

MEGHNA INSURANCE COMPANY LIMITED

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BACKGROUND:

The Board of Directors of Meghna Insurance Company Limited formed the Nomination and Remuneration Committee (NRC) in line with the corporate Governance condition no. 6(1) and other compliance as per 6(2) to 6(5) of BSEC notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. NRC of Meghna Insurance Company Limited has farmed the following policies and criteria. The policies and criteria are approved in 154th meeting of the Board of Directors.

CHAPTER I

NOMINATION POLICY

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or top level executive and recommend to the Board for his/her appointment.
2. The nomination of directors and top level executives will be firm by the Committee and recommended to the Board for approval. The nomination shall be subject to the prior/post approval of the Company's shareholders as the case may be.
3. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
4. A person to be appointed for the corresponding position should possess impeccable reputation for integrity and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to others.
5. A person to be appointed as director or top level executive shall not hold any office except in its subsidiary/sister company at the same time as per approval of the Board.
6. Every employee must sign a performance contract that outlines the key performance standards for their specific specified function.
7. The nomination structure determined by the Board, and is revised from time to time, depending on the Company's needs.

CHAPTER II

REMUNERATION POLICY

1. The remuneration structure determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance;
2. The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board;
3. In the case of the top level executives, increments to the existing remuneration structure may be recommended by the Committee to the Board for approval within the ceiling fixed by the Board;
4. The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as prescribed by the Board from time to time;
5. The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market;
6. The total remuneration level is to be reset annually based on a comparison with the relevant peer company and in accordance with the income-expenditure ratio;
7. Remuneration and reward structure mainly comprises with annual remuneration and long-term rewards. The Committee would determine and formulate the guidelines for remuneration and long-term rewards;
8. Term Incentive Plans under which incentives would be granted to eligible key employees based on their contribution to the performance of the Company, relative position in the organization, and length of service under the supervision and recommendation of the Committee;
9. The grant, vesting and other scheme details would be formulated from time to time. These schemes are implemented to attract and retain key talent in the company;

CHAPTER III

EVALUATION CRITERIA

The evaluation of the Directors and top level executive position of the Company is to be conducted on an annual basis. The following criteria may assist in determining how effective the performances of the Directors and top level executive officials have been:

- a) Leadership and stewardship abilities;
- b) Performance against corporate plans & objectives;
- c) Strategic Planning- Financial & Business;
- d) Identify, monitor & mitigate significant corporate risks;
- e) Review management's succession plan;
- f) Obtain adequate, relevant & timely information from external sources;
- g) Communication skills;
- h) Motivating employees, providing assistance & directions;
- i) Team work attributes;
- j) Regular monitoring of corporate results against projections;
- k) Direct, monitor & evaluate senior officials;
- l) Attendance & presence in meetings of Board & Committees;
- m) Punctuality;
- n) Leadership skills;
- o) Exercising duties diligently;
- p) Compliance with ethical standards & code of conduct;
- q) Safeguard of confidential information;