

### **Regulation Making Process at Pakistan Stock Exchange Limited**

In order to ensure quality, relevance and adequacy of Pakistan Stock Exchange Limited (PSX) Regulations, draft new regulations or amendments are generally subject to the following rigorous process:

- In framing regulations or amendments, we consider the regulatory aims to be achieved in line with the vision and mission of PSX. We regularly review and update our regulatory framework and engage in public consultation in tandem with changing regulatory landscape of Pakistan. We also endeavor to align our regulations with international standards to ensure that we are at par with more developed markets.
- New regulations and amendments are placed before our internal approving authorities for thorough deliberation which includes Regulatory Affairs Committee of PSX Board and PSX Board itself. Thereafter, in addition to issuance of notice, we place the amendments on our website for obtaining public comments for a minimum period of seven days as per the Securities Act, 2015 (Act) except in cases where immediate implementation of proposed amendments is required subject to approval of SECP for waiver of inviting public comments. We also hold regulatory awareness and feedback session for market participants primarily for significant proposals requiring in-depth market consultation.
- After evaluating and incorporating suitable public feedback, procuring internal approvals, the regulatory proposals are submitted to SECP for final approval as per the Act. The new regulations or amendments are then implemented upon approval of SECP with effect from the date as notified by SECP.
- Finally, we update the PSX Rulebook and disseminate it on our website in an accessible form and have them published in Official Gazette of Pakistan.