AKD Investment Management Limited

Proxy Voting Policy

Version: PVP-II

Date of Approval: 28-Oct-2022

Table of Contents

Section A- Background and Objectives

OVERVIEW OF AKD INVESTMENT MANAGEMENT LIMITED (AKDIML)

AKD Investment Management Limited was incorporated as an unquoted public limited company under the Companies Ordinance 1984 on July 30, 2004 and obtained certificate of commencement of business from the Securities and Exchange Commission of Pakistan (SECP) on September 14, 2004.

The AKD Investment Management Limited is Non-Banking Finance Company and has obtained a license to act as an Asset Management Company and Investment Advisor from the SECP under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The principal activities of the Company are to provide asset management and Investment advisory services.

Objective of policy

The objective of the Proxy Voting Policy is to promote uniformity and consistency in the proxy voting process that ensures that persons provided proxies via nomination and favored by AKDIML as the manager for funds and separately managed accounts (SMA) is given with due diligence and in the interest of respective fund(s) and separately managed account(s).

Confidentiality

The contents of this manual are strictly confidential and for use of funds and activities managed by AKDIML personnel only.

Ownership and Safe Custody of the policy

The Investment Committee shall be required to extinguish its responsibilities as representatives of the funds and SMA's it manages as envisioned in this Policy. Key decisions related to proxy matters shall be minuted by the Investment Committee Secretary and reported to the Compliance Department.

All reporting and evaluation of proxy related matters will be maintained in the safe custody of the Compliance Department.

For the purpose of this Policy all Investment Committee Members, Fund Managers and any Employee involved in the decision process related to proxy matters shall be provided a stamped copy of this Policy and requisite signatures of receipt and undertaking of understanding shall also be taken.

Policy Changes / Updates

This policy will incorporate any relevant regulatory changes from time to time and any such changes/updates to the policy will be carried out accordingly and deemed part of this Policy and shall not require requisite Board approval.

Section B: Introduction and guidelines

Introduction

AKDIML has a fiduciary duty to act in the best interest of the scheme(s) / unit holders of the Fund and person(s) acquiring services of the Company through SMA's. This responsibility includes exercising voting rights attached to the securities of the companies in which the schemes of the Funds and SMA's have invested ("Investee Company") at the general meetings including AGM (Annual General Meetings) and EOGM (Extraordinary General Meeting).

Authority and responsibility for voting proxies

Any member of a company entitled to attend and vote at a meeting of the company shall be entitled to appoint another person, as his proxy to attend and vote instead of it, and a proxy so appointed shall have such rights as respects speaking and voting at the meeting available to a member subject to following conditions:

a. AKDIML shall not be entitled to appoint more than one proxy to attend any meeting
b. If AKDIML appoints more than one proxy for any one meeting and more than one instruments of proxy are deposited with the Investee Company, all such instruments of proxy shall be rendered invalid
c. The proxies shall be lodged with the, Investee Company not later than forty-eight hours before the time of the meeting.

Voting Procedures

Investment Committee Members of the AKD Investment Management Limited have the responsibility for the content, interpretation and application of the Proxy voting policy.

The Investment Committee in consultation with its members will nominate a representative proxy to represent AKDIML at Investee Company AGM / EOGM as a proxy. The decision related to the appointment of the proxy will be documented in the minutes of the meeting of the Investment Committee.

The Investment Committee while appointing Proxy shall fill and complete *Form-A* (attached in Annexure) and submit the same to the Compliance Department for Record purposes. The Investment Committee should also define circumstances under which proxies shall not be voted.

In cases where AKDIML on behalf of the Collective Investment Scheme (CIS) did not participate in meetings, that it was authorized and entitled to attend, Form-B (attached in Annexure) shall be filled and simultaneously recorded in the minutes of the meeting of the Investment Committee.

The representative of AKDIML shall be entitled to do any or all of the following in general meeting; namely:

a. Demand a poll on any questions; and
b. On a question before meeting in which a poll is demanded to vote in favor, against or abstain from voting or not to exercise their full voting rights
c. To vote in favor, against or abstain any resolution to be passed at the AGM or EOGM of

Investee Company.

d. To participate in any discussion in the AGM or EOGM of Investee Company and to give their suggestions and recommendations.

Matters for special consideration

Investment Committee shall give special consideration if the proxy is appointed in relation to below mentioned resolutions to be passed at an AGM or EOGM of an Investee Company i.e.

a. Election of directors
b. Corporate governance issues
c. Appointment of auditors
d. Changes in Legal and capital structure; proposals affecting shareholder rights
e. Corporate restructuring
f. Mergers and acquisitions
g. Any other special business mentioned in the agenda of the meeting

The Investment Committee shall discuss the above said matters with the Members of the Committee. The deliberations and conclusion of such discussions shall be communicated to the appointed proxy and shall also be documented in the minutes of the IC meeting.

While participating in the election of the Board of Directors of the investee company, the Investment Committee shall ensure that by exercising the right to vote proxy on behalf of the unit holders of the CIS, does not result in attaining the management control of the investee company, in contravention of the Regulation.

Conflict of Interest

Investment Committee shall ensure that the person nominate as proxy does not have any conflict of Interest and adheres to highest ethical and moral standards. The Investment Committee will identify any foreseeable conflicts that exist between the interests of the AKDIML, nominated person and the Investee Company.

IC shall do so by reviewing the relationship of the AMC with the Investee Companies to determine; if the AKDIML or any of its employees or Director has any financial, business or personal relationship with the Investee Company

If a material conflict of interest exists, the Investment Committee shall appoint any other person as proxy. The conflict of interest will be documented in the ***Form-A*** plus shall be minuted while illustrating the circumstances and conclusion thereof.

Section C: Reporting and Record Keeping

Reporting

The reporting of Proxy Voting Policy shall be covered through following means:

- Disclose the proxy voting policy approved by the Company's Board of Directors on the Company's website and submit the same to the Commission.
- Disclose in the annual report of Collective Investment Schemes (CIS) under management, the cases where AKDIML on behalf of CIS did not participate in meetings, that it was authorized and entitled to attend..

- AKDIML shall include in the annual report of the CIS a statement that the proxy voting policy of the CIS is available on the website of the AMC and detailed information regarding actual proxies voted by the AMC in respect of the CIS is also available without charge, upon request, to unit holders of the respective CIS.
- Include in the annual report of the CIS Summary of actual proxy voting activities during the year as per the table given below:

Details	Resolutions	For	Against	Abstain*
Number				
% ages				

***Reasons for abstaining shall be disclosed**

Record keeping

The Compliance department will keep track record of the documents of the proxies appointed or any conflict of interest arisen during the period. Compliance department will coordinate with the Members of Investment Committee for filing of documents. Following documents are to retained:

a. A copy of policies and procedures;
b. Name of the issuer of the securities on which the vote has been caste
c. Name of major beneficial owner (s) of the securities
d. Number of shares held by CIS on record
e. The date on which the proxy was voted
f. The results of the vote
g. Form A (as attached in Annexure)
h. Form B (as attached in Annexure)