



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

PRESS RELEASE

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SECP issues ESG Disclosure Guidelines and strengthens the Code of Corporate Governance

ISLAMABAD, June 13: The Securities and Exchange Commission of Pakistan (SECP) has taken a major stride towards promoting responsible business practices and environmental stewardship with the issuance of Environmental, Social, and Governance (ESG) Voluntary Disclosure Guidelines for listed companies. Furthermore, amendments in Listed Companies (Code of Corporate Governance) Regulations, 2019 (Corporate Governance Regulations) have been made to strengthen oversight responsibilities of the board regarding sustainability priorities.

The issuance of ESG Guidelines marks the achievement of a key milestone under the SECP's ESG regulatory roadmap issued in 2022. These Guidelines, voluntary in nature and in alignment with globally recognized sustainability reporting frameworks provide baseline guidance to listed companies. Other companies are also encouraged to adopt the Guidelines. It has been ensured that the Guidelines encourage transparent disclosures under the E, S and G pillars such as environmental impact, social responsibility practices and effective corporate governance structures. Companies are also provided the autonomy to disclose their ESG performance through a separate sustainability report, integrate the ESG information into their existing annual report, or publish it directly on their website.

Additionally, in order to ensure a safe and respectful work environment, the SECP has introduced significant amendments in the Corporate Governance Regulations requiring listed companies to develop comprehensive anti-harassment policies and ensuring compliance with relevant Government legislation of Protection Against Harassment of Women at the Workplace Act, 2010. Further, the boards of listed companies have been made accountable for setting sustainability priorities for companies, by proposing formation of sustainability committee and alignment with the SECP's ESG Disclosure Guidelines.

The SECP actively pursued a consultative approach for finalizing the ESG Guidelines and amendments in Corporate Governance Regulations to incorporate feedback of all key stakeholders.

The ESG Disclosure Guidelines and amendments in Code of Corporate Governance are now available on the SECP website at <https://www.secp.gov.pk/document/secp-esg-disclosure-guidelines-for-listed-companies/?wpdmdl=51940&refresh=666a958b23ea51718261131>

The Notification to amendments in the Code of Corporate Governance is available at <https://www.secp.gov.pk/document/notification-for-amendments-in-ccg-regarding-anti-harassment-sustainability-and-diversity/?wpdmdl=51941&refresh=666a96e0ce5f41718261472>

