



## **REMUNERATION POLICY**

### **OBJECTIVE**

This policy aims to set out the requirements and methodology of the determination of remuneration of the Executive Directors including Chief Executive Officer (CEO), Non-Executive Directors, Independent Directors, the Board Committees, and members of the Senior Management.

### **1. REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

**1.1** The Board of Directors (“**BOD**”) shall, from time to time, determine and approve the remuneration of the members of the BOD for attending Board Meetings. Such level of remuneration shall be appropriate and commensurate with the level of responsibility and expertise, offered by the members of the BOD, and shall be aimed at attracting and retaining members needed to govern the Company successfully, and creating value addition.

**1.2** The BOD shall ensure that the prevailing level of remuneration of the BOD does not any time compromise the independence of independent members of the BOD.

**1.3** Members of the BOD may also be paid all travel/hotel/ancillary expenses related to:

- a) attendance of Board Meeting(s);
- b) attendance of Annual General or Extra Ordinary General Meetings; and/or
- c) attendance of Emergent Board Meeting(s).

**1.4** The BOD may further determine and approve additional remuneration for any member of the BOD for performing additional services, including:

- a) holding of office of Chairman/ Chairperson;
- b) devoting special attention to the business of the Company; and/or
- c) performing services, that the BOD determines to be, outside the scope of the ordinary duties of a member of the BOD.

**1.5** No single member of the BOD shall determine his/her own remuneration.

## **2. REMUNERATION OF THE BOARD COMMITTEES MEMBERS**

**2.1** The Board of Directors (BOD) shall, from time to time, determine and approve the remuneration of the members of the Board Committees for attending Board Committee meetings. Such level of remuneration shall be appropriate and commensurate with the level of responsibility and expertise offered by the members of the Board Committees, and shall be aimed at attracting and retaining members needed to govern the Board Committees successfully, and creating value addition.

**2.2** The BOD shall ensure that the prevailing level of remuneration of the Board Committee members does not any time compromise the independence of independent members of the Board Committees.

**2.3** Members of the Board Committees may also be paid all travel/hotel/ancillary expenses related to their attendance of Board Committee meetings.

**2.4** The BOD may further determine and approve additional remuneration for any member of the Board Committees for performing additional services, including holding of office of Chairman/ Chairperson of a Board Committee.

## **3. REMUNERATION OF THE EXECUTIVE DIRECTORS**

### **3.1 Chief Executive Officer**

The remuneration of the Chief Executive Officer (“**CEO**”), in addition to ancillary benefits, and any amendments thereof, shall be determined and approved by the shareholder in Annual General or Extraordinary General Meetings of the Company, on the recommendation of the BOD.

### **3.2 Other Executive Directors**

The remuneration of the Executive Directors, in addition to ancillary benefits, and any amendments thereof, shall be determined and approved by the shareholders in annual general or extraordinary general meetings of the company, on the recommendation of the BOD.

## **4. REMUNERATION OF SENIOR MANAGEMENT**

**4.1 “Senior Management”** shall be defined as the first layer of management below the CEO level, excluding the Executive Directors, Non-Executive Directors and the Independent Directors.

**4.2** The remuneration of Senior Management including Chief Financial Officer, Company Secretary and Head of Internal Audit, in addition to ancillary benefits, and any amendments thereof, shall be approved by the BOD, on the recommendation of the HR&R Committee and the CEO.

**4.3** In the event of a material deviation from the Company's prevailing remuneration policy is required in the case of a Senior Management employee, the case shall be presented to the BOD for approval.

## **5. REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS**

### **5.1 OBJECTIVE**

The objective of the Board Remuneration Policy For Non-Executive Directors are as follows:-

- (a) To attract and retain qualified and experienced directors to drive the Company's objectives.
- (b) To ensure the level of remuneration for Non-Executive Directors and Independent Directors are linked to their level of responsibilities undertaken and contributions to the Board.

### **5.2 DETERMINATION OF NON-EXECUTIVE DIRECTORS' REMUNERATION**

Remuneration of Non-Executive Directors is determined with regard to the Company's need to maintain appropriately experienced and qualified Board members and shall be aligned with market practice.

The Human Resource & Remuneration (HR&R) Committee makes recommendations to the Board in relation to the remuneration for Non-Executive Directors. The Committee surveys comparable remuneration levels in the external market and makes appropriate recommendations to the Board on adjustments if deemed necessary.

The HR&R Committee may from time to time seek independent advice on the remuneration of the Non-Executive Directors and make recommendations to the Board in relation to any increase in total fees.

The HR&R Committee is guided by the provisions of the Companies Act, 2017 and the PSX Listing Regulations which require shareholders' approval for payment of Directors' Fees and Benefits if any.

### **5.3 MAIN COMPONENT OF NON-EXECUTIVE DIRECTOR'S REMUNERATION**

The Non-Executive Director's Remuneration comprises the following:

#### **5.3.1 Meeting Attendance Allowance**

Meeting attendance allowance is paid in respect of attendance at Board and Committee meetings.

### **5.3.2 No Fees or Allowance for nominees of major shareholders**

There shall be no fees or meeting attendance allowance paid to board nominees of major shareholders.

### **6. MEETING FEES FOR NON-EXECUTIVE AND INDEPENDENT DIRECTORS**

Each Non-Executive and Independent Director shall be eligible to receive PKR:10,000/- for each Board meeting attended in person and PKR:10,000/-for each Board meeting attended by Video Conferencing. In addition, each non-executive director and Independent Director who serves on a committee of the Board shall be eligible for an additional PKR:10,000/- for each committee meeting attended in person and PKR:10,000/- for each committee meeting attended by Video Conferencing . Committee meeting fees will be paid regardless of whether a Board meeting is scheduled for the same day.

### **7. REVIEW OF THE POLICY**

The Human Resource &Remuneration Committee shall review and assess the effectiveness and continued relevance of this Policy.

Any requirement for amendment shall be deliberated by the HR&R Committee, and any recommendation for revisions shall be presented to the Board for approval.