CODE OF CONDUCT & BUSINESS PRACTICES ETHICS

We expect all Staff Members of the Pakistan Stock Exchange Limited (PSX) to act in accordance with the highest standards of personal and professional integrity in all aspects of their employment and to comply with all applicable laws, regulations and company policies. In accepting employment with Exchange, each of us becomes accountable for compliance with the law. With this Statement of Code of Conduct and Business Practices Ethics and the policies of our respective operating units, we demand from ourselves the highest level of ethical conduct.

If you have any questions about these policies, you should discuss them with your immediate supervisor or contact the Human Resources Department.

This Statement of Code of Conduct and Business Practices Ethics is neither a contract of employment nor a guarantee of continued employment.
REPORTING ACTUAL AND POTENTIAL INFRACTIONS
If you suspect a possible violation of law, regulation or PSX ethical standards or if you believe you are being asked to do something as an employee that is improper or illegal, promptly report the suspected violation or concern to your immediate supervisor, to your Human Resources Department, or to an appropriate person.

PSX prohibits any retaliatory action against any employee for raising legitimate concerns or questions regarding these matters or for reporting suspected violations. You may choose to remain anonymous if you wish.

Staff Members are required to cooperate fully with appropriately authorised internal or external investigations.

PROPRIETARY AND CONFIDENTIAL INFORMATION
While employed by PSX and after your employment terminates, you must never disclose or request disclosure of proprietary or confidential information about PSX or confidential information about a member/broker or supplier to anyone who is not authorised to receive it or has no need to know; or to anyone else except as authorised by the applicable law (e.g., to supervisory regulators), appropriate legal process (e.g., subpoena), or appropriate PSX authorities.

Examples of proprietary and confidential information include business plans, business processes, member/broker lists, employee’s information, non-public information received in the course of employment about companies, and technology or systems in place.

PRIVACY OF INFORMATION
While information is the cornerstone of our ability to provide transparency, our most important asset is our listed company’s trust. Keeping companies information secure is a top priority for all of us. Every employee must safeguard, according to strict standards of security and confidentiality, any confidential information our stakeholders share with us.

TRADING
Prohibit trading in the securities (including equity securities, convertible securities, options, bonds, and any stock index containing the security) of any company directly or indirectly while in employment of PSX.

If you made any investment before joining PSX formally report the facts to your departmental head or to the Human Resources Department.
CONFLICT OF INTEREST
Do not misuse Pakistan Stock Exchange Limited name, facilities, or relationships for personal benefit or for outside work.

Do not use resources of the Exchange for any purpose other than for Exchange’s lawful business.

Notify and get written approval from the Managing Director or HR Department if you or a close family member owns or controls property of significant value that is being purchased or leased by PSX.

Notify of any business relationship or proposed transaction you may have with any company in which you or a member of your immediate family has a direct or indirect interest or from which you or a member of your immediate family may derive a benefit, or where a family member is employed, if such a relationship or transaction might give rise to the appearance of a conflict of interest.

Refrain from engaging in or be connected or interested in any profession, outside business interest or additional employment which could in any way interfere with the proper performance of normal duties on which in any other way could give rise to a conflict of interest.

Not accept appointments on the Board of Directors of other Companies. However, a member of the staff by virtue of his/ her employment with the Exchange may be appointed as a Director of a Company to represent the Exchange.

MEDIA, PUBLISHING AND PUBLIC APPEARANCES
If someone outside PSX attempts to obtain corporate information from you, do not provide that information unless you are certain that you are authorised to do so. If you are not authorised, refer the person to the appropriate area within the company.

Before publishing, making speeches, giving interviews, or making public appearances that are connected to business interests that may reflect on PSX, you must get written approval from the competent authority.

GIFTS AND ENTERTAINMENT

Accepting Gifts
Do not accept, or allow a close family member to accept, gifts, services, or preferential treatment from anyone – listed or prospective company, suppliers, or others – in exchange for a current or future business relationship with PSX. Under no circumstances may a gift be accepted for making or renewing a contract / agreement or accepting any notes, checks, or similar items.
Exceptions to this general prohibition on gift policy may be made for non-cash gifts of very nominal value (generally less than 5000.00 PKR), and for items that can be reciprocated, such as the occasional business meal. The test for a possible conflict is simple: Will the person offering the gift or other item think that you have been compromised or could it appear to others that you have been compromised? If the answer to either of these questions is “yes”, you should thank the person offering the gift but firmly decline to accept it, explaining that you are acting in accordance with PSX policy.

In those few situations where refusing or returning a gift is truly impractical or would adversely affect the relationship, an employee may accept a gift and place it on display at PSX or have the gift appraised and make a donation to a suitable charity on behalf of PSX.

Regardless of the value, all gifts must be reported in writing to your Human Resources Department.

**Giving Gifts**

We do not offer or make payments, nor do we provide other inducements or lavish entertainment to government officials or to anyone else in order to drive any benefits. PSX general rule is: Avoid giving gifts or anything of value that could be construed as a "gift in kind".

However, certain appropriate entertainment may be offered to business associates by officers authorised to do so, subject to approval of the competent authority. In doing so, Staff Member must comply with all business-specific related norms and policies.

As a PSX Staff Member or representative, you may not seek to influence the judgments of any employee or representative of government by promising or giving money, gifts, inside information or by any other unlawful inducements. To ensure compliance with these laws, all the exceptions to the above must be approved by the competent authority.

**FAIR EMPLOYMENT PRACTICES**

PSX believes that diversify in our staff is critical to our success as a leading financial institution, and we seek to recruit, develop, and retain the most talented people from a diverse candidate pool. Every employee can advance at PSX, based on his or her talent and performance and without regard for race, origin, gender, or religion. We are fully committed to equal employment opportunity and compliance in letter and spirit of the full range of fair employment practices and nondiscrimination laws. PSX will not tolerate discrimination of any kind against any employee or applicant for employment, for any prescribed reason.
HARASSMENT AND INTIMIDATION
Sexual harassment is repugnant and completely inconsistent with our tradition of a respectful, professional and dignified workplace. **PSX** prohibits sexual or any other kind of harassment or intimidation, whether committed by or against a staff member, existing or potential members, investors, vendors, or visitors.

No written or spoken intra-office communications or communications with individuals outside the office may contain any statement or material that is offensive to others. You must never use company systems to transmit or receive electronic images or text containing ethnic slurs, racial epithets, or anything that might be construed as harassing, offensive, or insulting to others.

If you believe that you are being subjected to harassing or unwelcome behavior, you should first report it to your supervisor manager and in case the problem persists, than to Human Resources Department. Management will promptly investigate all allegations of harassment and will take appropriate corrective action.

**DRUG-FREE WORKPLACE**
To meet our responsibilities to Members, Staff Member, visitors and investors, **PSX** must maintain a healthy and productive work environment. Misusing controlled substances or selling, manufacturing, distributing, using, or being under the influence of illegal drugs on the job is prohibited.

**SAFETY IN THE WORKPLACE**
The safety of the people in the workplace is a primary concern of **PSX**. Each of us must comply with all health and safety policies.

**PROTECTING CORPORATE ASSETS**
Safeguarding both the tangible and intangible assets of **PSX** and its stakeholders that are under your control is a personal responsibility. Company assets must not be used for personal benefit except where permitted by **PSX**. Assets include business plans, company information, intellectual property (computer programs, models and others), physical property and services.

The company’s telephone, e-mail and voice-mail systems are for business purposes. Personal communications should be kept to a minimum. In addition, the use of e-mail or the internet may constitute a communication with the public or an advertisement, both of which are subject to regulation. In this connection, please consult in advance with the Human Resources Department.

Misappropriation of corporate assets is a breach of the duty you owe to **PSX** and may constitute an act of fraud against the company.
As a **PSX** Staff Member, you are required to disclose and assign to **PSX** all interest in any invention, improvement, discovery, or work of authorship you make or conceive that arises out of your employment with **PSX**. If your employment is terminated, all rights to property and information generated or obtained as part of your employment relationship remain the exclusive property of **PSX**. Copying, selling, or distributing information, software and other forms of intellectual property is strictly prohibited.

**ACCURACY OF COMPANY RECORDS AND REPORTING**
The records, data and information owned, used and managed by **PSX** must be accurate and complete. You are personally responsible for the integrity of the information, reports, and records under your control. Making false or misleading statements to anyone, including internal or external auditors, other **PSX** Staff Member, or regulators, can be a criminal act that can result in very severe penalties. You must never withhold or fail to communicate information that should be brought to the attention of higher levels of management.

**DEALING WITH SUPPLIERS**
**PSX** policy is to purchase all goods and services on the basis of price, quality, availability, terms, and service.

Always base purchasing decisions, in an objective judgment of the supplier’s reliability and integrity, and on the value of the offering in view of short and long-term considerations and objectives. **PSX** prefers to deal with other businesses where possible; when required by regulatory authorities, such transactions and pricing must be consistent with arm’s length, market terms.

Suppliers and service providers must adhere to **PSX** policies whenever appropriate. For example, outside companies that print documents for **PSX** are required to apply **PSX** standards of confidentiality. Likewise, suppliers must agree to keep any relationship with **PSX** confidential unless approved by **PSX**.

**CLEAN DESK POLICY**
You should ensure that your desk is tidy and neat before leaving the office and ensure that all the drawers and cupboards are securely locked.

**SMOKING**
Smoking, chewing of pan or gutka is not allowed inside the office building.

**CHANGE IN PERSONAL CIRCUMSTANCE**
In order to maintain up-to-date records, the Human Resources Department must be informed of all changes in personal circumstances including address or telephone number, marital status, person to be notified in case of emergency, beneficiary or number of dependents, etc.
PERSONAL PHONE CALLS
Please ensure that your personal phone calls are kept to a minimum and kept short. Personal phone calls should only be made for important and emergency matters.

PERSONAL MAIL
The mail facilities should not be used for personal mail.
# Acknowledgement of Statement of Code of Conduct & Business Practices Ethics

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I hereby confirm that I have received the Statement of Ethics and Business Practices on this ______________ (DD/MM/YYYY) and agree to abide by the rules and regulations stated in it.

__________________________
Employee Signature

__________________________
Employee No.