



## TOR and NRC Policy of Green Delta Insurance PLC

Pursuant to the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors of Green Delta Insurance PLC has duly constituted a Nomination and Remuneration Committee (NRC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for the formal and continued process of considering remuneration/ honorarium for Directors and top-level executives.

### TERMS OF REFERENCE

The NRC Charter, which was developed primarily in accordance with the CG guidelines of BSEC, IDRA and also includes other international best practices, details the duties that the Board of Directors assigned to the committee in accordance with the NRC Charter.

### Nomination and Remuneration Committee (NRC):

The Nomination and Remuneration Committee (NRC) of Green Delta Insurance PLC has been formed pursuant to the BSEC's Corporate Governance Code- 2018. The current NRC was reconstructed on 26 December 2023 and the present members of the Committee are:

Name	Position in the Committee
1. Mr. Abdul Hafiz Chowdhury	Independent Director and Chairman
2. Ms. Shamsun Nahar Begum Chowdhury	Member
3. Mr. Mesbah Dilwar Rahman	Member
4. Ms. Delwara Absar	Member

### Role and Responsibilities:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Review the framework for the remuneration and terms and conditions of employment of the chairman of the board and the directors;
- Monitor the level and structure of the remuneration of senior managers;
- Set detailed remuneration of the directors and chairman;
- Ensure that directors are fairly rewarded for their contribution to the performance of the Company;
- Ensure transparency to shareholders that remuneration of the directors is set by individuals with no personal interest in the outcome of the committee decisions.

### Nomination and Remuneration Policy/ Criteria:

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive levels in order to achieve the Company's strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behavior that is focused on long term value creation, while adopting the highest standards of good corporate governance. The policy is built on the following principles:

#### A) The Nomination Criteria:

- i. The company policies as well as guidelines and applicable laws/ regulations for the Company;







- ii. A prescribed selection process that is transparent in all respects;
- iii. Following a process which is compatible with the recognized standards and the best practices;
- iv. Distinguishing the core competencies of the respective personnel for the different levels of management and employees of the Company;
- v. Follow diversity in age, maturity, gender experience, qualification, educational background, expertise, ethnicity and nationality.

#### **B) Recruitment and Selection Standards:**

The recruitment and selection of Directors and Top-level Executives of the Company are made according to the following core guiding principles:

##### **Directors and Top-Level Executives:**

- i. At first, identifying Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- ii. Then, identifying persons who are qualified to become directors and who may be appointed in the top-level executive position in accordance with the criteria laid down and recommend their appointment and removal to the Board of directors;
- iii. The Board of Directors appoints Directors' and top-level executives, upon nomination recommendation of the NRC.

##### **Independent Director:**

- i. The Independent Directors shall be knowledgeable individuals with integrity who are able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the business;
- ii. The Independent Directors should have competence of the relevant sector in which Company operates and should have the qualifications as required by the Code of BSEC;
- iii. The Board of Directors appoints Independent Director upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.

#### **C) Remuneration Criteria:**

The key features of the Remuneration criteria recommended by the NRC are as follows:

- i. The structure, scale and composition of remuneration/ honorarium are reasonably considered based on the Company's policies and guidelines set by the Board of Directors to attract, retain and motivate the top-level executives to run the company efficiently and successfully;
- ii. The context of packages, including remunerations/ benefits is categorically laid down which meets the appropriate performance benchmarks as per the Company policies and guidelines ratified by the Board as and when required.;
- iii. The remuneration to directors, top-level executives 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;
- iv. The NRC will recommend the Board meeting attendance fees, honorarium including incidental expenses, if any; and
- v. No member of NRC will be allowed to receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Board meetings and Board's sub-committee meetings attendance fees from the Company.





**D) Evaluation Criteria:****Board of Directors/ Top-Level Executives:**

The respective authority of the Directors and Top-Level Executives sets the performance measurement criteria based on the respective role profile and responsibilities through the Company's annual appraisal policy/process at a certain time of each calendar year.

**Independent Director:**

The evaluation of the performance of the Independent Directors is to be carried out according to the criteria of attendance and participation in the Board meetings and committee meetings and contribute to the improvement of the corporate governance practices of the Company.

**E) Conflict in Policy:**

In the event of a conflict between this policy and the extant regulations, the regulations shall prevail.

**F) Amendments / Modifications:**

To the extent any change/amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law. Such amended policy shall be placed before the Board for noting and necessary ratification.

**G) Review of Policy:**

The Board of Directors of the Company may review the policy, if the Board proposes on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's Annual Report.

**H) Disclosure of Policy:**

The policy will be disclosed in the Company's Annual Report.

**The activity of the Nomination and Remuneration Committee:**

- i. Followed the Terms of Reference (ToR) of NRC, as approved by the Board of directors;
- ii. Appointment of Independent director;
- iii. Evaluated the annual performance of the Board and its committees, chairpersons, and directors;
- iv. Discussed the policy relating to the remuneration of the retiring and contract renewal to the top-level executives of the Company;
- v. Developed, recommended and reviewed the Company's annual human resource capital and training policies as well as the involvement of financial matters regarding the increment and promotion.

**Abdul Hafiz Chowdhury**

Chairman

Nomination and Remuneration Committee

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