

## Code of Conduct for Chairperson, Other Members of the Board and Chief Executive Officer (CEO)

The Code of Conduct has been formulated to set forth principles and ethical standards for the Chairperson, other Board Members and Chief Executive Officer (CEO) in accordance with the Condition No. 1(7) of the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code 2018.

### **Background and Purpose**

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Code [Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]. The conditions of the Corporate Governance Code are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any stock exchange in Bangladesh shall comply with these conditions.

In view of the above, the Board of Doreen Power Generations and Systems Ltd., laid down a Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer (CEO), based on the recommendation of the Nomination and Remuneration Committee (NRC).


### **Code of Conduct**

#### **The Chairman**

- The Board Members from time to time shall elect a Chairman from amongst themselves. His/ Her tenure of services and functions will be decided by the Board.
- If at any meeting of the Board, the Chairman is not present at the time appointed for holding the same, the Board Members shall choose one of their members to be the Chairman of such Meeting.
- The Chairman is expected to lead the Board with reasonable restraint and should at all times strive to build consensus on all contentious matters where there is divergence of opinion expressed in the course of performance of their jobs as such. However in case of equality of votes in deciding any question the Chairman shall have a casting vote.
- The Chairman as the first among equals should act as an honest spokesperson of the Board and air only views already debated and decided upon by the Board. In other words his/ her personal opinions/wish lists should be avoided in press conferences and meets. It would be proper to have certain key issues decided at the Board before they are made public.

#### **Members of the Board**

- A Board of Directors ["the Board"] is a body of elected or appointed members who collectively oversee the activities of a company. Its activities are determined by the powers, duties and responsibilities delegated to it or conferred on it by an authority and these matters are typically detailed in the Articles of Association. The Articles of Association commonly also specify the number of members of the Board, how they are to be appointed, when they are to meet and the manner/procedure they should follow. In addition to that the Board may lay down a code of conduct for its members.

  
**Anjabeen Alam Siddique**  
Chairman  
Doreen Power Generations & Systems Ltd.



**Chief Executive Officer (CEO)**

- Chief Executive Officer (CEO) is the top executive in a company, whose primary responsibilities include making major corporate decisions, managing the overall operations and resources of a company, acting as the main point of communication between the board of directors (the board) and corporate .

**Prudent Conduct and Behaviour**

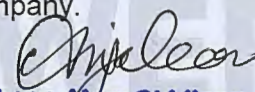
- The Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer reflects the business practices and principles of behaviour they must use prudent, careful, sensible and sound judgment with their conduct and behaviour as utmost business atmosphere that support this commitment. Our Board of Directors set the standards of conduct contained in the Code and updates these standards as appropriate to reflect legal and regulatory developments.
- The Chairperson and/or anyone of the Board Members and/or CEO should promptly communicate any suspected violations of the Code, including any violation of law or government rule or regulation, to the Chairperson of the Board or the Compliance Officer. Suspected violations will be investigated by the Board, the Audit Committee, or persons designated by the Board or the Audit Committee. Appropriate action will be taken in the event that a violation is confirmed.
- The Board Members and/or CEO shall report to the Board or to the Audit Committee about their awareness of any situation which might adversely affect the reputation of the company. This would include any questionable, fraudulent or illegal events or material actions in violation of company policy which comes to their attention.

**Confidentiality**

- The Chairperson and/or anyone of the Board Members and/or CEO must use utmost care and discretion in the handling of confidential information and other information not normally available to the public, generally coming to them by reason of their directorship, office or employment. Such information shall, subject to certain limited circumstances, not be disclosed to third parties and shall not be used for personal benefit or for the benefit of family, friends, or associates.
- To protect all confidential information the Company believes that is essential and is committed to protect business and personal information of confidential nature obtained from its business operational experience, suppliers, clients, associates, employees and all other external stakeholders.
- The Board Members including Chairman, CEO and Other Senior Management shall ensure that no confidential information is disclosed inadvertently or otherwise. They shall ensure that all confidential information available to them by virtue of the office including Board Meeting Papers, Agenda and Minutes etc. that they may hold or peruse is never directly or indirectly released or disclosed to any person or entity, or made public.
- Furthermore, a Board Member may not use confidential information to make personal profit or gain or for other personal advantage. The duty to maintain information in confidence continues after the Board Members ceases to be a Board Member of the Company.

**Conflict of Duty and Interest**

- As fiduciaries, the Board Members must not put themselves in a position where their interests and duties conflict with the duties that they owe to the company.



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- Each and every Board Member has an obligation of loyalty to the company and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the company.
- Each and every Board Member shall declare all actual or potential material conflicts that may arise between their duty to the company and their personal obligations, other fiduciary duties or financial interests (direct or indirect) and these conflicts shall be reported to the Chair.
- A Board Member should disclose the fact if he/she is engaged directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with, does business with or seeks to do business with the company.
- With respect to restricted party transactions, full disclosure of material transactions shall be recorded in the board's minutes and will be transacted in accordance with legislated restrictions.
- To avoid conflicts of interest, the Board Members must do more than merely act within the law. They must conduct their affairs in such a manner that their performance will at all times bear public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.
- No Board Member shall accept any gift, hospitality or favour offered or tendered by virtue of the position with the company.
- When dealing with public officials whose responsibilities include the business of the company, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the company. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public record.

### **Compliance with Laws, Rules and Regulations**

- The Chairperson, other Board Members and CEO shall adhere to and comply with the provisions of all applicable laws, rules and regulations as well as the Company's internal guidelines and policies framed from time to time. The Chairperson, other Board Members and CEO shall also endeavor to ensure that the officers of the Company are complying with the various statutory compliances efficiently and effectively and proper procedures are being followed in this regard. When dealing with suppliers, competitors or other third parties, the Chairperson and/or anyone of the Members of the Board and/or CEO shall neither undertake any commitment nor engage in any agreement which is prohibited as anti-competitive, discriminating or illegal. Beyond compliance with laws and regulations, he/she is expected to carry out his/her duties with integrity and professionalism.
- The CEO shall behave in an ethical manner and shall not take unfair advantage of or from anyone through manipulation, concealment, and abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

### **Prohibition of Insider Trading**

- Insider information is defined as knowledge of data, projects, transactions or processes, the disclosure of which could affect the stock market price of securities, especially the Company's shares. As someone who potentially has access to insider information, likely to result in substantial movements of the price of the stock or any other financial instruments of the Company. The Chairperson and/or any one of the Board Members and/or CEO shall comply with applicable insider trading laws and shall take immediate corrective action for any violation. The Chairperson and/or any one of the Board Members and/or CEO who intend to trade the securities of the Company



(either in their own name or in any immediate relative's name) may trade the securities of the Company complying the securities laws and regulations.

### Relationship with Environment, Employees, Customers and Suppliers

- The Chairperson and/or any one of the Board Members and/or CEO is committed to comply with and encouraging compliance with all applicable environmental and Health & Safety laws, standards and requirements. The Chairperson shall encourage employees to take care of Health & Safety measures, to follow all relevant rules, regulations and work instructions and to use appropriate personal protective equipment as required by applicable law.
- The Chairperson, other Board Members and CEO are expected to monitor that the Company complies with the applicable laws, rules and regulations of the country related to the environment, employees, customers and suppliers. They shall deal fairly with customers, suppliers, competitors and employees in accordance with the law.

### Independency

- The Chairperson, other Board Members and CEO shall exhibit high standards of integrity, commitment and independence in regards to discharge of their respective duties and responsibilities entrusted upon them, within the purview of the law and for the best interest of the Company.

### General Duties

- Fiduciary Duties

The duties imposed on the Chairperson, other Board Members and CEO are fiduciary duties, similar to those that the law imposes on those in similar positions of trust: agents and trustees.

- Powers VS Duties

The powers apply to the Chairperson, other Board Members and CEO jointly, while the duties apply to each Board Member separately.

- Contribution in Meetings/Debates

The Chairperson, other Board Members and CEO are expected to contribute to the debates in the Board without any personal biases or other prejudices with the conviction and belief that the outcome of every debate would be towards the advancement of the company.

- Compliance of Laws

The Chairperson, other Board Members and CEO are expected to do more than merely act within the law.

### Proper Purpose

- The Chairperson, other Board Members and CEO must exercise their powers for a proper purpose.

### Unfettered Discretion

- The Chairperson, other Board Members and CEO cannot, without the consent of the company, fetter their discretion in relation to the exercise of their powers, and cannot bind themselves to vote in a particular way at future board meetings.

  
**Anjabeen Alam Siddique**  
Chairman

Doreen Power Generations & Systems Ltd.



**Transactions with the Company**

- The Chairperson, other Board Members and CEO shall not enter into a transaction with a company where there is a conflict between his interest and duty without the knowledge of the Board.
- It is a statutory duty of the Chairperson, Other Board Members and CEO to declare interests in relation to any transactions, and to make proper disclosure thereof.

**Use of Corporate Property, Opportunity or Information**

- A Chairperson, other Board Members and CEO must not, without the informed consent of the company, use company's assets, opportunities, or information for his/her own profit.

**Competing with the Company**

- A Chairperson, other Board Members and CEO must not compete directly with the company without a conflict of interest arising.
- A Chairperson, other Board Members and CEO should not engage himself directly or indirectly, or should not act as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with the company.

**Cooperation with Auditors**

- Every Board Member is expected to comply promptly with any request from internal and/or external auditors for assistance and to provide full disclosure of any situation under investigation.

**Acceptance of this Code**

- The Chairperson, all other Board Members and CEO, including any new member who may assume office as from this date, shall sign this Code of Conduct.
- These signed copies shall be preserved by the Company Secretary.

**Affirmation & Compliance of the Code**

- Chairperson, other Board Members and CEO shall read this Code at least annually, and shall certify in writing that they have done so and that they understand the Code.
- Annual compliance of the code by all Board Members shall be recorded in a meeting of the Board of Directors.

**Amendment, Modification and Waiver**

These Code of Conduct may be amended or modified by the Company's Board of Directors as recommended by the NRC, subject to the disclosure and other provisions of the Securities and Exchange Ordinance, 1969 and the Securities and Exchange Rules, 1987 and notifications of BSEC and the rules there under and the applicable rules and the exchanges on which Company's securities are traded.

**Conclusion**

This document is applicable with immediate effect.



**Anjabeen Alam Siddique**  
Chairman  
Doreen Power Generations & Systems Ltd.