

INVEST CAPITAL INVESTMENT BANK LIMITED
STATEMENT OF COMPLIANCE
WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

This statement of compliance is being presented to comply with the Code of Corporate Governance (CCG) contained in listing regulations of Stock Exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Code of Corporate Governance. The said Code has also been adopted by the State Bank of Pakistan and the Stock Exchanges. The Board of Directors of Invest Capital Investment Bank Limited has adopted and applied the principles contained in the Code of Corporate Governance in the following manner.

- 1) The Company encourages representation of independent non-executive directors and directors representing minority interest on its Board of Directors. At present the Board includes five non-executive directors and one executive director who is also working as the Chief Executive Officer (CEO) of the Company.
- 2) The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
- 3) All the directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loans to a banking company, a Development Financial Institution or a Non Banking Finance Company or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
- 4) The casual vacancy occurring during the year in the Board of Directors has been filled in within the stipulated time.
- 5) The Company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the directors and employees of the Company.
- 6) The Board, in its meeting held on March 29, 2008, has developed a mission / vision statement, overall corporate strategy, business conduct principles and significant policies of the Company.

7) All the powers of the Board have been duly exercised and decision on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, have been taken by the Board.

8) 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 and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meeting were appropriately recorded and circulated.

9) During the year an Orientation Course for the Board of Directors has been arranged to acquaint them with their duties and responsibilities and enable them to manage the affairs of the listed companies on behalf of shareholders.

10) The Board approves the appointment of Chief Financial Officer (CFO) and Company Secretary, including their remuneration and terms and conditions of employment, as determined by the CEO.

11) The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.

12) The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.

13) The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

14) The Company has complied with all the corporate and financial reporting requirements of the Code.

15) The Board has formed an Audit Committee, which comprises of three members. All members are non-executive directors.



16) The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code, the terms of reference of the Committee have been formed and advised to the Committee for compliance.

17) The Board has out-sourced the internal audit function to a firm of Chartered Accountants i.e. Ms. Riaz Ahmed Saqib Gohar & Company, Chartered Accountants. The firm is conversant with the policies and procedures of the Company.

18) The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.

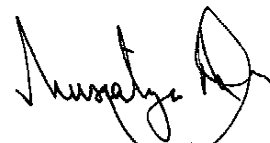
19) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

20) We confirm that all other material principles contained in the Code have been complied with as stated above.

For and on behalf of the Board of Directors

Karachi

December 23, 2009



Nusrat Yar Ahmad

Chief Executive