



Code of Conduct for the Managing Director and CEO

Background and Purpose

The first building block of Corporate Governance to be put in place in a company is the Managing Director ("MD"), also known as the Chief Executive Officer ("CEO"). Whatever the size or nature of the company, the role of the MD/CEO is to ensure that the company achieves its strategic objectives and to provide leadership and direction to the staff.

His/her role depends on the stage of growth of the company. Typically, the scope of the role becomes more clearly defined as the company develops and the supporting Corporate Governance framework required is clearer. Once such a framework is developed, the MD/CEO may delegate some responsibilities to members of the Management Team.

The Articles of Association of a Company generally specify the procedure/manner of appointment of the MD/CEO and his/her roles and responsibilities. Article 105 of the Articles of Association of Green Delta Insurance PLC deals with this issue.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. BSEC/CMRRCD/2006-158/Admin/80 dated 3rd June 2018]. The conditions of the Corporate Governance Guidelines are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall comply with these conditions. As per condition 1.4 of the said guidelines, "the Board of Directors of a listed company shall clearly define the roles and responsibilities of the CEO."

General Roles & Responsibilities

The General Roles & Responsibilities of the CEO shall be-

- To act as the Chief Executive Officer reporting to the Board of Directors
- To remain accountable for the overall performance of the company and for the day-to-day operation and management of the company's business, under the authority delegated by the Board from time to time
- To develop and present strategic and annual business plans, rules, regulations and systems for legal functioning of the organization to the Board for approval
- To implement the Board's policies and strategies and deliver the strategic plan in the most effective and efficient manner
- To report to the Board on progress against the strategic and annual business plans on a regular basis. Typically, reporting against the annual plan will be monthly, while reporting against the strategic plan will be less frequent, although it should be at least two or three times a year
- To coordinate the overall management, administration, corporate planning and business development
- To ensure the compliances of Laws, Rules and Regulations and for Good Corporate Governance
- To supervise all technical, financial and welfare aspects of the organization, negotiations with sources of credit/fund, and listing in the stock exchange(s).
- To manage the day-to-day operations of the company Manage, motivate, develop and lead members of the Management Team





- To manage resources efficiently and effectively to achieve the company's objectives
- To lead the Local Management Team of the Company and chair Management Team meetings
- To take a leadership role in establishing the company's culture and values
- To ensure that there is a fit between strategy and culture, and the company's processes and structure
- To ensure that appropriate internal audit and internal control processes and procedures are in place (in liaison with Head of Internal Audit, External Auditors and Board Audit Committee)
- To develop and implement a risk management plan
- To ensure that there is a succession plan in place

Specific Roles & Responsibilities

The Managing Director, subject to the direction, supervision and control of the Board of Directors and also subject to proviso under Articles 117 and 118 of the Articles of Association of the Company, shall have the following powers, roles and responsibilities :

- To manage, conduct, transact and carry on the business of the Company anywhere within Bangladesh or outside Bangladesh.
- To appoint officers and staff of all ranks and to remove or dismiss them and appoint others in their places and to apply to the person to be employed as aforesaid such salary or other remuneration as may be deemed it any proper.
- To state, adjust and settle all accounts, reckonings, claims and demands whatsoever depending arid which may hereafter depend between the Company and any other person whosoever and to pay or receive (as the case may, be the balance which shall be due on settlement of such accounts;
- To pay or deposit the moneys which shall be paid to the Managing Director by virtue of the promises in the name of the Company, upon receipt of the same, subject to approval of Directors, with any banker, broker or other Agent, to draw out such moneys from time to time and to vary the Banking arrangements of the Company in and elsewhere the Bangladesh Company has Banking accounts and open fresh ones in the interest of the company and to instruct the Bankers for the company as to be manner in which cheques and other negotiable instruments are to be singed and also nominate and to vary from time to time the names of those officials of the Company authorized to sign and countersign such documents and to apply the said moneys for the use and benefit of the Company, to invest the same or any part thereof upon such securities expressly including stocks, funds or securities of the Government of the People's Republic of Bangladesh and elsewhere at such interest and in such manner and upon such terms and conditions as may be most beneficial for the Company and from time to time to vary such securities and investment for like purpose;
- To draw, make, accept. Issue, sign, endorse or otherwise realize of negotiate payment and discharge any Bill of Exchange, Bill of Lading, Letter of Credit, Circular Note, Policy of Insurance, Cheque, Draft or order for payment of any money and to excite sing, enter into, acknowledge, protect and do all such contracts, agreements, discharges, receipts, endorsement, transfers, negotiations or other dealings;
- To demand, sue for, enforce payment of receive and to give effectual receipts and discharges for all moneys debts, securities for money interest, and bonuses either in

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the name of the company or in the name of the Managing Director subject to approval of the Board which receipts and discharges shall exonerate the person or persons paying such moneys from seeing to the application thereof and to take possession of goods, chattels and property or estate movable and immovable of very kind description whatsoever of or to which the Company is now or may hereafter become possessed or entitled or which are or may become deliverable or transferable to the Company from any person or persons whosoever and on any account whatsoever;

- To enter contracts for all classes of Insurance and re-insurances and to sign and issue policies, cover notes and other documents and to settle and claims in relation to such insurance upon such terms and conditions as may be deemed necessary or proper;
- To adjust, compromise or submit to arbitration any accounts, debts, claims, demands, disputes and matters touching any matters which are now subsisting or may hereafter arise between the company and any other person or persons or between the said attorney or any other person or person;
- To commence, prosecute or enforce and to defend, answer or oppose any suits or other legal proceedings whether civil or criminal in any Court or Tribunal whosoever before or any Government touching matters in which the Company is now or may hereafter be interested or concerned and also if the said attorney shall so think fit to compromise, refer to arbitration, abandon, submit to judgment or become non-suit in any such action or proceeding aforesaid;
- To appoint and retail Solicitors, Advocates, Vakils, Pleaders, Mooktiars and to revoke such appointments and retainers from time to time as occasion shall require;
- To make sign, execute, present and file all applications, petitions, plaints, written statements. Powers of Attorney, Vakalatnames, Mookthnames or any other documents expedients or necessary to be made, signed, executed, presented or filed in relation to any of the purposes aforesaid;
- To pay and allow all fees, costs and expenses necessary to be or allowed;
- To receive out of Court or from any person or persons whosoever liable to pay the same, all costs, fees or other moneys whatsoever reliable by or payable to the company in connection with such accounts, reckonings and demands and all suits or other proceeding adopted or taken in connection therewith and receipts and discharges to grant in respect of the same; and
- To give donation and subscription to or for any religious, charitable, benevolent social institutions, or cultural institutions or organizations or objects.

Conclusion

- This document is applicable with immediate effect.
- The Board shall have the authority to make amendment to this document at any time.

Chairman
Green Delta Insurance PLC

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