PAKISTAN
STOCK EXCHANGE

ESG REPORT 2025

Transitioning towards Sustainability

At the Pakistan Stock Exchange (PSX), we are dedicated to supporting and promoting sustainable development both as a front-line regulator and as a reliable business partner to our stakeholders. Our leadership is committed to ensuring that our impact on the environment and society remains positive, guided by tailored governance principles. It is our top priority to integrate these principles among our stakeholders, serving both as a regulator and a facilitator. Our primary goals include market development, operational excellence and excellent corporate governance, helping in delivering long-term value, boosting investor confidence, fostering trust, and promoting transparency in both the financial and non-financial aspects of our business as well as of those of our stakeholders.

As Pakistan's sole national securities exchange, we emphasize our commitment to advancing the country's sustainable development agenda as both a responsible exchange and a proactive regulator. We promote synergy, comparability, and the enhancement of stakeholder capabilities to ensure they remain relevant, responsible, and competitive in a shifting business landscape. This focus is essential, given the need for businesses to recognize and adapt to climate change impacts in the context of Pakistan.

In the current financial year, PSX has made significant contributions to Pakistan's evolving sustainability landscape by promoting responsible and sustainable investments, such as facilitating the launch of Pakistan's first Sovereign Domestic Green Sukuk.

Currently an affiliate member of the World Federation of Exchanges (WFE), PSX is actively progressing toward full membership. This advancement will deepen our alignment with global ESG and sustainability frameworks, including standards, rating methodologies, and corporate guidance. Through this journey, we aim to elevate our visibility, reinforce transparency, and benchmark our sustainability initiatives against internationally recognized best practices.

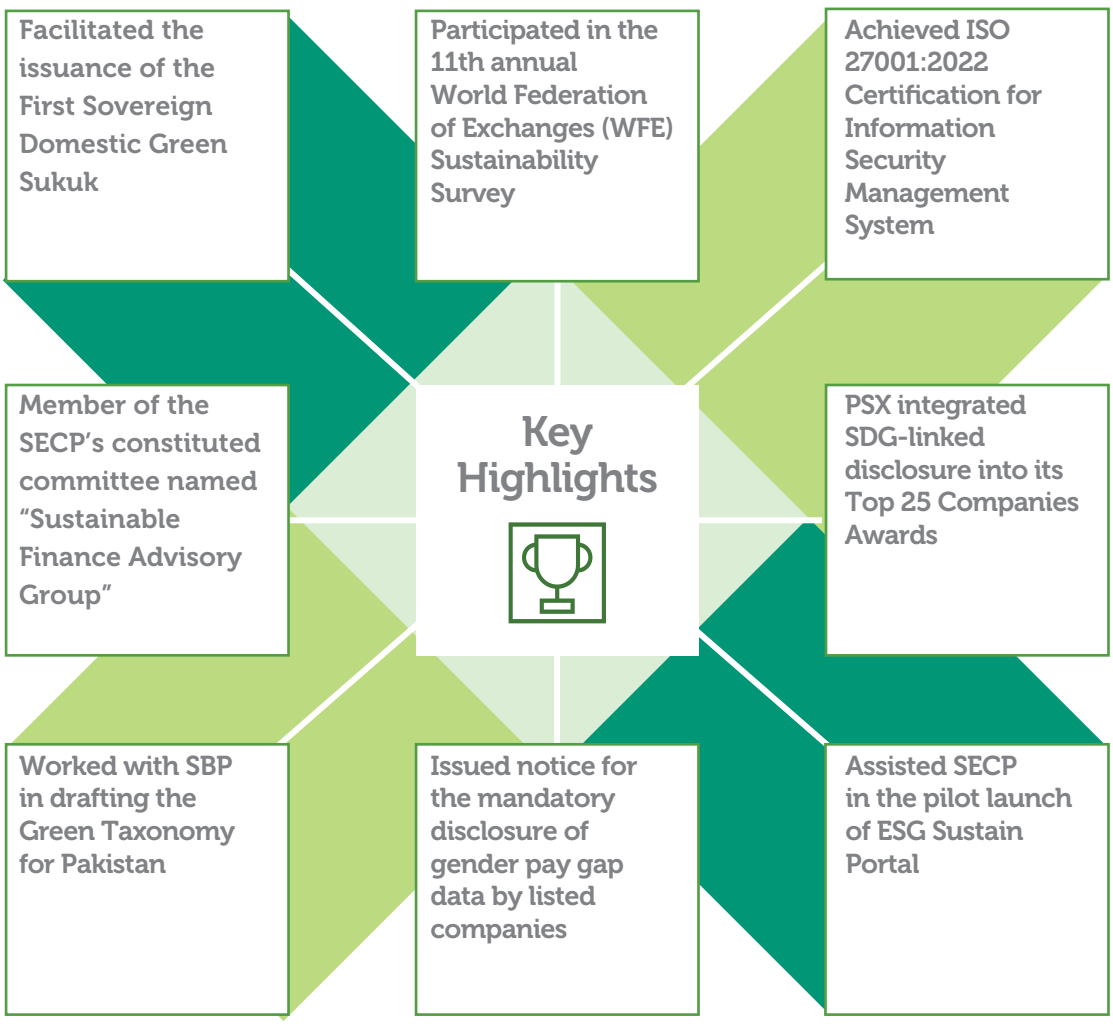
We are actively engaging in the ongoing discourse on sustainability within capital markets. PSX played an active role in developing Pakistan's Green Taxonomy as part of its technical committee, working alongside key regulators like the State Bank of Pakistan. This framework will help identify sustainable activities, support the creation of green financial products, and enhance transparency across the capital markets, eliminating the risk of greenwashing.

PSX, in coordination with the Securities and Exchange Commission of Pakistan (SECP), contributed to the development and launch of ESG Sustain, an initiative aimed at advancing ESG transparency and sustainability reporting.

PSX has also been nominated as a member of SECP-constituted committee named "Sustainable Finance Advisory Group" which aims to promote sustainable finance and ESG initiatives across Pakistan's corporate landscape.

PSX made significant contributions in the ICAP working group on sustainability reporting in advancing the sustainability agenda across Pakistan. PSX also issued a notice for the mandatory disclosure of gender pay gap data by listed companies in their annual reports to promote transparency and advance gender equality and diversity in Pakistan's corporate sector. We PSX integrated SDG-linked disclosure into its Top 25 Companies Awards to encourage listed companies to report on at least five SDGs in their Annual Reports.

Key Highlights



Our prioritized SDGs and their objectives

PSX solidifies its commitment to transparency and sustainability by being a partner exchange of the UN SSE initiative. Committed to promoting sustainable development. The SSE works with Stock Exchanges through technical assistance, consensus building, and research to contribute to the achievement of the United Nations Sustainable Development Goals (SDGs) and to stimulate investment for a sustainable future. Exchanges around the world partner with the SSE to work towards a common objective of fostering financial markets that support the growth of sustainable and responsible business practices.

SDG 5
Board Room Diversity & Gender Equality

To achieve gender equality and empower women. While actively promoting diversity at all organizational levels, ensuring equal opportunities, and enhancing gender-responsive reporting among listed companies and ensuring board room diversity and gender equality related products in general.

SDG 8
SME Growth and Sustainable Development

To support economic development by fostering a business environment that promotes development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of small and medium enterprises as a top priority.

SDG 10
Security Market Regulation

To promote practices that foster equality and inclusion, both within the marketplace and in broader society meanwhile advocating for enhanced corporate transparency on issues related to inequality, supporting efforts to create more inclusive financial markets, and encouraging companies to adopt policies that address wage gaps and other forms of inequality.

SDG 12
Reporting on ESG

To encourage companies to adopt sustainable business practices and enhance transparency in disclosing their environmental impact. Calling for improved corporate reporting on ESG factors, which can drive more informed investment decisions and lead to more sustainable outcomes. Contributing to the transition towards more sustainable economic systems that prioritize long-term viability and ecological balance.

SDG 13
Climate Action & Green Finance

To facilitate climate action by promoting increased transparency and disclosure related to climate risks and opportunities among listed companies. Advocating for the adoption of climate-related financial disclosures, supporting sustainable investment practices, and encouraging businesses to align their strategies with climate goals, such as reducing greenhouse gas emissions or achieving net zero emissions.

SDG 17
Partnerships for Sustainable & Transparent Capital Markets

Collaborate with industry associations, sustainability initiatives, academic institutions, and civil society organizations to share best practices, develop standards, and advocate for policy reforms that promote sustainable and transparent capital markets.

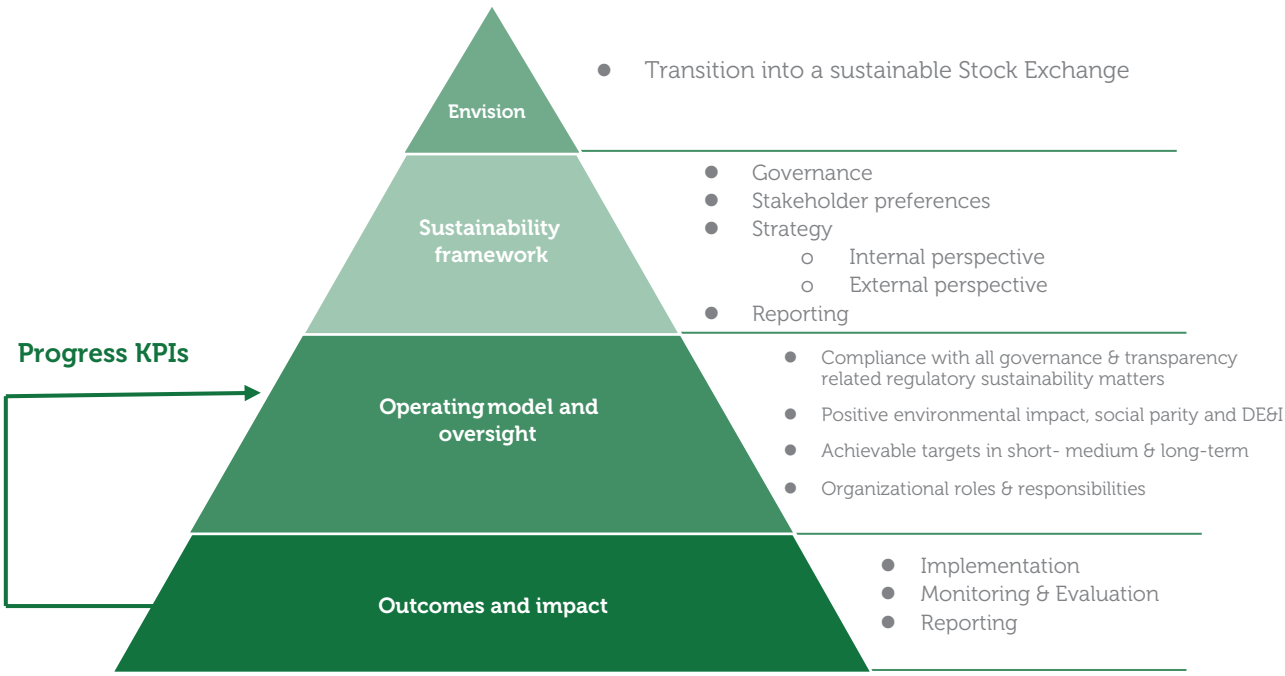
Sustainability at the Exchange

The fast-paced landscape of sustainability continues to evolve with the adoption of global standards for sustainable business practices and reporting across the globe. Pakistan, being one of the 14 countries to adopt the International Sustainability Standards Board (ISSB) S1 and S2 standards this year, makes a significant development, setting new benchmarks for corporate sustainability in Pakistan. This key development has shifted the sustainability paradigm from mere CSR-related activity to a business essential, integrating sustainability into key business functions such as governance, strategy, risk management and mandatory reporting parameters.

As PSX is a securities market, a huge responsibility now lies with us following the adoption of ISSB standards, not solely relating to our own operations but also encouraging listed entities across Pakistan. We are steadfast and dedicated to engaging, educating, evaluating and informing our stakeholders with the current business transitions on sustainability and sustainable development including preparing them to navigate through climate change impacts. We are steadfast to engage, educate, evaluate and inform our stakeholders with the current business transitions on Pakistan's sustainability landscape. PSX fully supports the adoption of the International Sustainability Standards Board's (ISSB) standards, specifically IFRS S1 and IFRS S2. These standards are aimed at promoting consistent and reliable sustainability data, which is crucial for efficient capital allocation, managing sustainability-related risks and opportunities, and achieving sustainability goals. - call for ISSB adoption

We are proactively integrating sustainability-related matters into our core business strategy by embedding environmental, social and governance (ESG) attributes throughout our business operations. We are in a transition

to adapting to both internal and external factors to address regulatory requirements and sustainability-related matters that carry significant financial and non-financial implications. This transition includes refining our systems, processes and controls to seamlessly integrate sustainability into all levels of the exchange. Our commitment remains steadfast: to build a transparent, accurate, and verifiable organizational ecosystem that supports sustainable development. We continue to invest in technological innovation, risk mitigation, and business continuity, ensuring our operations are resilient and future-ready.



This year, we have implemented a forward-looking sustainability strategy that reflects our progress in managing current challenges and complexities related to sustainability, as well as promoting sustainable financial products to support sustainable development in Pakistan. Through organization-wide self-assessments and collaborative efforts with our partners, we are aligning with global standards and accelerating our transition toward a sustainable future.

External Organizational Perspective

Engage

Actively engage with stakeholders, including investors, companies, and regulators, to promote sustainable practices and responsible investment. Collaborating with international bodies to align with global sustainability standards

Educate

Provide educational resources and training programs to enhance the understanding of Environmental, Social, and Governance (ESG) principles among market participants. This includes workshops, seminars, and publications on ESG reporting and sustainable finance

Evaluate

Evaluate the sustainability performance of listed companies through ESG ratings and assessments. Encourage transparency and accountability by requiring companies to disclose their ESG practices and performance.

Inform

Inform the market and the public about sustainability initiatives and progress through regular reports, updates, and communications. Use platform to highlight the importance of sustainability and the benefits of responsible investments.

ENGAGE

11th annual World Federation of Exchanges (WFE) Sustainability Survey

This fiscal year, we are proud to announce that PSX has taken part in the 11th annual World Federation of Exchanges (WFE) Sustainability Survey. This global survey reviews the sustainability efforts of stock and derivatives exchanges across developed, emerging, and frontier markets. A total of 57 exchange groups participated in the survey, including PSX. This is aimed at enhancing our visibility and transparency while also benchmarking our sustainability practices against international standards. This participation reflects PSX's commitment to aligning with best global practices and actively engaging in the ongoing discourse on sustainability within capital markets. In addition to this, PSX has also formally submitted its application case to upgrade its affiliate status to a full-fledged member of the World Federation of Exchanges (WFE) to align with global ESG standards.

Women Empowerment Principles (WEP) Survey 2025

PSX, being the signatory to the UN Women's Empowerment Principles (WEP), participated in the WEP Survey 2025 to share the company's commitments and actions in accelerating gender equality across corporate governance, the workplace, the marketplace, and the community. The survey was conducted to capture progress and challenges among the WEP signatories. Engagement with Key Regulators

Interacting with Key Regulators

We have played a key role while interacting and collaborating with key regulators through:

- Being nominated as a member of the SECP constituted committee named "Sustainable Finance Advisory Group". We aim to utilize this to promote sustainable finance and ESG initiatives.
- We worked closely with SECP in assisting the pilot launch of the ESG Sustain Portal and helped connect some of the companies to this portal.
- Contributed towards advancing the sustainability agenda through its valuable inputs in the ICAP's Working Group on Sustainability Reporting.
- We closely worked alongside SBP in drafting the Green Taxonomy for Pakistan, which shall be a key milestone standardizing businesses and activities under Green, Amber, and Red categories, helping in the elimination of greenwashing and promoting standardization

Advancing in sustainability and green financing in Pakistan

PSX is proud to have played a key role in the launch of Pakistan's first Sovereign Domestic Green Sukuk—a landmark achievement in sustainable finance. The issuance was met with overwhelming investor interest, receiving bids worth Rs. 161.74 billion, oversubscribed by 5.4 times against the Rs. 30 billion target. The cut-off rental rate was set at 10.6364%, with accepted bids totaling Rs. 31.98 billion—61 basis points below the applicable Reference Rate of 11.2464%. This strong response reflects growing demand for Shariah-Compliant green instruments in the domestic market.

EDUCATE

Investor awareness & Education

We launched the ESG primer in 2024 to sensitize our valued stakeholders on conceptual and practical paradigms of ESG as a strategic value driver and a key element of financial reporting vis-à-vis the global adoption of ESG standards such as ESRS and IFRS S1 and S2. We are happy to inform our audience that in 2025, we have received very encouraging and positive feedback on this initiative from various stakeholders, reflecting its relevance and usefulness in promoting sustainable business practices, key reporting and disclosure topics and strategic integration of ESG in their respective corporate ecosystems. In support of this initiative, PSX has also conducted an informative webinar to enhance understanding of ESG Primer and its practical implications for listed companies.

PSX regularly holds Investor Awareness Sessions for the general public, including students, academics/faculty members of universities and colleges, corporate employees, self-employed persons, and others. We also hold targeted sessions for women to promote financial empowerment and awareness among them. Furthermore, we hold the Investor Awareness Sessions for corporates and companies.

These sessions are useful implements to foster financial literacy and education amongst the general public and employees of companies. They are held through in-person or online platforms. The Investor Awareness Sessions also align with the 'S' element of Environmental, Social and Governance considerations. These sessions promote financial awareness in the society as a whole, and individuals in particular, contributing to our commitment to SDG 10 by supporting efforts to create a more inclusive capital market.

The sessions raise awareness about savings and investments, asset classes available for investment in Pakistan, the capital market ecosystem, and how the Stock Exchange functions. The participants are also briefed on ways to navigate PSX's website and how to access different types of data and information available on the PSX Data Portal. The sessions are mostly free of cost and are a sound contributor to increasing basic financial knowledge and understanding amongst the general public. When individuals experience improved financial stability, it becomes a central focus that leads to heightened economic activity and contributes to the country's overall growth.

World Investor Week

Pakistan Stock Exchange joined hands with WFE and the International Organization of Securities Commissions (IOSCO) to celebrate World Investor Week (WIW) through a ceremonial gong ringing held at the PSX Trading Hall. The WIW with the theme of 'Ring the Bell for Financial Literacy' was held from October 7 – 13, 2024. This marks the fourth consecutive year in a row that PSX has been holding and organizing the World Investor Week.

World Investor Week was focused on promoting financial literacy and raising awareness about investor education and protection. This is an ongoing effort by the capital market to encourage financial inclusion and foster learning opportunities for investors.

Commitment to Knowledge sharing and Youth development

As part of its commitment to knowledge sharing and youth development, PSX provided market data and statistics to various interested students to support their academic research on capital markets topics. This is provided free of cost to the students, and in return, students share their research findings with PSX. This initiative fosters financial literacy and encourages academic engagement with Pakistan's capital market ecosystem.

PSX signed a three-year term MoU with IBA to promote mutual capacity building. IBA will provide training for PSX staff, while PSX will support IBA students and faculty with market data access for academic research on capital markets.

PSX has entered into a Memorandum of Understanding with DHA Suffa University to promote academic collaboration and enhance financial literacy. This alliance is designed to connect academia with the capital market via collaborative efforts like research projects, courses and seminars, curriculum design, educator training sessions, financial literacy initiatives, and activities that engage students.

Corporate investor awareness sessions

PSX held a range of sessions, webinars, seminars and promoted third-party training programs for companies focused on topics such as the ISSB Standards, gender equality in global capital markets and climate-related financial disclosures to help participants understand the significance of sustainability issues.

The Corporate Investor Awareness Sessions are organized by PSX to inform and educate current & potential investors who are employees of leading organizations.

During FY 2024-25, Corporate Investor Awareness Sessions were held at:

1. Oil & Gas Development Company Limited: Investor Awareness Session was held for Oil & Gas Development Company Limited Employees.

2. Honda Atlas Car Limited: Investor Awareness Session was held for Honda Atlas Car Limited Employees.

Sessions/Webinars on Sustainability

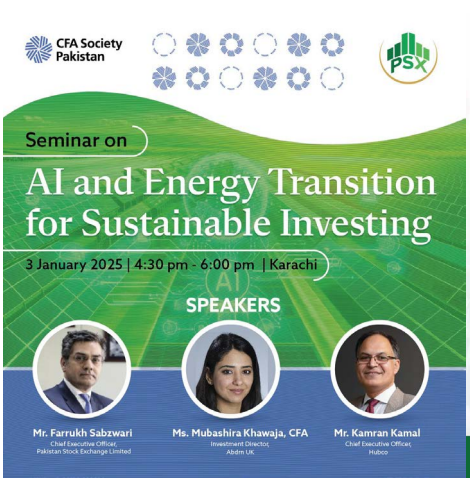
1. PSX and SECP conducted a two-day workshop session on 'Gender Equality – Addressing Complexities in the Capital Market,' facilitated by UN SSE, UN Women, and the World Bank IFC.

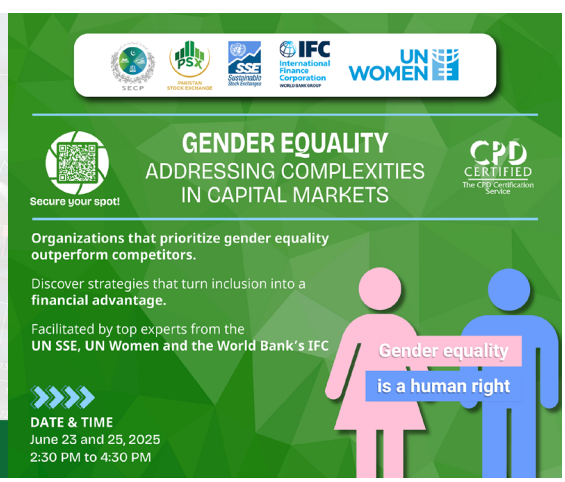
2. Along with London Stock Exchange Group (LSEG), we organized a sector-specific ESG webinar for listed companies from banks, investment banks/investment companies/securities companies/insurance on "ESG Data Reporting – Banking & Other Financial Institutions".

3. In collaboration with CFA Society Pakistan, we arranged a seminar on "AI & Energy Transition for Sustainable Investing".

4. We conducted a webinar on "Understanding and Preventing Greenwashing".

5. We arranged a webinar on "Linking PSX primer on ESG & GRI standards".





Knowledge center

To raise the level of financial literacy and awareness of the capital market, a comprehensive resource of articles, blogs, and financial calculators is the 'PSX Knowledge Center' which is an additional tool available at PSX website. The Knowledge Center is accessible for all and is particularly useful for both novice and savvy investors. Currently, we have 8,200 users on the Knowledge portal.

Evaluate

As a frontline regulator, PSX proactively advocates ESG reporting and adherence. We consistently take steps to foster awareness of ESG risks and opportunities for listed companies and stakeholders. Today, companies that disclose ESG information are highly valued by investors, as responsible investing becomes a key focus internationally.

Refinitiv ESG Contribution Tool

Given the present-day significance and importance of ESG concerns from an investor's perspective, it is now imperative and imminent for businesses to adhere to and report on ESG-related performance parameters. In this context, PSX has signed a collaborative understanding with Refinitiv (a London Stock Exchange Group "LSEG" company)on ESG. Under this mutual agreement, Refinitiv's ESG Contribution Tool will be available to the listed companies for their ESG data reporting. This Contribution Tool will not only enable presenting a standardized ESG scoring by Refinitiv for contributing PSX listed companies but will also enhance the visibility of Pakistan's companies on the international ESG radar. Through this collaborative effort, PSX aims to provide the listed companies with a robust platform designed to enhance ESG performance. By leveraging this tool, listed companies can effectively demonstrate their dedication to sustainable business practices, thereby enhancing their attractiveness to investors and stakeholders.

Gender equality and diversity in Pakistan's corporate sector

We issued a notice for the mandatory disclosure of gender pay gap data by listed companies in their annual reports to promote transparency and advance gender equality and diversity in Pakistan's corporate sector.

Reporting on SDG-linked Disclosures

PSX integrated SDG-linked disclosure into its Top 25 Companies Awards, so that listed firms are encouraged to report on at least five SDGs in their Annual Reports.

INFORM

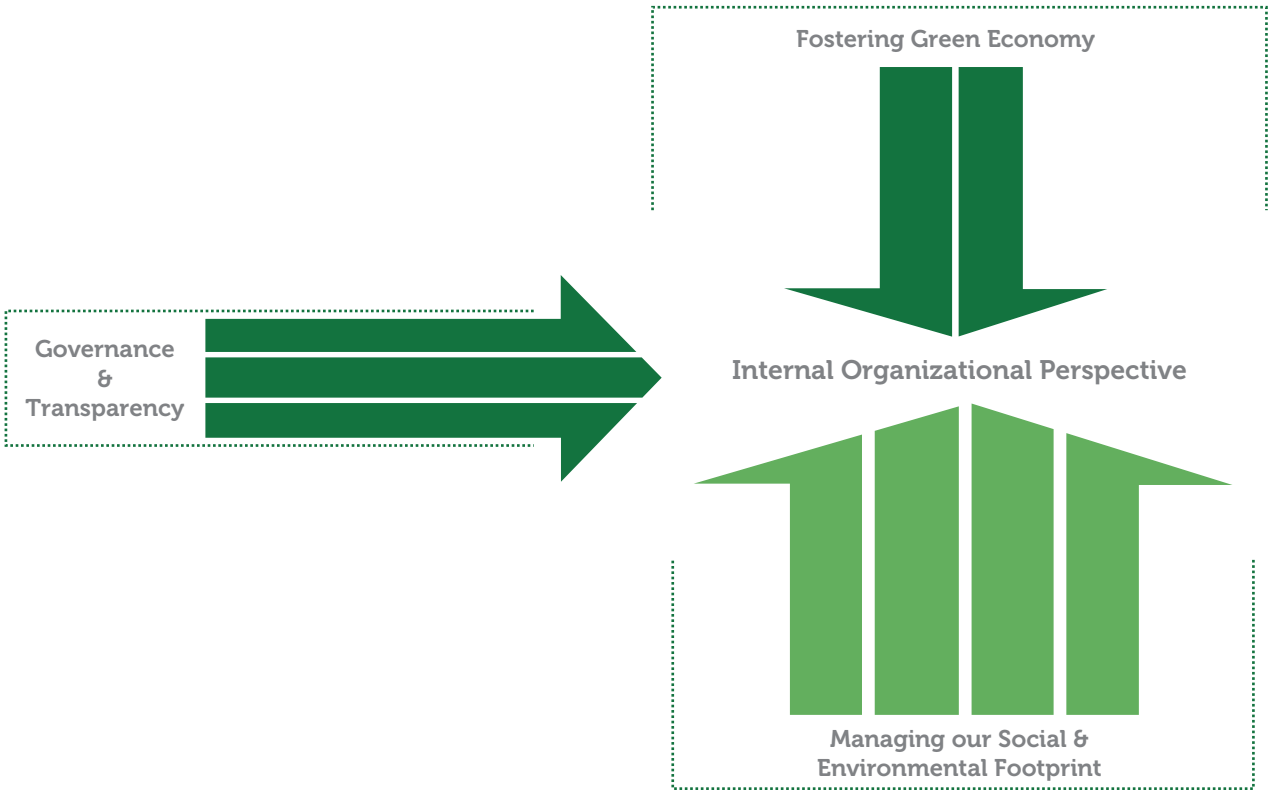
PSX and Pakistan Observer enter into a strategic data sharing partnership

Pakistan Stock Exchange and Capital Publications (Pvt) Ltd, i.e. Pakistan Observer, entered into a strategic partnership by signing a data sharing agreement at a ceremony held at PSX Karachi Head Office. This agreement enabled the integration of stock price ticker on Pakistan Observer's website to keep the larger audience of Pak Observer well-informed about stock market prices. The agreement signed between the two parties signified another step forward in disseminating and communicating PSX's trading information to a wider audience for their awareness; this will also lead to encouraging potential investors to look into investment opportunities available at PSX. Pakistan Observer's massive global circulation will greatly enhance PSX's market reach. Pakistan Observer is one of Pakistan's oldest and most widely read English-language daily newspapers. It was founded by the late Zahid Malik, a renowned journalist, in 1988.

Timely & Accurate Information Dissemination

PSX responded to multiple market data queries from various stakeholders, ensuring timely and accurate information dissemination. This reflects the Exchange's commitment to transparency, stakeholder engagement, and supporting informed decision-making in capital markets.

Internal Organizational Perspective



Governance & Transparency

Operating Ethically

Code of Conduct & Business Practices Ethics

PSX is committed to high standards of ethical, moral and legal business conduct. Our success as a Securities Exchange is based on integrity, honesty and trust in everything we do.

Privacy of information

While information is the cornerstone of the Exchange's ability to provide transparency, a very important aspect is the trust of stakeholders, particularly towards companies listed on the Exchange, Brokers and the investors. Keeping information secure is our top priority. Every Employee is required to safeguard, according to strict standards of security and confidentiality.

Trading

All employees are restricted from engaging in trades involving products or instruments listed on the Exchange, with the exception of those overseen by Asset Management Companies, like Mutual Funds and ETFs. This restriction applies both directly and indirectly through dependents during their period of employment at PSX. We enforce strict oversight through an established policy to monitor the financial transactions of the employees and their families, ensuring compliance and accountability.

Conflict of Interest

The Employees are prohibited from using his/her position, designation and employment with the Exchange to take undue benefit for him/herself or his/her dependent family members.

Anti-harassment

PSX prohibits all forms of harassment or intimidation, whether committed by or against a staff member, existing or potential members, investors, vendors, or visitors. In order to enhance awareness regarding this crucial matter, PSX's HR department, in collaboration with the Legal team, has successfully conducted in-house sessions on the subject of 'Workplace Harassment'. These sessions were made obligatory for all employees across various levels, ranging from junior to senior level positions. We are pleased to share that these sessions have garnered positive feedback and have been greatly appreciated by our employees. PSX has undertaken significant measures to foster a harassment-free workplace and conducting awareness sessions on 'Workplace Harassment' is one of the steps that have been taken during the past few years.

Grievance management

PSX recognizes that workplace challenges may arise from time to time and has found that the best way of maintaining job satisfaction and good working relationships is to follow a procedure for solving problems and grievances. For this purpose, we have a grievance management system in place, which assists in resolving workplace issues and problems.

Whistle Blowing

The Exchange encourages all its employees and external affiliates, shareholders, vendors, and investors to act responsibly at all times and protect themselves and the Exchange against any illegal or immoral acts by immediately reporting any such actions.

We encourage all employees at PSX, and outside parties such as Shareholders, Vendors, Investors, etc. to report their concerns against irregularities, financial malpractice, fraud and forgeries, personnel harassment, improper conduct, or any wrongdoing without fear of reprisal, adverse consequences and/or retribution. We assure the whistle blowers that he/she will be protected from victimization. Any serious concerns raised about any aspect of the operations of the Exchange and those who work in the Exchange can be reported through email and physically as well.

In order to ensure a transparent, fair and impartial whistle-blowing policy and process, a Whistle Blowing Committee (WBC) is formed with at least 3 members comprising of CEO, Head of Human Resources Department and Head of Internal Audit Department.

Complaint Management System

In its efforts to increase investor confidence in the capital market and digitalization, PSX has launched a new Complaint Management System designed to empower investors in addressing grievances against brokers. This user-friendly platform enables investors to lodge complaints easily and track their progress in real-time till closure. By offering clear visibility into each stage of the complaint resolution process, the system promotes greater transparency.

Enterprise Resource Planning

As part of the implementation of ERP, the Procurement module has been implemented, introducing automation and control in purchasing activities while supporting our commitment to a paperless workflow. This serves as the starting point, with the next modules—Receivables, HR, and others—scheduled for implementation in the upcoming phases. Each module will further enhance integration and streamline operations across key functions.

Managing our Regulatory Affairs

The Regulatory Affairs Department (RAD) is responsible for framing and updating the PSX Regulations, devising policies, monitoring compliance, taking enforcement actions against non-compliant securities brokers and listed companies, and ensuring investor education and advocacy. Moreover, it also provides a platform for investors to lodge their complaints for efficient redressal.

Investor Education and Regulatory Awareness

The Exchange has always been taking various regulatory measures to protect the integrity and fairness of the securities market. As part of these efforts, PSX regularly conducts awareness sessions and webinars for the market participants with an aim to impart knowledge of the core regulatory requirements and ensure a strong compliance culture.

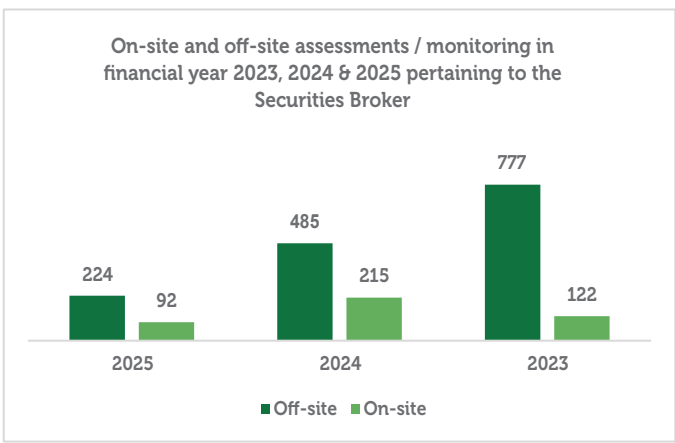
In this regard, PSX conducted another regulatory awareness session for the market participants on important areas of Market Misconduct/ Abuses prescribed under Chapter 7A of PSX Rulebook. During the session, the Chief Regulatory Officer of PSX, along with his senior Surveillance team members, provided detailed insight on the legal frameworks governing market abuses and the various forms of market abuse that are prohibited and tantamount to criminal offenses if committed by any person. Besides, the PSX officials also enlightened the participants about the responsibilities of Brokers, PSX and SECP with regard to market misconduct/ abuse as well as powers of PSX and SECP in the market surveillance and related enquiries and investigations and the strengthening of surveillance activities post deployment of state-of-the-art surveillance system at PSX.

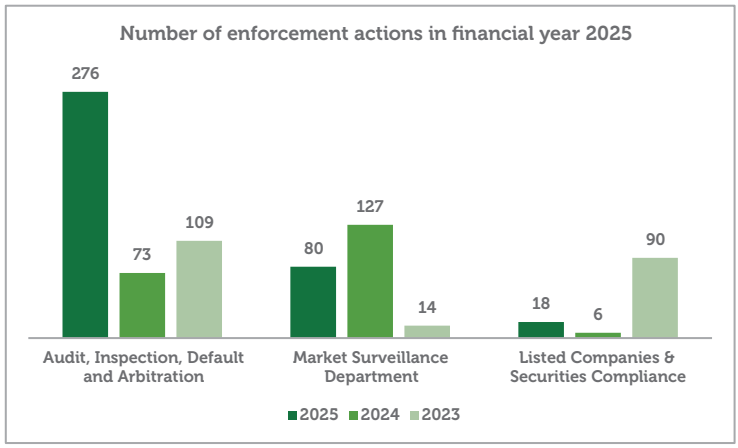
Regulatory Assessments of Securities Brokers

The Joint Inspection Department conducts the Joint Inspections of the securities brokers under the supervision of the Oversight Committee (OC) constituted by the SECP. OC comprises members from each SRO, i.e., PSX, NCCPL and CDC.

An independent audit firm conducts a System Audit in accordance with PSX Regulations. All eligible securities brokers are required to be audited once in each 'cycle' of two years. The securities brokers are selected through random balloting conducted semi-annually by RAD in every calendar year, latest by 31st January and 31st July. The securities brokers selected for joint inspection are excluded from the forthcoming balloting cycle of the system audit.

IBTS audit of the securities brokers is conducted once every two years, by an audit firm approved by the Exchange.





Navigating Through Uncertainties

In FY 2025, PSX reinforced its commitment to enterprise risk management by executing a comprehensive annual risk assessment across departments. This strategic exercise enabled the Exchange to re-evaluate existing risks amid the prevailing economic and business scenario, adjust mitigation plans, and ensure alignment with our risk appetite. In parallel, PSX continued to integrate risk management into its core business activities, anchoring it in key decision-making, operations, and accordingly upgrading critical systems and networks to strengthen infrastructure resilience. As part of its ongoing capacity-building efforts, awareness sessions and training were conducted for newly inducted employees and the newly formed procurement team, enhancing organizational understanding of the Risk Management Framework and ensuring accurate risk register updates in line with Exchange's objectives.

As part of its efforts to ensure business continuity in case of any disaster, PSX completed the 2nd surveillance audit to maintain its Business Continuity Management System (BCMS) Certification of PSX Head Office (Administration Building) to the latest international standard i.e. ISO/IEC 22301:2019.

Information Security Management System

We are proud to announce that we have achieved the ISO 27001:2022 certification, the internationally recognized standard for Information Security Management Systems (ISMS). This significant milestone highlights PSX's unwavering commitment to maintaining the highest levels of information security, ensuring the confidentiality, integrity, and availability of data for all stakeholders.

The certification was awarded following a rigorous audit process conducted by SGS, a world-renowned inspection, verification, testing, and certification organization accredited by UKAS. This third-party validation confirms that PSX has implemented a robust and effective ISMS that meets the stringent requirements of the ISO 27001:2022 standard.

PSX remains dedicated to adopting the best practices in information security and upholding the integrity of the capital market ecosystem. This certification reinforces PSX's position as a secure and reliable financial market infrastructure provider, offering a robust and trustworthy environment for investors and market participants.

Security Assessment & VAPT

The Exchange has taken proactive measures to strengthen its cybersecurity defenses by conducting thorough vulnerability and penetration testing on its core business applications. The PSX Information Security team also conducted security assessments of multiple applications running in PSX environment to enhance the security posture of PSX.

Threat Landscape

We have also enhanced our Threat monitoring proficiencies for discovering exposed assets, phishing domains, credential leaks and infrastructure misconfiguration from external sources.

Level Up Your Security with XDR Training

To enhance the expertise of PSX security professionals in Endpoint and Extended Detection and Response (XDR), an intensive 2-day instructor-led training was conducted by external specialists. This practical training encompassed vital subjects, including understanding XDR concepts and endpoint functionalities, integration with third-party products, activation of XDR sensors, application of XDR tools and workbenches, sharing threat intelligence, and implementing security playbooks for comprehensive incident response.

Security Awareness & Campaign

PSX launched a Security Awareness Campaign using its new Learning Management Solution. This platform also allowed phishing campaigns to check how aware staff were about information security. Based on the results, PSX identified areas that needed improvement and provided targeted training to strengthen staff awareness and protect against security threats.

Business continuity plan awareness sessions

The Risk Management Department successfully conducted a Business Continuity Planning (BCP) drill at PSX's Alternate Processing Site. Designated alternates of all critical staff participated by performing their regular duties during business hours, ensuring operational readiness in the event of an emergency that prevents access to PSX's main premises. The primary objective of the drill was to validate the organization's ability to access its primary data center, sustain critical trading operations, and ensure the resilience of recovery procedures. Before the drill, a BCP awareness session was conducted for all critical staff and their designated alternates, providing clear guidance on responsibilities, the location of the alternate site, and key points of contact.

Managing Our Social & Environmental Footprint

Fostering an Inclusive Culture

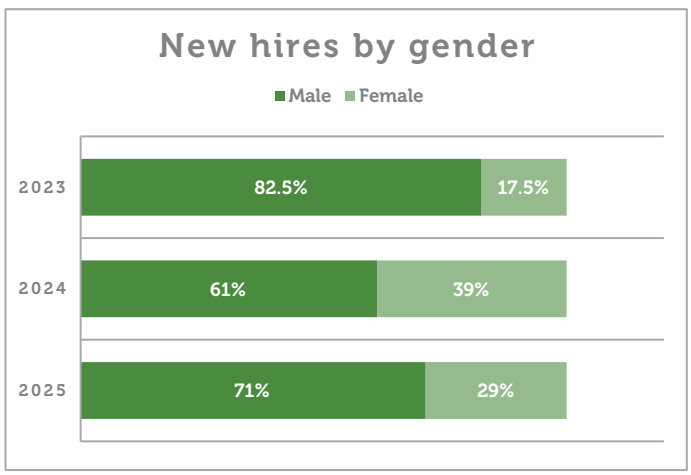
At PSX, we are firmly committed to fostering a business environment in which our employees can thrive. We remain headstrong in our commitment to engage our employees; by encouraging connections, building trust, and driving our long-term business ideals. Here, the driving force of our workplace ideals remains embedding inclusivity for each and every employee's personal and professional growth without any discrimination.

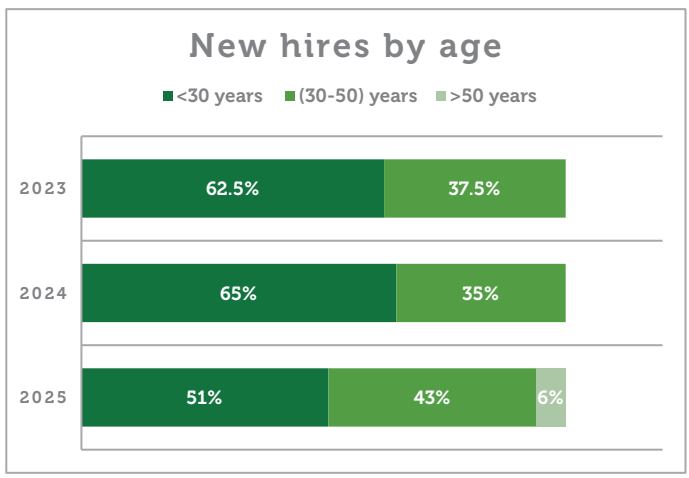
We seek to create an inclusive and diverse work culture. We are also engaged in developing and upskilling our employees in order to make them thrive personally and professionally. We actively promote open communication and engagement with our employees in order to ensure that their needs become part and parcel of our present and future policy drivers.

Diversity, Inclusion & Culture

We believe that employees' skills and hard work triumph over the social constraints often formed by race, gender, ethnicity, religion and all backgrounds. By promoting a diverse and inclusive work environment, we drive a fair culture with equal opportunities and consistent policies for all. In Recruitment and Onboarding, Talent Management, Rewards and Performance Management, Employee Relations, Work Ethics, etc., our policies remain consistent for all employees to provide a fair system. Championing a diverse workforce, PSX values uplifting the talents of those who are often overlooked.

Current percentage of female staff within management cadre is 19.7% with a target of increasing the same in upcoming years. We have a 18.2% women representation on the Board where Chairperson is herself a female. At the D&I front, we are also a signatory to WEPs (Women Empowerment Principles). This is a UN Women charter by virtue of which PSX commits to uphold and make efforts for gender empowerment, equality and support. To further promote employee well-being and work-life balance, PSX has significantly extended its maternity leave policy to 180 calendar days. This extension demonstrates a deep understanding of the unique needs of new mothers and their families. Beyond this, PSX offers an additional three months of work-from-home (WFH) or flexible working hours, ensuring new mothers can seamlessly transition into parenthood while staying connected to their professional responsibilities.





PSX Celebrates International Women's Day 2025

Pakistan Stock Exchange (PSX), in collaboration with UN Women, Women on Board Initiative, International Finance Corporation (IFC), Central Depository Company (CDC), Pakistan Institute of Corporate Governance (PICG) and other corporate leaders, proudly hosted a Gong Ceremony to celebrate Ringing the Bell for Gender Equality on International Women's Day, reaffirming its commitment to promote gender equality and women empowerment in the corporate sector. The event brought together distinguished leaders, professionals, and industry experts to celebrate the achievements of women and discuss strategies for fostering inclusivity in the financial and business landscape.

The session commenced with opening remarks by Dr. Shamshad Akhtar, Chairperson of the Pakistan Stock Exchange (PSX), acknowledging the significance of International Women's Day and the role of women in economic development and social progress. She said, "Gender inclusivity is a key pillar of the Sustainable Development Goals (SDGs), serving as both an initiator and driver of growth and sustainability. While the financial sector has historically been male-dominated, it is evolving, with women gaining greater representation as investors, managers, and entrepreneurs.

PSX is committed to leading by example and is dedicated to fostering an environment where diversity thrives and where everyone's voice is not only heard but amplified and valued. Our mission is to prepare the economic growth and innovation crucial to our nation's future.

Talent Acquisition

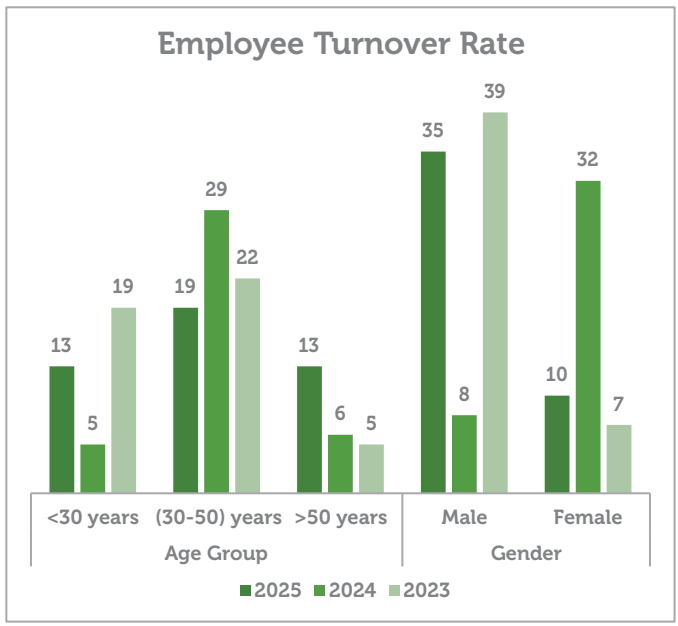
Sourcing is done on merit and various sourcing channels are used, including advertisement, head hunting and university job portals. A minimum of a 1/3rd ratio of female candidates is targeted for all open positions.

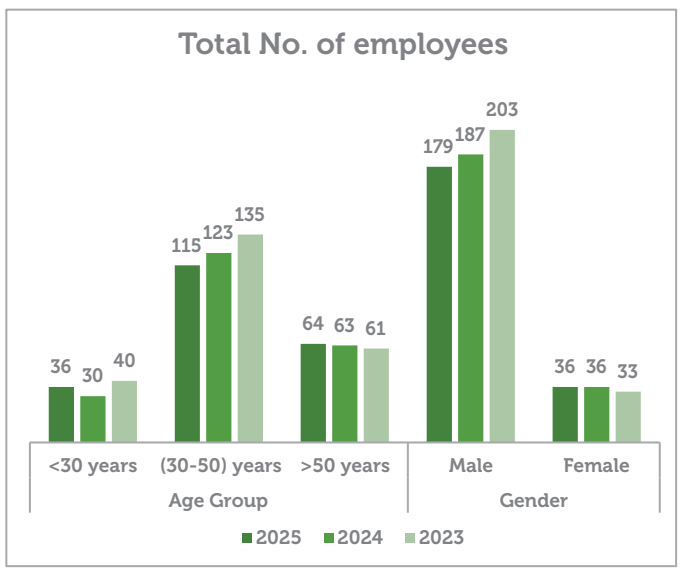
Equal Opportunity

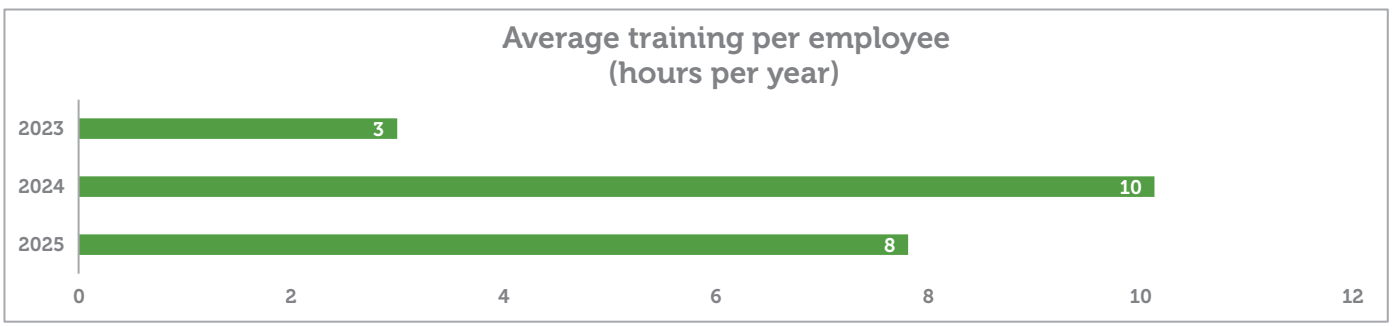
We are an equal opportunity employer and already have D&I Policy with a focus on equal opportunity for everyone without any discrimination. Our rewards and remuneration packages are fair and consistent and are without any gender differentiation.

Fair Employment Practices

PSX believes that diversity 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 the exchange, based on his/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 does not tolerate discrimination of any kind against any employee or applicant for employment, for any prescribed reason.







During the year, our staff was nominated for 46 different developmental and operational trainings such as 'Elevate Your Leadership with Emotional Intelligence', 'Building High-Impact Leaders with EVICE', 'Master Advanced Negotiation and Influence – Proven and New Techniques for Success', and 'Women in Leadership (WIL)'. Other notable initiatives include 'IFC Training of Trainers on ESG & Sustainability', and 'Transform Your Business From Invisible to Irresistible by Gabor George Burt'. Employees were also equipped with advanced technical and analytical skills through specialized workshops and certifications. These included Advanced Excel for Advanced Reports & Data Analysis, Workshop on ESG Reporting and Disclosure in Line with IFRS S1 and S2, Trend Micro Vision One XDR Training, Blue Vs Red Team Cybersecurity Workshop – Where Attackers Meet Defenders, and Certified Risk Manager Training (8-Week Professional Course).

PSX HR also launched the in-house sessions to provide our employees with opportunities to gain awareness and deepen their knowledge. These learning/ awareness sessions were conducted on critical topics such as the Protection Against Workplace Harassment, Code of Conduct and Whistleblowing.

Succession plan

A complete and robust succession plan has been devised for all positions, including senior management and the same has been approved by the Board. This has provided thorough career planning to the high-potential staff and has brought in cross-functional synergies.

Capital Market Future Leaders Program

The Capital Market Future Leaders Program is PSX's brainchild to build a robust pipeline of future leaders to cater to the growing needs of Pakistan's Capital Market. It is a joint initiative of PSX, CDC, and NCCPL in which candidates are hired for a management trainee program, encompassing 18 months of training with equal rotations in the three organizations, leading to permanent placements, subject to the final evaluations. The first cohort of this program was a great success and a huge testament to PSX's commitment towards building the talent pipeline for Pakistan's capital market. PSX successfully retained 5 out of 6 such trainees. The onboarding for the second cohort of the program is in process.

Performance management

PSX has a pay-for-performance methodology to ensure that the reward is linked to performance and merit. Our Performance Management exercise is grounded in objectivity and transparency, enhancing efficiency in evaluation processes. It begins with setting clear objectives, followed by self-assessment, and concludes with a manager's assessment.

Performance improvement plan

PSX has a Performance Improvement Plan (PIP) in place for those staff who were not able to meet the expected level of performance in the previous financial year and were rated "Developing Performance – DP" or "Improvement Required Now – IN". The underlying objective of this exercise is to ensure that our low performers are counselled, guided and coached on their shortfalls and how to overcome them.

Employee wellbeing

At PSX we have general health insurance and general life insurance policies in place for our employees at all staff levels. We regularly conduct Health awareness sessions with hospitals and health insurance companies, which provide opportunities to our staff to register themselves for health and well-being related webinars. We also provided access to our employees for 'Sehat Kahani Corporate. App' to facilitate them with online medical consultation. A session was held this year to familiarize our staff with this free online 24/7 medical service, which can be used by employees and

their families (including parents) for normal consultation. Moreover, in collaboration with a general health insurance provider, the HR Department placed the Telehealth Kiosk "EZShifa" for employees for 10 days, offering an accessible and seamless healthcare experience. The Kiosk provided essential health checks, including weight, blood pressure, oxygen saturation, random sugar testing, and ECG monitoring. It also enabled employees to connect with doctors via virtual consultations, ensuring professional advice with just a click away. Furthermore, maternity and paternity leave are offered to all married employees.

Employee Development

Throughout the year, our employees were nominated for participation in over 30 diverse training programs, covering both developmental and operational areas. These included high-impact courses such as 'Becoming a Transformational Leader', 'ESG Reporting', 'Data Analytics Program', 'MS Excel for Advanced Reports & Dashboard Development', 'Personal Productivity Program', and 'Internal Audit in a Dynamic World', among others.

In addition to external training opportunities, PSX HR introduced an in-house functional learning series aimed at enhancing employees' technical and professional capabilities. These sessions were facilitated by internal subject matter experts and focused on deepening participants' understanding of key concepts, tools, and best practices relevant to their roles. This initiative not only fostered a culture of continuous learning but also empowered employees to apply their enhanced knowledge directly to their day-to-day responsibilities.

Compensation & benefits

All employees are entitled to life insurance, Health care, Disability and invalidity coverage, Parental leave and Retirement provision. Furthermore, our rewards and remuneration packages are fair and consistent without any gender discrimination.

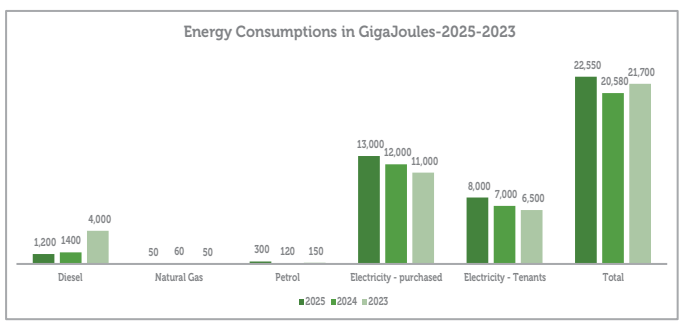
Navigating Through Our Environmental Impact

PSX, as a service-oriented entity, acknowledges that its environmental footprint extends beyond the typical concerns of manufacturing or logistics. To address this, we conduct a detailed analysis of the materials utilized in our offices, specifically items like paper—that can adversely affect the environment. We maintain that, regardless of our size, every action holds significance in the shared responsibility of environmental stewardship. By meticulously documenting and managing our environmental metrics, we are dedicated to embedding sustainability into our business practices, fostering a lasting commitment to a greener future.

Energy Management

Energy management remains a key operational priority for PSX, as efficient energy use not only helps reduce operational costs but also minimizes our environmental impact. In line with our commitment to sustainability, we have systematically recorded our energy consumption for both the current and previous financial years (2025, 2024 and 2023), with total usage estimated in Gigajoules.

To reduce our energy footprint, we have transitioned entirely to LED lighting across our premises. Additionally, a dedicated team of five individuals has been assigned to monitor and ensure that unnecessary lighting is turned off on each floor after working hours — reinforcing our efforts to promote responsible energy use throughout the organization.



GHG Emissions

Despite operating on a relatively smaller scale compared to many organizations, PSX remains committed to setting a benchmark for corporate responsibility in Pakistan. As part of our ongoing efforts to combat climate change, we have undertaken a comprehensive assessment of our greenhouse gas (GHG) emissions in alignment with the GHG Protocol.

Our emissions have been categorized as follows:

Scope 1: Direct emissions from stationary and mobile combustion sources.

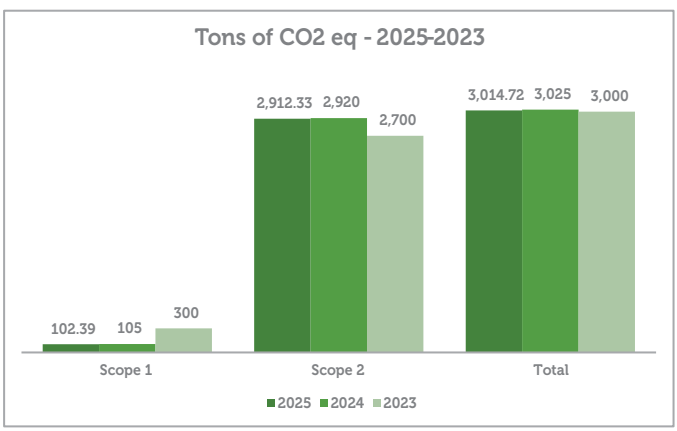
Scope 2: Indirect emissions resulting from the consumption of purchased electricity.

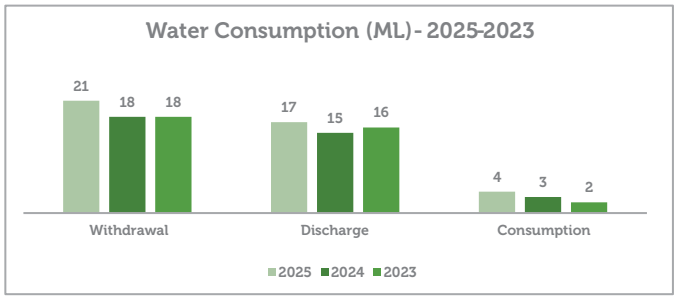
Recognizing the potential for meaningful impact, PSX is actively exploring opportunities to reduce Scope 2 emissions by integrating renewable energy sources into our overall energy mix in the coming years.

Water Management

At PSX, we recognize the importance of conserving water as a critical and increasingly scarce resource. Although our water usage is limited to domestic purposes across our facilities, we have taken proactive steps to monitor and manage our consumption and discharge effectively.

In line with our commitment to environmental responsibility, we have introduced water reuse practices within our premises. A notable initiative involves the collection of water from ablution areas, which is then repurposed for landscape irrigation. This effort reflects our broader goal of fostering a sustainable and eco-conscious workplace culture.





PSX aims to integrate sustainable practices across all its operations. As part of our long-term environmental conservation goal, we are in the process of designing a comprehensive and effective waste management system that operates organization-wide. This system will be used to handle waste collection, handling, storage, and disposal according to standardized and transparent methods. By developing and implementing clear SOPs for each stream, we aim to provide a channel of waste management that minimizes our waste and prioritizes circularity. While this system is currently under development, we have already prioritized resource efficiency in our workplace. Our internal policy dictates that our employees adopt habits that include using paper responsibly, aspire to move towards a paper-free workspace. By digitalizing workflows and communicating through email and other electronic platforms. These measures not only enhance connectivity in an increasingly digital world but also reflect the organization's broader commitment to environmental sustainability.

Emergency Preparedness and Health & Safety

PSX ensures adequate health and safety practices within its operations. These include the availability of fire protective and extinguishing equipment at all locations/premises and emergency preparedness exercises, along with educational awareness campaigns aimed at enabling our staff to better manage and cope with similar situations in future. We are up to date with the external environment and media reports for new information and updates that would allow us to efficiently mobilize appropriate resources to ensure our employees' well-being and safety. We also maintain a dispensary facility with a doctor & dispenser for all occupants at PSX premises in Karachi. On July 8, 2024, A fire broke out at a broker's office. Due to the prompt response from PSX Admin and fire brigade teams, the fire was brought under control swiftly, with limited damage to the property. The building's fire safety measures, including the alarm system, functioned effectively in alerting occupants and emergency services, thereby minimizing the impact of the incident. No injuries were reported during this incident.

Moreover, multiple DR drills, fire drills and BCP/DR awareness sessions for brokers have been conducted to tackle such situations and to ensure the continuity of operations during such events. The latest BCP/DR awareness session presentation, highlighting multiple scenarios and required action, was also shared with all brokers for their reference and record purposes.

Fire drill

Fire evacuation drill was conducted on August 15, 2024, Before the fire drill, a meeting was held with Crisis Management Team on August 10, 2024, in the CAO office to discuss and finalize the necessary arrangements.

Fostering a Green Economy Pursuing Growth and Prosperity

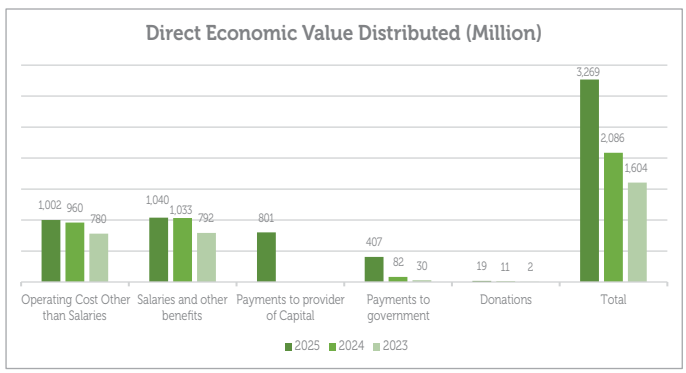
The overarching role PSX plays in Pakistan's economy cannot be understated as we provide a vital platform for capital formation on a national level, we enable the grounds that help companies raise capital for expansion, equipment upgrades, and hiring. Acting as a regulated and transparent marketplace for investors, we stimulate economic growth and foster trust in investment opportunities that are pivotal for Pakistan's future.

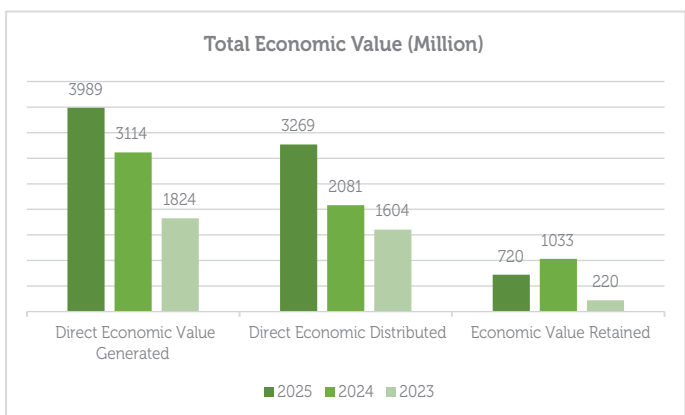
A no-compromise approach when it comes to regulatory frameworks enables market operations to remain orderly, secure and reliable to foster confidence and mitigate the risk of fraud and interference.

Furthermore, our performance reflects the health of our national economy.

In the financial year 2025, PSX executed 87.72 million trades in all markets with zero halts and 4 pauses during the market operations. Based on the product class, PSX recorded the following daily average number of trades in financial year 2024-2025:

Product class	Average daily number of trades executed 2025	Daily average volume traded 2025
READY	296,737	630,829,195
Deliverable Future Contracts	57,296	196,443,389
Real Estate Investment Trust	675	830,314
Exchange Traded Funds	341	1,521,496
Negotiated Deals Market	47	25,868,613
GOP Ijarah Sukuk	15	2,078,351,883
Odd Lot Market	12	1,446
Square up Market	8	37,580
Bills and Bonds	1	3,952
Government Securities Market	0	20,243





PSX now plays the key role of a facilitator and educator in regard to future green projects and its related instruments. As an organization, we will continue to spearhead the reporting, market development and promote transparency to ensure Pakistan's sustainable future remains in safe hands.

Sharing Prosperity

Corporate Social Responsibility (CSR) activities focused on SDG activities in terms of contributions for the betterment of society in spheres of environment, health and education. We have a total budgetary commitment of 2% of total revenue towards CSR. particularly towards health and education. The Board approved CSR Policy of PSX provides for an aggregate annual contribution equivalent to 2% of the profit before tax.

Blood Donation

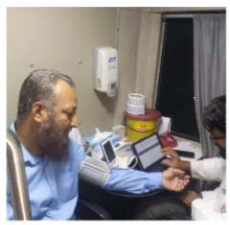
In a display of compassion and community spirit, our employees rallied together for a meaningful cause during the recent Blood Donation drive in collaboration with Indus Hospital was also arranged at the exchange's premises, where all employees were encouraged to contribute to this noble cause. The turnout was inspiring, with numerous staff members generously participating in this act of kindness. Each donation made a significant impact, potentially saving lives and contributing to the well-being of those in need. The sense of unity and shared purpose was palpable as employees selflessly gave of themselves for the greater good. It's heartening to witness our team's commitment to making a positive difference in the lives of others. This successful Blood Donation Campaign not only reflects our organization's ethos of caring for the community but also serves as a powerful reminder of the impact we can collectively achieve.

Contribution to Health & Society

In the realms of healthcare and social welfare, PSX provided substantial donations to support trust and charity hospitals such as Lady Dufferin Hospital, Bait-ul-Sukoon Cancer Hospital, Shaukat Khanum Hospital, Patients Behbud Society at AKUH, Kutiyana Memon Hospital, Dawood Global Foundation, Indus Hospital, and Sina Clinics. These institutions are committed to offering free medical treatment, reflecting PSX's dedication to promoting health and enhancing community well-being.

Contribution to Education

In its commitment to education, PSX contributed to schools and universities by providing student scholarships and financial assistance. Recipients included institutions such as IBA Karachi, Habib University, IOBM, Fortify Education Foundation, and FESF Deaf Reach, supporting students with hearing disabilities. Additionally, PSX backed Zindagi Trust in its mission to enhance public schools. Through these initiatives, PSX reaffirmed its dedication to fostering a more inclusive and empowered society. By channeling resources into health, education, and social welfare, PSX played a vital role in enhancing lives and nurturing a promising future for communities throughout Pakistan.



SASB Index

Sustainability Disclosure Topics and Accounting Metrics			
SASB Topic	**Code**	**Accounting Metrics**	**Details**
Promoting transparent & efficient capital markets	FN-EX-410a.1	(1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility.	(a) Halt related to public release of information is not applicable as per PSX regulations. However, Market halt/pause related to volatility applies to the index in case of KSE-30 index moves 5% either way from its last day closing index value. (b) Please refer to page 32
	FN-EX-410a.2	Percentage of trades generated from automated trading systems.	87.72 Million trades executed in all markets this year. Algorithmic Trading is not applicable/allowed as per PSX, hence 100% of all trades are executed through the automated trading system.
	FN-EX-410a.4	Description of policy to encourage or require listed companies to publicly disclose environmental, social, and governance (ESG) Information	• Regular webinars by sustainability specialists on the importance of ESG disclosure. • Nominated as a member of the SECP-constituted committee named "Sustainable Finance Advisory Group". • Assisting the pilot launch of ESG Sustain Portal for SECP • Contributed towards advancing sustainability in the ICAP's Working Group on Sustainability Reporting. • Worked with SBP in drafting the Green Taxonomy for Pakistan • Issued notice for the mandatory disclosure of gender pay gap data by listed companies in their annual reports • PSX integrated SDG-linked disclosure into its Top 25 Companies Awards
Managing conflict of interest	FN-EX-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	PSX did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other relevant financial industry laws or regulations related to fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, or malpractice
	FN-EX-510a.2	Discussion of processes for identifying and assessing conflicts of interest	PSX maintains a Conflict of Interest Policy approved by the Board with the following key features: • Each director on the Board present at any meeting, shall declare that either he/she does not have any personal interest in any of the agenda item of the meeting of the Board or otherwise he/ she has properly disclosed his/her interest (if any) in any such agenda item and would accordingly abstain from participating in the relevant discussion or voting there-upon. • All directors, members of PSX, employees, and agents, including a consultant engaged by PSX who participate in the selection or acceptance of a contract for procurement of equipment, materials, supplies, or services to the Exchange, must comply with PSX's conflict of interest policy.

			• No director, member of PSX, employee, or agent of the Exchange will participate in the process of selection or acceptance of a contract on behalf of the Exchange that involve a conflict-of-interest situation, without the approval of the Board.
Managing business continuity & technology risks	FN-EX-550a.1	(1) Number of significant market disruptions and (2) duration of downtime.	The market was suspended for 120 minutes from 10:25 am to 12:25 pm on July 08, 2024, due to the fire that broke out in the brokerage firm's office in the Stock Exchange building. Due to this incident, many firms were unable to access the building.
	FN-EX-550a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected.	In FY 2024-2025, PSX did not record any loss of PII or data where customers were directly impacted.
	FN-EX-550a.3	Description of efforts to prevent technology errors, security breaches, and market disruptions	PSX actively prevents tech errors and security breaches to protect data and minimize business disruption. Defenses include Network Segmentation, Encryption, Role-Based Access Control, and Vulnerability Assessment and Penetration Testing, safeguarding both external and internal networks.
		Activity Metrics	
Average daily number of trades executed, by product or asset class	FN-EX-000.A	Average daily number of trades executed, by product or asset class.	Average daily number of trades executed: • READY: 296,737 • Deliverable Future Contracts: 57,296 • Real Estate Investment Trust: 675 • Exchange Traded Fund; 341 • Negotiated Deals Market: 47 • GOP Ijarah Sukuk: 15 • Odd Lot Market: 12 • Square up Market: 8 • Bills and Bonds: 1 • Government securities market: 1
Average daily volume traded by product or asset class	FN-EX-000.B	Average daily volume traded by product or asset class	Average daily volume of trades executed: • READY: 630,829,195 • Deliverable Future Contracts: 196,443,389 • Real Estate Investment Trust: 830,314 • Exchange Traded Fund: 1,521,496 • Negotiated Deals Market: 25,868,613 • GOP Ijarah Sukuk: 2,078,351,883 • Odd Lot Market: 1,446 • Square up Market: 37,580 • Bills and Bonds: 3,952 • Government Securities: 20,243