



ADN Telecom Limited



Guideline on Board Evaluation

[As per Condition no. 6 (5) (b) of the Notification on Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission vide BSEC/CMRRCD/2006-158/207/Admin/80 Dated: 3 June 2018]

OBJECTIVE:

In keeping with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission through its notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018, the Board of Directors of ADN Telecom Limited and based on the recommendation of Nomination and Remuneration Committee adopted this Guideline on Board Evaluation.

DEFINITIONS:

“Act” means the Companies Act 1994 as amended from time to time.

“Code” means the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission through its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 as amended from time to time.

“Board” means Board of Directors of the Company.

“Company” means ADN Telecom Limited.

“Chairman/Chairperson” means the Chairman/Chairperson of the Board of Directors of the Company.

“Independent Directors” means the Independent Directors of the Company.

“Listing Regulations” means DSE and CSE Listing Regulations 2015 as amended from time to time.

“Nomination and Remuneration Committee” (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company.

This Guideline aims to:

- (i) Ensure compliance of the applicable provisions of the Code relating to formulating the criteria for evaluation of performance of independent directors and the Board.
- (ii) Adopt best practices to manage the affairs of the Company in seamless manner.
- (iii) Achieve good corporate governance as well as sustained long-term value creation for stakeholders.

EVALUATION FACTORS:

The Chairman/Chairperson of the Board shall carry out the evaluation of performance of independent directors and the Board. Evaluation performance shall be carried out at least once in a year. While evaluating the performance, it has to be always considered the appropriate benchmarks as per industry standards and the performance of the Company.

Appraisal shall be carried out based on the criteria as mentioned herein below.

Rating Scale

Particulars	*Rating
Strongly agree	4
Agree	3
Disagree	2
Strongly Disagree	1

* If the decimal number of any average rating is more than half, shall be rounded to the nearest whole number.

The Company has chosen the following criteria for evaluation of performance of independent directors and the Board:

Sl.	Assessment Criteria	Rating	Remarks/ Comments
1	The Board of Directors of the Company is effective in decision making.		
2	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		
3	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4	The Board reviews the company's financial performance on a regular basis.		
5	The Board of Directors is effective in providing necessary advice and suggestions to the Company's management.		
6	Is the Board as a whole up to date with latest developments in the regulatory environment and the market?		
7	The information provided to Directors prior to Board Meetings meets expectations in terms of level of details.		
8	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9	The Board Chairman/Chairperson effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.		
10	The Board appropriately considers internal audit reports, recommendations, management's responses, steps towards improvement and risk mitigation plan.		
11	The Board oversees the role of the Independent Auditor from selection to termination and has an effective process to evaluate the Independent Auditor's qualifications and performance.		
12	The Board considers the Internal Audit plan and provides recommendation.		
Additional Criteria for Independent Directors			
1	Attendance and participations in the meetings		
2	Raising of concerns to the Board		
3	Safeguard of confidential information		
4	Rendering independent, unbiased opinion and resolution of issues at meetings		
5	Initiative in terms of new ideas and planning for the Company		
6	Safeguarding interest of whistle-blowers under vigil mechanism		



AMENDMENT AND DISCLOSURES:

Subject to the approval of the Board, the Nomination and Remuneration Committee reserves its right to review and recommend for amending this Guideline, as and when required, to ascertain its appropriateness as per the needs of the Company.

A summary of this Guideline will be included annually in the Annual Report. This Guideline will also be available on the company's website.