

POLICY FOR DETERMINING THE REMUNERATION OF BOARD DIRECTORS AND BOARD APPOINTEES

1. OBJECTIVE

This policy aims to set out the requirements and methodology for determining the remuneration of the Board Directors and Board Appointees of Dawood Lawrencepur Limited (“DLL”, the “Company”).

2. RULES

The Board of Directors (“BoD”) of the Company shall, from time to time, determine and approve the remuneration of its directors under the following rules:

- 2.1 Board of Directors remuneration shall be competitive and appropriate to the financial size and operational complexity of the company.
- 2.2 It shall be aimed at attracting and retaining the members needed to govern the Company successfully and to encourage value addition.
- 2.3 It shall not compromise nor influence in any way the independence of the director.
- 2.4 Since executive directors, such as the Chief Executive Officer (“CEO”), also have management responsibilities in the Company, their remuneration and benefits shall be competitive with the local market and structured accordingly. They shall not receive any directors’ fee for attending the Company’s board or committee meetings. The remuneration and benefits for the CEO and other executive directors shall be recommended by the Human Resources & Remuneration Committee (“HRRC”) and approved by the BoD.
- 2.5 Non-executive directors and independent directors shall be eligible to receive a director’s fee for attending board and committee meetings. Additional remuneration may be approved for them if any of these members is performing services that the BoD determines to be outside the scope of ordinary duties of a director of the board, including holding the office of Chairman and Vice Chairman of the BoD.
- 2.6 Additional remuneration may be approved for members of board committees who are performing extra services including holding the office of Committee Chairperson.
- 2.7 If required, the Company may use the services of an independent consultant to determine the appropriate remuneration.
- 2.8 No single member of the BoD shall determine his/her own remuneration nor of a director who may be a related party.
- 2.9 The process shall be in accordance with SECP regulations.
- 2.10 Directors’ fees shall be reviewed annually and amended as deemed appropriate.

3. REMUNERATION FOR BOARD APPOINTEES

- 3.1 Remuneration and benefits for Board appointees such as the Company Secretary, Chief Financial Officer, Head of Internal Audit and any other statutory position shall be competitive with the local market and structured accordingly.
- 3.2 It shall be approved by the BoD on the recommendation of the HRRC and the CEO.

4. REIMBURSEMENT OF BUSINESS EXPENSES

Any travel and business expenses incurred by the directors while in the performance of duty for the Board or the Company, attending board and board committee meetings, Annual General Meetings and any emergent board meetings shall be reimbursed at actual on submitting an expense claim with original bills.

5. AMENDMENT

The Company reserves the right to change or withdraw all or any part of this policy in accordance with applicable law.

6. ADMINISTRATION

This procedure shall be administered by the HRRC with the support of the HR department.