



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
FUND MANAGEMENT DEPARTMENT

No. SCD/AMCW/ /2024/182

January 01, 2025

Direction No. 1 of 2025

Subject: Requirements related to conduct of Asset Management Companies representing Unitholders of Collective Investment Schemes in Listed Companies' General Meetings.

To promote transparency and to safeguard the proxy rights of the unitholders of Collective Investment Schemes (CIS), the Securities and Exchange Commission of Pakistan (the "Commission") in exercise of powers conferred in terms of Section 282D of the Companies Ordinance, 1984, and in addition to the requirements under Regulation 38A read with Schedule XXI of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, hereby directs the Asset Management Companies (AMCs) to comply with the following additional requirements when acting on behalf of unitholders of CIS in general meetings of listed companies:

The AMCs, are encouraged to attend all General Meetings represented by their employee(s) who has no affiliation with the Investee Company. They must mandatorily

- I. ensure attendance, and exercise voting rights, at the General Meetings of listed companies wherein one or more CIS under their management, individually or collectively, hold at least 5% shareholding;
- II. ensure attendance, and exercise voting rights, at the General Meetings for all matters categorized as special business in the investee companies, irrespective of the holding size; and
- III. shall adhere to the board-approved stewardship policy, including the voting policy and uphold the principles of diligence, independence, and transparency. The AMCs are required to maintain adequate documentation to substantiate adherence to the voting policy.

(Khalida Habib)
Executive Director (SCD)

Distribution:

1. Chief Executive Officers, All Registered Pension Fund Managers.
2. Mutual Funds Association of Pakistan.
3. Trustees of Pension Fund Schemes.