The Peninsula Chittagong PLC

Nomination And Remuneration Policy

For the year ended on June 30, 2025

The Nomination and Remuneration Committee (NRC):

The Nomination and Remuneration Committee acts as a sub-committee of the Board and is responsible and accountable to the Board of Directors and the shareholders of The Peninsula Chittagong PLC. The NRC also assists the Board broadly in the formulation of policy with regard to determining the qualifications, positive attributes, experiences and remuneration mainly for the Directors and the top-level Executives of the company.

Composition of the NRC:

The NRC has been formed in accordance with the guidelines of the Corporate Governance Code 2018. The Committee comprises Two Independent Director and One Non-Executive Directors who are as follows:

1. Professor Dr. Md. Fashiul Alam – Chairman
2. Professor Dr. Md. Sultan Ahmed – Member
3. Mrs. Ayesha Sultana – Member

As per the regulatory guidelines, Mr. Md. Shamsul Arefin Maruf, Company Secretary acted as the Secretary of the Nomination and Remuneration Committee.

Meeting of the NRC:

The Nomination and Remuneration Committee has conducted one meeting during the year 2024-2025 to perform various activities. The members of the Committee attended the meeting. Professor Dr. Md. Fashiul Alam, the Independent Director acted as Chairman of the Committee.

Mejor Role of the NRC:

NRC shall oversee, among others, the following matters and make report with recommendations to the Board:

a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending a policy to the Board, relating to the remuneration of the directors, top level executives;

b) Devising a policy on the Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

c) Identifying persons who are qualified to become directors and who may be appointed in top level executive positions in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

d) Formulating the criteria for evaluation of performance of independent directors and the Board;

e) Identifying the company's needs for employees at different levels and determining their selection, transfer or replacement and promotion criteria; and

f) Developing, recommending and reviewing annually the company's human resources and training policies;

Nomination Policy of the Directors:

The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and appropriate. The Board places great emphasis on ensuring its membership reflects diversity in a broader sense. A combination of age, gender, experience, ethnicity, educational background, nationality as well as personal attributes provide all-round of perspectives and insights for appropriate decision-making. The aim of the selection and appointment process is to ensure that candidates with the most suitable skill, knowledge, experience, and personal values can be selected.

Evaluation Criteria of the Directors:

The NRC is responsible for ensuring the effectiveness of the Board. The NRC shall carry out an evaluation of the Directors once a year of its work, functions, and performance as well as monitoring of internal control over financial reporting and provide reasonable assurance that the assets are safeguarded, and transactions are authorized and properly recorded. The evaluation process is led by the Chair of the NRC. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with the management.

Selection Policy of the Top-level Executives:

The performance of the company depends upon the quality of its top-level Executives. So, the selection and recruitment of the top-level Executives is an important fact. The recruitment process of the top-level Executives shall be transparent, non-discriminatory, diversified and in alignment with the The Peninsula Chittagong PLC. standard. The recruitment processes for the top-level Executives identify candidates with the most suitable skills, knowledge, experiences and personal values. The recruitment standards also support The Peninsula's reputation as an attractive employer of choice.

Remuneration Policy for the Directors and Top-level Executives:

The Directors who are directly engaged with the operational activities of the company shall eligible for reasonable remuneration along with traveling facilities. Directors also receive remuneration from the company for attending every Board Meeting along with traveling facility for travel to and returning from Board Meetings. The Director's remuneration is recommended by NRC and approved by the Board of Directors.

On the other hand, the structure, scale and composition of remuneration are reasonable and sufficient to attract, retain and motivate suitable top-level executives and other employees to run the company efficiently and successfully. The context of packages, including remuneration monthly, yearly and in the long run for all the employees are categorically laid down and meet the appropriate performance benchmarks. Moreover, the objective of The Peninsula's remuneration policy is to secure that rewards for the top-level executives shall contribute to attracting, engaging and retaining the right person in the right place to deliver sustainable value for the company as well as the shareholders.

The Peninsula Chittagong PLC

Activities of the Nomination and Remuneration Committee during the reporting period:

The Nomination and Remuneration Committee has performed its duties as per the Terms of Reference which were formulated in accordance with the Corporate Governance Code 2018. The major activities of the NRC are as follows:

a) Reviewed the background, qualification and independence of Independent Directors and recommended the extension of tenure of the Independent Directors;

b) Reviewed the criteria for determining qualifications and positive attributes of the top-level executives;

c) Reviewed the standard of manpower planning;

d) Reviewed the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;

e) Reviewed the employee benefits policy to attract job seekers and retain internal talents;

f) Reviewed the recruitment and selection process where competent candidates get hired.

g) Reviewed and recommended the company's human resources and training policies;

Acknowledgment:

The Nomination and Remuneration Committee would like to express its heartfelt thanks to the members of the Board, key management executives and all other employees for their utmost cooperation with the Committee during the year 2024-2025. On behalf of the Nomination And Remuneration Committee.

Professor Dr. Md. Fashiul Alam
Chairman
Nomination And Remuneration Committee.