



ASSET MANAGEMENT LTD.
ایسیٹ مینیجمنٹ لمیٹڈ

Alignment of Interest Policy

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Policy Number: 27
Next Review Date: 31-Dec-2026

Alignment of Interest Policy

Purpose

The intent of this policy is to align the interest of key employees of HBL AMC with that of the unit holders of the Collective Investment Schemes (CIS) managed by HBL AMC. This policy is developed in accordance with the requirements mentioned under regulation 60A of NBFC & NE Regulations 2008.

Applies to

This policy applies to the following key employees of HBL AMC:

- Chief Executive Officer (CEO)
- Chief Investment Officer (CIO)
- Head of Investment Committee
- All direct reports of the CEO other than secretarial & support staff

Policy

To ensure the alignment of interests among key employees, the following measures will be implemented:

- a) A percentage of the bonus amount paid annually to key employees will be in the form of units of a CIS managed by HBL AMC. The allocation would be as follows:
 - 15% to be allocated in a CIS Scheme in year one
 - 22% to be allocated in a CIS Scheme in year two
 - 33% to be allocated in a CIS Scheme from year three onwards
- b) Respective key employees will have the option to decide which fund this allocation is made in.
- c) There will be a minimum lock in period of one year from the date of disbursement of this allocation to the CIS scheme. No redemption will be allowed during this period. In the case of retirement or contract expiry, the minimum lock in period would still apply.
- d) This allocation will be forfeited if a key employee resigns after being awarded these units and before the end of the lock-in period.
- e) If it is determined that the key employee has acted fraudulently or committed any misconduct, the board reserves the right to clawback part or all of the units allocated to the employee.
- f) HBL AMC will ensure relevant disclosures of such bonus paid to Key Employees in the form of units of each scheme in aggregate along with the scheme return in respective annual accounts.
- g) HBL AMC shall ensure retention of adequate audit trail and record to verify compliance with applicable requirements.
- h) HBL AMC will disclose the formulated policy along with summary of any exemption to this policy on its website and annual report.

Responsibility

- Subsequent to Board approval, HR will ensure allocation & investment amounts in units of the CIS in accordance with this policy.
- HR will be responsible to provide disclosure to the respective key employee about the investment in the form of units to the CIS scheme.
- Finance will ensure relevant disclosures in the respective annual accounts and any other medium.
- The Compliance function will be responsible to ensure adherence to this policy.

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- This policy will be reviewed as part of the HR Policy review cycle. This policy may also be amended in light of any regulatory changes. Any subsequent amendments or revisions shall also be subject to Board approval.