

Enhancing Nutrition Fostering Progress

ANNUAL REPORT 2023



Unilever
Consumer Care
Limited



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GENERAL INFORMATION

Board of Directors

Mr. Masud Khan, Chairman
Mr. Khan Salahuddin Mohammad Minhaj, Managing Director and Chief Executive Officer
Mr. Mohammad Zaved Akhtar, Non-Executive Director
Ms. Zinnia Tanzina Huq, Non-Executive Director
Mr. S.O.M. Rashedul Quayum, Non-Executive Director
Mr. Md. Abul Hossain, Non-Executive Director
Mr. Reazul Haque Chowdhury, Independent Director

Audit Committee

Mr. Reazul Haque Chowdhury, Member
Mr. Md. Abul Hossain, Member
Ms. Zinnia Tanzina Huq, Member

Nomination and Remuneration Committee

Mr. Reazul Haque Chowdhury, Chairman
Mr. Md. Abul Hossain, Member
Ms. Zinnia Tanzina Huq, Member

Company Secretary

Mr. Md. Naharul Islam Molla

Leadership Team

Mr. Khan Salahuddin Mohammad Minhaj, Managing Director and Chief Executive Officer
Mr. Hasan Mazhar, Marketing Director
Ms. Tahani Tarannum, Head of Finance
Mr. Md. Naharul Islam Molla, Company Secretary and Regulatory Affairs Head
Mr. Md. Tafizul Islam Pial, Head of Sales
Ms. Shamima Akhter, Director - Corporate Affairs, Partnerships and Communications
Mr. Nabil Imran Siddiquee, Supply Chain Lead
Mr. Ahmed Inam, Human Resources Lead
Ms. Sharmin Akter, Senior Legal Counsel

Head of Internal Audit

Mr. Probal Raha

Factory and Registered Office

Fouzderhat Industrial Area
North Kattali, Chattogram - 4217

Corporate Office

Shanta Forum (10th Floor)
187-188/B, Bir Uttam Mir Shawkat Sarak,
Dhaka-1208
Contact : +88 09610999190

Website

www.unileverconsumercaresbd.com

Investors' Relations

Contact : +88 01324438744
E-mail: UCL.Bangladesh-info@unilever.com

Statutory Auditors

Rahman Rahman Huq
Chartered Accountants

Compliance Auditors

MABS & J Partners
Chartered Accountants

Credit Rating Company

Emerging Credit Rating Limited

Bankers

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank Limited
Sonali Bank PLC
BRAC Bank PLC
City Bank PLC
Dutch-Bangla Bank PLC
Eastern Bank PLC

Insurers

Peoples Insurance Company Limited
Reliance Insurance Limited
Metlife Bangladesh

Legal Advisors

Syed Ishtiaq Ahmed and Associates
Tanjib-Ul Alam and Associates
Legal Counsel
Dr. Kamal Hossain and Associates
Rahman & Rabbi Legal
Vertex
Farooq & Associates



Unilever Consumer Care Limited



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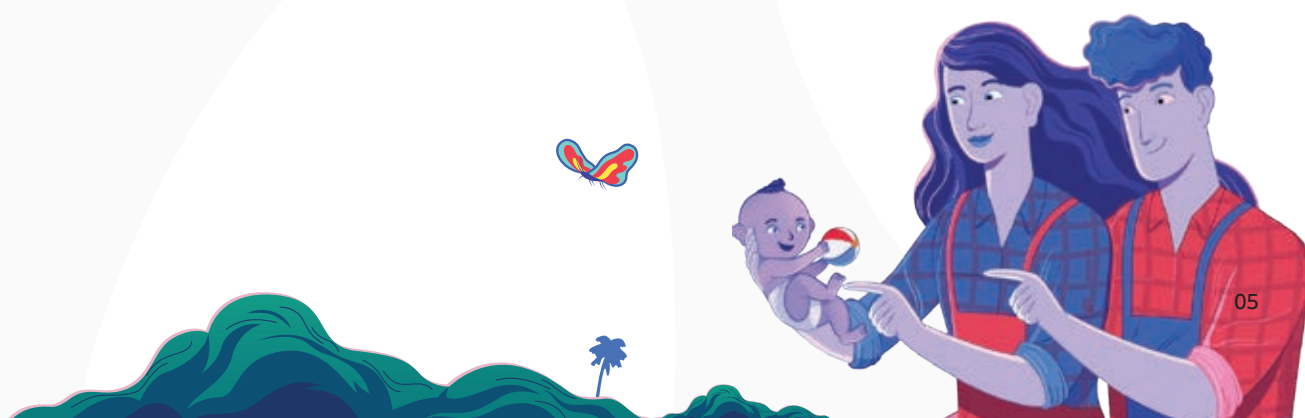
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Enhancing Nutrition Fostering Progress

At Unilever Consumer Care Limited (UCL), we are committed to advancing both individual wellbeing and societal development. Despite navigating through the uncertainties of a global economic crisis, we have remained steadfast in our mission to provide balanced nutrition for every Bangladeshi. In 2023, amidst the backdrop of economic turbulence, UCL stood resilient, continuing to drive business growth while staying true to our core values. Through strategic investments in our manufacturing processes, we have fortified our ability to meet the evolving needs of our consumers efficiently. Together with millions of Bangladeshis, we stand poised to build a nation where everyone has the opportunity to thrive and reach their full potential.







We are Unilever Consumer Care Limited

We believe that everyone, regardless of their socio-economic status, should have access to healthy, tasty, safe and nourishing food that enhances their overall wellbeing. To help build a healthier nation and make nutrition available for all, Unilever Consumer Care Limited (formerly GlaxoSmithKline Bangladesh Limited) has been operating in Bangladesh since 1974. For decades, we have contributed to promoting health and nutrition across Bangladesh, making it accessible and affordable by offering world-class, research-backed, high-quality nutrition products for our consumers. Our portfolio of renowned international brands, including Horlicks, Maltova, Boost, and GlucoMax D (formerly Glucose D), has played a vital role in enhancing the lives of countless individuals and contributing to a healthier, more sustainable future for the nation. From the outset, our focus has been on introducing high-quality products that adhere to global standards, earning the trust and loyalty of consumers nationwide. Through our commitment to excellence, Unilever Consumer Care Limited (UCL) has earned a reputation as a company that cares deeply about the wellbeing of its customers. We are proud to maintain the leadership position in the Health Food Drink (HFD) Category of Bangladesh, a testament to our quality and innovation. Our brands, particularly Horlicks, have become household favourites, making a meaningful impact on people's lives across Bangladesh. Guided by our values and our Growth Action Plan (GAP), we are leveraging our purposeful brands to contribute to the achievement of Sustainable Development Goals (SDGs), particularly Zero Hunger (SDG 2) and Good Health and Wellbeing (SDG 3). Together, we are striving to foster the progress of Bangladesh by ensuring enhanced nutrition for all Bangladeshis.



Our Stance

Balanced Nutrition For All

As an integral part of Unilever, Unilever Consumer Care Limited (UCL) remains steadfast in its commitment to ensuring “Balanced Nutrition” and promoting the wellbeing of our consumers. At Unilever, we believe that everyone deserves the right to good nutrition. With our aim of ensuring the wellbeing of all, we enable our brands to strive for excellence in delivering exceptional value. And with each step we take towards realising this vision, we open up to new possibilities and potential for the world at large. Our collection of nutrition brands aims to make our offerings more nutritious, accessible, and convenient by providing customers with healthy and affordable choices. As a company, we proudly support “Balanced Nutrition”

and promote it as part of our responsibility to the environment and society. We empower people by providing more nutritious beverage options through our diverse product line. We are also taking steps to encourage consumers making healthier choices, such as through product innovation, evidence-based behaviour change programmes, and responsible marketing. We realise the value of advocacy in influencing larger changes, and we are collaborating with like-minded organisations to make our consumption habits more sustainable.



Growing With Purpose

Bangladesh, boasting a population of approximately 170 million people and a per capita income surpassing USD 2800, stands out as a highly attractive FMCG growth market owing to its substantial size, market potential, and geographical proximity. Despite economic advancements, malnutrition continues to be a challenge. In pursuit of addressing this concern, the government of Bangladesh is implementing progressive initiatives under the Vision 2041 strategy. We believe that everyone should have access to balanced nutrition. Making nutrition affordable and accessible is one of our primary goals for our expanding global nutrition portfolio. As per its growth strategy, Unilever expanded and diversified its business in Bangladesh by incorporating nutrition into its already high-growth portfolio. Unilever's primary goal is to establish a viable and long-term nutrition business in Bangladesh and help the government's national

strategy to eradicate malnutrition in all forms. With our purpose-driven brands like Horlicks and Boost and a product portfolio supported by strong nutritional claims, we recognise our influence on people's dietary choices. Therefore, our main focus is to guarantee the long-term and sustainable nutritional wellbeing of everyone. To create a future-ready organisation, we are incorporating technology into every aspect of our operation. We are constantly striving to meet the evolving demands of consumers by consistently innovating across our purpose-driven range of products. We are prioritising the development of our capabilities in rapidly growing channels that drive profitability for our business. We strive to effectively navigate our business operations, ensuring adaptability and strength to achieve steady, competitive, lucrative, and ethical expansion.



Convenience

We want to make it easier for people to live well by eating delicious, better-for-you food. Our health drinks are all fortified with critical micronutrients – the much-loved Horlicks Classic, for instance, contains 23 vital nutrients. These are scientifically proven to support an individual's growth and development and to help reduce micronutrient insufficiency in the diet. Horlicks continues to be one of the top brands in Bangladesh across all categories, due to the brand's consistent delivery of its promise of nutrition to the consumers. The Horlicks range caters to the nutrition needs of different consumers, from children to adults. In addition, we provide our products across a full range of prices and pack sizes, from small sachets to larger family packs. The convenience of introducing variation in packaging, such as sachets, allows us to continue to provide consumers with the options to buy quality products in small amounts.



Affordable and Accessible Options

For many people in Bangladesh, proper nutrition is still out of reach. Cheaper food products are often associated with less healthy offerings. We want to break this paradigm and ensure all have access to affordable, tasty, and nutritious food. This is critical as incomes become more and more polarised and inequalities still exist in terms of accessibility. Using our insight-driven, region-specific go-to-market strategy, we aim to make our products more accessible, for all.



Reaching the 'Last Mile'

Conflicting and contradictory health issues like malnourishment on one hand, and social and environmental issues like food poverty on the other – are part of a complex, interdependent system. We are working with governments, NGOs and others to improve the situation and advocating transformational change. From leveraging our retailer development initiative "Pallydut" to accelerating eCommerce platforms like Ushop, we are driving leadership through insight and intelligence. We are also continuing to innovate and amplify different distribution channels to help us increase access to quality, affordable products.



Responsible Marketing

We are committed to promoting healthy diets, not just by providing more nutritious products. We are partnering with stakeholders like Bangladesh Food Safety Authority (BFSA) and Bangladesh Standards and Testing Institution (BSTI), Foreign Investors' Chamber of Commerce and Industries (FICCI), Metropolitan Chamber of Commerce and Industries (MCCI), and Bangladesh Nutrition and Dietetics Foundation (BNDF) to aware, engage and advocate on issues like nutrition labeling, product reformulation, and responsible advertising.

Our Strategy

Unilever's compelling strategy (the Compass) is driven by the purpose to make sustainable living commonplace. Every action we take, guided by the Compass, is to create value for all of our stakeholders. This strategy has three pillars.



The compass aims to: shape customer behaviour change, embed sustainability into every part of our business, and bring others along. This compass capitalises on people's desire to see more progress than perfection. The compass has embedded targets of health and wellbeing, human rights, gender equity, climate change, fair value, reducing packaging and waste, driving innovation, and empowering people.

Underpinned by our values

Integrity

We do the right thing in every decision we make, supporting Unilever's long-term success

Respect

We treat people with dignity, honesty and fairness, and celebrate the diversity of people

Responsibility

We take care of the people, we serve and the world in which we operate

Pioneering

We have a passion for leading our industry, winning in the market, and intelligent risk-taking

For the benefit of our stakeholders



Consumers



Our people



Society



Planet



Customers



Shareholders

Our Growth Philosophy

We at Unilever are committed to doing fewer things with greater impact as outlined in our Growth Action Plan (GAP). By directing our efforts and focusing on consistent growth, we will leverage our foremost innovation, technology, and go-to-market capabilities in conjunction with complementary business models. Our GAP was set out in October 2023 to enhance performance and competitiveness. In the fourth quarter, we expeditiously implemented it across the entire company. Although the plan is structured into three distinct components, it is founded upon a straightforward principle: the need to do fewer things, better, with greater impact. The operational repercussions will intensify throughout 2024.

The fundamental tenet of this strategy is the imperative to establish our brands as unmissably superior and achieve market leadership. By bolstering our performance culture and advancing our digital transformation, we intend to re-establish the gross margin bank to increase our impact on our customers' lives and be a force for good for the planet and its people. Going forward, our sustainability initiatives will be focused on four key goals: Climate, Nature, Plastic and Livelihood. We shall strive to attain more significant outcomes by pursuing advocacy objectives that are audacious and transparent.

This strategy is built around the goal of brand superiority, which is accomplished through a precise and measurable process that emphasises the importance of product excellence and market leadership. While sustainability remains a top priority, we are distinguishing between our overarching sustainability goals and the incorporation of social or environmental purposes into individual brand propositions. Furthermore, we are increasing our focus on market execution, prioritising breakthroughs and strategic initiatives to drive growth and profitability. Our plan emphasises the need to fulfil sustainability objectives while improving our business health. In essence, our Growth Action Plan aims to accelerate Unilever's growth trajectory by optimising resource allocation, cultivating a performance-driven culture, and directing investments towards power brands and initiatives set for long-term success.

Faster growth

- Focus first on the Power Brands
- Drive unmissable brand superiority
- Scale multi-year innovation
- Increase brand investment and returns
- Selectively optimise portfolio

Productivity and simplicity

- Build back gross margin
- Focus sustainability goals
- Drive benefits of the category-focused organisation

Performance culture

- Renewed team
- Drive and reward out-performance

Our People

At Unilever, we firmly believe that when we invest in our people, they, in turn, invest in our business. Our priority is to empower every individual within our organisation to reach their fullest potential. We strive to create an environment where our employees thrive by valuing their contributions, providing fair compensation, and nurturing their personal and professional growth. Our commitment to our workforce extends beyond traditional measures. We foster a culture of inclusivity and belonging, ensuring each employee feels supported, empowered, and healthy. As the landscape of work changes, we are equipping each of our employees to adapt and grow – and ultimately thrive – whether this means pursuing a new skill or a different way of working or retraining. To navigate the future of work, we analyse it through three distinct lenses: work, workplace, and workforce. We recognise that each role within Unilever Consumer Care Limited (UCL) comprises a diverse set of capabilities rather than simply a job title. Therefore, we prioritise providing our employees with the knowledge and expertise they need to pursue meaningful work. At Unilever, we invest in targeted upskilling programmes tailored to various domains such as quality assurance, manufacturing processes, sales and marketing strategies, as well as emerging fields like digital technologies and data analytics. Additionally, we emphasise the importance of ethical leadership, aligning our practices with the Unilever Standards of Leadership (SOL). To drive systemic change and promote a sustainable future for our workforce, we champion progressive policies that uphold equality and diversity.



NOTICE OF 51ST ANNUAL GENERAL MEETING

Notice is hereby given that the 51st Annual General Meeting ("AGM") of Unilever Consumer Care Limited ("Company") will be held on **Tuesday, 14th May 2024 at 11:00 a.m.** The AGM will be conducted virtually by using **Digital Platform** through the link <https://unilevercl.bdvirtualagm.com> to transact the following businesses:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31st December 2023 together with the Directors' Report and the Auditors' Report thereon.
2. To approve dividend for the year ended on 31st December 2023.
3. To elect/re-elect Directors in the vacancies caused under Article 85 of the Articles of Association of the Company.
4. To appoint Statutory Auditors for the year 2024 and to fix their remuneration.
5. To appoint Corporate Governance Compliance Auditors for the year 2024 and to fix their remuneration.

By order of the Board



Md. Naharul Islam Molla
Company Secretary

Dhaka, 08 April 2024

Notes:

1. The Shareholders whose names appeared on the Member/Depository Register as on "Record Date" i.e. 02nd April 2024 are eligible to participate in the AGM and receive dividend.
2. Pursuance to Article 70 of Articles of Association of the Company, Corporate Shareholder of the Company, by resolution of its Directors or other governing body authorise such person as is thinks fit, to act as its representative at the AGM.
3. Pursuance to Article 71 of Articles of Association of the Company, a Shareholder entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead. The "Proxy Form", duly filled, signed and stamped at BDT 100 must be sent through email at UCL.Bangladesh-info@unilever.com not later than 48 hours before commencement of the AGM.
4. The Shareholders will be able to submit their questions/comments and also vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Shareholders need to put their 16-digit Beneficial Owner ("BO") account number or Folio number and number of shares (held on "Record Date") as proof of their identity by visiting the link <https://unilevercl.bdvirtualagm.com>
5. The detailed procedures to participate in the virtual AGM along with link will be emailed to the Shareholders' email address as available in their BO account maintained with the Depository and also be available in Company's website at www.unileverconsumercarebd.com
6. For any technical difficulties that may be experienced in joining the virtual AGM, Shareholders may contact cell number +8801678006132.
7. The soft form of Annual Report 2023 containing necessary statements and reports will be emailed to the Shareholders' email address in due course and will also be available in Company's website.

50TH ANNUAL GENERAL MEETING MOMENTS





Message from The Chairman

Dear Shareholders,

Our world is poised today at an important juncture where we are seeing that our usual ways of living and prospering are being constantly challenged by global geo-political crises, interrelated complex national-level policy reform requirements and technological breakthroughs. Today, business success is not determined only by the accumulation of immediate profit but rather innovation, stability and unlocking the future have also become critical to making ourselves future-fit. Today, it is more about growing together for the better. 2023 is the year when we realised this even more as we witnessed our market share grow, yet we had a decline in topline. This happened because the disposable income of our consumers saw a sharp decline.

However, despite facing significant category degrowth and formidable challenges, I am pleased to report that your company has remained resolute. Once again, we have showcased remarkable resilience and adaptability in the face of adversity and remained true to our values and mission.

“We have been actively investing in **innovation** to improve our products, including **formulation**, integrating various value-added segments by leveraging our **powerful brands** and **insight-driven** market development initiatives.”

In our efforts to refocus our business, we have been actively investing in innovation to improve our products, including formulation, integrating various value-added segments by leveraging our powerful brands and insight-driven market development initiatives.

Furthermore, as a global business amidst challenging circumstances in 2023, we prioritised heavily on cost optimisation. While the gross profit has declined, the net profit margin of the Company for the year 2023 has improved compared to that in 2022 by 6.5%. This improvement has resulted from efficiency in operating expenses, increased interest income and one-off waiver of Technical Assistance Fee (TAF) and Royalty granted by the parent company for the year 2023. Despite external challenges limiting our business capabilities, the Board of Directors has recommended a final cash dividend of 300% based on our performance in 2023. Pending your approval at the 51st Annual General Meeting, this dividend will necessitate a cash outflow of BDT 57.8 Crore.

Despite the short-term challenges, Bangladesh is poised to grow strongly in the medium to long term and is expected to rank among the highest growth countries in the world. We have continued to focus our efforts on enhancing the accessibility and affordability of our products. Recognising the growing demand for affordable and quality nutrition products in suburban and peri-urban areas, we are continuously increasing our product penetration in these markets. This involves ongoing development on pack size and pricing to enhance affordability across the nation. In line with our commitment to expanding our portfolio, we introduced Junior Horlicks Stage 1 for children aged 2-3 years in 2022. Through our continued efforts in the market and brand development in 2023, it has quickly become a leading nutrition choice nationwide. Additionally, to address the challenges of declining purchasing power, particularly in rural areas, we introduced an additional access pack (value pack) to make Horlicks more affordable.



“We are dedicated to offsetting the environmental footprint of our operations and products, striving towards becoming a **net-zero** company by 2030. Concurrently, we are actively collaborating with both public and private stakeholders to build a **plastic waste management** model that will assist in a **circular economy**.”

We anticipate that Bangladesh's journey toward sustainable economic development will lead to increased economic activities and, consequently, a long-term upliftment in consumer purchasing power across the nation. With economic participation, improved lifestyle and growing health consciousness, the demand for nutrition products is expected to increase. As a leading nutrition company, we are committed to meeting this demand by enhancing our reach and diversifying our product segments. In 2023, our primary nutrition brand Horlicks, continued its door-to-door awareness campaigns engaging with families, particularly mothers, to deepen their understanding of balanced nutrition. Throughout Bangladesh, Horlicks has successfully reached 4.3 million mothers, providing them with valuable knowledge on meeting their children's nutritional needs. Additionally, we collaborated with healthcare professionals and stakeholders nationwide to raise awareness of the importance of balanced nutrition.

As one of the oldest legacy companies operating in Bangladesh, we share a commitment to protecting the nation's and planet's health, ensuring consumer wellbeing, and empowering communities. We are dedicated to offsetting the environmental footprint of our operations and products, striving towards becoming a net-zero company by 2030. Concurrently, we are actively collaborating with both public and private stakeholders to build a plastic waste management model that will assist in a circular economy. This year, our plastic collection efforts have reached unprecedented levels and we are taking our commitments even further. We are consistently collecting and processing more plastic waste than we use in production and packaging. Furthermore, we have implemented value chain interventions to uplift the livelihoods of those engaged in the plastic value chain.

In the past few decades, Bangladesh has made notable strides in addressing micronutrient deficiencies, as evidenced by the reduction of stunting from over 50% to

12.3% and wasting dropping to single digits from 13%. However, the persistent challenge of micro-nutrient deficiencies remains. Therefore, we are committed to supporting the government's goal of eradicating malnutrition by the year 2030 and realising the healthcare objective outlined in Vision 2041. Through leveraging Horlicks, our flagship nutritional brand, we aim to raise awareness and understanding of balanced diet and daily nutrition. Our overarching goal is to empower individuals to make informed health decisions, contributing to a healthier, more sustainable future for all. As a company, we believe in growing alongside Bangladesh and contributing to a brighter, healthier, and prosperous future. We are dedicated to aligning our growth with Bangladesh's progress by prioritising innovation, sustainability, and excellence. Together, we aim to build a brighter, healthier, and more prosperous Bangladesh for generations to come.

Without the unshakable commitment and unstinted effort of our people, who have gone above and beyond to fulfil our promises, none of our accomplishments would have been possible. Their dedication to our common goal and their hard work are much appreciated. Additionally, I would like to sincerely thank the government, partners, regulators, and customers who have helped us to continuously grow and succeed. Lastly, I would like to express my profound gratitude to all of our valued shareholders for your steadfast support and important contributions in our journey. We will continue to work together to realise our great country's potential and continue to define its destiny.



Masud Khan
Chairman



চেয়ারম্যান মহোদয়ের বিবৃতি



“বর্তমানে কিছু স্বল্পমেয়াদী চ্যালেঞ্জ আর সংকটের মধ্যে দিয়ে গেলেও মধ্যম বা দীর্ঘমেয়াদী অর্থনৈতিক প্রবৃদ্ধির সম্ভবতা ও সম্ভবনা বিবেচনা করলে **বাংলাদেশ এখনও বিশ্বের শীর্ষ দেশগুলির একটি**। এই বর্ধনশীল অর্থনীতিতে সামনের দিনগুলিতে আমাদের পণ্যগুলির চাহিদা বৃদ্ধি পাবে বলে আমরা মনে করি।”

প্রিয় শেয়ারহোল্ডারগণ,

আমাদের সবার চিরচেনা পৃথিবী বর্তমানে একটি গুরুত্বপূর্ণ সঙ্কটের দাঁড়িয়ে আছে। এই সময়ে আমাদের জীবনযাপন ও প্রবৃদ্ধির গতানুগতিক ও স্বাভাবিক প্রক্রিয়াগুলি বৈশ্বিক ভূ-রাজনৈতিক সংকট, অর্থনৈতিক নীতি সংস্কারের প্রয়োজনীয়তা ও নতুন নতুন প্রযুক্তির বহুল ব্যবহারের কারণে প্রতিনিয়ত চ্যালেঞ্জের সম্মুখীন হচ্ছে। আজকের পৃথিবীতে ব্যবসায়িক সাফল্য শুধুমাত্র স্বল্পমেয়াদে মুনাফা বা সম্পদের পরিমাণ বৃদ্ধি করা দিয়ে বিবেচিত হয় না। বরং, এখন ব্যবসায়িক সাফল্য বিবেচনার ক্ষেত্রে মুনাফা বা সম্পদের পাশাপাশি উদ্ভাবন, কোম্পানির সহনশীলতা ও ভবিষ্যতের চ্যালেঞ্জ মোকাবেলার জন্য কিভাবে কোম্পানি প্রস্তুতি নিচ্ছে ও বিনিয়োগ করছে, তাও সমানভাবে গুরুত্ব রাখছে। আজকের দিনে ব্যবসার সমৃদ্ধি নিশ্চিত করার অন্যতম গুরুত্বপূর্ণ একটি কৌশল হচ্ছে ইতিবাচক অংশীদারিত্ব প্রতিষ্ঠা করা আর একসাথে কাজ করে সামনে এগিয়ে যাওয়া। ২০২০ সালে দেশের সামগ্রিক অর্থনৈতিক পরিস্থিতি বিশ্লেষণ করলে আমরা এই কৌশলের গুরুত্ব আরও ভালোভাবে বুঝতে পারব - কারণ ২০২০ সালে আমাদের মার্কেট শেয়ার বৃদ্ধি পেলেও আমাদের টিপলাইন বা রাজস্ব হ্রাস পেয়েছে। মূলত আমাদের ভোক্তাদের ডিসপোজেবল ইনকাম বা প্রকৃত আয় কমে যাওয়ার কারণেই আমাদের পণ্যগুলির চাহিদা কিছুটা কমে গিয়েছে।

তবে আমি অত্যন্ত আনন্দের সাথে আপনাদের জানাতে চাই যে, বিভিন্ন চ্যালেঞ্জের কারণে পুরো খাত বা ক্যাটাগরির আকার উল্লেখযোগ্য পরিমাণে হ্রাস পেলেও সংকটের মুখে আপনাদের কোম্পানি সহনশীলতা আর সহিষ্ণুতার প্রমাণ দিয়েছে। প্রতিকূলতার মাঝেও আপনাদের কোম্পানি আরও দৃঢ়তার সাথে আর লক্ষ্যে অবিচল থেকে নিজেদের সক্ষমতা প্রদর্শন করেছে এবং আমাদের মূল্যবোধ ও লক্ষ্যের প্রতি বিশ্বস্ত থেকেছে।

আমাদের ব্যবসায়িক কার্যক্রমের কৌশল পুনর্গঠনের অংশ হিসেবে আমরা আমাদের পণ্যগুলির ফর্মুলা পরিবর্তন সহ পণ্যের মান উন্নয়ন আর উদ্ভাবনের মাধ্যমে আমাদের পণ্যগুলি আরও আকর্ষণীয় করে তুলতে বিনিয়োগ করছি। পাশাপাশি আমরা আমাদের শক্তিশালী ব্র্যান্ড ও ইনসাইট-ড্রিভেন মার্কেট ডেভেলপমেন্ট উদ্যোগের সাহায্যে নতুন নতুন ভ্যালু অ্যাডেড সেগমেন্টে কাজ করার উদ্যোগ নিয়েছি।

একই সাথে ২০২০ সালে সারা বিশ্বের চ্যালেঞ্জিং ও অস্থিতিশীল অর্থনৈতিক পরিস্থিতির কথা বিবেচনা করে আমরা আমাদের পরিচালনা ব্যয় সংকোচন করার মাধ্যমে আমরা আমাদের অবস্থান ধরে রেখেছি। এই কৌশলের কারণে ২০২০ সালে আমাদের গ্রস মুনাফা হ্রাস পেলেও কোম্পানির নিট মুনাফা ২০২২ সালের তুলনায় ৬.৫% বৃদ্ধি পেয়েছে। পরিচালনা ব্যয় কমানো, ফাইন্যান্স

ইনকাম বৃদ্ধির পাশাপাশি ২০২০ সালে নিট মুনাফা বৃদ্ধির ক্ষেত্রে আমাদের প্যারেন্ট কোম্পানির পক্ষ থেকে রয়্যালটি ও টেকনিক্যাল এসিস্ট্যান্স ফি (টিএএফ)-এর এককালীন মওকুফও বিশেষ ভূমিকা রেখেছে। সামগ্রিক পরিস্থিতি, কোম্পানির পারফরমেন্স ও ব্যবসায়িক চ্যালেঞ্জ বিবেচনায় নিয়ে কোম্পানির পরিচালনা পর্ষদ ২০২০ সালে জন্য ৩০০% নগদ লভ্যাংশ প্রস্তাব করছে। ৫৯তম বার্ষিক সাধারণ সভায় আপনাদের অনুমোদন সাপেক্ষে কোম্পানির নগদ লভ্যাংশ বাবদ ৫৭.৮ কোটি টাকার ক্যাশ আউটফ্লো প্রয়োজন হবে।

বর্তমানে কিছু স্বল্পমেয়াদী চ্যালেঞ্জ আর সংকটের মধ্যে দিয়ে গেলেও মধ্যম বা দীর্ঘমেয়াদী অর্থনৈতিক প্রবৃদ্ধির সম্ভবতা ও সম্ভবনা বিবেচনা করলে বাংলাদেশ এখনও বিশ্বের শীর্ষ দেশগুলির একটি। এই বর্ধনশীল অর্থনীতিতে সামনের দিনগুলিতে আমাদের পণ্যগুলির চাহিদা আরও বৃদ্ধি পাবে বলে আমরা বিশ্বাস করি। আমরা আমাদের পণ্যের প্রাপ্যতা ও সহজলভ্যতা নিশ্চিত করার পাশাপাশি দেশের সাধারণ মানুষের সীমিত ক্রয়ক্ষমতার মধ্যে বিভিন্ন নিত্যপ্রয়োজনীয় পুষ্টিপণ্য নিয়ে আসার প্রচেষ্টায় নিয়মিত কাজ করে যাচ্ছি। বিশেষ করে উপশহর ও মফস্বল অঞ্চলে সাস্রয়ী ও মানসম্পন্ন পুষ্টি পণ্যের ক্রমবর্ধমান চাহিদাকে অনুধাবন করে আমরা এই বাজারগুলিতে আমাদের পণ্যের প্রাপ্যতা বৃদ্ধি করতে ক্রমাগত কাজ করছি। আমরা পণ্যের পরিমাণ ও মূল্যের উপর প্রতিনিয়ত কাজ করছি যেন সারা দেশের সর্বসাধারণের জন্য আমাদের পণ্যগুলি সাস্রয়ী মূল্যে সহজেই পাওয়া যায়।

পোর্টফোলিও সম্প্রসারণের কৌশল অনুযায়ী ২০২২ সালে ২-৩ বছর বয়সী শিশুদের জন্য আমরা জুনিয়র হরলিঙ্ক সেটজ ৯ বাজারে এনেছি। ২০২০ সাল জুড়ে মার্কেট ও ব্র্যান্ড ডেভেলপমেন্টে নিয়মিত কাজ করার ফলে এটি খুব দ্রুত সারা দেশে পুষ্টি পণ্য হিসেবে ভোক্তাদের মাঝে একটি বিশেষ স্থান অর্জন করে নিয়েছে। একইসাথে, ২০২০ সালে আমাদের ভোক্তাদের ক্রয় ক্ষমতা হ্রাসের

চ্যালেঞ্জ মোকাবেলা করার জন্য, বিশেষ করে গ্রামীণ এলাকার ভোক্তাদের জন্য, আমরা আমাদের মূল ব্র্যান্ড হরলিক্সকে আরও সপ্রস্তুত করার উদ্দেশ্যে একটি নতুন অ্যাক্সেস প্যাক (ভ্যালু প্যাক) চালু করেছি।

আমাদের বিশ্বাস, টেকসই অর্থনৈতিক উন্নয়নের প্রতি গুরুত্ব দেয়ার কারণে দীর্ঘমেয়াদে বাংলাদেশের অর্থনীতির সক্ষমতা ও সামাজিক পরিস্থিতির ব্যাপক উন্নয়ন আরও দৃশ্যমান হবে। এর ফলস্বরূপ, দীর্ঘমেয়াদে দেশব্যাপী ভোক্তাশ্রেণীর ক্রয়ক্ষমতা ও জীবনযাত্রার মান বৃদ্ধি পাবে। অধিক হারে অর্থনৈতিক কর্মকাণ্ডে অংশগ্রহণ, উন্নত জীবনযাত্রার মান এবং ক্রমবর্ধমান স্বাস্থ্য সচেতনতার কারণে সামনের দিনগুলিতে আমাদের দেশে পুষ্টি পণ্যের চাহিদা আরও বৃদ্ধি পাবে বলে আমার বিশ্বাস করি।

দেশের শীর্ষ পুষ্টিপণ্য উৎপাদন ও বিপণনকারী কোম্পানি হিসেবে আমরা এই খাতের প্রবৃদ্ধি ও আমাদের পণ্যে নতুনত্ব আনার মাধ্যমে এই চাহিদার যোগান দিতে বদ্ধপরিকর। ২০২৩ সালে, আমাদের প্রধান পুষ্টি ব্র্যান্ড হরলিক্স সুষম পুষ্টি সম্পর্কে ভোক্তাদের, বিশেষ করে মায়েদের সচেতনতা বৃদ্ধি করতে ডোর টু ডোর সচেতনতা বৃদ্ধিমূলক উদ্যোগ চলমান রেখেছে। সারা বাংলাদেশে হরলিক্স সফলভাবে ৪৩ লক্ষ মায়েদের কাছে পৌঁছেছে এবং তাদের শিশুদের পুষ্টির চাহিদা নিয়ে মূল্যবান তথ্য প্রদান করেছে। একইসাথে, সুষম পুষ্টির গুরুত্ব সম্পর্কে সচেতনতা বৃদ্ধি করতে দেশব্যাপী আমরা পেশাদার স্বাস্থ্যসেবী ও বিভিন্ন অংশীদারদের সাথে কাজ করে যাচ্ছি।

বাংলাদেশে কর্মরত সবচেয়ে ঐতিহ্যবাহী কোম্পানিগুলোর একটি হিসেবে আমরা দেশ ও পৃথিবীর স্বাস্থ্য, ভোক্তাদের কল্যাণ ও সমাজের ক্ষমতায়নে প্রতিজ্ঞাবদ্ধ। আমাদের অপারেশন ও পণ্যের পরিবহন থেকে কার্বন নিঃসরণ কমিয়ে আনতে আমরা প্রতিশ্রুতিবদ্ধ এবং ২০৩০ সালের মধ্যে একটি নেট-জিরো কোম্পানি হিসেবে পরিণত হতে আমরা আমাদের প্রচেষ্টা চালিয়ে যাচ্ছি। একইসাথে, সরকারী ও বেসরকারী অংশীদারদের সাথে মিলে একটি প্লাস্টিক বর্জ্য ব্যবস্থাপনা মডেল তৈরি করতে আমরা ২০২০ সাল থেকে সক্রিয়ভাবে কাজ করে যাচ্ছি, যা একটি সার্বুলার ইকোনমি প্রতিষ্ঠা করতে আমাদের সহায়তা করবে। এই বছর, আমাদের প্লাস্টিক সংগ্রহের উদ্যোগ নতুন মাত্রায় পৌঁছেছে। আমরা আমাদের উৎপাদন ও প্যাকেজিং-এ ব্যবহৃত প্লাস্টিকের চেয়ে বেশি পরিমাণে প্লাস্টিক বর্জ্য ক্রমাগত সংগ্রহ ও প্রক্রিয়া করেছি। সেইসাথে, প্লাস্টিক ভ্যালু চেইনের সাথে সম্পৃক্তদের জীবনমান উন্নয়নে আমরা তাদের সক্ষমতা, সুরক্ষা আর আত্মবিশ্বাস বৃদ্ধি করার মাধ্যমে ভ্যালু চেইনের সকলকে সহযোগিতা করতে চট্টগ্রাম শহরজুড়ে ইন্টারভেনশন করেছি।

বিগত কয়েক দশকে বাংলাদেশ মাইক্রোনিউট্রিয়েন্টের ঘাটতি মোকাবেলায় উল্লেখযোগ্য অগ্রগতি এনেছে। খর্বতার হার ৫০% থেকে ১২.৩% ও শীর্ণতার হার ১৩% থেকে একক সংখ্যায় নেমে আসা এর একটি উদাহরণ। তবে, এখনও আমাদের দেশে মাইক্রোনিউট্রিয়েন্টের ঘাটতির সমস্যা বিদ্যমান। তাই, আমরা সরকারের ২০৩০ সালের অপুষ্টি দূরীকরণ লক্ষ্য অর্জনে সরকারের সাথে কাজ করতে ও ডিশন ২০৪১-এ বর্ণিত স্বাস্থ্য সুরক্ষার লক্ষ্যগুলি নিয়ে কাজ করতে প্রতিজ্ঞাবদ্ধ। আমরা আমাদের, ফ্ল্যাগশিপ নিউট্রিশনাল ব্র্যান্ড হরলিক্সের সাহায্যে ভোক্তাদের সুষম খাদ্য ও দৈনিক পুষ্টি সম্পর্কে সচেতনতা বৃদ্ধি করতে কাজ করে যাব। আমাদের প্রধান লক্ষ্য হলো, ভোক্তা সচেতনতা বৃদ্ধির মাধ্যমে স্বাস্থ্যগত সিদ্ধান্ত নেয়ার বিষয়ে সকলকে অবগত করা এবং সবার জন্য আরও স্বাস্থ্যকর, ও টেকসই ভবিষ্যত গড়ে তোলা। কোম্পানি হিসেবে আমরা বাংলাদেশের উন্নয়নের সাথে তাল মিলিয়ে প্রবৃদ্ধির পথে চলতে ও একটি উজ্জ্বল, স্বাস্থ্যকর ও সমৃদ্ধশালী ভবিষ্যৎ গড়ে তুলতে অবদান রাখতে চাই। উদ্ভাবন, টেকসইয়তা ও শ্রেষ্ঠত্বকে অগ্রাধিকার দিয়ে আমাদের প্রবৃদ্ধিকে বাংলাদেশের উন্নয়নের সাথে একাত্ম করতে আমরা বদ্ধপরিকর। আগামী প্রজন্মের জন্য একটি উজ্জ্বল, স্বাস্থ্যকর ও সমৃদ্ধ বাংলাদেশ গড়ে তুলতে আমরা একসাথে কাজ করতে চাই।

এই প্রতিজ্ঞাগুলি পূরণ করতে আমাদের কর্মীরা অপরিসীম ভূমিকা পালন করেছে। আমাদের কর্মীদের অটল প্রতিশ্রুতি ও নিরলস প্রচেষ্টা ছাড়া আমরা কোনো কৃতিত্বই অর্জন করতে পারতাম না। আমাদের যৌথ লক্ষ্যের প্রতি তাদের সংকল্প ও কঠোর পরিশ্রম প্রশংসার দাবিদার। একইসাথে, আমি একান্তভাবে ধন্যবাদ জানাতে চাই আমাদের সরকার, অংশীদার, রেশপেটের ও ভোক্তাদের, যারা আমাদের প্রতিনিয়ত সাফল্যের সাথে এগিয়ে যেতে সাহায্য করেছে। সবশেষে অশেষ কৃতজ্ঞতা জানাতে চাই আমাদের সকল মূল্যবান শেয়ারহোল্ডারদের, যারা আমাদের এই যাত্রায় অবিচল সমর্থন দিয়েছেন ও গুরুত্বপূর্ণ অবদান রেখেছেন। আমার প্রত্যাশা, সামনের দিনগুলোতেও আমরা আমাদের এই মহান দেশটির সম্ভাবনা উপলব্ধি করতে ও এর ভাগ্য নির্ধারণ করতে একসাথে কাজ করে যাব।



মাসুদ খান
চেয়ারম্যান



Message from The Managing Director and CEO

Dear Shareholders,

Our world is transforming at an unprecedented pace, and the relentless pace of change has accelerated global competition. In 2023, we faced many challenges and contradictions, but there is a positive outlook beyond all the concerns. Despite the hurdles, there were silver linings that hint at growth and opportunities ahead, primarily driven by advancements in technology. For instance, we witnessed the emergence of AI and ChatGPT, revolutionising how we interact and innovate. These global technological shifts also impacted Bangladesh, a nation on the path of rapid growth and development, with its youth poised to drive progress. By embracing these changes, we pave the way for a brighter, sustainable, and smarter future for Bangladesh.

In 2023, Bangladesh's economic growth was impeded by currency devaluation, supply shortages, and stagnant household income. The soaring prices of essential imports like crude oil, food grains, and fertilisers, compounded by inflation, depleted foreign reserves, and triggered currency devaluation. The Bangladeshi Taka (BDT) suffered a further 20% decline against the US Dollar (USD) in 2023, posing significant challenges for businesses like ours in maximising production capacity and supply chains. Financial institutions struggled to facilitate international trade amid these conditions. Throughout the year, inflation remained a pressing concern, with food inflation peaking at 12.5% in October 2023. As household income failed to keep pace with inflation, consumer purchasing power eroded, resulting in sharp volume declines in the Health Food Drink (HFD) market. In the face of these unprecedented challenges, our primary objective in 2023 was to retain our consumers by keeping our products affordable, given the decrease in consumer purchasing power.

In 2023, we regained our growth momentum as we progressed through the year despite the market challenges, by focusing on innovation and making our products superior. In the previous year, in response to a market void for high-quality nutrition products designed for children under the age of six, we introduced Junior

Horlicks Stage 1. The results were inspiring but we saw a better reflection of success this year, as the product rapidly rose to the top of the HFD market, garnering favour among parents who were looking for affordable and nutritionally balanced options for their young children. Given that 90% of cerebral development takes place by the age of six and that these are critical years of rapid physical growth, it is of the utmost importance to ensure adequate nutrition. To enhance the accessibility of our products to consumers, we have been employing innovative approaches to channel development. Recognising the influence that doctors and nutritionists have on the dietary decisions of consumers, we have partnered with medical practitioners across the nation to inform them of the nutritional benefits of our products that are supported by scientific evidence. Despite the challenges of the past year, we successfully revamped our retail visibility, expanded our consumer development programme, and introduced innovations. Horlicks, our premier HFD brand in Bangladesh, continued its awareness campaign targeting families to promote balanced nutrition. Building on the success of 2022, we extended our door-to-door awareness campaign, engaging with more than 4 million mothers nationwide and providing essential information on their children's nutritional needs. Furthermore, we enhanced our retail presence by revamping our visibility model and increasing our reach to an additional 30% of stores nationwide. As a result of these ongoing efforts, our market share in the HFD category increased by 2%, reaching 94%. The company regained growth momentum in the second half of the year, expanding by 3.2%.

During 2023, our team demonstrated remarkable perseverance and adaptability in the face of economic volatility. We concentrated on managing the fiscal condition of the business by implementing new cost-optimisation measures and streamlining operations to increase efficiency, given that our ability to influence external factors was limited. We were consequently capable of increasing our net margin. In addition to the employees, I wish to extend my gratitude to the leadership



team for their unwavering determination and thoughtful guidance of the respective teams.

Despite current economic challenges, Bangladesh's economy remains resilient and poised for stable growth in the years ahead. The recent uptick in foreign exports and remittances, particularly in the last quarter of the year, instil confidence in a more stable economic environment going forward. With the progression of economic activities and the gradual increase in the purchasing power of the people, we expect a consistent surge in demand and volume growth for our products over the coming years. An increased educated middle class and improved information accessibility have contributed to a heightened consciousness regarding the significance of maintaining a healthy and balanced diet. This presents a significant opportunity for our HFD as convenient and affordable nutrition solutions. As a leading nutrition company, UCL is committed to meeting this rising demand by ensuring superior production and distribution capacities, thereby ensuring access to affordable and balanced nutrition across Bangladesh. As part of our strategic master plan to enhance production capacity and meet projected volume growth, we have been overhauling our production facilities. In alignment with this plan, we introduced an HFD manufacturing line at our Chattogram site, commencing commercial production in October 2023. Building upon our existing manufacturing capabilities, all Stock Keeping Units (SKUs) produced in-house obtained necessary regulatory licences for commercial operation during the year. We maintain our forward-looking perspective on leveraging our local manufacturing capabilities to meet anticipated increases in volume and enhance our

market share. Concurrently, we are allocating resources toward technological advancements with the aim of improving operational efficiency and expanding product accessibility. By establishing a dynamic distribution network and maintaining a strong market presence supported by high-quality nutrition products, our objective is to substantially enhance the accessibility and household penetration of our products across all income brackets in the years to come.

Unilever's Sustainability Philosophy has evolved last year as well. Since 2010, our activities have been guided by the Compass. In the past year, we have formulated a new Growth Action Plan (GAP), that will focus on 4 key issues - climate, nature, plastic and livelihood. This action plan will enable us to prioritise these issues with more specific targets. For example, we at UCL are committed to collecting and processing more plastic than we sell under the plastic target of GAP. We have been at the forefront of pioneering initiatives to reduce plastic usage in Bangladesh since 2019. Building on our success of collecting more plastic than we produce since 2022, our efforts reached new heights in 2023. Through collaborations with Local Government Institutes (LGI) and the non-profit organisation Youth Power for Social Action (YPSA), we successfully collected and processed 100% of our plastic footprint. Additionally, we have focused on raising consumer awareness and improving the livelihoods of 2800 waste workers through value chain interventions. Furthermore, we have continued to invest in technological innovations within our production lines and factories, aiming to decarbonise our operations and achieve our ambitious net-zero goal.



As a leading nutrition company, UCL is committed to meeting this rising demand by ensuring **superior production and distribution** capacities, thereby ensuring access to **affordable and balanced nutrition** across Bangladesh.





I firmly believe in the resilience of our people and the immense potential of our youth. In today's digital age, access to information has democratised opportunities, making success achievable for anyone, regardless of background. To unlock the potential of our youth, we are aligning our efforts with the government's Vision 2041. As part of this vision, ensuring access to balanced nourishment is essential, as it is not currently available to all communities. I am proud of our ongoing initiatives to turn this vision into a reality across Bangladesh. As we battle to eradicate issues like malnutrition, we feel honoured to be a part of the incredible journey towards a future in which every Bangladeshi can thrive and reach their full potential.

Minhaj

Khan Salahuddin Mohammad Minhaj

Managing Director and CEO



Supporting Mothers to Nurture Futuremakers

In 2023, our commitment to driving growth through our brands, particularly Horlicks Stage 1, has yielded exceptional results. Horlicks Stage 1 continues to thrive, emerging as a cornerstone in providing essential nutrition to the next generation. At the heart of our success lies a dedicated focus on supporting mothers in their journey of nurturing healthy, thriving children. Through targeted efforts, we empower mothers with essential nutritional knowledge, equipping them to provide balanced nutrition and foster optimal growth and development in their little ones - the Futuremakers of Tomorrow.





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OUR PRODUCTS



Horlicks is the market leader when it comes to the Health Food Drinks (HFD) category in Bangladesh. Enriched with 23 vital nutrients, Horlicks helps support children's immunity, healthy weight gain, healthy blood, better concentration, more muscles and more bone area. Thus, ensuring the proper growth of a child. Horlicks Classic Malt's tasty malt flavor is equally loved by children and adults. Chocolate Horlicks is another variant of Horlicks.



Junior Horlicks focuses on children between the ages of 2-7 years. Stage 1 focuses on children between the ages of 2-5 years and Stage 2 focuses on children between the ages of 6-7 years. It is enriched with vital nutrients such as Vitamins, Iron, Protein, Calcium, and other required minerals. It is also fortified with DHA –which is known to help in brain development and function.

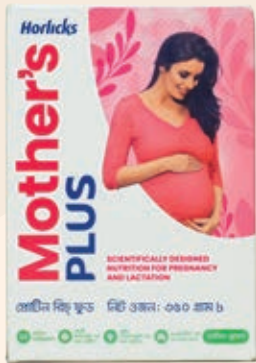


Horlicks Lite is specially designed as a health food drink that ensures nourishment for active adults. Enriched with the goodness of malted barley, it has zero cholesterol, high protein and no added sugar. Lite Horlicks contains a wide range of vital nutrients and minerals, including 6 antioxidants.



Horlicks Women's Plus aims to bring a solution for women in their 30s having issues with nutrition for good bone health. It is specially formulated for women as a nourishing beverage that provides 100% daily Calcium and Vitamin D. It has no added sugar to support women's good bone health with the creative ideation of inspiring women to stand strong.





Mother's PLUS

Horlicks Mother's Plus is a scientifically designed nutrition solution for pregnant and lactating mothers. It is helping mothers across the country to have the right nutrition from the beginning of their pregnancy journey. The brand's proposition is to ensure that through its nutritional values, it will help mothers to support their unborn children's healthy birth weight and brain development.



Maltova has a proud heritage of being in Bangladesh households for decades. The choco-caramel taste profile of this health food drink makes it unique. Maltova makes milk tastier and helps kids enjoy their daily glass of nutrition.



Boost

Boost combines a yummy chocolatey taste with the goodness of Malt. Boost is enriched with key nutrients that are essential to increase stamina, and help a child prepare to go that extra mile. Boost is scientifically proven to provide 3 times more stamina in 120 days.



GlucoMax D (previously Glaxose D), the No. 1 Glucose brand in the country contains Dextrose Monohydrate that directly mixes with the bloodstream to provide instant energy. The heritage brand has been energising Bangladesh for the past 50+ years.



NUTRITION FOR EVERYONE

Standard & Junior Horlicks

Unilever throughout the year has continued communicating nutritional needs and benefits to consumers through both traditional and digital media channels. The company has ensured strong visibility at the point of sales in its highest-value contributing outlets. Additionally, Horlicks has strengthened its proposition to make it more relevant and contextual across traditional and digital media.

Horlicks has undertaken Door-to-Door Activation initiatives to reach families and educate them about balanced nutrition. Across Bangladesh, Horlicks have engaged with 4.3 million mothers, providing them with essential knowledge on nutrition. Acknowledging the gap in consumer price between large packs and sachets, Horlicks has also introduced a bridge pack of 200g pouch.





Horlicks Plus Range

In close collaboration with hospitals, a cost-effective and scalable activation model was devised for Horlicks Mother's Plus, achieving a noteworthy 25% conversion rate among participants. Additionally, the Plus Range extended its outreach by commemorating Mother's Day with the Nutritionist Forum of Bangladesh for the first time, emphasising a commitment to maternal health. Educational materials, along with Horlicks Women's Plus samples, were distributed to doctors and consumers to promote trial usage and top-of-mind awareness.

As part of activation, a bone mineral density test was introduced under the umbrella of Horlicks Women's Plus, establishing a more direct and comprehensive connection with the target audience. These initiatives highlight a dedication to innovative marketing strategies and the enhancement of the wellbeing of relevant consumers.



GlucoMax D

After a successful name change campaign in 2022, GlucoMax D's focus in 2023 was to build stronger trade relationships and presence to maintain its number 1 position in the Instant Powder Drink market. Besides, relevant campaigns in digital media were focused to increase consumer penetration during the season.

To remain competitive in trade and to do a successful season loading, several initiatives like field team competition, sampling and trade visibility were taken from February to June.

To increase penetration reaching the digital audience, Ramadan and summer digital campaigns were launched on Facebook and YouTube. During the Ramadan campaign, GlucoMax D created an Azaan countdown on TV and communicated the benefit of GlucoMax D after a full day of fasting. During Summer, GlucoMax D focused on communicating hydration and instant recharge benefits.

REACHING MILLIONS WITH THE PROMISE OF NUTRITION

Customer Development (CD) has been at the centre of UCL's attention as the company's priority is to ensure nationwide coverage. 2023 was a challenging year for CD as general Bangladeshi consumers were spending far less on food and nutrition products. UCL CD had to work hard to ensure stronger product availability throughout the country through 2023. Some of the key recent mentionable initiatives are :



Bridge Pack Launch

Due to the income pressure, the offtake of our products was reduced. Our assessment of the situation revealed that consumers are likely to select products with lower volume. However, to counter this, we launched several bridge packs to provide our consumers with more choices. Over time, we have also seen that a certain portion of our sachet consumers upgrade to larger packs every year. This behaviour is typically seen amongst higher volume sachet users. To further accelerate this upgradation and incentivise mid-heavy sachet users to upgrade to larger pack formats, we designed a value pack driven by strong shopper insights and launched it at the consumer price of 150 BDT for 200g. The new pack aims to bridge the price gap between small and large packs and aid higher consumption.

The Horlicks 200gm value pack was launched in the Bogra region and it is the lowest PPG (Price Per Gram) pack of the portfolio. Initially, like with any other product launch, team engagement was the crucial first step in taking it to the market. As it was an innovative product, placement drives were also an important part of the launch and the KPI was to launch it on 8000 outlets within 8 weeks. This target was successfully achieved. As part of the launch, product recommendations were placed on the ordering devices for the distributor field force to initiate more orders to the retail outlets.



Nutrition Store

Nutrition Stores are UCL's premier retail visibility initiative. In 2023, we revamped our Nutrition Store programme which is designed to drive the visibility of our products and to bring our proposition alive in stores to generate demand. To build both salience at the point of purchase and enhance trade relationships, Nutrition Store has always acted as a key catalyst for the high contributing outlets with high shopper footfall.

In 2023, we systematically went through our customers' sales trends, business hygiene, and multiple other variables to redesign the programme for efficient management of our relationship with traders. This led to a monthly product replenishment increase of 30% in the second half of the year.



Distributor Field Force (DFF) Capability Development using Digital Technology

In 2023, we pioneered a simulation-based training platform for our field force. "Nutristar" is an interactive learning module that mainly uses video demonstrations through an app. It is designed based on real-life scenarios to make learning more effective for the field force. The module helps our field force gain better product knowledge, make efficient sales calls, manage the right product portfolio at the customers' end, and understand the importance of ensuring FIFO (First In First Out) stock management at trade to ensure better freshness of products and reduce business waste. After the module's launch, 4000+ DFF employees have already completed their learning journey on the app. Going forward, we plan to provide them with more relevant knowledge required in the food industry to make them more efficient and skilled in their workspace.



Glucomax D Ramadan Recharge

Glucomax D keeps one rehydrated, be it during the scorching heat of summer or after a day-long fast. So, we initiated an exciting offer for the month of Ramadan. Considering the onset of summer, we not only amplified the distribution of our Glucomax D range, but we also

brought the core benefit alive for our DFF. As it is highly relevant for our DFF, we arranged Glucomax D distribution among 4000+ field force employees, which was highly appreciated by them and it brought them even closer to the brand.



Get instantly recharged with

OPERATING WITH AGILITY

In 2023, Supply Chain (SC) was one of the key growth drivers for the company as it has excelled in delivering superior business performance through efficiency drives and future-fit, growth-focused actions.

2023 saw a challenging business environment as the volume demand for our products saw degrowth due to a decrease in consumer income and spending. So the year was marked with swift turnarounds and innovative approaches to drive efficiency through cost savings initiatives. Along with the efficiency drives, a few key activities of the UCL SC were:



Commissioning of New HFD Plant

SC has completed the installation and commissioning of HFD manufacturing and warehouse setup at UCL's own site located at North Kattali, Fouzderhat Industrial Area, Chattogram. This facility is commissioned as part of UCL's future-fit growth vision and will enable the company to the Chittagong Region (South-East Region) market with more ease and accessibility, and with lower transportation cost and less CO2 emission.

SOP (Standard Operating Procedure) harmonisation and standardisation

To drive efficiency and ensure excellence while delivering our values, organisation-wise SOP harmonisation and standardisation initiatives were completed during 2023. SOP was also revamped for support functions like Planning, Procurement, Logistics and Quality.

Cost Saving Initiatives

SC successfully participated in the 'Symphony' cost-saving initiative taken by the company. SC showed agility in delivering all the innovations and projects well ahead of the network with proactive planning to quickly get into the whitespace and showed agility to respond to the dynamic scenarios of price change including localisation of some key raw materials.



Production Efficiency Improvement

To further support the business bottom line, the SC team in UCL delivered on several pillars of operational efficiency improvement, e.g. initiatives like wastage reduction, OEE (Overall Equipment Effectiveness) improvement by preventive maintenance, line harmonisation, hotspot management, and downtime reduction.

Continued Focus on Quality

The Annual Product Review (APR) and regular Quality Council platform at UCL help us to uphold the legacy of management commitment to Quality. We believe that Quality is at the heart of everything we do. Exercising the forum of the Quality Council in 2023, we drove stringent governance processes in manufacturing where we not only ensured Quality Culture and Compliance but also fulfilled the agenda of people and capability development. This continued focus on Quality essentially helps us to offer the best quality product to satisfy consumers and maintain their trust.



Zero Accidents

Health and Safety of the workers and wellbeing of our employees has always been a priority for UCL. Throughout 2023, SC has maintained a consistent track record of Zero Safety Incidents at manufacturing sites and Zero Product Recalls.



Regulatory Audits

In 2023, UCL successfully cleared audits from Bangladesh Standard and Testing Institute (BSTI) for Package Commodity Rule (PCR) and Certification Marks (CM) licenses and Department of Environment (DoE). The auditors expressed their confidence in UCL's operations and quality principles and provided us with necessary certification.

These achievements were all possible through very stringent Quality, Safety, and Operational controls that are put in place. To evaluate the results and the processes, Operations Review Meeting (ORM), Unit Safety, Health and Environment Committee (USHEC) Meeting, CODEX, Monthly Cycle Counts, and Internal Audits were regularly held throughout 2023.

SAFE AND RESPONSIBLE WORKPLACE



Safety, Health & Environment (SHE)

Safety, Health & Environment has always been paramount to Unilever and remains to be the utmost priority across its end-to-end operations. UCL continues to promote Zero Accident culture. In pursuit of "Vision Zero", UCL has started embracing the Unilever Occupational Health, Safety standards. Behavioural Safety Excellence in short BeSafe is one of the most prestigious trainings in Unilever that talks about the behaviour part of safety.



100% employees of UCL have been trained on BeSafe this year including contractors. Not only that, UCL has arranged several awareness programmes like World Safety Week, World Environment Day celebration, etc. in 2023. To inculcate safety behaviour as a culture through basic education of every employee, any person joining is undergoing training before getting posted in the respective field. Also, several trainings were conducted on- First Aid by the Bangladesh Red Crescent Society, Fire-fighting and Rescue by Bangladesh Fire Service and Civil Defense (BFSCD), Progressive Motivations, Accident-Incident Communications, Conveyor Safety, Machinery Safety, etc. UCL has conducted two Fire Drill sessions with BFSCD in 2023.

UCL has conducted Machinery Safety audit and Hand-In-Machine (HIM) audit on all machines like Bottle/Tube Sticking Machine, Labelling Machine, Conveyors, Nichrome Machines, etc. The UCL team has worked relentlessly and mitigated any identified gaps in machines this year. UCL has continued the risk-management programmes, eliminating unsafe conditions, promoting safe behaviours, health and wellbeing support for employees, service providers, contract manufacturers and partners.



To strengthen the safety culture, UCL has started measuring Safety and Environmental Performances in several meetings like monthly Departmental SHE Committee (DSHEC) meeting, Unit SHE Committee (USHEC) Meeting, Daily Morning meeting, etc.



PEOPLE, PURPOSE AND PROGRESS

Like all other parts of the business, 2023 presented the employees of UCL with unique challenges and opportunities. As the economy went through a challenging phase, the HR function of UCL worked relentlessly to ensure that the employees remained engaged and motivated and that their wellbeing stayed on top of the organisational priorities.



We Invested in Learning and Development

As a true learning organisation, UCL understands the value of continuous learning and development for its employees. In 2023, the streak of year-long learning initiatives remained intact. The Learning Carnival 2023 was arranged for the entire organisation with few general sessions for all and few sessions for specific groups. A total of 9 topics were covered in more than 30 sessions including Data Analytics, Insights, Finance for Non-Finance, and Sales and Operations Planning. Approximately 1,000 manhours of learning sessions garnered a very encouraging evaluation score of 4.8 out of 5, which shows the employees found the sessions relevant and enjoyable.

With the general learning sessions, our HR Business Partners also helped craft function-specific learning interventions that catered to specific functional learning needs. The largest function, Customer Development arranged "Brilliant Basics" for its young field sales professionals, and "Customer Marketing Foundation" for its Customer Strategy and Planning team members. The Supply Chain team and Finance departments had year-round training programmes implemented successfully. Marketing arranged their signature learning programme "Magic of Marketing" which included marketers from other Unilever companies taking sessions and "Marketing Academy" where different Category Heads took sessions. The HR department ran a series of learning sessions for its own employees named as "HR Foundation Programme" which helped them stay up to date with contemporary HR practices.



Wellbeing at the Center Stage

Amidst the uncertainty and challenges that this year has brought, it is important for HR teams to prioritise the wellbeing of their employees. At Unilever, we believe in taking a holistic approach to employee wellbeing, that includes both physical and mental health. For physical wellbeing, we conducted a vaccination drive for all our employees and ensured that employees who did not take Hepatitis B, Influenza, and Cervical Cancer before were given for free. This will help them avoid getting infected with some of the most common yet deadly diseases in our country. Like every year, we also conducted an Annual Health Check-up for all our employees. This has helped our employees significantly as the majority of our employees were unaware of some of their health issues. Employees could then consult with relevant Specialist Doctors for further treatment which was also covered by our Medical Policy. We also ran a functional fitness competition among the employees which rewarded employees who shaped themselves to the most optimum level.

Free Dental check-ups and Bone Mineral Density Indication tests were conducted to help employees identify if they need to take care of their health. Throughout the year we have organised group physical activities, such as Zumba classes, that helped employees to remain active while also feeling joyful.

A great deal of work has happened for their Mental wellbeing as well. Unilever has a year-long contract with a renowned organisation providing mental health consultations. The service is open to all employees for free and this year it was extended to the employees' immediate family members as well. We received great feedback and appreciation from employees for our service. We collaborated with some members of the Leadership Team to conduct sessions on Psychological Safety. During these sessions, the Line Managers were trained on how to exhibit the necessary behaviours to foster a psychologically safe working environment.



Equity, Diversity and Inclusion are at the Core

As a reputed FMCG company, we pioneered many initiatives in the country including best practices in creating a Diverse and Inclusive organisation. We believe that our employee base should be a true representation of the society hence, we embarked on the journey of a Gender Balanced organisation a few years back. The creation of a gender balanced organisation did not stop within our inner core employees (under our payroll), we ensured that our partners are also committed to the same mission. In 2023, our female Distributor Field Force (DFF) employee number rose by 320 which is a 60% rise from last year. This is the highest number of female distributor field force base in the country. In 2024, we aim to increase the number even higher.



We Created an Engaged Workforce

At UCL, employee engagement is not just an activity, rather it is a holistic plan that is executed through a year-round calendar. In 2023, all the functions went to respective functional outbounds which not only helped the functional heads to cascade their functional priorities to the employees, but it also helped the employees to stay close to their leaders and learn from them. The leaders also awarded the outstanding achievers of their functions in the outbounds which motivated the winners to perform even better while encouraging others to go the extra mile next year.



We also arranged U-Cup, a pan-organisation sports competition including various sports, and let the employees pursue their dream of playing and winning. It also helped the employees to remain active physically. The Monthly Townhall and Quarterly Report Back sessions were arranged to update the organisation with

business results, outstanding achievements, and areas to improve. Functional leaders visited different markets and the factory to stay close to employees outside of the Corporate Office which kept the field and factory employees energised and motivated.






GROWING WITH BANGLADESH

Bangladesh is globally recognised as one of the fastest growing economies with a clearly defined vision, Vision 2041, to achieve economic and social development goals. Since its inception, Unilever has been committed to supporting and enhancing the health and wellbeing of the people of Bangladesh. We are proud to be associated with Bangladesh's efforts to attain the Sustainable Development Goals (SDGs) and the Government's Nutrition and Healthcare Goals. To contribute to the sustainable development of Bangladesh, our actions are aligned with both the priorities of the Government of Bangladesh and Unilever's Global Sustainability Strategy.

OUR SUSTAINABILITY APPROACH

PRIORITIES

IMPROVE THE HEALTH OF THE PLANET	IMPROVE PEOPLE'S HEALTH, CONFIDENCE AND WELLBEING	CONTRIBUTE TO A FAIRER, MORE SOCIALLY INCLUSIVE WORLD
<ul style="list-style-type: none"> Green Energy Use Sustainable Sourcing Collecting and Processing More Plastic than we sell Sustainable Product Design 	<ul style="list-style-type: none"> Awareness Creation Product Reach Specialised Product Door-to-Door Initiatives to equip mothers with nutritional knowledge Collaboration with Bangladesh Nutrition and Dietetics Foundation (BNDF) 	<ul style="list-style-type: none"> Support for Marginalised Communities Social Empowerment Partnership with the Centre for the Rehabilitation of the Paralysed (CRP) Nutritional support for William & Marie Taylor School (WMTS) 

During 2023, Unilever's Global Sustainability Strategy was re-contextualised with more focus on four key areas, which is known as the Growth Action Plan (GAP). Under GAP, we have refined our approach on how to sustain our position as a leader in sustainability business.

Our Growth Action Plan in Bangladesh has also been updated to reflect our global stance.

AREA	FOCUS
Climate 	Achieving Net Zero emission in Bangladesh
Nature 	Preserving Natural Resources like Water and sourcing our products from sustainable sources
Plastic 	Helping Bangladesh achieve a plastic waste-free future through reduction, circularity and collaboration
Livelihood 	A decent livelihood for people in our value chain, including earning a living wage

At Unilever, We are driving our agenda in the field of climate, nature, plastic and livelihood through the multi-stakeholder model in partnership with government organisations, NGOs, development partners and communities. This approach enables us to have deeper and more concentrated intervention in these fields. The example of our Plastic Waste Management Initiative could help explain the new GAP approach.

Global research has shown that without action, twice as much virgin plastic will be created and three times more plastic could flow into our oceans by 2040. This needs to stop and that is why we need to establish a circular value chain for waste plastic involving all stakeholders. At Unilever, we are consistently striving to mitigate the adverse environmental effects of plastic in our business operations. This includes packaging innovation, the use of better, recyclable plastic, or avoiding plastic usage.

However, we believe the issue of plastic pollution after post-consumption is too big for us to tackle on our own. For example, in Bangladesh, according to a study conducted by the World Bank Group, 1 out of every 3 waste plastics end up in the environment, mostly rivers. The waste management infrastructure including recycling is still not uniform or adequate even in the largest cities of Bangladesh. That is why, intervention is required to fix this broken value chain.

To help cities manage their plastic waste better, Unilever is working on building a sustainable business model, facilitating institutional capacity building, changing consumer behaviour and developing a circular economy for plastic waste starting in 2020. After successful piloting and field testing, we started our full-scale intervention in 2022 at Chattogram, the second-largest city of Bangladesh.



In 2023, we accelerated our plastic sustainability action, fast pacing the commitments by maintaining the promise to collect and process 100% of our plastic footprint in Bangladesh. To facilitate this, a tripartite agreement was signed among Chattogram City Corporation, Unilever Bangladesh and YPSA (Young Power in Social Action), which is the first Public-Private Partnership to establish a sustainable value chain in plastic waste collection in Chattogram.

In 2023, we succeeded in collecting even more plastic than we used for our packaging, building on our achievement from 2022.

In line with our emphasis on livelihood in addition to plastic collection and recycling, in 2023, we have given special attention to creating a meaningful impact on the waste workers' lives. Through our partner organisation, we have implemented livelihood enhancement programmes such as skill development training, financial literacy development, hygiene improvement, health checkups, human rights awareness, etc. These training and awareness sessions have helped the 2800 waste workers to be empowered through the right information and financial upliftment, and overall, they have given them the sense of a dignified job through social inclusion.

During 2023, one of our priorities was to strengthen and formalise a marketplace and demand for low-value and single-use plastic for recycling. We have worked with 100 recyclers and 150 Community Service Organisations (SOs) to create an ecosystem. We conducted 4 networking sessions to build connections among stakeholders. Another impactful stakeholder mobilising approach was to activate and provide support to all 41 City Corporations' ward waste management committees. The Waste Management Committee includes people from various professions such as councillors, lawyers, journalists, religious figures, civil society representatives, youth members, local dignitaries etc. The committee members supervised the waste management activities at their local level. Besides, they are working on strengthening solid waste management at the local level. 37 waste management committee meetings have been held in the year 2023, helping Chattogram's waste management.

Along with institutional capacity building, we also worked to change waste disposal behaviour. We are continuously focusing on our advocacy efforts to raise awareness for consumer behaviour change. Recognising the importance of community involvement, we have achieved significant milestones in raising awareness and engaging local residents of Chattogram. Through targeted awareness

campaigns, workshops, and educational initiatives, the project has successfully instilled a sense of responsibility and environmental consciousness among community members. This heightened awareness has resulted in increased participation in waste segregation, recycling initiatives, and a general reduction in single-use plastic consumption. We have recently started door-to-door campaign pilot activities as well. Through the programme, awareness is being generated directly at the household level about plastic waste management. Through the programme, we provided awareness messages on source segregation and plastic waste management among 30 families in each ward. Door-to-Door campaign was conducted among about 6,000 households. We have conducted meetings with around 500 social institutions this year as well. Along with this, religious figures, who are highly respected in their community, also were involved and 25 meetings were conducted with them and about 25,000 city residents have been made aware through the religious leader messages.

Furthermore, we have ensured youth engagement as well. Our partner YPSA is running behaviour change campaigns in schools and colleges. Our plastic waste management initiative provided orientation to students as well as teachers in schools and colleges on plastic waste management and this activity will have long-term results. In addition, YPSA conducted two beach cleanup campaigns involving youth volunteers at Patenga Sea Beach, a popular tourist spot in Chattogram city. About two thousand tourists and shopkeepers have been made aware through these two awareness building programmes.



Along with these components, we have also worked with national level stakeholders to initiate dialogues and exchange ideas to build a waste free future for Bangladesh. In 2023, we organised a national seminar titled 'Innovation for Plastic Circularity' in association with Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA). Throughout the year, Unilever also participated in a number of forums and discussions including Nordic Chamber of Commerce and Industry (NCCI), Foreign Investors' Chamber of Commerce and Industries, UN Capital Development Fund (UNCDF) etc. Additionally, to develop new, future-fit technology, Unilever formed a research partnership with Bangladesh University of Engineering and Technology (BUET).



Similar to our plastic initiatives, we are also working to disseminate nutritional knowledge among people living in rural Bangladesh, mostly mothers.

Building upon the successful expansion of the previous years, we continued with our Door-to-Door initiative, this time centering on mothers and successfully engaging millions of mothers throughout the nation. Our Door-to-Door awareness campaigns reached 4.3 million mothers nationwide about the critical nature of balanced nutrition, with a particular emphasis on children. Mothers were made aware of the importance of proper nutrition and how Horlicks can help ensure that children do not face any nutritional deficiencies. We have continued our effort to engage with nutrition and health professionals around the country to raise awareness about balanced nutrition. This year, we collaborated with the Bangladesh Nutrition and Dietetics Foundation (BNDF) to raise awareness and upskill the Nutritionists and Dietitians on the Bone Mineral Density (BMD) test, which is an essential aspect of wellbeing and nutrition during pregnancy and postpartum. Horlicks Plus Range celebrated International Mother's Day 2023 with BNDF by organising an inclusive session shedding light on

maternal health and balanced diet for new mothers. We have also formed several partnerships with key opinion leaders from different occupations to advocate for the usage of Horlicks and GlucoMax D among relevant consumer segments, which paid dividends in convincing consumers about the long-term benefits of its nutrition.

As part of our commitment to Positive Nutrition and achieving Sustainable Development Goals (SDGs) of Zero Hunger and Good Health and Wellbeing, Unilever continues to build on its partnership with the Centre for the Rehabilitation of the Paralysed (CRP), which hosts a unique, inclusive school called William & Marie Taylor School (WMTS) on its premises. This school offers primary education to children with and without disabilities in the same classroom, with 42% of the total students being people with disabilities. In 2023, we extended our support to provide meals and nutritional requirements for the entire year, ensuring that the students have access to essential nutrition for their growth and development. Also, we also partnered with the Old Placidians' Association (OPA) to aid their free literacy school for under-privileged children and with the Down Syndrome Society.



SUSTAINABILITY 2023 AT A GLANCE



Reached
4.3 MILLION
mothers through
Door-to-Door
Activations



Collected
and processed
100% of our
Plastic Footprint



Improved
Livelihoods of
2800+
Waste Workers



Engaged
Stakeholders and
**Formed
Partnerships**





Taking Balanced Nutrition to Every Household

In our steadfast commitment to promoting wellbeing across the nation, we pioneered a transformative journey to ensure that every household has access to balanced nutrition. By expanding our network of outlets and optimising logistics, we are breaking barriers and bridging gaps to reach even the remotest corners of the country.



Corporate Governance

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CORPORATE GOVERNANCE FRAMEWORK



CORPORATE GOVERNANCE REPORT 2023

Company's Corporate Governance Philosophy

At Unilever Consumer Care Limited ("Company/UCL"), the principles of Corporate Governance are based on transparency, accountability, integrity, and focus on the sustainable success of the Company over long-term. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At UCL, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with all applicable legislations. Our Code of Business Principles (the Code) is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. This Code inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

To succeed, we believe, requires the highest standards of corporate behavior towards everyone we work with, the communities we touch, and the environment on which we have an impact. This is our road to consistent, competitive, profitable, and responsible growth and creating long-term value for our shareholders, our people, and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors ('the Board') is responsible for and committed to sound principles of corporate governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

Corporate Governance Outline

At UCL, the corporate governance framework has been established and developed based on the core principles and best practices as outlined in the following:

- The Companies Act, 1994 including its modifications or replacements
- Corporate Governance Code as mandated by the Bangladesh Securities and Exchange Commission including its modifications or replacements
- Dhaka Stock Exchange (Listing) Regulations, 2015
- Other applicable laws of the land
- Memorandum and Articles of Association of the Company
- Corporate Governance Charter of the Company
- Code of Business Principles, Standard Operating Procedures, Policies and Guidelines of the Company
- A robust set of Internal Controls
- Operative Process of Risk and Compliance Management
- Local and global best practices

Corporate Governance Charter

The Board has adopted a codified Corporate Governance Charter ("Charter"), which is in line with the best practices and fully compliant with the relevant legal and regulatory requirements and has been complied with throughout the year. The purpose of this Charter is to codify the Company's system of corporate governance so as to assist the top management of the Company in the efficient conduct of its business and in meeting its obligations to the shareholders. The Board will, at least once in each year, assess the adequacy of the Charter and make any necessary or desirable amendments to ensure it remains consistent with the Company's objectives, applicable laws, and best practices. The Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission ("BSEC"), including its modification or replacement, has been complied with throughout the year and shall prevail in case of any inconsistency with the Charter.

The Charter Specifics:

- The Role of the Board of Directors
- Board Procedures
- Matters requiring the attention of the Company's Board
- Responsibilities of the Chairman
- Responsibilities of the Managing Director
- Responsibilities of the Company Secretary
- Responsibilities of the Head of Finance
- Responsibilities of the Head of Internal Audit
- Control of Expenditure
- Relationships with other Unilever Group Companies

The Board of Directors

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance, and long-term success of the business as a whole. The Board has delegated the operational conduct of the business to the Managing Director. The Leadership Team, headed by the Managing Director, has business / functional heads as its members, who look after the management of the day-to-day affairs of the Company.

Composition of the Board

The composition of the Board represents an optimal mix of professionalism, knowledge and experience that enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company. The Board has a good and diverse combination of Executive and Non-Executive Directors and the same is also in line with the applicable provisions of the Companies Act, 1994; Articles of Association of the Company and Corporate Governance Code issued by BSEC. The Board consists of 8 (eight) Directors comprising:

- **5 (five) Non-Executive Nominee Directors**
- **2 (two) Non-Executive Independent Directors and**
- **The Managing Director**

As per the stipulation of the Corporate Governance Code, Mr. Mohsin Uddin Ahmed's tenure as a Non-Executive Independent Director of the Company comes to an end on 31 January 2024, after serving for two terms of three years each.

The details of the Board composition have been presented on the Directors' Report, page 111.

Role of the Board

The role of the Board is that of a guardian and trustee of the Company's interests. It ensures that the policies and activities conform to Company's mission, key goals, and core values. The Board has the final responsibility for the management, direction, and performance of the Company and its business. In all its dealings and decision making, the Board shall consider the interests of the Company as a whole, the interest of its shareholders, employees, consumers, customers, suppliers, Government and all other stakeholders together with Company's social and legal responsibilities in the communities, in which it operates and to the responsibility towards the environment. The Board shall exercise objective and independent judgment and shall be collectively responsible for the long-term success of the Company.

Board Procedures

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. The Board/Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the

Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution by circulations, as permitted by the Articles of Association of the Company, which are noted and confirmed in the subsequent Board Meeting.

The notice of Board/Committee Meetings are given well in advance to all the Directors. The Agenda of the Board/Committee Meetings is set by the Company Secretary in consultation with the Chairman and the Managing Director. The agenda is circulated a week prior to the date of the Meeting. The agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision.

The Board meets at least once a quarter. The number of Board Meetings that were held during the financial year ended on 31st December 2023 was 05 (five). Out of which 04 (four) meetings were conducted through audio-visual means as per the directives/orders issued by BSEC from time to time, for conduct of meetings. During the year, the Board also transacted some of the businesses under its terms of reference by passing resolution by circulations.

The details of attendance by each member at the Board Meetings have been presented on Directors' Report, page 111.

Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the agenda and convening of the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board and its Committees. The Company Secretary advises/assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meetings.

Code of Business Conduct and Ethics for Board members

The Board, based on the recommendation of the Nomination and Remuneration Committee, has adopted a "Code of Business Conduct and Ethics" for its members which is also readily available at Company's website www.unileverconsumercarebd.com. This Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to the Directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of honesty and accountability. The Code, among others, requires members of the Board to avoid any conflict of interest in contracts entered into by the Company. If such interest exists, the members shall disclose to the Board and shall abstain from discussion, voting or otherwise influencing the decision on any matter in which the concerned Director has or may have such interest.

Each Director must comply with the letter and spirit of this Code. All Directors signed an annual declaration for the year 2023, confirming their compliances with this Code.

Appointment to the Board

Shareholders shall elect the Directors of the Company in General Meeting. Moreover, The Board shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with the Articles of Association of the Company. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall consider the candidate for appointment to the Board. Any Director so appointed shall hold office only until the following Annual General Meeting and shall then be eligible for re-election. In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1994 and the Corporate Governance Code issued by BSEC, one-third of the Directors, except the Managing Director and Independent Directors, are liable to retire by rotation at every Annual General Meeting ("AGM") and, if eligible, offer themselves for re-election.

In the event of appointment/re-appointment of Independent Directors, Nomination and Remuneration Committee recommends to the Board, upon considering the integrity, qualification, expertise, positive attributes, experience, and independence of the person identified for appointment/re-appointment. The Board shall appoint/re-appoint the Independent Directors, based on the recommendation of the Nomination and Remuneration Committee and with BSEC's consent. Appoint/re-appoint of the Independent Directors will be presented for Shareholders' approval in the AGM of the Company.

The Board has maintained the procedures for nomination and appointment/re-appointment of Directors are taken place in transparent, rigorous, and nondiscriminatory way. The Company entirely complied with the applicable laws/rules/regulations issued by the respective regulatory bodies with regards to nomination and appointment/re-appointment of the Directors including the Independent Directors.

Brief resumes of Directors including their expertise in specific functional areas and membership in other Companies as Director/Board Committee members have been presented on pages 84 to 89 of this Annual Report.

Directors' Induction

The provision of organising an appropriate induction programme for new Directors is a major contributor to the maintenance of high corporate governance standards of the Company. The Company Secretary is responsible for ensuring that such an induction programme is provided to new Directors. All new Independent Directors and Non-Executive Directors excluding Directors who are in the employment of the Unilever Group Companies are taken through a detailed induction programme when they join the Board. The induction programme is an exhaustive one that covers, among other followings:

- The history, background, culture, values and purpose of the Company
- Its growth over the last several decades and various milestones in the Company's existence since its incorporation

- The current composition of the Board, profiles of the Board members, Board procedures and matters reserved for the Board
- The present structure and an overview of the Businesses, Brands, Categories and Functions
- Internal Controls Framework
- Business risk assessment and mitigation programme

Apart from the above, the Directors are also given an update on the corporate governance, regulatory developments and investor relations matters. The Company Secretary keeps the Board briefed on legal and regulatory development relevant to the Company and the Directors.

Board Evaluation

The performance of the Board and Independent Directors shall be evaluated on an annual basis. Performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The evaluation process involves obtaining viewpoints from the Directors on the performance of the Board and Independent Directors through the use of pre-set questionnaire.

During the course of the year 2023, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole and Evaluation of the Independent Directors. This exercise was led by the Chairman and supported by the Company Secretary. The Board Evaluation process focused on various aspects of the functioning of the Board such as composition of the Board, Board effectiveness and oversight, Board meetings and procedures, Board strategy, Board skills and structure, etc. Independent Directors' performance evaluation exercise was carried out on parameters such as knowledge and skill, personal attributes, participation at Board/Committee meetings, independent judgement and contribution.

As an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well-engaged with different perspectives. The Board Members from different backgrounds bring about different complementarities and deliberations in the Board and Committee Meetings are enriched by such diversity and complementarities.

It was further noted that the Independent Directors are functioning well to bring independent judgements in Board deliberations and met normal job requirements.

Board Committees

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by Corporate Governance Code issued by BSEC which concern the Company. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes

of the meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

During the year 2023, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

To ensure good governance in the Company, the Board has constituted following Sub-Committees:

- Audit Committee
- Nomination and Remuneration Committee

Audit Committee

The Audit Committee comprises of 4 (four) Non-Executive Directors, headed by an Independent Director. Mr. Mohsin Uddin Ahmed, Independent Director acts as Chairman and Mr. Reazul Haque Chowdhury, Independent Director; Mr. Md. Abul Hossain and Ms. Zinnia Tanzina Huq act as members of the Committee. The Company Secretary functions as the Secretary of the Committee. Meetings of the Committee are attended by the Head of Finance, Internal Audit Manager and the External Auditors on invitation. All members of the Committee are financially literate and out of whom one member has the accounting background with 23 years of experience.

The tenure of Mr. Mohsin Uddin Ahmed as a Non-Executive Independent Director of the Company comes to an end on 31 January 2024, after serving for two terms of three years each. Subsequently his membership in the Audit Committee has been discontinued effective from 1 February 2024.

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Corporate Governance Code issued by BSEC. The Audit Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter-alia, performs the following functions:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements reflect true and fair view of the state of affairs of the Company
- Reviewing and examining with management the quarterly and annual financial statements and the auditors' report thereon before submission to the Board for approval
- Reviewing management discussion and analysis before publishing in the Annual Report
- Reviewing statement of all Related Party Transactions submitted by the management
- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company
- Overseeing performance of Statutory Auditors
- Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors

- Reviewing with management, the adequacy of internal control systems
- Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues
- Reviewing quarterly the internal audit reports submitted by the head of internal audit
- Evaluating internal financial controls and risk management systems

Details of the Audit Committee's responsibilities and activities performed during the year 2023 are included in the Audit Committee Report in pages 91 to 93.

The Audit Committee met 4 (four) times during the year 2023. The minutes of the Committee meetings were presented at the next Board meeting following the Committee meeting.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of 4 (four) Non-Executive Directors, headed by an Independent Director. Mr. Reazul Haque Chowdhury, Independent Director acts as Chairman and Mr. Mohsin Uddin Ahmed, Independent Director; Mr. Md. Abul Hossain and Ms. Zinnia Tanzina Huq act as members of the Committee. The Company Secretary functions as the Secretary of the Committee. On invitation, representatives from Human Resources Department were attended the meetings to give clarifications on agenda of the meetings.

The tenure of Mr. Mohsin Uddin Ahmed as a Non-Executive Independent Director of the Company comes to an end on 31 January 2024, after serving for two terms of three years each. Subsequently his membership in the Nomination and Remuneration Committee has been discontinued effective from 1 February 2024.

The Nomination and Remuneration Committee is governed by the terms of reference which are in line with the regulatory requirements of the Corporate Governance Code issued by BSEC. The Committee is responsible for assisting the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top-level executives as well as a policy for formal process of considering remuneration of Directors and top-level executives. Details of the Nomination and Remuneration Committee's responsibilities and activities performed during the year 2023 are included in the Nomination and Remuneration Committee Report in pages 94 to 96.

Board Membership Criteria and list of core skills/expertise/competencies:

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee recommending candidates for election as a Director on the Board. The criteria for appointment to the Board includes:

- Composition of the Board
- Diversity on the Board

- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of legislation
- Professional qualifications, expertise and experience in specific area of relevance to the Company
- Balance of skills and expertise in view of the objectives and activities of the Company
- Avoidance of any present or potential conflict of interest
- Availability of time and other commitments for proper performance of duties
- Positive attributes such as integrity, honesty, transparency, pioneering mindset
- Independence in case of Independent Director

The Nomination and Remuneration Committee met 2 (two) times during the year 2023. The minutes of the Committee meetings were presented at the next Board meeting following the Committee meeting.

Chairman

Subject to Articles of Association of the Company and applicable laws and regulations, the Board of Directors shall elect any non-executive Director as the Chairman of the Company. Accordingly, the Board of Directors of the Company is headed by a non-executive Director. Mr. Masud Khan, a seasoned professional is the Chairman of UCL, a role he has been assumed since April 2019.

Chairman and Managing Director Distinguished

Accordance with Corporate Governance Code, the positions of the Chairman and the Managing Director and/or Chief Executive Officer of the Company shall be filled by different individuals. At UCL, the positions of the Chairman and the Managing Director are filled by different individuals. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the Managing Director is responsible for day-to-day management of the Company. Roles and responsibilities of the Chairman and the Managing Director are clearly defined by the Board and set forth in this report.

Roles and Responsibilities of the Chairman

In implementation of the system of Corporate Governance, the Chairman's general and specific responsibilities cover:

- Providing entrepreneurial leadership to the Board and ensuring that it operates effectively in relation to all aspects of its role
- Planning and directing Board and General meetings effectively and monitoring the effective implementation of Board decisions

- To regularly act as “Chair” at meetings of the Directors and Shareholders and sign Minutes of meetings
- Ensuring that the members of the Board receive accurate, timely and clear information, in particular about the Company’s performance, to enable the Board to make sound decisions, monitor effectively and provide advice to promote the success of the Company
- Liaise with the Company Secretary in advance of the meeting to fix agenda and to ensure that the Directors are properly informed and that sufficient documents such as notice, agenda along with supporting papers are to be circulated in sufficient time before the meeting, to enable the Directors to form appropriate judgments at Board meeting and also to ensure that adequate time is available for discussion on strategic issues at Board meeting
- Encouraging active engagement by all the members of the Board taking full account of the issues and the concerns of all Directors
- Promoting effective relationships and open communication, both inside and outside the Boardroom, between Non-Executive Directors and Executive Directors
- Work with Company Secretary to meet local statutory requirements
- Ensuring clear structure for and the effective running of Board Sub-Committees
- Liaise with the Nomination and Remuneration Committee to assess the effectiveness of the Board as a whole, the Sub-Committees of the Board and Independent Directors
- Addressing the development needs of the Board as a whole to enhance its overall effectiveness as a team
- Acting where appropriate as the Company’s representative on corporate aims and policies including environmental and corporate social responsibility matters
- Guarding the corporate reputation and relations with relevant stakeholders.

Managing Director

At UCL, the Managing Director is responsible for the day-to-day management of the Company and enjoys substantial powers of Management to discharge the responsibilities in managing the affairs of the Company on a day-to-day basis in relation to the running of the Company. The Managing Director of the Company does not hold the same position in other listed Companies.

Roles and Responsibilities of the Managing Director

The Managing Director is entrusted with all the Board’s powers, authorities and discretions (including the power to sub-delegate any of those powers, authorities, decision- making powers and discretions) about the operational running of the Company and specifically all the Board’s powers, authorities and discretions in relation to the following matters:

A) Strategy and Maintaining the Corporate Portfolio

- Proposing for approval by the Board, the strategies for the shaping of the portfolio and direction of the Company, Corporate Financial Plan and priorities in corporate resource allocation
- Ensuring that business plans and strategies are aligned with corporate objectives and priorities agreed with the Board
- Agreeing geographical markets, products and places of operation of the business of the Company with the Board
- Monitoring the development of the markets in which the Company operates, testing future economic scenarios against growth objectives and making proposals to the Board for the corporate strategic priorities
- Ensuring delivery of the Company’s agreed strategy, business plans and financial performance
- Preparing for approval by the Board periodic business performance report including quarterly and annual results

B) Financial

- Setting financial and treasury strategies for the Company and implementing them
- Overseeing efficient functioning of the operating framework, the accounting and reporting policies, planning and reporting processes (including internal control measures and authority levels) and implementing and maintaining such framework, policies and processes
- Certify to the Board that he has reviewed the financial statements for the year and that to the best of his knowledge and belief, the financial statements do not contain any materially untrue statement and together present a true and fair view of the Company’s affairs

C) Governance

- Appointing and removing members of the Leadership Team of the Company and other functional heads who report, directly or indirectly, to the Managing Director, subject to obtaining necessary approvals, as may be applicable

- Supervising and determining the roles, activities and responsibilities of the Leadership Team and delegate powers to enable them to perform their roles
- Ensuring that the performance of members of the Leadership Team and other Functional/Business Heads is systematically assessed and adequately rewarded
- Ensuring a continual supply of leadership of the quality necessary to meet the strategic needs of the business
- Establishing value leadership and expected norms of conduct, including implementation of and compliance with the Code of Business Principles
- To provide, in conjunction with the Company Secretary, a properly constructed induction to new Directors
- Preparing for approval by the Board, and implementing and managing, Company's risk management approach
- Notify the Board of any issues, projects or transactions that in his judgment have the capacity to impact the reputation of the Company

D) Communication with Stakeholders

- Interacting with the media and approving any press release in relation to any matter within the ambit of the Managing Director
- Preparing all public filings, reports and statements relating to the business and representing the Company within trade and professional bodies

E) Contracts

- Power to enter into commitments, agreements, contracts, instruments or other documents on behalf of the Company in relating to day to day functioning of the business.

Roles and Responsibilities of the Company Secretary

Core responsibilities of the Company Secretary includes assisting the Board on discharging its duties and responsibilities. He is the primary link of communication between shareholders and the Board. In implementation of the system of Corporate Governance, the Company Secretary is responsible:

- To provide to the Directors of the Company, collectively and individually, such guidance as they may require, with regard to their duties, responsibilities and powers
- To arrange meetings of the Board and its Sub-Committees and to take the minutes, and ensuring that Board procedures are followed and that applicable Rules and Regulations are complied with

- To arrange Shareholder meetings and taking the minutes
- To prepare the agenda for such meetings and ensuring that the papers provided for these meetings are in accordance with the appropriate procedures
- To obtain approvals from the Board, Shareholders at the General Meeting, the Government and such other authorities as required under the provisions of the applicable local Laws and Regulations
- To represent before various regulators, and other authorities under the applicable local Laws and Regulations in connection with the discharge of various duties under the applicable local Laws and Regulations
- To monitor changes in relevant legislations and the regulatory environment, and taking appropriate actions
- To oversee and address Shareholders' queries and complaints in line with applicable local Laws and Regulations and the Articles of Association of the Company
- To assist the Board in the conduct of the affairs of the Company
- To assist and advise the Board in ensuring good Corporate Governance and in complying with the Corporate Governance requirements and best practices
- Disclosures of price-sensitive information, material information and other capital market-related issues
- For matters relating to share capital and shareholding structures
- To file statutory returns/reports/statements to regulatory authorities under the applicable local Laws and Regulations
- For the arrangement of induction, training/development and performance evaluations for the Boards, its Sub-Committees and Independent Directors
- To ensure that the compliance status across the Organisation is monitored and reported to the Board
- Such other duties as may be assigned by the Board from time to time.

Roles and Responsibilities of the Head of Finance

In implementation of the system of Corporate Governance, general and specific responsibilities of the Head of Finance cover:

- Overseeing internal financial control and identifying and reporting to the Board the financial consequences of failures of internal control in its wider context
- Ensuring that proper financial, management and statutory accounts are maintained and prepared and that all necessary returns and reports are filled with competent authorities

- Ensuring that the accounting reports properly describe, classify and authorise the transactions undertaken by the Company
 - Preparing for approval by the Board periodic business performance report including quarterly and annual financial results
 - Ensuring delivery of the Company's agreed strategy, business plans and financial performance
 - Setting financial and treasury strategies for the Company and implementing them
 - Overseeing efficient functioning of the accounting and reporting policies, including internal control measures and authority levels and implementing and maintaining such policies and processes
- Certify to the Board that he has reviewed the
- financial statements for the year and that to the best of his knowledge and belief, the financial statements do not contain any materially untrue statement and together present a true and fair view of the Company's affairs.

Roles and Responsibilities of the Head of Internal Audit

The Head of Internal Audit ensures the independence and credibility of the internal audit process. All Directors, and in particular the Chairman and members of the Audit Committee and the Statutory Auditors, have open access to the Head of Internal Audit at any time and vice versa. In implementation of the system of Corporate Governance, the Head of Internal Audit is responsible:

- To assist the Board and/or its Audit Committee in discharging its governance responsibilities
- To formulate the scope, functioning, periodicity and methodology for conducting the internal audit, after consulting with Audit Committee
- For providing independent reassurance to the Boards, through the Managing Director and the Audit Committee, that all major risks affecting the achievement of Company's objectives are adequately understood and managed
- To perform an objective evaluation of the existing risk and internal control framework
- To perform a systematic analysis of business processes and associated controls
- To deliver a source of information on major frauds and irregularities
- To review the compliance framework and specific compliance issues
- To review operational and financial performance through annual audits
- To review and recommend the standard operating procedures and processes flow documentation
- Such other duties as may be assigned by the Board and Audit Committee from time to time.

Leadership Team

The Leadership Team is responsible for the day-to-day running of the business and the execution of corporate business strategies. The Leadership Team comprises with functional heads, headed by the . Once in every two weeks the Leadership Team engages in meeting in discharging its duties and responsibilities to run the business smoothly. While Leadership Team members (other than the Managing Director) are not part of the Board decision-making process, to provide the Board with deeper insights, often attend those parts of the Board meetings which relate to the operational running of the Company.

For details of each Leadership Team member, please refer to Leadership Team Profile in this Annual Report.

Financial Reporting Process

The Company has a robust financial reporting system in place. The financial reporting team ensures preparation of financial statements that gives a true and fair view according to applicable financial reporting standards; along with ensuring adequate internal control mechanisms to enable preparing the financial statements that are free from material misstatements, whether due to fraud or error.

At UCL, all the financial transactions are recorded in SAP Enterprise Resource Planning (ERP) systems. Financial reports are extracted from the ERP systems, which are then used to prepare the financial statements in accordance with International Accounting Standard (IAS) / International Financial Reporting Standards (IFRS) as applicable in Bangladesh, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh. These financial statements are reviewed by respective authorities on a regular basis. On a quarterly basis, the financial statements are placed to the Audit Committee for their review and recommendation. Following the endorsement of the Audit Committee, the financial statements are placed before the Board for its final review and approval. The annual statutory audit is conducted by the external auditors. The annual audited financial statements are adopted by the shareholders in Company's Annual General Meeting.

Internal Audit

The Company has an independent internal audit department under the control of Audit Committee. The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organisation's stated goals and objectives.

Internal Controls and Risk Management

The Company has robust systems for Internal Audit and Business Risk assessment and mitigation. The Internal Audit plan is approved by Audit Committee at the beginning of every year. The conduct of Internal Audit is oriented towards the review of internal controls and risks in the Company's operations and covers third-party (3P) manufacturing site, sales offices, warehouses and centrally controlled businesses and functions. Every quarter, the Audit Committee is presented with a summary of significant audit observation and follow-up actions thereon.

The Company perceives business risks both at local and global perspective. Business Risk Assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Policies/Standard Operating Procedures. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans.

This annual report further encloses a detailed discussion on the Internal Control Framework as well as Risk Management framework under the Corporate Governance section in pages 65 to 77.

Business Integrity

As a purpose-led and future fit Company, our 24 Codes of Business Principles and Policies are the foundation of our work, success and essential to achieving our ambition of making sustainable living commonplace. We have Codes of Business Principles and Policies ranging from inter alia prevention of insider trading to anti-bribery, anti-money laundering and respect, dignity and fair treatment. Our Code of Business Principles and Code Policies provides a framework of simple "musts and 'must nots' designed to be respected and applied by employees in their day-to-day work. We expect everyone who works for Unilever to set themselves equally high principles and putting these values into practice and reiterate our commitment to doing good.

Code of Business Principles is a simple ethical statement of how we should operate. They are mandatory for all employees and others working for Unilever. We also aim to have a positive influence across our value chain, working with suppliers, distributors and all third parties to raise the bar on issues such as human rights and anti-bribery and corruption.

We want to create an environment where employees not only live our values in their own work – integrity, respect, responsibility and pioneering – but are vigilant in identifying potential concerns, and confident about speaking up in such situations. Hence, we expect every employee to be an ambassador for our high ethical standards – what we call 'Business Integrity'. Over the course of last year, several sessions on the Code of Business Principles and Policies were held with the employees and new joiners. Our employees undertake mandatory annual training on these Codes via online training modules and an annual Business Integrity Pledge. Materials target not only office-based employees, but also those working in factories and more remote areas. Our Business Integrity programme brings our values to life for all employees and helps them apply our ethical standards

day-to-day. In addition to our Code of Business Principles, it includes clear policies, guidelines and related learning materials, as well as robust procedures and controls to help us prevent, detect and respond to any inappropriate behaviour. We are committed to eradicate any practices or behaviors that are not in line with our Code and Code Policies through our zero-tolerance approach to such practices. Our Responsible Partner Policy helps to give us visibility of our third parties to ensure their business principles are consistent with our own.

Breach of the Code of Business Principles and Policies could have very serious consequences for the Company and for the individuals involved. To ensure proper adherence to the Codes and Policies, we have kept in place sufficient and effective reporting channels/whistle blowing mechanism through which employees can promptly raise concerns of possible misconduct, potential conflicts, or known breaches of the Code of Conduct, Company policies, and procedures.

Confidentiality and zero tolerance toward retaliation are the cornerstones of the reporting mechanism. The platform also allows to raise issues on an anonymous basis. We ensure employees can raise such concerns without the risk of any kind of reprisal. We also arrange yearlong awareness sessions and share the process of incident reporting with employees so that all employees know the mechanism of whistle blowing.

Prevention of Sexual Harassment at Workplace

The Company has Prevention of Sexual Harassment Policy ("POSH Policy") in place, under which an internal Sexual Harassment Complaint Committee ("Committee") is fully functional for redressal of Sexual Harassment complaints or grievances. The Committee consists of five members, where majority of the members are women and the Committee has a women Chairman. We have expanded the scope of our POSH Policy to make it more inclusive and gender neutral, detailing the governance mechanisms for prevention of sexual harassment issues relating to employees across all genders including third parties working closely with the Company.

While maintaining the highest governance norms, the Company has appointed two external independent counsels who are experienced in areas of women empowerment and prevention of sexual harassment at workplace as part of the Committee. To build awareness in this area, the Company has conducted induction/refresher sessions in the organisation. In addition, to ensure effective management and execution of the POSH Policy and to safeguard the privacy of the involved parties, the members of the Committee have been trained to value confidentiality and sensitivity of all complaints that are reviewed under the POSH Policy.

Principles on Disclosure of Material Information and Price Sensitive Information

In compliance with the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022, the issuers of listed securities are required to formulate and disclose "Principles on Disclosure of Material Information and Price Sensitive Information".

Accordingly, the “Principles on Disclosure of Material Information and Price Sensitive Information” has been framed by the Board of Directors of the Company and is available on the website of the Company.

The core objectives of this Principle are :

- to provide an overall governance framework for the determination of materiality of events and information for disclosure
- to ensure that all investors have equal access to significant information that may affect their investment decisions and that such information is adequately disseminated in a fair, accurate and timely manner in pursuance with the Listing Regulations, Securities Laws, and any other Laws that apply.

Share Dealing Code

The Company has framed a Share Dealing Code which instituted a mechanism to avoid Insider Trading activities and abusive self-dealing in the securities of the Company. The Share Dealing Code, which is in accordance with Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules 2022, prohibits the Insiders dealing in the securities of the Company on the basis of any Unpublished Price Sensitive Information (“UPSI”), available to them by virtue of their position in the Company. The objective of this Share Dealing Code is to prevent misuse of any UPSI and prohibit any insider trading activity, in order to protect the interest of the shareholders at large.

Copy of the Share Dealing Code is made available to all employees of the Company and compliance of the same is ensured. The Share Dealing Code prescribes sanction framework and guidance to the Company's employees on pre clearance/notification procedures to be followed before or at the time of dealing in shares of the Company.

Policy on Dividend Distribution

The Board of Directors has adopted Dividend Distribution Policy in terms of the requirements of BSEC's directive. The Policy is available on the website of the Company at www.unileverconsumercarebd.com. The Dividend Distribution Policy forms a part of this Annual Report.

Communication to Shareholders

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as financial results announcement, annual report, media releases, Company's website and subject specific communications.

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers. These results are also made available on the website of the Company. The annual report is made available to shareholders in advance for ensuring detailed and constructive discussions at AGM.

All price sensitive information and matters that are material to shareholders are disclosed to the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange Limited (“DSE”) where the securities of the Company are listed and are published in the official website of the Company. The quarterly, half yearly and annual results and all other reports/corporate communications to the DSE are filed through “Digital Submission and Dissemination Platform” of DSE and in hard copy form as well, for dissemination on its website.

Shareholders'/Investors' Complaints

A preemptive and reliant shareholders' grievances and queries redressal mechanism is in place at the Company. During the financial year 2023, all complaints have been redressed to the satisfaction of the shareholders and none of them were pending.

Ensuring Participation of Shareholders at the AGM

One of the primary objectives of the Company is ensuring the maximum participation of shareholders at the AGM. The Company ensuring all applicable legal requirements and prevailing shareholders' rights, held its 50th AGM through a digital platform with the virtual presence of Shareholders. Prior to the AGM, respective shareholders were given 21 days' notice. Annual Report were circulated to the Shareholders well in advance so that they may attend the AGM to get them well informed regarding Company's affairs. The date, time and link for joining the AGM are communicated to shareholders by means of text message and e-mail. Furthermore, the Company ensured publication of AGM notice in two widely circulated newspapers aiming to reach maximum shareholders.

Statutory Auditors

Appointment of the Statutory Auditors is regulated by the Companies Act, 1994; the Securities and Exchange Rules, 2020; BSEC's Corporate Governance Code and the Dhaka Stock Exchange (Listing) Regulations, 2015. Pursuance to these regulations and following the recommendation of Audit Committee, the Board endorses the appointment of Statutory Auditors subject to Shareholders' approval at the AGM. Shareholders not only approve the appointment of the Statutory Auditors, but also fix their remuneration thereof. At UCL, an appropriate structure is in place as per corporate governance best practices to ensure independence of Statutory Auditors. Audit Committee meets the Statutory Auditors to ensure that auditors are acting independently and reviews the financial statements before submission to the Board for approval. Rahman Rahman Huq, Chartered Accountants is the Statutory Auditors of the Company. They conducted systematic examination of Company's financial statements, records, and other documents and ascertained, verified and reported upon the facts regarding the financial results of the Company. To ensure compliances with BSEC's Corporate Governance Code, the Company did not engage its Statutory Auditors to perform any of the following services:

- Appraisal or valuation services or fairness opinions
- Financial information systems design and implementation

- Book-keeping or other services related to the accounting records or financial statements
- Broker-dealer services
- Actuarial services
- Internal audit services or special audit services
- Any service that the Audit Committee determines
- Audit or certification services on compliance of BSEC's Corporate Governance Code and
- Any other services that creates conflict of interest.

Rahman Rahman Huq declares that none of their partners or other members of the audit team responsible to carry out the audit work or any family members of any partners or members of the audit team hold any shares in the Company.



Corporate Governance Certification

As part of its corporate policy, the Company always strives to maintain high standards of compliance in Corporate Governance. The Company has complied with all necessary guidelines in accordance with the requirements of Corporate Governance Code as mandated by BSEC. The Status of Compliance on Corporate Governance Code for the year 2023 is presented as annexure # IV of Directors' Report 2023, along with the Certificate of Compliance required under the said code.

Conclusion

Compliance to various laws, rules and regulations is one of the core fundamentals for good corporate governance. UCL delivers accurate and periodic reporting on issues/events and certifications, wherever necessary under the local legislations. Furthermore, the Company always embraces the highest levels of compliance with all the applicable legal and regulatory obligations through the establishment of an effective governance regime, which facilitates to ensure the practice of the highest levels of corporate governance within the Company. Being a fully compliant Company, it strives to remain the same, not only in letters but in its real spirit.

DIVIDEND DISTRIBUTION POLICY

1. Introduction

In compliance with the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2021-386/03 dated 14th January 2021, the issuers of listed securities are required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of Unilever Consumer Care Limited (herein after referred to as "the Company") has formulated and approved this Dividend Distribution Policy (herein after referred to as "the Policy").

2. Objective

The objective of this Policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this Policy, the Articles of Association of the Company, the provisions of the Companies Act, 1994, relevant Directives / Orders published by the Bangladesh Securities and Exchange Commission and other applicable legal provisions.

3. Dividend Payout

The Company's Dividend Distribution Policy shall ensure that it returns cash from operations that is more than its immediate and foreseeable needs back to the shareholders over the long-term. The Company believes in continuous shareholder value enhancement and seeks to pay an attractive, sustainable and growing dividend to the shareholders of the Company.

The Board of Directors may, after considering the situation prevalent at the relevant point in time, propose if the dividend needs to be declared and if so, the rate at which it needs to be declared. The Board of Directors may consider declaration of both interim dividend and final dividend where interim dividend will be based on the performance of the Company during the period and final dividend will be based on the performance of the full year.

The Dividend recommended by the Board of Directors shall be subject to approval of the shareholders at the Annual General Meeting. Provided that no dividend shall be approved at the Annual General Meeting more than the amount recommended by the Board of Directors.

Dividend will be recommended out of the current year's Profit after Tax of the Company. In certain circumstances including but not limited to loss after tax in any particular financial year, the Board of Directors may consider utilising retained earnings for recommendation of dividends, subject to applicable legal provisions.

In general, the actual quantum of dividend pay-out on a yearly basis will be dependent on the following factors:

3.1. Internal Factors

- | | |
|-----|--|
| I. | Existing and expected underlying financial performance |
| II. | Cash flow and liquidity position |

- | | |
|------|--|
| iii. | Capital expenditure and investment plans |
| IV. | Acquisitions and Disposals |
| V. | Restructuring activities |
| VI. | Interim Dividend, if any, already declared during the year and |
| VII. | Future requirement of funds |

3.2. External Factors

- | | |
|------|---------------------------------------|
| I. | Macro-economic environment |
| II. | Market conditions and consumer trends |
| III. | Changes in regulatory requirements |
| IV. | Shareholder expectations |

As such, any amount retained will be utilised for securing the long-term growth objectives of the Company, as may be approved by the Board of Directors, including but not limited to

- | | |
|------|---|
| I. | Issuance of Bonus Shares |
| II. | Inorganic growth opportunities, including Merger and Acquisition |
| III. | Any other factors the Board of Directors deems proper, just and ensuring the law of the land. |

4. Dividend Pay Out Method and Timing

The Company shall distribute declared and duly approved dividend to all shareholders in a timely manner and in line with Bangladesh Securities and Exchange Commission directions (as issued time to time) and any other applicable local laws, rules, and regulations.

5. Unclaimed Dividend

Any unclaimed or unsettled dividend shall be managed in line with Bangladesh Securities and Exchange Commission directions (as issued time to time) and any other applicable local laws, rules, and regulations.

6. Review

This Policy is issued with the consent of the Board of Directors of the Company and can be amended only with the authority of the Board of Directors as may be deemed appropriate by the Board of Directors of the Company.

7. Disclosure

This Dividend Distribution Policy (as amended from time to time) will be available on the Company's website and in the annual report.

RISK MANAGEMENT AT UNILEVER

Risk management is integral to Unilever's strategy to achieve Unilever's long-term goals. Our success as an organisation depends on our ability to identify and utilise the opportunities generated by our business and the markets we are in. In doing this, we take an embedded approach to risk management which puts risk and opportunity assessment as the core of the agenda while we are, which is where we believe it should be. Unilever defines risks as actions or events that have the potential to impact our ability to achieve our objectives. Unilever identifies and mitigates downside risks such as loss of money, reputation, or talent as well as upside risks such as failure to deliver strategy if it does not strengthen brand equities or grow in growing channels.

Unilever's Responsible Risk Management Code Policy requires risk management to be embedded by all managers in their respective day jobs. In addition, we formally manage risk through two key processes: the Enterprise Risk Management Process and Business Risk Assessments. Unilever Risk Management Guidance provides an overview of risk management in Unilever and clarifies the roles and responsibilities for identifying and managing risk.

Unilever's risk appetite is driven by the following:

- Our growth should be consistent, competitive, profitable, and responsible.
- Our actions on issues such as plastic and climate change must reflect their urgency, and not be constrained by the uncertainty of potential impacts.
- Our behaviours must be in line with our Code of Business Principles and Code Policies

- Our ambition to continuously improve our operational efficiency and effectiveness.
- Our aim to maintain a single A credit rating on a long-term basis.

Unilever's Risk Management approach is embedded in the normal course of business with a set of global Principles of Risk Management with local implementation. Our approach to risk management is designed to provide reasonable, but not absolute, assurance that our assets are safeguarded, and the risks facing the business are being assessed and mitigated. Its structural elements include:

- Governance of Unilever, organisational structure and delegation of authority
- Vision, Strategy and Objectives
- Code of Business Principles, Code Policies and Standards
- Risk and Control Frameworks
- Performance management and operational processes execution
- Compliance and assurance activities.

The Board of Directors of Unilever Consumer Care Limited has delegated accountability to its Audit Committee for assessing the effectiveness of management controls for significant legal, operational, or compliance risks facing the company. The detailed activities of the Audit Committee are described separately in this report.

Embedded Risk Management Approach

At Unilever, we believe that effective risk management is fundamental to good management. Our risk management approach is embedded in the normal course of business. The diagram below summarises the structural elements of the embedded approach.



Unilever uses a three Lines of Defence model to obtain assurance over the management of its risks. The three Lines of Defence are categorised as follows.

• **1st Line:**

The first line of defence includes the day-to-day activities carried out by colleagues in order to manage and mitigate our exposure to risk. Review, guidance, and challenge are provided by line management to ensure that day-to-day activities have been performed effectively.

• **2nd Line:**

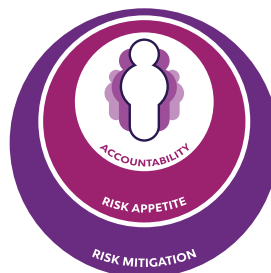
The second line of defence supports management to help ensure risk and controls are effectively managed. Unilever has established various risk management and compliance functions to help support and monitor the first line, such as GCAD, Performance Management teams, Quality and Security functions, Controls Service Centre etc.

• **3rd Line:**

The third line of defence provides independent & objective reassurance on the effectiveness of governance, risk management, and mitigating activities by External Audit, Internal Audit, and other third-party assurance functions.

Principles of Risk Management

There are 3 principles of risk management. All managers must implement Unilever's principles of risk management.



i. **Accountability**

All managers must identify and manage the risks that relate to their role.

ii. **Risk Appetite**

All managers must determine the level of risk, after the implementation of controls, that they are prepared to accept such that there is not a significant threat to achieving their objectives.

iii. **Risk Mitigation**

All managers must put adequate controls in place, and ensure that they are operational in order to deliver their objectives.

Risk Management Framework

The risk management frameworks include the definition of risk, risk owner and key mitigating controls in place to address the risk, for each key business risk. The risk management framework details the controls we have in place and who is responsible for managing both the overall risk and the individual controls mitigating that risk. Our assessment of risk considers both short and long-term risks, including how these risks are changing, together with emerging risk areas. These are reviewed on an ongoing basis, and formally by the senior management and the AC/Board at least once a year.

PRINCIPAL AREA OF RISKS	KEY BUSINESS RISKS
Climate Change	Carbon
	Water
Plastic Packaging	Plastic Packaging
Consumer Preference	Brand power and superiority
	Innovation
Portfolio Management	M & A
	Commodities
Business Operations	Supply chain resilience
	Third parties
Customer and Channel	Product pricing and Trade Terms
	D-commerce
	Go to Market
Ethical	Code compliance

PRINCIPAL AREA OF RISKS	KEY BUSINESS RISKS
Systems and Information	Technology availability
	Information and Data protection
Business Transformation	Future-fit operations
	M&A integration
Financial	Global Tax Landscape
	Accurate Financial Records & Reportings
Talent	Talent attraction and retention
Legal & Regulatory	Regulatory product and Environment
Safe & High-quality Products	Safe & Products
Economic & Political Instability	-

Business Risk Assessment (BRA)

The BRA ensures that the Business identifies the risks that are particular to them and the local environment in which they operate. These risks are identified bottom up and should be specific to the Business within their control and need to be mitigated by them. The risk framework includes the key risks that we see as most material to Unilever's business and performance. Therefore, the risk framework should only be used as a reference in the business risk assessment. The Business Risk Assessment is a four-step process:

a. Risk identification:

The process starts with identification of the risks that could stop the Business from achieving its objectives. These are risks that are particular to the entity and should consider both the impact internal and external factors.

b. Risk measurement:

The second step is to assess the size of each risk based on likelihood, impact and velocity. This will help identify the risks that can have a material impact on the business in the short term and require additional "focus".

c. Risk ownership:

The third step is to work out who is the most appropriate person to manage the risk. The owner may be within the Business, or if the risk needs to be escalated, the owner may be defined centrally.




d. Risk mitigation:

The fourth step is to implement controls to mitigate the risk and monitor them regularly.





In the following pages we have shared the outcome which comes after the Business Risk Assessment exercise. Part of this exercise leadership team has re-assessed the past identified risks, their likelihood, impact and velocity against the mitigatable actions thereto.

In addition to that, risk categorisation has also been updated by addressing the current foreseen business challenges that we regard as the most relevant to our business. These are the risks that we see as the most material to UCL's business and performance at this time. There may be other risks that could emerge in the future.


We set out below our principal risks, certain mitigating actions and movement of risks that we believe help us to manage our risks and the measure of future impact corresponding to each of these.

Category & Description of Risk	Management of Risk	Movement over LY
Economic Instability Currency devaluation resulting in cost & price volatility Material cost deflation may lead to price drop in sourcing country, whereas cost inflation due to currency devaluation in Bangladesh may lead to price increase which may reduce the price gap of Bangladeshi product and products imported through grey channels, leading to injection of such grey products.	Following actions have been initiated to minimise the risks: <ul style="list-style-type: none">• Sales and operational planning with appropriate forex scenarios.• Deliver higher savings to release pressure on pricing action.• Formulate Value Improvement Project (VIP) to reduce product cost.• Continuous monitoring and follow-up for right transfer pricing.	 New
Commodities Cost pressure impacting business profitability Price hikes of utilities & material costs lead to increases in costs and decreasing gross margin.	In response to this risk, we have initiated many action-based programmes such as: <ul style="list-style-type: none">• Manage utility usage mix efficiently.• Strategise production run & inventory management for cost optimisation.• Explore forward purchasing/MOQ increase/air freight for critical raw materials.• Look for savings opportunities across pillars i.e. formulation change, DMI localisation.	 New
Supply Chain Resilience Impact of FX crisis on DMI & bulk import Considering the forex volatility and country reserve level, import of DMI and bulk might be impacted in coming days, which may result in sales loss.	Considering the impact of forex crisis the issue remained one of the major risk agendas of management during the year. Following actions have been taken at various capacities to remain up to our goals and expectations:	 Increase

Category & Description of Risk	Management of Risk	Movement over LY
	<ul style="list-style-type: none"> Continuous liaison with MNC and local banks. Quarterly evaluation of bank health. Stock Keeping Unit (SKU) prioritisation in case of crisis. Explore localisation of Dry Mixed Ingredients (DMI) to reduce import dependency. Increase forward coverage through LC with right allocation. Maximise Skimmed Milk Powder (SMP) localisation Formulation review to reduce import volume and value for the same FG output. 	
<p>Customer and Channel</p> <p>Higher trend in business waste from trade return due to lower shopper offtake</p> <p>Higher trend in trade return due to decreased shopper offtake compared to earlier years impacting business performance.</p>	<p>Reinforcing our initiatives to reduce financial implications from trade returns:</p> <ul style="list-style-type: none"> Conduct FIFO (First in first out) audits in towns with high contribution of trade return. Reduce extra visibility shelf drive in modern trade to reduce trade return from the channel. Conduct outlet wise analysis of trade return of Plus range and limit sales in high trade return contributing outlets. 	 Increase
<p>Product Pricing and Trade Terms</p> <p>Inflationary pressure resulting in loss in consumer franchise</p> <p>Increasing trend of general and food inflation is leading consumers to lapse from using discretionary categories.</p> <p>Health Food Drink (HFD) category has been ranked as one of the most discretionary categories as per a recent Consumer Wallet Study. If inflation continues to rise, there may be further lapse and loss of consumer leading to volume loss.</p>	<ul style="list-style-type: none"> Deliver higher cost savings to hold consumer price for as long as possible amidst cost inflation. Leverage 200g value packs in relevant geographies. 	 Increase
<p>Tax Landscape</p> <p>Load factor applied on imported items</p> <p>Due to certain arguable interpretation of provisions in Customs Act, Customs Authority imposes additional duty by increasing the assessed value on which duty rates are applied. This is increasing our cost by up to 30% of invoice value.</p>	<p>With due respect to national laws and regulations for doing business in compliance, we keep our active engagement with relevant stakeholders and regulatory bodies to create awareness of importance of nutrition products and impact of additional duties and taxes on the affordability for end consumers. Also, we are reviewing the latest developments quarterly.</p>	 No Change

Category & Description of Risk	Management of Risk	Movement over LY
Regulatory Compliance Unfavourable regulatory environment may cause higher costs and more complexity. Government is likely to introduce Extended Producer's Responsibility (EPR) which would significantly impact business in terms of cost of compliance. Unfavourable changes in duties and taxes may have negative financial impact. As most of our RM (Raw Material) are import based, any increase in duties and taxes will increase our COGS.	For EPR, we will continue discussions with different chambers and work with reputed developmental organisations to pilot plastic waste management projects. Continued engagement with NBR, other regulatory bodies and influential groups to create awareness on importance of Nutrition products and impact of additional duties and taxes on the affordability for end consumers.	 No Change
Regulatory Compliance Delay in amendment of Provident fund trust deed and rules Name change of PF Rules after harmonisation with Unilever is yet to be completed, causing fund investment could not be made and employees are losing investment benefits	Last year we made some progress in formulation and rules amendment. In this year following actions will be prioritised for resolution. <ul style="list-style-type: none"> Re-submit the PF Deed and Rules to NBR through the appointed Consultant Get the approvals from NBR 	 No Change
Legal & Regulatory Legal matters – Lawsuits & land ownership dispute a) No. of cases filed by ex-employees and anticipating more to be filed. Any adverse order would have significant financial impact as well as impact on company reputation. b) Land ownership at Khulna may be disputed as title of the land has been recorded in the name of local Deputy Commissioner.	We actively contribute and respect national laws and regulations and do business in compliance with all relevant codes. We have taken following relevant steps in response to this risk: For Lawsuits: <ul style="list-style-type: none"> Monitoring the cases Preparing the evidence and replies Contingency plan in place for any adverse order For Land Ownership: <ul style="list-style-type: none"> Process initiated for record correction Complete hearing and go for mutation 	 No Change
Consumers Parallel import & Counterfeits Grey products, lookalikes and counterfeits impact company performance, trade relationships and sales. Counterfeits have a major effect on brand equity since they confuse the consumers in the market, resulting in bad consumer experience, loss of sales & company reputation.	We have taken many initiatives to reach our customers with safe and original products such as: <ul style="list-style-type: none"> We have filed Writ Petition and obtained Rule and Direction in our favor. Applied and obtained Intellectual Property rights registration from the Customs Authority for its brands which will help the company to control parallel trade/grey. Conduct raids with the help of concerned regulators and law enforcement agencies resulting in closure of counterfeit and lookalike factories. 	 No Change

Category & Description of Risk	Management of Risk	Movement over LY
	<ul style="list-style-type: none"> Intel base established through C&F Agents and engagement with NBR and Customs to create awareness and have further intel base. Create awareness among field based employees. Filed Opposition before the Department of Patent Trademark and Design against TM infringement as well as sent legal notice to the trademark infringers and going on considering the availability in the market. 	
Third Parties High dependency on a single 3P manufacturer We have a single third-party manufacturer doing mainly packaging for local market may cause higher dependency risk along with less flexibility in operations.	To have a smooth operation we have chalked out a detailed plan which includes: <ul style="list-style-type: none"> Develop relationships with existing vendors through higher value addition input incentives. Explore alternative vendors in case of increased risk. Operationalise own site for packaging at required capacity. Assess feasibility for packaging at own site. 	 No change
Future Fit Operations Protection of assets from external intrusion Limited operations at Fouzdarhat factory may lead to several risks around site security such as - <ul style="list-style-type: none"> Land excavation from back side of factory site leading to boundary wall weakening and unwanted water with residue flowing inside. New residential buildings are being constructed adjacent to factory site where water discharge and sewerage may flow inside making the associated area marshland. Furthermore, residents of that area might raise complaints about manufacturing activities in future. Right front side next to highway has temporary fencing which leads to frequent breakage by trucks, occupied by temporary shops or making fire on waste/garbage. 	We have taken following relevant steps in response to this risk: <ul style="list-style-type: none"> Strengthen & repair the boundary raising a separate capital expenditure. Review current Security Service model & practice. Protect the front side canal area after getting clearance from legal on land survey report. 	 Decrease
Customers / Distributors Trade & Distributor sustenance under business volatility Distributors' financial health is impacted due to liquidity crisis and inflation leading to risk of losing business with existing partners. Outlets are also under similar pressure.	<ul style="list-style-type: none"> Differential risk assessment framework and classification of distributors. Explore financing options for relevant distributors and regular monitoring of Return On Investment (ROI). 	 New

Category & Description of Risk	Management of Risk	Movement over LY
	<ul style="list-style-type: none"> Resolve retailers' insolvency issues by shifting stocks to more solvent wholesalers/impact outlets to curtail impact on sales as well as regular engagement with top wholesalers. 	
<p>Brand Power and Superiority</p> <p>Misinterpretation of product claims/communication</p> <p>Misinterpretation of product/brand claims and communications by external stakeholders may lead to potential damage to brand image.</p>	<ul style="list-style-type: none"> Field employees' training on product launched and all nutrition field employees will complete full-scale training by 2024. Expert Marketing team extending their operation beyond experts and engaging with relevant consumers visiting the institutions with prior permission of the institution adhering to the guideline/SOP set by legal and regulatory. All claims are approved as per CRC (Copy Review Committee). 	 <p>No Change</p>

Our Thrives Towards Opportunities:

Opportunities	What we are doing to respond to opportunities
<p>Digital Transformation</p> <p>Opportunities arising from rapidly emerging digital technologies, analytics and big data present a chance to make meaningful interventions and develop capabilities across the value chain redefining the way we do business.</p>	<p>UCL is a pioneer in using big data and analytics as a tool to drive sustainable growth. We continue to drive organisation wide digital transformation agenda to capture the digital opportunity and full fill the dream of 'Smart Bangladesh Vision 2041'. Pre-empting the imminent disruption, we have established a sharp digital innovation portfolio in each function and continue investments in Innovation. These innovations include those around our core ERP platform using Cloud, Artificial Intelligence and other digital technologies. Each day, we build new capabilities in Systems, Workforce and Business Models. Among these, the launching of IBM Analytics & Kinaxis has been a milestone for forecasting and planning process. These platforms provide us with agility and scenario planning capability.</p>
<p>Environmental Social & Governance (ESG) Focus</p> <p>The effects of climate change and nature loss are becoming ever more apparent and increasingly urgent, and UCL is committed to operate and grow the business in a responsible way. Our stakeholders recognise that responsible business practices are critical to generating long term value.</p> <p>Our Compass commitments guide our purpose and vision through a holistic strategy that encapsulates pressing issues such as waste management, water resource management, and health and wellbeing.</p>	<p>UCL is a frontrunner in sustainable business practices. Our strategy, the Compass, ensures that sustainability is at the core of how we do business. We believe that robust financial results are not contrary to sustainable business; in fact, they are complementary. Thus, our initiatives on plastic waste management, carbon emission reductions in our value chain, and ensuring a healthy nation are at the core of the work we do.</p> <p>The Company has a strong governance mechanism in place consisting of cross functional steering committees to action our ESG commitments. We are constantly driving advocacy around sustainability and getting broader industry participation to lead the change.</p>

Risk Management Activities throughout the year



INTERNAL CONTROL FRAMEWORK AND CONTROL ASSURANCE

A Control Framework structures the basis of internal control. It is the process that ensures we comply with laws and regulations, that our financial reporting is reliable, and that our operations are run efficiently and effectively. Furthermore, a Control Framework provides the basis on which we assess our control systems and identify how to enhance them. Control Frameworks also enable us to develop our systems of internal control in a structured and effective way. They ensure that we operate within applicable legislation and enhance our ability to deliver our strategic aims and adapt to the evolving nature of our business environment.

Entity Level Controls

Entity Level Controls (ELCs) are internal controls that help to ensure that management directives pertaining to the entire entity are carried out. ELCs provide assurance that the entity has effective internal controls over financial reporting. They establish guidelines for an organisation's governance, financial analysis and integrity, and adherence to applicable laws and professional standards. They set forth an organisation's values and, through policies and procedures, clarify the desired behaviour of our employees, management team, and board members.

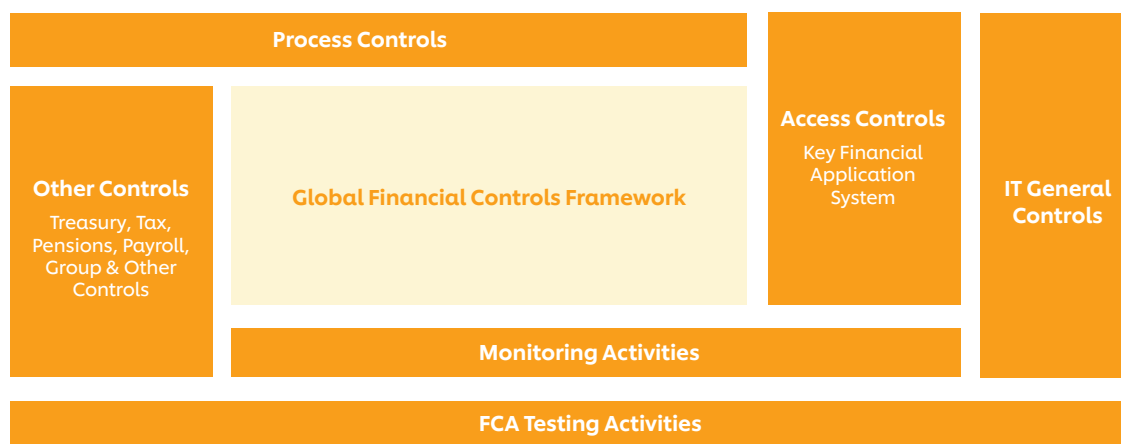
COSO (Committee of Sponsoring Organisations') principles on Integrated Internal Control Framework are widely used as a standard to manage/implement the function of internal control, and as a best practice, an organisation should follow these principles to maintain a sound internal control environment, and which also form the basis of forming the ELCs. We have the following 27 ELCs in 9 areas:

Area	Controls
Board & Committees	<ul style="list-style-type: none"> • Composition and Independence • Terms of Reference (ToR) • Performance Evaluation • Audit Committee Reporting - <ul style="list-style-type: none"> • External Audit • Reporting • Internal Audit
Code of Business Principles	<ul style="list-style-type: none"> • Code of Business Principles and Code Policies – Approval and Communication • Code Breaches Reporting Process • Training
Risk and Controls Management	<ul style="list-style-type: none"> • Risk Management • Control Framework - Global Financial Controls Framework • Controls Reporting • FCA Process and Guidelines • FCA / KFAS Scoping • Control Health Meetings • System configuration monitoring • Changes to Global Schedule of Authorities
Accounting	<ul style="list-style-type: none"> • Changes to Accounting Policy Manual
Significant and unusual transactions	<ul style="list-style-type: none"> • Identification of significant and unusual transactions • Approval of significant and unusual transactions
Human Resources	<ul style="list-style-type: none"> • Annual Performance Evaluation • Approval of Annual Bonus Targets
Information Technology	<ul style="list-style-type: none"> • ITGC / Access Controls • Cyber Security Incident Reporting
Process and Controls Documentation	<ul style="list-style-type: none"> • Periodic Review of Process Documentation
Annual Reports and Accounts	<ul style="list-style-type: none"> • Management / Audit Committee / Board Review and Approval

What is Unilever's Control Framework?

The Company has a robust internal control and risk management system in place which remained effective throughout the year. The Unilever control universe is made up of various control frameworks. There are following six components of the Unilever Financial Reporting Controls Model -

- Process Controls – Global Financial Controls Framework (GFCF)
- Other Process Controls - Treasury, Tax (GTCF), Pensions, Payroll (GPCF), Group & others
- Access Controls – under Global Access Controls Framework (GACF)
- IT General Controls – under IT General Controls (ITGC) Framework
- Monitoring Activities
- FCA Testing Activities



Process Controls

Global Financial Controls Framework (GFCF)

GFCF contains the financial reporting controls that operate across the core processes of our business. It sets out one set of consistent global controls which applies to all Unilever subsidiaries using SAP ERP platforms. GFCF is the mapping of specific controls to the various financial risks faced by the business. The framework is designed to establish and enhance our internal controls, setting the minimum standards that must be achieved across the business.

The GFCF allows Unilever to establish, assess, and enhance our internal controls which in turn allows for more accurate financial reporting, prevention of fraud, and the protection of Unilever's assets. Specifically, the framework:

- provides clarity on roles and responsibilities across the business
- enables a reduction and standardisation of controls globally, creating efficiencies and cost savings
- is designed to maximise the use of automated controls
- facilitates a greater level of monitoring to enable the identification of control observations

Financial Control Assurance Testing

An annual assessment of our controls is carried out through the Financial Control Assessment (FCA) exercise. The objective of FCA process is to provide assurance over the design and operational effectiveness of key financial controls. The FCA provides comfort to Unilever's management that our controls over financial reporting are operating as intended.

FCA Governance



The Financial Controls Assessment (FCA) process ensures assurance over financial reporting controls each year which has five steps namely scoping, self-assessment, testing activities (both design (DEA) and operating effectiveness (OEA) testing), deficiencies, rectification, and remediation. Testing as per the Global Financial Controls Framework (GFCF) has been carried out throughout the year quarterly as well as in two phases and submitted to Group Chief Accountant's Department (GCAD). In addition to that, the Unilever Control Service Center (CSC) monitors a set of Control Health Indicators (CHI) on a monthly basis and shares the same with the country team.



S.No.	Key activities	Performed by	Brief Description
1	Scoping	FCA	Scoping determines what will be assessed
2	Process documentation	Process owner	Process flowcharts and narratives are mandatory as they document and help understand the process
3	RACM	Process owner	RACMs document relevant risks, together with the key and non-key controls that mitigate them
4	De-Scoping, if any	Controller and Risk Managers	Opportunity to assess and document any plants, business units etc. to descope from FCA Audit
5	Assessor Identification	Controller and Risk Managers	Opportunity to select the choice of assessor between in-house/outsource audit team
6	Self-assessment	Process and control owner	Opportunity to assess and document deviations from globally defined controls (GFCF, GTCF, iOps, AFCF)
7	Test plan	Assessor	Test plans help efficient testing at control level and adequate documentation for FCA audit
8	Design and operational testing	Assessor	The assessors execute the test plan at control level to arrive at the design/operational conclusion
9	Deficiency assessment	Process owner, Assessor, FCA & GCAD	To assess potential failures
10	Quantification	Assessor	To assess financial impacts of confirmed failures

S.No.	Key activities	Performed by	Brief Description
11	Deficiency Remediation	Process owner and Assessor	Identification and Application of rectification plan and Remediation testing of deficient controls
12	V800 sign-off	Unit head	This document confirms compliance of the FCA

Controls Hub is being used as an IT tool (Corestream) in the documentation of the FCA process. To support and manage all elements of the FCA methodology the tool is used. Controls Hub must be kept up to date throughout the process and all new users should be trained accordingly. Global Control Service Center (GCSC) is responsible for the daily management of the Controls Hub tool.

Access and IT General Controls

Global Access Controls Framework (GACF)

At Unilever, the GACF specifies a framework for access controls to counter the threat of unauthorised operations involving our key financial application systems. The GACF includes controls for processes such as new user access provisioning, removal of access for leavers, periodic user access reviews, and user role management.

IT General Controls (ITGC) Framework

Our ITGC framework is designed to address the risks of key financial systems not meeting business requirements, unauthorised usage of systems, and data loss from systems by prescribing appropriate IT-based controls.

Future of Controls & Controls Re-baselining

Future of Controls (FoC) is a strategic programme led by GCAD with the objective of improving risk management and reducing manual effort through more efficient operation of smarter controls. Future of Controls aims to streamline Unilever's control environment, making our controls stronger and more effective, whilst supporting business efficiency. In doing so, the programme will ensure that Unilever more proactively manages the risks that are faced by the business.

Integrated Control Framework (ICF)

ICF has been implemented under Future of Controls for Access and ITGC Controls over Key Financial Applications (KFAS). The objective of the Integrated controls framework is to leverage standardisation, centralisation, and automation of controls to ensure a proportionate risk-based approach to controls across Technology, Cyber and Data.

Control Deficiency Reporting & Remediation

All deficiencies have to be documented in a Control Deficiency Report ('CDR') through the Controls Hub Tool and the same will be reported to the Audit Committee. The Gross and Net Potential impact of the deficiencies must be quantified. A high-level rectification plan along with specific actions, timelines, and action owners must be documented and rectification status updated regularly. Responsibility for rectification rests with the Process Owner, responsibility for re-testing and recording the remediation rests with the Assessor. To assess the implementation of rectification plan Internal Audit team performs testing as per continuous testing model till the CDR is declared as remediated. The country risk manager updates the GCSC quarterly on the status of deficiencies logged on Controls Hub.

In addition to GFCF, there are other locally implemented controls which are documented in the form of Standard Operating Procedures and guidelines. Monitoring and testing of these controls are managed by the Internal Audit function and reported to both Management and the Audit Committee.

Control Assurance

Internal Audit function carries out various process and controls audit by the function as well as engaging third parties throughout the year with the support from Control Assurance Department (CAD), findings and actions of which are shared with management and Audit Committee. Continuous follow up is also held to ensure corrective and preventive actions are taken on due time.

During 2023, there were process audit held in following areas such as CD Hygiene, Sustainability, Business Waste etc. Actions from the audits were duly monitored for implementation and closure throughout the year. Also part of the process standardisation and improvement, inputs cascaded in 10 processes and policies during the year.

Following FCA guideline, we have implemented quarterly testing in 2023 under CTM – Continuous Testing Model. A holistic review has been carried out as part of control self assessment being a full scope country for FCA 2023. Furthermore, control operators (preparers, reviewers, and approvers) were guided in operating and documenting controls as per the control frameworks.

As part of FCA test 2023, there were 46 key manual controls were in scope. After due scoping exercise, 19 controls were tested in 4 quarters while 27 controls were tested in two phases and the performance report was circulated among stakeholders as well as submitted in the Controls Hub. During the year 4 controls were reported for remediation and 3 out of 4 have been rectified in 2023, remaining 1 is in progress for resolution.

Access controls were duly exercised by LAC (Local Authorisation Controller) triggering periodic reviews for Fire Fighter Log review, Role Content Review, User Access Review, Master Data Review, Leavers Review to maintain hygiene of the control environment and systems throughout the year. Checked and ensured by LAC that there is proper approval available as per Schedule of Authority for all kinds of user access provisioning in Unilever's Key Financial Application Systems and Segregation of Duties (SOD) conflicts are properly mitigated by consulting with the Country Risk Manager and his approval.

Business user accounts and the roles granted to users, were reviewed by the Access Management Team (Country Risk Manager, LAC and CPLs (Country Process Lead)) on a timely basis to ensure that they remain valid (e.g., does the user require the same level of access) and SOD (Segregation of Duty) risk-free. Right people were updated as Approvers and Controllers in GRC workflows; users were valid and correctly mapped as approvers or owners against the said roles in the GRC system. Also, any exceptions noted were addressed with appropriate measure.



Useful Information for Shareholders

Share Capital

Authorized Capital	BDT 200,000,000
Issued and Fully Paid-up Capital	BDT 192,743,180
Class of Shares	Ordinary
Face Value of Shares	BDT 10
Number of Shares Outstanding	19,274,318

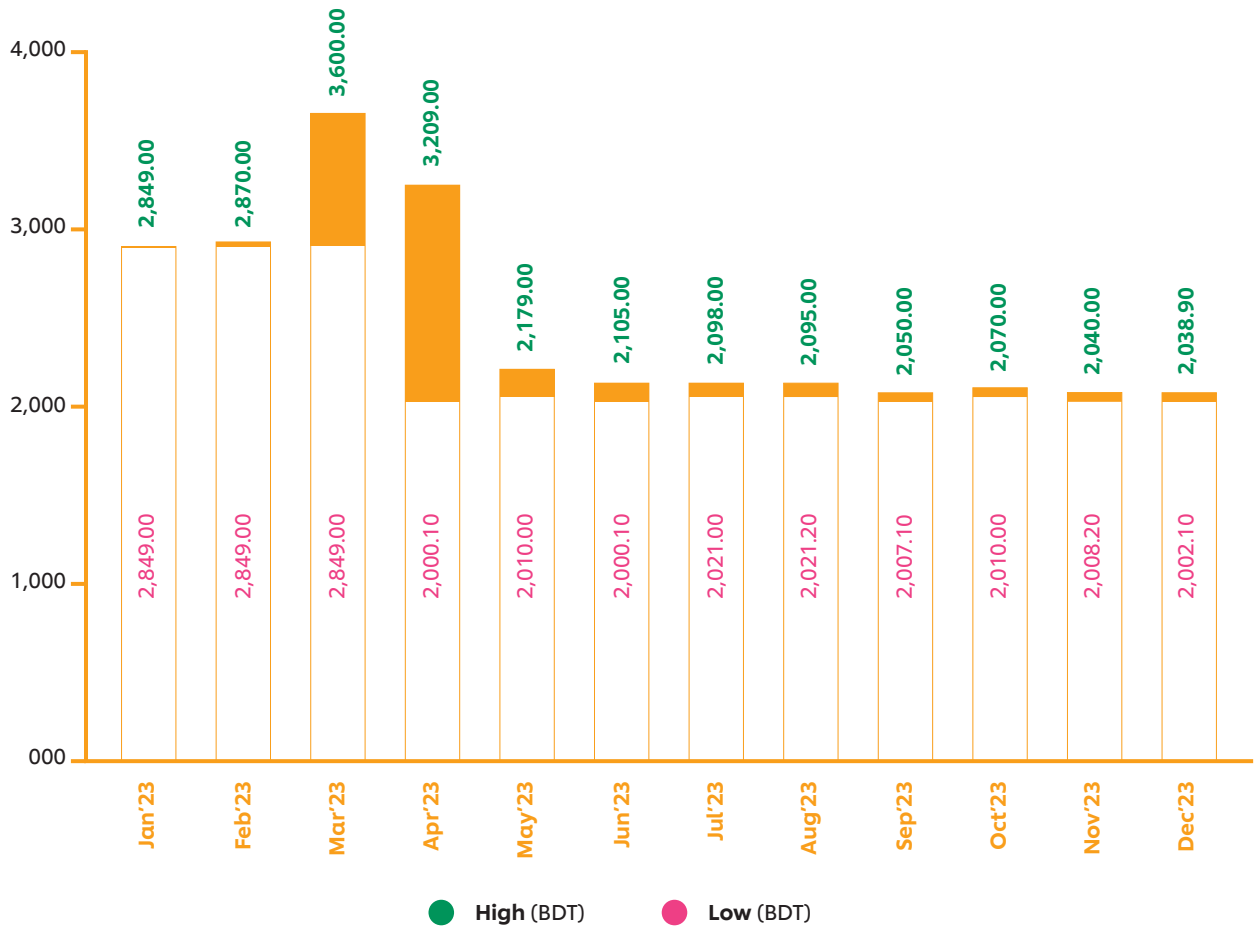
Stock Exchange Information

Listed on	Dhaka Stock Exchange PLC (DSE)
Listing Year	1976
Trading Code	UNILEVERCL
Scrip Code	18454
ISIN	BD0454GLAXO1
Category	A
Sector	Food and Allied

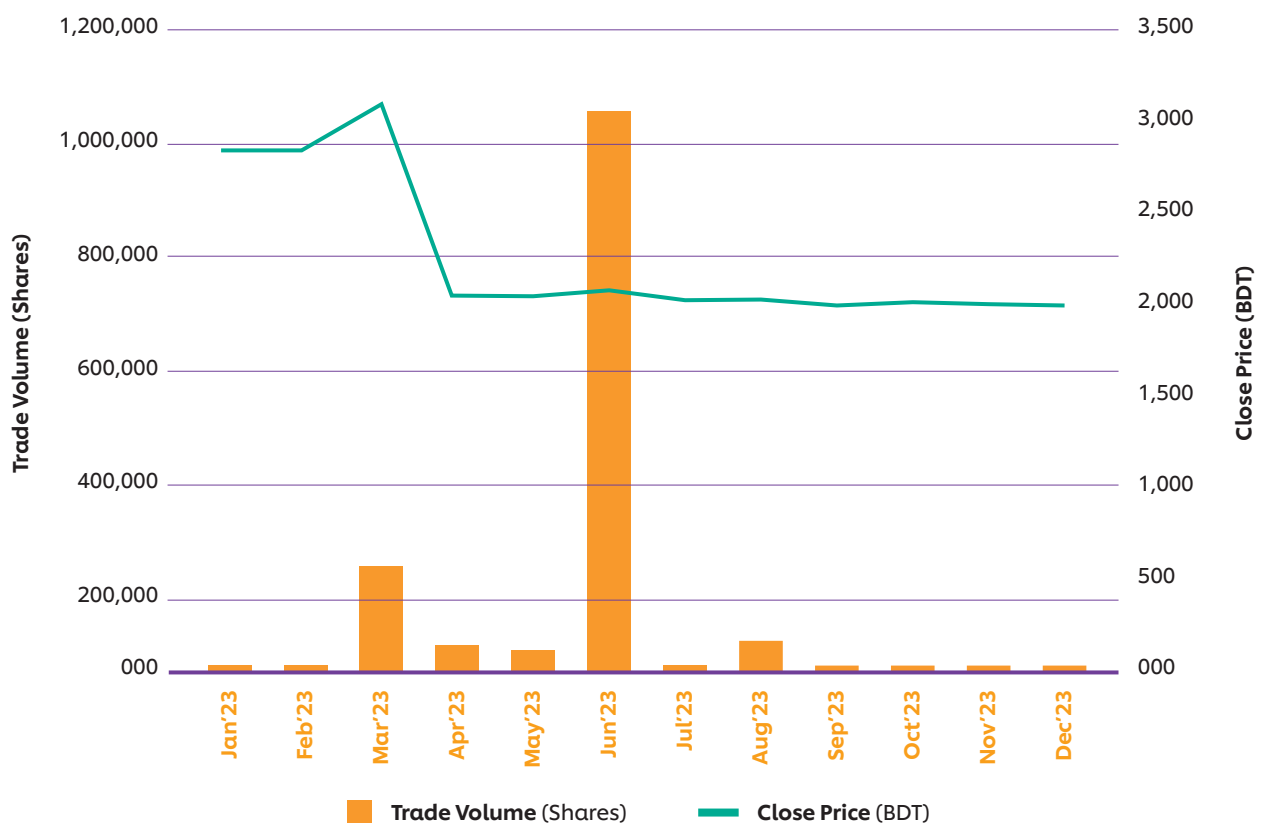
Share Performance at DSE (In 2023)

Month	High (BDT)	Low (BDT)	Close (BDT)	Volume (No.)	DSEX Index (Point)
January	2,849.00	2,849.00	2,849.00	1,336	6,267.05
February	2,870.00	2,849.00	2,849.00	1,660	6,216.95
March	3,600.00	2,849.00	3,134.50	202,086	6,206.80
April	3,209.00	2,000.10	2,075.30	51,456	6,262.69
May	2,179.00	2,010.00	2,061.80	44,545	6,339.74
June	2,105.00	2,000.10	2,089.60	1,046,136	6,344.09
July	2,098.00	2,021.00	2,034.40	15,802	6,324.81
August	2,095.00	2,021.20	2,043.10	59,673	6,299.50
September	2,050.00	2,007.10	2,014.50	10,539	6,284.63
October	2,070.00	2,010.00	2,029.80	9,747	6,278.66
November	2,040.00	2,008.20	2,016.80	14,348	6,223.03
December	2,038.90	2,002.10	2,019.20	14,853	6,246.50

Monthly High Low Share Prices (BDT)



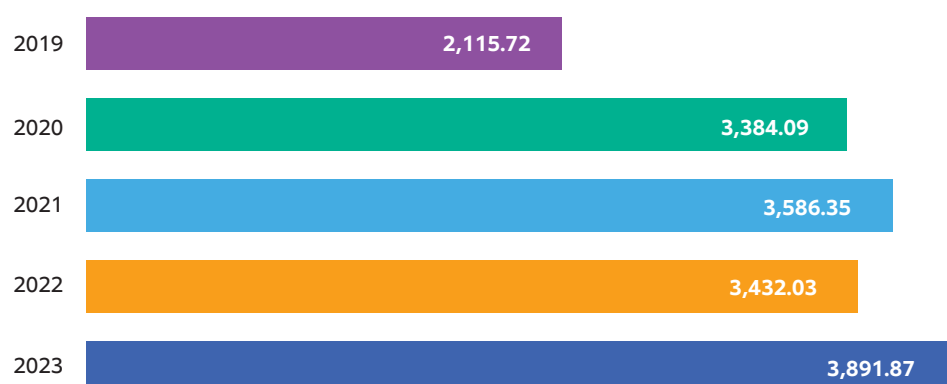
Monthly Trade Volume (Shares) Vs Close Price (BDT)



Monthly DSEX Index (Point) vs Close Price (BDT)

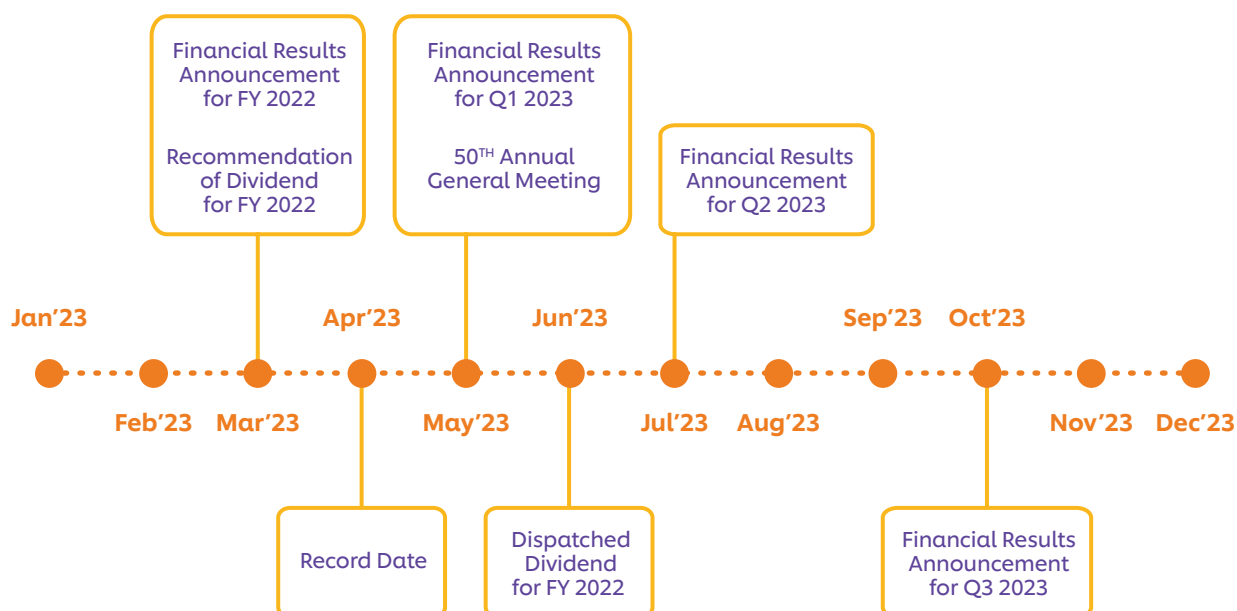


Market Capitalisation at Year-End (BDT Crore)

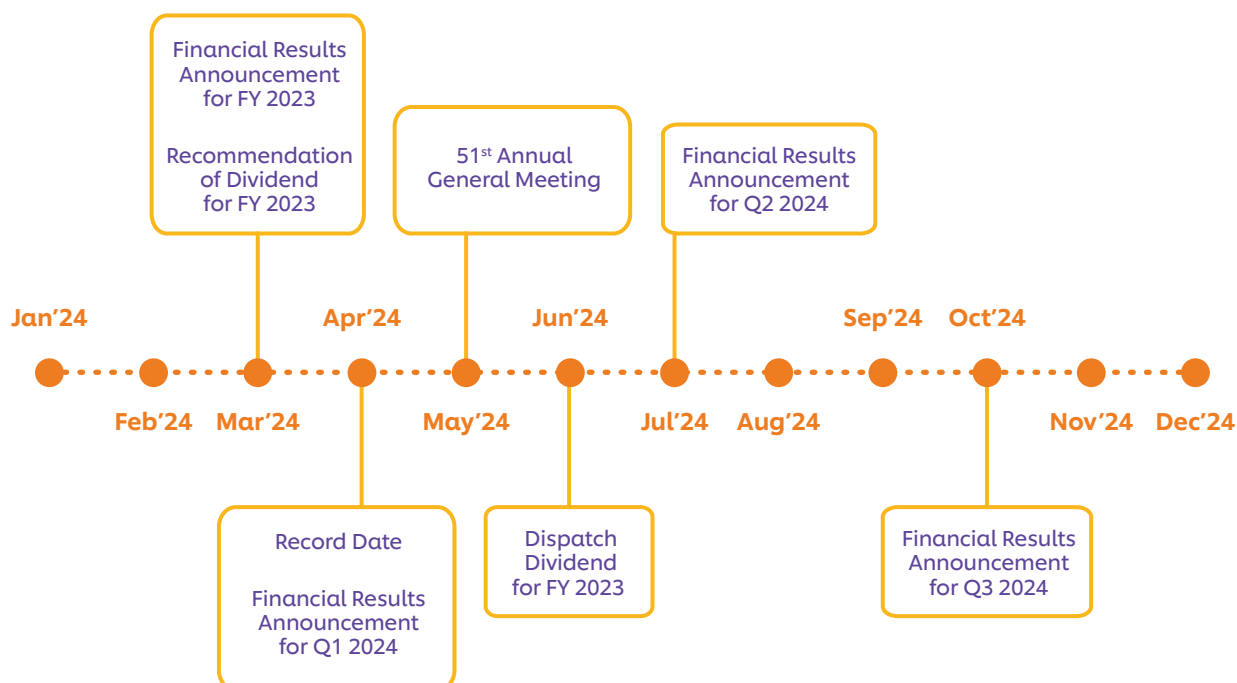


Calendar of Financial Year 2023

The Company follows January-December as the Financial Year (FY).



Tentative Calendar for Financial Year 2024



Company Website

The Company's website is a comprehensive reference source of information with regards to the Company's activities, Board of Directors, top management, financial statements, price sensitive information, material information, annual reports, notices of general meetings, investor relations, dividend, Code of Business Conduct and Ethics etc. It is also considered as the authoritative channel to release of any archived publications. To comply and conform at all times with and to all applicable laws and regulations relating to the website, the Company consistently publishes regulatory information on its website.

Investor Relations

An effective investor relations arrangement is in place at the Company which confirms transparency, openness and timeliness in information disclosure and in responding to our valued shareholders. The Company in a routine manner communicates with its shareholders and investors through publishing periodic updates on financial results, disclosing price sensitive information and material information on recent developments and changes in Company's business/affairs, annual report, media releases and any other relevant communications. Furthermore, anyone requires additional information concerning Company's affairs and financial performance, may send an email to UCL.Bangladesh-info@unilever.com or contact at **+8801324438744** or visit the website of the Company at www.unileverconsumercarebd.com

Grievance Redressal Mechanism

At UCL, a preemptive and reliant shareholders' grievances and queries redressal mechanism is in place to deal with due care. The Company Secretary, along with his extended secretariat, is delegated with the responsibility of delivering equitable treatment to our valued shareholders on their queries and grievances, aligned with their well-defined rights, as articulated in the applicable laws and the Articles of Association of the Company. The Company maintains a designated e-mail address for shareholders to address their queries and grievances. The Investors' Relation Department regularly engages with the shareholders to resolve their queries and grievances with care in an effective, fair and expeditious manner and provides guidance to them for any Company-related matters. The Company's grievances redressal mechanism is furnished below:





Board of Directors

BOARD OF DIRECTORS

Masud Khan Chairman

Masud Khan joined the Board in April 2013 as Independent Director and became the Chairman of the Board in April 2019. He is currently working as the Chief Advisor of the Board of Crown Cement Group Bangladesh. He is a seasoned professional with 44 years of work experience in leading multinational and local companies in Bangladesh. Prior to joining Crown Cement Group, he worked in LafargeHolcim Bangladesh as Chief Financial Officer for 18 years. Earlier, he worked for British American Tobacco in finance and related fields for 20 years both at home and abroad.

Mr. Masud is also an Independent director and Chairman of Audit Committee of Singer Bangladesh Limited and Community Bank Bangladesh PLC. His articles on professional and industry issues regularly feature in newspapers and international and local magazines. He regularly features on electronic media on talk shows and interviews and is often in the news for comments on industry and professional issues. He also does public speaking on professional issues in educational institutions and all the Professional Institutes such as Institute of Chartered Accountants of Bangladesh, ACCA, and ICMA Bangladesh. He is also a lecturer at the Institute of Chartered Accountants of Bangladesh for the past 44 years.

Mr. Masud completed his Bachelor of Commerce with Honours from St Xaviers' College under the University of Kolkata. Thereafter, he qualified with distinction both as a Chartered as well as a Cost and Management Accountant from the Indian Institutes being a silver medalist at all India level in the Chartered Accountancy Examination in the year 1977. He is also a Fellow member of CMA (Australia and NZ).





Khan Salahuddin Mohammad Minhaj

Managing Director and CEO

KSM Minhaj was inducted to the UCL Board as the Managing Director in June 2020. Minhaj brings with him over two decades of rich FMCG experience across multiple categories in Foods, Home, and Personal Care, while leading both Marketing and Sales Functions as a member of the Management Committee of Unilever Bangladesh Limited over a period of 10 years.

Minhaj started his career at Nestle Bangladesh before joining Unilever in 2006. He had exposure to Supply Chain and then worked in Marketing as the Brand Executive of NESCAFE, before joining Unilever as the Senior Brand Manager for Wheel. He was one of the youngest Marketing Directors of the Country in 2011. In 2014, Minhaj was appointed as Director, Sales and Customer Development of Unilever Bangladesh Limited. Over the last 8 years, he has successfully transformed the function, making it future-fit by driving execution excellence, expanding distribution base, and creating a fine blend of Go-to-Market talent. He has been instrumental in driving the Customer Development (CD) transformation agenda in Unilever Bangladesh as the function drives Digitisation in Demand Generation, Demand Capture, and Demand Fulfilment.

Minhaj is credited for building the country's best-in-class talent and establishing the winning culture that Unilever is so proud of. Earlier, Minhaj completed his Business Graduation from the Faculty of Business Studies and his Master of Business Administration from IBA, University of Dhaka.

Mohammad Zaved Akhtar

Non-Executive Director

Zaved Akhtar joined the UCL Board as a non-executive Director in October 2021. He is the Chairman and Managing Director of Unilever Bangladesh Limited and joined Unilever in 2000 after 3.5 years in British American Tobacco. He has worked in multiple business units across Bangladesh, India, the Philippines, and Southeast Asia and demonstrated the ability to thrive across different cultures. He has rich international experience in brands, innovation, communication development, and business management. In his immediate past role as Vice President, Digital Transformation & Growth, Zaved led a comprehensive end-to-end digital transformation program with impact. He has also institutionalised Market Development and drove Net Revenue Management in Unilever's business in South Asia.

Zaved is a graduate of the Institute of Business Administration (IBA), University of Dhaka. He is also a President of the Foreign Investors' Chamber of Commerce and Industries (FICCI).





Zinnia Tanzina Huq

Non-Executive Director

Zinnia is the CFO and Finance Director of Unilever Bangladesh Limited (UBL). She was inducted to the UCL Board in February 2023. She has over 20 years of experience in the FMCG and Pharmaceuticals industry. She has worked across core Financial Reporting, Treasury, Controls and Governance, Commercial Finance Partnering and has led Regional Supply Chain Finance projects (based in Singapore). From thereon, she has moved on to roles in leading transformations and driving organisational strategy through shaping desired financial growth model. She joined UBL in 2019 as the Head of Financial Controls and M&A and led the historic acquisition of the GSK Consumer Healthcare business. After 2 years of leading performance management across the business and directly supporting the Beauty and Wellbeing and Personal Care business groups, she assumed her current role at UBL.

Zinnia is a Fellow Chartered Management Accountant from CIMA, UK. She is also a member of ICMA, Bangladesh. Zinnia has been a strong advocate of Diversity and Inclusion in all the organisations she represented and is an active participant in various professional platforms to promote female leadership. Zinnia was awarded the Inspiring Women Award from Bangladesh Brand Forum in 2015.

S.O.M. Rashedul Quayum

Non-Executive Director

S.O.M. Rashedul Quayum is a UK qualified Barrister from the Honourable Society of Lincoln's Inn and Advocate of the Supreme Court of Bangladesh, who joined the Board in June 2020. He is a seasoned Legal resource and business leader with 20+ years of experience working for leading multinational companies/law firms as Legal Director/General Counsel/Head of Compliance/Head of Corporate Affairs/Company Secretary. Presently he is the Legal Director and Company Secretary of Unilever Bangladesh Limited.

He has completed his LLB (Hons) and Postgraduate Diploma in Law from the University of Northumbria, U.K. and holds a Bachelors and Masters degree in Business Administration from North South University. He is a life member of the Honourable Society of Lincoln's Inn, UK, member of the Bar Council of U.K., Bangladesh Supreme Court Bar Association, Dhaka Bar Association, Dhaka Tax Bar, Bangladesh Bar Council, standing committee member of FBCCI for Intellectual Property, VAT and Customs, Protection of Consumer Right, executive committee member of IPAB, member of Legal sub-committee of FICCI and Commercial Legislation committee of MCCI.





Mohammad Abul Hossain

Non-Executive Director

Md. Abul Hossain joined the UCL Board in August 2019 as nominated Director by the Investment Corporation of Bangladesh (ICB). He has been serving as the Managing Director of ICB since 21 August 2019, the core public sector investment bank of the country. Mr. Hossain has more than 33 years of diversified experience in investment banking, specialised and commercial banking, Islamic banking, Asset management, and ICT works. He started his career as a System Analyst/ Senior Principal Officer of ICB in 1998 and served in different positions in the same organisation. Prior to his joining in ICB, he acted as the Managing Director of Karmasangsthan Bank. He also served as the Managing Director (Additional Charge) and Deputy Managing Director of Bangladesh Krishi Bank.

Currently, he is contributing his professional expertise as a Board member of British American Tobacco Bangladesh Co. Ltd. (BATBC), Standard Bank Limited, National Tea Company Limited (NTC), Apex Tannery Limited, United Power Generation & Distribution Company Limited (UPGDCL), Apex Footwear Limited, Heidelberg Cement Bangladesh Limited and Padma Bank PLC. In addition to performing his professional duties, Mr. Hossain is actively involved in different philanthropic activities of various national, social, cultural, religious and volunteer organisations.

Reazul Haque Chowdhury

Independent Director

Reazul Haque Chowdhury was inducted to the Board as an Independent Director in April 2019. Currently he is the Group Managing Director IFAD Group, prior to which, he was the Group Managing Director of Runner Automobile PLC. He was also the Managing Director of Reckitt Benckiser Thailand Cluster (Thailand, Philippines and Indo-China) and Regional Director of Avery Dennison RBIS South Asia. He was also the Independent Director of Singer Bangladesh Limited, Hemas Bangladesh Limited and Evercare Hospital.

Mr. Chowdhury started his career at British American Tobacco as Territory Sales Manager. As a Business Manager, he has more than 30 years of wide experience in General Management, Sales, Brand Marketing, Trade Marketing, and Shopper Marketing in the FMCG industry in South Asia and East Asia. He gathered significant experience in FMCG business management by working in increasingly senior positions in British American Tobacco, Customer Management Director in Unilever and Managing Director, Reckitt Benckiser Bangladesh, Reckitt Benckiser Sri Lanka Cluster, and Reckitt Benckiser Thailand Cluster. Currently, he sits on the Board of Berger Paints Bangladesh Limited as an Independent Director.

Mr. Chowdhury has a Bachelor's (Hons.) and Master's degree in Marketing from Dhaka University. He also is a graduate of Advanced Management from INSEAD, Fontainebleau, France.





Md. Naharul Islam Molla

Company Secretary and Regulatory Affairs Head

Md. Naharul Islam Molla is the Company Secretary and Regulatory Affairs Head of Unilever Consumer Care Limited. He has 27 years of professional experience in Food, Nutrition, Cosmetics, OTC drugs, and Consumer Health Care sector. He joined UCL (ex GSK) in May 2016 and led the Regulatory and Corporate Affairs function of Bangladesh, Myanmar & Nepal for the Consumer Healthcare business as Director - Regulatory and Corporate Affairs. Prior to UCL, he spent 19 years in Nestlé Bangladesh Limited in various roles including Manager - Expert Marketing, Senior Manager - Business Excellence, Public Relations and Compliance.

During his professional journey, Nahar has accomplished multiple critical assignments to unlock and safeguard business. Also, Nahar served as a Director of GSK Bangladesh Board from December 2018 to June 2020.

He completed his graduation and post-graduation from the Department of Geology, University of Dhaka. Outside his professional duties, Nahar is passionate about participating in different social activities and is involved in multiple associations.



REPRESENTATION OF DIRECTORS IN OTHER COMPANIES

Companies (other than UCL) in which UCL Directors hold Directorship and Committee membership

SL #	Name	Designation in UCL Board	Directorship in other Companies	Types of Directorship	Membership in Board Committees
1	Mr. Masud Khan	Chairman	Singer Bangladesh Limited	Independent Director	Audit Committee and Nomination & Remuneration Committee
			Community Bank Bangladesh PLC	Independent Director	Audit Committee
			Edge Ventures Limited	Director	-
			Kultprit Private Limited	Director	-
			Excelsior Restaurants and Conference Private Limited	Director	-
2	Mr. KSM Minhaj	Managing Director and CEO	Unilever Bangladesh Limited	Non-Executive Director	-
3	Mr. Mohammad Zaved Akhtar	Non-Executive Director	Unilever Bangladesh Limited	Chairman & Managing Director	-
4	Ms. Zinnia Tanzina Huq	Non-Executive Director	Unilever Bangladesh Limited	Director	-
5	Mr. S.O.M. Rashedul Quayum	Non-Executive Director	-	-	-
6	Mr. Mohammad Abul Hossain	Non-Executive Director	British American Tobacco Bangladesh Company Limited	Nominee Director	Audit Committee and Corporate Social Responsibility Committee
			Standard Bank Limited	Nominee Director	-
			National Tea Company Limited	Nominee Director	Audit Committee and Nomination & Remuneration Committee
			Apex Tannery Limited	Nominee Director	Audit Committee
			United Power Generation & Distribution Company Limited	Nominee Director	-
			Apex Footwear Limited	Nominee Director	-
			Heidelberg Cement Bangladesh Limited	Nominee Director	-
			Padma Bank PLC	Nominee Director	Audit Committee
7	Mr. Reazul Haque Chowdhury	Independent Director	Berger Paints Bangladesh Limited	Independent Director	Audit Committee and Nomination & Remuneration Committee

STATEMENT OF DIRECTORS' RESPONSIBILITY

Directors' statement of responsibility in relation to the Financial Statements and Internal Controls

The Directors of Unilever Consumer Care Limited ("Company") are:

- responsible for ensuring the maintenance of proper accounting records, which disclose with reasonable accuracy the financial position of the Company at any time and from which financial statements can be prepared to comply with the Companies Act, 1994; the Securities and Exchange Rules, 2020; the Dhaka Stock Exchange (Listing) Regulations, 2015; International Accounting Standard (IAS) / International Financial Reporting Standards (IFRS) as applicable in Bangladesh; Financial Reporting guidelines as issued by Bangladesh Securities and Exchange Commission and Financial Reporting Council and other applicable financial legislations
- responsible to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that period
- responsible also for ensuring the operation of systems of internal controls and for taking reasonable steps to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities

The Directors confirm that suitable accounting policies have been consistently applied in the preparation of financial statements, supported by reasonable and prudent judgements and estimates as necessary; applicable accounting standards have been followed, and the financial statements have been prepared on the going concern basis.

The financial statements along with the notes to the financial statements and the Directors' report for the year ended on 31 December 2023, are set forth in this annual report, which has been approved by the Board of Directors in its meeting dated 09 March 2024.

The responsibilities of the Auditors in relation to the financial statements are presented in the Independent Auditors' Report, signed by the Auditor and included in this annual report.

Internal Controls

The Board, through the Audit Committee, has reviewed the assessment of Company's emerging and principal risks and internal control framework that operates in the Company and has considered the effectiveness of the process of risk management and system of internal control in operation in the Company.

On behalf of the Board



Masud Khan
Chairman

AUDIT COMMITTEE REPORT

The Audit Committee (the “Committee” hereafter), appointed by and responsible to the Board of Directors (the “Board” hereafter) of Unilever Consumer Care Limited (the “Company” hereafter), is constituted according to the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC).

Composition of the Committee

The Committee comprises of four members, all of whom are non-executive directors. The Chairman of the Committee is appointed by the Board and is a non-executive independent director. The Company Secretary functions as the Secretary of the Committee. Meetings of the Committee are attended by the Head of Finance, Internal Audit Manager and the External Auditors on invitation. All members of the Committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control processes out of whom one member has the accounting or related financial management background with 23 years of experience.

Changes in the Committee

The tenure of Mr. Mohsin Uddin Ahmed, former Chairman of the Committee, as a Non-Executive Independent Director of the Company, comes to an end on 31 January 2024, after serving for two terms of three years each. Subsequently, his membership in the Committee has been discontinued effective from 1 February 2024.

The terms of reference of the Committee have been determined by the Board in accordance with the Audit Committee Charter.

Role of the Committee

The Audit Committee’s role flows directly from the Board’s oversight function and it is authorised by the Board to investigate any activity within its terms of reference. The Committee reports regularly to the Board on the performance of the activities it has been assigned. The Committee’s main responsibilities include:

Financial Reporting

To review the quarterly, half-yearly, and annual financial statements of the Company along with management representatives, focusing particularly on any significant changes to accounting policies and practices before submission to the Board for approval. Particular focus is given on:

- Any significant changes to accounting policies and practices;
- Significant adjustments arising from audits;
- Compliance with applicable Financial Reporting Standards and other legal and regulatory requirements; and
- The going concern assumption.

Related Party Transactions

To review any related party transactions and conflict of interest situations that may arise within the Company, including any transaction, procedure, or course of conduct that may raise questions of management integrity.

Management Discussion & Analysis (MDA)

To review the Management’s Discussion and Analysis (MDA) report and made the necessary recommendations before disclosing in the Annual Report.

Audit Reports

- To prepare the annual Audit Committee report and submit it to the Board which includes a summary of its activities and review the Board’s statements on compliance with the BSEC Codes of Corporate Governance for inclusion in the Annual Report.
- To review the internal Audit Committee Charter and make necessary revisions for the year. The Committee should determine that all responsibilities outlined in the charter have been carried out. In addition, the charter is reviewed, and proposed updates presented to the Board for approval.

Internal Control and Risk Management

- To consider annually the Risk Management Framework adopted within the Company and to be satisfied that the methodology deployed allows the identification, analysis, assessment, monitoring, and communication of risks in a regular and timely manner.
- To consider whether internal control strategies recommended by internal and external auditors have been implemented timely by the management thereby ensuring that the system of internal control is soundly embedded, effectively administered, and regularly monitored.
- To review the extent of compliance with established internal policies, standards, plans, and procedures.
- To recommend to the Board steps to improve the system of internal control derived by the Committee from the findings of the internal and external auditors.

Internal Audit

- Review and approve the internal audit activity charter for the company annually.
- Monitor / evaluate whether internal audit functions are conducted independently from the management and ensure that Internal Auditors have open access to all activities, records, property, and personnel necessary to perform their duties.
- Review and approve the annual internal audit plan and evaluate its consistency with the Risk Management Framework used.
- Review the findings and recommendations made by the Internal Auditors for removing the irregularities and ensure that appropriate action is being taken by the management.
- Recommend any broader reviews deemed necessary as a consequence of the issues or concerns identified and raise/ensure special audit where necessary.
- Review the efficiency and effectiveness of the internal audit function. Evaluate status reports from the Internal Audit and ensure that appropriate tracking is maintained on the action points agreed upon in order to implement the audit recommendations.

External Audit

- To recommend the appointment or hiring process of external auditor and oversee their performance.
- To review the external auditor's findings arising from audits, particularly any comments and responses in management letters as well as the assistance given by the employees of the Company in order to be satisfied that appropriate action is being taken.
- To review any matters concerning the appointment and re-appointment, audit fee, and resignation or dismissal of the external auditor.
- To review and evaluate factors related to the independence of the external auditor and assist them in preserving their independence.
- To be advised of and decide whether or not to make significant use of the external auditor in performing non-audit services within the Company, considering both the types of services rendered and the fees, so that its position as auditor is not deemed to be compromised.

Other matters

To act on any other matters as may be directed by the Board.

Activities performed during the year

In accordance with the Audit Committee Charter, governed by the BSEC notification on Corporate Governance, the Committee carried out its duties to work upon areas that were raised for consideration and discussed to evaluate issues related to key events of annual financial reporting cycle.

During the year 2023, the Committee carried out the following activities:

1. Financial Reporting Assurance

- Reviewed the quarterly, half-yearly, and annual financial statements of the Company, in light of the financial performance.
- Assessed compliance with applicable Financial Reporting Standards and other legal and regulatory requirements.
- Assessed the external auditor's report on all critical accounting policies, significant judgment and practices used by the company in producing the financial statements.

2. Internal Control and Risk Management Process

- The Committee reviewed the robust assessment of Company's emerging and principal risks during the year as and when required to discuss.
- Reviewed the implementation status of internal financial controls that address risks related to business processes.
- Reviewed the Financial Controls Assessment (FCA) test results conducted as per Unilever Global Financial Controls Framework (GFCF) guidelines during the year and took update on the recommendation or remediation of any identified control deficiency.

3. Internal Audit and Compliance

- Reviewed the Audit Committee Charter of the Company.
- Appraised and approved the Internal Audit Activity Charter.
- Assessed and endorsed the annual Internal Audit Plan 2023 in consideration of major risks of the Company.
- Reviewed all Internal audit reports submitted by Internal auditor and oversaw all major findings arising from internal audit throughout the year and monitored the corresponding management actions to improve the performance of the controls.

4. External Audit

- Evaluated the eligibility for appointment of statutory (external) auditors and recommended the selection to the Board.
- Reviewed the scope of the services to be provided by the external auditors and did not approve any non-audit services to the external auditors.
- Reviewed the external auditor's findings, areas of concerns and the management's response thereto and is satisfied that the external auditors remain independent and that appropriate action is being taken on time.

5. Reporting to the Board

The minutes of the Committee meetings are placed subsequently to the Board for their intimation on a regular basis which contains all issues along with various suggestions and recommendations to the Management and the Board. Following incidents were not raised during the year those be reportable to the Board:

- Any conflicts of interest.
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements.
- Suspected breach of laws, regulatory compliances including securities related laws, rules and regulations.

The Committee is of the opinion that adequate risk management and controls are in place to provide reasonable assurance that the company's assets are safeguarded and that the financial position of the Company is adequately managed.

Meetings and Attendance

In the year 2023, the Committee met four times. The details of attendance of each member of the Committee meetings in 2023 are as follows:

Name	Representation in Board	Representation in Audit Committee	Date of joining the Committee	No. of meetings in 2023	
				Held	Attended
Mr. Mohsin Uddin Ahmed	Independent Non-Executive Director	Chairman	1 st December, 2018	4	4
Mr. Reazul Huq Chowdhury	Independent Non-Executive Director	Member	10 th April, 2019	4	2
Mr. Md. Abul Hossain	Non-Executive Director	Member	21 st August, 2019	4	4
Ms. Zinnia Huq	Nominated Non-Executive Director	Member	01 st February, 2023	4	4

Mr. Md. Humayoun Kabir, Head of Finance has attended all the meetings to provide clarifications on all Company's financial matters.

Mr. Probal Raha, Internal Audit Manager has also attended all the meetings in 2023 as Head of Internal Audit function during the year. Also, as other invitees External Auditor (s) attended in one meeting to present the statutory Audit report and Management Letter for 2022 to the Committee.

Mr. Md. Naharul Islam Molla, Company Secretary, attended all meetings in 2023 in the role of Secretary of the Committee.



On Behalf of the Audit Committee
Reazul Huq Chowdhury

Dhaka, 09 March 2024



NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee ("Committee") constituted by the Board of Directors ("Board") of Unilever Consumer Care Limited ("Company") as a Sub-Committee of the Board which is in pursuance with the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 (Corporate Governance Code), issued by Bangladesh Securities and Exchange Commission ("BSEC").

The Committee comprises of four members, headed by an Independent Director and all of whom are Non-Executive Directors. The Company Secretary functions as the Secretary of the Committee.

As per the stipulation of the Corporate Governance Code, Mr. Mohsin Uddin Ahmed's tenure as a Non-Executive Independent Director of the Company came to an end on 31st January 2024, after serving for two terms of three years each. Subsequently, his membership in the Committee has been discontinued effective from 01st February 2024.

The Committee is independent and responsible or accountable to the Board and to the Shareholders.

Major Responsibilities of the Committee

The "Terms of Reference" of the Committee have been determined by the Board in accordance with the Corporate Governance Code. The roles and responsibilities of the Committee are clearly defined in the "Terms of Reference". The major responsibilities of the Committee, among others, are as follows:

- (i) Oversee and recommend a policy to the Board relating to the nomination criteria for determining qualifications, positive attributes, experiences, and Independence of Directors and top-level executives.
- (ii) Assist the Board as required to identify individuals who are qualified to become Directors and who may be appointed in top-level executive positions in accordance with the nomination criteria laid down and recommend their appointment/re-appointment and removal to the Board.
- (iii) Oversee and recommend to the Board the policy on the Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- (iv) Review the Code of Conduct of the Board on a periodic basis and recommend any amendments for Board consideration.
- (v) Identifying the company's needs for employees at different levels and determining their selection, transfer or replacement, and promotion criteria.
- (vi) Developing, recommending, and reviewing annually the company's human resources and training policies.
- (vii) Oversee and recommend a policy to the Board relating to the remuneration of the Directors and top-level executives, considering the following:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate suitable Directors to run the company successfully,

- (b) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and

- (c) Remuneration to Directors and top-level executives 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.

- (viii) Assist the Board to formulate the criteria for evaluation of the performance of the Board and Independent Directors.

- (ix) Recommend a report to the Board on activities of the Committee carried out during the financial year.

Nomination of Directors and Top-Level Executives

The Committee ensures that the procedures for nomination and appointment of Directors and Top-Level Executives are taken place in a transparent, rigorous, and non-discriminatory way. The Committee recommends the appointment of Directors and Top-Level Executives to the Board, upon considering the integrity, qualification, expertise, positive attributes, experience, and independence (in the case of an Independent Director) of the person identified for appointment.

As an equal employment opportunity employer, the Company takes pride in actively promoting diversity. The Board places great emphasis on ensuring its membership reflects diversity in the broader sense. The Committee assesses the appropriate mix of age, gender, experience, ethnicity, educational background, nationality, and other relevant personal attributes, skills, experience, and expertise required on the Board.

Remuneration for Directors and Top-Level Executives

The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and reinforces the performance culture of the Company. The intent of Company's compensation policy is to ensure that the principles of the reward philosophy are followed in entirety, thereby facilitating the Company to recruit, retain, and motivate the best talent. The ultimate objective is to gain a competitive advantage by creating a reward proposition that inspires employees to deliver the Company's promise to shareholders and consumers and to achieve superior operational results.

Executive Directors' and Top-Level Executives' compensation are benchmarked externally to ensure their total rewards package is competitive. The Company's compensation policy defines the composition of Executive Directors' and Top-Level Executives' compensation packages which comprise of fixed and incentive pay. The incentives are also tied in with the Company's business performance.

Non-Executives Directors excluding Directors who are in the employment of the Unilever Group Companies and Independent Directors are offered to receive reasonable remuneration from the Company as attendance fees.

No member of the Committee receives, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than the Director's fees or honorarium from the Company.

Evaluation of the Board and Independent Directors

The performance of the Board and Independent Directors shall be evaluated on an annual basis, compiled on the reviews / feedback from the Directors themselves. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon. The evaluation process involves obtaining viewpoints from the Directors on the performance of the Board and Independent Directors through the use of a pre-set questionnaire.

Activities carried out during the year

In line with "Terms of Reference", the Committee carried out the following activities during the year 2023:

- (i) Reviewed and recommended to the Board a report on activities of the Committee carried out during the financial year 2022.
- (ii) Reviewed and recommended to the Board the appointment of an Independent Director in accordance with the nomination criteria.
- (iii) Reviewed and recommended to the Board the re-appointment / re-election of retiring Directors.
- (iv) Reviewed a report on annual performance assessment of the Board and Independent Directors for the year 2022.
- (v) Reviewed the Company's existing Human Resources and Training policies.
- (vi) Reviewed the "Code of Business Conduct and Ethics for Members of the Board of Directors" and recommended it to the Board for approval with required amendments.
- (vii) Reviewed the "Terms of Reference" of the Committee and recommended it to the Board for approval with required amendments.



Meetings and Attendance

During the year 2023, the Committee met for two times. The following table shows the composition of the Committee and members attendance at the Committee meeting:

Name	Representation in Board	Representation in Committee	Date of joining the Committee	No. of meetings in 2023	
				Held	Attended
Mr. Reazul Haque Chowdhury	Non-Executive Independent Director	Chairman	10 th April, 2019	2	1
Mr. Mohsin Uddin Ahmed	Non-Executive Independent Director	Member	1 st December, 2018	2	2
Mr. Md. Abul Hossain	Nominated Non-Executive Director	Member	21 st August, 2019	2	2
Ms. Zinnia Tanzina Huq	Nominated Non-Executive Director	Member	01 st February, 2023	2	2

Mr. Md. Naharul Islam Molla, Company Secretary attended all meetings held in 2023 in the role of Secretary of the Committee.

On invitation, a representative from the Human Resources department attended one meeting held in 2023 to present the Company's existing Human Resources and Training policies to the Committee.

The minutes of the Committee meetings were presented at the next Board meeting following the Committee meeting.



Reazul Haque Chowdhury

Chairman

Nomination and Remuneration Committee

Date: Dhaka, 09 March 2024

Leadership Team

Khan Salahuddin Mohammad Minhaj

Managing Director and CEO

KSM Minhaj was inducted to the UCL Board as the Managing Director in June 2020. Minhaj brings with him over two decades of rich FMCG experience across multiple categories in Foods, Home and Personal Care, while leading both Marketing and Sales Functions as member of the Management Committee of Unilever Bangladesh Limited over a period of 10 years.

Minhaj started his career at Nestle Bangladesh before joining Unilever in 2006. He had exposure to Supply Chain and then worked in Marketing as the Brand Executive of NESCAFE, before joining Unilever as the Senior Brand Manager for Wheel. He was one of the youngest Marketing Directors of the Country in 2011. In 2014, Minhaj was appointed as Director, Sales and Customer Development of Unilever Bangladesh Limited. Over the last 8 years, he has successfully transformed the function, making it future-fit by driving execution excellence, expanding distribution base, and creating a fine blend of Go-to-Market talent. He has been instrumental in driving the Customer Development (CD) transformation agenda in Unilever Bangladesh as the function drives Digitization in Demand Generation, Demand Capture and Demand Fulfilment.

Minhaj is credited for building the country's best-in-class talent and establishing the winning culture that Unilever is so proud of. Minhaj completed his Business Graduation from the Faculty of Business Studies and Master of Business Administration from IBA, University of Dhaka.





Hasan Mazhar

Marketing Director

Mazhar has an illustrious career spanning 17 years in Unilever. In the initial 12 years of his career, Mazhar focused on marketing, working across different product categories including Home Care, Personal Care, Beauty and Wellbeing, and Nutrition. During this time, he held positions in Brand Building and Brand Development, contributing to the growth and success of various brands. In 2018, he transitioned to Customer Development and assumed the role of Regional Manager for the Central South region. His strategic leadership played a pivotal role in turning around the region's performance.

In 2021, Mazhar took on the responsibility of Market Lead for Unilever Market Place (UMP) Bangladesh. Under his guidance, Bangladesh became the fastest-growing market among all UMP countries, achieving action standards and surpassing national growth targets. Mazhar's exceptional leadership skills and focus on delivering outstanding unit economics have contributed to the remarkable performance of the Unilever portfolio in Bangladesh.

Mazhar actively engages with Unilever's sustainability initiatives and has led significant sustainability projects that have been recognised with esteemed international and national awards.

Mazhar completed his Bachelors in Business Administration (BBA) degree from the Institute of Business Administration, University of Dhaka.

Tahani Tarannum

Head of Finance

Tahani Tarannum is the Head of Finance of Unilever Consumer Care Limited. She is a qualified Chartered Accountant by profession and completed her articleship from Hoda Vasi Chowdhury and Co. She has eight years of post-qualification professional experience in the finance arena predominantly with Foreign Banks and diverse experience across industries in E-Commerce, Vehicle Manufacturing, Real Estate and Consumer Goods.





Md. Naharul Islam Molla

Company Secretary and Regulatory Affairs Head

Md. Naharul Islam Molla is the Company Secretary and Regulatory Affairs Head of Unilever Consumer Care Limited. He has 27 years of professional experience in Food, Nutrition, Cosmetics, OTC drugs and Consumer Health Care sector. He joined UCL (ex GSK) in May 2016 and led Regulatory and Corporate Affairs function of Bangladesh, Myanmar & Nepal for the Consumer Healthcare business as Director - Regulatory and Corporate Affairs. Prior to joining UCL, he spent 19 years in Nestlé Bangladesh Limited in various roles including Manager - Expert Marketing, Senior Manager - Business Excellence, Public Relations and Compliance.

During his professional journey, Nahar has accomplished multiple critical assignments to unlock and safeguard business.

Also, Nahar served as a Director of GSK Bangladesh Board from December 2018 to June 2020.

He completed graduation and post-graduation from the Department of Geology, University of Dhaka. Outside his professional duties, Nahar is passionate about participating in different social activities and is involved in multiple associations.

Md. Tafizul Islam Pial

Head of Sales

Md. Tafizul Islam Pial commenced his tenure at Unilever Bangladesh Limited in 2006, undertaking the role of Territory Manager. Over the span of 16 years, he has garnered extensive expertise within Unilever, encompassing roles in Field Sales, Customer, and Brand Marketing, forging a distinguished career trajectory marked by both depth and breadth in GTM strategies.

Throughout his journey, Pial has excelled in pivotal business roles, accruing invaluable experience. Notably, post successful stints as Regional Manager, he subsequently assumed the role of Channel Development and Shopper Marketing Lead. Further, in his capacity as General Sales Operations Manager, Pial demonstrated adeptness in establishing future-fit and compliant RTM partnerships, indispensable for securing a competitive advantage and fostering sustainable growth. Following the successful integration of GSK operations, he was appointed as the Head of Sales for Nutrition, Emerging Business, and Sales Operations, wherein he played a pivotal role in shaping the HFD business. Subsequently, on 01st July 2023, Pial assumed the position of Sales Operations and Capability Director, with a continued commitment to driving excellence within the organization.

Pial holds a Bachelor's degree in Business Administration discipline from Khulna University.



A portrait of Shamima Akhter, a woman with long dark hair and glasses, wearing a blue patterned sari. She is standing with her hands clasped in front of her.

Shamima Akhter

Director of Corporate Affairs,
Partnerships and Communications

Shamima joined Unilever Bangladesh Limited in 2019 as the Head of Corporate Affairs, Partnerships and Communications. She joined the UBL Management Committee as the Director of Corporate Affairs, Partnerships and Communications in 2022. As a member of the Management Committee, she leads the sustainability affairs of Unilever Bangladesh and is responsible for guiding the Unilever brand's social mission in Bangladesh.

Shamima has over 20 years of work experience across Communications, Corporate Affairs, Public Relations, and Marketing. After joining UBL, she successfully launched Unilever Bangladesh's first Sustainability Report in 2022. She was also instrumental in launching UBL's first plastic waste management initiative in Bangladesh, partnering with municipalities. Shamima also works as the liaison between Unilever and its different stakeholders and partners from the Public, INGO and NGO sectors.

Prior to joining UBL, Shamima worked for Coca-Cola, Grameenphone, technology start-up QUBEE, USAID, and UNDP. She is an expert in mass communication, project development and implementation, climate action, policy advocacy, and strategic collaboration. In 2023, she was awarded the 'Stellar Women' award as a Female Leader in 2023. Shamima writes op-eds on Gender and Environment related issues in leading national newspapers.

Shamima holds a master's degree in development studies from North South University and a Master of Arts (Gender Studies) from the University of Dhaka.

A portrait of Nabil Imran Siddiquee, a man with a beard and glasses, wearing a grey blazer over a dark shirt. He is standing with his hands in his pockets.

Nabil Imran Siddiquee

Supply Chain Lead

Nabil joined the Company in 2016. In his current role, Nabil is responsible for end-to-end Supply Chain Management at UCL. Prior to that, he successfully managed the role of Manufacturing Operations and Quality along Strategic Projects here.

Nabil comes with over 19 years' experience both in Factory and Corporate in Food, Nutrition and Consumer Healthcare sectors. Before joining UCL, he spent 12 years with Nestlé Bangladesh Limited (including 4 years in Nestlé Lanka Ltd as an expat) in various management positions of Manufacturing, R&D, Strategic Projects, TPM, and Quality Management.

Nabil is a Chemical Engineer and he graduated from Bangladesh University of Engineering and Technology (BUET).



Ahmed Inam

Human Resources Lead

nam joined Unilever in Bangladesh in 2017 and joined the UCL Leadership team in July 2021. Before that, he was a part of the Unilever-GSK integration team as the HR Integration Manager - HR. Inam comes with over 15 years of experience in HR in different multinational & local companies including Banglalink, Rahimafrooz, and Huawei where he worked in various pillars of HR e.g., Recruitment, Learning and Development, Reward, and HR Operations. He completed both his graduation and post-graduation from North South University.

Sharmin Akter

Senior Legal Counsel

Sharmin joined Unilever as the Senior Counsel and leads the Legal department of UCL. She is also leading the data privacy/governance of Unilever and she is the DPO.

Sharmin is a Barrister-at-Law (UK) and Advocate of the Supreme Court of Bangladesh. She completed her Bar Professional Training Course from Cardiff University, U.K., LL.B, and LL.M from Dhaka University. She has 14+ years of experience as Legal Counsel of Marico Bangladesh Limited and is a successful practitioner before the Supreme Court of Bangladesh. She is a member of the Honourable Society of Gray's Inn, UK, Bangladesh Bar Council, Dhaka Bar Association, and Bangladesh Supreme Court Bar Association. During her practice, she was engaged in several historical public interest litigations including the introduction of constitutional tort in Bangladesh, women and children's rights, and the reform of the evidence law of Bangladesh.



Awards and Achievements







Championing a Plastic Waste-Free Future

In line with our global commitments, Unilever Consumer Care Limited has steadily been moving towards achieving a waste-free future for Bangladesh. In 2023, we took our commitments a step further and invested in Research and Development to cut our plastic usage and find alternative packaging for our products. We started with recycling the plastic waste generated from our production. Now, we collect and process more plastic than we sell.





BUSINESS REVIEW

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DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 2023

Dear Shareholders,

The Board of Directors has the pleasure of presenting the Directors' Report with the audited Financial Statements of Unilever Consumer Care Limited ("Company" or "UCL") for the year ended 31 December 2023.

The Directors' Report has been prepared in accordance with the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission ("BSEC") vide its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 and Section 184 of the Companies Act 1994. This report is being presented to the Shareholders at the 51st Annual General Meeting of the Company scheduled on 14 May 2024.

Our Business and Activities

Unilever Consumer Care Limited (erstwhile known as GlaxoSmithKline Bangladesh Limited) was incorporated on 25 February 1974 as a public limited Company and has been listed with Dhaka Stock Exchange PLC (DSE) since 1976. On 30 June 2020, 81.98% of shares of the Company were acquired by Unilever Overseas Holdings B.V., as part of the Share Purchase Agreement signed between SETFIRST Limited and Unilever NV (Unilever NV nominated Unilever Overseas Holdings B.V. as the buyer of the shares). Consequently, the Company became a subsidiary of Unilever Overseas Holdings B.V. The name of the Company subsequently changed to Unilever Consumer Care Limited (UCL) effective from 24 August 2020, upon securing necessary approvals from the shareholders and relevant regulatory bodies of the Country.

The principal activities of the Company include manufacturing and marketing of consumer Health and Food Drink (HFD) products under the brands' names Horlicks, Boost, Maltova, and GlucoMaxD.

Industry Outlook and Possible Future Developments

2023 was another difficult year for the global economy and the global economic headwinds continue to affect the Bangladeshi economy. GDP growth of Bangladesh softened in fiscal year 2023 with quarterly GDP growth reaching as low as 2.04% in Q3 of the fiscal year. Inflation was also a major concern throughout the year, with food inflation peaking 12.5% in Oct'23. As the wage growth was consistently behind the inflation rate, the purchasing power of the general consumers decreased. Among the consumer classes, the middle socio-economic spectrum faced major challenges due to the sharp decline in purchasing power. Several Fast-moving Consumer Goods (FMCG) categories, including nutrition supplements, experienced sharp volume declines during this period as consumers tightened spending to prioritise household essentials.

Moreover, due to the volatility and global crisis, the Bangladeshi Taka (BDT) continued to become weaker against the US Dollar (USD) and experienced a further 20% decline in 2023. As an outcome, businesses that are

dependent on imported raw materials experienced a sharp margin decline. Banks faced difficulties in financing imports due to foreign currency shortage which also led to supply disruptions throughout the year, further impeding business performance.

However, as policies were reviewed by the central bank and the government to address the foreign currency reserve crisis, the situation started to improve gradually. In Q4 of fiscal year 2023, the GDP growth improved to 5.8% and both food and general inflation fell to single digits before the end of the year which also aided UCL business to get back to positive growth momentum in 2nd half of the year from a considerable decline in 1st half. Some analysts are considering these improvements as symptoms of recovery and are optimistic that 2024 will be a better year for the economy. With further political stability achieved after the general elections in January 2024, and Bangladesh set to reap the benefits of infrastructure projects like the Dhaka Metro Rail, Padma Bridge and Bangabandhu Tunnel, the country is well positioned to turn a new leaf in the upcoming year.

Business Performance Through Sustainable Value Creation

Unilever's operational principle is to create sustainable long-term value while achieving superior business performance. Through its internationally reputed brands, the company continued to focus on offering high-quality food and nutrition products. To better serve the consumers, the company has adopted a variety of innovations in packaging, product, price, and communication throughout 2023.

In line with our commitment to fighting malnutrition of all sorts in Bangladesh through our purpose-led brands and initiatives, the Company has continued to communicate nutritional needs and benefits through both traditional and digital media channels in 2023. Horlicks has undertaken Door-to-Door Activation initiatives to reach families and educate them about balanced nutrition. Across Bangladesh, Horlicks engaged with 4.3 million mothers, providing them with essential knowledge on the nutritional needs of their children. Acknowledging the decline in purchasing power of the general consumers, an additional access pack (value pack) was launched in rural geographies to offer superior value to consumers.

Furthermore, we have engaged healthcare professionals and specialists across the country to disseminate scientific and factual information related to the nutritional demands of pre-natal and post-natal motherhood and the need for specialised nutrition. Disseminating this information will help our brands as our products already have the required nutritional fortifications.

We also improved our presence at retail stores by revamping our visibility model and increasing our presence at 30% more stores nationally.

These interventions have resulted in a 2% increase in our market share in the HFD category, taking it to 94%. The business got back to positive growth momentum with a

3.2% growth in the 2nd half of the year. This was on the back of a 9.9% degrowth in the 1st half following a few rounds of price increases. Overall, the business experienced a 3.5% degrowth in the full year 2023. Our Gross Margin was also affected due to exchange rate devaluation. We rolled out several cost-saving initiatives in 2023, resulting in further operational efficiency. The parent company also assisted us by a one-off waiver of Technology and Trademark Royalty. We also improved our financial income. These initiatives resulted in an overall Net Profit Margin of 24.3%, which is 6.5% higher compared to last year.

Manufacturing

In line with the master plan, in 2023, the Company included HFD manufacturing line in its Chattogram site and commercial production started in October'2023. The site was already manufacturing GlucoMaxD since 2022. During 2023, all the Stock Keeping Units (SKUs) produced from our own site have successfully obtained necessary regulatory licenses for commercial operation. This expansion will help the future volume growth prediction and aspiration of the company in the coming years.

In parallel, the company has utilised the capacity of Mutual Food Products Limited (MFPL), the collaborative manufacturing partner site, located at Konabari, Gazipur to maintain the service level. MFPL has been our sole collaborative manufacturing partner since 2002. With its state-of-the-art manufacturing setup, MFPL ensured uninterrupted supply in 2023. MFPL is compliant with the most stringent safety and quality regimen set by Unilever's global and local regulatory bodies and entities. The site is FSSC 22000 certified with the safest food manufacturing facilities according to Global Food Safety Initiative (GFSI) standards. In addition, all products manufactured in MFPL are compliant with local regulatory requirements.

Safety and Quality are at the top of everything we do on any of our sites. To complement Safety and Quality Assurance, a skill matrix and training calendar are in place. The site ensures the adherence of those including organising internal and external trainings and workshops on a regular basis. Further, the production site is fully compliant with Bangladesh Labour Law and does not appoint child labour for any of its activities.

Both our sites are environmentally responsible manufacturing sites with Effluent Treatment Plant (ETP) usage, carbon-efficient transportation, energy-efficient electrical and material handling. In terms of Health and Safety practices, sites are equipped with a fire detection and combat system, which is centrally monitored, keeping the operation safe.

While driving efficiency and productivity across our manufacturing sites at Chattogram and Gazipur, we will continue our focus to deliver Safe and Quality products to meet consumer satisfaction and build trust in our brands.

Financial Performance

The Directors are pleased to report the financial results of the Company for the year ended 31 December 2023.

Particulars	BDT Crore		
	2023	2022	vs 2022
Revenue	395.4	409.9	-3.5%
Cost of sales	226.2	215.0	5.2%
Gross Profit	169.3	194.8	-13.1%
% to revenue	42.8%	47.5%	-4.7%
Profit from operations	106.8	97.6	9.4%
% to revenue	27.0%	23.8%	3.2%
Profit before tax	118.8	97.8	21.4%
Income tax expenses	22.6	24.7	-8.7%
Profit after tax	96.2	73.0	31.6%
% to revenue	24.3%	17.8%	6.5%

Revenue

As an outcome of the overall industry de-growth and consumer disposable income, we experienced reduced consumer off-take. Like most discretionary categories in Bangladesh, the demand for our products was also impacted throughout 2023.

Cost Of Sales and Gross Profit Margin

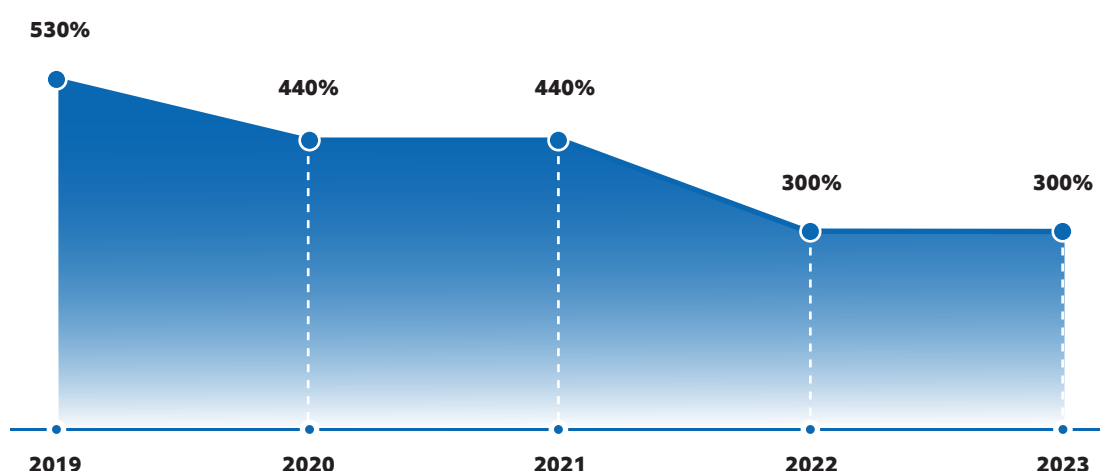
The significant devaluation of the Bangladesh Taka against the US Dollar has driven the cost of goods sold up significantly in 2023. The Company undertook significant savings initiatives during 2023 to offset the impact of the devaluation which has somewhat offset the impact of the devaluation of BDT. However, the increased cost could not be fully covered up through price increase (as the consumer purchasing power was largely affected due to inflation, we assessed that the brands will not be benefited if we try to offset the incremental cost through price increase). Moreover, utility price hikes also impacted the manufacturing cost. Consequently, the gross profit margin of the Company has decreased by 4.7%.

Net Profit Margin

While the gross profit margin has declined, the net profit margin of the Company for the year 2023 has improved compared to that in 2022 by 6.5%. This improvement has resulted from efficiency in operating expenses, increased interest income, and one-off waiver of Technology and Trademark Royalty granted by the parent company for the year 2023.

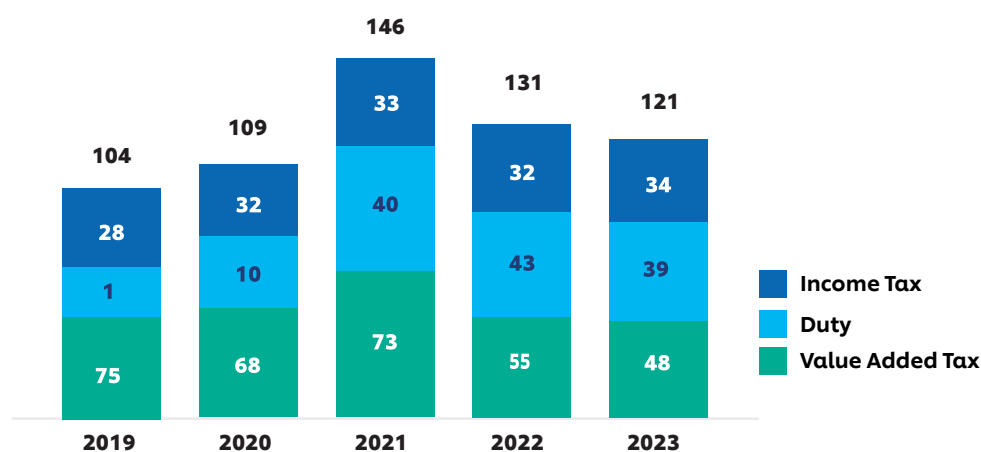
Distribution to Equity Shareholders

In consideration of the above business and financial performance, the Board of Directors recommended a final cash dividend of 300%. The recommended dividend, if approved by the Shareholders at the 51st Annual General Meeting, will involve a cash outflow of BDT 57.8 Crore.



Contribution to National Exchequer

Since its incorporation in Bangladesh, the Company has always made a significant contribution to the National Exchequer in the form of duties and taxes. All dues and applicable taxes were paid, collected, and deposited in time. During the year 2023, the Company contributed to the National Exchequer a sum of BDT 121 Crore.



Key Operating and Financial Data

The summarised key operating and financial data for the five years (2019-2023) is presented below:
(The detailed version is presented in Annexure-II).

					BDT Crore
Particulars	2023	2022	2021	2020	2019
Revenue	395.4	409.9	414.4	346.9	404.2
Cost of sales	226.2	215.0	222.3	187.6	181.1
Gross Profit	169.3	194.8	192.1	159.3	223.1
Operating Expenses	62.5	97.2	118.7	103.9	116.0
Profit from operations	106.8	97.6	73.4	55.4	107.1
Net finance income	16.8	5.1	1.6	16.9	16.9
Other income/(expenses)	1.4	0.3	0.5	(1.9)	-
Profit before WPPF & taxation	125.0	102.9	75.5	70.4	123.9
Contribution to WPPF	6.3	5.1	3.8	3.7	6.0
Profit before tax	118.8	97.8	71.7	66.7	117.9
Income tax expenses	22.6	24.7	18.9	17.0	16.2
Profit from continuing operations	96.2	73.0	52.8	49.7	101.7
Profit/(Loss) from discontinued operation	-	-	-	3.2	(3.1)
Profit after tax	96.2	73.0	52.8	52.9	98.6

Event Subsequent to the Statement of Financial Position

The Board of Directors recommended a final cash dividend at the rate of 300% per share for the year ended 31 December 2023 at the 317th Board meeting held on 09th March 2024. There are no other material events identified after the closure of the Statement of Financial Position.

Board of Directors

The composition of the Board represents an optimal mix of professionalism, knowledge, and experience that enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board has a good and diverse combination of Executive and Non-Executive Directors, and the same is also in line with the applicable provisions of the Companies Act, 1994; Articles of Association of the Company and Corporate Governance Code issued by BSEC. The Board consists of 08 (eight) Directors comprising seven Non-Executive Directors, out of which two are Independent Directors and the Managing Director.

As per the stipulation of the Corporate Governance Code, Mr. Mohsin Uddin Ahmed's tenure as a Non-Executive Independent Director of the Company comes to an end on 31 January 2024, after serving for two terms of three years each.

Brief resumes of the Directors including their expertise in specific functional areas and membership in other Companies as Director/Board Committee members have been presented on pages 84 to 89 of this Annual Report.

Board of Directors Meeting and Attendance

During the year 2023, 05 (five) meetings were held. The following table shows the composition of the Board and members' attendance at the Board meetings:

Name of Directors	Number of Meetings	Meetings Attended	Remarks
Mr. Masud Khan (Chairman)	05	05	Existing
Mr. Khan Salahuddin Mohammad Minhaj (Managing Director)	05	05	Existing
Mr. Mohammad Zaved Akhtar (Non-Executive Director)	05	03	Existing
Ms. Zinnia Tanzina Huq (Non-Executive Director)	05	05	Existing
Mr. S.O.M. Rashedul Quayum (Non-Executive Director)	05	04	Existing
Mr. Md. Abul Hossain (Non-Executive Director)	05	05	Existing
Mr. Mohsin Uddin Ahmed (Independent Director)	05	05	Completed two terms of three years each, on 31 January 2024
Mr. Reazul Haque Chowdhury (Independent Director)	05	03	Existing

The member who could not attend the meeting was granted leave of absence.

Appointment/Reappointment of Directors

According to section 91(2) of the Companies Act, 1994 and Article 85 of The Articles of Association of the Company, one-third of the Directors excluding the Managing Director shall be retiring by rotation at every Annual General Meeting and if eligible, qualify for re-election.

Accordingly, the Directors retiring by rotation are Mr. Mohammad Zaved Akhtar and Mr. S.O.M. Rashedul Quayum, who being eligible, offer themselves for re-election.

he brief resumes of re-electing / re-appointing and newly appointed Directors are given below:

Mr. Mohammad Zaved Akhtar

A brief resume of Mr. Mohammad Zaved Akhtar has been presented on Page No. 85.

Mr. S.O.M. Rashedul Quayum

A brief resume of Mr. S.O.M. Rashedul Quayum has been presented on Page No. 86.

Remuneration of Directors, Including Independent Directors

During the year, the Company has paid a total of BDT 701,773 as Board meeting attendance fees including AIT and VAT to two Independent Directors and two Non-Executive Directors excluding Directors who are in the employment of the Unilever Group Companies (disclosed in note 24 of the Financial Statements).

Code of Conduct

The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee has laid down a "Code of Business Conduct and Ethics" for the members of the Board of Directors of the Company which is also readily available at the Company's website www.unileverconsumercarebd.com. All Directors signed an annual declaration for the year 2023, confirming their full compliance with such Code.

Directors' Declaration on Financial Reporting

The full financial statements are presented in a later section of the annual report, along with the full notes of disclosures. The Directors confirm the following in accordance with the requirements of the Corporate Governance Code issued by BSEC:

- a. The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows, and changes in equity;
- b. Proper books of accounts of the Company have been maintained;
- c. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgement;
- d. International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements, and any departure therefrom has been adequately disclosed;
- e. There is no significant variance between Quarterly Financial Performance and Annual Financial Statements;
- f. All deviations from last year's operating results of the Company have been highlighted under the above point (Financial Performance).

Certification by the Managing Director and Head of Finance

Certification by the Managing Director and Head of Finance on the financial statements is presented in Annexure-V.

Other Regulatory Declarations by Directors

- a. Utilisation of proceeds from public issues is not applicable;
- b. Explanation of financial results after IPO is not applicable;
- c. Explanation for not declaring the dividend for the year is not applicable;
- d. No bonus share or stock dividend has been declared as interim dividend during the year;
- e. During the year, the Company has not received any reportable complaints from its Shareholders;
- f. During the year, the Company conducted its Board meetings and recorded the minutes of the meetings as well as kept 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 Corporate Governance Code issued by BSEC.

Management's Discussion and Analysis

In accordance with condition no. 5(xxv) of the Corporate Governance Code as issued by BSEC, Management's Discussion and Analysis which was reviewed by the Audit Committee has been duly signed by the Managing Director and Head of Finance of the Company and is set out in Annexure-I.

Shareholding Pattern

The shareholding information as of 31 December 2023 and other related information are set out in Annexure-III.

Minority Shareholder Protection

The 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. The Company regularly interacts with its shareholders and investors through financial results announcements, disclosure of price-sensitive information and material information, annual reports, media releases, and the Company's website. The Annual General Meeting gives the shareholders an opportunity to come in direct communication with the Board of Directors and the Management. During such meetings, the Board engages with shareholders and responds to their queries on varied topics.

Compliance with BSEC Directive – Capital Market Stabilisation Fund

Pursuance to regulatory requirements mandated by the Bangladesh Securities and Exchange Commission (Capital Market Stabilisation Fund) Rules, 2021, all publicly listed Companies are directed by BSEC to transfer the amounts to the Capital Market Stabilisation

Fund ("CMSF") held against unclaimed or undistributed or unsettled dividend in cash or non-refunded public subscription money or others for a period of 3 (three) or more years from the date of declaration or approval or record date, as the case may be. In 2023, securing all applicable legal obligations, the Company deposited the amount of BDT 893,012.90 (Eight Lac Ninety-Three Thousand Twelve and Ninety Paisa) to CMSF, which was held in the Company for 3 (three) or more years against unclaimed or undistributed or unsettled cash dividend for the Financial Year 2019 ended on 31 December 2019.

Related Party Transaction

All related party commercial transactions were made on the basis of "Arm's Length Transactions". Related party transactions have been presented in note 34 of the audited Financial Statements.

Going Concern

The Directors believe that the Company is a going concern and there are no significant doubts upon the Company's ability to continue as a going concern. Accordingly, Financial Statements are prepared on a Going Concern basis.

Risks and Concerns

The Company aims at ensuring business integrity through rigorous processes and systems. The Company follows an Embedded Risk Management Approach based on 3 principles which help to identify, measure, and manage internal and external key business risks and opportunities. The Risk Management framework and relevant activities performed during the year are detailed out in the Corporate Governance chapter on pages 65 to 72.

Internal Control

The Company has a robust internal control and risk management system in place. The design of internal control is sound and has been effectively implemented and monitored throughout the year. The Unilever control universe is made up of various control frameworks. There are six components of the Unilever Financial Reporting Controls Model, allowing it to establish, assess, and enhance its internal controls for more accurate financial reporting, prevention of fraud, and protection of the Company's assets. Besides, control frameworks for access to our systems and other IT-based operations are also in place to address data security risks.

The Financial Controls Assessment (FCA) process ensures assurance over financial reporting controls each year. As per the Global Financial Controls Framework (GFCF), testing has been carried out throughout the year in four quarters and two phases and submitted the outcome of the testing to the Group Chief Accountant's Department (GCAD). The Unilever Control Service Center (CSC) monitors a set of Control Health Indicators (CHI) monthly and shares the same with the Country team.

The Audit Committee appraises the adequacy and effectiveness of the internal control framework of the Company periodically. The outcomes from both internal and external audit findings are considered to assess the state of key controls. The audit observations and necessary corrective actions and closures of actions are presented and reviewed by the Audit Committee on a quarterly basis.

As per the annual audit plan approved by the Audit Committee, the internal audit function conducted independent process reviews throughout the year to assess the risks and measure the adequacy and effectiveness of controls. The activities of internal audit are oriented towards the assurance over the Company's internal controls and risks from an independent eye. Based on the internal audit reports, process owners undertook necessary actions in their respective areas and thereby strengthened the controls.

This annual report further encloses a detailed discussion on the internal control framework as well as activities of the Audit Committee under the Corporate Governance section.

People Update

2023 was a difficult year for the business as the country experienced unprecedented economic headwinds. In a year like this, keeping employees focused, energised, and motivated becomes even more difficult. The Company's Human Resource (HR) function stayed committed to ensuring the holistic employee experience for its people through the right interventions in the space of learning and development, wellbeing, and engagement.

The company understands the value of continuous learning and development for its employees and as part of that, year-long learning initiatives were taken. The Learning Carnival 2023 was arranged with various topics covered in more than 30 sessions. Approximately a thousand manhours of learning sessions with a very encouraging 96% advocacy score shows that the effort was successful in delivering the desired result. The functional learning interventions were organised as well for specific functional needs. Signature learning programmes e.g., "Brilliant Basics" and "Customer Marketing Foundation" for Customer Development, "Magic of Marketing" and "Marketing Academy" for the Marketing team, and "HR Foundation Programmes" for the HR team were some of the most successful sessions arranged last year.

We ensured physical and mental wellbeing through different initiatives such as, conducting a vaccination drive for some of the most frequent diseases free of cost. We also conducted an Annual Health Check-up for all our employees which helped them take proactive measures for their health. The functional fitness competition among the employees created strong enthusiasm among them and helped them shape themselves to the optimum level. For mental health, our Employee Assistance Programme was extended to the employee's immediate family members as well.

The company embarked on its journey to become a Gender Balanced organisation a few years back. The creation of a gender-balanced organisation did not stop within our inner core employees (under our payroll). We ensured that our partners were also committed to the same mission. In 2023, our female Distributor Field Force (DFF) employee number rose to 320 which is a 60% rise from previous year.

At UCL, employee engagement is holistically executed through a year-round calendar. The functional outbounds were arranged to help the functional heads cascade the annual priorities and let the employees learn from the leaders. The Reward and Recognition programmes motivated the winners to perform and encouraged others to go the extra mile. The sports competition named "U-Cup" lets the employees pursue their dream of playing

and helped the employees to remain active physically. The Monthly Townhall and Quarterly Report Back sessions were arranged to update the organisation with business results, outstanding achievements, and areas to improve. All of these were done to ensure we have a connected, engaged, and capable workforce.

Governance, Compliance and Business Integrity

The Company is committed to growing in a purposeful and future-fit way, leading to responsible and sustainable growth. The Code of Business Principles (Code) and 24 related Code Policies form the core of the Company's Business Integrity framework that plays a vital role in setting out how the Company seeks to ensure compliance with laws and regulations, protects its brands and reputation, and prevents harm to people and the environment. Having a strong set of values that respect people, society, and the planet has always been at the heart of the Company. The Codes are simple and mandatory ethical statements of how we should operate and they act as our handbook for putting our values into practice. The Codes define the ethical behaviours that we all need to demonstrate when working for Unilever. Several sessions on Code and Business Integrity were conducted with the employees and new joiners during the year. The Company ensured that 100% of the employees undertook and signed the yearly business integrity pledge.

The Code and Code Policies provide a framework designed to be simply applied by the employees in their day-to-day work. The Company has robust processes to ensure that the product claims are correct and compliant. Additionally, there are structured processes in place to manage contracts, litigations, and regulatory compliance. As Bangladesh has strong and robust digitalisation movements planned, new regulations are being formulated for data privacy and security. As a result, ensuring data security and privacy is a vital checkpoint for the Company. The Company is continuing to ensure it has an appropriate framework and standards to safeguard the data privacy of its employees and consumers.

The Company is continuing to combat the menace of counterfeits, and unauthorised/illegal import of the Company's products through various legal steps and measures, like litigation against the vested quarters and working closely with the regulators. The Company works with leading industry associations, regulators, and key opinion leaders to develop a progressive regulatory environment in the best interest of all stakeholders and to ensure a level playing field. This in turn ensures that only original and safe products are offered to the consumers.

The Company believes that what is good for the country is good for Unilever. With this belief, over the last year, the Company has been working with different regulatory authorities to form progressive policies and regulations that will allow innovative and world-class products and business in the country.

Our Journey Towards A Sustainable Future for Bangladesh

At UCL, our commitment to sustainable living remains steadfast as we continue to make strides towards a brighter future for Bangladesh. Guided by our ethos, "What is good for Bangladesh is good for Unilever," our efforts are catered to the local needs and aligned with global Sustainable Development Goals (SDGs).

Throughout 2023, we remained dedicated to improving the health of the planet by progressively decarbonising our production processes, supply chain and reducing our carbon footprint at every step of the value chain.

To ensure the health and wellbeing of our consumers, we continued to drive our actions, with a focus on raising awareness about nutritious diets among mothers across the country. Our Door-to-Door awareness campaigns reached 4.3 million mothers across the country, educating them on the importance of proper nutrition, especially for children. This year, we collaborated with the Bangladesh Nutrition and Dietetics Foundation (BNDF) to raise awareness and upskill the Nutritionists and Dietitians on the Bone Mineral Density (BMD) test, which is an essential aspect of wellbeing and nutrition during pregnancy and postpartum. We continued our long-standing partnership with the Centre for the Rehabilitation of the Paralysed (CRP) by supporting the nutritional needs of residential students at the William & Marie Taylor School (WMTS). This school brings together special needs students and mainstream students from both families of CRP staff members residing on the CRP campus, and from the surrounding local community. In 2023, we extended our support to provide meals and nutritional requirements for the entire year, ensuring that the students have access to essential nutrition for their growth and development.

In 2023, we also partnered with the Old Placidians' Association (OPA) to aid their free literacy school for under-privileged children and with the Down Syndrome Society.

Continuing our success of collecting more plastic than we produce since 2022, our plastic collection efforts reached new heights in 2023. The company, in collaboration with Local Government Institutes (LGI) and not-for-profit partner Youth Power for Social Action (YPSA) has collected and recycled 100% plastic footprint. Along with plastic collection and recycling, the company, through value chain intervention, has improved the livelihood of 2800 waste workers and raised awareness for consumer behaviour change. This further highlights our commitment to collecting more plastics than we sell, contributing to a circular economy for plastic waste.

As pioneers in taking bold action towards sustainability, our initiatives have gained positive feedback from stakeholders and government alike. Our commitment to driving positive change remains unwavering as we continue to forge ahead on our sustainability journey.

For more details on our initiatives, please refer to pages 46 to 49 of this report.

Awards and Achievements

At UCL, principles of Corporate Governance are built on accountability, transparency, fairness, and focus on the sustainable success of the Company over the long term. We are committed to doing things in the right way, which means making business decisions and acting in a way that is ethical and in compliance with applicable legislation. During the year 2023, the Company has been honored with two distinguished corporate awards for its governance practices. The Company received the Gold Award from the Institute of Chartered Secretaries of Bangladesh at the ICSB National Award for Excellence in Corporate Governance for the year 2022 and the Bronze Award from the Institute of Cost and Management Accountants of Bangladesh at the ICMAB Best Corporate Award for the year 2022.

Corporate Governance Compliance Report

As part of its corporate policy, the Company always strives to maintain high standards of compliance in Corporate Governance. The Company's Corporate Governance Charter, outlined in the Corporate Governance section, defines how the Company will be operated and managed and the process in place to ensure high standards of transparency, accountability, and integrity.

We are pleased to confirm that the Company has complied with all necessary guidelines in accordance with the requirements of the Corporate Governance Code. The Status of Compliance with the Corporate Governance Code for the year 2023 is attached in Annexure-IV, along with the Certificate of Compliance required under the said Code.

Statutory Auditors

The present Statutory Auditors, Rahman Rahman Huq, Chartered Accountants (KPMG in Bangladesh), shall retire from their office in the ensuing 51st Annual General Meeting and shall have passed a consecutive period of three years as Statutory Auditors of the Company. As per securities law, they are not eligible for re-appointment as Statutory Auditors of the Company. Based on the recommendation of the Audit Committee, the Board has endorsed the appointment of A. Qasem & Co., Chartered Accountants, as the Statutory Auditors of the Company for the year 2024, subject to the approval of Shareholders in the ensuing 51st Annual General Meeting.

Compliance Auditors

As per stipulation of the BSEC's Corporate Governance Code, the Board has recommended the appointment of Mohammad Sanaullah & Associates as Compliance Auditors for the year 2024, subject to the approval of Shareholders in the ensuing 51st Annual General Meeting.

Acknowledgement

The Board of Directors would like to thank all employees of the Company who have been championing Unilever's purpose of making sustainable living commonplace and demonstrating the values of the Company every day.

We are deeply grateful for the trust and confidence in your Company from consumers and business partners who continue to inspire us. We are honour-bound to continue to uphold the trust that we hold so dear.

The Company would like to express its heartfelt thanks to all its stakeholders, including The Prime Minister's Office, the Ministry of Home Affairs, Bangladesh Police, the Ministry of Public Administration, Local District and Upazila Administration, The Bangladesh Securities and Exchange Commission ("BSEC"), The Dhaka Stock Exchange PLC ("DSE"), the Bangladesh Investment Development Authority ("BIDA"), the Ministry of Health and Family Welfare, the Ministry of Labour, the Ministry of Food, Ministry of Commerce (MoC), Bangladesh Food Safety Authority ("BFSA"), the Ministry of Industries, Bangladesh Standard and Testing Institute ("BSTI"), the Central Depository Bangladesh Limited ("CDBL"), Financial Institutions, Insurance Companies, National Board of Revenue ("NBR"), Customs Excise and VAT Commissionerate, Custom Houses, utility providers, various Government authorities and other individuals and agencies for their support during the year 2023.

On behalf of the Board



Masud Khan
Chairman

09 March 2024

শেয়ারহোল্ডারদের জন্য পরিচালনা পর্ষদের প্রতিবেদন - ২০২৩

প্রিয় শেয়ারহোল্ডারগণ,

পরিচালনা পর্ষদ, ২০২৩ সালের ৩১ ডিসেম্বর সমাপ্ত বছরের ইউনিলিভার কনজিউমার কেয়ার লিমিটেড ('কোম্পানি' বা 'ইউসিএল') এর নিরীক্ষিত আর্থিক বিবরণী, পরিচালকদের প্রতিবেদন এবং নিরীক্ষকের প্রতিবেদন আপনাদের কাছে উপস্থাপন করতে পেরে আনন্দিত।

পরিচালনা পর্ষদের এ প্রতিবেদনটি বাংলাদেশ সিকিউরিটিস অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) জারি করা কর্পোরেট গভর্নেন্স কোড নোটিফিকেশন নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/ ২০৭/অ্যাডমিন/৮০, ৩ জুন ২০১৮ এবং কোম্পানি আইন-১৯৯৪ সালের ১৮৪ ধারা অনুসারে প্রস্তুত করা হয়েছে। প্রতিবেদনটি ১৪ মে ২০২৪ তারিখে নির্ধারিত কোম্পানির ৫১ তম বার্ষিক সভায় শেয়ারহোল্ডারদের কাছে উপস্থাপন করা হচ্ছে।

আমাদের ব্যবসায়িক কার্যক্রম

ইউনিলিভার কনজিউমার কেয়ার লিমিটেড (পূর্বে গ্ল্যাক্সোস্মিথক্লাইন বাংলাদেশ লিমিটেড) ১৯৭৪ সালের ২৫ ফেব্রুয়ারি পাবলিক লিমিটেড কোম্পানি হিসেবে যাত্রা শুরু করে এবং ১৯৭৬ সাল থেকে ঢাকা স্টক এক্সচেঞ্জ পিএলসি (ডিএসই) - এ তালিকাভুক্ত রয়েছে। সেটফাস্ট লিমিটেড এবং ইউনিলিভার এনভি (ইউনিলিভার এনভি, ইউনিলিভার ওভারসিস হোল্ডিংস বিত্তিক্রেতা হিসেবে মনোনীত করে) এর মধ্যে সম্পাদিত শেয়ার ক্রয় চুক্তির অংশ হিসেবে ৩০ জুন, ২০২০ তারিখে ইউনিলিভার ওভারসিস হোল্ডিংস বি.ভি. কোম্পানির ৮৯.৯৮% শেয়ার ক্রয় করে। এর ফলস্বরূপ, কোম্পানি ইউনিলিভার ওভারসিস হোল্ডিংস বিত্তির সাবসিডিয়ারি বা অধীনস্থ কোম্পানিতে পরিণত হয়। দেশের সংশ্লিষ্ট নিয়ন্ত্রক সংস্থা ও শেয়ারহোল্ডারদের কাছ থেকে প্রয়োজনীয় অনুমোদন লাভের পর ২৪ আগস্ট, ২০২০ থেকে কোম্পানির নাম পরিবর্তন করে ইউনিলিভার কনজিউমার কেয়ার লিমিটেড (ইউসিএল) করা হয়।

কোম্পানির প্রধান কার্যক্রম হচ্ছে হরলিফ, বুস্ট, মাস্টোডা ও থুকোম্যাক্স ডি ব্র্যান্ডের অধীনে ভোক্তাদের জন্য হেলথ ফুড ড্রিংক (এইচএফডি) উৎপাদন ও বাজারজাতকরণ।

ব্যবসার বর্তমান পরিস্থিতি ও সম্ভাব্য ভবিষ্যৎ প্রবৃদ্ধি

২০২৩ সাল ছিল বৈশ্বিক অর্থনীতির জন্য আরও একটি কঠিন বছর এবং বৈশ্বিক অর্থনীতির এই মন্দাভাব বাংলাদেশের অর্থনীতিতেও নেতিবাচক প্রভাব ফেলেছে। ২০২৩ সালে বাংলাদেশের জিডিপি প্রবৃদ্ধি কমে এসেছে এবং ত্রৈমাসিক জিডিপি প্রবৃদ্ধি বছরের ৩য় ত্রৈমাসিকে ২.০৪% এ নেমে এসেছে। সার্বিক মূল্যস্ফীতি বছর জুড়ে একটি প্রধান অর্থনৈতিক উদ্বেগের কারণ ছিল এবং খাদ্যদ্রব্যের মূল্যস্ফীতি ২০২৩ সালের অক্টোবর মাসে বৃদ্ধি পেয়ে সর্বোচ্চ ৯২.৫% এ পৌঁছায়। আয় বৃদ্ধির হার ধারাবাহিকভাবে মুদ্রাস্ফীতির হারের তুলনায় কম হওয়ায় সাধারণ ভোক্তাদের ক্রয়ক্ষমতা হ্রাস পায়। ক্রয়ক্ষমতার এই ব্যাপক হ্রাসের কারণে, মধ্যবিত্ত ভোক্তাপ্রণী বড় চ্যালেঞ্জের সম্মুখীন হয়। ফলস্বরূপে, নানাবিধ ফাস্ট মুভিং কনজিউমার গুডস (এফএমসিজি) ক্যাটাগরি যেমন, নিউট্রিশন সাল্লিমেণ্ট পণ্যগুলোর ডলিউম দ্রুত হ্রাস পায় কারণ এ সময়ে ভোক্তারা অন্যান্য খরচ কমিয়ে শুধু পরিবারের একান্ত প্রয়োজনীয় পণ্য কেনা অর্থ ব্যয় করে।

অধিকন্তু, বৈশ্বিক অর্থনৈতিক অনিশ্চয়তা এবং ভূরাজনৈতিক সংকটের কারণে, বাংলাদেশী টাকা ইউএস ডলারের (ইউএসডি) বিপরীতে ক্রমাগত দুর্বল হতে থাকে এবং ২০২৩ সালে বিনিময় হার আরও ২০% হ্রাস পায়। ফলস্বরূপ, আমদানিকৃত কাঁচামালের উপর নির্ভরশীল ব্যবসায়িক মার্জিন লাইন দ্রুত হ্রাস পেতে থাকে। বৈদেশিক মুদ্রার ঘাটতির কারণে, ব্যাংকগুলো আমদানি খাতে অর্থায়নে বাধার সম্মুখীন হয় যা সারা বছর পণ্যের সরবরাহকে ব্যাহত করে এবং ফলস্বরূপ ব্যবসায়িক কর্মক্ষমতাকে ক্ষতিগ্রস্ত করে।

তবে, বৈদেশিক মুদ্রার রিজার্ভ সংকট মোকাবেলায় কেন্দ্রীয় ব্যাংক এবং সরকার কর্তৃক প্রণীত নীতিমালা পর্যালোচনা করা হলে, এই পরিস্থিতি ধীরে ধীরে উন্নত হতে শুরু করে। ২০২৩ অর্থবছরের ৪র্থ ত্রৈমাসিকে জিডিপি প্রবৃদ্ধি ৫.৮% এ উন্নীত হয়েছে। খাদ্যদ্রব্য ও সাধারণ পণ্যের মুদ্রাস্ফীতি উভয়ই বছর শেষ হওয়ার আগে একক অঙ্কে নেমে আসে যা ইউসিএল-এর ব্যবসাকে বছরের প্রথমার্ধের বিবেচনাযোগ্য ক্ষতি থেকে, দ্বিতীয়ার্ধের ইতিবাচক প্রবৃদ্ধিতে গতিচালিত করে। বিশ্লেষকরা এই উন্নতিগুলোকে অর্থনৈতিক পুনরুদ্ধারের লক্ষণ হিসাবে বিবেচনা করছেন এবং তারা আশাবাদী যে ২০২৪ সালে অর্থনৈতিক উন্নয়নের অগ্রগতি হবে। বাংলাদেশ ২০২৪ সালের জানুয়ারিতে অনুষ্ঠিত সাধারণ নির্বাচন পরবর্তী রাজনৈতিক স্থিতিশীলতা এবং ঢাকা মেট্রো রেল, পদ্মা সেতু এবং বঙ্গবন্ধু টানেলের মতো উন্নয়ন প্রকল্পগুলোর উপযোগিতা ভোগ করতে প্রস্তুত। দেশটি আসন্ন বছরে নতুন করে অর্থনৈতিক উন্নয়নের সূচনা করার জন্য উপযুক্ত অবস্থানে রয়েছে।

টেকসই উন্নয়নের মাধ্যমে ব্যবসায়িক প্রবৃদ্ধি

ইউনিলিভারের অপারেশনাল মূলনীতি হল, অধিকতর ব্যবসায়িক সাফল্যের পাশাপাশি দীর্ঘমেয়াদি টেকসই ডায়ালু সৃষ্টি করা। আন্তর্জাতিক ভাবে সুপরিচিত ও শক্তিশালী ব্র্যান্ডের মাধ্যমে কোম্পানি ধারাবাহিকভাবে ভোক্তাদের উচ্চমানের খাদ্য ও পুষ্টিপণ্য সম্পন্ন পণ্য সরবরাহ করে আসছে। ভোক্তাদের উন্নত সেবা প্রদান করতে ২০২৩ সালে কোম্পানি মোডক, পণ্য, মূল্য এবং প্রচারে উদ্ভাবনী কৌশল ব্যবহার করেছে।

আমাদের শক্তিশালী ব্র্যান্ড এবং বিভিন্ন উদ্যোগের মাধ্যমে বাংলাদেশে সব ধরনের অপুষ্টির বিরুদ্ধে লড়াই করার প্রতিশ্রুতি অনুযায়ী, কোম্পানি ২০২৩ সালে পণ্যের পুষ্টিগুণ সম্পর্কে সচেতনতা বাড়াতে অনলাইন ও অফলাইন প্ল্যাটফর্মে প্রাসঙ্গিক সচেতনতামূলক কর্মসূচি পরিচালনা করেছে। সরাসরি পরিবারদের কাছে গিয়ে হরলিফ-এর পুষ্টিগুণ এবং সুস্বাদু পুষ্টি সম্পর্কে সচেতন করেছে হরলিফ ডোর টু ডোর ক্যাম্পেইনের উদ্যোগ গ্রহণ করেছে। সারা বাংলাদেশ জুড়ে, ৪৩ লক্ষ মায়াদের কাছে হরলিফ তাদের বাচ্চাদের পুষ্টির চাহিদা সম্পর্কে প্রয়োজনীয় জ্ঞান পৌঁছে দিয়েছে। সাধারণ ভোক্তাদের ক্রয়ক্ষমতা হ্রাসের কথা চিন্তা করে করে, গ্রামীণ অঞ্চলে সাশ্রয়ী মূল্যে ছোট, সুবিধাজনক ও উদ্ভাবনী অ্যাক্সেস প্যাক (ডায়ালু প্যাক) চালু করা হয়েছে যেন ভোক্তারা মানসম্মত পণ্যের সুবিধা ভোগ করতে পারে।

জন্মপূর্ব ও জন্মোত্তর মাতৃকালীন পুষ্টি চাহিদা ও বিশেষায়িত পুষ্টি সম্পর্কে বৈজ্ঞানিক ও বাস্তবিক তথ্য প্রচার করতে আমরা দেশজুড়ে পেশাদার স্বাস্থ্যসেবী ও বিশেষজ্ঞদের নিয়োজিত করেছি। তথ্যের এই প্রচারণা আমাদের ব্র্যান্ডগুলিকে সাহায্য করবে কারণ আমাদের পণ্যগুলিতে ইতোমধ্যে প্রয়োজনীয় পুষ্টিগুণ বিদ্যমান।

ডিজিটালিটি মডেলের পুনর্গঠন করে রিটেইল দোকানগুলোতে আমরা আমাদের উপস্থিতি বাড়িয়ে তুলেছি এবং দেশজুড়ে আরও ৩০% বেশি দোকানে আমরা পৌঁছাতে পেরেছি।

এ সকল সম্পৃক্ততার কারণে, হেলথ ফুড ড্রিংকস (এইচএফডি) ক্যাটাগরিতে আমাদের মার্কেট শেয়ার ২% বৃদ্ধি পেয়ে, ৯৪% হয়েছে। বছরের দ্বিতীয়ার্ধে ৩.২% বৃদ্ধির সাথে ব্যবসা ইতিবাচক প্রবৃদ্ধির গতিতে ফিরে এসেছে। এর পূর্বে, বছরের প্রথমার্ধে ব্যবসা ৯.৯% হ্রাস পায় এবং কয়েকধাপে পণ্যের দাম বৃদ্ধি পায়। সামগ্রিকভাবে, ২০২৩ সালে ব্যবসা ৩.৫% হ্রাস পেয়েছে। মুদ্রার বিনিময় হার অবমূল্যায়নের কারণে আমাদের মোট প্রান্তিক মুনাফা প্রভাবিত হয়েছে। ২০২৩ সালে আমরা কিছু সাশ্রয়ী উদ্যোগ গ্রহণ করি যার ফলস্বরূপ পরবর্তীতে আমাদের কর্মক্ষমতা বৃদ্ধি পায়। প্যারেট কোম্পানি আমাদের টেকনোলজি এন্ড ট্রেডমার্ক রয়্যালটি এককালীন মওকুফ করে আমাদের সহায়তা করেছে। আমরা আমাদের আর্থিক আয়ও উন্নত করেছি। এই উদ্যোগগুলির ফলে সামগ্রিকভাবে আমাদের নিট প্রান্তিক মুনাফা ২৪.৩% হয়েছে, যা গত বছরের তুলনায় ৬.৫% বেশি।

পণ্য উৎপাদন

আমাদের মাস্টার প্ল্যান অনুযায়ী, ২০২৩ সালে কোম্পানি তার চট্টগ্রাম সাইটে হেলথ ফুড ড্রিংকস (এইচএফডি) উৎপাদন লাইন যোগ করে এবং অক্টোবর মাস থেকে বাণিজ্যিক উৎপাদন শুরু হয়। সাইটটি ২০২২ সাল থেকেই থ্রুকোম্যান্ড-ডি উৎপাদন করছিল। ২০২৩ সালে, আমাদের নিজস্ব সাইটে উৎপাদিত সমস্ত স্টক কিপিং ইউনিটস (এসকেইউস) সফলভাবে বাণিজ্যিক অপারেশনের জন্য প্রয়োজনীয় নিয়ন্ত্রক লাইসেন্স পেয়েছে। এই বাণিজ্যিক সম্প্রসারণ ভবিষ্যতে ভলিউম বৃদ্ধির পূর্বাভাস ও কোম্পানির উচ্চাকাঙ্ক্ষা অর্জন করতে সাহায্য করবে।

একই সাথে, গাজীপুরের কোনাবাড়িতে অবস্থিত মিউচুয়াল ফুড প্রোডাক্টস লিমিটেড (এমএফপিএল) কে সহযোগিতামূলক উৎপাদন অংশীদার হিসেবে ব্যবহার করে কোম্পানি পণ্য সরবরাহ নিশ্চিত করে আসছে। ২০০২ সাল থেকে এমএফপিএল, কোম্পানির একমাত্র উৎপাদনকারী অংশীদার হিসেবে কাজ করেছে এবং এর সর্বাধুনিক প্রযুক্তির উৎপাদনক্ষমতা সম্পন্ন ফ্যাক্টরি ২০২৩ সালে নিরবিচ্ছিন্ন পণ্য সরবরাহ নিশ্চিত করেছে। ইউনিলাভারের বৈশ্বিক মান ও স্থানীয় মান নিয়ন্ত্রক সংস্থা দ্বারা প্রণীত সকল নিরাপত্তা সম্পর্কিত নির্দেশনা এবং কোয়ালিটি স্ট্যান্ডার্ডের সাথে কমপ্লায়েন্স নিশ্চিত করে এমএফপিএল। এই ফ্যাক্টরিটি গ্লোবাল ফুড সফটি ইনিশিয়েটিভ (জিএফএসআই) অনুসারে সবচেয়ে নিরাপদ খাদ্য উৎপাদনকারী প্রতিষ্ঠান হিসেবে এফএসএসসি ২২০০০ সনদপ্রাপ্ত হয়েছে। একই সাথে, এমএফপিএল-এ উৎপাদিত আমাদের সকল পণ্য স্থানীয় মান নিয়ন্ত্রক সংস্থার কমপ্লায়েন্সের সাথে সঙ্গতিপূর্ণ।

আর্থিক ফলাফল

পরিচালনা পর্ষদ অত্যন্ত আনন্দের সাথে ৩১ ডিসেম্বর ২০২৩ তারিখে শেষ হওয়া অর্থবছরের জন্য কোম্পানির আর্থিক ফলাফল উপস্থাপন করছে:

	টাকা (কোটি)		
বিবরণ	২০২৩	২০২২	বনাম ২০২২
রাজস্ব	৩৯৫.৪	৪০৯.৯	-৩.৫%
বিক্রয় খরচ	২২৬.২	২১৫.০	৫.২%
মোট মুনাফা	১৬৯.৩	১৯৪.৮	-১৩.১%
রাজস্ব থেকে %	৪২.৮%	৪৭.৫%	-৪.৭%
অপারেশন থেকে মুনাফা	১০৬.৮	৯৭.৬	৯.৪%
রাজস্ব থেকে %	২৭.০%	২৩.৮%	৩.২%
কর পূর্ববর্তী মুনাফা	১১৮.৮	৯৭.৮	২১.৪%
আয়কর খরচ	২২.৬	২৪.৭	-৮.৭%
কর পরবর্তী মুনাফা	৯৬.২	৭৩.০	৩১.৬%
রাজস্ব থেকে %	২৪.৩%	১৭.৮%	৬.৫%

রাজস্ব

সামগ্রিক শিল্প-প্রবৃদ্ধি ও ভোক্তা নিষ্পত্তিযোগ্য আয়ের কারণে আমাদের ভোক্তাদের পণ্য ক্রয় ক্ষমতা হ্রাস পেয়েছে। বাংলাদেশের অন্যান্য বিবেচনামূলক ক্যাটাগরি মতো আমাদের পণ্যের চাহিদাও ২০২৩ সালে হ্রাস পেয়েছে।

বিক্রয় খরচ এবং মোট প্রান্তিক মুনাফা

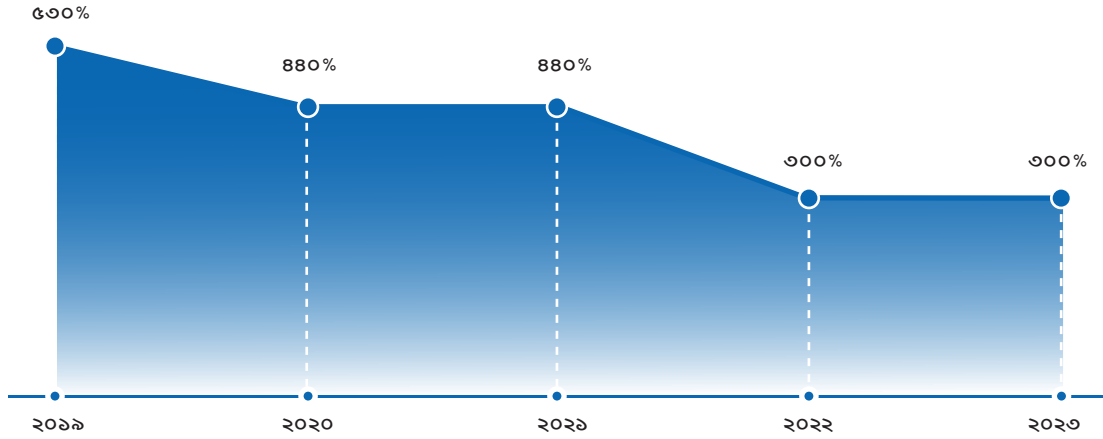
মার্কিন ডলারের বিপরীতে বাংলাদেশী টাকার বিনিময় হারের উল্লেখযোগ্য অবমূল্যায়নের ফলে ২০২৩ সালে বিক্রয়যোগ্য পণ্যের দাম অধিকহারে বৃদ্ধি পেয়েছে। কোম্পানি ২০২৩ সালে উল্লেখযোগ্য সঞ্চয় উদ্যোগ গ্রহণ করেছে যা টাকার বিনিময় হার বৃদ্ধির প্রভাবে কিছুটা ভারসাম্য এনেছে। তবে, পণ্যের দাম বৃদ্ধির মাধ্যমে এই অতিরিক্ত খরচ কমিয়ে আনা সম্ভব হয়নি (যেহেতু মূল্যস্ফীতির কারণে ভোক্তা ক্রয়ক্ষমতা ব্যাপকভাবে প্রভাবিত হয়েছিল, আমরা মূল্যায়ন করেছি যে দাম বৃদ্ধির মাধ্যমে বর্ধিত খরচ ভারসাম্য তৈরির চেষ্টা করলে ব্র্যান্ডগুলি উপকৃত হবে না)। অধিকন্তু, উপযোগ মূল্য বৃদ্ধিও উৎপাদন ব্যয়কে প্রভাবিত করেছে। ফলস্বরূপ, কোম্পানির মোট প্রান্তিক মুনাফা ৪.৭% কমে এসেছে।

নিট প্রান্তিক মুনাফা

মোট প্রান্তিক মুনাফা হ্রাস হলেও, ২০২৩ সালে কোম্পানির নিট প্রান্তিক মুনাফা ২০২২ সালের তুলনায় ৬.৫% বৃদ্ধি পেয়েছে। অপারেটিং খরচে দক্ষতা, সুদের আয় বৃদ্ধি এবং ২০২৩ সালের প্যাকেট কোম্পানি কর্তৃক প্রদত্ত টেকনোলজি এন্ড ট্রেডমার্ক রয়্যালটির এককালীন মওকুফের ফলে মুনাফার এই উন্নতি সম্ভব হয়েছে।

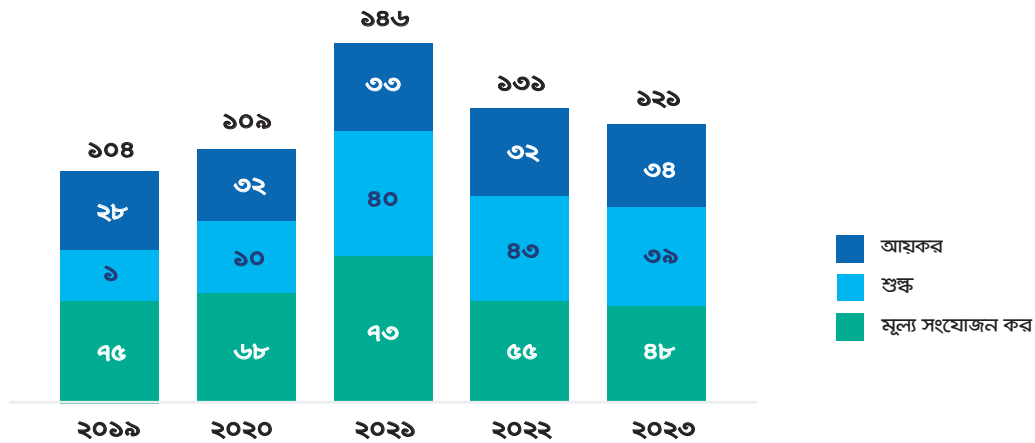
শেয়ারহোল্ডারদের লভ্যাংশ

উল্লিখিত ব্যবসায়িক কার্যক্রম ও অর্থনৈতিক অবস্থা বিবেচনা করে, পরিচালনা পর্ষদ ৩০০% চূড়ান্ত লভ্যাংশ প্রস্তাব করেছে। প্রস্তাবিত লভ্যাংশ শেয়ারহোল্ডারদের দ্বারা ৬৯তম বার্ষিক সভায় অনুমোদিত হলে কোম্পানি থেকে ৫৭.৮ কোটি টাকা নগদ পরিশোধ করা হবে।



জাতীয় রাজস্বে অবদান

বাংলাদেশে প্রতিষ্ঠার পর থেকেই কোম্পানি শুল্ক ও কর পরিশোধের মাধ্যমে জাতীয় রাজস্বে অবদান রেখে চলেছে। সকল বকেয়া ও প্রযোজ্য কর সময়মতো পরিশোধ, সংগ্রহ এবং জমা করা হয়েছে। ২০২৩ সালে কোম্পানি জাতীয় রাজস্বে ১২১ কোটি টাকা অবদান রেখেছে।



অপারেটিং ও আর্থিক তথ্য

কোম্পানির পাঁচ বছরের (২০১৯-২০২৩) মূল অপারেটিং ও আর্থিক তথ্যের সংক্ষিপ্ত বিবরণী নিম্নে উপস্থাপন করা হলোঃ

(বিস্তারিত সংস্করণ পরিশিষ্ট-২ এ উপস্থাপিত হয়েছে)

	টাকা (কোটি)				
বিবরণ	২০২৩	২০২২	২০২১	২০২০	২০১৯
রাজস্ব	৩৯৫.৪	৪০৯.৯	৪১৪.৪	৩৪৬.৯	৪০৪.২
বিক্রয় খরচ	২২৬.২	২১৫.০	২২২.৩	১৮৭.৬	১৮১.৯
মোট মুনাফা	১৬৯.৩	১৯৪.৮	১৯২.১	১৫৯.৩	২২২.৩
অপারেটিং খরচ	৬২.৫	৯৭.২	১১৮.৭	১০৩.৯	১১৬.০
অপারেটিং মুনাফা	১০৬.৮	৯৭.৬	৭৩.৪	৫৫.৪	১০৬.৩
আর্থিক রাজস্ব	১৬.৮	৫.৯	১.৬	১৬.৯	১৬.৯
অন্যান্য আয়/(ব্যয়)	১.৪	০.৩	০.৫	(১.৯)	-
কর ও ডাব্লিউপিপিএফ পূর্ববর্তী মুনাফা	১২৫.০	১০২.৯	৭৫.৫	৭০.৪	১২৩.১
ডাব্লিউপিপিএফ-এ অবদান	৬.৩	৫.৯	৩.৮	৩.৭	৬.০
কর পূর্ববর্তী মুনাফা	১১৮.৮	৯৭.৮	৭১.৭	৬৬.৭	১১৭.১
আয়কর খরচ	২২.৬	২৪.৭	১৮.৯	১৭.০	১৬.২
অব্যাহত অপারেশন থেকে মুনাফা	৯৬.২	৭৩.০	৫২.৮	৪৯.৭	১০০.৭
বন্ধ অপারেশন থেকে লাভ/(লোকসান)	-	-	-	৩.২	(৩.১)
কর পরবর্তী মুনাফা	৯৬.২	৭৩.০	৫২.৮	৫২.৯	৯৮.৬

আর্থিক বিবরণী প্রকাশের পরবর্তী ঘটনা

৯ মার্চ ২০২৪ সালে অনুষ্ঠিত ৩১৭তম পরিচালনা পর্ষদের সভায় ৩১ ডিসেম্বর ২০২৩ সালে সমাপ্ত বছরের জন্য ৩০০% চূড়ান্ত লভ্যাংশ প্রস্তাব করা হয়েছে। আর্থিক বিবরণী প্রকাশের পর থেকে কোম্পানির ব্যবসা পরিচালনায় বিঘ্ন সৃষ্টি করার মতো উল্লেখযোগ্য কোনো ঘটনা ঘটে নি।

পরিচালনা পর্ষদ

কোম্পানির পরিচালনা পর্ষদ পেশাদারিত্ব, জ্ঞান ও অভিজ্ঞতার সর্বোত্তম সমন্বয়ে গঠিত, যা পর্ষদের উপর অর্পিত দায়িত্ব পালনে এবং ব্যবসায় কার্যকরী নেতৃত্ব প্রদানে সহায়ক। কোম্পানি আইন ১৯৯৪, কোম্পানির আর্টিকেলস অফ এসোসিয়েশন এবং বিএসইসি দ্বারা জারি করা কর্পোরেট গভর্নেন্স কোডের সাথে সঙ্গতি রেখে নির্বাহী এবং অ-নির্বাহী পরিচালকদের সমন্বয়ে কোম্পানির পরিচালনা পর্ষদ গঠিত হয়েছে। পরিচালনা পর্ষদটি ০৮ (আট) জন পরিচালকের সমন্বয়ে গঠিত যার মধ্যে সাত জন অ-নির্বাহী পরিচালক এবং এই সাত জন অ-নির্বাহী পরিচালকের মধ্যে দুই জন স্বতন্ত্র ও ব্যবস্থাপনা পরিচালক হিসেবে দায়িত্বপ্রাপ্ত। কর্পোরেট গভর্ন্যান্স কোডের শর্তানুযায়ী, ৩১ জানুয়ারি ২০২৪ সালে জনাব মহসীন উদ্দীন আহমেদ এর কোম্পানির অ-নির্বাহী স্বতন্ত্র পরিচালক হিসেবে মেয়াদ শেষ হয়। তিনি তিন বছর করে দুই মেয়াদে এ পদে দায়িত্বপ্রাপ্ত ছিলেন।

বার্ষিক প্রতিবেদনের পৃষ্ঠা ৮৪ থেকে ৮৯ -তে পরিচালকদের কার্যকরী ক্ষেত্রে দক্ষতা ও অন্যান্য কোম্পানির পরিচালক/বোর্ড কমিটির সদস্যদের উল্লেখসহ সংক্ষিপ্ত জীবন বৃত্তান্ত উপস্থাপন করা হয়েছে।

পরিচালনা পর্ষদের সভা ও উপস্থিতি

২০২৩ সালে পরিচালনা পর্ষদের ০৫ (পাঁচ) টি সভা অনুষ্ঠিত হয়েছে। নিম্নোক্ত টেবিলে পর্ষদের বিবরণ ও পর্ষদ সভায় পরিচালকদের উপস্থিতির তথ্য উপস্থাপন করা হলোঃ

পরিচালকের নাম	অনুষ্ঠিত সভা	সভায় উপস্থিতি	মন্তব্য
জনাব মাসুদ খান (চেয়ারম্যান)	০৫	০৫	বিদ্যমান
জনাব খান সালাহউদ্দিন মোহাম্মদ মিনহাজ (ব্যবস্থাপনা পরিচালক)	০৫	০৫	বিদ্যমান
জনাব মোহাম্মদ জাভেদ আখতার (অ-নির্বাহী পরিচালক)	০৫	০৩	বিদ্যমান
জনাবা জিনিয়া তানজিনা হক (অ-নির্বাহী পরিচালক)	০৫	০৫	বিদ্যমান
জনাব এস.ও.এম. রাশেদুল কাইউম (অ-নির্বাহী পরিচালক)	০৫	০৪	বিদ্যমান
জনাব মোঃ আবুল হোসেন (অ-নির্বাহী পরিচালক)	০৫	০৫	বিদ্যমান
জনাব মহসীন উদ্দিন আহমেদ (স্বতন্ত্র পরিচালক)	০৫	০৫	৩১ জানুয়ারি ২০২৪, দুই মেয়াদে প্রতিবার তিন বছরের দায়িত্ব শেষ করেছেন
জনাব রিয়াজুল হক চৌধুরী (স্বতন্ত্র পরিচালক)	০৫	০৩	বিদ্যমান

যে সকল পরিচালক সভায় উপস্থিত থাকতে পারেননি, তাদের অনুপস্থিতির চুটি মঞ্জুর করা হয়েছিল।

পরিচালকদের নিয়োগ/পুনঃনিয়োগ

কোম্পানি আইন ১৯৯৪ এর ৯১(২) ও আর্টিকেল অফ এসোসিয়েশন অফ দি কোম্পানি এর ধারা ৮৫ অনুযায়ী, ব্যবস্থাপনা পরিচালক ব্যতীত এক-তৃতীয়াংশ পরিচালক প্রত্যেক বার্ষিক সভায় আবর্তনের মাধ্যমে অবসর গ্রহণ করবেন এবং উপযুক্ত হলে, পুনঃনির্বাচনের জন্য যোগ্য হবেন।

তদানুসারে, আবর্তনের মাধ্যমে জনাব মোহাম্মদ জাভেদ আখতার ও জনাব এস.ও.এম. রাশেদুল কাইউম অবসর গ্রহণ করেন এবং পুনঃনিয়োগের জন্য যোগ্য হবার কারণে পুনরায় নির্বাচনের জন্য নিজেদের নাম প্রস্তাব করেন।

পুনরায় নিয়োগপ্রাপ্ত/পুনঃনির্বাচনের যোগ্য পরিচালকদের সংক্ষিপ্ত জীবনবৃত্তান্ত নিম্নে দেয়া হলোঃ

জনাব মোহাম্মদ জাভেদ আখতার

জনাব মোহাম্মদ জাভেদ আখতারের একটি সংক্ষিপ্ত জীবনবৃত্তান্ত পৃষ্ঠা নং ৮৫ এ উপস্থাপন করা হয়েছে।

জনাব এস.ও.এম. রাশেদুল কাইউম

জনাব এস.ও.এম. রাশেদুল কাইউমের সংক্ষিপ্ত জীবনবৃত্তান্ত পৃষ্ঠা নং ৮৬ এ উপস্থাপন করা হয়েছে।

পরিচালকদের পারিষ্রমিক, স্বতন্ত্র পরিচালকসহ

বছরজুড়ে কোম্পানি এআইটি ও ভ্যাটসহ পরিচালনা পর্ষদ সভার উপস্থিতি ফি হিসেবে মোট ৭,০৯,৭৭০ টাকা দুই জন স্বতন্ত্র পরিচালক ও দুই জন অ-নির্বাহী পরিচালককে পরিশোধ করেছে এবং এদের মধ্যে ইউনিলিভার গ্রুপ কোম্পানিতে চাকরিরত পরিচালকদের অন্তর্ভুক্ত করা হয়নি। (আর্থিক বিবরণীর নোট ২৪ এ প্রকাশিত)

আচরণ বিধি

মনোনয়ন প্রদান ও সম্মানী কমিটির সুপারিশের ভিত্তিতে পরিচালনা পর্ষদ কোম্পানির পরিচালকদের একটি “ব্যবসায়িক আচরণ ও নীতিমালা” প্রণয়ন করা হয়েছে যা কোম্পানির ওয়েবসাইট www.unileverconsumercarebd.com এ উপস্থাপিত। সকল পরিচালকগণ ২০২৩ সালের বার্ষিক ঘোষণায় স্বাক্ষর করেছেন এবং এই নীতিমালার সাথে তাদের পূর্ণ সম্মতি ও কমপ্লায়েন্স নিশ্চিত করেছেন।

আর্থিক প্রতিবেদন সংক্রান্ত পরিচালকদের ঘোষণা

সম্পূর্ণ আর্থিক প্রতিবেদন বার্ষিক প্রতিবেদনের পরবর্তী অংশে বিস্তারিতভাবে উপস্থাপন করা হয়েছে। বি.এস.ইসি দ্বারা জারি করা কর্পোরেট গভর্নেন্স কোডের প্রয়োজনীয়তা অনুসারে পরিচালকগণ নিম্নলিখিত বিষয়গুলো নিশ্চিত করেছেনঃ

- ক) কোম্পানির ম্যানেজমেন্ট দ্বারা প্রস্তুতকৃত আর্থিক বিবরণীতে নিরপেক্ষভাবে কোম্পানির কার্যকারিতা, অপারেশনের ফলাফল, ক্যাশ ফ্লো এবং ইকুইটি পরিবর্তন উপস্থাপন করা হয়েছে;
- খ) কোম্পানির হিসাবের বই (রেকর্ড) যথাযথ সংরক্ষণ করা হয়েছে;
- গ) আর্থিক বিবরণী তৈরি করার সময় অ্যাকাউন্টিং এর নীতিমালা ধারাবাহিকভাবে প্রয়োগ করা হয়েছে এবং অ্যাকাউন্টিং এর আনুমানিক হিসাব যুক্তিসঙ্গত ভাবে ও বিচক্ষণতার সাথে তৈরি করা হয়েছে;
- ঘ) আর্থিক বিবরণীটি ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ডস (আইএএস) ও ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস) বাংলাদেশের প্রেক্ষাপট অনুসরণ করে প্রস্তুত করা হয়েছে, এবং এর থেকে কোনো কিছু বাদ দেয়া হলে তা পর্যাপ্তভাবে প্রকাশ করা হয়েছে;
- ঙ) ত্রৈমাসিক আর্থিক পারফরম্যান্স এবং বার্ষিক আর্থিক বিবরণীর মধ্যে কোনো উল্লেখযোগ্য পার্থক্য নেই;
- চ) কোম্পানি গত বছরের অপারোটিং ফলাফলের সকল বিদ্যুতি উপরের পয়েন্টের (ফাইন্যান্সিয়াল পারফরম্যান্স) অধীনে হাইলাইট করা হয়েছে।

ব্যবস্থাপনা পরিচালক এবং হেড অফ ফাইন্যান্স এর প্রত্যয়ন

ব্যবস্থাপনা পরিচালক ও হেড অফ ফাইন্যান্সের প্রত্যয়ন, আর্থিক বিবরণীর পরিশিষ্ট-৫ এ উপস্থাপন করা হয়েছে।

পরিচালকদের অন্যান্য রেশুলেটরি ঘোষণা

- ক) পাবলিক ইস্যু থেকে আয়ের ব্যবহার প্রযোজ্য নয়;
- খ) আইপিও পরবর্তী আর্থিক ফলাফলের ব্যাখ্যা প্রযোজ্য নয়;
- গ) কোনো বছরের লভ্যাংশ ঘোষণা না হওয়ার ব্যাখ্যা দেয়া প্রযোজ্য নয়;
- ঘ) কোনো বোনাস শেয়ার বা স্টক লভ্যাংশ অন্তর্ভুক্ত লভ্যাংশ হিসেবে এ বছর ঘোষণা করা হয়নি;
- ঙ) এ বছর কোম্পানি তার শেয়ারহোল্ডারদের কাছ থেকে কোনো রিপোর্টযোগ্য অভিযোগ পায়নি;
- চ) বছরজুড়ে কোম্পানি পর্ষদ বিভিন্ন সভা পরিচালনা করে এবং প্রয়োজনীয় সকল বই ও রেকর্ডের সাথে সভার মিটিং মিনিটস- এরও হিসেব রাখে, যা ইন্সটিটিউট অফ চার্টার্ড সেক্রেটারিয়েটস অফ বাংলাদেশ (আইসিএসবি) গৃহীত বাংলাদেশ সেক্রেটারিয়াল স্ট্যান্ডার্ডস (বিএসএস)- এর বিধি অনুসারে সংরক্ষণ করা এবং একই সাথে বাংলাদেশ সিকিউরিটিস অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি)- এর জারি করা কর্পোরেট গভর্নেন্স কোডের কোনো শর্তের সাথে অসামঞ্জস্যপূর্ণ নয়।

ব্যবস্থাপনা পর্যালোচনা ও বিশ্লেষণ

বিএসইসি কর্তৃক ইম্যুকৃত কর্পোরেট গভর্নেন্স কোড এর শর্ত নং ৫(XXV) অনুসারে ব্যবস্থাপকদের আলোচনা ও পর্যবেক্ষণ অডিট কমিটির নিরীক্ষণের পর ব্যবস্থাপনা পরিচালক ও হেড অফ ফাইন্যান্স দ্বারা স্বাক্ষরিত হয়েছে, যা পরিশিষ্ট-৯ এ যুক্ত করা আছে।

শেয়ারহোল্ডিং প্যাটার্ন

৩১ ডিসেম্বর ২০২৩ অনুসারে প্রযোজ্য শেয়ারহোল্ডিং তথ্য ও অন্যান্য সংশ্লিষ্ট তথ্য পরিশিষ্ট-৩ এ যুক্ত করা হয়েছে।

সংখ্যালঘু শেয়ারহোল্ডারদের সুরক্ষা

নিয়ন্ত্রণকারী শেয়ারহোল্ডারদের প্রত্যক্ষ বা পরোক্ষ অবমাননাকর কর্মকাণ্ড থেকে সংখ্যালঘু শেয়ারহোল্ডারদের কোম্পানি সুরক্ষিত রাখে এবং এ ধরনের কর্মকাণ্ড প্রতিকারের জন্য যথাযথ উপায় অবলম্বন করে। কোম্পানি তার শেয়ারহোল্ডার ও বিনিয়োগকারীদের সাথে আর্থিক বিবরণীর ঘোষণা, প্রাইস সেনসিটিভ ইনফরমেশন ও ম্যাটেরিয়াল ইনফরমেশন প্রকাশ, বার্ষিক প্রতিবেদন, মিডিয়া রিলিজ এবং কোম্পানির ওয়েবসাইটের মাধ্যমে নিয়মিত যোগাযোগ করে থাকে। বার্ষিক সাধারণ সভা শেয়ারহোল্ডারদের পরিচালনা পর্ষদ ও ম্যানেজমেন্টের সাথে সরাসরি যোগাযোগ করার সুযোগ করে দেয়। এই ধরনের সভায় পরিচালনা পর্ষদ শেয়ারহোল্ডারদের সাথে মত বিনিময় করে থাকে এবং বিভিন্ন বিষয়ে তাদের প্রশ্নের উত্তর দেয়।

বিএসইসি নির্দেশের সাথে কমপ্লায়েন্স - ক্যাপিটাল মার্কেট স্টেবিলাইজেশন ফান্ড

বাংলাদেশ সিকিউরিটিস এন্ড এক্সচেঞ্জ কমিশন (ক্যাপিটাল মার্কেট স্টেবিলাইজেশন ফান্ড) বিধিমালা, ২০২১ অনুসারে তালিকাভুক্ত কোম্পানিগুলোকে সকল অ-দাবিকৃত, অবণতি বা অমীমাংসিত নগদ লভ্যাংশ বা নন-রিফাউন্ড পাবলিক সাবস্ক্রিপশন মানির বিপরীতে জমাকৃত (ঘোষণার তারিখ বা অনুমোদন বা রেকর্ড ডেট এর তিন বছর বা অধিক) অর্থ বাধ্যতামূলকভাবে বিএসইসি দ্বারা পরিচালিত ক্যাপিটাল মার্কেট স্টেবিলাইজেশন ফান্ডে (“সিএমএসএফ”) স্থানান্তর করতে হয়। প্রযোজ্য আইনি বাধ্যবাধকতা অনুযায়ী ২০২৩ সালে কোম্পানি সিএমএসএফ-এ ৮৯৩,০১২.৯০ (আট লাখ তিরানব্বই হাজার বারো টাকা নব্বই পয়সা) টাকা জমা দিয়েছে, যা ৩১ ডিসেম্বর ২০১৯ তারিখে শেষ হওয়া ২০১৯ অর্থবছরে কোম্পানিতে তিন বছর বা অধিক সময় অ-দাবিকৃত, অবণতি বা অমীমাংসিত নগদ লভ্যাংশের বিপরীতে জমা ছিল।

সংশ্লিষ্ট পক্ষ লেনদেন

সকল সংশ্লিষ্ট পক্ষের বাণিজ্যিক লেনদেন “আরস লেংথ ট্রানজেকশন” এর ভিত্তিতে করা হয়েছে। আর্থিক বিবরণীর ৩৪ নং নোটে সংশ্লিষ্ট পক্ষের লেনদেন উপস্থাপন করা হয়েছে।

গোয়িং কনসার্ন

পরিচালকেরা বিশ্বাস করেন কোম্পানিটি একটি গোয়িং কনসার্ন এবং কোম্পানির গোয়িং কনসার্ন হিসেবে এগিয়ে যাওয়ার ক্ষমতা নিয়ে কোনো সংশয় নেই। তদানুসারে, গোয়িং কনসার্নের ভিত্তিতে আর্থিক বিবরণী প্রস্তুত করা হয়েছে।

ঝুঁকি ও উদ্বেগ

কঠোর কর্মপ্রক্রিয়া ও পদ্ধতির মাধ্যমে ব্যবসায়িক সততা নিশ্চিত করা কোম্পানির লক্ষ্য। কোম্পানি এটি এন্ট্রিডেড রিস্ক ম্যানেজমেন্ট নীতি অনুসরণ করে অভ্যন্তরীণ ও বাহ্যিক ব্যবসায়িক ঝুঁকি এবং সুযোগ, সনাক্ত, পরিমাপ ও পরিচালনা করে। বছরজুড়ে পালন করা রিস্ক ম্যানেজমেন্ট ফ্রেমওয়ার্ক ও অন্যান্য প্রাসঙ্গিক কার্যক্রমের বিবরণ ৬৫ থেকে ৭২ পৃষ্ঠায় কর্পোরেট গভর্ন্যান্স অধ্যায়ে বর্ণনা করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানির একটি সুদৃঢ় অভ্যন্তরীণ নিয়ন্ত্রণ ও ঝুঁকি ব্যবস্থাপনা প্রক্রিয়া রয়েছে। বছরজুড়ে সুপরিকল্পিতভাবে প্রক্রিয়াটি প্রয়োগ ও পর্যবেক্ষণ করা হয়েছে। ইউনিলিভার কন্ট্রোল ইউনিভার্স বিভিন্ন নিয়ন্ত্রণ অবকাঠামোর সমন্বয়ে গঠিত। ইউনিলিভার ফাইন্যান্সিয়াল রিপোর্ট কন্ট্রোল মডেলের ছয়টি কম্পোনেন্ট রয়েছে, যা সঠিক আর্থিক প্রতিবেদনের ভিত্তিতে অভ্যন্তরীণ নিয়ন্ত্রণকে স্থাপন, মূল্যায়ন ও উন্নয়নের সুযোগ করে দেয়, জালিয়াতি হওয়া থেকে বিরত রাখে এবং কোম্পানির সম্পদ রক্ষা করে। এছাড়াও এক্সেস বা প্রবেশাধিকার নিয়ন্ত্রণের মাধ্যমে ও অন্যান্য তথ্য প্রযুক্তি ভিত্তিক কার্যক্রমের মাধ্যমে তথ্য সুরক্ষা নিশ্চিত করে।

ফাইন্যানশিয়াল কন্ট্রোল অ্যাসেসমেন্ট (এফসিএ) প্রক্রিয়া প্রতি বছর আর্থিক প্রতিবেদন নিয়ন্ত্রণের নিশ্চয়তা প্রদান করে। গ্লোবাল ফাইন্যানশিয়াল কন্ট্রোল ফ্রেমওয়ার্ক (জিএফসিএফ) অনুসারে প্রক্রিয়াটি বছরজুড়ে ৪ ত্রৈমাসিক ভিত্তিতে দুটি ধাপে যাচাই করা হয়েছে এবং পরীক্ষার ফলাফল গ্রুপ চিফ অ্যাকাউন্ট্যান্টস ডিপার্টমেন্ট (জিসিএডি) এর কাছে জমা দেয়া হয়েছে। ইউনিলিভার কন্ট্রোল সার্ভিস সেন্টার (সিএসসি) মাসিক ভিত্তিতে একটি কন্ট্রোল হেলথ ইন্ডিকটরস (সিএইচআই) পর্যবেক্ষণ করে ও কান্ট্রি টিমকে জমা দেয়।

অডিট কমিটি পর্যায়ক্রমে কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণ কাঠামোর যোগ্যতা ও কার্যকারিতা মূল্যায়ন করে। মূল নিয়ন্ত্রণ ব্যবস্থার সার্বিক মূল্যায়নের জন্য অভ্যন্তরীণ ও বাহ্যিক অডিটের ফলাফলগুলো পর্যালোচনা করা হয়। নিরীক্ষা, পর্যবেক্ষণ এবং প্রয়োজনীয় সংশোধনমূলক পদক্ষেপগুলো ত্রৈমাসিক ভিত্তিতে অডিট কমিটি দ্বারা উপস্থাপন ও পর্যালোচনা করা হয়।

অডিট কমিটি কর্তৃক অনুমোদিত বার্ষিক পরিকল্পনা অনুযায়ী অভ্যন্তরীণ অডিট ফাংশন স্বাধীনভাবে সারা বছর পুরো প্রক্রিয়াটি নিরীক্ষণ করেছেন ও কন্ট্রোলার ব্লকি পর্যালোচনা এবং কন্ট্রোলার পর্যাপ্ততা ও কার্যকারিতা পরিমাপ করেছেন। অভ্যন্তরীণ অডিটের কার্যক্রমের আওতায় রয়েছে কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণ নিশ্চিত করা এবং নিরপেক্ষভাবে ব্লকি পর্যালোচনা করা। অভ্যন্তরীণ অডিটের প্রতিবেদনের ভিত্তিতে, বিভিন্ন প্রসেস অধিকারী নিজ নিজ কার্যক্ষেত্রে প্রয়োজনীয় ব্যবস্থা গ্রহণ করেছেন ও কন্ট্রোল মজবুত করেছেন।

এই বার্ষিক প্রতিবেদনে অভ্যন্তরীণ নিয়ন্ত্রণ কাঠামোর বিস্তারিত আলোচনাসহ অডিট কমিটির অন্যান্য কার্যক্রম কর্পোরেট গভর্ন্যান্স বিভাগে প্রকাশ করা হয়েছে।

কর্মীদের সার্বিক পরিস্থিতি

২০২৩ সালে ব্যবসা একটি সংকটময় সময় পার করে কারণ বাংলাদেশ এ সময় অর্থনৈতিকভাবে প্রবৃদ্ধি অগ্রসর করতে বাধ্যগ্রস্ত হয়। এই রকম একটি বছরে, কর্মীদের মনোযোগী, উজ্জ্বলিত এবং অনুপ্রাণিত রাখা আরও চ্যালেঞ্জিং। কোম্পানির হিউম্যান রিসোর্স (এইচআর) ফাংশন প্রশিক্ষণ ও অভিজ্ঞতা আহরণের মাধ্যমে দক্ষতা উন্নয়ন, যুগ্মতা ও সম্পৃক্ততা তৈরির উদ্যোগের মাধ্যমে কর্মীদের জন্য সামগ্রিকভাবে ইতিবাচক অভিজ্ঞতা নিশ্চিত করতে প্রতিজ্ঞাবদ্ধ ছিল।

কোম্পানি তার কর্মীদের জন্য নিয়মিত দক্ষতা বৃদ্ধি ও উন্নয়নের গুরুত্ব অনুধাবন করে এবং এর অংশ হিসেবে, বছরব্যাপী নানান শিক্ষণীয় উদ্যোগ নেয়া হয়। লার্নিং কার্নিভাল ২০২৩ বিভিন্ন বিষয়ের উপর ৩০টিরও বেশি সেশন নিয়ে সাজানো হয়। উৎসাহজনক ৯৬% অ্যাডভোকেসি স্কোরসহ প্রায় মোট এক হাজার ঘণ্টার শিক্ষা সময় প্রমাণ করে যে প্রচেষ্টাটি কার্যকর ফলাফল প্রদানে সফল হয়েছে। নির্দিষ্ট ফাংশনের প্রয়োজনীয়তার ভিত্তিতে প্রয়োজনীয় ও কার্যকরী প্রশিক্ষণ আয়োজন করা হয়। ২০২৩ সালে আয়োজিত সবচেয়ে সফল কিছু প্রশিক্ষণ কার্যক্রম সিগনেচার লার্নিং প্রোগ্রামের আওতায় ছিল যেমন, কাস্টমার ডেভেলপমেন্টের জন্য "ব্রিলিয়ান্ট বেসিকস" ও "কাস্টমার মার্কেটিং ফাউন্ডেশন"; মার্কেটিং টিমের জন্য "ম্যাজিক অফ মার্কেটিং" ও "মার্কেটিং একাডেমি", এবং এইচআর টিমের জন্য "এইচআর ফাউন্ডেশন প্রোগ্রামস"।

আমরা বিভিন্ন উদ্যোগের মাধ্যমে আমাদের কর্মীদের শারীরিক এবং মানসিক যুগ্মতা নিশ্চিত করেছি, যেমন কিছু সাধারণ রোগের জন্য বিনামূল্যের টিকাদান অভিযান আয়োজন করা। আমরা আমাদের সমস্ত কর্মীদের জন্য একটি বার্ষিক স্বাস্থ্য পরীক্ষা আয়োজন করেছি যা তাদের যুগ্মত্বের পক্ষে সক্রিয় পদক্ষেপ নিতে সাহায্য করেছে। কর্মীদের মধ্যে ফাংশনাল ফিটনেস প্রতিযোগিতার আয়োজন তাদের মধ্যে দৃঢ় উদ্দ্যম তৈরি করে ও তাদের শারীরিকভাবে সর্বোত্তম পর্যায়ে নিয়ে যেতে সাহায্য করে। মানসিক স্বাস্থ্যের কথা চিন্তা করে, আমাদের 'এমপ্লয়ি অ্যাসিস্ট্যান্স প্রোগ্রাম' আমাদের কর্মীদের পরিবারের সদস্যদের জন্যও বর্ধিত করা হয়।

কোম্পানি কয়েক বছর আগে জেডার ব্যালেন্সেড প্রতিষ্ঠান হিসেবে যাত্রা শুরু করে। এ যাত্রা শুধুমাত্র আমাদের বৈতনিক কর্মীদের মধ্যেই সীমাবদ্ধ ছিল না। আমরা নিশ্চিত করি যেন আমাদের অংশীদারেরাও একই উদ্দেশ্যে প্রতিজ্ঞাবদ্ধ হয়। ২০২৩ সালে, আমাদের নারী ডিষ্ট্রিবিউশন ফিন্ড ফোর্স (ডিএফএফ) কর্মী সংখ্যা বেড়ে ৩২০-এ গিয়ে পৌঁছায় যা আগের বছরের তুলনায় ৬০% বেশি।

ইউসিএল-এ, কর্মীদের এনগেজমেন্ট সামগ্রিকভাবে একটি বছরব্যাপী ক্যালেন্ডারের মাধ্যমে পরিচালনা করা হয়। কোম্পানির ফাংশনাল হেড তাদের বার্ষিক অগ্রাধিকারগুলি টিমকে ব্রিফ করতে ফাংশনাল আউটবাইন্ড আয়োজন করে যেখানে ব্রিফিং-এর পাশাপাশি কর্মীরা তাদের লিডারদের কাছ থেকে অনেক কিছু শিখতেও পারে। পুরস্কার ও স্বীকৃতি প্রদানের প্রোগ্রামগুলো বিজয়ীদের আরও ভালো পারফরম করতে অনুপ্রাণিত করে এবং অন্যদেরও তাদের গড়ির বাইরে যেতে উৎসাহিত করে। "ইউ-কাপ" নামের ক্রীড়া প্রতিযোগিতা কর্মীদের তাদের খেলাধুলার শখ পূরণের সুযোগ করে দেয় এবং তাদেরকে শারীরিকভাবে সক্রিয় থাকতে সাহায্য করে। মাসিক টাউনহল ও ত্রৈমাসিক রিপোর্ট ব্যাক সেশনগুলো কোম্পানির ব্যবসায়িক ফলাফল, অসামান্য কৃতিত্ব ও উন্নয়ন এমন বিষয় নিয়ে কর্মীদের তথ্য দিতে আয়োজন করা হয়। এ সব উদ্যোগ নিশ্চিত করে আমাদের একটি সুসংবদ্ধ, নিয়োজিত ও সক্ষম কর্মীবাহিনী আছে।

গভর্নেন্স, কমপ্লায়েন্স ও ব্যবসায়িক সততা

কোম্পানি উদ্দেশ্যপূর্ণ ও ভবিষ্যৎ উপযোগী উন্নয়নের প্রতি প্রতিজ্ঞাবদ্ধ যা কোম্পানিকে দায়িত্বপূর্ণ ও টেকসই উন্নয়নের দিকে উন্নীত করে। কোম্পানির বিজনেস ইন্টেলিজেন্স ফ্রেমওয়ার্কের কেন্দ্রে আছে কোড অফ বিজনেস প্রিন্সিপালস (কোড) এবং আরও ২৪টি সংশ্লিষ্ট কোড পলিসি। এই বিজনেস ইন্টেলিজেন্স ফ্রেমওয়ার্কই বড় ভূমিকা পালন করে নির্ধারণ করতে কোম্পানি কীভাবে আইন ও প্রবিধানের সঙ্গে কমপ্লায়েন্স নিশ্চিত করছে, ব্র্যাডের মুরক্ষা ও যুগ্মত্ব বজায় রাখছে এবং সকল ধরনের ক্ষয়ক্ষতি থেকে এর মানুষ ও পরিবেশকে রক্ষা করছে। মানুষ, সমাজ ও পরিবেশের প্রতি শ্রদ্ধাশীল মনোভাব চর্চা করা সবসময় কোম্পানির মূল লক্ষ্য। আমাদের কীভাবে অপারেট করা উচিত - তার সহজ ও বাধ্যতামূলক নৈতিক বিবৃতিই হলো আমাদের এই কোডগুলো; এবং তা আমাদের মূল্যবোধগুলোকে চর্চা করতে হ্যাডবুক হিসেবে কাজ করে। ইউনিলিভারের জন্য কাজ করতে হলে আমাদের সকলের যে ধরনের নৈতিক অভ্যাস থাকা প্রয়োজন, তা নির্ধারণ করে এই কোডগুলো। বছরজুড়ে কোম্পানির নতুন ও বর্তমান কর্মীদের জন্য কোড এন্ড বিজনেস ইন্টেলিজেন্স বিষয়ক সেশন নেয়া হয়েছে। কোম্পানি নিশ্চিত করেছে শতভাগ কর্মী যেন বাৎসরিক বিজনেস ইন্টেলিজেন্স প্লেজ-এ স্বাক্ষর করে।

কোড ও কোড ভিত্তিক নীতিমালা একটি অবকাঠামো তৈরি করে দিয়েছে যা প্রতিটি কর্মী তাদের দৈনন্দিন কর্মক্ষেত্রে প্রয়োগ করতে পারে। যে কোনো পণ্যের ক্রেইম সঠিক ও কমপ্লায়েন্স কি না, তা নিশ্চিত করতে কোম্পানি শক্তিশালী প্রক্রিয়া অনুসরণ করে। এছাড়া চুক্তি, মামলা ও রেগুলেটরি কমপ্লায়েন্স ব্যবস্থাপনায় সুগঠিত কাঠামো অনুসরণ করা হয়। বাংলাদেশ যেহেতু জোরালোভাবে ডিজিটালাইজেশন প্রক্রিয়ায় রূপান্তরিত হচ্ছে, তাই ডেটা প্রাইভেসি ও সিকিউরিটি সম্পর্কিত নতুন আইন তৈরি করা হয়েছে। এর ফলস্বরূপ, ডেটা সিকিউরিটি ও প্রাইভেসি নিশ্চিত করা কোম্পানির জন্য একটি গুরুত্বপূর্ণ চেকপয়েন্ট। কোম্পানির কর্মী ও ভোক্তাদের ডেটা প্রাইভেসি সুরক্ষিত রাখার জন্য যথাযোগ্য ফ্রেমওয়ার্ক ও মান নিশ্চিত করতে কোম্পানি নিয়মিত কাজ করে যাচ্ছে।

কোম্পানি এর পণ্যের নকল ও অননুমোদিত/অবৈধ আমদানির মতো হুমকিস্বরূপ পরিস্থিতি মোকাবিলা করে আসছে বিভিন্ন আইনি পদক্ষেপের মাধ্যমে যেমন, নিযুক্ত মহলের বিরুদ্ধে মামলা করা ও রেগুলেটরদের সাথে নিবিড়ভাবে কাজ করা। একটি প্রগতিশীল আইনি পরিবেশ তৈরিতে কোম্পানি লিডিং ইন্ডাস্ট্রি অ্যাসোসিয়েটস, রেগুলেটর ও বিশেষ ওপিনিয়ন লিডারদের সাথে কাজ করে। এই ধরনের পরিবেশ সব ধরনের অংশীদারদের সর্বোত্তম স্বার্থে ও লেভেল প্লেইং ফিল্ড তৈরিতে নিশ্চয়তা দেয়। এটি একই সাথে ভোক্তাদের কাছে আসল ও নিরাপদ পণ্য উপস্থাপন করতে সাহায্য করে।

কোম্পানি বিশ্বাস করে, দেশের জন্য যা ভালো, ইউনিলিভারের জন্যও তা ভালো। এই বিশ্বাসকে সাথে নিয়ে বিগত বছরগুলোতে কোম্পানি বিভিন্ন রেগুলেটরি অথোরিটির সাথে কাজ করছে যেন এই দেশে উদ্ভাবনী ও ওয়ার্ল্ড-ক্লাস পণ্য এবং ব্যবসা অনুমোদনের জন্য প্রগতিশীল নীতি ও প্রবিধান তৈরি করতে পারে।

টেকসই বাংলাদেশ নির্মাণের পথে আমাদের যাত্রা

বাংলাদেশের উজ্জ্বল ভবিষ্যতের দিকে চলমান যাত্রাই বলে দেয় ইউসিএল-এ টেকসই জীবনযাত্রার প্রতি আমাদের অবিচল প্রতিশ্রুতির কথা। “বাংলাদেশের জন্য যা ভালো, ইউনিলিভারের জন্যও তা ভালো”- এই নীতিতে পরিচালিত হয়ে আমরা স্থানীয় চাহিদা ও বৈশ্বিক টেকসই উন্নয়ন লক্ষ্যমাত্রা (এসডিজি) পূরণে প্রচেষ্টা চালিয়ে যাচ্ছি।

২০২০ সাল জুড়ে, পরিবেশের স্বাস্থ্য উন্নয়নে আমরা ক্রমশ আমাদের উৎপাদন প্রক্রিয়া ও সাপ্লাই চেইন ডিকার্বনাইজ করেছি এবং ভ্যালু চেইনের প্রতিটি ধাপে আমাদের কার্বন ফুটপ্রিন্ট কমিয়ে এনেছি।

আমাদের ভোক্তাদের স্বাস্থ্য ও সুরক্ষা নিশ্চিত করতে, আমরা সারা দেশে মায়ের কাছে পুষ্টির খাবার বিষয়ে সচেতনতা বৃদ্ধিতে আলোকপাত করেছি এবং এর জন্য প্রয়োজনীয় পদক্ষেপ গ্রহণ করেছি। ডোর টু ডোর সচেতনতামূলক ক্যাম্পেইনের মাধ্যমে সারা দেশের ৪৩ লক্ষ মায়ের কাছে পৌঁছেছি ও তাদের সঠিক পুষ্টি, বিশেষ করে তাদের শিশুদের জন্য সঠিক পুষ্টির গুরুত্ব সম্পর্কে সচেতন করেছি।

এই বছর, আমরা বাংলাদেশ নিউট্রিশন অ্যান্ড ডায়েটের ফাউন্ডেশন (বিএনডিএফ) এর সহযোগিতায় বোন মিনারেল ডেনসিটি (বিএমডি) টেস্ট বিষয়ে পুষ্টিবিদ ও ডায়েটিশিয়ানদের সচেতনতা এবং তাদের দক্ষতা বৃদ্ধি করতে কাজ করেছি। এই পরীক্ষাটি গর্ভাবস্থা ও প্রসবোত্তর স্তন্যপান এবং পুষ্টির একটি অপরিহার্য অংশ। আমরা সেন্টার ফর রিহ্যাবিলিটেশন অফ দ্যা প্যারালাইজড (সিআরপি) এর সাথে আমাদের দীর্ঘস্থায়ী অংশীদারিত্ব অব্যাহত রেখেছি, এবং উইলিয়াম এড ম্যারি টেইলর (ডাব্লিউএমটিএস) স্কুলের সকল আবাসিক শিশুদের শারীরিক পুষ্টির প্রয়োজনীয়তা মেটাতে সহযোগিতা করেছি। এই স্কুলটি সিআরপি ক্যাম্পাসে বাসবাসকারী সিআরপি কর্মীদের পরিবার এবং আশেপাশের স্থানীয় এলাকার বিশেষ চাহিদা সম্পন্ন শিশু ও মূলধারার শিশুদের একইসাথে প্রাথমিক শিক্ষা প্রদান করে। ২০২০ সালে, আমরা এই স্কুলের শিশুদের জন্য সারা বছরের প্রয়োজনীয় পুষ্টিগুণ সম্পন্ন খাবার দিয়ে সহায়তা করে তাদের বৃদ্ধি এবং বিকাশের জন্য প্রয়োজনীয় পুষ্টি নিশ্চিত করেছি।

২০২০ সালে, আমরা ওল্ড প্লাসিডিয়ানস অ্যাসোসিয়েশন (ওপিএ) এর সাথে যুক্ত হয়ে সুবিধাবঞ্চিত শিশু ও ডাউন সিনড্রোম সোসাইটির জন্য বিনামূল্যের লিটারেসি স্কুল কার্যক্রমে সহায়তা করেছি।

২০২০ সালে আমাদের প্লাস্টিক সংগ্রহ উদ্যোগটি নতুন মাত্রা লাভ করে এবং এই উদ্যোগটি ২০২২ সাল থেকে আমরা অত্যন্ত সফলতার সাথে চালিয়ে আসছি। এই কার্যক্রমের মাধ্যমে আমরা আমাদের উৎপাদনে ব্যবহৃত প্লাস্টিকের চেয়ে বেশি প্লাস্টিক সংগ্রহ করার কাজটি চালিয়ে যেতে পেরেছি।

কোম্পানি, স্থানীয় সরকারি প্রতিষ্ঠান (এলজিআই) ও অলাভজনক অংশীদার ইয়ুথ পাওয়ার ফর সোশ্যাল অ্যাকশন (ওয়াইপিএসএ) এর সাথে সহযোগিতায় ১০০% ভোক্তা ব্যবহার পরবর্তী প্লাস্টিক বর্জ্য সংগ্রহ এবং তা রিসাইকেল করেছে। প্লাস্টিক বর্জ্য সংগ্রহ ও রিসাইকেলকরার পাশাপাশি, কোম্পানি ভ্যালুচেইন নিয়ে কাজ করার মাধ্যমে ২৮০০ বর্জ্য শ্রমিকের জীবনযাত্রার উন্নতি করেছে এবং ভোক্তাদের আচরণগত পরিবর্তনের জন্য সচেতনতা বৃদ্ধিমূলক কার্যক্রম পরিচালনা করেছে। বিক্রিত প্লাস্টিকের চেয়ে বেশি পরিমাণ প্লাস্টিক সংগ্রহ করার আমাদের প্রতিজ্ঞাটি এই উদ্যোগগুলোর মাধ্যমেই বাস্তবায়িত হয় এবং প্লাস্টিক বর্জ্যের জন্য একটি সার্কুলার ইকোনমি তৈরি করতে গুরুত্বপূর্ণ অবদান রাখে।

টেকসই যাত্রায় আমাদের এই সাহসী উদ্যোগগুলো আমাদের বিভিন্ন অংশীদার ও সরকারের কাছে ইতিবাচক প্রতিক্রিয়া অর্জন করেছে। একটি টেকসই ভবিষ্যতের দিকে আমাদের যাত্রা, ইতিবাচক পরিবর্তন নিয়ে আসার আমাদের এই প্রতিজ্ঞাকে অটুট রাখবে।

আমাদের উদ্যোগ সম্পর্কে আরও বিস্তারিত তথ্যের জন্য, এই প্রতিবেদনের ৪৬ থেকে ৪৯ পৃষ্ঠা দেখুন।

পুরস্কার ও কৃতিত্ব

ইউসিএল-এ কর্পোরেট গভর্নেন্স নীতিমালা প্রতিষ্ঠিত হয়েছে স্বচ্ছতা, জবাবদিহিতা, ন্যায্যপরায়ণতা এবং দীর্ঘমেয়াদে কোম্পানির টেকসই সাফল্যের ভিত্তিতে। আমরা সঠিক উপায়ে সঠিক কাজ করতে প্রতিশ্রুতিবদ্ধ, যার অর্থ ব্যবসায়িক সিদ্ধান্ত ও কাজে নৈতিকতা বজায় রেখে প্রচলিত ও প্রয়োজ্য আইন মেনে ব্যবসা পরিচালনা করা। ২০২০ সালে, কোম্পানি তার গভর্নেন্স প্র্যাকটিসের জন্য দুটি বিশিষ্ট কর্পোরেট পুরস্কারে ভূষিত হয়েছে। কোম্পানি ২০২২ সালের একসিলেন্স ইন কর্পোরেট গভর্নেন্স বিভাগে আইসিএসবি ন্যাশনাল অ্যাওয়ার্ডে ইন্সটিটিউট অফ চার্টার্ড সেক্রেটারিস অফ বাংলাদেশ এর পক্ষ থেকে গোল্ড অ্যাওয়ার্ড ও ২০২২ সালের আইসিএমএবি এর বেস্ট কর্পোরেট অ্যাওয়ার্ড এ ইন্সটিটিউট অফ কস্ট এন্ড ম্যানেজমেন্ট অফ বাংলাদেশ এর পক্ষ থেকে ব্রোঞ্জ অ্যাওয়ার্ড পেয়েছে।

কর্পোরেট গভর্ন্যান্স কমপ্লায়েন্স রিপোর্ট

কর্পোরেট নীতির অংশ হিসেবে কর্পোরেট গভর্ন্যান্সের ক্ষেত্রে কোম্পানি সবসময় উচ্চমানের কমপ্লায়েন্স বজায় রাখতে বদ্ধপরিকর। কর্পোরেট গভর্নেন্স বিভাগে বণিত কোম্পানির কর্পোরেট গভর্নেন্স সনদে কোম্পানি কীভাবে স্বচ্ছতা, জবাবদিহিতা ও সততা নিশ্চিত করে পরিচালিত হবে তা উল্লেখ করা আছে।

আমরা আনন্দের সাথে জানাচ্ছি যে, কোম্পানি কর্পোরেট গভর্ন্যান্স কোডের (নীতিমালার) সকল প্রয়োজনীয় নির্দেশিকা মেনে চলেছে। ২০২০ সালের কর্পোরেট গভর্ন্যান্স নীতিমালার সার্বিক সম্মতি উক্ত কোডের অধীনে থাকা প্রয়োজনীয় সার্টিফিকেট অফ কমপ্লায়েন্সের সাথে পরিশিষ্ট-৪ এ সংযুক্ত করা হয়েছে।

স্ট্যাচুটরি নিরীক্ষক

বর্তমান নিরীক্ষক (অডিটর), রহমান রহমান হক চার্টার্ড অ্যাকাউন্টস (কেপিএমজি বাংলাদেশ) ৫৯তম সাধারণ সভা সমাপ্তি সাপেক্ষে অবসর গ্রহণ করবেন এবং কোম্পানির সংবিধিবদ্ধ অডিটর হিসাবে একটি টানা তিন বছর অতিবাহিত করবেন। সিকিউরিটিস আইন অনুযায়ী, কোম্পানির স্ট্যাচুটরি নিরীক্ষক হিসেবে পুনরায় নিযুক্ত হওয়ার জন্য যোগ্য নয়। অডিট কমিটির সুপারিশের পরিপ্রেক্ষিতে পর্ষদ আগামী ৫৯তম সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে ২০২৪ সালের জন্য কোম্পানির অডিটর হিসেবে এ. কাশেম এড কোং চার্টার্ড অ্যাকাউন্ট্যান্টস এর পুনর্নিযুক্তির প্রস্তাব করেছে।

কমপ্লায়েন্স অডিটরস

৫৯তম সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে বিএসইসি কর্পোরেট গভর্নেন্স কোড অনুযায়ী মোহাম্মদ সানাউল্লাহ অ্যাড অ্যাসোসিয়েটসকে পর্ষদ ২০২৪ সালের জন্য কমপ্লায়েন্স অডিটর হিসেবে নিযুক্তির প্রস্তাব দিয়েছে।

স্বাক্ষর

পরিচালনা পর্ষদ সকল কর্মীদের ধন্যবাদ জানাতে চায়, যারা কোম্পানির সকল মূল্যবোধের চর্চা বজায় রেখে, সকলের জন্য বাসযোগ্য টেকসই পৃথিবী তৈরির লক্ষ্যে নিরন্তর কাজ করে চলেছে।

ভোক্তা এবং ব্যবসায়িক অংশীদারদের কোম্পানির উপর আস্থা ও বিশ্বাস আমাদের অনুপ্রাণিত করে এবং আমরা তাদের নিকট কৃতজ্ঞ। এ আস্থা বজায় রাখতে আমরা বদ্ধপরিকর।

কোম্পানি আন্তরিক ধন্যবাদ জ্ঞাপন করতে চায় সকল স্টেকহোল্ডারদের, মাননীয় প্রধানমন্ত্রীর কার্যালয়সহ, স্বরাষ্ট্র মন্ত্রণালয়, বাংলাদেশ পুলিশ, জনপ্রশাসন মন্ত্রণালয়, জেলা ও উপজেলা প্রশাসন, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (“বিএসইসি”), ঢাকা স্টক এক্সচেঞ্জ পিএলসি (“ডিএসই”), বাংলাদেশ ইনভেস্টমেন্ট ডেভেলপমেন্ট অথরিটি (“বিআইডিএ”), স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়, শ্রম মন্ত্রণালয়, খাদ্য মন্ত্রণালয়, বাণিজ্য মন্ত্রণালয় (“এমওসি”), বাংলাদেশ নিরাপদ খাদ্য অধিদপ্তর (“বিএফএসএ”), শিল্প

মন্ত্রণালয়, বাংলাদেশ স্ট্যান্ডার্ড এন্ড টেস্টিং ইন্সটিটিউট (“বিএসটিআই”), সেন্ট্রাল ডিপোজিটারি বাংলাদেশ লিমিটেড (“সিডিবিএল”), ফাইন্যান্সিয়াল ইন্সটিটিউশন, ইনসুরেন্স কোম্পানিস, জাতীয় রাজস্ব বোর্ড (“এনবিআর”), কাস্টমস এক্সাইজ এন্ড ড্যাট কমিশনারেট, কাস্টম হাউস, ইউটিলিটি সেবাদানকারী প্রতিষ্ঠান, অন্যান্য সরকারি প্রতিষ্ঠানসহ অন্যান্য ব্যক্তিত্ব এবং এজেন্সিদের ২০২৩ সালজুড়ে সহায়তা করার জন্য।

পরিচালনা পর্ষদের পক্ষে



মাসুদ খান
চেয়ারম্যান

তারিখঃ ০৯ মার্চ, ২০২৪

MANAGEMENT DISCUSSION AND ANALYSIS

Annexure I

Pursuant to condition no. 1 (5) (xxv) of the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission, the Management's Discussion and Analysis for the year ended 31 December 2023 is as follows:

A. Accounting policies and estimation used for preparation of Financial Statements

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS); the Companies Act, 1994; the Securities and Exchange Rules, 2020 and other applicable laws and regulations in Bangladesh. Details on accounting policies and estimates used as basis for preparation are disclosed in Note 42 of the financial statements.

B. Comparison of financial performance, financial position and cash flows are as follows:

Detailed comparison of financial performance, financial position and cash flows are presented as part of the financial statements including notes. The Directors' Report section also provides an in-depth analysis of business performance for the year 2023. Key performance indicators for the last 5 years are given below:

Key performance indicators	2023	2022	2021	2020	2019
Revenues (Crore Taka)- continuing operation	395.4	409.9	414.4	346.9	404.2
Revenues (Crore Taka)- company	395.4	409.9	414.4	373.2	447.5
Operating Profit (Crore Taka)- continuing operation	106.8	97.6	73.3	55.4	101
Operating Profit (Crore Taka)- company	106.8	97.6	73.3	58.6	97.9
Earnings per Share (EPS) (Taka) - continuing operation	49.89	37.90	43.8	41.25	84.41
Earnings per Share (EPS)(Taka) - company	49.89	37.90	43.8	43.94	81.83
Net Operating Cash Flow per Share - company (Taka)	25.43	18.82	51.65	23.82	82.78

Note: The Company issued 60% stock dividend out of the profit for the year 2022. This resulted in an increase of the number of shares outstanding to 19,274,318 which has impacted the measures of 2022 and 2023.

C. Financial and economic scenario of the country and the global context

The year 2023 presented formidable challenges for the Bangladeshi economy. Despite a promising beginning, GDP growth experienced a gradual decline over the course of the year, plummeting to a mere 2.04% in the third quarter. This downturn was predominantly fuelled by diminished activity within the agriculture and services sectors, triggering consequential repercussions within the consumer market. Concurrently, inflation rates surged, notably exemplified by food inflation peaking at a staggering 12.5% in Q3. Consequently, demand for the Company's products dwindled as consumers grappled with diminished purchasing power, often being compelled to choose between essential and non-essential purchases. The reverberations of this decline were felt across various industries in 2023 and are anticipated to persist into the foreseeable future.

Additionally, the erosion of approximately 20% in the value of the national currency against the US Dollar (USD) throughout 2023 posed significant challenges for businesses reliant on importing raw materials. Banks encountered obstacles in financing imports due to the scarcity of foreign currency, resulting in supply disruptions that further hindered business performance throughout the year.

While 2024 is poised to present continued challenges for the country, there are grounds for cautious optimism. Signs of recovery emerged in Q4 of 2023, with GDP rebounding to 5.8%. Moreover, food and general inflation subsided to single digits as the year turned. Anticipated political stability following the general elections in January 2024, coupled with the completion of infrastructure projects such as the Metro Rail and Padma Bridge, positions Bangladesh favourably to embark on a new chapter in the upcoming year.

D. Comparison of financial performance with peer industry

UCL is the only listed company in Nutrition Food business category in Bangladesh and hence it is not possible to compare the financial and cash flow position with peer companies.

E. Risks and concerns related to the financial statements

The Company has a series of policies, practices, and controls in place in relation to the financial reporting and consolidation process, which are designed to address key financial reporting risks, including risks arising from changes in the business or accounting standards. The Head of Finance ensures that all information relevant to the Company audit has been provided to the Board of Directors through the Audit Committee and that reasonable steps have been taken to ensure full disclosure in response to requests for information from the external auditor.

At Unilever, a global risk and controls framework titled “Global Financial Controls Framework (GFCF)” is defined to address risks related to financial reporting. GFCF outlines financial reporting controls that operate across the core processes of our business. Annual assessment of the design and operating efficiency of GFCF controls has been carried out comprehensively by independent assessors in two phases through the Financial Control Assessment (FCA) guidelines coordinated by global Controls Service Centre (CSC).

Further details of risk management and controls governance are provided within separate sections titled “Risk Management at Unilever” and “Internal Control Framework and Control Assurance” in this report. Description of specific financial risks such as credit, liquidity, interest etc. including the approach to manage them are disclosed within Note 33 of the financial statements.

F. Future plans or projections or forecasts

As consumers, businesses and brands evolve to a VUCA environment (Volatile, Uncertain, Changing and Ambiguous), its imperative for businesses and brands to show high agility and adaptability while rooted in the core fundamentals which has made it successful so far. UCL will continue to focus on the need of top quality nutrition food products to the consumers through its brands, while adopting changes on packaging, product, pricing, and communication to be more relevant to the needs of its consumers. This would ensure a 4G Growth model for the company (Consistent, Competitive, Profitable, and Responsible).

This would be driven by activating key levers:

Purposeful brands

The brands our consumers love to meaningfully solve real consumer problems and represent a cause in society. All of Unilever’s brands are committed to this journey and this would be a key area of focus.

Improved Penetration

As we make the portfolio more accessible by launching lower-priced SKUs and conducting nationwide sampling, the plan is to single-mindedly have a large number of households try and experience our brands. This would be ensured by continuing to build strong mental and physical reach.

Impactful Innovations

Continued focus on improving product delivery, ensuring new-age consumer needs are met and delivering the best-in-class quality will be a key enabler for driving consumer preference and growth.

Design for channel

A key area of focus would be to leverage the strength of our channels to reach our consumer effectively. This would be through strong partner programmes, leveraging portfolio, and deploying customised communication.

Fuel for growth

All of the above growth levers would be accompanied with a strong savings plan. To ensure the optimal health of our business shape, inefficiencies in buying, make, marketing and distribution would be continuously acted upon while ensuring all investments are made for sustainable growth of the business.

With the above strategic thrusts, we are confident of delivering a strong 4G growth for UCL and its brands thus creating more value for our shareholders.



Khan Salahuddin Mohammad Minhaj
Managing Director and CEO



Md. Humayoun Kabir
Head of Finance

KEY OPERATING AND FINANCIAL DATA

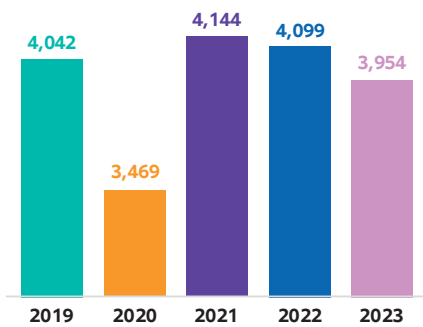
Annexure II

	BDT in Thousand				
Particulars	2023	2022	2021	2020	2019
Balance Sheet					
Property, plant and equipment	111,229	62,222	68,890	83,509	100,707
Right-of-use asset	239,280	309,487	239,011	287,777	-
Intangible assets	-	-	-	-	14,028
Advances, deposits and prepayments	1,762	2,242	3,358	2,376	-
Deferred tax asset	12,703	15,861	24,738	29,466	40,451
Retirement benefit assets	-	-	-	-	3,464
Non-Current Asset	364,974	389,812	335,997	403,128	158,650
Inventory	567,678	539,484	556,148	390,329	11,501
Trade and other receivable	77,824	79,619	154,744	81,252	493,289
Advances, deposits and prepayments	114,202	84,194	26,768	28,574	28,836
Cash and cash equivalent	2,433,478	2,296,256	3,760,268	3,697,148	3,796,022
Short term Investments	1,400,000	1,250,000	-	-	-
Current tax assets	-	-	-	-	17,335
Current assets directly related with discontinued operation	-	-	-	-	3,117
Current Asset	4,593,182	4,249,553	4,497,928	4,197,303	4,350,100
Total Assets	4,958,156	4,639,365	4,833,925	4,600,431	4,508,750
Share capital	192,744	120,465	120,465	120,465	120,465
Reserves	5,166	5,166	9,997	9,997	9,997
Retained earning	2,157,593	1,555,989	1,349,826	1,352,252	1,461,383
Shareholders' Equity	2,355,503	1,681,620	1,480,288	1,482,714	1,591,845
Lease obligation	165,525	237,620	190,542	226,307	-
Non-current liabilities	165,525	237,620	190,542	226,307	-
Trade and other payable	2,299,038	2,522,867	3,003,842	2,739,920	2,824,288
Current tax liabilities	50,357	91,039	54,338	69,219	-
Unclaimed dividend payable	1,546	2,118	2,201	10,434	10,140
Lease obligation	71,146	66,367	61,030	68,657	-
Liabilities directly associated with discontinued operation	-	-	-	-	82,477
Defined benefit liabilities	-	13,080	10,610	-	-
Advance from customer	15,041	24,654	31,074	3,180	-
Current liabilities	2,437,128	2,720,125	3,163,095	2,891,410	2,916,905
Total equity and liabilities	4,958,156	4,639,365	4,833,924	4,600,431	4,508,750

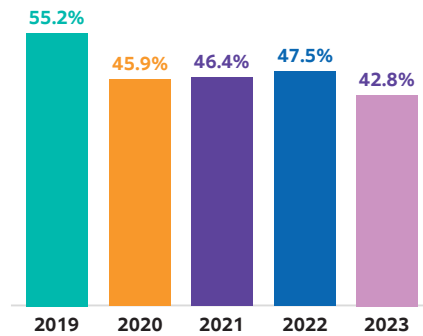
					BDT in Thousand
Particulars	2023	2022	2021	2020	2019
Income Statement					
Revenue	3,954,241	4,098,606	4,143,597	3,468,984	4,041,780
Cost of Sales	2,261,670	2,150,164	2,222,975	1,876,375	1,810,943
Gross Profit	1,692,571	1,948,442	1,920,622	1,592,609	2,230,837
Operating Expenses	624,892	972,344	1,187,377	1,039,069	1,160,169
Profit from operations	1,067,679	976,098	733,245	553,540	1,070,668
Net finance income	168,306	50,633	16,288	168,897	168,423
Other income/(expense)	14,029	2,563	4,835	(19,058)	-
Profit before WPPF & taxation	1,250,014	1,029,294	754,368	703,379	1,239,091
Contribution to WPPF	62,501	51,465	37,718	36,791	60,401
Profit before tax	1,187,513	977,829	716,650	666,588	1,178,690
Income tax expenses	225,945	247,343	189,029	169,702	161,893
Profit from continuing operations	961,568	730,486	527,621	496,886	1,016,797
Profit/(Loss) from discontinued operation	-	-	-	32,446	(31,062)
Profit after tax	961,568	730,486	527,621	529,332	985,735
Cash flow statement					
Opening cash and cash equivalent	2,296,256	3,760,268	3,697,148	3,796,022	3,419,507
Cash flow from operating activities	490,183	362,654	622,174	286,944	997,216
Cash flow from investing activities	1,910	(1,204,755)	49,378	276,039	19,634
Cash flow from financing activities	(354,871)	(621,911)	(608,432)	(662,727)	(640,886)
Other	-	-	-	870	551
Closing cash and cash equivalent	2,433,478	2,296,256	3,760,268	3,697,148	3,796,022

KEY PERFORMANCE INDICATORS

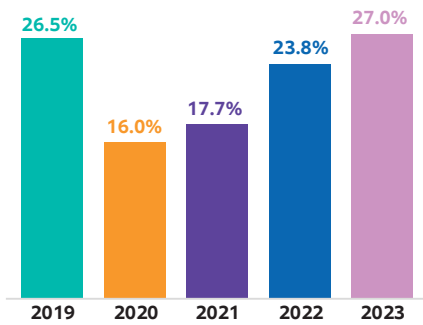
Turnover (Crore Taka)



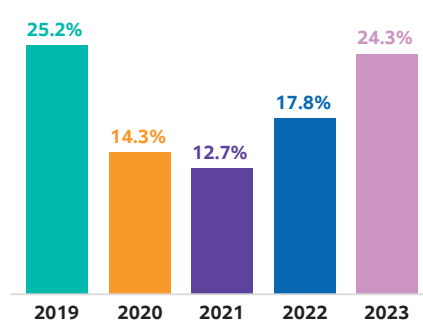
Gross margin



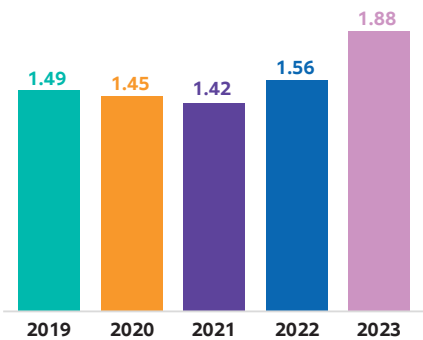
Operating Margin (Continuing Operation)



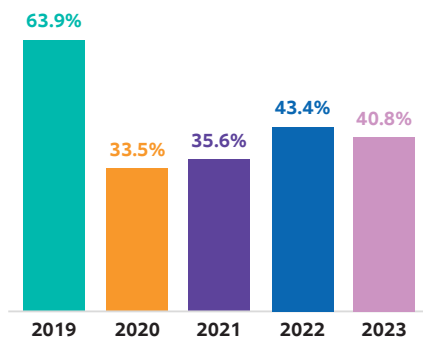
Profit Margin (Continuing Operation)



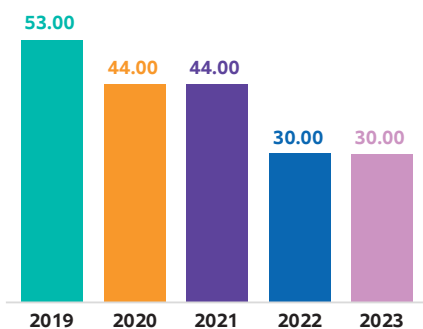
Current ratio (Times)



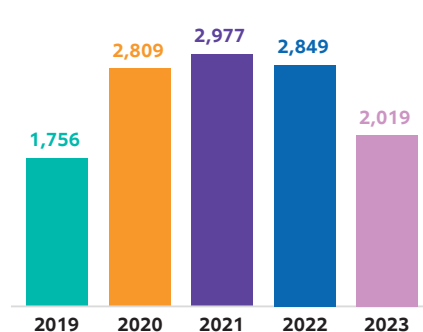
ROE (continued operation)



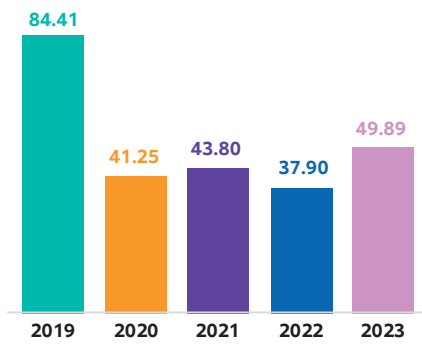
Dividend per share (Taka)



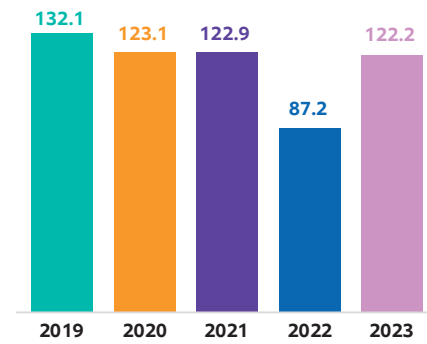
Market price (Taka)



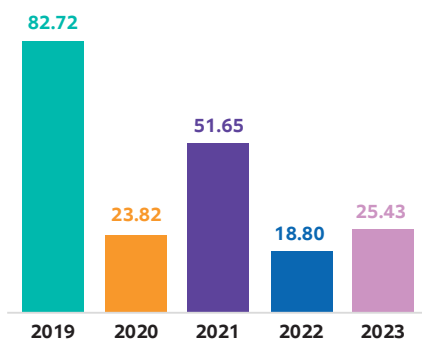
EPS (Taka)



NAV per share (Taka)



NOCFPS (Taka)



Note : The Company issued 60% stock dividend out of the profit for the year 2022. This resulted in increase of number of shares outstanding to 19,274,318 which has impact the measures of 2022 and 2023.

Market Share Information of Major categories of Products - In %

Category	2023	2022
Health Food Drink	93.30%	93.60%
Glucose Powder	54.50%	56.92%

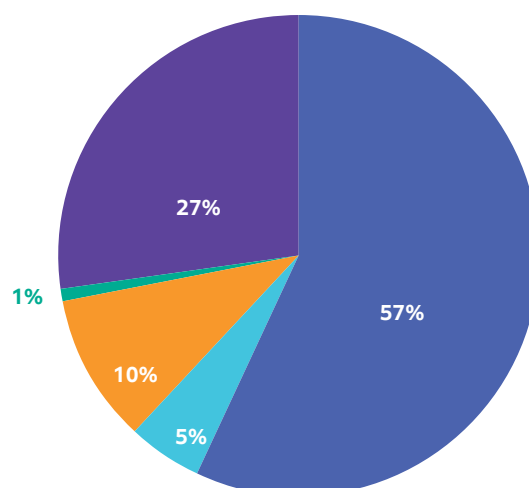
ANALYSIS OF REVENUE

BDT in Thousand

		2023		2022
Revenue		3,954,241		4,098,606
Cost of sales	57%	2,261,670	52%	2,150,164
Salary, wages & benefits	5%	199,860	4%	174,772
Depreciation	0%	3,339	0%	6,032
Advertisement and promotion	10%	390,022	12%	487,401
Other expenses	1%	31,671	8%	304,139
Profit from Operation	27%	1,067,679	24%	976,098
Total	100%	-	100%	-

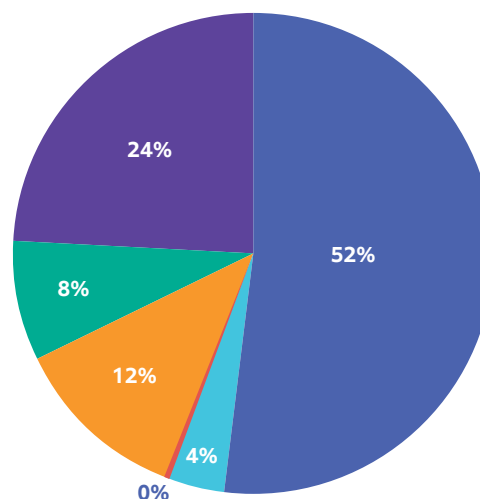
2023

- Cost of Sales
- Salary, Wages and Benefits
- Depreciation
- Advertisement and Promotion
- Other Expenses
- Profit from Operation



2022

- Cost of Sales
- Salary, Wages and Benefits
- Depreciation
- Advertisement and Promotion
- Other Expenses
- Profit from Operation



VALUE ADDED STATEMENT

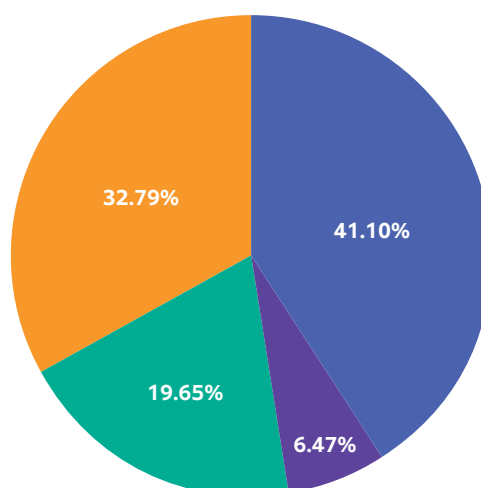
The value added statement provides a detailed account of total value addition and the distribution of the value created by the company.

		BDT in Thousand		
		2023	2022	
Value Added :	Amount	%	Amount	%
Turnover	4,547,377		4,713,397	
Less Bought in Materials & Services	1,786,694		2,065,394	
	2,760,683	93.80	2,648,003	98.03
Other income	14,029	0.48	2,563	0.09
Financial Income	168,306	5.72	50,633	1.87
	2,943,018	100	2,701,199	100
Applied to :				
Government Revenue & Taxes	1,209,481	41.10	1,491,764	55.23
Employees Remuneration & Benefits	190,400	6.47	166,042	6.15
Dividends	578,230	19.65	306,875	11.36
	1,978,111	67.21	1,964,681	72.73
Depreciation & Retained Profit	964,907	32.79	736,518	27.27
	2,943,018	100	2,701,199	100

DISTRIBUTION OF VALUE ADDITION

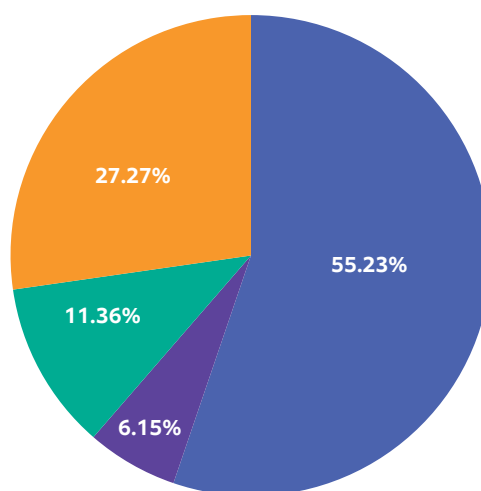
2023

- Government Revenue & Taxes
- Employees Remuneration & Benefits
- Dividends
- Depreciation & Retained Profit



2022

- Government Revenue & Taxes
- Employees Remuneration & Benefits
- Dividends
- Depreciation & Retained Profit



Unilever Consumer Care Limited contributes positively to socio-economic development by empowering employees through the payment of salaries and allowances; by paying attractive and consistent dividend to the shareholders; by assisting the regulatory authorities through paying taxes & duties.

Economic Value Added (EVA)

EVA provides a measurement of a company's economic success over a period of time. It shows how well a company has added value for its investors and it can be compared against company's peers for an analysis of how well the company is operating well in its industry.

Calculation of EVA

	BDT in Thousand	
	2023	2022
Profit After Tax (PAT)	961,568	730,486
Capital Employed	2,521,028	1,919,240
Cost of capital in %	23%	19%
Cost of capital (COC)	578,230	361,395
EVA = NPAT-COC	383,338	369,091

SHAREHOLDING INFORMATION

Annexure III

Pattern of Shareholding

(a) Parent/Subsidiary/Associated Companies and other related parties:

Name	Position	No. of shares
Unilever Overseas Holdings B.V.	Parent Company	15,800,230

(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children :

Position	No. of shares
	Self/Spouse/Minor Children
Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit	Nil

(c) Executives (top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit):

Name	No. of shares
Executives (top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit)	Nil

(d) Shareholders holding ten per cent (10%) or more voting interest in the Company:

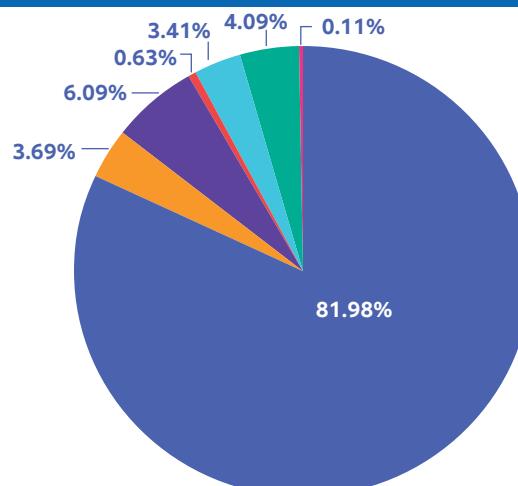
Name	No. of shares	% of Holding
Unilever Overseas Holdings B.V.	15,800,230	81.98%

(e) Shareholders holding less than ten per cent (10%) voting interest in the Company:

Name	No. of shares	% of Holding
Investment Corporation of Bangladesh (ICB)	711,703	3.69%
ICB Units and Mutual Funds	1,173,059	6.09%
Shadharan Bima Corporation	122,299	0.63%
Local Financial Institutions & other Companies	657,490	3.41%
General Public	787,539	4.09%
Foreign Shareholders	21,998	0.11%

Shareholding Position (as on 31 December 2023)

- Unilever Overseas Holdings B.V.
- Investment Corp. of Bangladesh (ICB)
- ICB Units and Mutual Funds
- Shadharan Bima Corporation
- Local Financial Inst. & Other Co.
- General Public
- Foreign Shareholders



CERTIFICATE OF COMPLIANCE

Annexure IV



ম্যাবস্ এন্ড জে পার্টনার্স
MABS & J Partners
Chartered Accountants

Report to the Shareholders of Unilever Consumer Care Limited on compliance on the Corporate Governance Code [Certificate as per condition No. 1(5)(xxvii)]

We have examined the compliance status to the Corporate Governance Code by **Unilever Consumer Care Limited** for the year ended on 31 December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 and BSEC/CMRRCD/2009-193/66/PRD/148 dated 16 October 2023 of the Bangladesh Securities and 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 to the conditions of the 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 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 Corporate Governance Code.

We state that we have obtained all the information and explanations, which we 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 Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this 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 Governance of the company is satisfactory.

Place: Dhaka
Dated: 23 March 2024

Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK),
FCA (England & Wales)
Deputy Managing Partners
MABS & J Partners
Chartered Accountants

Corporate Office : SMC Tower (7th Floor), 33, Banani C/A, Road 17, Dhaka-1213, Bangladesh, Phone : +88-02-9821057-58, +88-02-9821365-66, Email : info@mabsj.com, web : www.mabsj.com
Chattogram Branch Office : Jahan building 5 (Level 3), 74 Agrabad C/A, Chattogram-4100, Bangladesh, Phone : +88-01722-156260, Email : info@mabsj.com, web : www.mabsj.com

CORPORATE GOVERNANCE COMPLIANCE STATUS

[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD /2006-158/207/ Admin/80 dated 3 June 2018 and BSEC/CMRRCD/2009-193/66/PRD/148 dated 16 October 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969):

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1(1)	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The Board is comprised of 08 (eight) Directors
1.2	Independent Directors:			
1(2)(a)	At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating the number of independent director(s);	✓		There are 2 (two) Independent Directors (IDs) out of total 08 (eight) Directors
1(2)(b)(i)	Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director— 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;	✓		A declaration was received from IDs in this regard
1(2)(b)(ii)	who is not a sponsor of the company or 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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		Do
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		Do
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		Do
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
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;	✓		Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	✓		Do
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		Do
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and"	✓		Do
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	✓		In Practice
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		No such vacancy occurred in the reporting period
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) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per Companies Act, 1994.	✓		
1.3 Qualification of Independent Director.				
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		The qualifications and background of IDs rationalize their abilities
1(3)(b)(i)	Independent director shall have following qualifications: 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 registered business association; or	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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; or	✓		
1(3)(b)(iii)	Former or existing 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: Provided that in case of appointment of existing official as independent director, it requires clearance from the organisation where he or she is in service; or”			Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			Not Applicable
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;			Not Applicable
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such approval required
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
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;	✓		
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;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		The Board clearly defined roles and responsibilities of the Chairperson and the MD. These are stated in this Annual Report

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive 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 incidence arose in the reporting period
1.5 The Directors' Report to Shareholders				
1(5)(i)	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994): An industry outlook and possible future developments in the industry;	✓		Included in Directors' Report 2023
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;	✓		Do
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		Do
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;	✓		Do
1(5)(vii)	A statement of utilisation of proceeds raised through public issues, rights issues and/or any other instruments;			Not Applicable
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.;			Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			Not Applicable. No such significant variance occurred in the reporting period
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		Included in Directors' Report 2023
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;	✓		Do
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		Do
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;	✓		Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	✓		Do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		Do
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;	✓		Do
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		Do
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;	✓		Do
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarised;	✓		Included as annexure # II of Directors' Report 2023
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			Not Applicable. (Board of Directors has recommended 300% cash dividend)
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;	✓		Included in Directors' Report 2023
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		Do
1.5(xxiii)(a)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by: Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		Included as annexure # III of Directors' Report 2023
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		Do
1.5(xxiii)(c)	Executives; and	✓		Do
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		Do
1(5)(xxiv)(a)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: A brief resume of the director;	✓		Presented on Board of Directors' Profiles section in Annual Report

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		Do
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		Do
1(5)(xxv)(a)	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 the financial statements, among others, focusing on: Accounting policies and estimation for preparation of financial statements;	✓		Included as annexure # I of Directors' Report 2023
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;	✓		Do
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;	✓		Do
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		Do
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		Do
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		Do
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;	✓		Do
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;	✓		Included as annexure # V of Directors' Report 2023
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; and	✓		Included as annexure # IV of Directors' Report 2023
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		
1(6)	Meetings of the Board of Directors: 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.	✓		In Practice

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		The Board, based on NRC recommendation laid down a Code of Business Conduct and Ethics for Board members
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.	✓		
2.0	Governance of Board of Directors of Subsidiary Company			
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;			Not Applicable. (The Company does not have any Subsidiary Company as on reporting date)
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Do
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;			Do
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;			Do
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Do
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)(a)	Appointment: 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);	✓		In Practice
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1)(c)	<p>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:</p> <p>Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission:</p> <p>Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;</p>	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		The Board clearly defined roles and responsibilities of the CFO, the HIAC and the CS. These are stated in this Annual Report
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).			No such incidence arose in the reporting period
3(2)	<p>Requirement to attend Board of Directors' Meetings:</p> <p>The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:</p> <p>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.</p>	✓		In Practice
3.3 Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)				
3(3)(a)(i)	<p>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:</p> <p>These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and</p>	✓		Disclosed as annexure # V of Directors' Report 2023
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;	✓		Do
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 in violation of the code of conduct for the company's Board or its members;	✓		Do
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4.0	Board of Directors' Committee.			
4(i)	For ensuring good governance in the company, the Board shall have at least following sub-committees: Audit Committee; and	✓		In Place
4(ii)	Nomination and Remuneration Committee.	✓		In Place
5.0	Audit Committee			
5(1)(a)	Responsibility to the Board of Directors: The company shall have an Audit Committee as a sub-committee of the Board;	✓		In Place
5(1)(b)	The Audit Committee shall assist the Board 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;	✓		In Practice. The Audit Committee (AC) discharged its responsibilities as per CG Code
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.	✓		In line with CG Code, the responsibilities of AC are clearly defined in AC Charter
5(2)(a)	Constitution of the Audit Committee: The Audit Committee shall be composed of at least 3 (three) members;	✓		AC comprises of 4 (four) non-executive Directors, out of which 2 (two) are ID
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;	✓		The qualifications and background of AC members rationalise their competences
5(2)(d)	When the term of service of any Committee member 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 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such vacancy arose in the reporting period
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		In Practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		In Practice

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)(a)	Chairperson of the Audit Committee: The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		Chairperson of the AC is an Independent Director
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.			No such incidence arose in the reporting period
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		The Chairperson of the AC attended at the 50 th AGM held on 16 May 2023
5(4)(a)	Meeting of the Audit Committee: 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;	✓		There were 4 (four) meetings held during the reporting period
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.	✓		In Practice
5(5)(a)	Role of Audit Committee The Audit Committee shall: Oversee the financial reporting process;	✓		In Practice. The AC performed in line with CG Code
5(5)(b)	Monitor choice of accounting policies and principles;	✓		Do
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;	✓		Do
5(5)(d)	Oversee hiring and performance of external auditors;	✓		Do
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;	✓		Do
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		Do
5(5)(g)	Review along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval;	✓		Do
5(5)(h)	Review the adequacy of internal audit function;	✓		Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		Do
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		Do
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		Do
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; and	✓		Do
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilised as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilised for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not Applicable
5.6 Reporting of the Audit Committee				
5(6)(a)(i)	Reporting to the Board of Directors: The Audit Committee shall report on its activities to the Board;	✓		In Practice
5(6)(a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings, if any: Report on conflicts of interests;			No such incidence arose in the reporting period
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;			Do
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Do
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(6)(b)	Reporting to the Authorities: 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.			Do
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 No. 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.	✓		Activities carried out by AC in 2023 are stated in AC Report and disclosed in this Annual Report
6.0 Nomination and Remuneration Committee (NRC)				
6(1)(a)	Responsibility to the Board of Directors: The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		In Place
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;	✓		In Practice. The NRC discharged its responsibilities as per CG Code
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).	✓		In line with CG Code, the responsibilities of the NRC are clearly defined in NRC Charter
6(2)(a)	Constitution of the NRC: The Committee shall comprise of at least three members including an independent director;	✓		NRC comprises of 4 (four) non-executive Directors, out of which 2 (two) are ID.
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	✓		Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		In Practice
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		In Practice
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;			No such vacancy arose in the reporting period

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;			No such appointment/co-opt required in the reporting period
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		In Practice
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		Do
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.	✓		Do
6(3)(a)	Chairperson of the NRC: The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		Chairperson of the NRC is an Independent Director
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: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		The Chairperson of the NRC attended at the 50 th AGM held on 16 May 2023
6(4)(a)	Meeting of the NRC: The NRC shall conduct at least one meeting in a financial year;	✓		There were 2 (two) meetings held during the reporting period
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such incidence arose in the reporting period
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);	✓		In Practice
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.	✓		Do
6(5)(a)	Role of the NRC: NRC shall be independent and responsible or accountable to the Board and to the Shareholders	✓		In Practice. The NRC performed in line with CG Code

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(i)(a)	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: The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		Do
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;	✓		Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		Do
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;	✓		Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		Do
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		Do
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.	✓		Disclosed in this Annual Report
7.0 External or Statutory Auditors				
7(1)(i)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- Appraisal or valuation services or fairness opinions;	✓		During the reporting period, the Company did not engage its statutory auditors to perform as such
7(1)(ii)	Financial information systems design and implementation;	✓		Do
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		Do
7(1)(iv)	Broker-dealer services;	✓		Do
7(1)(v)	Actuarial services;	✓		Do
7(1)(vi)	Internal audit services or special audit services;	✓		Do
7(1)(vii)	Any service that the Audit Committee determines;	✓		Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(1)(viii)	Audit or certification services on compliance of corporate governance; and	✓		Do
7(1)(ix)	Any other service that creates conflict of interest.	✓		Do
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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		As declared by the statutory auditors
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.	✓		Representative of statutory auditors attended at the 50 th AGM held on 16 May 2023
8.0 Maintaining a website by the Company.				
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		In Practice
8(2)	The company shall keep the website functional from the date of listing.	✓		In Practice
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		In Practice
9.0 Reporting and Compliance of Corporate Governance.				
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 conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		The Company obtained the certificate from MABS & J Partners, Chartered Accountants and such certificate is presented in this 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.	✓		In Practice
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.	✓		Stated as annexure # IV of Directors' Report 2023

CEO AND CFO CERTIFICATION

Annexure V

Unilever Consumer Care Limited Declaration by CEO and CFO As per condition No. 1(5)(xxvi) of CGC

06 March 2024
The Board of Directors
Unilever Consumer Care Limited
Shanta Forum (10th Floor),
187-188/B, Bir Uttam Mir Shawkat Sarak, Dhaka-1208.

Subject: Declaration on Financial Statements for the year ended on 31 December 2023.

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 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Unilever Consumer Care Limited for the year ended on 31 December 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in 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 concern 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 31 December 2023 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.

Sincerely yours,



Khan Salahuddin Mohammad Minhaj
Managing Director and CEO



Md. Humayoun Kabir
Head of Finance





Investing Today Shaping Tomorrow

With a legacy spanning decades, we are constantly reinventing the wheel, keeping our past experience as a base for learning. We are making investments to remain agile and future-fit for the challenges yet to come. Our goal is to keep providing balanced nutrition to our consumers all across the country, across all age groups, allowing them to develop further and thrive, shaping the future of the nation.



FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNILEVER CONSUMER CARE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Unilever Consumer Care Limited ("the Company"), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under

those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See note 22 to the financial statements

The Key Audit Matter

Revenue recognition has significant and wide influence on financial statements.

Revenue recognition has been identified as a key audit matter because revenue is one of the key performance indicators of the Company and thus there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.

The Company's policy dictates revenue recognition upon dispatch of goods from its warehouse. However, exceptions may exist where recognising sales upon customer receipt better reflects the transfer of risks and rewards. It is noteworthy that the Company's sales employee incentives are directly linked to meeting sales targets, potentially creating a risk of premature revenue recognition before the transfer of risks and rewards has occurred.

For the current year, the Company reported total revenue of BDT 3,954 million (compared to BDT 4,099 million in 2022).

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

- Evaluation of design and implementation of key internal financial controls with respect to the revenue recognition and testing the operating effectiveness of such controls.
- "Substantive testing of revenue recorded over the period using sampling techniques, by examining the relevant supporting documents including sales orders, invoices and outbound delivery notes, to test whether sales transactions were recorded accurately and for the correct amounts.

Substantive testing of sales transactions recognised shortly before and after the reporting date, including the sales returns recorded after that date, to test whether sales transactions were recorded in the correct reporting period."

Other Information

"Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our Auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance."

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial

Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c. the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d. the expenditure incurred was for the purposes of the Company's business.

The engagement partner on the audit resulting in this independent auditor's report is Ali Ashfaq.



Auditor

Ali Ashfaq, Partner, Enrolment number: 509
Rahman Rahman Huq, Chartered Accountants
Firm Enlistment Number: CAF-001-080

Dhaka, 9 March 2024
DVC: 2403100509AS637821

Unilever Consumer Care Limited

Statement of Financial Position

<i>In thousands of BDT</i>	Note	31 December 2023	31 December 2022
Assets			
Property, plant and equipment	5	111,229	62,222
Right-of-use assets	6	239,280	309,487
Deferred tax assets	15	12,703	15,861
Advances, deposits and prepayments	7	1,762	2,242
Non-current assets		364,974	389,812
Inventories	8	567,678	539,484
Trade and other receivables	9	77,824	79,619
Advances, deposits and prepayments	7	114,202	84,194
Cash and cash equivalents	10	2,433,478	2,296,256
Short term investments	11	1,400,000	1,250,000
Current assets		4,593,182	4,249,553
Total assets		4,958,156	4,639,365
Equity			
Share capital	12	192,744	120,465
Reserves	13	5,166	5,166
Retained earnings	14	2,157,593	1,555,989
Total equity		2,355,503	1,681,620
Liabilities			
Lease liabilities	20	165,525	237,620
Non-current liabilities		165,525	237,620
Trade payables	17	507,687	436,909
Other payables and provisions	18	1,791,351	2,085,958
Defined benefit liabilities	16	-	13,080
Advance from customers	19	15,041	24,654
Lease liabilities	20	71,146	66,367
Current tax liabilities	21	50,357	91,039
Unclaimed dividend payable	30	1,546	2,118
Current liabilities		2,437,128	2,720,125
Total liabilities		2,602,653	2,957,745
Total equity and liabilities		4,958,156	4,639,365
Net Asset Value (NAV) per share (BDT)			
	31.2	122.21	87.25

The notes on pages 162 to 198 are an integral part of these financial statements.



Md. Naharul Islam Molla
Company Secretary



Zinnia Tanzina Huq
Director



Khan Salahuddin Mohammad Minhaj
Managing Director

As per our report of same date.



Auditor

Ali Ashfaq, Partner, Enrolment number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Enlistment Number: CAF-001-080

DVC: 2403100509AS637821

Dhaka, 9 March 2024

Unilever Consumer Care Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December

<i>In thousands of BDT</i>	Note	2023	2022
Revenue	22	3,954,241	4,098,606
Cost of sales	23	(2,261,670)	(2,150,164)
Gross profit		1,692,571	1,948,442
Operating expenses	24	(624,892)	(972,344)
Operating profit		1,067,679	976,098
Net finance income	25	168,306	50,633
Other income	26	14,029	2,563
Profit before contribution to WPPF		1,250,014	1,029,294
Contribution to WPPF		(62,501)	(51,465)
Profit before tax		1,187,513	977,829
Income tax expense	27	(225,945)	(247,343)
Profit after tax		961,568	730,486
Other comprehensive income (loss), net of tax	28	1,430	5,720
Total comprehensive income for the year		962,998	736,206
Earnings per share (BDT)	31.1	49.89	37.90

The notes on pages 162 to 198 are an integral part of these financial statements.



Md. Naharul Islam Molla
Company Secretary



Zinnia Tanzina Huq
Director



Khan Salahuddin Mohammad Minhaj
Managing Director

As per our report of same date.



Auditor

Ali Ashfaq, Partner, Enrolment number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Enlistment Number: CAF-001-080

DVC: 2403100509AS637821

Dhaka, 9 March 2024

Unilever Consumer Care Limited

Statement of Changes In Equity

For the year ended 31 December

<i>In thousands of BDT</i>	Share capital	Revaluation reserve	General reserve	Capital reserve	Retained earnings	Total equity
Balance at 1 January 2022	120,465	4,831	5,000	166	1,349,827	1,480,289
Total comprehensive income						
Profit for the year	-	-	-	-	730,486	730,486
Other comprehensive income	-	-	-	-	5,720	5,720
Total comprehensive income	-	-	-	-	736,206	736,206
Transaction with owners of the Company						
Dividend (Final dividend for 2021)	-	-	-	-	(530,044)	(530,044)
Adjustment of land revaluation reserve		(4,831)	-	-	-	(4,831)
Balance at 31 December 2022	120,465	-	5,000	166	1,555,989	1,681,620
Balance at 1 January 2023	120,465	-	5,000	166	1,555,989	1,681,620
Total comprehensive income						
Profit for the year	-	-	-	-	961,568	961,568
Other comprehensive income	-	-	-	-	1,430	1,430
Total comprehensive income	-	-	-	-	962,998	962,998
Transaction with owners of the Company						
Stock dividend (Final dividend for 2022)	72,279	-	-	-	(72,279)	-
Cash dividend (Final dividend for 2022)	-	-	-	-	(289,115)	(289,115)
Balance at 31 December 2023	192,744	-	5,000	166	2,157,593	2,355,503

The notes on pages 162 to 198 are an integral part of these financial statements.

Unilever Consumer Care Limited

Statement of Cash Flows

For the year ended 31 December

In thousands of BDT

	Note	2023	2022
Cash flows from operating activities			
Cash receipts from customers		3,940,724	4,092,740
Cash paid to suppliers and employees		(3,129,879)	(3,505,278)
Interest paid on lease liabilities	20.2	(20,628)	(21,613)
Income tax paid	21.1	(262,039)	(203,195)
Interest paid on short term financing	25	(14,355)	-
Contributions paid into the defined benefit plan	16.1	(23,640)	-
Net cash generated from operating activities		490,183	362,654
Cash flows from investing activities			
Acquisition of short term investments		(150,000)	(1,250,000)
Interest received		195,110	48,543
Acquisition of property, plant and equipment	5.2	(52,346)	(4,413)
Proceeds from sale of property, plant and equipment		9,146	1,115
Net cash (used in)/generated from investing activities		1,910	(1,204,755)
Cash flows from financing activities			
Dividend paid	30.2	(289,687)	(530,127)
Payment of lease liabilities	20.2	(65,184)	(91,784)
Net cash used in financing activities		(354,871)	(621,911)
Net (decrease)/increase in cash and cash equivalents		137,222	(1,464,012)
Cash and cash equivalents at 1 January		2,296,256	3,760,268
Cash and cash equivalents at 31 December		2,433,478	2,296,256
Closing cash and cash equivalents have been arrived at as follows:			
Term deposits	10.1	1,558,003	1,965,000
Current account with scheduled commercial banks	10.2	875,476	331,256
		2,433,478	2,296,256
Net operating cash flow per share (BDT)	31.3	25.43	18.82

The notes on pages 162 to 198 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Reporting Entity

1.1 Company Profile

Unilever Consumer Care Limited (previously known as GlaxoSmithKline Bangladesh Limited) ("the Company") was incorporated on 25 February 1974 as a public limited company and is listed with Dhaka Stock Exchange Limited. On 30 June 2020, 81.98% of shares of the Company was acquired by Unilever Overseas Holdings BV as part of the Share Purchase Agreement signed between SETFIRST Limited and Unilever NV (Unilever NV nominated Unilever Overseas Holdings BV as buyer of the shares). Consequently, the Company has become a subsidiary of Unilever Overseas Holdings BV. Based on the Board Resolution dated 16 August 2020, the name of the Company was changed to Unilever Consumer Care Limited.

1.2 Registered Office

The address of the Company's registered office is Fouzderhat Industrial Area, North Kattali, P.O. Box No. 53. Chattogram-4217, Bangladesh.

1.3 Nature of Business

The principal activities of the Company include manufacturing and marketing of consumer healthcare products including health food drink and glucose powder. Health food drink and glucose powder are manufactured in Bangladesh through third parties under contract exclusively working for the Company.

2 Basis of Preparation

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh.

The financial statements provide comparative information in respect of the previous period and have been prepared on going concern basis.

Details of the Company's accounting policies, including changes thereto, are included in Note 42.

The financial statements were approved by the Company's Board of Directors on 9 March 2024.

3 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is the Company's functional currency. All figures of the financial statements are presented in BDT and have been rounded to the nearest thousand of BDT, unless otherwise indicated.

4 Use of Estimates And Judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and Estimation Uncertainties

Information about significant areas of estimates and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Note 5 - Property, plant and equipment

Note 6 - Right-of-use assets

Note 8 - Inventories

Note 15 - Deferred tax assets

Note 16 - Defined benefit liabilities

Note 18.1 - Provisions

Note 20 - Lease liabilities

Note 21 - Current tax liabilities

Note 37 - Contingent liabilities and commitments

1. Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Property, Plant and Equipment

See accounting policy in Note 42(A)

<i>In thousands of BDT</i>	Freehold land	Leasehold land	Building	Plant and machinery	Motor vehicles	Furniture, fixtur and office equipment	Capital work in progress	Total
Cost								
Balance at 1 January 2022	221	619	142,028	429,434	45,655	266,788	1,750	886,495
Additions	-	-	-	-	-	91	4,413	4,504
Disposals/transfers	-	-	(187)	(2,059)	-	(781)	(91)	(3,118)
	221	619	141,841	427,375	45,655	266,098	6,072	887,881
Revalued in 1978								
Balance at 1 January 2022	4,831	12	45,747	7,398	-	1,491	-	59,479
Additions	-	-	-	-	-	-	-	-
Disposals/transfers	(4,831)	-	-	-	-	-	-	(4,831)
	-	12	45,747	7,398	-	1,491	-	54,648
Balance at 31 December 2022	221	631	187,588	434,773	45,655	267,589	6,072	942,529
Cost								
Balance at 1 January 2023	221	619	141,841	427,375	45,655	266,098	6,072	887,881
Additions	-	-	-	-	-	-	52,346	52,346
Disposals/transfers	-	-	-	-	(18,918)	-	-	(18,918)
	221	619	141,841	427,375	26,737	266,098	58,418	921,309
Revalued in 1978								
Balance at 1 January 2023	-	12	45,747	7,398	-	1,491	-	54,648
Additions	-	-	-	-	-	-	-	-
Disposals/transfers	-	-	-	-	-	-	-	-
	-	12	45,747	7,398	-	1,491	-	54,648
Balance at 31 December 2023	221	631	187,588	434,773	26,737	267,589	58,418	975,957

Accumulated depreciation								
Balance at 1 January 2022	-	464	129,317	298,287	45,523	123,571	-	597,162
Depreciation for the year	-	55	3,116	1,355	19	1,487	-	6,032
Adjustment for disposals/transfers	-	-	(75)	(2,059)	-	(675)	-	(2,809)
Balance at 31 December 2022	-	519	132,358	297,583	45,542	124,383	-	600,385
Balance at 1 January 2023	-	519	132,358	297,583	45,542	124,383	-	600,385
Depreciation for the year	-	-	3,056	215	19	49	-	3,339
Adjustment for disposals/transfers	-	-	-	-	(18,918)	-	-	(18,918)
Balance at 31 December 2023	-	519	135,414	297,798	26,643	124,432	-	584,806
Accumulated impairment								
Balance at 1 January 2022	-	-	-	136,928	-	142,994	-	279,922
Impairment for the year	-	-	-	-	-	-	-	-
Adjustment for disposals/transfers	-	-	-	-	-	-	-	-
Balance at 31 December 2022	-	-	-	136,928	-	142,994	-	279,922
Balance at 1 January 2023	-	-	-	136,928	-	142,994	-	279,922
Impairment for the year	-	-	-	-	-	-	-	-
Adjustment for disposals/transfers	-	-	-	-	-	-	-	-
Balance at 31 December 2023	-	-	-	136,928	-	142,994	-	279,922
Carrying amounts								
At 1 January 2022	5,052	167	58,458	1,617	132	1,714	1,750	68,890
At 31 December 2022	221	112	55,230	262	113	212	6,072	62,222
At 31 December 2023	221	112	52,174	47	94	163	58,418	111,229

As a consequence of changing the Company's valuation method from revaluation model to cost model as per Unilever Global Accounting Policy, the carrying amount of revalued land over and above the cost of the said land has been set-off in the financial statements for the year ended 31 December 2022 against the revaluation surplus recognised as a result of the revaluation. Hence land is now presented at cost of BDT 221,000.

5.1 Allocation of Depreciation

<i>In thousands of BDT</i>								
Cost of sales							2023	2022
Operating expenses							36	1,244
							3,303	4,788
							3,339	6,032

5.2 Capital Work in Progress (CWIP)

<i>In thousands of BDT</i>	Building	Plant and machinery	Furniture, fixtures and office equipment	Total
Cost				
Balance at 1 January 2022	1,659	-	91	1,750
Additions	-	4,413	-	4,413
Disposals/transfers	-	-	(91)	(91)
Balance at 31 December 2022	1,659	4,413	-	6,072
Balance at 1 January 2023	1,659	4,413	-	6,072
Additions	-	52,346	-	52,346
Disposals/transfers	-	-	-	-
Balance at 31 December 2023	1,659	56,759	-	58,418

6 Right-of-Use Assets

See accounting policy in Note 42(F)

<i>In thousands of BDT</i>	Corporate office & warehouses	Factory premises	Vehicles	Total
Cost				
Balance at 1 January 2022	32,624	285,333	3,650	321,607
Additions	120,948	-	43,889	164,837
Disposals/adjustments	(31,951)	-	-	(31,951)
Balance at 31 December 2022	121,621	285,333	47,539	454,493
Balance at 1 January 2023	121,621	285,333	47,539	454,493
Additions	-	-	-	-
Disposals/adjustments	-	(1,204)	(3,650)	(4,854)
Balance at 31 December 2023	121,621	284,129	43,889	449,639
Accumulated depreciation				
Balance at 1 January 2022	7,436	73,747	1,413	82,596
Depreciation for the year	9,961	57,068	8,064	75,093
Disposals/adjustments	(12,683)	-	-	(12,683)
Balance at 31 December 2022	4,714	130,815	9,477	145,006
Balance at 1 January 2023	4,714	130,815	9,477	145,006
Depreciation for the year	12,389	45,569	9,508	67,466
Disposals/adjustments	1,537	-	(3,650)	(2,113)
Balance at 31 December 2023	18,640	176,384	15,335	210,359
Carrying amounts				
At 1 January 2022	25,188	211,586	2,237	239,011
At 31 December 2022	116,907	154,518	38,062	309,487
At 31 December 2023	102,981	107,745	28,554	239,280

6.1 Allocation of Depreciation

<i>In thousands of BDT</i>			2023	2022
Cost of sales			49,670	61,421
Operating expenses			17,796	13,672
			67,466	75,093

7 Advances, Deposits and Prepayments

See accounting policy in Note 42(C)

<i>In thousands of BDT</i>			2023	2022
Advances				
Advance to suppliers			27,005	27,049
Loans and advances to employees			3,563	6,667
VAT receivable			3,779	48,993
			34,347	82,709
Deposits				
Security deposits			1,762	2,242
Down payments			76,069	-
			77,831	2,242
Prepayments				
Insurance			3,126	1,281
BSTI license fee			660	204
			3,786	1,485
Closing balance			115,964	86,436
Current portion			114,202	84,194
Non-current portion			1,762	2,242
			115,964	86,436

*Security deposits have been paid for utility services.

8 Inventories

See accounting policy in Note 42 (G)

<i>In thousands of BDT</i>	Note	2023	2022
Stock in trade		347,549	525,003
Stock in transit		220,129	14,481
		567,678	539,484
Stock in trade			
Raw materials	8.1	140,187	256,811
Packing materials	8.2	34,747	32,181
Semi finished goods		42,307	70,814
Finished goods	8.3	130,308	165,197
		347,549	525,003
Stock in transit			
Raw materials		175,752	5,303
Semi finished goods		44,377	9,178
		220,129	14,481

8.1 Raw Materials

<i>In thousands of BDT</i>	2023	2022
Gross value of raw materials stock	149,105	261,168
Provision for raw materials stock	(8,919)	(4,357)
Net value of raw materials stock	140,187	256,811

8.2 Packing Materials

<i>In thousands of BDT</i>	2023	2022
Gross value of packing materials stock	36,139	34,418
Provision for packing materials stock	(1,392)	(2,237)
Net value of packing materials stock	34,747	32,181

8.3 Detailed Disclosure in Respect of Finished Goods

	2023		2022	
	Quantity in MT	In thousands of BDT	Quantity in MT	In thousands of BDT
Health food drink	360	140,853	399	153,364
Glucose powder	124	33,996	163	37,288
	484	174,849	562	190,652
Gross value of finished goods stock		174,849		190,652
Provision for finished goods stock		(44,541)		(25,455)
Net value of finished goods stock		130,308		165,197

9 Trade and Other Receivables

See accounting policy in Note 42(C)

<i>In thousands of BDT</i>	Note	2023	2022
Trade receivables		11,898	7,994
Intercompany receivables	9.1	34,227	44,154
Accrued interest		31,699	27,326
Other receivables		-	145
		77,824	79,619

9.1 Intercompany Receivables

<i>In thousands of BDT</i>	2023	2022
Unilever Bangladesh Limited	34,227	44,154
	34,227	44,154

The receivable from Unilever Bangladesh Limited resulted from agreed settlement of project expenses and sharing of expenses under common platform.

10 Cash And Cash Equivalents

See accounting policy in Note 42(C)

<i>In thousands of BDT</i>	Note	2023	2022
Cash in hand		-	-
Cash at bank:			
Term deposits	10.1	1,558,003	1,965,000
Current account with scheduled commercial banks	10.2	875,476	331,256
		2,433,478	2,296,256
Cash and cash equivalents in the statement of cash flows		2,433,478	2,296,256

Balance in Standard Chartered Bank includes unclaimed dividends payable amounting BDT 1,546 ('000). Cash and cash equivalent represents cash in hand, cash at bank and short term deposits with scheduled banks. Current account balances are invested in short term deposits at competitive rates.

10.1 Term Deposits

<i>In thousands of BDT</i>	2023	2022
The Hongkong and Shanghai Banking Corporation Limited	-	400,000
Sonal Bank PLC	1,558,003	1,565,000
	1,558,003	1,965,000

10.2 Current Account with Scheduled Commercial Banks

<i>In thousands of BDT</i>	2023	2022
The Hongkong and Shanghai Banking Corporation Limited	528,265	174,732
Standard Chartered Bank Limited	278,963	121,850
Sonali Bank PLC	27,646	34,573
BRAC Bank PLC	31,015	101
City Bank PLC	9,579	-
Dutch-Bangla Bank PLC	8	-
	875,476	331,256

11 Short Term Investments

See accounting policy in Note 42(C)

<i>In thousands of BDT</i>	Note	2023	2022
Investments with scheduled commercial banks	11.1	1,400,000	1,250,000
		1,400,000	1,250,000

11.1 Investments with Scheduled Commercial Banks

<i>In thousands of BDT</i>	2023	2022
BRAC Bank PLC	1,000,000	1,000,000
The Hongkong and Shanghai Banking Corporation Limited	400,000	-
Sonali Bank PLC	-	250,000
	1,400,000	1,250,000

12 Share Capital

See accounting policy in Note 42(D)

<i>In thousands of BDT</i>	2023	2022
Authorised:		
20,000,000 ordinary shares of BDT 10 each	200,000	200,000
	200,000	200,000
Issued, subscribed and fully paid up:		
Issued for cash:		
350 ordinary shares of BDT 10 each in 1974	4	4
4,943,949 ordinary shares of BDT 10 each as rights issue	49,440	49,440
	49,444	49,444
Issued for consideration other than cash:		
3,787,650 ordinary shares of BDT 10 each in 1974	37,876	37,876
3,314,500 ordinary shares of BDT 10 each as bonus issue	33,145	33,145
7,227,869 ordinary shares of BDT 10 each as bonus issue	72,279	-
	143,300	71,021
	192,744	120,465

Shareholding position:

Name of shareholders	2023		2022	
	No. of shares	Value (BDT)	No. of shares	Value (BDT)
Unilever Overseas Holdings B.V., The Netherlands	15,800,230	158,002	9,875,144	98,752
Investment Corporation of Bangladesh (ICB)				
& ICB Unit and ICB Mutual Funds	1,884,762	18,849	1,371,926	13,719
Shadharan Bima Corporation	122,299	1,223	76,437	764
Local Financial Institutions & other Companies	657,490	6,575	221,481	2,215
General Public	787,539	7,875	466,449	4,665
Foreign Shareholders	21,998	220	35,012	350
	19,274,318	192,744	12,046,449	120,465

12.1 Percentage of Shareholdings

Name of shareholders	2023	2022
Unilever Overseas Holdings B.V., The Netherlands	81.98%	81.98%
Investment Corporation of Bangladesh (ICB)		
& ICB Unit and ICB Mutual Funds	9.78%	11.39%
Shadharan Bima Corporation	0.63%	0.63%
Local Financial Institutions & other Companies	3.41%	1.84%
General Public	4.09%	3.87%
Foreign Shareholders	0.11%	0.29%
	100.00%	100.00%

12.2 Classification Of Shareholders By Holding:

Holdings	2023		2022	
	Number of shareholders	Total number of shares	Number of shareholders	Total number of shares
Less than 500 shares	2,843	128,474	1,849	75,632
500 to 5,000 shares	111	133,909	81	95,816
5,001 to 10,000 shares	9	71,188	16	122,124
10,001 to 20,000 shares	12	183,158	2	31,200
20,001 to 30,000 shares	2	49,516	2	45,151
30,001 to 40,000 shares	3	102,276	-	-
40,001 to 50,000 shares	-	-	1	46,751
50,001 to 1,00,000 shares	2	163,987	3	226,752
100,001 to 1,000,000 shares	8	2,641,580	3	1,527,879
Over 1,000,000 shares	1	15,800,230	1	9,875,144
	2,991	19,274,318	1,958	12,046,449

12.3 Classification of Shareholders by Holding (In Percentage):

Holdings	2023	2022
Less than 500 shares	0.7%	0.6%
500 to 5,000 shares	0.7%	0.8%
5,001 to 10,000 shares	0.4%	1.0%
10,001 to 20,000 shares	1.0%	0.3%
20,001 to 30,000 shares	0.3%	0.4%
30,001 to 40,000 shares	0.5%	0.0%
40,001 to 50,000 shares	0.0%	0.4%
50,001 to 1,00,000 shares	0.9%	1.9%
100,001 to 1,000,000 shares	13.7%	12.7%
Over 1,000,000 shares	82.0%	82.0%
	100.0%	100.0%

12.4 No. of Shares Held by the Members of the Company Executive Committee

	2023	2022
No. of shares held by the members of the Company Executive Committee	-	-
	-	-

12.5 Profit Attributable To

	2023		2022	
	Shareholding %	Value ('000)	Shareholding %	Value ('000)
Unilever Overseas Holdings B.V., The Netherlands	81.98%	788,246	81.98%	598,821
Non-controlling interest	18.02%	173,321	18.02%	131,665
	100.00%	961,568	100.00%	730,486

13 Reserves

<i>In thousands of BDT</i>	Note	2023	2022
General reserve		5,000	5,000
Capital reserve	13.1	166	166
		5,166	5,166

13.1 Capital Reserve

The balance represents surplus of assets over liabilities as at 28 February 1974 after issue of shares there against.

14 Retained Earnings

<i>In thousands of BDT</i>	2023	2022
Opening balance	1,555,989	1,349,827
Total comprehensive income for the year:		
Profit for the year	961,568	730,486
Other comprehensive income	1,430	5,720
Dividends during the year:		
Cash dividend for 2022	(289,115)	-
Stock dividend for 2022	(72,279)	-
Cash dividend for 2021	-	(530,044)
Closing balance	2,157,593	1,555,989

15 Deferred Tax Assets

See accounting policy in Note 42(L)

31 December 2023

	Carrying amount on reporting date	Tax base	(Taxable)/ deductible temporary difference
<i>In thousands of BDT</i>			
Property, plant and equipment excluding land and CWIP	52,590	118,715	66,125
Defined benefit liabilities	-	-	-
Right-of-use assets	239,280	-	(239,280)
Lease liabilities	(236,671)	-	236,671
Net temporary difference			63,516
Applicable tax rate			20.0%
Deferred tax assets			12,703

31 December 2022

	Carrying amount on reporting date	Tax base	(Taxable)/ deductible temporary difference
<i>In thousands of BDT</i>			
Property, plant and equipment excluding land and CWIP	55,929	127,655	71,726
Defined benefit liabilities	(13,080)	-	13,080
Right-of-use assets	309,487	-	(309,487)
Lease liabilities	(303,987)	-	303,987
Net temporary difference			79,306
Applicable tax rate			20.0%
Deferred tax assets			15,861

15.1 Deferred Tax Expense

<i>In thousands of BDT</i>	2023	2022
Deferred tax assets at the beginning of the period	15,861	24,738
Deferred tax assets at the end of the period	12,703	15,861
	(3,158)	(8,877)
Deferred tax attributable to actuarial gain/(loss) on defined benefit plan recognised directly in equity	(1,430)	1,430
Deferred tax income / (expense)	(4,588)	(7,447)
Deferred tax income resulting from reduction in tax rate	-	2,749
Deferred tax expense related to the origination and reversal of temporary differences	(3,158)	(11,626)
Deferred tax attributable to actuarial gain/(loss) on defined benefit plan recognised directly in equity	(1,430)	1,430
Deferred tax income / (expense) recognised in profit or loss	(4,588)	(7,447)

16 Defined Benefit Liabilities

See accounting policy in Note 42(H)

<i>In thousands of BDT</i>	2023	2022
Opening balance	13,080	10,610
Movement during the year	(13,080)	2,470
Closing balance	-	13,080

16.1 Movement in fair value of plan assets

<i>In thousands of BDT</i>	2023	2022
Opening balance	-	-
Interest income on plan assets	-	-
Contributions paid into the plan	23,640	-
Benefits paid by the plan	-	-
Actuarial gain / (loss):		
Actual less expected return	-	-
Closing balance	23,640	-

16.2 Movement in defined benefit obligation

<i>In thousands of BDT</i>	2023	2022
Opening balance	13,080	10,610
Current gross service cost	9,460	8,730
Interest accrued on defined benefit obligation	1,100	890
Benefits paid by the plan	-	-
Actuarial (gain)/loss:		
Experience (gain)/loss	-	(7,150)
(Gain)/loss for changes in actuarial assumptions	-	-
Closing balance	23,640	13,080

16.3 Actuarial Assumptions

The following are the key actuarial assumptions used at the reporting date:

	2023	2022
Discount rate	-	8.40%
Rate of salary increase	-	8.00%

17 Trade Payables

See accounting policy in Note 42(C)

<i>In thousands of BDT</i>	Note	2023	2022
Trade payables		82,489	92,130
Intercompany payables	17.1	425,198	344,779
		507,687	436,909

17.1 Intercompany Payables

<i>In thousands of BDT</i>	2023	2022
Unilever India Export Limited	124,202	9,445
Unilever Bangladesh Limited	22,084	41,786
Unilever IP Holdings B.V.	203,956	218,591
Unilever PLC, UK	74,957	74,957
	425,198	344,779

Payable to Unilever India Export Limited represents payable against import of Dry Mix Ingredients (DMI) outstanding as on 31 December 2023. Payable to Unilever Bangladesh Limited is on account sharing of expenses under common platform. Payable to Unilever IP Holdings B.V. and Unilever PLC, UK are on account of technology and trade mark royalty.

18 Other Payables and Provisions

<i>In thousands of BDT</i>	Note	2023	2022
Provisions	18.1	561,179	1,040,975
Accrued expenses		1,046,569	1,004,670
Short term financing		151,955	-
Workers' profit participation fund payables	18.2	22,976	20,174
Withholding tax payables		8,672	20,139
		1,791,351	2,085,958

18.1 Provisions

<i>In thousands of BDT</i>	2023	2022
Opening balance	1,040,975	1,610,640
Provisions made during the year	-	-
Provisions used/reversed during the year	(479,796)	(569,665)
Closing balance	561,179	1,040,975

18.2 Workers' Profit Participation Fund Payables

<i>In thousands of BDT</i>	2023	2022
Opening balance	20,174	23,050
Addition during the year	62,501	51,465
Paid during the year	(59,699)	(54,341)
Closing balance	22,976	20,174

19 Advance From Customers

<i>In thousands of BDT</i>	2023	2022
Advance from customers	15,041	24,654
	15,041	24,654

20 Lease Liabilities

See accounting policy in Note 42(F)

<i>In thousands of BDT</i>	2023	2022
Opening balance	303,987	251,572
Lease obligation made during the year	20,628	157,759
Payment of lease obligation	(85,812)	(84,663)
Lease liabilities termination/adjustments	(2,132)	(20,681)
Closing balance	236,671	303,987
<i>In thousands of BDT</i>	2023	2022
Current	71,146	66,367
Non-current	165,525	237,620
	236,671	303,987

20.1 Amounts Recognised in Profit or Loss

<i>In thousands of BDT</i>	2023	2022
Interest on lease liabilities	20,628	21,613
	20,628	21,613

20.2 Amounts Recognised in the Statement of Cash Flows

<i>In thousands of BDT</i>	2023	2022
Payments for leases - principal	65,184	63,050
Payments for leases - interest	20,628	21,613
	85,812	84,663

21 Current Tax Liabilities

See accounting policy in Note 42(L)

<i>In thousands of BDT</i>	2023	2022
Advance income tax	802,461	540,422
Provision for income tax	(852,818)	(631,461)
Closing balance	(50,357)	(91,039)

21.1 Advance Income Tax

<i>In thousands of BDT</i>	2023	2022
Opening balance	540,422	337,227
Paid during the year	262,039	203,195
Closing balance	802,461	540,422

21.2 Provision for Income Tax

<i>In thousands of BDT</i>	2023	2022
Opening balance	631,461	391,565
Provision made during the year	243,942	228,425
Adjustment for prior years	(22,585)	11,471
Closing balance	852,818	631,461

22 Revenue

See accounting policy in Note 42(K)

<i>In thousands of BDT</i>	2023	2022
Net revenue	3,954,241	4,098,606
	3,954,241	4,098,606

22.1 Quantity and Amounts of Revenue by Category

	2023		2022	
	Quantity in MT	In thousands of BDT	Quantity in MT	In thousands of BDT
Health food drink	5,433	3,563,107	6,871	3,745,361
Glucose powder	1,366	391,134	1,371	353,245
Total net revenue	6,799	3,954,241	8,242	4,098,606

As per revenue recognition policy, revenue is netted off VAT, SD, returns and allowances, volume rebates and trade discounts in applicable cases.

23 Cost of Sales

<i>In thousands of BDT</i>	Note	2023	2022
Finished goods at 1 January			
-Manufactured goods		161,737	148,744
-Imported goods		3,460	274
		165,197	149,018
Addition during the year			
-Manufactured goods	23.1	2,223,449	2,162,883
-Imported goods		3,332	3,460
		2,226,781	2,166,343
Finished goods at 31 December			
-Manufactured goods		(129,429)	(161,737)
-Imported goods		(880)	(3,460)
		(130,308)	(165,197)
Cost of sales		2,261,670	2,150,164

Cost of sales has increased significantly in 2023 resulting from increased input cost. Cost of the raw and packing materials have observed significant inflation driven by prevailing world economic condition during the year 2023. The cost of imported raw material has further increased due to high foreign exchange rate. The Company made one-off adjustment of its past liabilities and obligations after assessment in the light of recent business development.

23.1 Cost of Goods Manufactured

<i>In thousands of BDT</i>	Note	2023	2022
Materials consumed	23.1.1	1,906,898	1,828,010
Manufacturing overhead:			
Conversion cost		188,391	163,214
Salaries, wages and welfare		36,832	47,089
Depreciation on right of use assets	6.1	49,670	61,421
Depreciation on property, plant and equipment	5.1	36	1,244
Warehousing and logistics		41,621	61,905
		316,550	334,873
		2,223,449	2,162,883

23.1.1 Materials Consumed

<i>In thousands of BDT</i>	2023	2022
Raw materials		
- Imported	1,570,868	1,448,076
- Local	46,828	48,931
Packing materials	289,202	331,003
	1,906,898	1,828,010

24 Operating Expenses

<i>In thousands of BDT</i>	Note	2023	2022
Salaries, wages and welfare		163,028	127,683
Advertisement and marketing expenses		390,022	487,401
Technical assistance fee and royalty		-	225,423
Information and communication expenses		3,504	27,954
Travel, training and conference		2,279	28,645
Depreciation on right of use assets	6.1	17,796	13,672
Professional fees and consultancy fees		5,236	22,767
Rents, rates and taxes		9,362	8,501
Depreciation on property, plant and equipment	5.1	3,303	4,788
Insurance		5,307	3,491
Repairs and maintenance		5,062	3,276
Fuel and utilities		8,575	7,634
Vehicle expenses		9,286	8,274
Entertainment		405	1,133
Auditor's remuneration		1,025	958
Directors' fee		702	744
		624,892	972,344

25 Net Finance Income

See accounting policy in Note 42(N)

<i>In thousands of BDT</i>	2023	2022
Interest income from banks and others	199,483	73,772
Foreign exchange gain	4,906	-
Finance income	204,389	73,772
Interest expense on leases	20,628	21,613
Interest expense on short-term financing	14,355	-
Finance cost for defined benefit liabilities	1,100	890
Foreign exchange loss	-	636
Finance costs	36,083	23,139
Net finance income	168,306	50,633

26 Other Income

<i>In thousands of BDT</i>	2023	2022
Gain on sale of property, plant and equipment	9,146	897
Gain on termination of right of use asset	-	1,347
Scrap sales	4,883	319
	14,029	2,563

27 Income Tax Expense

<i>In thousands of BDT</i>	2023	2022
Current tax	243,942	228,425
Adjustment for prior years	(22,585)	11,471
Deferred tax	4,588	7,447
	225,945	247,343

27.1 Reconciliation of Effective Tax Rate

<i>In thousands of BDT</i>	2023		2022
Profit for the year	1,187,513		977,829
Income tax using the applicable tax rate	20.00% 237,503	20.00%	195,566
Tax effect of non-deductible expenses	(0.97%) (11,558)	5.3%	51,777
	19.03% 225,945	25.30%	247,343

28 Other Comprehensive Income

<i>In thousands of BDT</i>	2023	2022
Actuarial gain due to DBO experience	-	7,150
Deferred tax gain/(charge) for actuarial gain/(loss) due to DBO experience	1,430	(1,430)
	1,430	5,720

29 Non-Current Assets Disposed During The Year

<i>In thousands of BDT</i>	Cost	Accumulated depreciation	Written down value	Sale proceeds	Profit/(loss)	Mode of disposal
Motor vehicles	18,918	(18,918)	-	9,146	9,146	Sale
2023 Total	18,918	(18,918)	-	9,146	9,146	
2022 Total	3,027	(2,809)	218	1,115	897	

30 Details Of Dividends

30.1 Dividends Declared

<i>In thousands of BDT</i>	2022
a. Unilever Overseas Holdings B.V.	296,254
b. Investment Corporation of Bangladesh (ICB) & ICB Unit and ICB Mutual Fund	40,632
c. Shadharan Bima Corporation	2,293
d. Local Financial Institutions and other Companies	6,254
e. General public	14,911
f. Foreign shareholders	1,050
	361,394

30.2 Dividends Paid During The Year

<i>In thousands of BDT</i>	2023	2022
Opening balance of unclaimed dividend	2,118	2,201
Cash dividend declared for prior year	289,115	530,044
Closing balance of unclaimed dividend	(1,546)	(2,118)
	289,687	530,127

Dividend paid during the year includes BDT 893,013 paid to Capital Market Stabilisation Fund under direction from the Bangladesh Securities and Exchange Commission.

30.3 Unclaimed Dividend Payable

<i>In thousands of BDT</i>	2023	2022
Opening balance	2,118	2,201
Addition during the year	489	769
Transferred to Capital Market Stabilization Fund	(893)	(644)
Paid during the year	(168)	(208)
Closing balance	1,546	2,118

30.4 Year-Wise Unclaimed Dividend Payable

<i>In thousands of BDT</i>	2023	2022
For 2022	336	-
For 2021	602	893
For 2020	608	615
For 2019	-	610
	1,546	2,118

31 EPS, NAV Per Share and NOCFPS

31.1 Earnings Per Share (EPS)

Earnings per share (EPS) is calculated in accordance with the IAS 33 Earnings per share. The composition of EPS is given below:

<i>In thousands of BDT</i>	2023	2022
Earnings attributed during the year to the ordinary shareholders (a)	961,568	730,486
Number of ordinary shares outstanding at the end of the year ('000) (b)	19,274	19,274
Earnings per share (BDT) (a/b)	49.89	37.90

31.1.1

The Board of Directors of the Company proposed to issue 1:0.60 bonus share on 9 March 2023, which was duly approved by the shareholders at 50th Annual General Meeting of the Company held on 16 May 2023. Subsequently, the shares have been allotted to the shareholders on 5 June 2023. Consequently, the number of shares increased to 19,274,318.

31.1.2

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the period multiplied by a time weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

31.1.3

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year.

31.1.4

Despite significant increase in raw and packing material costs and drop in revenue, EPS has improved due to efficiency in operating expenses, significant increase in net finance income, one-off benefit coming out of reassessment of past liabilities and obligations and one-off waiver of Technology and Trademark Royalty granted by the parent company for the year 2023.

31.2 Net Asset Value (NAV) Per Share

<i>In thousands of BDT</i>	2023	2022
Total assets	4,958,156	4,639,365
Total liabilities	(2,602,653)	(2,957,745)
Net assets (a)	2,355,503	1,681,620
Weighted average number of ordinary shares ('000) (b)	19,274	19,274
Net Asset Value per share (BDT) (a/b)	122.21	87.25

NAV increased due to increased balance of cash and cash equivalents; along with one-off benefit coming out of reassessment of past liabilities.

31.3 Net Operating Cash Flow Per Share (NOCFPS)

<i>In thousands of BDT</i>	2023	2022
Net cash from generated from operating activities (a)	490,183	362,654
Weighted average number of ordinary shares (b)	19,274	19,274
Net operating cashflows per share (BDT) (a/b)	25.43	18.82

Increase in NOCFPS resulted from deferred settlement of Usance Payable at Sight (UPAS) LCs.

32 Reconciliation of Net Income with Cashflows from Operating Activities

<i>In thousands of BDT</i>	Note	2023	2022
Cash flows from operating activities			
Profit after tax		961,568	730,486
Net finance income		(163,400)	(50,633)
Income tax expense	27	225,945	247,343
Adjustment for non-cash items:			
- Depreciation	5 & 6	70,805	81,125
- Defined benefit charges	16.2	9,460	8,730
- (Gain)/Loss on disposal of property, plant and equipment		(9,146)	(897)
- (Gain)/Loss on termination of right of use asset		-	(1,347)
		1,095,231	1,014,807
Changes in working capital components:			
- Inventories		(28,194)	16,664
- Trade and other receivables		6,778	99,695
- Advance, deposits and prepayments		(29,528)	(56,310)
- Trade payables		70,778	313,280
- Other payables and provisions		(294,607)	(794,254)
- Advance from customers		(9,613)	(6,420)
Cash generated from operating activities		810,845	587,462
Interest paid on lease liabilities	20.2	(20,628)	(21,613)
Income tax paid	21.1	(262,039)	(203,195)
Interest paid on short term financing		(14,355)	-
Contributions paid into the defined benefit plan	16.1	(23,640)	-
Net cash generated from operating activities		490,183	362,654

33 Financial Instruments - Fair Values And Risk Management

See accounting policies in Notes 42(C) and 42(M)

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2023

In thousands of BDT	Carrying amount							Total amount
	Note	Fair value-hedging instruments	Mandatorily at FVTPL-Others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortised cost	Other financial liabilities	
Financial assets not measured at fair value								
Deposits	7	-	-	-	-	77,831	-	77,831
Trade and other receivables	9	-	-	-	-	77,824	-	77,824
Cash and cash equivalents	10	-	-	-	-	2,433,478	-	2,433,478
Short term investments	11	-	-	-	-	1,400,000	-	1,400,000
		-	-	-	-	3,989,133	-	3,989,133
Financial liabilities not measured at fair value								
Trade payables	17	-	-	-	-	-	507,687	507,687
Other payables and provisions	18	-	-	-	-	-	1,791,351	1,791,351
Advance from customers	19	-	-	-	-	-	15,041	15,041
		-	-	-	-	-	2,314,079	2,314,079

31 December 2022

In thousands of BDT	Carrying amount							Total amount
	Note	Fair value-hedging instruments	Mandatorily at FVTPL-Others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortised cost	Other financial liabilities	
Financial assets not measured at fair value								
Deposits	7	-	-	-	-	2,242	-	2,242
Trade and other receivables	9	-	-	-	-	79,619	-	79,619
Cash and cash equivalents	10	-	-	-	-	2,296,256	-	2,296,256
Short term investments	11	-	-	-	-	1,250,000	-	1,250,000
		-	-	-	-	3,628,117	-	3,628,117
Financial liabilities not measured at fair value								
Trade payables	17	-	-	-	-	-	436,909	436,909
Other payables and provisions	18	-	-	-	-	-	2,085,958	2,085,958
Advance from customers	19	-	-	-	-	-	24,654	24,654
		-	-	-	-	-	2,547,521	2,547,521

The Company has not disclosed the fair values for financial instruments such as trade payables, other payables and advance from customers, because their carrying amounts are reasonable approximation of fair values.

33.1 Financial Risk Management

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk (33.1.1)
- Liquidity risk (33.1.2)
- Market risk (33.1.3)

The Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. This note presents information about the Company's exposure to each of the following risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

33.1.1 Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and other parties.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. The Company's exposure to credit risk on receivables is mainly influenced by customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

A) Exposure To Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<i>In thousands of BDT</i>	Note	2023	2022
Deposits	7	77,831	2,242
Trade and other receivables	9	43,597	35,465
Intercompany receivables	9	34,227	44,154
Cash and cash equivalents	10	2,433,478	2,296,256
Short term investments	11	1,400,000	1,250,000
		3,989,133	3,628,117

B) Ageing of Trade And Other Receivables

<i>In thousands of BDT</i>	2023	2022
Past due 30 days	11,898	23,854
Past due 31-90 days	16,796	11,611
Past due 91-180 days	14,903	-
Past due over 180 days	-	-
	43,597	35,465

The amounts presented under past due 31-90 days and 91-180 days are for accrued interest.

33.1.2 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Company has short term credit facilities with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

The followings are the contractual maturities of financial liabilities:

31 December 2023						
Contractual cash flows						
In thousands of BDT	Note	Carrying amount	Total	1 - 12 months	1 - 2 years	2 - 5 years
Trade payables	17	(507,687)	(507,687)	(507,687)	-	-
Lease liabilities	20	(236,671)	(286,655)	(87,180)	(72,957)	(64,736)
Other payables and provisions	18	(1,791,351)	(1,791,351)	(1,791,351)	-	-
		(2,535,709)	(2,585,693)	(2,386,218)	(72,957)	(64,736)
						(61,782)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

31 December 2022						
Contractual cash flows						
In thousands of BDT	Note	Carrying amount	Total	1 - 12 months	1 - 2 years	2 - 5 years
Trade payables	17	(436,909)	(436,909)	(436,909)	-	-
Lease liabilities	20	(303,987)	(374,116)	(87,511)	(87,180)	(119,801)
Other payables and provisions	18	(2,085,958)	(2,085,958)	(2,085,958)	-	-
		(2,826,854)	(2,896,983)	(2,610,378)	(87,180)	(119,801)
						(79,624)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

33.1.3 Market Risk

Market risk is the risk that any changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

A) Currency Risk/Foreign Exchange Rate Risk

The Company is exposed to currency risk on purchases with foreign suppliers and borrowings. The Company's foreign currency transactions are denominated in United States Dollar (USD).

i) Exposure To Currency Risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

31 December 2023

<i>In Thousands</i>	USD
Foreign currency denominated assets	
Cash and cash equivalents	-
Intercompany receivables	-
	-
Foreign currency denominated liabilities	
Intercompany payables	(3,673)
	(3,673)
Net exposure	(3,673)

31 December 2022

<i>In Thousands</i>	USD
Foreign currency denominated assets	
Cash and cash equivalents	-
Intercompany receivables	-
	-
Foreign currency denominated liabilities	
Intercompany payables	(2,937)
	(2,937)
Net exposure	(2,937)

The following exchange rates are applied at reporting date:

	2023	2022
USD	109.75	103.15

ii) Foreign Exchange Rate Sensitivity Analysis For Net Foreign Currency Exposure

A strengthening or weakening of the Bangladeshi Taka, as indicated below, against USD at reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2022.

2023

<i>In thousands of BDT</i>	Strengthening profit or (loss)	Weakening profit or (loss)
USD (3% movement)	12,093	(12,093)
	12,093	(12,093)

2022

<i>In thousands of BDT</i>	Strengthening profit or (loss)	Weakening profit or (loss)
USD (3% movement)	9,089	(9,089)
	9,089	(9,089)

B) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. At present the Company has no borrowings which is subject to interest rate risk.

34 Related Party Disclosures

A) Parent And Ultimate Controlling Party

Majority of the Company's shares are held by Unilever Overseas Holdings B.V., The Netherlands. As a result, the parent company is the Unilever Overseas Holdings B.V., The Netherlands. The ultimate controlling party is Unilever PLC, UK.

b) Transactions with key management personnel

Key management personnel compensation comprised the following:

<i>In thousands of BDT</i>	2023	2022
Remuneration and allowances	29,927	27,803
House rent and allowances	2,381	1,953
Medical allowances	-	-
Contribution to retirement benefit scheme	1,860	1,427
Others	68	70
	34,237	31,253
Number of persons	1	1

C) Other Related Party Transactions

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: Related party disclosures.

		Transaction values for the year ended 31 December		Balance outstanding as at 31 December	
<i>In thousands of BDT</i>	Relationship	2023	2022	2023	2022
Name of the party					
Dividend					
Unilever Overseas Holdings B.V.	Parent Company	296,254	434,506	-	-
		296,254	434,506	-	-
Technology & trademark royalty					
Unilever IP Holdings B.V.	Sister Concern	14,635	225,423	(203,956)	(218,591)
Unilever PLC, UK	Sister Concern	-	-	(74,957)	(74,957)
		14,635	225,423	(278,913)	(293,548)
Import of materials and finished goods					
Unilever India Exports Limited	Sister Concern	1,116,982	1,414,198	(124,202)	(9,445)
		1,116,982	1,414,198	(124,202)	(9,445)
Intercompany services					
Unilever Bangladesh Limited	Sister Concern	294,455	279,681	12,143	2,368
		294,455	279,681	12,143	2,368
Total related party transactions and balances		1,722,326	2,353,808	(390,970)	(300,625)

The balance of BDT 12,143 ('000) represents net receivable from Unilever Bangladesh Ltd. Notes: 9.1 and 17.1.

35 Installed Capacity And Actual Production

	2023	2022	2023	2022
Category	Installed Capacity - MT (Multiple shift basis)		Actual Production - MT (Multiple shift basis)	
	(Based on 7 days Production)			
Powder products	20,014	19,389	6,960	8,434

36 Other Expenditure in Equivalent Foreign Currency

In thousands of BDT	Note	2023	2022
Technology & trademark royalty and technical assistance fees	36.1	-	225,423
		-	225,423

36.1 Technology & Trademark Royalty and Technical Assistance Fees

In thousands of BDT

	2023	2022
Technology and trademark royalty-Unilever IP Holdings B.V.	-	225,423
	-	225,423

Technology & trademark royalty and technical assistance fees are under agreement with Unilever Europe Business Center B.V, Unilever PLC, UK and Unilever IP Holdings B.V. From November 2020 to December 2021, the agreements for technical assistance fees, technology and trademark royalty were with Unilever Europe Center B.V. and Unilever PLC, UK respectively. From January 2022, technology and trademark royalty are under agreement with Unilever IP Holdings B.V. In 2023, Unilever Consumer Care Limited was granted a one-off waiver of technology and trademark royalty from the parent company.

37 Contingent Liabilities and Commitments

See accounting policy in Note 42(J)

37.1 Contingent Liabilities

In thousands of BDT

	2023	2022
i) Guarantees issued by the Company's scheduled bank to third parties on counter - indemnities given by the Company		
Less than 1 year	-	-
1 to 5 years	463	449
ii) Excise duty on sale of certain quantity of Mycil powder effected after 10 September 1981 which would be payable if the case presently pending with the hon'ble High Court Division of the Supreme Court of Bangladesh is decided against the Company. Considering the likelihood of future outflow being remote, management has assessed not to disclose this as contingent liabilities.	-	873
iii) The income tax authority imposed total demand of Tk 17.63 million for the assessment years 2003-2004, 2005-2006 and 2006-2007. The Company does not accept such demand as its obligations. Reference applications have been placed before the High Court Division against the decision of the Taxes Appellate Tribunal. Considering the merit of these cases, management has assessed not to disclose contingent liability for the assessment years 2003-2004 and 2006-2007.	11,962	17,625
iv) The Chattogram local VAT authority imposed total demand of Tk 60,822,774 for the audit year 2010-2011 as shortfall of payment of VAT on sales. Considering the likelihood of future outflow being remote, management has assessed not to disclose this as contingent liabilities.	-	60,823
	12,425	79,770

37.2 Commitments

In thousands of BDT

	2023	2022
Outstanding letter of credits	421,114	213,922
Capital expenditure	27,153	40,168
CSR activities	-	6,500
	448,267	260,590

38 Number of Employees

The Company employed a weighted average of 74 (2022: 80) permanent employees and a varying number of temporary workers throughout the year. As at 31 December 2022, 71 permanent employees were engaged. All permanent employees receive total remuneration in excess of Tk. 36,000 per annum.

39 Events After the Reporting Period

See accounting policy in Note 42(R)

The Board of Directors of the Company recommended a final Cash Dividend of 300% (i.e., BDT 30.00 per share of BDT 10 each) for the year ended 31 December 2023 at the board meeting held on 9 March 2024. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company. The financial statements for the year ended 31 December 2023 do not include the effect of dividends.

There was no other significant event after the reporting period that requires either disclosure of or adjustment to this annual financial statements.

40 Basis Of Measurement

The financial statements have been prepared on going concern basis under the historical cost convention.

41 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason, going concern basis is adopted in preparing the financial statements. The current resources of the Company provide sufficient funds and attributable credit facilities to meet the present requirements of its existing business.

42 Material Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available as follows:

- | | |
|----------------------------------|--|
| A. Property, plant and equipment | J. Contingencies |
| B. Intangible assets | K. Revenue from contracts with customers |
| C. Financial instruments | L. Income tax |
| D. Share capital | M. Foreign currency |
| E. Impairment | N. Finance income and expenses |
| F. Lease | O. Statement of cash flows |
| G. Inventories | P. Comparatives and rearrangement |
| H. Employee benefit | Q. Reporting period |
| I. Provisions | R. Events after the reporting period |

A. Property, Plant and Equipment

i. Recognition And Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

ii. Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

iii. Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated.

Depreciation on newly acquired asset is charged from the subsequent month of capitalisation. On deletion/disposal of an asset, depreciation is charged up to the previous month of sale.

The rates of depreciation vary according to the estimated useful lives of each particular class of property, plant and equipment, as follows:

Category	Rate (%)
Building	2.5%
Leasehold land	2.5%
Plant and machinery	5% to 33.33%
Computer equipment	25% to 100%
Motor vehicles	25%
Furniture, fixtures and office equipment	10% to 15%

iv. Retirements and Disposals

An item of property, plant and equipment is derecognised on disposal or when no economic benefits are expected from its use. Gain or loss on disposal of an item of property, plant and equipment is determined as the difference of net disposal proceeds and the carrying amount of an item of property, plant and equipment and is recognised as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

V. Capital Work in Progress

Capital work in progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost.

B. Intangible Assets

i. Recognition and Measurement

Intangible assets are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible asset is recognised when all the conditions for recognition as per IAS 38: Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner. Intangible assets include IT software. An intangible asset is measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment losses.

ii. Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the statement of profit or loss and other comprehensive income when incurred.

iii. Amortisation

Amortisation is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the estimated useful lives of intangible assets. The intangible asset is amortised from the following month of its capitalisation.

Category	Rate (%)
Commercial ERP	12.5%
Software other than ERP	14.3%

C. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Accounting policies relating to different type of financial instruments are described below:

i. Recognition and Initial Measurement

The Company initially recognises trade receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable with a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification And Subsequent Measurement

Financial Assets

Financial assets are classified into the following categories: financial assets measured at amortised cost, financial assets at fair value through the statement of profit or loss and financial assets at fair value through other comprehensive income. Financial assets are classified according to their cash flow characteristics and the business model they are managed in and accounted for at settlement date.

Financial Assets at Amortised Cost

Trade receivables, other receivables and investments in commercial papers are recognised at their anticipated realisable value, which is the original invoiced amount less an estimated valuation allowance for impairment. The Company assesses possible increase in the credit risk for financial assets measured at amortised cost at the end of each reporting period individually. The methodology applied depends on whether there has been a significant increase in credit risk. The loss allowance is estimated at an amount equal to 12-month expected credit losses at the current reporting date, if there has not been significant increase in credit risk.

For trade receivables and receivables from revenue recognition in accordance with percentage of completion method, simplified approach is used and the loss allowance is measured at the estimate of the lifetime expected credit losses. Receivables from revenue recognition in accordance with percentage of completion method should be covered with advance payments collected from customers so recognising credit losses based on the lifetime expected loss amounts mainly concerns trade receivables. Examples of events giving rise to impairment include a debtor's serious financial problems, a debtor's probable bankruptcy or other financial arrangement.

The Company may sell undivided interests in trade receivables on an ongoing and one-time basis to other lending institutions. Financial assets sold under these arrangements are excluded from trade receivables in the Company's statement of financial position at the time of payment from acquirer, considering that substantially all risks and rewards have been transferred. If acquirer has not settled the payment to the extent that the ownership, risk and control over the receivable have

been substantially transferred then such financial assets sold are re-recognised in the consolidated statement of financial position at the end of the reporting period.

Cash comprise cash in hand, deposits held at call with banks and similar investments. Cash equivalents comprise short-term highly liquid investments that are subject to only minor fluctuations in value. Cash equivalents have a maturity of up to three months on the date of acquisition. Credit accounts related to Company cash pool accounts are included in current financial liabilities.

Financial Assets at Fair Value Through Other Comprehensive Income

Derivatives are measured at fair value and gains and losses from fair value measurement are treated as determined by the purpose of the derivatives. The effects on results of changes in the value of derivatives that are eligible for hedge accounting and that are effective hedging instruments are presented consistent with the hedged item.

Derivatives eligible for hedge accounting are classified as financial assets at fair value through other comprehensive income. For derivatives included in hedge accounting, the Company documents the relationship between each hedging instrument and the hedged asset upon entering into a hedging arrangement, along with the risk management objective and the strategy applied. Through this process, the hedging instrument is linked to the relevant assets and liabilities, projected business transactions or binding contracts. The Company also documents its ongoing assessment of the effectiveness of the hedge as regards the relationship between a change in the derivative's fair value and a change in the value of the hedged cash flows or transactions.

Financial Liabilities

The Company's financial liabilities are classified either into financial liabilities recognised at amortised cost or financial liabilities recognised at fair value through the statement of profit or loss. Financial liabilities are classified as current unless the Company has the unconditional right to defer the payment of the debt to at least 12 months from the end of the financial period. Financial liabilities (or parts thereof) are only derecognised once the debt has extinguished, i.e. once the contractually specified obligation is discharged, cancelled or expired.

Financial Liabilities Recognised at Amortised Cost

Financial liabilities recognised at fair value through the statement of profit or loss.

In the Company, financial liabilities recognised at fair value through the statement of profit or loss include derivatives that are not eligible for hedge accounting. Realised and unrealised gains and losses from changes in fair values of derivatives are recognised in the statement of profit or loss in the period in which they have arisen.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the

Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The company also derecognises a financial liability when its terms are modified and cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of profit or loss.

D. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

E. Impairment

i. Non-Derivative Financial Assets

Financial Instruments And Contract Assets

The Company recognises loss allowances for expected credit losses (ECLs) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial

instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-Impaired Financial Assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Write-Off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering financial assets in its entirety or a portion thereof.

ii. Non-Financial Assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in statement of profit or loss.

For other assets, an impairment loss is reversed only to the

extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

F. Lease

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.

Policy Applicable From 1 January 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As A Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses Bangladesh Bank Treasury Bond rate as the discount rate at the commencement date of lease.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

-amounts expected to be payable under a residual value guarantee; and

-the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-Term Leases And Leases Of Low-Value Assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy Applicable Before 1 January 2019

All the lease transactions have been classified based on the extent to which risks and rewards incidental to ownership of the assets lie with the lessor or lessee. According to this classification, all the Company's lease transactions have been identified as operating lease as per IAS 17: Leases based on the substance of the transactions, not merely on the legal form.

G. Inventories

Raw materials and finished goods inventories are measured at the lower of cost and net realisable value. Spare parts are valued at cost.

The cost of inventories except goods in transit is measured based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is defined as the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Goods that are in transit are valued at Cost and Freight (C&F) value converted into the functional currency BDT based on the date of Bill of Lading.

H. Employee Benefit

i. Short-Term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the

related service provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

ii. Defined Contribution Plans (Provident Fund)

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for its all permanent employees. The recognised Employees Provident Fund has been treated as a defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution.

The Company recognises a contribution to the defined contribution plan as an expense when an employee has rendered services in exchange for the contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

iii. Defined Benefit Plans (Gratuity)

The Company operates a recognised gratuity fund for its eligible permanent employees. The Employees' Gratuity provision has been treated as a defined benefit plan as it meets the recognition criteria. The Company's obligation is to provide the agreed benefits to current employees as per condition of the fund. Employees are entitled to gratuity benefit after completion of minimum five years of service with the Company.

Projected Unit Credit method is used to measure the present value of defined benefit obligations and related current and past service cost and mutually compatible actuarial assumptions about demographic and financial variables are used.

iv. Defined Contribution Plans (Workers' Profit Participation Fund)

The Company provides 5% of its profit before charging such expense to Worker's Profit Participation Fund (WPPF) in accordance with "The Bangladesh Labour Act 2006" amended in 2013.

I. Provisions

A provision is recognised on the reporting date if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

J. Contingencies

i. Contingent liability

Contingent liability is a possible obligation that arises from past events, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the

recognition criteria of provision have been met.

ii. Contingent Asset

Contingent asset is a possible asset that arises from past events, the existence of which can be confirmed

only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

K. Revenue From Contracts with Customers

Revenue Recognition Under IFRS 15

Revenue represents amounts charged to customers for goods supplied in the course of the Company's ordinary activities. Revenue for the Company comprises of the sales of goods net of returns and allowances, VAT, SD, trade discounts and volume rebates.

Revenue from the sale of goods is recognised when all of the following five conditions are met:

- i) the significant risks and rewards of ownership are transferred to the buyer;
- ii) the managerial involvement and control have passed to the buyer;
- iii) the amount of revenue can be measured reliably;
- iv) it is probable that the economic benefits associated with the transaction will flow to the seller; and
- v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

In normal circumstances, the Company's policy is that the above are met on despatch from the Company warehouse and there is no continuing management involvement with the goods. However, sales may be recognised on receipt by the customer if this better reflects the transfer of risks and rewards.

L. Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income.

i. Current Tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Company is liable to pay tax at the rate of 20% currently.

ii. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the

same tax authority but they intend to settle current tax liabilities and assets on a net basis or there tax assets and liabilities will be realised simultaneously.

M. Foreign Currency

Transactions in foreign currencies are translated to Bangladesh Taka at the rates ruling on the transaction date. All monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate prevalent at that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of profit or loss and other comprehensive income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

N. Finance Income And Expenses

Finance income comprises interest on financial deposits with banks. Finance income is recognised on an accrual basis and shown under statement of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft and bank charges.

O. Statement of Cash Flows

Statement of Cash Flows (Cash Flow Statement) is prepared under direct method in accordance with IAS-7 Statement of Cash Flows.

P. Comparatives And Rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements.

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged, reclassified and restated whenever considered necessary to conform to current year's presentation.

Q. Reporting Period

The reporting period of the Company covers one year from 1 January to 31 December and is followed consistently. These financial statements cover one year from 1 January 2023 to 31 December 2023.

R. Events After The Reporting Period

Events after the reporting period that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

43 New Accounting Standards or Amendments for 2023 and Forthcoming Requirements

(i) New Currently effective requirements: A number of new accounting standards and amendments to accounting standards are required to be applied by an entity with an annual reporting period beginning on 1 January 2023, which are as follows:

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies- Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimate- Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities Arising from a Single Transaction - Amendments to IAS 12.

(ii) Forthcoming requirements: The list below includes the recent changes to the IFRS accounting standards that are required to be applied for an annual period beginning after 1 January 2023 and that are available for early adoption in annual periods beginning on 1 January 2023. The entity has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

- Non-current Liabilities with Covenants- Amendments to IAS 1
- Classification of Liabilities as Current or Non-current- Amendments to IAS 1.
- Lease Liability in Sale and Leaseback- Amendment to IFRS-16.



Unilever Consumer Care Limited

Registered Office: Fouzderhat Industrial Area, North Kattali, Chattogram - 4217
Corporate Office: Shanta Forum (10th Floor), 187-188/B, Bir Uttam Mir Shawkat Sarak, Dhaka-1208

PROXY FORM

I/We, the undersigned being a Shareholder of above-named Company hereby appoint

Mr _____

Of _____

another Shareholder of the Company, whom failing Mr _____

of _____

another Shareholder of the Company, as my proxy to vote and act for me, and on my behalf, at the 51st Annual General Meeting of the Company to be held on **Tuesday, 14th May 2024 at 11:00 a.m. through Digital Platform** and at any adjournment thereof.

Dated this _____ day of _____ 2024

(Signature of the Proxy)
Dated:

(Signature of the Shareholder)
Folio No. / BO ID:
Dated:

Note:

A Shareholder entitled to attend and vote at the 51st Annual General Meeting may appoint a Proxy, another Shareholder of the Company to attend and vote in his/her stead. The "Proxy Form", duly filled, signed and stamped at BDT 100 must be sent through email at UCL.bangladesh-info@unilever.com or be submitted at Company's Corporate Office not later than 48 hours before the time appointed for the meeting.



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