

REPORT ON STEWARDSHIP ACTIVITIES

Al Meezan Investment Management Ltd. (hereby referred to as “Al Meezan” has an obligation to maintain trust of its valued customers and act in the best interest of its stakeholders. Al Meezan is committed to serve its customers with best possible return on their investments with Al Meezan in its funds and Separately Managed Accounts (SMAs). Al Meezan has adopted Stewardship guidelines issued by Securities & Exchange Commission of Pakistan (SECP). As suggested in the stewardship guidelines, the Board of Directors of the Company introduced Stewardship Policy to govern the Management Company and its activities related to voting/proxy voting and its disclosure, monitoring of listed investee companies, intervention in the investee companies, managing conflict of interest scenarios and incorporating sustainability considerations in their investment/divestment decision making as well as in their implementation. The policy also identifies scenarios relevant to stewardship guidelines and explains mechanisms to address them in decision making along with responsibility for implementation, review and reporting.

The Stewardship policy aims to achieve compliance with the SECP issued stewardship guidelines, amended NBFC Regulations and create value for its valued investors through proactive intervention in the matters of mutual benefits, in listed investee companies.

Implementation Status of Stewardship Principles for FY 2023-24			
Principle #	Stewardship Principle	Implementation Status	Justifications for Deviations, if any
1.	Institutional Investor shall formulate a clear policy approved by its Board of Directors on how they intend to fulfil their stewardship responsibilities and publicly disclose it.”	<u>Implemented</u> A comprehensive stewardship policy, approved by the board of directors, disclosed on the website of the company.	N/A
2.	Institutional Investor shall have a clear policy on voting including proxy voting and give adequate disclosure of its voting activity.	<u>Implemented</u> Separate detailed proxy voting policy as per NBFCs regulations approved by the board of directors, disclosed on the website of the company. Investment committee of the Company evaluates resolutions of the underlying investee companies and casts votes in the best interest of the unitholders.	N/A

		We exercised all the voting rights in accordance with our board approved proxy voting policy and stewardship policy.	
3.	Institutional investors shall monitor their investee companies in order to enhance investee company's long- term value and protect their long-term investments.	<u>Implemented</u> Our stewardship policy clearly articulates the framework and guidelines regarding our active and continuous monitoring of investee companies.	N/A
4.	Institutional Investor shall develop a policy for engagement with the investee companies.	<u>Implemented</u> Our stewardship policy identifies scenarios where we engage with the investee Companies management and board of directors. The policy also clarifies scenarios where we will collaborate with other institutional investors and escalation matters of concerns.	N/A
5.	Institutional investor shall put in place a robust policy on identifying and managing conflicts of interest that may impair their stewardship behaviour, to advance the interest of investors.	<u>Implemented</u> Our stewardship policy identifies conflict of interest scenarios and their management mechanism. We have also adopted CFAI code of ethics and Standard of conduct as well as CFAI Asset Manager Code and monitor for compliance, which reduces conflict of interest scenarios.	N/A
6.	Institutional Investors shall develop a policy and disclose in the Report on how it incorporates sustainability consideration, including ESG, into its investment analysis and activities	<u>Not Implemented</u> The stewardship policy is there to incorporate sustainability consideration including ESG into our investment analysis and activities but there is an ESG related data limitation of investee companies due to lack of ESG data disclosures.	The Company is investing in Shariah Compliant equity stocks which are to some extent in line with ESG factors consideration.