

# Board Remuneration Policy

## Summary/ Key Highlights

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- **This Policy shall be applicable to all Non-Executive Directors (NEDs) including Chairman and Independent Directors;**
- **This policy shall be approved by the Shareholders in the General Meeting;**
- **It is responsibility of the Board to ensure that the NEDs are only compensated in accordance with the instructions contained in SBP's Corporate Governance Regulatory Framework and any other applicable laws/regulations;**
- **NEDs including Chairman and independent directors shall be paid a reasonable and appropriate remuneration for attending the Board and/or its committee meetings;**
- **Such remuneration shall not be at a level that could be perceived to compromise their independence;**

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- **Board shall approve scale of remuneration as per following parameters given by SBP:**
  - ❖ **Remuneration shall be fixed in Pakistani Rupees invariably; payment of the same can be made to foreign Directors (if any) in equivalent foreign currency, where necessary.**
  - ❖ **Meeting fee shall be determined on the basis of fees paid to NEDs by peer Banks, monthly remuneration of the Executive Directors, time spent by the directors on attending the meetings and time involved in review of agenda;**
  - ❖ **Maximum limits of remuneration of an NED for attending a Board and/or its committee meeting(s), would be Rs. 800,000/- per meeting;**
  - ❖ **Board may approve additional fee up to 20% of remuneration set for a director, for performing extra services including holding the office of Chairman Board / Board Committee(s);**
- **To ensure accountability, performance shall be evaluated on annual basis (Rating Scale 1 to 5; 5 being the best) If performance of any director falls below overall average score level 4, the Board may deliberate upon such evaluations to adjust his remuneration till next evaluation.**