

Press Release

“SEC Preparing Code of Conduct for Fund Managers”

Lahore – June 3, 2005: The Securities and Exchange Commission of Pakistan (SEC) is preparing a ‘Code of Conduct’ for the fund managers, which will be introduced in a stipulated time, said Chairman SEC Dr Tariq Hassan on Friday at Lahore.

He was speaking at the inaugural session of “The Second Annual Conference on Corporate Governance in Pakistan,” jointly organized by Lahore University of Management Sciences (LUMS) and the SEC.

Dr Hassan added that after introducing code of conduct for the credit rating companies the Commission will introduce similar code for other sectors as well. He urged the representatives associations of various sectors to develop their own Codes of Ethics/Conduct.

He said the SEC’s collaborations with some of the best Pakistani institutions are indeed proving to be very helpful towards the growth of corporate and financial sector. “Our role is not only that of a regulator, but also that of a facilitator,” he said adding that corporate governance is not something that is imposed by the regulators and grudgingly complied with by the corporate sector.

Dr. Hassan urged companies to protect the interest of all the stakeholders including shareholders, employees, customers and suppliers. “For sustained profitability a company needs to protect the interests of all its stakeholders,” he added.

The Chairman SEC also discussed the role of internal and external auditors, the positive interplay between the economic and social development and corporate social responsibility. “A strong, transparent, accountable, well-documented and socially aware corporate sector is the foundation that our economy needs to base its development on. The SEC is strongly committed to bringing about this positive change in the Pakistani business arena,” Dr Hassan concluded.

The inaugural session was also addressed by Syed Zahoor Hassan, Vice Chancellor, LUMS and Mr. Abid A. Burki, Conference Convenor and Director Centre for Management and Economic Research, LUMS.

The inaugural session was followed by other sessions including Corporate Governance and Family-Groups Firms; Corporate Governance, IT and Firm Performance; Panel discussion Corporate Governance in State-Owned Enterprises; and Panel Discussion on Corporate Governance in the Capital Markets.