

Terms of Reference (ToR) – Human Resource & Remuneration Committee

(In compliance with Regulation 28 of the Listed Companies (Code of Corporate Governance) Regulations, 2019)

1. Constitution

The Human Resource and Remuneration Committee (“the Committee”) is constituted by the Board of Directors in accordance with Regulation 28 of the CCG Regulations, 2019.

2. Composition

- Minimum **three Board members**, all **non-executive directors**.
- The **CEO may be included**, but **not chair the committee**.
- The **Chairperson** shall be an **independent director**.

3. Quorum

- A quorum shall consist of a **majority of members**, including at least **one independent director**.

4. Frequency of Meetings

- At least **twice a year**, or more frequently as necessary.

5. Duties and Responsibilities

A. Human Resource Policies

- Review and recommend to the Board:
 - HR management policies and strategies
 - Recruitment, promotion, and retention strategies
 - Compensation structures and employee benefits

B. Remuneration of Executives

- Review and recommend for approval:
 - Remuneration packages of the **CEO and senior management**
 - Performance-based incentive plans
 - Annual salary reviews and bonus structures

C. Succession Planning

- Review and ensure that appropriate **succession plans** are in place for:
 - CEO
 - Senior executives

- Key technical positions (e.g., plant heads, production leads)

D. Performance Evaluation

- Oversee the **annual performance evaluation** process of:
 - CEO
 - Senior management
- Align compensation with performance and company strategy

E. Compliance & Governance

- Ensure all HR-related decisions are compliant with:
 - Labor laws
 - SECP's Code of Corporate Governance
 - Fair and ethical practices

6. Reporting Responsibilities

- Submit reports to the **Board of Directors** on:
 - Recommendations for HR policies and executive compensation
 - Succession planning updates
 - Any other matter as requested by the Board
- Disclose in the **Annual Report**:
 - Committee composition and meetings
 - Summary of activities during the year

7. Authority

The Committee is authorized to:

- Access any employee, document, or information necessary
- Obtain independent professional advice on HR matters (e.g., compensation benchmarking)

8. Review of Terms

- These ToR shall be reviewed **once every three years** or earlier as needed, subject to Board approval.