

Report on the Activities of Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee (NRC) is one of the two sub-committees of the Board constituted in compliance to the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission. The Committee has stipulated terms of reference approved by the Board and it conducts its activities conforming to the established scope. Shinepukur Ceramics Ltd. has a three member NRC which includes one independent director. Present composition of the NRC is:

| Nomination & Remuneration Committee | |
|-------------------------------------|---------------------------|
| Name of the Members | Position in the Committee |
| Barrister Faheemul Huq | - Chairman |
| Mr. Iqbal Ahmed | - Member |
| Mr. O K Chowdhury, FCA | - Member |
| Mr. Mohammad Asad Ullah, FCS | - Secretary |

Summary of Activities of NRC FY 2022-'23

The Nomination and Remuneration Committee (NRC) held one meeting during the year under review. All the members of the Committee attended the meeting. The Executive Director, Head of Accounts, Head of Internal Audit And Compliance and Head of HRD attended as representatives of the management on invitation.

NRC reviewed the opportunities the company offered to its employee for up keeping the skills and zeal to achieve the company goals. The NRC was briefed about the training need assessment process, learning and development strategies, and the training programs across all functional areas of business. The committee evaluated the continuous learning and development programs conducted by the company during the year to build a knowledge-based workforce on a sustainable basis.

Nomination and Remuneration Policy

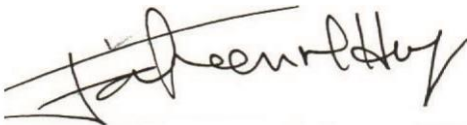
The Company has a written policy on nomination and appointment of directors in the Board. The policy sets out the detail qualification and other eligibility norms for the members and the process of their nomination, which is rightly aligned with the Corporate Governance Code of Bangladesh Securities and Exchange Commission. While Directors, as per Bangladesh Companies Act, are to be elected by the shareholders in the annual general meeting, the Board of Directors makes the recommendation for appointment or re-appointment of Directors. NRC plays an important role in assisting the Board to identify persons fitting the qualifying criteria as a Director. The Person (s) identified for the proposed appointment as director is evaluated in terms of the requirements laid down in prevailing legislation; specific regulations applicable to the public listed companies in Bangladesh, the Bylaws and the policies of the Company. NRC makes an independent evaluation of his/her

experience, capability and competence to make a meaningful contribution as a Board member to achieve Company's mission and goals.

The Company shall appoint adequate number of directors, including independent directors, and shall endeavor to nominate or appoint directors from diversified fields of experience and specialties. From the perspective of gender diversity, preference shall be given to the female candidates where male and female are found equally qualified for the membership of the Board. The Company does not make any discrimination in terms of religion, faith, color, gender or nationality while considering the appointment as a Director.

All the Directors of the Board are non-executive. The Company pays no extra remuneration to the Directors other than the fees for attending the Board and other committee meetings.

The Company has a well-structured policy on selection, recruitment and promotion of the senior level executives which is duly authorized by the Board. The Chief Executive Officer and all other top-level executives are full-time employee of the Company. They get a fixed monthly salary and allowances as per terms of their service contracts. The Company has a robust performance appraisal system linked to KPI. Performances are reviewed on an annual basis.



Barrister Faheemul Huq
(Chairman)

Nomination and Remuneration Committee (NRC)