

**NOTICE OF EXTRA ORDINARY GENERAL MEETING
PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE**

Notice is hereby given that an Extra Ordinary General Meeting of the Members of the Pakistan Institute of Corporate Governance (“the Institute”) will be held on Wednesday, May 8, 2024, at 10:00 a.m. via Zoom video conferencing for the following businesses:

1. Ordinary Business:

To elect directors of the Institute for a term of three years commencing from May 8, 2024.

The number of directors for the Board of the Institute has been fixed by the Board of Directors at nine (9) directors, of whom two (2) directors shall be nominees of the Regulators, that is one each to be nominated by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan, respectively, and seven (7) directors to be elected in the manner set out in Note no. 9 below.

The names of the retiring directors are:

1. Dr. Shamshad Akhtar
2. Ms. Musarat Jabeen
3. Mr. Muhammad Akhtar Javed
4. Dr. Fakhara Rizwan
5. Mr. Yousaf Hussain
6. Mr. Muhammad Ashraf Bawany
7. Mr. Ahsan Iqbal
8. Mr. Ahmed Zahid Zaheer
9. Mr. Kaiser Haneef Naseem
10. Mr. Memosh Khawaja

2. Special Business:

- a. To approve the amendments in clause IV (3) of the Memorandum of Association (refer to point 1 of notes below for the existing text of the said clause).

“RESOLVED THAT, as and by way of Special Resolution, the clause IV (3) of the Memorandum of Association of the Pakistan Institute of Corporate Governance be and is hereby altered in the Extraordinary General Meeting held on May 8, 2024. The alteration relates to the removal of clause IV (3)”.

- b. To approve the amendments in clause 33 of Articles of Association of the Institute (refer to point 2 of notes below for the existing text of the said clause).

“RESOLVED THAT, as and by way of Special Resolution, the clause 33 of Articles of Association of the Pakistan Institute of Corporate Governance be and is hereby altered in the Extraordinary General Meeting held on May 8, 2024. The alteration is mentioned hereunder:

A retiring director shall be eligible for re-election for a maximum of three terms including office of Chairman”.

By Order of the Board



Date: April 16, 2024
Place: Karachi

Shafaq Fauzil Azim
Company Secretary

NOTES:

1. Existing Clause IV (3) of Memorandum of Association:
“No change in the Memorandum and Articles of Association shall be made except with the prior approval of the Securities and Exchange Commission of Pakistan”.
(Note: prior approval is no longer required by the law)
2. Existing Clause 33 of Articles of Association:
“A retiring director shall be eligible for re-election for a maximum of one additional term including office of Chairman”.
3. A member of the Institute entitled to attend, speak and vote at the meeting may appoint another member as her/his proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
4. In the case of corporate member, Board of Directors resolution/power of attorney and copy of the CNIC or passport of the nominee along with proxy form shall also be produced (unless provided earlier) at the time of meeting.
5. In the case of individual member, copies of CNIC or passport of the member and the proxy shall be furnished with the proxy form.
6. In order to be effective, duly completed forms of proxy must be received at the Registered Office of the Institute, or a scanned copy emailed at shafaq@picg.org.pk ; ghazain@picg.org.pk not later than 48 hours before the time appointed for the meeting.
7. Members are requested to notify the Company Secretary of any changes in their addresses or email addresses immediately at shafaq@picg.org.pk ; ghazain@picg.org.pk
8. Members are requested to provide their name, email address, and CNIC number to enable the Institute to send communications via email at the following email addresses: shafaq@picg.org.pk ; ghazain@picg.org.pk

IMPORTANT:

9. **Nomination and Voting:** Article 26. of the Articles of Association of the Institute stipulates that for the purpose of election to the Board, the members shall be constituted in to three classes, namely, Class A, Class B and Class C. Class A comprises of the founder members, that is, members who were the subscribers to the Memorandum and Articles of the Institute. Class B comprises of lifetime members, other than founder members. All other members are Class C members. Subject to the provisions of Article 28 of the Articles of Association of the Institute, the majority of the directors are required to be from Class A; and one third of directors (other than the directors nominated or elected by Class A members) are required to be independent directors as defined in section 166 of the Companies Act, 2017; and a minimum of one-third of the directors are required to be female directors.

Accordingly, candidates for election at the next EOGM will be nominated as follows:

- Five (5) candidates from **Class A**, being the founder members (including one nominee director each from State Bank of Pakistan and Securities & Exchange Commission of Pakistan whose representatives are mandated to be on the Board at all times as per Article 21 of the Articles of Association), of whom three candidates will stand for election.

For the purposes of nominations of candidates, Class A members are divided into the following clusters:

- a) Corporate Regulator (mandatory);
- b) Banking Regulator(mandatory);
- c) Stock Exchanges;
- d) Academia;
- e) Professional Institutions: further divided into:
 - (i) The Institute of Chartered Accountants of Pakistan as the Auditing Standards Setting Institute; and
 - (ii) Other Institutions;
- f) Corporate Sector: further divided into:
 - (i) Representing foreign/overseas investment; and
 - (ii) Representing domestic investment;
- g) Non-Banking Financial Sector; and
- h) Banking Sector.

No cluster shall nominate more than one person for election except in the case of the corporate sector cluster and the professional institutions cluster, in which case each sub-division in these clusters may nominate one person.

- Candidates, who would qualify as Independent Directors, from **Class B** members (ie. Lifetime & Honorary Members are eligible to be nominated).
- Four (4) candidates, who would qualify as Independent Directors, from **Class C** members (to be selected and nominated by the PICG Board of Directors).

Please Note:

- (i) *Directors may not serve more than two consecutive terms according to the existing Article 33 of the Articles of Association (Note: as the existing Articles were amended on*

March 29, 2021, this requirement is applicable prospectively from the date of amendment).

- (ii) Class B and Class C members have to meet 'Independent Director' criteria as defined in section 166 of the Companies Act 2017 and stipulated as aforementioned in Article 28. of the Articles of Association.

The voting procedure as per Article 32. of the Articles of Association of the Institute states:

If directors are to be elected pursuant to Article 31., such directors shall be elected in general meeting in the following manner:

- (a) a Class A member shall have the number of votes equal to the number of directors proposed to be elected in Class A, and a Class B member and a Class C member shall have the number of votes equal to the remaining number of directors proposed to be elected;
- (b) a member may give all their votes to a single candidate or divide them, but not in fractions, between more than one candidate in such manner as they may choose;
- (c) a Class B member and Class C member shall not vote for candidates(s) proposed by Class A members, and a Class A member shall not vote for any candidate other than the candidates proposed by Class A members;
- (d) in the case of Class A candidate, the candidate who gets the highest number of votes shall be declared elected as director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of directors to be elected from candidates proposed by Class A members has been elected;
- (e) in the case of the remaining candidates:
 - (i) the female candidate who gets the highest number of votes shall be declared elected as director and then the female candidate who gets the next highest number of votes shall be so declared and so on until the minimum number of female directors required on the Board has been nominated/elected; and
 - (ii) thereafter of the remaining candidates the candidate who gets the highest number of votes shall be declared elected as director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of remaining directors to be elected from candidates proposed by Class B members and by the outgoing Board has been elected.

All members can vote that is:

- Class A for Class A candidates; and
- Class B and Class C members for all other candidates, (i.e., members nominated by Class B members and Class C members nominated by the PICG Board).

10. **Procedure for E-Voting:** If the number of persons who offer themselves to be elected is more than the number of directors to be elected, the members of Pakistan Institute of Corporate Governance ("the Institute") will be allowed to exercise their right to vote through e-voting facility for the election of directors in its forthcoming Extra Ordinary General Meeting to be

held on **Wednesday, May 8, 2024, at 10:00 a.m.** Details will be shared in due course.

- Members who wish to participate through e-voting, to kindly provide their particulars immediately through a letter duly signed by them, i.e., Name, E-mail address, PICG Membership number, CNIC number, Mobile phone number to the: **Company Secretary, Pakistan Institute of Corporate Governance, Suite # 316, The Forum, Khayaban-e-Jami, Block-9, Clifton, Karachi – 75600**, or alternatively by sending the above information by email to shafaq@picg.org.pk ; ghazain@picg.org.pk . **By or before April 29, 2024, during working hours.**
11. **Contesting Election of Directors:** Any person (who is eligible as per the Articles of Association of the Institute, including a retiring Director) who seeks to contest election of directors shall file with the Institute at its registered office, **Pakistan Institute of Corporate Governance, Suite # 316, The Forum, Khayaban-e-Jami, Block- 9, Clifton, Karachi–75600**, no later than 14 days before the said meeting his/her intention to offer himself / herself for the election of the directors in terms of Section 159(3) of the Companies Act, 2017 together with:
- (i) Notice of his / her intention to stand for election, along with duly completed and signed Appendix to Form-9 giving his/her consent to act as Director of the Institute if elected [under Section 167(1) of the Companies Act, 2017], and certify that she/he is not ineligible to become a Director under any applicable laws, Rules, and Regulations.
 - (ii) Detailed profile along with office address to be placed on the Institute’s website seven days prior to the date of election.
 - (iii) Attested copy of valid CNIC and NTN.
 - (iv) Declaration by Independent Director(s) under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
 - (v) Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

12. **To Attend the Meeting Via Zoom Video conference:** Members may participate in the meeting via the following Zoom meeting link:

Topic: Extra Ordinary General Meeting of the Members of Pakistan Institute of Corporate Governance

Date and Time : Wednesday May 8, 2024@10:00AM

Zoom link :
<https://picg-org-pk.zoom.us/j/82930762053?pwd=aGI4TG9UY2pY1Y2aStLWlp1R1pKdz09>

Meeting ID : 829 3076 2053

Passcode : 600334

It may be noted that no person other than the member or proxy holder can attend the meeting through the Zoom link.