



The Bank of Punjab

Board Remuneration Policy 2020

Key Highlights

Formulated by:

Corporate Affairs Department

Approved by:

- 1) Board of Directors in its 266th meeting held on February 28, 2020. Post-Facto approval by Shareholders in Annual General Meeting dated March 31, 2020**
- 2) Board of Directors in its 283rd meeting held on August 27, 2021 has amended the Board Remuneration Policy 2020. Shareholders in EOGM held on October 11, 2021 approved these amendments w.e.f the date of EOGM**

The Board of Directors in its 266th meeting have approved the Board's Remuneration Policy-2020 of the Bank for attending the Board and its Committee(s) meetings in Compliance of State Bank of Pakistan BPRD Circular 03 of 2019 dated August 17, 2019.

The salient features of the policy are as under:

1. The Policy ensures a comprehensive and transparent remuneration structure for the Chairman and other Directors.
2. This Policy has been formulated with clear mandate and charter keeping in view the ownership structure, governance mechanism, risk profile, scope of operations and performance of the bank.
3. The Policy aims to set out the methodology for the determination of scale of the remuneration to be paid to the Directors and Chairman other than President/CEO for attending the Board and its Committee(s) meetings.
4. The Policy is applicable to Non-Executive/Independent Directors, President/Executive Director and the Chairman of the Board.

5. The terms & conditions of the Chairman shall be presented to the shareholders for approval in the Annual General Meeting on pre or post facto basis.
6. The Bank shall facilitate the directors for travelling, board & lodging relating to the Board and Committee(s) meetings.
7. No consultancy or allied work shall be awarded to a director or to the firm(s), institution(s), or company(ies) etc., in which he individually and/or in concert with other directors of the Bank hold substantial interest.
8. Proper disclosure of remuneration and other benefits facilities provided to the Board of Directors shall be made in the Annual Financial Statements of the Bank.
9. The Board members shall be accountable for their conduct according to the scope of their responsibilities and Annual Performance Evaluation of the Board as a whole and its Committees will be carried out. Based on the evaluation of performance scale of remuneration may be reviewed/adjusted.
10. Remuneration for attending Board and its Committee meetings would be Rs.195,000/- per meeting, net of taxes for an Independent/Non-Executive Director and Chairman of the Board.