment, remuneration, and terms and conditions of employment of the Chief Financial Officer (CFO), the Company Secretary (CS) and the Head of Internal Audit (HIA) in accordance with the provisions of the Code of Corporate Governance. Subsequently, the Board can also approve the removal of such positions. However, the Head of Internal Audit may be removed only upon recommendation of the Audit Committee.

13. Requirement to attend Board Meetings

The CFO and CS, or in their absence, the nominee appointed by the Board, shall attend all meetings of the Board. Provided that the CFO and CS shall not attend such part of the Board meeting wherein agenda item relates to consideration of their performance or terms and conditions of their service or when, in the opinion of the Board, their presence in the meeting on any agenda item is likely or may tend to impair the organizational discipline and harmony of the company.

14. Director's Remuneration

JSIL strongly believes in having a formal and transparent procedure for fixing the remuneration packages of individual directors. In this regard, director remuneration shall be approved as per relevant provisions of the Memorandum and Articles of Association of the Company while ensuring compliance with the applicable clause of the Code of Corporate Governance.

15. Frequency of financial reporting

The company's quarterly unaudited financial statements shall be published and circulated along with the directors' review of the company's affairs.

The second quarterly financial statement would be subject to a limited-scope review by the statutory auditors, per the terms and conditions provided by the Institute of Chartered Accountants of Pakistan (ICAP) and approved by the SECP.

16. Responsibility for Financial Reporting and Corporate Compliance

Before circulation, the CEO and CFO shall present financial statements duly endorsed under their respective signatures for Board consideration and approval. It shall be mandatory for the CEO and CFO to have the second quarterly and annual accounts of JSIL (both separate and consolidated where applicable) initialed by the external auditors before presenting it to the audit committee and the Board of Directors for approval.

17. Disclosure of Interest

Wherever applicable by law, prevailing rules and regulations amended from time to time; all necessary disclosure of interest by a director holding company's shares shall be made or communicated to concerned authorities in such manner as prescribed in the Code of Corporate Governance.

18. Committees of the Board and the Terms of Reference

a) Audit Committee

The Audit Committee of the Board shall comprise three non-executive directors, and the Chairperson shall be an independent director. The committee meets at least once every quarter of the financial year.

The Audit Committee shall, inter alia, recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision by the external auditors of any service to the listed company, and the audit of its financial statements. The Board of Directors shall give due consideration to the recommendations of the Audit Committee in all these matters, and where it acts otherwise, it shall record the reasons thereof.

The board of directors of every listed company shall determine the terms of reference of the audit committee. The board of directors shall provide adequate resources and authority to enable the audit committee to carry out its responsibilities effectively. The terms of reference of the audit committee shall be explicitly documented and shall also include the following:

i. Determination of appropriate measures to safeguard the listed company's assets;
ii. Review of quarterly, half-yearly and annual financial statements of the listed company before their approval by the Board of Directors, focusing on:
iii. Major judgmental areas;
iv. Significant adjustments resulting from the audit;
    i. Going concern assumption;
    ii. Any changes in accounting policies and practices;
    iii. Compliance with applicable accounting standards;
    iv. Compliance with listing regulations and other statutory and regulatory requirements; and
    v. Significantly related party transactions.

v. Review of preliminary announcements of results before publication:
vi. Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management. where necessary);
vii. Review of management letter issued by external auditors and management's response thereto;
viii. Ensuring coordination between the Internal and external auditors of the listed company:
ix. Review of the scope and extent of the internal audit, audit plan, reporting framework and procedures and ensure that the internal audit function has adequate resources and is appropriately placed within the listed company;
x. Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
xi. Ascertaining that the internal control systems, including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
xii. Review of the listed company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
xiii. Instituting special projects, value-for-money studies or other investigations on any matter specified by the board of directors in consultation with the Chief Executive Officer and consider remittance of any matter to the external auditors or any other external body;
xiv. Determination of compliance with relevant statutory requirements;
xv. Monitoring compliance with the regulations and identification of significant violations thereof;

- Review of arrangements for staff and management to report to the audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- Recommend to the board of directors the appointment of external auditors, their removal, audit fees, and the provision of any service permissible to be rendered to the listed company by the external auditors in addition to the audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise and shall record the reasons thereof;
- Consideration of any other issue or matter as may be assigned by the board of directors.

b) Human Resource & Remuneration Committee

The Human Resource and Remuneration Committee (HRRC) consists of a Chairperson, at least two other members (who should preferably be non-executive Directors), and the CEO. A quorum shall be two members. The Head of Human Resources shall be the Secretary of the Committee.

i. Frequency of Meetings
The Committee shall meet at least once a financial year or whenever the Chairperson deems it necessary.

ii. Attendance at The Meetings
Other than members, non-members shall be able to attend by invitation only.

iii. Authority
The Board authorizes the Committee to seek any information it requires from any Company employee to perform its duties. In connection with its duties, the Board authorizes the Committee to obtain independent professional advice and expertise at the Committee's sole discretion if it considers this necessary.

iv. Scope of The Committee
The Committee shall be at the policy-making level. It shall not infringe on the management's function. It shall play an advisory role and make recommendations for approval to the full Board.

- The Committee shall systematically review major HR policies to update and align them with best practices based on equity, merit, transparency, efficiency and affordability principles. The Committee
- The company shall also encourage the development of new policies to help attract, retain, develop and motivate quality personnel and to assist in meeting its corporate and business objectives. Areas of review could cover Recruitment, Performance Management Systems, Compensation, Training and Development, Succession Planning, Job Evaluation, Manpower Planning, and Organization Structure.
- Articulate and maintain a Compensation Philosophy and strategy for the Company. Ensure compensation and benefit levels are maintained at the desired alignment with competition and are consistent with the Company's adopted philosophy. Undertake an annual review and recommend overall budgetary recommendations for salary increments and other pay adjustments.
- The Committee shall periodically assess the dynamics and corporate culture and recommend 'change management' programs to enhance the Company's performance. These could include periodic employee surveys and dialogue groups to bring about the desired culture change.
- The Committee may review appraisals, development plans, and compensation for the CEO's direct reports.
- The Committee may undertake the CEO's performance appraisal and make salary

recommendations, including perks and other benefits.

- Where Human Resource and Remuneration consultants are appointed, the Committee shall ask the consultant to disclose their credentials to the Committee and whether they have any other connection with the Company.

c) Executive Risk Management Committee (ERMC)

The Executive Risk Management Committee of the Board is established to assist the Board in evaluating significant matters arising from the core business of fund management, affiliated business operations, and strategic decision-making undertaken by the Company.

The committee is structured to observe the functions and matters pertaining to Risk Management and Executive Management, as given below:

a) The Committee's Risk Management function will assist the Board in identifying, assessing, quantifying, managing, and mitigating the risks arising from the core business functions and operations of the Company; and

b) The Executive Management function will assist in developing and formulating strategic decisions, plans, corporate policies, and annual budgets consistent with the Company's Vision, Mission, and Long-term goals.

i. Membership:

The Committee shall consist of at least three members of the Board, including the Chief Executive Officer. The Chair shall be any member appointed by the Board (excluding the CEO). The secretary may be a member of management (Company Secretary or Chief Compliance and Risk Officer), as the ERMC may occasionally direct.

ii. Frequency of Meetings

The recommended frequency of the meeting shall be five times in a calendar year in conjunction with Board meetings held for the approval of interim and final accounts of AMC and Funds, Annual Budget, and Corporate Business Strategy; any other specific agenda item falling within the committee's scope may be addressed through additional meetings as and when required in consultation with the Committee Chair.

iii. Notice of Meetings

The Secretary shall convene meetings of the Committee at the request of any of its members. Unless otherwise agreed, a notice of each meeting confirming the venue, time and date of the meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee at least seven days before the meeting date.

The agenda shall be circulated with relevant supporting papers to the Committee members and other attendees as appropriate.

iv. Duties and Responsibilities of the Committee

The Board has established the Committee to bring in line the role of management in developing risk management culture and program. The duties and responsibilities pertaining to the Risk Management areas include the following:

- Review the strategic direction, objectives, and effectiveness of the management's risk management policies, procedures, and systems to mitigate and control the risks of the Company emanating from both the Management Company (JSIL) and Funds under its Management;

- The Committee shall review any act of intended or deliberate deviant behavior by tile employees of the Company with the defined policies, procedures, practices and from applicable laws if escalated by the management;
- The Committee shall review the quarterly compliance report on significant events (e.g., regulatory violations) as reported by the management that may potentially give rise to reputational risk issues, penalties, show cause notices, and
- The Committee shall review operational risks annually, covering JSIL's financial soundness, stability and creditworthiness, and report significant events/ matters to the Board.

The duties and responsibilities of Executive Management areas shall include the following;

- Review any significant plan for expansion or projects related to JSIL's ongoing activities (for example, joint ventures, significant business opportunities. mergers, acquisitions, asset sales or purchases) and report on such matters to the Board for examination/ consideration;
- Monitor performance subsequently, on a periodic basis, in connection with such business plans, transactions or projects;
- Review JSIL's annual business plan and budget and recommend its decision for the Board's approval. The Committee will also review and approve interim budgetary proposals if required.
- Review the Company's capital expenditures and annual budget, human resources budget and annual branch expansion plan and recommend its proposal to the Board for approval.
- Review and recommend to the Board of Directors for its approval any changes in the Organizational Structure/creation of a new department.
- Overseeing significant legal cases of the Company and the Funds under its management. Accordingly, the Board will require tile management to act per the Committee's and the Board's Guidance.
- Review and discuss the Company's capital structure and financing activities and, if required, may recommend its decision to the Board for approval.
- The Committee may also make any recommendations to the Board it deems appropriate in any area where action or improvement is needed.

19. Internal Audit Function

There shall be an internal audit function in JSIL. The head of internal audit shall functionally report to the Audit Committee and administratively to the CEO. His performance appraisal shall be done jointly by the Chairperson of the audit committee and the CEO. No director on the Board shall be appointed, in any capacity, in the company's internal audit function. The Board shall ensure that the internal audit team is comprised of experts from relevant disciplines who cover all major heads of accounts maintained by the company. JSIL shall ensure that the head of internal audit is suitably qualified, experienced and conversant with the company's policies and procedures.

The internal audit function, wholly or partially, may be outsourced by the company to a professional services firm or be performed by the internal audit staff of the holding company and in lieu of outsourcing, the company shall appoint or designate a full-time employee other than CFO, as head of the internal audit holding equivalent qualification prescribed under these Regulations, to act as coordinator between firm providing internal audit services and the Board.

Provided that while outsourcing the function, the company shall not appoint its existing external auditors or any of its associated companies or associated undertakings as internal auditors. Management shall ensure that internal audit reports are provided for the review of external auditors. The auditors shall discuss any major findings in relation to the reports with the audit committee, which shall report matters of significance to the Board.