



Certified ISO 9001 :2000(E)



The National Silk & Rayon Mills Ltd.

Processor of Blended, Embroidered and Textile Fabrics



THE NATIONAL SILK & RAYON MILLS LIMITED

“Communication and Disclosure Policy”

Introduction

The National Silk & Rayon Mills Limited being a public listed company, has an obligation to ensure that all communications of material information are timely, factual, accurate, transparent, consistent, credible, and in compliance with the applicable legal requirements of the various regulatory bodies, the Company is subject to, including, the requirements of the Securities and Exchange Commission of Pakistan (“SECP”), the Pakistan Stock Exchange Limited (“PSX”), and the applicable securities laws of Pakistan. The Company is committed to providing consistent, timely and relevant communication, and to provide fair access to information for all members of the Company as well as the investors’ community.

The goal of this corporate communication and investors /members’ relations policy is to ensure that whenever material information is disclosed, it is broadly disseminated as required by the applicable corporate laws, accounting standards and PSX Regulations. This communication and investors’/members’ relations policy will serve as a statement to the members and other stakeholders of the Company to keep them informed of material information and other price sensitive information affecting their decision making, and maintain effective communication with them.

General Principles

The Board of Directors of the Company has the responsibility to ensure that adequate systems and controls are in place for communication and disclosure to stakeholders, identification of grievances and queries of members / investors; The Board of Directors shall designate an officer of the Company, to manage and supervise information conveyed to the members and to the market, to manage relations with the members and institutional investors and investment analysts, adopting the appropriate measures in accordance with the following principles:

Transparent, clear, accurate, relevant, uniform and simultaneous dissemination of information. promotion of on-going and continuous information to the members, not just on occasion of the General meetings, for which purpose the Board of Directors proposes making effective channels available thereto in order to facilitate the exchange of communications with the members and so that they are continuously informed regarding any proposals to be made in relation to the management of the company, in collaboration with the members so that reporting and market relationship practices are transparent, efficient and aligned with the corporate interest.

Development of information technology tools and communication channels in order to be able to take advantage of new members’ relations technologies such as video conferencing etc.

These principles are applicable to the Company’s information for and relations with the members, markets and other interested or related parties, such as financial institutions acting as intermediaries, managers and depositaries of shares of the Company, financial analysts, regulatory and supervisory bodies, rating agencies and information agencies investment analyst among others.

Policy Statement

The Company provides members and other parties in the financial markets with equal and simultaneous information about matters that may influence the share price. The contacts between the management on the one hand and investors and analysts on the other are carefully handled and structured, and the company will not engage in any acts that compromise the independence of analysts in relation to the company and vice versa. The Company communicates with all of its investors and analysts through meetings such as the General Meetings and mandatory corporate briefing sessions. Furthermore, the Company made available annual audited



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financial statements, quarterly financial statements, duly complied with the requirements of Companies Act, 2017, PSX Regulations and other relevant applicable laws and regulations on the Company's website.

Briefings are given to update the market at each quarterly announcement via Directors' Review Report. The Company always observes applicable rules concerning selective disclosure, equal treatment of members and disclosure of price sensitive information.

In the period preceding the publication of the results of that quarter, The Company announces a "close period".

Any material and price sensitive information are communicated to Stock exchange and Securities and Exchange Commission of Pakistan (SECP) on timely basis. Company Secretary deals with contacts with the capital markets.

Authorized Spokespersons

Unless otherwise approved by the Company's Board of Directors, Persons authorized to discuss the Company matters with the news media, investment community (e.g. research / securities analysts, portfolio managers, and investment bankers) or industry analysts are as follows:

- (i) Chief Executive Officer
- (ii) Chief Financial Officer
- (iii) Company Secretary

Individuals, other than those authorized to speak on behalf of the Company, are prohibited from responding, under any circumstances, to inquiries from the news media, investment community, or industry analysts unless specifically authorized to do so by an Authorized Spokesperson.

Such authority may be granted on a case-to-case basis (i.e. individuals who are authorized to respond to inquiries in some particular case but are not authorized for an ongoing or indefinite period). This limitation is intended to help to ensure consistent disclosure and to avoid selective / random disclosure.

Individuals who receive such inquiries either directly or indirectly must refer the inquirer to an Authorized Spokesperson.

Policy on News Releases

The Company may determine to issue a news release on some material development, unless it determines that such developments should remain confidential for the time being and the confidential information is appropriately controlled. The Authorized Spokesperson must approve all press releases issued by or on behalf of the Company in advance.

As a matter of policy, however, any specific material information that is to be intentionally discussed or presented in any meeting, industry conference or conversation with the investors community must be accompanied by the issuance of a broadly disseminated news release or presentation posted to the Company's website and filed with the SECP (wherever required). In order to protect against unintentional disclosure of material non-public information, and in the event of its disclosure, to ensure that the information is released promptly, meetings, discussions, or other interactions with members of the investors community should be attended by company representatives one of whom should be an Authorized Spokesperson.

News Media

The Company's policy for disseminating information to the news media is that the news media will receive new material information at the same time as the investment community and the public. Therefore, the Company and its Individuals will not provide exclusive stories to the media regarding upcoming, unannounced material events unless approved by the appropriate Authorized Spokesperson.



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Video Link Facility

In accordance with Section 132(2) of the Companies Act, 2017, if the Company receives a demand from the members holding in aggregate 10% or more shares of total paid-up capital residing in a geographical location to participate in the general meeting through video link, at least 7 days prior to the date of Meeting, the Company will arrange for them, video link facility in that city subject to availability of such facility in that city.

Relations with Analysts and Institutional Investors

In addition to shareholder consultations, the corporate department individually attends to institutional investors and financial analysts.

The Company shall also organize informational meetings on the performance of the Company or other aspects of interest for financial analysts and institutional investors, so that they have adequate information about the Company. All of the foregoing must be understood to be without prejudice to the Company's strict respect for the principle of equal treatment of all members who are in identical conditions and not affected by conflicts of interest.

General Meetings

The Board of Directors undertakes to promote the informed participation of members at the General Meetings, and adopts such measures as are appropriate to enable the members at the General Meetings to effectively participate in accordance with the law and the PSX Regulations.

Financial institutions acting as intermediaries, managers and depositaries of shares of the Company must inform the shareholders about their rights they may exercise and it must be ensured that the instructions grants to their clients are valid and, thus accurately coincide with those received from the members or from their proxy representatives.

From the publication of the announcement of the call, until at least the holding of the General Meeting, the Company must continuously publish on its corporate website, the information required by law and by the PSX Regulations. Moreover, an Urdu translation of a complete or summarized version of the main notices, reports and documents relating to the General Meeting shall be included as the published material in English-language.

In addition to the rules set forth in this policy, the provisions of the PSX Regulations and the Companies Act, 2017, shall govern the information made available to the members upon the holding of the General Meetings

Correspondence

Investors may send their complaints and queries to the Company Secretary or lodge their complaints through Investors Complaint Registration Form placed on company's website.

Modifications

The Board shall upon recommendation of the Company Secretary annually review the provisions of communication and investors /shareholders' relations policy and shall propose amendments to it as and when deemed necessary.

Version Control

This version shall supersede the previously adopted communication and investors /shareholders' relations policy, if any, as adopted by the Board of Directors of the company