Nomination and Remuneration Committee (NRC) Policy
Of
STYLECRAFT LIMITED

Supervised and review By

Edmund Guda

Approved By

Sharif Almas Rahman
Chairman

1. Introduction

This Policy defines the composition, roles, responsibilities, and procedures of the Nomination and Remuneration Committee (NRC) of Stylecraft Limited in accordance with the Companies Act, 1994 and the Corporate Governance Code (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80) issued by the Bangladesh Securities and Exchange Commission (BSEC) on June 03, 2018.

2. Objectives

• Establish a transparent process for identifying, evaluating, and recommending individuals for appointment or reappointment as directors and senior executives.
• Recommend a fair, consistent, and transparent policy on Board and executive remuneration.
• Ensure effective succession planning for directors and key management personnel.
• Promote sustainable value creation and uphold good governance practices.

3. Scope

This Policy applies to:
• Members of the Board of Directors.
• Senior executives and key management personnel.
• Any other employee where NRC recommendation is required regarding remuneration or appointment.

4. Composition of the Committee

• The Committee shall consist of five (5) members, all of whom shall be non-executive directors.
• At least one (1) member shall be an Independent Director.
• The Chairperson of the Committee shall be an Independent Director.
• The Company Secretary shall act as Member Secretary of the Committee.

Current Members of the NRC:
1. Mr. Khandaker Habibuzzaman
2. Mr. Md. Jakir Hossain, FCA
3. Mr. Sharif Almas Rahman
4. Mr. M. Fazlur Rahman
5. Mr. Edmund Guda

5. Eligibility Criteria for Appointment

• Relevant qualifications, experience, integrity, and leadership skills.
• Ability to contribute to the company’s strategic objectives.
• Independence of judgment and adherence to corporate values.
• Absence of conflict of interest.

6. Meetings of the Committee

• The Committee shall meet at least once every year or more frequently as necessary.
• The quorum for a meeting shall be two (2) members or one-third of the members, whichever is higher.
• The Company Secretary shall maintain all meeting records and minutes.

7. Duties and Responsibilities

1. Formulate criteria for determining qualifications, positive attributes, and independence of directors.
2. Recommend appointment, reappointment, and removal of directors and top executives.
3. Evaluate the performance of the Board, its committees, and individual directors annually.
4. Formulate and recommend the company’s remuneration policy for directors, senior executives, and employees.
5. Review succession planning for directors and key management.
6. Ensure diversity in the Board regarding skills, experience, and gender.
7. Recommend training and development programs for directors and executives.

8. Remuneration Policy Guidelines

• Remuneration shall be aligned with industry standards, company performance, and individual contribution.
• Non-executive and Independent Directors shall receive remuneration in accordance with applicable laws and company policy (e.g., sitting fees, allowances).
• Executive remuneration shall include:
  - Fixed pay
  - Performance-based incentives
  - Benefits and perquisites
• The remuneration philosophy shall promote a “pay-for-performance” culture, ensuring alignment with shareholder interests.

9. Authority of the Committee

• Seek information from management, employees, or external advisors.
• Obtain professional advice if necessary.
• Invite directors, executives, or external experts to attend meetings.

10. Minutes and Reporting

• The proceedings and decisions of each meeting shall be properly recorded and signed by the Chairperson

• The NRC Chairperson shall report its recommendations and activities to the Board of Directors.

11. Disclosure and Transparency

• The NRC Policy shall be disclosed in the Company's Annual Report and on the corporate website, as per BSEC requirements.

• Any amendment to this policy shall be approved by the Board and communicated to stakeholders.

12. Confidentiality

All deliberations of the NRC and related documents shall remain confidential unless disclosure is required by law.

13. Review of the Policy

The NRC shall review this Policy periodically and recommend necessary amendments to the Board.

14. Effective Date

This Policy is effective from the date of approval by the Board of Directors of Stylecraft Limited.