

BOARD REMUNERATION POLICY

The Board of Directors have approved 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. A Director shall be remunerated for any additional work assigned by the Board of Directors. The remuneration of a Director performing extra services shall not exceed 20% of the remuneration already set for him / her. In any case, remuneration paid to a Director for performing one such extra service / additional work should not exceed Rs.37,050/- (net of applicable taxes), and the total payments made to one director for performing extra services should not exceed 20% of the total amount paid to a director for attending Board/Sub-Committee meeting, in a year.
11. The remuneration of Board members for attending Board and Sub-Committees meetings shall be Rs. 185,250/- (net of taxes).