



TRUSTED NOT TO COMPROMISE

Terms of Reference Human Resource and Remuneration Committee



Title: **TERMS OF REFERENCE HUMAN RESOURCE AND REMUNERATION COMMITTEE**

1. Objectives

The Human Resource and Remuneration Committee (HRRC) is a standing committee of the Board of Directors (BoD) mandated to consider and make recommendations to the BoD on Pakistan Cables Limited's major human resource management policies, strategies and plans.

2. Composition

a) Members

- The HRRC shall consist of at least three directors;
- The majority of these directors shall be non-executive directors of whom at least one member shall be an independent director;
- The Chief Executive Officer (CEO) may be included as a member.

b) HRRC Chair

- The Chair will be an independent director;
- While the CEO may be a member of the HRRC, he/she shall not be the Chair;
- In the absence of the Chair, the remaining members may appoint another member as acting Chair for the meeting.

c) Secretary

- The Head of HR or the Company Secretary, will act as Secretary to the HRRC as decided by the HRRC.

3. Tenure

- a)** The tenure of the HRRC will be the same as the tenure of the BoD.
- b)** The terms of reference of the HRRC will be reviewed at least every three years.

4. Rules

- a)** Quorum:
- The quorum will be two members.
- b)** Frequency of Meetings:
- The HRRC shall meet at least once in each financial year and may meet more often as desired.
- c)** Notice:
- The notice of the meeting will be circulated by the Secretary HRRC preferably one week prior to the date of the meeting.
- d)** Agenda:
- The agenda of the meeting shall be development by the Management in consultation with the HRRC Chair.
- e)** Documents:
- To the extent possible, notes and other related documents shall be provided for each agenda item. Efforts will be made to provide this data to the members one week prior to the meeting.
- f)** Minutes:
- Minutes of the meetings will be made by the Secretary and circulated to the members within seven days of the meeting, or prior to the subsequent BoD meeting, whichever is earlier.
- g)** Attendance:
- The Committee may invite any person to attend meetings;
 - The Secretary shall obtain the signatures of each member attending the meeting and keep a record of the same;
 - The CEO, if a member of the HRRC, shall not be a part of the proceedings where his/her compensation/performance is being discussed/evaluated.
- h)** Reports:
- The HRRC shall present the minutes, including findings and recommendations of the HRRC meetings to the BoD;

- i)** Amendments:
- The BoD may at any time amend these terms or revoke any powers granted by it to the HRRC.
- j)** Records:
- All documentation related to the holdings, proceedings and recommendations of the HRRC shall be stored with the Secretary.

5. Duties and Responsibilities

- a)** The HRRC's recommendations will require approval of the BoD to be implemented.
- b)** The HRRC will:
- Assess organization structure;
 - Recommend to the BoD succession planning for critical business positions, including that of the CEO;
 - Recommend to the BoD, for consideration and approval, a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management);
 - Undertake, annually, a formal process of evaluation of performance of the BoD as a whole and its committees either directly or by engaging external independent consultant and if a consultant is appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;
 - Recommend human resource management policies to the BoD;
 - Recommend to the BoD the selection, evaluation, development, compensation (including retirement benefits) of the Chief Operating Officer, Chief Financial Officer, Executive Director, Company Secretary and Head of Internal Audit;
 - Consider and approve, on recommendations of the Chief Executive Officer, the selection, evaluation, development, compensation (including retirement benefits) of for key management positions who report directly to Chief Executive Officer or Chief Operating Officer; and



- Review the credentials of any human resource and remuneration consultants that are appointed and state whether they have any other connection with the company.

Prepared by:
Nazifa Khan
Secretary - HRRC

Reviewed by:
Kamal A. Chinoy
Chief Executive

Recommended by:
Chair (HRRC)

Approved in the 445th Board Meeting held on April 19, 2018:
Mustapha A. Chinoy
Chairman - BoD