

TERMS OF REFERENCE (TOR)

FOR

THE BOARD OF DIRECTORS

Company Secretariat

CONFIDENCE POWER AND ENERGY PLC.

Awal Center

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

Date: 28 October, 2025



TERMS OF REFERENCE (TOR) FOR THE BOARD OF DIRECTORS

1. INTRODUCTION

The **ToR** outlines the **authority, roles, responsibilities, powers, and procedures** of the Board of Directors of **Confidence Power and Energy PLC.** ("the Company"). It is designed to ensure high standards of corporate governance, compliance, transparency, and accountability, in line with the provisions of the **Companies Act, 1994**, the **Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code, 2018**, and other applicable laws.

2. PURPOSE

The Board of Directors (the 'Board') of Confidence Power and Energy PLC. is responsible for the overall governance, strategic direction, and oversight of the management of the Company in accordance with the Companies Act, 1994 of Bangladesh, the company's Memorandum and Articles of Association and other applicable laws, rules, and Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC).

3. THE BOARD

The Board of Directors is the highest governing authority within the management structure of the Company. The primary responsibility of the Board of Directors shall be to protect the shareholders' interests and protect the Company's assets and interests.

It is to formulate, approve and evaluate various policies, to select and approve appropriate compensation for the company's Managing Director/Chief Executive Officer (CEO), and pay dividends, deal and recommend share/stock related, oversee visionary programs, approve the company's financial statements, and oversee dividend matters, approve or discourage on the policy matters e.g., acquisitions and mergers etc.

4. COMPOSITION OF THE BOARD

- 4.1. The Board shall consist of a minimum of **5 (Five)** and a maximum of **20 (Twenty)** directors, as defined in the Articles of Association, the Companies Act, 1994, and other applicable rules.
- 4.2. The Board should include at least two independent Directors or 1/5th of the total directors and at least one female member as an Independent Director, and as and when required by applicable regulations (e.g., for listed companies as per BSEC Corporate Governance Code, 2018).
- 4.3. Directors shall be appointed by the shareholders and may be re-elected as per the Articles of Association.

5. Roles and Responsibilities:

The key responsibilities of the Board include:

5.1. Strategic Oversight:

- 5.1.1. Approve the company's vision, mission, and long-term strategy
- 5.1.2. Review and approve the annual business plan and budget.
- 5.1.3. Monitor implementation and performance against the strategic objectives

5.2. Governance:

- 5.2.1. To ensure effective corporate governance practices are in place.
- 5.2.2. To approve and monitor compliance with company policies, codes of conduct, and legal/regulatory requirements;
- 5.2.3. To ensure the company maintains an effective risk management framework.

5.3. Financial Oversight:

- 5.3.1. To approve annual financial statements, quarterly financial statements and ensure statutory audit requirements are fulfilled.
- 5.3.2. To oversee financial performance, capital structure, and significant investments.
- 5.3.3. To approve dividend declarations and major financial decisions.

5.4. Appointment and Oversight of Management:

- 5.4.1. To appoint, evaluate, and, if necessary, remove the Managing Director/Chief Executive Officer.
- 5.4.2. To oversee succession planning and management development.
- 5.4.3. To monitor the performance of senior executives.

5.5. Risk Management:

- 5.5.1. To review and monitor key business risks and mitigation strategies.
- 5.5.2. To ensure adequate internal controls are in place.

5.6. Stakeholder Engagement:

- 5.6.1. To ensure transparent communication with shareholders and other stakeholders.
- 5.6.2. Convene Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) as required.

5.7. Meetings:

- 5.7.1. The Board shall meet at least quarterly or more frequently as necessary.
- 5.7.2. A minimum quorum, as defined in the Articles of Association, must be present.
- 5.7.3. Minutes of meetings shall be properly recorded and maintained.
- 5.7.4. Board decisions may be taken by majority vote unless otherwise stated in the Articles of Association.

5.8. Board Committees:

The Board may establish committees to assist in fulfilling its responsibilities. Common committees may include:

- 5.8.1. Audit Committee;
- 5.8.2. Nomination and Remuneration Committee (NRC);

Each committee shall have its own Terms of Reference approved by the Board.

5.9. Performance Evaluation:

- 5.9.1. The Board shall conduct an annual self-evaluation to assess its performance and that of individual directors and committees;
- 5.9.2. Training and development may be provided to directors where necessary.

5.10. Confidentiality and Conflict of Interest:

- 5.10.1. Directors must act in the best interest of the company and avoid any conflicts of interest.
- 5.10.2. Confidential information obtained in the course of their duties must not be disclosed unless legally required.

5.11. Compliance:

The Board shall comply with:

- 5.11.1. The Companies Act, 1994
- 5.11.2. Bangladesh Securities and Exchange Commission (BSEC) regulations (for listed companies).
- 5.11.3. Any other applicable laws, rules, regulations, or circulars.

5.12. Amendments:

These Terms of Reference may be amended by a resolution of the Board, subject to compliance with applicable laws and regulations.

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



Imran Karim

Chairman Board of Directors

Confidence Power and Energy PLC.