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*Guidelines for Professional Conduct in General  
Meetings*

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## 1. Introduction:

The Guidelines for Professional Conduct in General Meetings (the “Guide”) is primarily proposed for companies listed on the Pakistan Stock Exchange (PSX), but it may be applied generally by other organizations. This “Guide” focuses on defining meeting etiquettes to be implemented by both the shareholders and the company—such as how to ask questions, maintain decorum— manage speaking time, address the chairperson, and respectfully acknowledge differing opinions. Though, provisions related to shareholders' rights, the role of officers of listed companies in general meetings, the use of technology in these meetings, and conduct for publicly listed and public sector companies, have already been issued beforehand by the Commission, however, comprehensive guidelines concerning the expected meeting etiquettes, have not been sufficiently provided before.

Therefore, to enhance the effectiveness and inclusivity of the meeting process that promotes effective, respectful, and productive shareholder meetings, ultimately benefiting both the company and its stakeholders, Guidelines for conduct of general meeting are being issued.

## 2. Guidelines for Maintaining the Decorum of the General Meetings:

Companies Act, 2017 delineates three primary types of shareholder meetings- Statutory Meeting, Annual General Meeting (AGM), and an Extraordinary General Meeting (EOGM). Additionally, law provides for meetings convened by the court and SECP and specifies that some business transactions as may be notified by the Commission, only transacted through postal ballots. Every shareholder meeting, having its own timelines and requisites, can be segregated into three phases. The detailed guidelines outlined below provide direction for maintaining the decorum of these general meetings throughout all phases.

### i. Pre-Meeting Etiquettes:

#### Shareholders:

- Attendees should arrive at the meeting location or log in via video link at least 15 minutes prior to the scheduled start time.
- On receiving the notice of general meeting, shareholders should review the agenda, resolutions and other related documents beforehand to participate meaningfully. This preparation enables them to engage thoughtfully in discussions, ask informed questions, and make decisions that align with their interests.
- Shareholders are requested to enter the meeting venue in a composed manner, taking their seats without causing any disruption.
- If seating arrangements have been designated for each shareholder, they must be strictly followed.
- Rules and procedures for the meeting should be adhered and guidance of the chairperson of the meeting should be followed.

#### Company:

- Companies shall ensure that the venue, time, date and day of the meeting must be convenient for the shareholders, in order to maximize attendance and participation. This allows for more inclusive decision-making process.
- The meeting agenda should be prepared in a timely manner to ensure it can be distributed to shareholders promptly, allowing them sufficient opportunity to review it and suggest any additional matters for discussion at the meeting.

### ii. Meeting Etiquettes:

#### Conduct and Compliance:

#### Shareholders:

- Close attention towards the discussions, presentations and reports by the board of directors, executives, and other shareholders should be paid.
- If the meeting is divided into distinct segments, it is essential that shareholders adhere to this structure to ensure the meeting proceeds in a timely and orderly manner.
- All mobile phones and any other electronic devices should be set to silent mode. Calls and messages may only be addressed in the event of an emergency during the meeting.
- A precise introduction of themselves is encouraged before making comments or raising queries. All comments should be directed to the chairman of the meeting in order to prevent side conversations or disruptions.

- Comments and questions should be concise and kept to a minimum to ensure that all participants have an equal opportunity to express their concerns.
- While expressing their point of view, shareholders should not contempt the ideas of the others. Instead, courtesy and respect should be shown.
- Shareholders should only discuss relevant issues at the meetings.

#### **Company:**

- A gesture of welcome should be extended to all meeting participants.
- All attendees should be treated with respect, ensuring equal opportunities for participation. The rights of minority shareholders must be upheld throughout the meeting.
- Company officials should maintain objectivity and avoid any personal biases. Personal matters should not influence the conduct of the meeting.
- Discussions or interruptions during a participant's speech should be avoided in the meeting. However, no one should be unreasonably denied the chance to speak.
- The Chairman is responsible for ensuring the efficient conduct of the meeting.
- The Chairman may allow questions and comments both before and after the proposal and approval of resolutions. After provision of sufficient time to shareholders, the chairman shall call for a vote.
- External auditors and any other authorized individuals specified in the company's constitution will have the right to attend the meeting, with their legal rights duly accorded to them as outlined by law .
- Companies should refrain from giving any gift (token/coupons/packages) in any form or manner to its shareholders at or in connection to their respective general meetings. Likewise, companies must also denounce any demand of any gift/incentives from shareholders.”

## **Dialogue Dynamics: Enhancing Communication through Questions**

#### **Shareholders:**

- Shareholders should make sure to attend the meetings either in person or video-link facility and if unable to attend, appoint a proxy as attending the meeting provides shareholders with the opportunity to voice their opinion, ask questions, and contribute to the resolutions.
- Shareholders should promptly notify the company if they want to attend the meeting through video link, allowing them sufficient time to make necessary arrangements.
- Shareholders must maintain decorum while raising queries or questions related to the matters under discussion. Unnecessary interruptions, abusive language, or shouting are strictly prohibited, and any violation of meeting decorum may result in expulsion.
- Before contributing to the discussion, attendees should raise their hand to seek permission from the chairman. In video conference settings, please use the hand-raising function prior to unmuting your microphone, and remember to mute it again after you have finished speaking.
- When a person is speaking at a meeting, others should refrain from interrupting them, and should wait patiently wait for their own turn.
- Questions and comments should be concise and relevant to the topics being discussed at the meeting. Further, shareholders may also share any concern or query regarding any agenda item before the meeting for ensuring effective communication.

#### **Company:**

- The officials of the company should allow every participant to take their time to speak up, without showing any sort of biasness towards anyone.

- Questions or comments raised by the shareholders should be answered properly and with clarity such that no misunderstanding persists.

## Voting Etiquette: Real time and Proxy Voting

### Shareholders:

- Shareholders should follow the voting instructions provided by the company to make sure that the voting process remains transparent.
- Shareholders should vote freely based on their own judgment and not be influenced or pressured by other participants.
- Shareholders appointing a proxy should ensure that the completed proxy form is submitted by the deadline specified by the company. Late submissions may invalidate the proxy.
- Shareholders should avoid appointing multiple proxies as it would render them invalid.
- Shareholders need to appoint another member as proxy as appointment of non-members as proxy is only possible if allowed by articles of the company.
- Shareholders should provide clear voting instructions to their appointed proxy and confirm the proxy understands their role and responsibilities.

### Company:

- The company must provide clear, straightforward instructions for voting procedures, including options for online voting, if applicable.
- Ensure that all voting materials are accessible in multiple formats and languages, if necessary. This inclusivity allows all shareholders to participate effectively, regardless of their circumstances.
- Encourage open discussion before voting to allow shareholders to express their views and ask questions.
- The company should provide adequate support to shareholders wishing to appoint proxies, including assistance in filling out forms and ensuring the proxy's credentials are verified.
- Implement and disseminate detailed protocols for the appointment of proxies. This includes specifying deadlines for proxy submissions, requirements for valid proxy forms, and the process for verifying and recording proxy appointments.
- The company must ensure all proxy forms submitted in accordance with the rules are acknowledged and included in the voting process.
- The company shall, in accordance with the relevant regulations, appoint a scrutinizer to ensure transparency of proceedings of the general meeting.

## Ensuring Confidentiality in Communication

### Shareholders:

- Sensitive information discussed during the meetings, should not be shared with any non-participant, unless it is already made public.
- Unless explicitly authorized, shareholders should refrain from recording the meeting (audio, video, or in written form) to maintain confidentiality.

### Company:

- Secure technology for virtual meetings should be used, ensuring that access is limited to authorized participants only.
- Encourage professional behavior among participants, emphasizing the importance of confidentiality in all discussions.

## Addressing conflict and disagreements:

### Shareholders:

- Disagreements are welcome but should be expressed respectfully, without disrupting the decorum of the meeting. It is important for everyone to maintain a professional behavior at all times.
- Disagreements that escalate into conflicts or heated situations should be avoided to ensure a constructive and collaborative environment. It is essential for participants to express differing views calmly and respectfully, focusing on finding common ground rather than letting emotions drive the discussion.
- Personal grievances should not be addressed in meetings; instead, they should be handled through the appropriate mechanisms outlined in the company's policies.

### Company:

- The company's role in the event of disagreements among attendees should be that of a mediator, facilitating the discussion to reach a reasonable and mutually acceptable resolution.

### iii. Post Meeting Etiquettes:

### Shareholders:

- After the meeting, shareholders should respect the decisions made, even if they disagree.
- Following the conclusion of the meeting, shareholders are encouraged to provide honest feedback to the company to help improve future general meetings.

### Company:

- Address any follow-up questions or concerns raised by shareholders after the meeting, providing additional information or clarification as needed.
- Notify relevant stakeholders, including employees, suppliers, and partners, of any significant changes or decisions made during the meeting that may affect them.
- Feedback from the general meetings should be gathered as it will help the company to understand the concerns and expectations of the shareholders. These feedbacks can be used to the improve future meetings as well as address recurring issues.