

Terms of Reference

[as per of Condition no. 6(1)(c) of Notification dated 03 June, 2018]

In compliance of the Condition no. 6(1)(c) of Notification dated 03 June, 2018 issued by the Bangladesh Securities and Exchange Commission in relation to the Role of the Nomination and Remuneration Committee (“NRC”) shall be formulated in writing for ensuring the corporate governance of the Company. Thus, this Terms of Reference (“ToR”) is being prepared mentioning the Role of the Committee covering the areas of role of NRC which has been described as follows:

Role of NRC:

The NRC shall administer the following matters and make report with recommendation to the Board:

- (i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board relating to the remuneration of the directors, top level executive considering the following terms:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - (b) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- (ii) Devising a policy on Board’s diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- (iii) Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- (iv) Formulating the criteria for evaluation of performance of independent directors and the Board;
- (v) Identifying the company’s needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- (vi) Developing, recommending and reviewing annually the company’s human resources and training policies.