



Press Release

December 29, 2017

For immediate release

SECP directs PSX to elect board of directors

ISLAMABAD, December 29: The Securities and Exchange Commission of Pakistan (SECP) has directed the Pakistan Stock Exchange Limited (PSX) to fix the number of directors and hold election of shareholder directors in accordance with requirements of the Companies Act, 2017. The SECP direction has been issued to ensure good governance and for the true representation of shareholders on the PSX board.

The law requires that the board of a securities exchange shall comprise of a CEO, independent directors and shareholder directors. The number of independent directors on the board shall not be less than the shareholder directors.

In accordance with the SECP's direction, the newly elected shareholder directors along with the existing independent directors shall nominate new independent directors.

The protection of minority investors remains the SECP's priority area. As a result of the SECP's decision, the representation of minority shareholders comprising the general public will also come into effect. The process has to be completed by February 28, 2018.