

Directors Remuneration Policy

A. Purpose

The Board of Directors of Engro Corporation Limited (Company) has adopted this Policy upon the recommendation of its Board Audit Committee (BAC) in compliance with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2017. This Policy aims to set out the requirements and methodology for determining the remuneration for Non-Executive Directors including Independent Directors of the Company. As part of the good governance practices, the subsidiaries of the Company shall adopt the Policy with their Boards' review and approval.

B. Methodology for Determination of Remuneration

The Board of Directors of the Company shall, from time to time, determine and approve the remuneration of its Directors as follows:

- a) The remuneration shall be appropriate and commensurate with the level of responsibility and expertise of the Directors;
- b) It shall be aimed at attracting and retaining the Directors needed to govern the Company successfully and to encourage value addition;
- c) It shall not be at a level that could be perceived to compromise or influence in any way the independence of the Director;
- d) No Director shall determine his/her own remuneration nor of a Director who may be a related party;
- e) No remuneration shall be paid to Executive Directors, Chief Executive Officer and Non-Executive Directors who are employees in other Engro entities, for attending meetings of the Board and its committees; and
- f) The Board, if deems appropriate, may engage independent consultant to determine the appropriate level of remuneration of its Directors and recommend to the Board for consideration and approval.

C. Reimbursement of Expenses

Any travel and other necessary expenses incurred by the Directors for attending meetings of the Board and its committees shall be reimbursed at actual by claiming the expenses and submitting original bills to the Company.

D. Administration

This policy shall be administered by the Board Compensation Committee with the support of the Human Resource Division and Legal Division of the Company, as required.
