

Terms of Reference (TOR) for Chairman

Background and Purpose

The Chairman is the presiding member of the Board of Directors ["the Board"]. As the Board has ultimate accountability for the management of the Company, the Chairman must ensure that the relationships between the Board and Management, shareholders, other stakeholders and the individuals on the Board are effective and efficient and further the best interests of the Company. In performing this role, the Chairman has to work with the Chief Executive Officer ["the CEO"] for managing activities of the Board.

The Articles of Association of a Company generally specify the procedure/manner of appointment/selection of the Chairman and his/her roles and responsibilities. Articles 89, 134, 135, 142 and 147 of the Articles of Association of Doreen Power Generations and Systems Ltd. deal with this issue.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012]. The conditions of the Corporate Governance Guidelines 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. As per condition 1.4 of the said guidelines, "the Board of Directors of a listed company shall clearly define the roles and responsibilities of the Chairman."

In view of the above, the Board of Directors of Doreen Power Generations and Systems Ltd. defined the roles and responsibilities of the Chairman in its Meeting held on 29th November 2015.

Appointment / Selection of the Chairman

As per the Articles of Association-

- The Board Members from time to time shall elect a Chairman from amongst themselves. His 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.

Roles & Responsibilities of the Chairman

- A. The duties of the Chairman, which is a non-executive role, arise from his senior most position in the Company and his responsibility for presiding over the official business of the Company and the Board.
- B. While working with the Board, the Chairman shall :
 - (i) ensure that the Board has full governance of the Company's business and affairs and that the Board is alert to its obligations to the Company, Shareholders, Management, other stakeholders and under the law;



Parveen Alam
Chairman
Doreen Power Generations & Systems Ltd.

TOR of Chairman : Page 1 of 3

- (ii) set the agenda for discussion at Board Meetings and General Meetings and ensure that adequate time is available for discussion of agenda items;
- (iii) set the frequency of the Board Meetings and review such frequency from time to time as considered appropriate or as requested by the Board;
- (iv) chair all Board Meetings and manage the business of the Board ensuring that the Board adopts a prompt and constructive approach in making decisions;
- (v) provide strong leadership of the Board and assist it in reviewing and monitoring the aims, strategy, policy and directions of the Company;
- (vi) communicate with the Board to keep it up-to-date on all major developments, including avoiding surprises through timely discussion of potential developments and ensuring the Board has sufficient knowledge to permit it to comfortably and properly make major decisions when such decisions are required;
- (vii) recommend the committees of the Board and their composition, review the need for and the performance and suitability of those committees, and make such adjustments as are deemed necessary from time to time;
- (viii) ensure that Board and committee meetings are conducted in an efficient, effective and focused manner;
- (ix) ensure that the corporate governance of the company is maintained in line with appropriate practice policies agreed by the Board;
- (x) annually review Board governance and performance of the Board (leading the process for the Board's annual performance evaluation and the evaluation of its committees and individual directors and acting on the results of such evaluation by recognizing the strengths and weaknesses of the Board);
- (xi) foster a culture of openness and engagement by facilitating the effective contribution of all directors, in particular non-executive directors and ensuring constructive relations between executive and non-executive directors;
- (xii) ensure that new directors participate in a full, formal and tailored induction program and that the development needs of the directors and the Board as a whole are identified and are met to enhance the effectiveness of the Board;
- (xiv) be the contact person for the expression of individual director concerns;
- (xiii) be entitled to attend all committee meetings; and
- (xv) be available to assist committee chairs in carrying out their responsibilities and in addressing their concerns.

C. While working with the Management, the Chairman shall :

- (i) act as the principal of the Board and counselor for the CEO, including helping to define problems, review strategy, maintain accountability, build relationships, and ensure the CEO is aware of concerns of the Board, Shareholders and other stakeholders;
- (ii) keep under review with the Board the general progress and long-term development of the company and ensuring that effective strategic planning for the company is undertaken by the CEO and endorsed by the Board after discussion, consistent with creating shareholder value and promoting the long term success of the company for the benefit of its members as a whole;

TOR of Chairman : Page 2 of 3


Parveen Alam
Chairman
Doreen Power Generations & Systems Ltd.

- (iii) ensure the submission to the Board by the CEO of objectives, policies and strategies for the company, including the business plan and the annual budget;
 - (iv) monitor progress towards timely and effective achievement and implementation of the objectives, policies and strategies set by the Board and ensure that appropriate decisions are taken promptly by or on behalf of the Board;
 - (v) lead the Board in :
 - (a) formally appraising, monitoring and evaluating the performance of the CEO and make appropriate recommendations;
 - (b) ensuring accountability of the CEO;
 - (c) ensuring the implementation of the succession and development plans by the CEO; and
 - (d) as appropriate, review with the CEO his recommendations on performance and remuneration of executive directors and/or senior executives;
 - (vi) work with the CEO and Company Secretary to coordinate the agenda, information packages and related events for Board Meetings.
 - (vi) ensure that there is appropriate delegation of authority from the Board to Executive Management;
 - (vii) provide advice to the CEO on the allocation of duties to individual directors and assignment of ad hoc responsibilities or special tasks to directors or groups of directors;
- D. Recognizing the CEO as the primary spokesperson, the Chairman shall :
- (i) chair all Meetings of Shareholders;
 - (ii) undertake public service as agreed with the CEO in connection with the Company's charitable, educational and cultural activities;
 - (iii) participate with CEO, as appropriate, in corporate relations, including relations with the shareholders, customers, government, other companies, the media and stakeholders generally; and
 - (iv) hold meetings with the non-executive directors without the executive directors being present.

Conclusion

- This document is applicable with immediate effect.
- The Board shall have the authority to make amendment to this document at any time.



Parveen Alam
Chairman
Doreen Power Generations & Systems Ltd.

TOR of Chairman : Page 3 of 3