

NOMINATION AND REMUNERATION POLICY

FOR

THE NOMINATION AND REMUNERATION COMMITTEE

Company Secretariat

CONFIDENCE POWER AND ENERGY PLC.

Awal Center

17th Floor, 34, Kemal Ataturk Avenue, Banani, Dhaka.

Date: 28 October, 2025

NOMINATION AND REMUNERATION COMMITTEE

1. Purpose:

The purpose of this **Nomination and Remuneration Policy** is to establish a fair, transparent, and merit-based framework for the appointment, evaluation, and remuneration of **Directors**, **Key Management Personnel (KMP)**, and **Senior Management** of [Company Name], in line with best corporate governance practices and applicable laws in Bangladesh.

2. Legal Framework:

This policy is framed in accordance with:

- Companies Act, 1994 (Bangladesh);
- Bangladesh Labour Act and Rules;
- BSEC Corporate Governance Code, 2018 applicable to listed companies;
- Memorandum and Articles of Association of the Company;
- Other applicable laws and regulations.

3. Objectives:

- Ensure that the Board of Directors and senior management possess the right balance of skills, experience, and independence.
- Establish a formal and transparent process for the nomination, evaluation, and remuneration of directors and executives.
- Attract and retain qualified professionals with appropriate competencies.
- Align executive remuneration with company performance and shareholder interests.

4. Scope:

This policy applies to:

- Members of the Board of Directors (Executive, Non-Executive and Independent)
- Key Management Personnel (CEO/MD, CFO, CS, Head of Internal Audit etc.)
- Senior **Management** as defined by the Board.

5. Nomination Guidelines:

5.1 **Appointment Criteria:**

The Nomination and Remuneration Committee (NRC) shall consider the following while recommending appointments:



- Integrity and ethical standards
- Qualification, experience, and professional background
- Leadership qualities and commitment
- Independence criteria (for independent directors as per BSEC Code)
- Diversity, including age, gender, and industry exposure
- Disqualifications under the Companies Act or regulatory authority

5.2 Reappointment:

- Reappointment of directors will be based on performance, attendance, and contribution.
- Independent directors may be reappointed for a second term, subject to regulatory limits.

5.3 Board Diversity:

The company shall promote diversity in the Board to improve decision-making, with a mix of executive, non-executive, independent, and gender-balanced representation.

6. Remuneration Guidelines:

6.1 Remuneration of Directors

Executive Directors:

- Salary and performance-based incentives to be approved by the Board and/or shareholders.
- Components may include basic salary, allowances, bonuses, retirement benefits, and other perquisites.

Non-Executive Directors:

- May receive sitting fees for attending Board and Committee meetings.
- No performance-linked remuneration or stock options without shareholder approval.

Independent Directors:

- Shall not be entitled to any stock options or profit-linked commissions.
- May receive reasonable sitting fees and reimbursement of expenses.

6.2 Remuneration of KMP and Senior Management

- Based on industry benchmarks, individual performance, experience, and responsibilities.
- Reviewed annually by the NRC
- Performance incentives may be linked to key performance indicators (KPIs) aligned with company goals.

7. **Evaluation:**

- The NRC will facilitate the annual evaluation of the performance of the Board, individual directors, committees, and KMP.
- Evaluation criteria will include attendance, preparation, participation, knowledge, and ethical behavior.

8. **Policy Implementation and Review:**

- The Nomination and Remuneration Committee shall monitor and implement this policy.
- The policy shall be reviewed periodically or as required due to changes in applicable regulations or business needs.

9. **Disclosure:**

The company shall disclose this policy and the criteria of nomination and remuneration in its **Annual Report** and on its **website** as required by the BSEC Corporate Governance Code.

10. **Approval and Amendment:**

This policy shall be approved by the **Board of Directors** and may be amended from time to time by Board resolution based on recommendations of the NRC and in compliance with applicable laws.

Approved by the Board on: October....., 2025



Imran Karim
Chairman of the Board

Rabeya Jamali

Chairperson of the NRC Committee

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