

Allawasaya Textile and Finishing Mills Ltd.

TERMS OF REFERENCE OF HUMAN RESOURCE AND REMUNERATION (HR & R) COMMITTEE

Mr. Abdul Rehman Qureshi (Independent Director)- Chairman
Mr. Muhammad Ashraf Khan Durrani (Independent Director)- Member
Mrs. Misbah Idrees Sheikh (Non-Executive Director)- Member

The Human Resource and Remuneration (HR & R) Committee is reconstituted for a term of three years effective from 30-05-2024 and its terms of reference are defined as follows:

The Committee is responsible for recommending the following to the Board:

- (i) recommendation to the board for consideration and approval a policy framework for determining remuneration of directors (executive and members of senior management) and meeting fee for non-executive directors. The senior management shall normally include the first layer of management below the chief executive officer level;
- (ii) undertaking, annually, a formal process of evaluation of performance of the board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;
- (iii) recommending human resource management policies to the board;
- (iv) recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of chief financial officer, company secretary and head of internal audit;
- (v) consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer; and
- (vi) where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company.