

# | CORPORATE GOVERNANCE REPORT





## Report on Corporate Governance-2022

### Statement from the Company Secretary:

Dear Shareholders,

It is our pleasure to present you the Annual Corporate Governance Report 2022. NRB Commercial Bank Limited play a critical role in the economy by channeling funds and supporting economic growth. Good corporate governance is vital for the safety, viability, and financial stability of banks. The Bank recognizes the importance of corporate governance and has implemented strong governance practices.

Key elements of NRBC Bank Limited's corporate governance framework include:

**Clear Values and Compliance:** The bank adheres to legislation and regulations set by regulatory agencies such as Bangladesh Bank and the Bangladesh Securities and Exchange Commission. It maintains codes of conduct, standards, and compliance measures to ensure ethical behavior.

**Strategic Goals and Accountability:** NRBC Bank sets strategic objectives and communicates them throughout the organization. The board of directors ensures that senior management aligns corporate culture, activities, and behavior with the expectation of safe, ethical, and legal operations. The bank holds individuals accountable for their responsibilities and decisions.

**Effective Oversight:** The board of directors, along with independent auditors and risk management functions, provides oversight to ensure checks and balances. Special attention is given to risk exposures and conflicts of interest, including business relationships with affiliated borrowers, large shareholders, and key decision-makers.

**Incentives and Information Flow:** NRBC Bank provides financial and managerial incentives, such as compensation, promotion, and recognition, to motivate senior management, business line managers, and employees to act in an appropriate manner. The bank emphasizes appropriate information flows both internally

and to the public.

**Adaptation to Governance Systems:** NRBC Bank acknowledges that corporate governance systems vary across countries and recognizes the need to incorporate oversight, supervision, risk management, and audit functions within its organizational structure.

In conclusion, NRBC Bank demonstrates a strong commitment to corporate governance principles in Bangladesh. The bank complies with regulatory requirements set by institutions such as Bangladesh Bank and the Bangladesh Securities and Exchange Commission. It emphasizes the establishment of strategic goals, accountability, and transparent governance throughout its operations. The board members are carefully chosen for their qualifications and independence, ensuring effective oversight of the bank's activities. NRBC Bank has implemented subcommittees and committees such as the Audit Committee, Risk Management Committee, Executive Committee to strengthen governance practices. In addition to that NRBC Bank has Shariah Supervisory Committee to supervise the 'Alamin Islamic Banking Window' of the bank. The bank is actively working towards becoming a Public Limited Company (PLC), aligning with the modified Company Act 1994. The NRB Commercial Bank Limited is going to change its name to "NRBC Bank PLC." subject to approval from regulatory authorities and special resolution. By adhering to the Corporate Governance Code and fulfilling reporting obligations, NRBC Bank ensures ethical practices and responsible management. Overall, the bank's corporate governance framework promotes transparency, accountability, and the best interests of its stakeholders.

With my best wishes,

**Mohammad Ahsan Habib**  
Company Secretary

# Statement of Corporate Governance

The basic principles of corporate governance are accountability, transparency, fairness, and responsibility. Good corporate governance is an essential foundation for long term sustainable corporate success and enhances the stakeholders' confidence. Bank is designed corporate governance structure to ensure compliance with legal and regulatory framework and meeting the information needs to the stakeholders.

NRBC Bank emphasizes its effective corporate governance principles, accountability, transparency, fairness, and responsibility in business transactions, statutory and legal compliances, protection of shareholders' interests; commitment to values and ethical conduct of business.

The Board of Directors collectively is the supreme authority in the Bank's affairs among its Members' meetings. They owe a duty to the shareholders and exercise care, skill and diligence in discharging their responsibilities and in exercising the powers vested to them. The key purpose of the Board of Directors of NRBC Bank is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and other stakeholders. In addition to business and financial issues, the Board deals with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics and ensures that its organization and operation are, at all times, in correct and appropriate order. The Board is, among other things, responsible for setting business objectives, strategies and business plans, formulating risk policies, confirming key aspects of the Bank's internal organization and making decisions on the establishment of all business units i.e. Branches/Sub-branches/etc.

NRBC Bank is committed to excellence in corporate governance, transparency and accountability. This is essential for the long-term performance and sustainability of the Company, and to protect and enhance the interests of their shareholders and stakeholders. Their governance framework plays an integral role in supporting their business. It provides the structure through which their strategy and business objectives are set, their performance is monitored, and the risks they face are managed. It includes a clear framework for decision making and accountability across their business and provides guidance on the standards of behavior they expect from their people.

As a listed Company, NRBC Bank must follow the guideline of Bangladesh Securities and Exchange Commission's Corporate Governance Code, which require disclosing the extent in the Annual Report. Especially as per Corporate Governance Code of BSEC, the status of compliance shall be certified by a practicing professional Accountant/ Chartered Secretary. The Compliance Certificate with corporate governance code certified by professional accountants M/s. Ahmed Zaker & Co. Chartered Accountants which depict in the Page No. 212.

## Scope

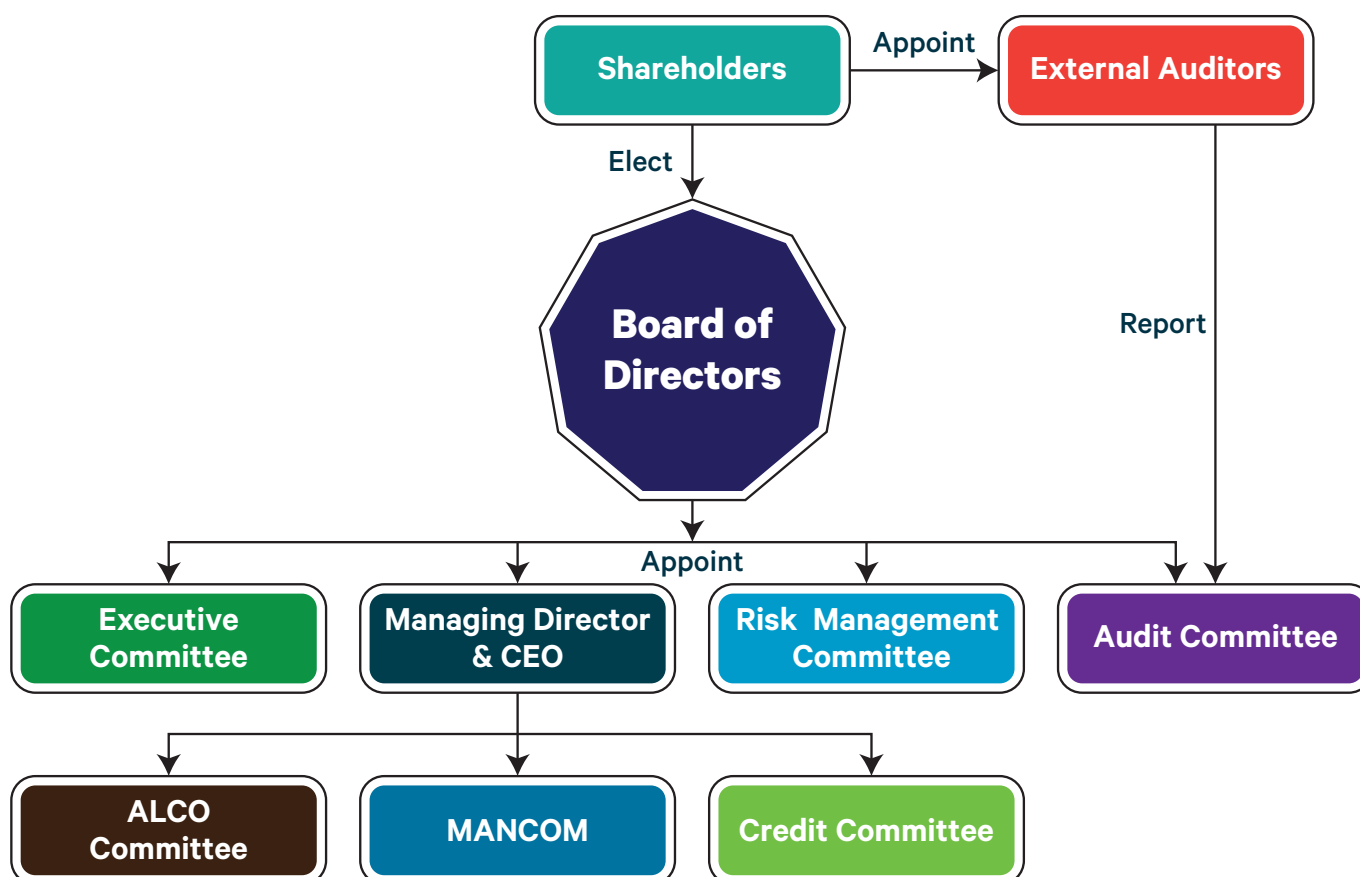
NRBC Bank operates within the legal framework of the Bank Companies (Amendment) Act, 2013 (updated 2018), Corporate Governance guidelines of Bangladesh Securities and Exchange Commission and the Companies Act, 1994. It has recognized that corporate governance guidelines are crucial for achieving a business that is built for the long-term sustainability.



NRBC Bank is always committed to attain the highest levels of corporate governance practices to ensure sustainable growth of the organization and to create long-term value for shareholders. Since its inception, NRBC Bank has continued with its efforts of adopting, implementing and enhancing the application of the best and most up-to-date corporate governance standards throughout the organization.

### Governance structure of the Bank

The Board of Directors plays a pivotal role in shaping governance structures and practices through their choice of strategy and leadership to drive the bank towards growth. The board is responsible for the design and implementation of governance mechanisms, including the selection and appointment of members of subcommittees. The risk management and overall support functions of the bank have been designed and kept fully independent of the ordinary course of business to safeguard against any unforeseen events that may weaken the bank's brand value. The governance structure of the bank is as follows:



### Guiding philosophy of governance practices

Principles of good governance are embedded in the core values of NRBC Bank, a bank that strongly believes in inclusive and sustainable growth. As a locally incorporated bank, the following acts, regulations, notifications, and circulars played a major role in shaping the governance structure and practices of the bank.

External	Internal
<ul style="list-style-type: none"> <li>✓ The Companies Act, 1994</li> <li>✓ The Bank Company Act, 1991</li> <li>✓ Bangladesh Securities and Exchange Commission (BSEC) Ordinance 1969, Rules 1987, Act 1993 and Public Issue Rules 2015</li> <li>✓ Circulars, Rules and regulations issued by Bangladesh Bank from time to time</li> <li>✓ Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited rules and regulations</li> <li>✓ Financial Reporting Act 2015</li> </ul>	<ul style="list-style-type: none"> <li>✓ Articles of Association of NRBC Bank.</li> <li>✓ Organizational Structure</li> <li>✓ Resolutions of meetings of Management Committees</li> <li>✓ Board approved policies on all major operational aspects</li> <li>✓ Code of Conduct of NRBC Bank.</li> <li>✓ NRBC Bank Instruction &amp; Information Circulars</li> </ul>



# Board of Directors'

## Size of the Board of Directors'

9th Annual General Meeting held on June 02, 2022 determined 12 members of the Board. The then 144th (Special) Meeting of Board on same date, all members of the Board unanimously decided to re-elect Mr. S M Parvez Tamal as Chairman and Mr. Rafikul Islam Mia Arzoo as the Vice Chairman of Board of Directors of the Bank. Subsequently, Bangladesh Bank accord 11 members in the Board of the Bank wherein Abu Bakr Chowdhury, being ceased as Director.

Hence, The Board of consists of 11 (Eleven) Directors, excluding the Managing Director & CEO. The Managing Director is an Executive Director (ex-Officio) and the others are Non-Executive Directors. The Board of NRBC Bank Limited is comprised of 11 Directors including 3 Independent Directors.

Present Members of Board of Directors is as follows;

SL No	Name of the Directors	Position
01	Mr. S M Parvez Tamal	Chairman
02	Mr. Rafikul Islam Mia Arzoo	Vice-Chairman
03	Mr. Mohammed Adnan Imam, FCCA	Director
04	Air Chief Marshal Abu Esrar, BBP, ndc (Retd.)	Independent Director
05	Mr. AKM Mostafizur Rahman	Director
06	Mr. Mohammed Oliur Rahman	Director
07	Mr. Loquit Ullah	Director
08	Mr. Mohammed Nazim	Director
09	Mr. Abu Mohammad Saidur Rahman	Director
10	Dr. Khan Mohammad Abdul Mannan	Independent Director
11	Dr. Raad Mozib Lalon	Independent Director

## Composition of Board



The Board of Directors of NRBC Bank fulfilled requirement of meeting at least once in a month for the year 2022 as per BRPD Circular # 11, dated October 27, 2013.

In compliance with the Condition (1) BSEC of Corporate Governance (CG) Code-2018, The Bank completed all regulatory compliance accordingly.

Hence, composition in the Board of Directors stand 11 (Eleven) including 3 (three) independent Directors.

The Managing Director & CEO Mr. Golam Awlia was appointed as Managing Director & CEO from the Board on May 02, 2021 and work as executive director in the Board.

## Company's policy on appointment of Directors disclosed

NRBC Bank complied with pertinent guidelines of Bangladesh Bank circulars, rules and regulations of the Companies Act 1994 (amended up to 2020), Bank Companies Act 1991 (amended up to 2018), Bangladesh Securities and Exchange Commission (BSEC) Notifications, Guidelines of Bangladesh Bank and Memorandum & Articles of Association of the Bank.

The Board of NRBC Bank is always committed to ensuring diversity and inclusiveness in its composition and deliberations, embracing the proposition that having a diverse Board would have a positive, value relevant impact on the Bank. In this regard, the Board considers diversity from a number of different aspects, including gender, age, cultural and educational Background. In case of nomination, removal, causal vacancy and alternate Directors, NRBC Bank follows all relevant rules and regulations. The Bank's non-executive Directors are independent of management and free from day to day business of the bank. Directors are accountable to the shareholders for the Bank's performance and governance.

## Directors' Shareholding Status

All sponsors/promoters and directors of the bank shall perpetually hold minimum 30% (thirty percent) shares of the bank. Each director other than the independent director(s) of the Bank shall hold minimum 2% (two percent) shares of the paid-up capital of the Bank. In compliance with BSEC Notification No. SEC/CMRRCD/2009-193/15/Admin/112 dated December 10, 2020; all directors other than independent directors of NRBC Bank have complied accordingly.

SL	Name of the Directors	Status	As of 31 December 2022		
			No. of Shares held	Taka	Holding %
1	Mr. S M Parvez Tamal	Chairman	37,319,368	373,193,680	4.71%
2	Mr. Rafikul Islam Mia Arzoo	Vice-Chairman	34,385,808	343,858,080	4.34%
3	Mr. Mohammed Adnan Imam, FCCA	Director	18,550,031	185,500,310	2.34%
4	Mr. Abu Mohammad Saidur Rahman	Director	20,734,557	207,345,570	2.61%
5	Mr. Mohammed Oliur Rahman	Director	27,812,623	278,126,230	3.51%
6	Mr. Loquit Ullah	Director	30,099,864	300,998,640	3.80%
7	Mr. Mohammed Nazim	Director	30,166,895	301,668,950	3.80%
8	Mr. AKM Mostafizur Rahman	Director	22,346,195	223,461,950	2.82%
9	Air Chief Marshal Abu Esrar, BBP, ndc (Retd.)	Independent Director	Nil	-	-
10	Dr. Khan Mohammad Abdul Mannan	Independent Director	Nil	-	-
11	Dr. Raad Mozib Lalon	Independent Director	Nil	-	-

The Sponsors and Directors jointly hold 73.49% share of the company including Board Member shareholding of 27.92% that comply the aforesaid directive of BSEC.

### Directors' Remuneration

Directors are not entitled to any remuneration other than attending the meeting of the Board and its committees. As per Bangladesh Bank guidelines, Director of NRBC Bank Limited is entitled to receive Tk. 8,000 excluding VAT for attending each meeting of Board and its committee.

### Adequate representation of Non-Executive Directors

As per guideline of Bangladesh Bank, NRBC Bank maintain adequate representation of non-executive directors in the Board mentioned in the Directors shareholdings status. The Managing Director is the only Executive Director in the Board of Directors of the Bank. All other Directors are non-executive directors.

### Independent Directors

NRBC Bank complies with the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) and the Bank Companies Act, 1991 including the BRPD Circular No. 11, dated 27 October, 2013, for appointment of Independent Directors. Out of 11 (eleven), there are 3 (three) Independent Directors in the Board of NRBC Bank.

As per the Notification No-11 and dated 27 October, 2013, the Independent Directors declare their independency in a form of Fit and Test. Pursuant to the Notification of Bangladesh Securities and Exchange Commission, an Independent Director meets the requisite for the information to be an Independent Director.

Presently the Board of Director consist 11 (eleven) members including 3 (Three) Independent in the appointed in the 8th Annual General Meeting (AGM) hold office accordingly as per BSEC's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018.

### Qualification of Independent Director

3 (Three) Independent has perquisite qualification as per previous para two regulatory requirements. Details of Independent Directors qualification are given below:

Independent Director	Qualification/Profile	Approval of Appointment before 8th AGM
Air Chief Marshal Abu Esrar, BBP; ndc (Retd)	Air Chief Marshal Abu Esrar, BBP; ndc (Retd), has joined as an Independent Director of NRBC Bank Limited. He served Bangladesh Air Force for almost 40 years. During his illustrious career in BAF, he assumed the highest position of Bangladesh Air Force as Chief of Air Staff. Before that he served as the Assistant Chief of Air Staff at Air Headquarters and also commanded number of Bases of Bangladesh Air Force. He also served as Defense Attaché at Embassy of Bangladesh in Russia. He was a Distinguished Graduate from Air Command and Staff College, Air University, USA in 1993-1994. He completed NDC course from National Defence College, Mirpur in 2002. During his glorious career, he earned many awards from home and abroad. he was awarded 'King Fahad Merit of Excellence Medal' from His Majesties King of KSA in 2017. He was also included in the 'International Honour Roll' of the Air University, Alabama, USA in 2016. Air Chief Marshal Abu Esrar was awarded prestigious Biman Bahini Padak (BBP) of Bangladesh Air Force in 2013 for his outstanding contribution to BAF.	Boards of its 100th Meeting appoint as Independent Director. There upon BSEC vide letter # BSEC/CFD/58/2017/137 Dated August 20, 2020 accord the appointment and, subsequently, Bangladesh Bank confirm the same vide # BRPD # 2 (651)/9(61) DL/2020-6802 dated August 27, 2020
Dr. Khan Mohammad Abdul Mannan	Dr. Khan Mohammad Abdul Mannan was Inspector General of Registration of Bangladesh (Senior District & Sessions Judge), Registration Directorate. Before that he was a District & Sessions Judge at Jhenidah, Bangladesh. He completed his PhD from American World University, California, USA. He also completed his DLC (Development Lawyers Course) from International Development Law Institute, Rome, Italy in the year 1992. During his glorious career, he was involved in a number of extracurricular activities, such as discharging duties as the Vice President of Bangladesh Judicial Service Association, Present of Bangladesh Law Association, Founder Secretary General of Padma Degree Collage, Dohar and so on. He actively participated in the liberation war of Bangladesh in 1971.	Boards of its 105th Meeting appoint as Independent Director. There upon BSEC vide letter # BSEC/CFD/58/2017/216 Dated November 04, 2020 accord the appointment and, subsequently, Bangladesh Bank confirm the same vide # BRPD # 2 (651)/9(61) DL/2020-9537 dated November 09, 2020
Dr. Raad Mozib Lalon	Dr. Raad Mozib Lalon is a renowned Faculty Member of Department of Banking and Insurance, University of Dhaka. Previously he discharged duties as a respected faculty member in different private universities of Bangladesh. He completed his PhD from University of Dhaka on Banking in the year 2018. He is a specialist of Multinational Financial Management, Risk Management in Commercial Banking/ Financial Institution, Investment Analysis & Modern Portfolio Management and so on. During his illustrious career, he conducted many research and achieved a number of awards for his merit, such as Dean's Merit Award, Certificate of Merit from University of Dhaka. He wrote a number of International Journals on Finance and Banking, Economics and Business Management Studies.	Boards of its 106th Meeting appoint as Independent Director. There upon BSEC vide letter # BSEC/CFD/58/2017/228 Dated November 16, 2020 accord the appointment and, subsequently, Bangladesh Bank confirm the same vide # BRPD # 2 (651)/9(61) DL/2020-9918 dated November 19, 2020

### Role of Independent Directors

Under present rules and regulations, independent directors are not required to have any significant relationship with the bank, its top management, or the board apart from receiving directors' remuneration for attending board and committee meetings. The bank meets the criterion by appointing independent directors who are not shareholders in the bank and have no family or other ties to the board of directors, executives, or management. Apart from performing the roles of directors, independent directors also perform other roles as follows:

- Oversee issues where there is a potential conflict of interest.
- Consider, review, evaluate, and provide oversight over related-party transactions to ensure transactions are fair and in the best interests of NRBC Bank.
- Validate that the organization maintains an effective and independent compliance function.
- Bring valuable independent judgment to the Board.

### Duality of Chairperson of the Board of Directors and Managing Director & CEO

In compliance with Bangladesh Bank BRPD Circular No. 11 and Circular Letter No. 18 dated October 27, 2013, and Clause 1(4) of BSEC Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 on Corporate Governance Code dated June 3, 2018, the functional responsibilities of the Chairman of the Board and the Managing Director are kept separate and independent of each other. This has been in practice since inception of the Bank.

Presently Mr. S.M Parvez Tamal is the Chairman elected in the 144<sup>th</sup> Special meeting followed on 9<sup>th</sup> AGM held on June 02, 2022 and Mr. Golam Awlia is Managing Director of the Bank. The Board has clearly defined respective roles and responsibilities of the Chairperson and the Managing Director.

In the absence of the Chairperson of the Board, the remaining members of the Board elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson is being duly recorded in the minutes according to the Section 4 of the BSEC's notification on Corporate Governance Code.

However, Mr. S.M Parvez Tamal presided all of 24 meeting held on 2022.

### Responsibilities of the Chairman of the Board

As per BRPD Circular No. 11 dated October 27, 2013, issued by Bangladesh Bank and the Corporate Governance Code issued by BSEC on June 3, 2018, the Chairman of the Board of Directors broadly possesses the following major responsibilities:

- Ensure that the board sets and implements the bank's direction and strategy effectively;
- Organize the business of the board, ensure its effectiveness and establish its agenda;
- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure that all key issues are discussed in a timely and constructive manner by the Board of Directors;
- Ensure the non-intervention of any director in the routine affairs of the bank;
- Sign the minutes of the board meeting for formal confirmation.

### The Directors' Report to Shareholders

The Directors' Report to Shareholders of NRBC Bank Limited is presented on page no. 64 of this Annual Report.

### Meetings of the Board of Directors

The following is a statement of board meetings held in 2022, as well as the attendance of directors from January 1, 2022 to December 31, 2022:

SL	Name of the Members	Status in the Board	Total Board Meeting held during the year	Total Meeting held during their period	Attended	Leave of Absence	Remarks
01	Mr. S M Parvez Tamal	Chairman	24	24	24	00	
02	Mr. Rafikul Islam Mia Arzoo	Vice Chairman	24	24	24	00	
03	Mr. Mohammed Adnan Imam, FCCA	Director	24	24	23	01	
04	Mr. A M Saidur Rahman	Director	24	24	22	02	
05	Mr. Mohammed Oliur Rahman	Director	24	24	21	03	
06	Mr. Abu Bakr Chowdhury	Director	24	11	07	04	
07	Mr. Loquit Ullah	Director	24	24	22	02	
08	Mr. Mohammed Nazim	Director	24	24	23	01	Including presence of Alternate Director
09	Mr. AKM Mostafizur Rahman	Director	24	24	24	00	
10	Air Chief Marshal Abu Esrar (Retd.)	Independent Director	24	24	23	01	
11	Dr. Khan Mohammad Abdul Mannan	Independent Director	24	24	21	03	
12	Dr. Raad Mozib Lalon	Independent Director	24	24	24	00	
13	Mr. Golam Awlia	Managing Director & CEO	24	24	24	00	



# Code of Conduct for the Chairman, Board members and Managing Director & CEO

## Code of Conduct for the Chairman

- a. As the Chairman of the Board of Directors or Chairman of any committee formed by the Board or personally possess the jurisdiction to apply policy-making or executive authority, he/ she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.
- b. The Chairman may conduct onsite inspections of any bank branch or financing activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to the bank's operations or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the Board or the executive committee and, if deemed necessary, with the approval of the Board, he shall take the necessary action thereon, in accordance with the set rules through the CEO.

However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the Board along with the statement of the CEO.

- c. The Chairman may be offered an office room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business interests of the bank, subject to the approval of the Board.

## Code of Conduct for the Board of Directors

The Board of Directors follows a Code of Conduct which was adopted to provide guidance to directors to carry out their duties in an honest, responsible and businesslike manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Articles of Association of the Company.

### The Code of Conduct states:

1. The Members shall act honestly, in good faith and in the best interests of the shareholders and the company.
2. The members shall not make improper use of information acquired as a director.
3. The members shall not take improper advantage of the position as a director.
4. The members will be obligated to be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of decision taken by the board of directors.
5. Members shall make every effort to attend all Board and Committee Meetings during their tenure. They will not absent themselves without good reasons or confirming leave of absence.
6. Board members having interest of any nature in the agenda of the meeting, shall declare beforehand the nature of their interest and withdraw from the room, unless they have a dispensation to speak.
7. Training opportunities/orientation/workshops will be arranged for the members (especially for the newly inducted members) to make them acquainted with the international best practices, their fiduciary obligations, Code of Conduct etc.
8. Every Director will assure annually signing a confirmation that they have gone through, have complied with and will continue to comply with the set of codes approved by the Board of Directors.

## Code of Conduct for the Managing Director & CEO

1. The Managing Director & CEO shall remain accountable for the achievement of financial and other business targets approved by the Board of Directors in respect of business plans, efficient implementation thereof and prudent administrative and financial management.
2. The Managing Director & CEO shall recruit and promote of all of the bank's staff, except those in the two tiers below him, shall rest on the Managing Director & CEO.
3. The Managing Director & CEO shall act in such cases in accordance with the approved service rules on the basis of the human resource policy and sanctioned strength of employees, as approved by the Board.

The authority relating to the recruitment, promotion, transfer and disciplinary action against staff, except two tiers below the Managing Director & CEO, rest on him and are in compliance with the bank's policy.

## Succession Plan

NRBC Bank believes that the membership and composition of the Board should be reassessed from time to time so succession planning is a pivotal part of corporate governance practices to meet the company's long-term goals and objectives and to ensure that the knowledge, experience, and skill set of its members would be well suited to meet the demands of the ever changing financial industry.



#### Affirmation by Board Members and Managing Director including two tiers below of Managing Director

According to Sub-Section 2 of Section 18 of the Banking Companies Act, 1991 (Amended 2018) “Every Directors, Managing Director and the Officers immediate two tiers below the Managing Director must submitted return regarding particulars of Business entities (i.e. commercial, financial, agricultural, industrial and other business) under their ownership or family business interests to the Board on Yearly Basis.

Aforesaid members’ submitted yearly return to the Board of Directors in its 157<sup>th</sup> held on 14 January 2023 regarding particulars of Business entities (i.e. commercial, financial, agricultural, industrial and other business) under their ownership or family business interests based on 31 December 2022 as part of transparency and responsibility.

#### Policy on training of Directors

In line with clause no.6 of BRPD Circular 11 dated October 27, 2013, the Directors of NRBC Bank Limited make themselves fully aware of the banking laws and other related rules and regulations for performing their duties properly. To facilitate this further, the bank makes available all relative laws before the Board of Directors for their instant information, along with any single notification in due course.

#### Directors’ Training

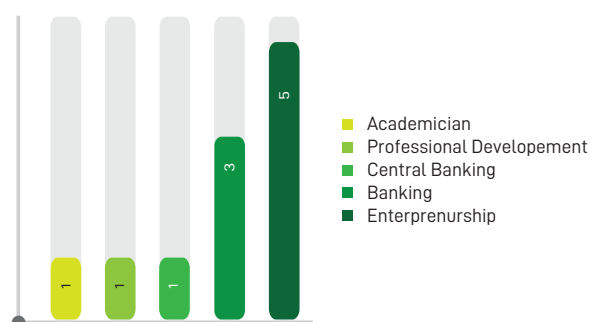
Training in specific aspects of the bank’s businesses is provided to Directors when requested and regularly as part of site visits. Directors are briefed on issues at Board and Committee meetings, for example, receiving briefings on cyber risks, and relevant commercial, legal and regulatory developments. All Directors have full and timely access to relevant information ahead of each meeting and are able to contact members of management for further information, as required. In accordance with best practice, the Chairman considers and addresses the development needs of the Board as a whole, if any, and ensures that each Director updates their individual skills, knowledge and expertise.

If required, external training courses may be provided at the company’s expense.

#### Knowledge and expertise in Finance and Accounting

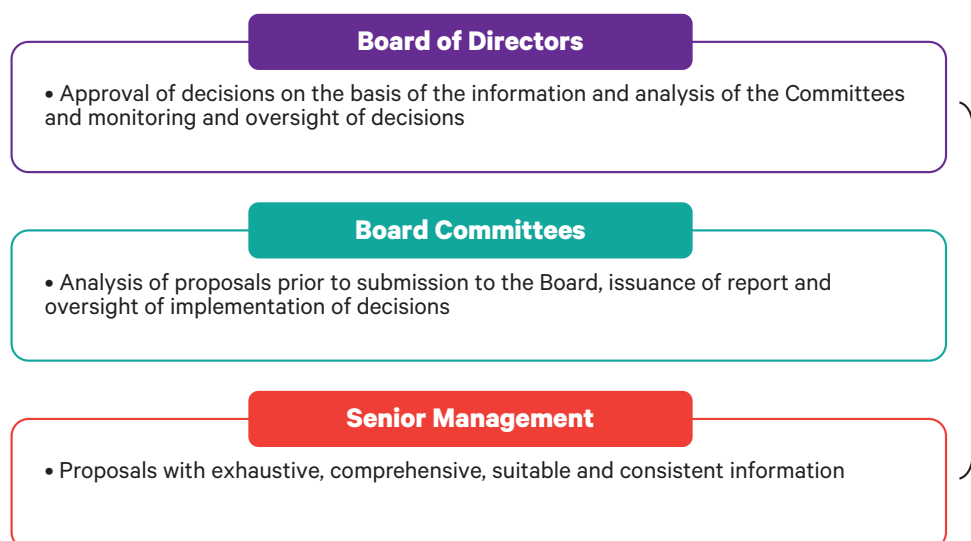
NRBC Bank’s Board of Directors comprises of members who have wide knowledge and experience in the field of finance, accounting, economics, management, marketing and business administration. By that, it is ensured that they have the ability to interpret the decisions of bank’s management in a prudent manner.

#### Professional Background of Directors



## Key Activities performed by Board in 2022

The Board meets on a monthly basis and meetings are scheduled well in advance (before the commencement of each financial year) to enable members to plan ahead. When required, the Board will meet on an ad hoc basis to deliberate urgent matters.



During the Financial Year 2022, the Board met twenty four (24) meetings to deliberate and consider a variety of significant matters that required its guidance and approval. Among the topics and strategies that were reviewed, deliberated and approved by the Board during the Financial Year 2022 were as follows:

Strategy	Risk, Compliance and oversight	Governance
<ul style="list-style-type: none"> <li>• Business Strategy of the bank</li> <li>• Budget and Business plan for the year 2022</li> <li>• Capital and Dividend strategy</li> <li>• Sustainability and Corporate Governance Strategy</li> <li>• Human Resource policy</li> </ul>	<ul style="list-style-type: none"> <li>• Risk appetite of the Bank for the year 2022</li> <li>• Audit Plan for 2022</li> <li>• Capital adequacy statement in 2022</li> <li>• Anti money laundering issues</li> <li>• Ethical issues</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation and Fit and Proper Assessment</li> <li>• Corporate Governance Disclosures</li> <li>• Directors fees and disclosure the remuneration of top management</li> <li>• Appointment of external Directors</li> <li>• Governance on subsidiaries</li> </ul>

## Governance of Board of Directors of Subsidiary Company

As per BSEC Corporate Governance Code Sec-2, dated 3 June 2018, NRBC Bank entirely follows the governance of Board of Directors of Subsidiary Company:

- At least one independent director of NRBC Bank is a director on the Board of the subsidiary company.
- The minutes of the Board Meeting of the subsidiary company are being placed for review at the following Board meeting of NRBC Bank Limited.
- The Board of Directors reviews the affairs of the subsidiary company.
- The Audit committee of NRBC Bank Limited review the Financial Statements, in particular the investments made by the subsidiary company.

Dr. Raad Mozib Lalou and Chief Marshal Abu Esrar (Retd.) are appointed as Independent Director in the Board of NRBC Bank Securities Limited that accord in 134th Meeting of Board of Directors of the Bank held on 1 February 2022. Presently Dr. Raad Mozib Lalou, Independent Director of the Bank acted as Chairman in the Board of NRBC Bank Securities.

### Managing Director & CEO, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)

- The Board of NRBC Bank appoints The Managing Director & CEO, The Company Secretary, the Chief Financial Officer and the Head of Internal Audit and Compliance;
- The positions of the Managing Director & CEO, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance are filled by different individual;
- The Managing Director, The Company Secretary, the Chief Financial Officer and Head of Internal Audit and Compliance are not holding any executive position in other company;
- The Board have clearly defined respective roles, responsibilities and duties of the CFO, the HIAC and the CS;
- The Managing Director & CEO, the Company Secretary, the Chief Financial Officer and Head of Internal Audit and Compliance are not being removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchanges.

Pursuant of the above, Following official hold the position as under :

SL	Name	Position	Remarks
1	Mr. Golam Awlia	Managing Director & CEO	
2	Mr. Harunur Rsahid	Chief Financial Officer	
3	Hajjaj Bin. Mahfooz	Head of Internal Audit and Compliance	
4	Mohammad Ahsan Habib	Company Secretary	<b>Mohammad Ahsan Habib</b> acted as Company Secretary with effect from March 02, 2023 in lieu of Md. Reaz Uddin Asif who resigned from service that dissemination to the Commission and Stock Exchanges immediately. DSE and CSE confirmed in their news archive on March 07, 2023.

### Requirement to attend Board of Directors' Meeting

As per BSEC Corporate Governance Guidelines, The Managing Director & CEO and Company Secretary were attending every meetings of Board of Directors. But the Chief Financial Officer and Head of Internal Audit & Compliance were attend the meeting wherein matter relating affairs of the respective division.

They shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.

### Duties of Managing Director & CEO and Chief Financial Officer

The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirm that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirm that these statements together present a true and fair view of the bank's affairs and are in compliance with existing accounting standards and applicable laws;

The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the bank during the year which are fraudulent, illegal or in violation of the bank's code of conduct.

The Certification of the Managing Director & CEO and CFO is disclosed in the Annual Report at Page 237.

### Appointment of Directors (Chairman, Board of Directors and Managing Director & CEO)

NRBC Bank complies with the regulations stipulated by Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and the Companies Act, 1994, for the appointment of Directors. As per regulations, all Directors, except nominated, independent or alternate Directors, are required to maintain at least 2% shareholding in the bank, individually.

Pursuant to the Companies Act, 1994, 1/3rd of the Directors will retire and, if eligible, are placed for reappointment, which refers to the Annual General Meeting for approval of shareholders. As per the Bank Company Act, 1991 (as amended in 2018), Directors are appointed with prior approval of Bangladesh Bank, considering a term of three years, which can be extended by three terms, subject to approval of Bangladesh Bank as well as by shareholders in ensuing Annual General Meeting. As per the Corporate Governance guidelines issued by BSEC dated on June 03, 2018, the Independent director shall not be subject to the retirement by rotation of Director.

An Independent Director, pursuant to the Bangladesh Bank guidelines, is appointed with the prior approval of Bangladesh Securities and Exchange Commission (BSEC) and approval of Bangladesh Bank. Subsequently, it is placed in the following Annual General Meeting for the approval of shareholders.

The Managing Director & CEO is also appointed with the prior approval of Bangladesh Bank, duly meeting the fit and test criteria.

### Adequate representation of Non-Executive Directors

A non-executive director is one who does not hold any positions in the bank other than serving on the board and its committees. All the directors of NRBC Bank, including the Chairman, are non-executive directors, except for the Managing Director. The bank's non-executive directors are independent of management and do not participate in day-to-day operations. Adequate representation of non-executive directors ensures the separation of management from the owners, which is an integral part of good corporate governance.

Presently 8 (eight) Non-Executive Directors hold position in the Board of Directors that comply the Condition 1(1) of Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018.

### Independence of Independent Directors

According to Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank's rules and regulations, Independent Directors will not be an executive of the Company in the immediate preceding two financial years, who does not have any material relationship and does not hold any shares of the company. The Independent Director will not have any significant relationship, whether pecuniary or otherwise, with the bank, its top management and the Board. The bank complies with the requirement and appoints Independent Directors who does not have any family or other relationship with its Board of Directors and its executive management. However, approval of Bangladesh Securities and Exchange Commission and approval of Bangladesh Bank are required for the appointment on Independent Director.

NRBC Bank ensures compliance with Bangladesh Bank's guidelines and Bangladesh Securities and Exchange Commission's requirements relating to the appointment of Independent Directors.

### Independence of non-Executive Directors

Non-Executive Directors enjoy full freedom in discharging their responsibilities. They attend board meetings and are actively involved in formulating the general strategies of the bank. They also actively participate in discussions on the agenda.

### The key roles and responsibilities of the Chairman

The Chairman's main duties include chairing meetings of the Board of Directors are appended below;

- Provides leadership and governance of the Board so as to create the conditions for overall Board's and individual Director's effectiveness, and ensures that all key and appropriate issues are discussed by the Board in a timely manner
- Promotes effective relationships and open communication, and creates an environment that allows constructive debates and challenges, both inside and outside the boardroom, between Nonexecutive Directors and the management
- Ensures that the Board as a whole plays a full and constructive part in the development and determination of the company strategies and policies, and that Board decisions taken are in the bank best interests and fairly reflect Board's consensus
- Ensures that the strategies and policies agreed by the Board are effectively implemented by the Chief Executive and the management
- Sets, in consultation with the Chief Executive and Company Secretary, the Board meeting schedule and agenda to take full account of the important issues facing the bank and its subsidiaries of all Directors, and ensures that adequate time is available for thorough discussion of critical and strategic issues
- Ensures that the Board is properly briefed on issues arising at Board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfill its duties, such as reports on the bank and its subsidiaries performance, the issues, challenges and opportunities facing the bank and its subsidiaries, and matters reserved for it to make decision
- Arranges informal meetings of the Directors at least annually, including meetings of the Nonexecutive Directors at which the Chief Executive is not present, and ensures that sufficient time and consideration is given to complex, contentious or sensitive issues
- Ensures that there is effective communication with shareholders, and that each Director develops and maintains an understanding of the stakeholders' views
- Establish good corporate governance practices and procedures and promotes the highest standards of integrity, probity and corporate governance throughout the bank and its subsidiaries particularly at Board level

### The key roles and responsibilities of the Board

The main roles and responsibilities of the Board of Directors, as envisaged in the BRPD Circular No. 11 dated 27 October, 2013, include the following:

1. Lay down a code of conduct for all Board members and senior management;
2. Review and set up annual performance targets of the bank for achieving targets;
3. Monitoring the effectiveness of the bank's governance practices and reviewing changes as needed and identifying opportunities where corporate governance standards could be further improved ;



4. Determining the bank's corporate social responsibility status and taking steps for its improvement;
5. Ensure stronger internal controls;
6. Grant approval of policies and operational manuals to establish an effective risk management framework in core banking areas and internal control;
7. Appoint Managing Director & CEO and fixing his benefits;
8. Purchase or acquisition of property for the bank;
9. Provide welfare benefits to employees;
10. Determining the Corporate Social Responsibility status and taking steps;
11. Analyze reasons for success or failure of the bank's annual budget achievement;
12. Periodic review of the bank's operational budget achievements;
13. Undertake risk management initiatives;
14. Review of sufficiency and requirement for internal control efforts of the bank;
15. Reviewing the bank's human resource (HR) policy;

### **Appraisal of the Board's performance**

The Board of Directors is accountable to the shareholders of the bank. Once in every year, the bank holds an Annual General Meeting (AGM). The shareholders attend the Annual General Meeting (AGM) and they critique and express their analysis about the performance of the bank as before like listed company.

NRBC Bank takes constructive suggestions from the Annual General Meeting and tries to implement it for qualitative improvement of the bank. The performance of the bank is also measured on the basis of other indicators, including financial aspects like business performance, asset growth and current NPL.

### **Evaluation of the Managing Director & CEO**

The Board of Directors of NRBC Bank Limited evaluates the performance of Managing Director & CEO in annual basis. The Board also set the roles and responsibilities of the Managing Director & CEO of the bank. There are some key Performance Indicators (KPI) to appraise the performance which are: meet the annual budgetary targets of the bank, which was approved by the Board, maximize shareholder value measured through desired ROA, ROE, EPS, ensure proper risk management as per the expectations of the Board, ensure sustainable growth in loans and advances, low-cost deposits, CASA mix, diversify revenue streams of the bank, ensure improvement in NPL ratio, achieve recovery of overdue loan and improve all reviews conducted by BB, including scores in CAMELS rating.

### **Training on corporate governance**

At NRBC Bank, our corporate governance standards represent the foundations on which we have built transparent relationships among the institution's management, Board, shareholders and other stakeholders. In line with this, NRBC Bank organizes training on corporate governance round the year for the staff. NRBC Bank offers special emphasis on training in corporate governance.

### **Objectives of corporate governance training:**

- i. To establish good governance, ensuring the best practices of corporate governance to understand how they improve consistency in business direction and strategies;
- ii. Mitigating risks and providing the maximum opportunities for developing individual skills, tools and frameworks in line with action plans and to address challenges as well as overcome these with prudence;
- iii. To help Board members develop the right strategies for change management and create advanced plans for seamless change in order to identify internal and external opportunities and challenges, manage change or implement new approaches;
- iv. To drive a positive culture such as developing the Board's skills and leadership style;

### **Board of Director's committee**

The Board has constituted the following 3 (three) Board Sub-Committees, which are (i) Audit Committee, (ii) Risk Management Committee and (iii) Executive Committee as BRPD Circular # 11, dated October 27, 2013

### i. Audit Committee

The Audit Committee was reconstituted by the Board in its 144<sup>th</sup> Meeting held on June 02, 2022:

Sl.	Name	Status with the Audit Committee	Status with the Board
1	Air Chief Marshal Abu Esrar (Retd.)	Chairman	Independent Director
2	Mr. Rafikul Islam Mia Arzoo	Member	Director & Vice Chairman
3	Mr. Mohammed Nazim	Member	Director
4	Dr. Khan Mohammad Abdul Mannan	Member	Independent Director
5	Mr. S.M. Parvez Tamal	Member	Director & Chairman

### ii. Risk Management Committee

The Risk Management Committee was reconstituted by the Board in its 144<sup>th</sup> Meeting held on June 02, 2022:

Sl.	Name	Status with the Risk Management Committee	Status with the Board
1	Mr. AKM Mostafizur Rahman	Chairman	Director
2	Mr. S.M. Parvez Tamal	Member	Director & Chairman
3	Mr. Rafikul Islam Mia Arzoo	Member	Director & Vice Chairman
4	Dr. Khan Mohammad Abdul Mannan	Member	Independent Director
5	Dr. Raad Mozib Lalon	Member	Independent Director

Audit Committee Report to the Shareholders is given in the Annual Port Page no. 186.

### iii. Executive Committee

The Executive Committee was reconstituted by the Board in its 144<sup>th</sup> Meeting held on June 02, 2022:

Sl.	Name	Status with the Executive Committee	Status with the Board
1	Mr. Mohammed Adnan Imam, FCCA	Chairman	Director
2	Mr. Mohammed Oliur Rahman	Member	Director
3	Mr. Loquit Ullah	Member	Director
4	Mr. A M Saidur Rahman	Member	Director
5	Dr. Raad Mozib Lalon	Member	Independent Director

In compliance with the circular no SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities & Exchange Commission, NRBC Bank formed another committee in addition to aforesaid Audit Committee:

### iv. Shariah Supervisory Committee

Sl.	Name	Status in Committee
1	Mr. Shah Mohammad Wali Ullah	Chairman
2	Mr. Obaid Ullah Hamzah	Member
3	Mr. Mohammed Oliur Rahman	Member
4	Mr. Mohammed Adnan Imam, FCCA	Member
5	Mr. AKM Mostafizur Rahman	Member
6	Mr. Loquit Ullah	Member
7	Dr. Khan Mohammad Abdul Mannan	Member
8	S M Parvez Tamal (Chairman, BoD)	Member

## Committee Meeting

### Board meeting held in 2022

Statement of Board meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022 : 24

SL	Name of the Members	Status in the Board	Total Board Meeting held during the year	Total Meeting held during their period	Attended	Leave of Absence	Remarks
01	Mr. S M Parvez Tamal	Chairman	24	24	24	00	
02	Mr. Rafikul Islam Mia Arzoo	Vice Chairman	24	24	24	00	
03	Mr. Mohammed Adnan Imam, FCCA	Director	24	24	23	01	
04	Mr. A M Saidur Rahman	Director	24	24	22	02	
05	Mr. Mohammed Oliur Rahman	Director	24	24	21	03	
06	Mr. Abu Bakr Chowdhury	Director	24	11	07	04	
07	Mr. Loquit Ullah	Director	24	24	22	02	
08	Mr. Mohammed Nazim	Director	24	24	23	01	Including presence of Alternate Director
09	Mr. AKM Mostafizur Rahman	Director	24	24	24	00	
10	Air Chief Marshal Abu Esrar (Retd.)	Independent Director	24	24	23	01	
11	Dr. Khan Mohammad Abdul Mannan	Independent Director	24	24	21	03	
12	Dr. Raad Mozib Lalon	Independent Director	24	24	24	00	
13	Mr. Golam Awlia	Managing Director & CEO	24	24	24	00	

The Board has granted leave of absence against the absentee directors of the meeting.

### Executive Committee (EC) meeting held in 2022

Statement of Executive Committee (EC) meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 8 Meeting

SL	Name of the Members	Position	Total Meeting held during the year	Total Meeting held during their period	No. of meeting attended	No. of meeting absent	Remarks
1	Mr. Mohammed Adnan Imam, FCCA	Chairman	8	8	8	-	
2	Mr. Mohammed Oliur Rahman	Member	8	8	5	3	
3	Mr. Loquit Ullah	Member	8	8	7	1	
4	Mr. A M Saidur Rahman	Member	8	5	4	1	
5	Dr. Raad Mozib Lalon	Member	8	5	5	-	

The EC has granted leave of absence against the absentee directors of the meeting.

### Audit Committee (AC) meeting held in 2022

Statement of Audit Committee meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 5 Meetings

SL	Name of the Members	Position	Total Meeting held during the year	Total Meeting held during their period	No. of meeting attended	No. of meeting absent	Remarks
1	Air Chief marshal Abu Esrar (Retd.)	Chairman	5	5	5	-	
2	Mr. Rafikul Islam Mia Arzoo	Member	5	5	5	-	
3	Mr. Mohammed Nazim	Member	5	5	2	3	
4	Dr. Khan Mohammad Abdul Mannan	Member	5	2	2	-	
5	Mr. S M Parvez Tamal	Member	5	2	2	-	

The Audit Committee has granted leave of absence against the absentee directors of the meeting.

## Risk Management Committee meeting held in 2022

Statement of Risk Management Committee meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 4 Meetings

SL	Name of the Members	Position	Total Meeting held during the year	Total Meeting held during their period	No. of meeting attended	No. of meeting absent	Remarks
1	Mr. AKM Mostafizur Rahman	Chairman	4	3	3	-	
2	Mr. S M Parvez Tamal	Member	4	3	3	-	
3	Mr. Rafikul Islam Mia Arzoo	Member	4	4	3	1	
4	Dr. Khan Mohammad Abdul Mannan	Member	4	4	3	1	
5	Dr. Raad Mozib Lalon	Member	4	3	3	-	

The Risk Management Committee has granted leave of absence against the absentee directors of the meeting.

## Shariah Supervisory Committee meeting held in 2022

Statement of Shariah Supervisory Committee meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 1 Meeting

SL	Name of the Members	Position	Total Meeting held during the year	Total Meeting held during their period	Attended	Leave of Absence	Remarks
1	Mr. Shah Mohammad Wali Ullah	Chairman	1	1	1	-	
2	Mr. Obaid Ullah Hamzah	Member	1	1	1	-	
3	Mr. Mohammed Oliur Rahman	Member	1	1	1	-	
4	Mr. Mohammed Adnan Imam, FCCA	Member	1	1	-	1	
5	Mr. AKM Mostafizur Rahman	Member	1	1	1	-	
6	Mr. Loquit Ullah	Member	1	1	-	1	
7	Dr. Khan Mohammad Abdul Mannan	Member	1	1	1	1	
8	Mr. S M Parvez Tamal (Chairman, BoD)	Member	1	1	1	1	

The Shariah Supervisory Committee has granted leave of absence against the absentee directors of the meeting.

## Maintaining a website by the Company

NRBC Bank has an official website [www.nrbcommercialbank.com](http://www.nrbcommercialbank.com) with the linked website of the stock exchange.

## Reporting and Compliance of Corporate Governance

The status of compliance with Corporate Governance guidelines of Bangladesh Securities and Exchange Commission has been given hereafter "Ahmed Zaker & Co.", Chartered Accountants, duly certified the bank's Compliance Status, which is presented on page 212.

## Appointment of professional for the Certification on Corporate Governance

The existing professional Accountant **M/S Ahmed Zaker & Co., Chartered Accountants**, has expressed of willingness to work as Auditor on compliance status on Corporate Governance Code. But prior year, the Board of Directors has recommended **M/S Ahmed Zaker & Co., Chartered Accountants**, as compliance Auditor for the year 2022 in the 140<sup>th</sup> meeting held on May 15, 2022 and their appointment was confirmed in 9<sup>th</sup> AGM held June 02, 2022.

As per Bangladesh Securities & Exchange Commission Notification on Corporate Governance Code for appointment of Professional for the certification on Corporate Governance for the year 2023 will be confirmed at the 10<sup>th</sup> AGM that will be held on June 19, 2023.

## Business objectives and strategic management

The Board of Directors of NRBC Bank determines the business objectives and goals and, to this end, chalk out strategies and work plans on an annual basis. The Board specifically engages in formulating strategies consistent with the predetermined objectives and goals and in issues relating to structural changes and reformation for the enhancement of institutional efficiency and other relevant policy matters.

## Philosophy on code of corporate governance

NRBC Bank believes in adopting and adhering to the best standards of corporate governance for the benefit of all its stakeholders. The bank's corporate governance standards are based on the following principles: Appropriate composition, size of the Board and commitment to adequately discharge its responsibilities and duties Transparency and independence in the functioning of the Board Independent verification and integrity assurance of financial reporting Adequate risk management and internal control Protection of

shareholders' rights and placing priority on investor relations Timely and accurate disclosure on all matters concerning operations and performance of the bank. The bank's philosophy on corporate governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealing with shareholders, employees, regulators and other relevant stakeholders. By doing so, the bank demonstrates its understanding and respects its fiduciary roles and responsibilities to shareholders.

### Ethics and compliance

NRBC Bank has a Code of Conduct for the Board of Directors and ethical guidelines for the bank's employees which are an integral part of the Service Rules and Regulations for the employees of the bank. Our employees comply with the code of conduct and requirements of ethical principles. The Board has always been deeply committed to establishing the highest levels of ethics and compliance among all employees of the bank. It has always encouraged the management to ensure that everyone maintains high ethical standards within the bank. The Board guides the management on policies that should be adopted and followed by everyone in the bank.

### Facilities accorded to the Chairman, Directors and the Managing Director & CEO

In accordance with the guidelines of Bangladesh Bank, the following facilities can only be given to the Directors:

<b>Chairman</b>	The Chairman has an office with personal secretary and office assistant provided by Bank along with a mobile phone and a car at his full- time disposal.
<b>Directors</b>	Fees and other facilities for attending each meeting of the Board or any Committee as per guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission.
<b>Managing Director</b>	Managing Director Only those benefits as agreed upon in his contractual appointment and approved by Bangladesh Bank

### Key policies regarding to remuneration of Directors and employees

The Board of Directors reviews the pay scale from time-to-time, the remuneration of employees based on the bank's performance and the general inflation in the economy. All employees including the senior management are paid a competitive remuneration package.

### Policy on Ensuring Participation of Shareholders/ stakeholders at AGM

The following steps are taken to ensure shareholder participation in the AGM:

Step 1: NRBC Bank sends out the notice at least 21 days before the AGM, allowing shareholders ample time to receive and review the notice and reply with their attendance.

Step 2: Annual Reports are circulated in accordance with the provisions of the Companies Act 1994 and related notifications issued by the Bangladesh Securities and Exchange Commission (BSEC), giving shareholders sufficient time to review the report and freely provide their valuable comments and suggestions at the AGM.

Step 3: Shareholders/stakeholders are allowed to speak freely at the AGM to offer their valuable suggestions. These suggestions are noted for future compliance.

### Sustainable financing

NRBC Bank has incorporated the ethos of socially -responsible banking through which it has been mainstreaming sustainable development and aligning it with the core business strategies of the bank. In fact, sustainability is integrated into the way we do business, into the contribution we make to local economies and into serving the communities we live in. The Board monitors all social and ecological factors with the aim of protecting the environment and conserving natural resources.

### Credit rating

As per Bangladesh Bank guidelines and notifications of Bangladesh Securities and Exchange Commission, NRBC Bank conducts its credit rating each year with due disclosure. Credit rating of NRBC Bank is available on page 189 in this Annual Report.

### Affiliation for Member of Bangladesh Association of Public Listed Company:

NRBC Bank renewed its membership for the year 2023 as listed company in the Bangladesh Association of Public Listed Company:





## Roles and responsibilities of the Company Secretary

The roles, responsibilities and duties of the Company Secretary of NRBC Bank are prepared in pursuant to Circular No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities & Exchange Commission. The Company Secretary ensures that all regulatory procedures for the appointment of Directors have been followed. He provides detailed support and guidance to the Directors, both individually as well as collectively, for taking decisions and raises matters wherever needed to call for the attention of the Board of Directors. He also assists the Board of Directors and the management of the bank in ensuring excellence in governance. He communicates with shareholders, as appropriate, and ensures that due regard is given to their interests. He also assists to form the sub-committee of the Board of Directors, as directed by the Regulatory Bodies Act, as a mediator to the Board of Directors to resolve disputes rose to the Board, according to the laws, rules and regulations. The Company Secretary is also mandated with providing comprehensive corporate secretarial services to the Board, Directors and committees and also ensures that all compliance are complied following the respective laws, rules and regulations. He also ensures that the decisions taken by the Board of Directors are transmitted to the concerned department/s for taking the next course of action. He also updates the Board of Directors or the management about the direction, circulars, notifications, etc., which is made by the regulatory bodies and follows up on the respective steps taken.

**Presently Mohammad Ahsan Habib** acted as Company Secretary with effect from March 02, 2023 in lieu of Md. Reaz Uddin Asif who resigned from service.

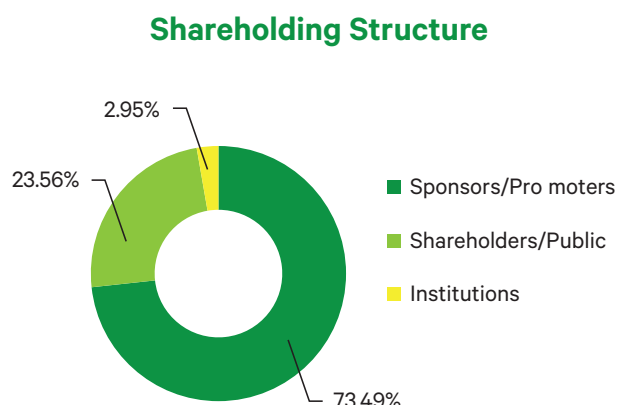
## Sponsors and Directors Jointly Shareholding as per BSEC guideline

In accordance with the directive of Bangladesh Securities and Exchange Commission (BSEC) no. SEC/ CMRRCD/2009-193/15/Admin/112 dated December 10, 2020, all sponsors and directors other than independent directors of a company listed with any stock exchange shall all time jointly hold minimum 30% (thirty percent) shares of the paid-up capital of the company. We confirm that, all sponsors and directors other than independent directors of NRBC Bank shall all time jointly hold more than 30% (present holding 73.49%) shares of the paid-up capital of the company to meet up the BSEC requirement.

## Shareholding Structure

At the end of the year 2022, the shareholding structure of NRB Commercial Bank Limited was as follows:

Category	No. of Shareholders as on 31.12.2022	Shareholding as of 31.12.2022	
		In Number	In Percentage
Sponsors/Promoters	55	582,758,113	73.49%
Shareholders/Public	18232	186,852,040	23.56%
Institutions	153	23,355,907	2.95%
Total	18440	792,966,060	100.00%



## Classification of shareholders by holding as on 31.12.2022

Share Holding	No. of Shareholders as on 31.12.2022	No. of Shares as on 31.12.2022	Ownership (%)
0000000001-0000010000	16,485	23,986,124	3.025%
0000010001-0000020000	852	11,685,299	1.474%
0000020001-0000030000	348	8,488,618	1.071%
0000030001-0000040000	193	6,679,669	0.842%
0000040001-0000050000	130	5,924,958	0.747%
0000050001-0000060000	78	4,278,274	0.540%
0000060001-0000070000	44	2,894,778	0.365%
0000070001-0000080000	34	2,532,872	0.319%
0000080001-0000090000	26	2,186,264	0.276%
0000090001-1000000000	250	724,309,204	91.342%
<b>Total :</b>	<b>18,440</b>	<b>792,966,060</b>	<b>100.00%</b>

**Latest Shareholding Position as on December 31, 2022**

Sl. No.	Names of Directors & Sponsors	Status	Status	Shareholding %
1	Mr. S M Tamal Parvez	Chairman	37,319,368	4.71%
2	Mr. Rafikul Islam Mia Arzoo	Vice-Chairman	34,385,808	4.34%
3	Mr. Mohammed Adnan Imam, FCCA	Director	18,550,031	2.34%
4	Mr. Abu Mohammad Saidur Rahman	Director	20,734,557	2.61%
5	Mr. Mohammed Oliur Rahman	Director	27,812,623	3.51%
6	Mr. Loquit Ullah	Director	30,099,864	3.80%
7	Mr. Mohammed Nazim	Director	30,166,895	3.80%
8	Mr. AKM Mostafizur Rahman	Director	22,346,195	2.82%
9	Air Chief Marshal Abu Esrar (Retd)	Independent Director	-	-
10	Dr. Khan Mohammad Abdul Mannan	Independent Director	-	-
11	Dr. Raad Mozib Lalon	Independent Director	-	-
12	Engr. Farasath Ali	Sponsor	12,278,464	1.548 %
13	Dr. Toufique Rahman Chowdhury	Sponsor	14,788,739	1.865 %
14	Mr. Abu Bakr Chowdhury	Sponsor	30,367,607	3.830 %
15	Mr. Tanwir M.O. Rahman Chowdhury	Sponsor	9,447,482	1.191 %
16	Mr. ABM Abdul Mannan	Sponsor	44,977,882	5.672 %
17	Mr. Mohammed Enayet Hossain	Sponsor	37,097,554	4.678 %
18	Mr. Md. Amir Hossain	Sponsor	29,619,036	3.735 %
19	Mr. Abu Mohammad Tushar Iqbal Rahman	Sponsor	1,961,296	0.247 %
20	Mr. Firoz Haider Khan	Sponsor	201,279	0.025 %
21	Mrs. Kamrun Nahar Sakhi	Sponsor	19,676,122	2.481 %
22	Mr. Mohammad Shahid Islam	Sponsor	28,299,511	3.569 %
23	Engr. Syed Munsif Ali	Sponsor	13,736,503	1.732 %
24	Mrs. Shamimatun Nasim	Sponsor	1,425,928	0.180 %
25	Dr. Nizam Mohammad Meah	Sponsor	16,186,239	2.041 %
26	Dr. Nuran Nabi	Sponsor	2,957,746	0.373 %
27	Mrs. Kaniz Farzana Rashed	Sponsor	957	0.000 %
28	Dr. Rafiqul Islam Khan	Sponsor	5,829,965	0.735 %
29	Dr. Shahanara Begum Ali	Sponsor	15,528,324	1.958 %
30	Mr. Sarwar Zaman Chaudri	Sponsor	9,973,080	1.258 %
31	Mr. Mohammad Zakaria Khan	Sponsor	15,973,834	2.014 %
32	Mr. Shabbir Ahmed Mubin	Sponsor	6,679,392	0.842 %
33	Mr. Izaharul Islam Halder	Sponsor	7,394,368	0.932 %
34	Mr. Mostafisur Prince Rahman	Sponsor	6,078,760	0.767 %
35	Mr. Aziz U Ahmad	Sponsor	4,809,146	0.606 %
36	Mr. Mohammed Manzurul Islam	Sponsor	1,500,166	0.189 %
37	Mr. Mahammed Jamal Uddin	Sponsor	1,478,872	0.186 %
38	Mr. Faruk Ali	Sponsor	1,479,019	0.187 %
39	Mr. Zulfiker Alim	Sponsor	1,479,019	0.187 %
40	Mrs. Ferdoushe Begum	Sponsor	1,479,611	0.187 %
41	Mr. Mohammed Ashraf Ali	Sponsor	375,483	0.047 %
42	Mr. Fahad Madani Islam	Sponsor	1,479,019	0.187 %
43	Mr. Shamim Ali	Sponsor	366,906	0.046 %
44	Mr. Shakawat Ali	Sponsor	1,479,019	0.187 %
45	Mr. Mohammed Shofiqul Islam	Sponsor	1,500,316	0.189%
46	Mr. Nahid Ahmed Chowdhury	Sponsor	1,502,829	0.190 %

47	Mr. Tohel Ahmed	Sponsor	1,934,513	0.244 %
48	Mr. Azadul Haq	Sponsor	1,501,499	0.189 %
49	Mr. Mohammad Iqbal Rashed	Sponsor	1,527,377	0.193 %
50	Mr. Mohammed Jahangir Alam	Sponsor	366,314	0.046 %
51	Mrs. Nazni Mansur	Sponsor	1,504,456	0.190 %
52	Mr. Anwar Hossain	Sponsor	1,555,181	0.196 %
53	Mr. Sunahwar Ali	Sponsor	283,350	0.036 %
54	Mr. Mohammed Sabbir Ahmed	Sponsor	132,060	0.017 %
55	Mr. Mohammad Kashem	Sponsor	73,646	0.009 %
56	Mr. Mohammed Tanvir Ahmed	Sponsor	73,646	0.009 %
57	Dr. Abul M. Ibrahim	Sponsor	1,500,907	0.189 %
58	Mr. S.M. Gulam Robbani Chowdhury	Sponsor	1,480,350	0.187 %
<b>Total Shares (Directors &amp; Sponsors)</b>		-	<b>582,758,113</b>	<b>73.491%</b>
	<b>Remaining Shareholding - Breakup given below:</b>			<b>26.506%</b>
	Govt.			0.00%
	Institution			2.945%
	Foreign			0.00%
	Public (including Shareholders other than Sponsors/Directors)			23.561%
	<b>Total</b>			<b>100.00%</b>

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee evaluates the Directors and recommends the Board for their appointment and ensures optimum composition of Board. While recommending appointment of an Individual as a Director on the Board, the committee has to review the following factors including the others:

- Diversity of the Board
- Qualification and positive attributes
- Independence of Directors (in the case of Independent Directors)

Clause 6 (5) (b) read with the applicable Clauses of Corporate Governance Code of Bangladesh Securities and Exchange Commission require the Nomination and Remuneration Committee of a company ("NRC") to recommend to the Board of Directors a policy, relating to the appointment, removal and remuneration of the directors, top level executives and to devise a policy on Board diversity. The said governance code also require NRC to lay down the evaluation criteria for performance evaluation of Board, its Committees and individual directors. Further, the Board of Directors is responsible for monitoring and reviewing of the Board Evaluation framework.

Bur formation of Nomination and Remuneration Committee (NRC) for Bank is not applicable or restricted by Bangladesh Bank vides letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021.

As Such Bank did not form of Nomination and Remuneration Committee (NRC) as per Bangladesh Bank Direction # BRPD (R- 1)717 /2021-5064 dated June 16, 2021.

### External or Statutory Auditors

Present Statuary M/s. Howladar Yunus & Co., Chartered Accountant was recommend by Board of Director in its 140<sup>th</sup> held on May 12, 2022 that confirmed by 9<sup>th</sup> AGM held on June 02, 2022.

M/s. Howladar Yunus & Co., Chartered Accountant affirmed that they not engaged in appraisal or valuation services, Book keeping or financial system design and implementation, Actuarial or Internal Audit service and even Partner or employees of the NRBC Bank.



**AHMED ZAKER & Co.**  
CHARTERED ACCOUNTANTS

**Head Office :**

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**Annexure-B**

**Report to the Shareholders of  
NRB Commercial Bank Limited  
On  
Compliance of the Corporate Governance Code  
For the year ended 31 December 2022**

We have examined the compliance status of the Corporate Governance Code by NRB Commercial Bank Limited for the year ended 31 December 31, 2022. This code relates to the notification no. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of Bangladesh Securities & Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance of the conditions of Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standard (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standard (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by the Code;
- Proper books and records have been kept by the company as required under the Companies Act 1994, the securities laws and other relevant laws; and
- The Corporate Governance of the company is satisfactory.

Place: Dhaka;  
Date: 18 May 2023

  
**Ahmed Zaker & Co.**  
Chartered Accountants  
**Z A Mridha FCA**  
Senior Partner  
Enrolment No.:0478



**CHITTAGONG Office:**

74, Sk. Mujib Road, Agrabad, C/A Chittagong - 4100. Tel: 031-634103 E-mail: [arupschly@yahoo.com](mailto:arupschly@yahoo.com), [arupschly@ahmed-zaker.com](mailto:arupschly@ahmed-zaker.com)

# STATUS OF COMPLIANCE ON BSEC NOTIFICATION ON CORPORATE GOVERNANCE

For the Period ended 31 December, 2022

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	<b>Board of Directors. -</b>			
1(1)	<b>Size of the Board of Directors</b>			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	✓	-	The Board of NRBC Bank Limited is comprised of 11 Directors. (9th Annual General Meeting (AGM) held on June 02, 2022 determined 12 Directors and the then Bangladesh Bank confirmed 11 Members that treated as final of Member of the Board.)
1(2)	<b>Independent Directors</b>			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓	-	The Board of NRBC Bank Limited is comprised of 11 Directors including 3 Independent Directors
1.2 (b)	For the purpose of this clause "independent director" means a director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓	-	Does not hold any share of the Company
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓	-	
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2(two) financial years;	✓	-	
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓	-	



1(2)(b)(v)	Who is not a member or TREC ( Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	√	-	
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√	-	
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√	-	
1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	√	-	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFi);	√	-	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	√	-	
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√	-	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	√	-	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	√	-	
1(3)	<b>Qualification of Independent Director (ID)</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√	-	The qualification and background of Independent Directors justify their capabilities to ensure mentioned compliances.
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid -up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;	N/A	-	
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	N/A	-	

1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	√	-	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	√	-	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√	-	Details mentioned in Report on Corporate Governance (CG) -2022 (Detail report of CG before this check list)
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	√	-	Do
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A	-	
1(4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√	-	Details mentioned in Report on Corporate Governance (CG) -2022 (Detail report of CG before this check list)
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√	-	Do
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√	-	Do
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	√	-	DO
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	-	No such event arose during reporting period i.e. Chairperson of the Board attend all meeting and preside over there.
1(5)	<b>The Directors' Report to the Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	√	-	The Directors' Report Complied with the guideline.
1(5)(ii)	The Segment-wise or product-wise performance;	√	-	Do
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√	-	Do

1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	-	Being a Bank, Interest Income, Interest Expenses and Profit Margins were discussed.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	No such event arose during reporting period
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓	-	Included in the Directors' Report part of this Annual Report [Annexure -I of Audited Financial Reporting Segment].
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	✓	-	Tk. 120 Crore through Initial Public Offering (IPO) duly utilized in the Year 2021 that duly reported on that year "Director report"
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc;	✓	-	Financial result was not deteriorate after approval by BSEC on November 18, 2020 and Trading of share on March 22, 2021
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	-	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	-	-	Directors do not get any remuneration except Board Meeting Fees and Travelling Allowance related with Board Meeting (at actual).
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	-	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	-	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	-	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	

1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	-	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√	-	
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	-	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	12% Dividend comprised of 7.5 % cash and 4.5% stock for the year ended December 31, 2022 recommended by Board in its 160th meeting held on April 30, 2023 and will be placed before 10 <sup>th</sup> AGM for approval.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	No interim dividend was declared.
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares(along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name -wise details);	√	-	All shares held by individual Sponsors & Shareholders
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	√	-	
1(5)(xxiii)(c)	Executives;	√	-	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more than voting interest in the company (name-wise details).	√	-	No Director/Shareholders holds 10% or more shares in the Company.
1(5)(xxiv)	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -</b>			
1(5)(xxiv)(a)	a brief resume of the director	√	-	
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	√	-	
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√	-	
1(5)(xxv)	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√	-	

1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√	-	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	-	
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	-	
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√	-	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√	-	
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√	-	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√	-	
1(6)	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√	-	
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√	-	Code of Conduct for the Chairman, Board members and Managing Director & CEO duly lay down as per BRPD Circular No.11 dated 27 October 2013.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√	-	Such Code of Conduct is not designed/changed by recommendation of the Nomination and Remuneration Committee (NRC) due to formation of NRC for Bank is restricted by Bangladesh Bank vides letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021



2	<b>Governance of Board of Directors of Subsidiary Company: -</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√	-	
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	√	-	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√	-	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	√	-	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√	-	
3.	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√	-	Details mentioned in Report on Corporate Governance (CG) -2022 (Detail report of CG before this check list)
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√	-	Do
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√	-	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√	-	
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√	-	
3(2)	<b>Requirement to attend Board of Director's Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√	-	
3(3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√	-	Stated in the certificate of due diligence by CEO & CFO

3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√	-	
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√	-	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the code of conduct for the company's Board or its member;	√	-	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√	-	
4.	<b>Board of Director's Committee. - For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee;	√	-	Audit Committee reconstituted by the Board in its 144th Meeting held on June 02, 2022
4(ii)	Nomination and Remuneration Committee	-	-	Not Applicable as formation of NRC for Bank is restricted by Bangladesh Bank vide letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021
5.	<b>Audit Committee:-</b>			
5(1)	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√	-	
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√	-	
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	
5(2)	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	Audit Committee reconstituted by the Board in its 144th Meeting held on June 02, 2022 as per Prime Regulator i.e. BB's BRPD Circular:11 Date 27.10.2013
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	√	-	Do

5(2)(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	√	-	Do
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	N/A	-	No such situation arisen in the reporting year.
5(2)(e)	The company secretary shall act as the secretary of the Committee.	√	-	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	
5(3)	<b>Chairman of the Audit Committee</b>			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	√	-	Air Chief Marshal Abu Esrsr, BBP; ndc (Retd.) and Dr. Khan Mohammad Abdul Mannan are Independent director of the Audit Committee
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	√	-	Chairperson of the board attend all meeting and preside over there
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√	-	Chairperson Air Chief Marshal Abu Esrsr, BBP; ndc (Retd.) of the Audit Committee present in the last 9 <sup>th</sup> AGM.
5(4)	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√	-	5 (Five) Meeting Conducted during the Year 2022
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√	-	
5(5)	<b>The Audit Committee shall:-</b>			
5(5)(a)	Oversee the financial reporting process;	√	-	
5(5)(b)	Monitor choice of accounting policies and principles;	√	-	

5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	√	-	
5(5)(d)	Oversee hiring and performance of external auditors.	√	-	
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	√	-	
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	√	-	
5.5(h)	Review the adequacy of internal audit function;	√	-	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	
5(5)(j)	Review statement of all related party transactions submitted by the management;	√	-	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√	-	
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√	-	
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering (RPO) or Rights Share offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	√	-	
5(6)(a)	<b>Reporting of the Audit Committee</b>			
5(6)	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√	-	
5(6)(a)(ii)	<b>The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -</b>			
5(6)(a)(ii)(a)	report on conflicts of interests;	√	-	No such event occurred during the period under review
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; control system;	√	-	Do
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	√	-	Do
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√	-	Do

5(6)(b)	<b>Reporting to the Authorities: -</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	√	-	No such event occurred during period under review
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√	-	No such reportable incidence arose
6.	<b>Nomination and remuneration Committee (NRC).</b>	Not Applicable as formation of NRC for Bank is restricted by Bangladesh Bank vide letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021		
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	-		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	-		
6(2)	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-		
6(2)(b)	All member of the Committee shall be non-executive directors;	-		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-		

6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-		
6(3)	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-		Not Applicable as formation of NRC for Bank is restricted by Bangladesh Bank vide letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	-		
6(4)	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-		Not Applicable as formation of NRC for Bank is restricted by Bangladesh Bank vide letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	-		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-		
6(5)	<b>Role of the NRC</b>			



6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-	-	Not Applicable as formation of NRC for Bank is restricted by Bangladesh Bank vide letter ref. no. BRPD (R- 1)717 /2021-5064 dated June 16, 2021
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	-	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-	-	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-	-	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	-	
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	-	-	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	-	
7.	<b>External or Statutory Auditors</b>			
7(1)	The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely :--			
7(1) (i)	Appraisal or valuation services or fairness opinions;	√	-	
7 (1) (ii)	Financial information system design and implementation;	√	-	

7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	√	-	
7 (1) (iv)	Broker –dealer services;	√	-	
7 (1) (v)	Actuarial services;	√	-	
7 (1) (vi)	Internal audit services or special audit services;	√	-	
7 (1) (vii)	Any services that the Audit Committee determines.	√	-	
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	√	-	
7 (1) (ix)	Any other service that creates conflict of interest	√	-	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	√	-	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	
8.	<b>Maintaining a website by the Company.-</b>			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	√	-	The address of official website of the Bank is <a href="http://www.nrbcommercialbank.com">www.nrbcommercialbank.com</a> & it's already linked with websites of DSE & CSE.
8(2)	The company shall keep the website functional from the date of listing.	√	-	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	√	-	
9.	<b>Reporting and Compliance of Corporate Governance.-</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√	-	
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	√	-	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√	-	

# STATUS OF COMPLIANCE ON BANGLADESH BANK GUIDELINES ON CORPORATE GOVERNANCE

The Bangladesh Bank (BB) guidelines and NRBCBL's compliance as per BRPD Circular No.11 dated 27 October 2013 thereto are presented below:

SL No.	Particulars	Compliance Status
<b>1.</b>	<b>FORMATION OF BOARD OF DIRECTORS</b> According to Section 15 of the Bank Company Act, 1991 (Amended up to 2018) includes provisions for prior approval of Bangladesh Bank before the appointment of new bank directors, as well as dismissal, termination or removal of any director from the post; director's fit & proper criteria; maximum number of directors; appointment of independent directors; appointment of maximum 4(four) members from a family as director; etc.	Complied : Bangladesh Bank confirmed 11 Members that treated as final of Member of the Board instead of 12 Member approached by Bank
1.1	<b>Appointment of New directors:</b> Under section 15(4) of the Bank Company Act, 1991 (amended up to 2018), every banking company, other than specialized banks, at the time of taking prior approval from Bangladesh Bank for appointing/reappointing directors should furnish the following documents along with the application: a) Personal information of the nominated person (Appendix-ka); b) Nominated person's declaration(Appendix-kha); c) 'Declaration for confidentiality' by the nominated person (Appendix-ga); d) In case of Independent director, the approval letter from Security and Exchange commission; e) In case of Independent director, a declaration of the directors concern as Appendix-gha (he will also submit declaration under Appendix-ka, kha & ga); f) CIB report of the nominated person; g) Updated list of the directors.	Complied
1.2	<b>Vacation of office of Director:</b> The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfill the minimum eligibility criteria, the office of the director will be vacated. If the office of a director is vacated by a notice under the section 17 of BCA, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of BCA, 1991, he/she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution Besides, Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the board of a banking company under Section 47 of BCA, 1991.	Complied : Bangladesh Bank vacated the office of 1(One) Director.
1.3	<b>Removal of Directors from office:</b> According to section 108(2) of the Companies Act, 1994, with the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/ removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.	Complied

1.4	<p><b>Appointment of Alternate Director:</b></p> <p>Subject to compliance of section 101 of the Companies Act, 1994, an alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the following instructions should be followed:</p> <p>Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director. If there is any exception, the chief executive officer should immediately inform it to Bangladesh Bank.</p> <p>The copy of the decision of the board regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to Bangladesh Bank within 7 days of taking the decision and the director's arrival date must be intimated to Bangladesh Bank immediately after his return.</p> <p>Any loan defaulter or any person who is not eligible to become a director as per any rules &amp; regulation will not be appointed as an alternate director.</p> <p>As appointment of alternate director is a temporary measure; therefore, he/she will not be included in any kind of committee constituted by the board.</p> <p>While in the office, an alternate director or his/her affiliated organization will not get any kind of loan facilities from his bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules &amp; regulations will also be applicable to the alternate director</p>	Complied
2.	<p><b>DEPOSITOR DIRECTOR</b></p> <p>As the previous provisions regarding appointment of Depositor Directors of the Bank Company Act, 1991 has been amended; appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the Bank Company Act, 1991 (amended upto 2018) bank can consider the tenure of existing depositor director or may appoint them as independent director.</p>	N/A
3.	<p><b>INFORMATION REGARDING DIRECTORS</b></p> <p>Banks are advised to take the following steps regarding director information:</p> <p>Every bank should keep an updated list of bank directors,</p> <p>Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director.</p> <p>Banks should display a list of directors in the website and update it on a regular basis.</p>	Complied
4.	<b>RESPONSIBILITIES OF THE BOARD OF DIRECTORS</b>	
4.1	<p><b>Responsibilities and Authorities of the Board of Directors:</b></p> <p>To ensure good governance in the bank management it is essential to have specific demarcation of responsibilities and authorities among controlling bodies over bank affairs. In the Bank Company Act, 1991 (amended upto 2013) the newly included Section 15(kha) &amp; (ga) give responsibility to the board of directors for establishing policies for the bank company, for risk management, internal controls, internal audit and compliance and for ensuring their implementation.</p>	
(a)	<b>Work-planning and strategic Management:</b>	
	i) The board Shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests the development of implementation of the work-plans.	Complied
	ii) The board shall have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO and other senior executives and have it evaluated at times.	
(b)	<b>Credit and risk management:</b>	

	(i) The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the board's approval under the purview of the existing laws, rules and regulations. The board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, direct or indirect, into the process of loan approval.	Complied
	(ii) The board shall frame policies for risk management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The board shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management.	
(c)	<b>Internal control management:</b>	
	The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.	Complied
(d)	<b>Human resources management and development:</b>	
	(i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below the CEO shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.	Complied
	(ii) The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board shall get these programs incorporated in its annual work plan.	
	(iii) The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture.	
(e)	<b>Financial Management:</b>	
	(i) The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.	Complied
	(ii) The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board	
	iii) The board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines.	
(f)	<b>Appointment of Chief Executive Officer (CEO):</b> In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The Board of directors will appoint a suitable CEO with the approval of the Bangladesh Bank.	Complied
(g)	<b>Other responsibilities of the Board:</b> The board should follow and comply with the responsibilities assigned by Bangladesh Bank.	Complied

4.2	<b>Meetings of the Board of Directors:</b> Board of Directors may meet once or more than once in a month upon necessity and shall meet at least once in every three months. Excessive meetings are discouraged.	Complied. Usually NRBCBL holds one or two Board Meetings in a month [Total 24 meeting held in 2022]
4.3	<b>Responsibilities of the Chairman of the Board:</b>	
	(a) As the chairman of the board of directors or chairman of any committee formed by the board or any director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.	Complied
	(b) The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO	
	(c) The chairman may be offered an office-room, a personal secretary/assistant, one peon/ MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business-interest of the bank subject to the approval of the board.	
5.	<b>FORMATION OF COMMITTEES FROM THE BOARD OF DIRECTORS:</b> Each bank company can form 1(one) executive committee, 1(one) audit committee and 1(one) risk management committee with the directors. Board can't form any other permanent, temporary or sub- committee except the above mentioned three committees.	Complied : Details mentioned in Report on Corporate Governance (CG) -2022 (Detail report of CG before this check list)
5.1	<b>Executive committee</b> Executive Committee (EC): Executive committee should be formed with the members of the board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the board of directors.	Complied
	<b>a) Organizational structure:</b>	Complied
	i. Members of the committee will be nominated by the board of directors from themselves;	
	ii. The executive committee will comprise of maximum 07 (seven) members;	
	iii. Members may be appointed for a 03 (three)-year term of office;	
	iv. Chairman of the Board of Directors can be the chairman of executive committee;	
	v. Company secretary of the bank will be the secretary of the executive committee.	
	<b>b) Qualifications of the Members:</b>	Complied
	i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;	
	ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee;	
	iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	
	<b>c) Roles and Responsibilities of the Executive Committee:</b>	Complied
	i. The executive committee can decide or can act in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations.	
	ii. The executive committee can take all necessary decision or can approve cases within power delegated by the board of directors.	
	iii. All decisions taken in the executive committee should be ratified in the next board meeting.	



	<b>d) Meetings:</b>	
	i. The executive committee can sit any time as it may deem fit.	
	ii. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary;	Complied
	iii. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;	
	iv. All decisions/observations of the committee should be noted in minutes.	
5.2	<b>Audit Committee:</b> The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.	Complied
	<b>a) Organizational structure:</b>	
	i. Members of the committee will be nominated by the board of directors from the directors;	
	ii. The audit committee will comprise of maximum 05 (five) members, with minimum 2(two) independent directors;	Complied
	iii. Audit committee will comprise with directors who are not executive committee members;	
	iv. Members may be appointed for a 03 (three) year term of office;	
	v. Company secretary of the bank will be the secretary of the audit committee.	
	<b>b) Qualifications of the Member:</b>	
	i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee ;	
	ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee	Complied
	iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	
	iv. Professionally Experienced persons in banking/financial institutions specially having educational qualification in Finance, Banking, Management, Economics, Accounting will get preference in forming the committee.	
	<b>c) Roles and Responsibilities of the Audit Committee:</b>	
	<b>d) Internal Control:</b>	
	1. Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;	
	2. Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);	Complied
	3. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;	
	4. Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.	
	<b>(ii) Financial Reporting:</b>	
	1. Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank;	Complied
	2. Discuss with management and the external auditors to review the financial statements before its finalization.	

	<b>(iii) Internal Audit:</b>	
	1. Audit committee will monitor whether internal audit working independently from the management.	
	2. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;	Complied
	3. Examine the efficiency and effectiveness of internal audit function;	
	4. Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.	
	<b>(iv) External Audit:</b>	
	1. Review the performance of the external auditors and their audit reports;	
	2. Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not.	Complied
	3. Make recommendations to the board regarding the appointment of the external auditors.	
	<b>(v) Compliance with existing laws and Regulations:</b>	
	Review whether the laws and regulations framed by the regulatory authorities (central bank and other Bodies) and internal regulations approved by the board are being complied with.	Complied
	<b>(vi) Other Responsibilities:</b>	
	1. Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;	
	2. External and internal auditors will submit their related assessment report, if the committee solicit;	Complied
	3. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.	
	<b>d) Meetings:</b>	
	1. The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit;	
	2. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary;	Complied
	3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;	
	4. All decisions/observations of the committee should be noted in minutes.	
5.3	<b>Risk Management Committee:</b> To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a risk management committee will be formed. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks etc.; the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.	Complied
	<b>a) Organizational Structure:</b>	
	1. Members of the committee will be nominated by the board of directors from themselves;	
	2. The Risk Management Committee will comprise of maximum 05 (five) members;	Complied
	3. Members may be appointed for a 03 (three) year term of office;	
	4. Company secretary of the bank will be the secretary of the Risk Management Committee.	
	<b>b) Qualifications of the Member:</b>	
	1. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;	
	2. Each member should be capable of making valuable and effective contributions in the functioning of the committee;	Complied
	3. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	

	<b>c) Roles and Responsibilities of the Risk Management Committee:</b>	
	<b>i) Risk identification &amp; control policy :</b>	
	Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. Risk Management Committee will monitor risk management policies & methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures.	Complied
	<b>ii) Construction of organizational structure:</b>	
	The responsibility of Risk Management Committee is to ensure an adequate organizational structure for managing risk within the bank. The Risk Management Committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.	Complied
	<b>iii) Analysis and approval of Risk Management policy:</b>	
	Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.	Complied
	<b>iv) Storage of data &amp; Reporting system:</b>	
	Adequate record keeping & reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.	Complied
	<b>v) Monitoring the implementation of overall Risk Management Policy:</b>	
	Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.	Complied
	<b>vi) Other responsibilities:</b>	
	1. Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form;	
	2. Comply instructions issued time to time by the controlling Body;	Complied
	3. Internal & external auditor will submit respective evaluation report whenever required by the committee.	
	<b>d) Meetings:</b>	
	1. The risk management committee should hold at least 4 meetings in a year and it can sit any time as it may deem fit;	
	2. The committee may invite Chief Executive Officer, Chief Risk Officer and any other Officer to its meetings, if it deems necessary;	Complied
	3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;	
	4. All decisions/observations of the committee should be noted in minutes.	
6	<b>Training of the Directors:</b> The directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing his duties properly.	Complied
7	<b>Intimation of the Circular to the Board and related persons by CEO:</b> The CEO will inform about this Circular to the directors and other related persons.	Complied
<b>2.</b>	<b>Appointment and responsibilities of Chief Executive Officer (CEO)</b>	
A	<b>Rules and regulations for appointment of the CEO</b>	
1.	<b>Moral Integrity:</b> In case of appointment to the post of CEO, satisfaction in respect of the concerned person should be ensured to the effects that:	
	a) He has not been convicted by any Criminal Court of Law	
	b) He has not been punished for violating any rules, regulations or procedures/ norms set by any regulatory authority.	Complied
	c) He was not associated with any such company/organization; registration or license of which has been cancelled.	

2.	<b>Experience and Suitability:</b>	
	a) For appointment as a CEO, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years experience in a post immediate below the CEO of a bank	Complied
	b) He must have a Master's degree at minimum from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.	
	c) In respect of service, the concerned person should have excellent track record of performance.	
	d) Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company	
	e) Any director of any bank or financial institution or any person who has business interest in the concerned bank will not be eligible for appointment to the post of the CEO	
3.	<b>Transparency and financial integrity:</b> Before making appointment as a CEO, satisfaction should be ensured to the effects that:	
	a. The concerned person was not involved in any illegal activity while performing duties in his own or banking profession	Complied
	b. He has not deferred payment to creditors or has not compromised with his creditors to be relieved from debts or he is not a loan defaulter	
	c. He is not a tax defaulter	
	d. He has never been adjudicated a bankrupt by the Court.	
4.	<b>Age Limit:</b> No person crossing the age of 65 years shall hold the post of CEO of a bank.	
5.	<b>Tenure:</b> The tenure of the CEO shall not be more than 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that shorter period	Complied
6.	<b>Guidelines in fixing the salary and allowances:</b> Banks are required to follow the guidelines stated below while determining the salary and allowances of the CEO and submitting such proposal to Bangladesh Bank:	
	a. In fixing the salary and allowances of the CEO, financial condition, scope of operation, business-volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration.	Complied
	b. Total salary shall be comprised of direct salary covering 'Basic Salary' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be converted in the monetary value and thus determining monthly total salary, it shall have to be mentioned in the proposal submitted to Bangladesh Bank. In the proposal, Basic Salary, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount	
	b. Total salary shall be comprised of direct salary covering 'Basic Salary' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be converted in the monetary value and thus determining monthly total salary, it shall have to be mentioned in the proposal submitted to Bangladesh Bank. In the proposal, Basic Salary, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount	
	d. Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the work performance of the current CEO.	
	e. The CEO so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above	
	f. The bank shall not pay any income tax for the CEO, i.e., the CEO so appointed shall have to pay it.	
7.	<b>Incentive Bonus:</b> The CEO will get incentive bonus subject to paying incentive bonus to all executives/officers/workers of the bank and the said bonus amount will not exceed BDT 1,000,000 in a year	Complied

8.	<b>Honorarium for attending the Board Meeting:</b> Being a salaried executive, CEO will not get any honorarium for attending the Board meeting or Board formed Committee meeting.	Complied
9.	<b>Evaluation Report:</b> For reappointment of the CEO, the Chairman of the bank shall have to submit a Board approved evaluation report to Bangladesh Bank.	N/A [Managing Director & CEO is continue his first time appointment]
10.	<b>Prior Approval from Bangladesh Bank:</b> Prior approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) & (5) of Bank Company Act 1991 (amended up to 2018). For processing such approval, along with the proposal signed by the Chairman of the Board, the selected person's complete resume, offer letter (mentioning the direct & indirect remuneration and facilities) and copy of Board's approval must be submitted to Bangladesh Bank. The selected person must also submit declarations as per Annexure Ka& Annexure Kha to Bangladesh Bank.	Complied
11.	<b>Decision of Bangladesh Bank is final:</b> The decision of Bangladesh Bank regarding appointment of the CEO will be treated as final and such appointed CEO cannot be dismissed, released or removed from his/her office without prior approval from Bangladesh Bank.	Complied
B	<b>Responsibilities and Authorities of the CEO:</b> The CEO of the bank, whatever name called, shall discharge the responsibilities and exercise the authorities as follows:	
	a. In terms of the financial, business and administrative authorities vested upon him by the Board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.	Complied
	b. The CEO shall ensure compliance of the Bank Company Act 1991 and other relevant laws and regulations in discharging of routine functions of the bank.	Complied
	c. The CEO shall include clearly any violation from Bank Company Act 1991 and/or other relevant laws and regulations in the "Memo" presented to the meeting of the Board or any other Committee (s) engaged by the Board.	Complied
	d. The CEO shall report to Bangladesh Bank of issues in violation of the Bank Company Act 1991 or of other laws/regulations.	Complied
	e. The recruitment and promotion of all staffs of the bank except those in the two tiers below him/her shall rest on the CEO. He/she shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and approved delegation of employees as approved by the Board.	Complied
	f. The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him/her, which he/she shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he/she shall nominate officers for training etc.	Complied
<b>3</b>	<b>Contractual appointment of Advisor and Consultant</b>	
A	<b>Rules and regulations for appointment of an Advisor</b>	
1.	<b>Experience and Suitability:</b> For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications:	N/A [No such advisor appointed by Bank]
	a. Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities.	
	b. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.	
	c. Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/ Director/ Executive of any company.	
	d. The person who is working in any bank or financial institution or who has business interest in that bank will not be eligible for appointment to the post of Advisor.	
	e. Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated a bankrupt by the Court.	N/A [No such advisor appointed by Bank]
2.	<b>Responsibilities of the Advisor:</b> The roles and responsibilities of the Advisor should be defined specifically. The Advisor can advise the Board of Directors or CEO only on those matters specified in the appointment letter. The routine and general activities of the bank will not be included in his terms of reference. He will not be entitled to exercise any power or involved himself in the decision making process of financial, administrative, operations or other activities of the bank.	

3.	<b>Prior approval from Bangladesh Bank:</b> Prior approval from Bangladesh Bank is mandatory before appointing an Advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of Board's approval shall be submitted to Bangladesh Bank. The nominated person has to make a declaration as per Annexure A. This declaration shall also be submitted to Bangladesh Bank.	N/A [No such advisor appointed by Bank]
4.	<b>Remuneration and other facilities of Advisor:</b> The post of Advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with the terms of reference of the advisor will not be considered as acceptable to Bangladesh Bank.	N/A [No such advisor appointed by Bank]
5.	<b>Tenure of Advisor:</b> The tenure of the Advisor shall be maximum 01(one) year, which is renewable. An evaluation report (by the Chairman that is approved by the Board) of previous tenure should be submitted to Bangladesh Bank along with the re-appointment proposal.	N/A [No such advisor appointed by Bank]
6.	<b>Appointment of Ex-officials:</b> For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible to become an Advisor in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/she will be eligible for appointment as Advisor	Complied [Ex. Managing Director was not pointed as advisor who retire from service on March 31, 2021]
B	<b>Rules and regulations for appointment of a Consultant</b>	
1.	<b>Terms of reference of Consultant:</b> Consultant can be appointed for specialized tasks like tax, law and legal procedures, engineering and technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	N/A [No such consultant appointed by Bank]
2.	<b>Responsibilities of a Consultant:</b> The responsibilities or terms of reference of a Consultant should be specified. He/she should not be involved in any activities beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	N/A [No such consultant appointed by Bank]
3.	<b>Appointment of a Consultant:</b> A Consultant can be appointed with the approval of the Board. After Such appointment the bank shall send the Consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately.	N/A [No such consultant appointed by Bank]
4.	<b>Tenure of a Consultant:</b> The tenure of a Consultant should be consistent with the terms of reference, but would not exceed 02 (two) years. Generally the Consultant will not be eligible for re-appointment. But to complete the unfinished tasks, his contract may be extended for maximum period of 01 (one) year with the approval of Bangladesh Bank. The Chairman of the bank upon approval of the Board shall have to submit the extension proposal to Bangladesh Bank with the evaluation report of his previous tenure.	N/A[No such consultant appointed by Bank]
5.	<b>Remuneration/Honorarium of a Consultant:</b> The Consultant's remuneration should be in the form of monthly or single lump-sum payment and he is not entitled to any other facilities	N/A [No such consultant appointed by Bank]
6.	<b>Appointment of Ex-officials:</b> For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible for appointment as a Consultant in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/ she will be eligible for appointment as a Consultant.	Complied [Ex. Managing Director was not pointed as consultant who retire from service on March 31, 2021]



# CEO & CFO'S Declaration

## To The Board

April 30, 2023

The Board of Directors  
**NRB Commercial Bank Limited**  
114, Motijheel C/A, Dhaka-1000

Sub: **Declaration on Financial Statements for the Year Ended on December 31, 2022**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of NRB Commercial Bank Limited for the year ended on December 31, 2022, have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

**In this regard, we also certify that:**

- (i) We have reviewed the financial statements for the year ended on December 31, 2022, and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.



**Harunur Rashid**  
Chief Financial Officer



**Golam Awlia**  
Managing Director & CEO