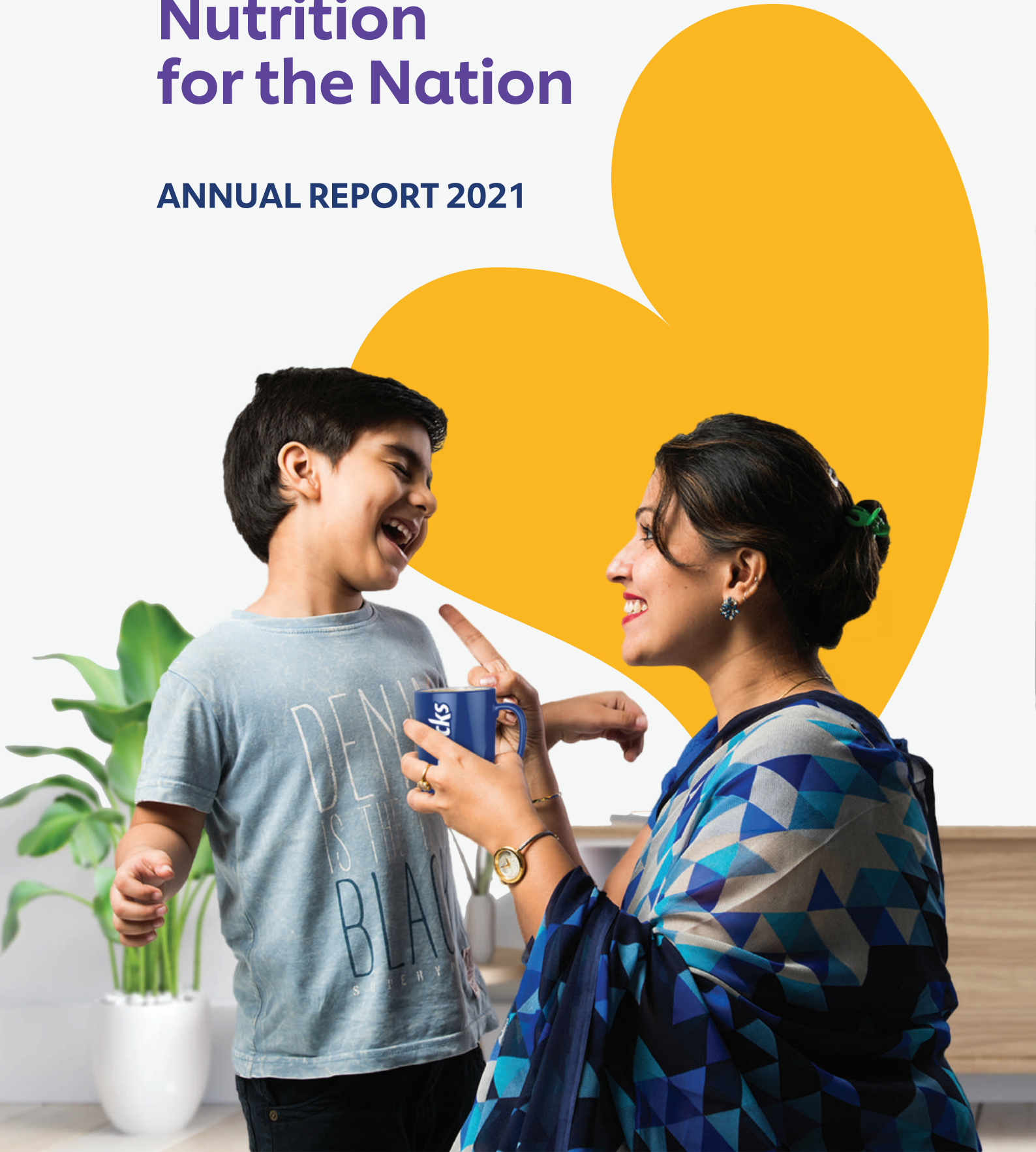




Unilever
Consumer Care
Limited

Nutrition for the Nation

ANNUAL REPORT 2021





Unilever
Consumer Care
Limited

ANNUAL REPORT 2021



GENERAL INFORMATION

Board of Directors

Mr. Masud Khan, Chairman
Mr. Khan Salahuddin Mohammad Minhaj, Managing Director
Mr. Md. Zaved Akhtar, Non-Executive Director
Mr. Md. Zahidul Islam Malita, Non-Executive Director
Mr. S.O.M. Rashedul Quayum, Non-Executive Director
Mr. Md. Abul Hossain, Non-Executive Director
Mr. Mohsin Uddin Ahmed, Independent Director
Mr. Reazul Haque Chowdhury, Independent Director

Audit Committee

Mr. Mohsin Uddin Ahmed, Chairman
Mr. Reazul Haque Chowdhury, Member
Mr. Md. Abul Hossain, Member
Mr. Md. Zahidul Islam Malita, Member

Nomination and Remuneration Committee

Mr. Reazul Haque Chowdhury, Chairman
Mr. Mohsin Uddin Ahmed, Member
Mr. Md. Abul Hossain, Member
Mr. Md. Zahidul Islam Malita, Member

Company Secretary

Mr. Md. Naharul Islam Molla

Leadership Team

Mr. Khan Salahuddin Mohammad Minhaj, Managing Director
Mr. Aditya Kumar, Marketing Director
Mr. Md. Naharul Islam Molla, Company Secretary and Regulatory Affairs Head
Mr. Md. Humayoun Kabir, Head of Finance
Ms. Shamima Akhter, Head of Corporate Affairs, Partnerships and Communications
Mr. Md. Tafizul Islam Pial, Head of Sales
Mr. Imtiaz Mahmud, Supply Chain Lead
Ms. Ishrat Ahmed, Senior Legal Counsel and Compliance Manager
Mr. Ahmed Inam, Human Resources Lead

Head of Internal Audit

Mr. Probal Raha

Factory and Registered Office

Fouzderhat Industrial Area
North Kattali, Chattogram-4217

Corporate Office

DTX Tower (6th Floor), Kazi Bari, Kuril, Bhatara, Dhaka-1229
Telephone: +88 02 8415560

Website

www.unilever.com/UCL-bd.html
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Investors' Relation

Telephone: +88 02 8415560
E-mail: UCL.Bangladesh-info@unilever.com

Statutory Auditors

Rahman Rahman Huq
Chartered Accountants

Compliance Auditors

MABS & J Partners
Chartered Accountants

Bankers

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank Limited
Sonali Bank Limited

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



OUR LOGO



25 Symbols of Sustainable Living

Unilever is committed to making sustainable living commonplace and our logo is a visual expression of that commitment.

Naturally, the big blue 'U' of our logo stands for Unilever. But look a little closer and you'll see there's much more to it.

Each icon within the logo has a rich meaning at its core, representing an aspect of our business and our purpose to make sustainable living commonplace. Learn more about them all below.

Sun



An infinite source of light and renewable energy. It represents our work to find innovative ways to reduce the greenhouse gas impact of our products across the lifecycle.

Dove



A symbol of freedom, empowerment, and self-esteem.

Plant



A symbol of the natural world we inhabit. It represents our commitment to reducing environmental impact across our value chain – from how we source raw materials, to our manufacturing operations, to the way consumers cook, clean, and wash with our products.

Spark



Represents Unilever's role as a catalyst for change, aiming to enhance the livelihoods of the people we work with around the world – our suppliers, distributors, and farmers.

Chilli pepper



One of the many fresh ingredients in our products. It represents our commitment to sourcing the agricultural raw materials for our products sustainably.

Spoon



A symbol of nutrition, tasting, and cooking. It represents our commitment to continually improving the taste and nutritional quality of all our food products, helping millions of people enjoy delicious food and achieve a healthier diet.

Bowl



A bowl of great smelling food symbolizes our commitment to great ingredients and healthy mealtimes.

Flower



A symbol of sensitivity, care, and our respect for beauty; the beauty of our consumers, and the beauty of nature.

Ice cream



A treat, pleasure and enjoyment.

Hand



A symbol of sensitivity, care and need. It represents our commitment to helping people improve their everyday health & hygiene habits through our brands and health improvement programs.



Hair

A symbol of beauty, looking good and feeling confident.



Lips

A symbol of communication, openness and transparency.



Swirl

Represents our passion for great flavours and taste.



Fish

Represents fresh food, sea and nature's resources.



Clothes

A symbol of fresh laundry, looking good and feeling confident.



Bee

Represents the community spirit of our people and our commitment to find innovative ways of working to reduce our environmental footprint.



Particles

A reference to science and our ongoing commitment to find new innovative ways to improve the lives of our consumers.



Packaging

Symbolizes our dedication to the consumer experience and our commitment to finding new and innovative packaging that is better for the consumer and the planet.



Transformation

A symbol of positive change or transformation. Our commitment to find new sustainable ways of doing business.



Waves

A symbol of cleanliness, freshness and vigor.



DNA

The double helix, the genetic blueprint of life and a symbol of Unilever's strong heritage of positive change that still lies at the heart of our business today.



Palm tree

A nurtured resource, symbolizing our respect for the natural world tree, forests, growth, environment.



Heart

A symbol of love, care and health. It represents our commitment to helping people take small everyday actions to improve their health and wellbeing.



Virtuous cycle

A continuous, virtuous circle that represents our work to reduce the waste associated with the disposal of our products.

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Nutrition for the Nation

Bangladesh is a country with huge potential, and it is on its way to becoming a model of development for the world. Our country is showing remarkable strides across different fields, and Unilever is proud to have been a partner in this journey. Just like how the country has been experiencing rapid changes, we have also been continuing to innovate across our value chain; to foster a healthy Bangladesh, all at the same time creating value for our shareholders. We understand our market better, are optimising our operation and are diversifying our portfolio while keeping our people at the core of our business. We aim to continue fostering a future-fit, innovative Bangladesh.



Our Story

We believe everyone, everywhere should have access to good food with balanced nutrition. To help build a healthier nation and make nutrition both accessible and affordable, Unilever Consumer Care Limited (formerly GlaxoSmithKline Bangladesh Limited) has been operating in Bangladesh since 1974. With international brands like Horlicks, Maltova, Boost, and GlucoMax D (previously known as Glaxose D), we have been enriching people's lives and partnering to contribute to build a healthy, sustainable future for Bangladesh. Over the past four decades, we have been introducing high-quality products with international standards and winning the consumers' hearts. Harboring lovable popular brands, Unilever Consumer Care Limited has fostered a positive corporate image.

Unilever Consumer Care Limited (UCL) has a strong leading position in the Health Food Drink (HFD) Category of Bangladesh that we have been proudly maintaining. We take pride in our brands that always touch the lives of people, including Horlicks, which is one of the top brands in Bangladesh, among all categories.

After successfully integrating with Unilever, one of the largest global players in the Fast-Moving Consumer Goods (FMCG) industry, we have reemphasized on our purpose of fighting all sorts of malnutrition in Bangladesh through our purpose led brands and initiatives. As guided by the sustainable living principles of our Unilever Compass, UCL zooms into contribute to ensure "Positive Nutrition" and achieving the Sustainable Development Goals (SDG) of Zero Hunger and Good Health and Wellbeing.



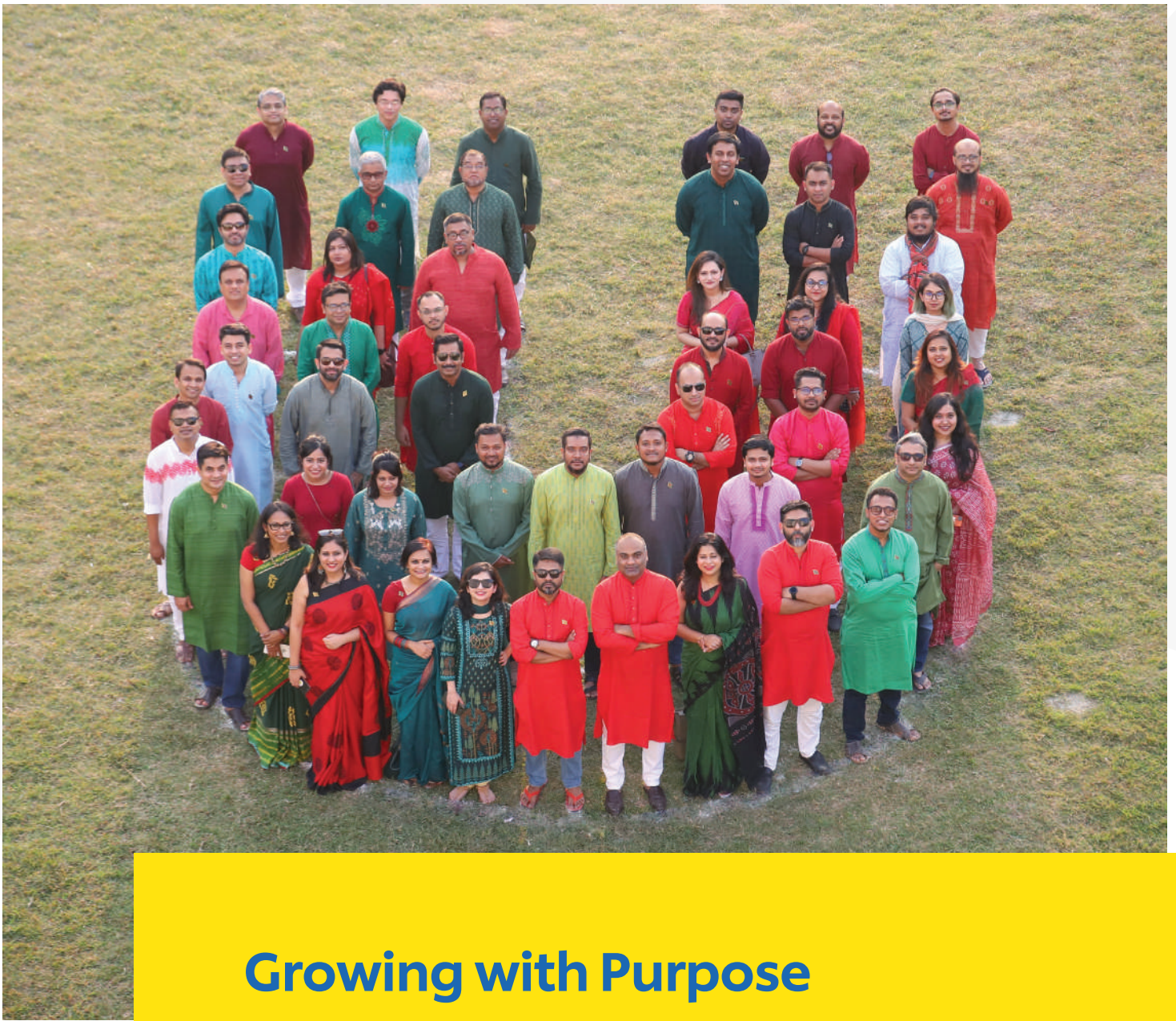


OUR STANCE POSITIVE NUTRITION

As part of the Unilever family, Unilever Consumer Care Limited (UCL) is committed to guaranteeing “Positive Nutrition” and the wellbeing of our consumers. At Unilever, we believe that everyone deserves the right to good nutrition. With our vision to ensure wellbeing for all, we foster our brands to aspire to be the best in delivering the superior-most value. And with every step we take with this vision, we unlock newer possibilities and potential for the world.

Our portfolio of food and refreshment brands aim at making food more nutritious, attainable, and convenient by offering customers healthy and affordable options. We, as a company, proudly take a stand for “Positive Nutrition” and as a commitment towards the planet and society, we advocate for it.

We are giving power to the people by offering more nutritious food and drink choices with our wide range of products. We are also taking action to encourage people to make better food choices, for example through our evidence-based, behaviour-change programmes and responsible marketing. We believe in the importance of advocacy in promoting wider changes. As we are looking at the bigger picture, we are partnering with others in our journey to make our food behaviour more sustainable.



Growing with Purpose

With a population of over 160 million people, a per capita income of over \$2554, and a GDP growth rate of 7.5 percent and above, Bangladesh is one of the most potential FMCG growth drivers due to its market potential, size and proximity.

Unilever, as a company, believes in long-term success and is trying to become the global champion of sustainable development.

Unilever expanded its worldwide strategy by incorporating nutrition into its high-growth portfolio diversification plan in Bangladesh. The Company'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 purpose led brands like Horlicks and Boost, and a product portfolio backed by strong nutritional claims, we know we have an influence on people's diet. Therefore, we always ensure that our food is a force for good.

For ensuring a prosperous future, we want to invest in Bangladesh's biggest asset—the people. Thus, ensuring the nutritional wellbeing of all in a sustainable and lasting way is at the heart of everything we do. To build a future-fit enterprise, we're integrating technology into all of our processes. To satisfy changing consumer needs, we are continually innovating across the purpose-led portfolio. We are focusing on building our capabilities in channels of the future that are growing fast and driving profitability for the business. We manage our business with agility and resilience to deliver consistent, competitive, profitable and responsible growth.



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 polarized 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're 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), Bangladesh Health Journalist Network and Global Alliance for Improved Nutrition (GAIN) 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 capitalizes 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 People

When we take care of our people, our people take care of the business. We want our people to be the best they can be at Unilever; rewarding them fairly for the work they do, whilst helping them to find their purpose. We give them a sense of belonging and the support they need to feel empowered, resourceful 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 different way of working or retraining. By doing so, we're helping everyone keep pace with change and continue to work with purpose.

We examine the future of work via three lenses: work, workplace, and workforce. Each role at UCL is viewed as a combination of capabilities rather than a job title. We strive to make sure that our employees have the skills and understanding they need to seek meaningful work. At Unilever our people are upskilled in specific skills such as quality, manufacturing, sales and marketing processes, new eras skills such as digital and data analytics, and leadership ethics in line with Unilever Standards of Leadership (SOL). To bring about more widespread and lasting change for our people and the future of employment, we are steering with progressive policies and continuing to ensure equality and diversity.



OUR PRODUCTS



Horlicks

Horlicks is the largest brand in the Health Food Drinks category in Bangladesh. It is enriched with 23 vital nutrients. It is clinically proven that Horlicks help with the following signs of growth: helps support children's immunity, helps with healthy weight gain, healthy blood, better concentration, more muscles and more bone area. Horlicks Classic Malt is a tasty malt flavor which children love. There is also a tasty chocolate variant: Chocolate Horlicks.

**Junior
Horlicks**

Junior Horlicks contain Vitamins, Iron, Protein, Calcium and other required minerals which along with regular diet helps in completing A-Z nutrition of growing children. It is also fortified with DHA –which is known to help in brain development and function.



**lite
Horlicks**

As a health food drink, Horlicks Lite is a specially designed nourishment for active adults. It contains the goodness of malted barley and zero cholesterol, high protein and no added sugar. Enriched with a wide range of vital nutrients and minerals, including 6 antioxidant nutrients, it is a complete drink that will keep young adults going.

**Women's
PLUS**

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



Mother's PLUS Horlicks

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



A brand which prides itself on the heritage of being in Bangladesh households for decades. This chocolate variant health food drink is unique with its choco-caramel taste profile that makes kids enjoy their daily glass of nutrition.

Boost

Boost combines yummy chocolatey taste with the goodness of Malt. The key nutrients in Boost are essential to increase stamina, and help the 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 energizing Bangladesh for the past 50+ years.

NOTICE OF 49TH ANNUAL GENERAL MEETING

Notice is hereby given that the 49th Annual General Meeting ("AGM") of Unilever Consumer Care Limited ("Company") will be held on Tuesday, 17th May 2022 at 11:00 a.m. The AGM will be conducted virtually by using **Digital Platform** through the following link <https://unilevercl.bdvirtualagm.com/> (in pursuance to the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2009-193/08 dated 10th March 2021) to transact the following businesses:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31st December 2021 together with the Directors' Report and the Auditors' Report thereon.
2. To approve dividend for the year ended on 31st December 2021.
3. To elect/re-elect Directors in the vacancies caused under Article 85 and 89 of the Articles of Association of the Company.
4. To appoint Statutory Auditors for the year 2022 and to fix their remuneration.
5. To appoint Corporate Governance Compliance Auditor for the year 2022 and to fix their remuneration.
6. To approve the re-appointment of an Independent Director.

By order of the Board



Md. Naharul Islam Molla
Company Secretary

Dhaka, 28 February, 2022

Notes:

1. The Shareholders whose names appeared on the Member/Depository Register as on "Record Date" i.e. 23rd March 2022 are eligible to participate in the 49th 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 authorize 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 20 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 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.unilever.com/UCL-bd.html
6. For any technical difficulties may experience in joining the virtual AGM, Shareholders may contact cell number +8801678006132.
7. The soft form of Annual Report 2021 containing necessary statements and reports will be emailed to the Shareholders' email address in due course and also be available in Company's website.

48TH ANNUAL GENERAL MEETING MOMENT

OUR COMPANY AT A GLANCE







Message from The Chairman

Dear Shareholders,

Today our world has become more ambiguous than we could have ever imagined. VUCA (Volatile, Uncertain, Complex, and Ambiguous), a term we used to explain the business environment for nearly four decades has now been replaced by BANI (Brittle, Anxious, Non-linear, and Incomprehensible). From running Business as Usual we have moved to a situation of Business Unusual. Despite the very uncertain business environment, I am happy to report that your organisation has thrived. On behalf of the Unilever Consumer Care Limited (UCL) Board, I am very happy to present to you the performance summary of your Company in 2021.

2021 was a difficult year for all of us as we experienced two breakouts of the ensuing contagions, namely Delta and Omicron. The 2nd half of the year was further accentuated by unprecedented cost inflation. Overall, the macroeconomy experienced a challenging time as inflation put stress on disposable income making people shift to smaller pack sizes and value packs. Our 2020 experience helped us navigate the second year of the pandemic while our deft navigation of the costs helped in ensuring that we can improve the financial growth model of the business.

I am happy to report that despite the difficult market environment, the revenue of your company grew by 19.4%. Cost optimisation initiatives helped our gross profit to increase by 20.6% and helped us to offset the 18.5% increase in our cost of sales. However, interest income of the company reduced significantly as there was a sharp reduction in deposit rates across all banks, leading to our Net Profit being marginally diluted by 32 bps. The Board of Directors recommended a final dividend of 440% - BDT 44 per share of BDT 10 each for the year 2021 - subject to the approval of the Shareholders at the 49th Annual General Meeting.

In 2021 we consolidated our strategy at the back of extensive cost-saving initiatives, technological innovations, superior consumer understanding and deeper market intimacy. In pursuit of offering accessible nutrition to consumers, we have ensured access packs for core Horlicks and Junior Horlicks.

These were critical to our purpose of making everyday nutrition affordable and available to the people of the nation. This year, we also conducted extensive awareness drives to promote the value packs and develop consumer knowledge about their nutritional needs and habits, especially in the suburban communities with limited purchasing power. Our focus was to make them aware of their nutritional needs and how Horlicks can help them fulfil those needs as a part of their everyday nutrition. The promotion led to double-digit growth in small pack volumes for Horlicks and prompted an increase in household penetration from 15.9% in 2020 to 17.9% in 2021.

Operationally, we changed the way we work to ensure efficiency and synergy. We aggressively invested in digital technology to automate our processes, helping both our employees and outer core partners like retailers. This digital automation among our channel partners equipped our retailers to access our products easily and thus we could expand the network of our products. This involved an organisation-wide transformation to synchronize our channel operation with the global Unilever practices. We continued to put high emphasis on creating synergy within the company, synchronizing our processes with the global Unilever systems and standards, including the Internal Control and Grade and Reward structure of our employees as per Unilever Global Internal Control and Reward Principles.

We also aligned our company vision with the Unilever Compass. At Unilever, we strongly believe that we have a shared responsibility to protect the health of the planet, ensure consumer wellbeing and empower communities. We have been working constantly to reduce our carbon footprint by using better, recyclable plastic and green technologies at our production sites. To empower and support communities during the challenging times of COVID-19, we partnered with Sena Kalyan Sangstha (SKS) and the United Nations Youth and Students Association of Bangladesh (UNYSAB) to reach underprivileged communities with support. As a Consumer Healthcare Company, our strategy has evolved around the principle of our global stance on Positive Nutrition. With our high-quality food products that are nutritious, attainable,

and convenient, we want to contribute to ensuring balanced Nutrition for the Nation. We are working with specific areas where we could contribute and partner with the Government and help the Government achieve the vision of eradicating malnutrition by 2030 and the Vision 2041 Healthcare Goal. With one of the country's strongest nutritional brands, Horlicks, we aim to increase awareness and knowledge regarding proper diet and daily nutrition. We have already taken up awareness programmes to engage 2.5 million mothers and equip them with knowledge regarding the benefits and importance of nutrition both for them and their children. Our focus is also to create awareness and knowledge regarding the complex nutritional need of children.

Our country has continued to demonstrate promise and growth in every field, with the world being increasingly aware of our potential as a nation, and UCL is proud to have been an active partner in this journey. Aligned with our country's rapid growth spanning throughout the various sectors, we too have been continuing to evolve as an organisation to accommodate the nation's growth. We have been continuously optimising our business activities and making improvements to our value chain, to nurture a healthier, more sustainable, and innovative Bangladesh.

UCL's recovery from a challenging couple of years would not have been possible without the unceasing efforts of all our employees who have given their best, for which I am grateful. I would also like to extend my thanks to all our customers, business partners, regulators, the Government, and, most importantly, to you, our shareholders, who have continued to place your trust in us throughout our journey.



Masud Khan

Chairman

চেয়ারম্যান মহোদয়ের বিবৃতি

প্রিয় শেয়ারহোল্ডার,

বর্তমান পৃথিবী কল্পনাতীত অনিশ্চিততার মধ্য দিয়ে অদম্য প্রচেষ্টায় এগিয়ে চলেছে। গত চার দশক ধরে আমরা ব্যবসায়িক পরিবেশকে সচরাচর ডিইউসিএ (পরিবর্তনশীল, অনিশ্চিত, জটিল ও অস্পষ্ট) আখ্যায়িত করে আসছিলাম। নতুন ধারায় এগিয়ে চলা বর্তমান পরিস্থিতিতে বিবেচনায় রেখে বিশ্বকে নতুন করে আমরা 'বিএএনআই' অর্থাৎ ভঙ্গুর, উৎকর্ষাময়, অপ্রত্যাশিত ও দুর্বোধ্য হিসেবে আখ্যায়িত করছি। ব্যবসা পরিচালনার সচরাচর প্রকৃতি থেকে বের হয়ে নতুনভাবে অসচরাচর ব্যবসায়িক প্রকৃতিকেই মানিয়ে নিতে আমরা সচেষ্ট রয়েছি। আমি আপনাদের অত্যন্ত আনন্দের সাথে জানাতে চাই যে, এরকম অনিশ্চিত ব্যবসায়িক পরিস্থিতি স্বত্তেও আপনার প্রতিষ্ঠান ব্যবসায়িকভাবে সফলতার সাথে এগিয়ে চলছে। ইউনিলিভার কনজুম্যার কেয়ার লিমিটেড (ইউসিএল) পরিচালনা পর্ষদের পক্ষ থেকে আমি কোম্পানির ২০২১ সালের সার্বিক কার্যক্রমের সারসংক্ষেপ সকলের সামনে উপস্থাপন করতে পেরে আনন্দিত।

কোভিড-১৯ এর পরবর্তীকালীন সংকটপূর্ণ সময়ে আমাদের সকলকেই প্রত্যক্ষ ও পরোক্ষভাবে ডেস্টা এবং ওমিক্রনের প্রাদুর্ভাবের মুখোমুখি হতে হয়েছে। বছরের দ্বিতীয়ার্ধ্বে এসে নজিরহীন মুদ্রাস্ফীতি এই সংকটকে আরও তীব্র করে তোলে এবং দেশের সাময়িক অর্থনীতি চাপের মুখে পড়ে। আয় ও ব্যয়ের অসামঞ্জস্য সাধারণ জনগণের ক্রয়ক্ষমতার উপর নেতিবাচক প্রভাব সৃষ্টি করে এবং তারা ছোট ও ড্যানু প্যাকের পণ্য বেছে নিতে বাধ্য হন। ২০২০ সালের মহামারীকালীন অভিজ্ঞতা ও ব্যবসায়িক দূরদর্শিতা আমাদের প্রাদুর্ভাবের দ্বিতীয় বছরকেও সাহসিকতার সাথে মোকাবেলা করতে শক্তি ও সাহস দিয়েছে। উপরন্তু, সুবিবেচিতভাবে অর্থব্যয় করার মনোভাব এই প্রাদুর্ভাবকালীন সময়ের মাঝেও আমাদের ব্যবসার আর্থিক সমৃদ্ধি নিশ্চিত করেছে।

আমি আপনাদের জানাতে পেরে আনন্দিত যে বাজারের পরিবেশ প্রতিকূল হওয়া সত্ত্বেও, আপনাদের কোম্পানির আয় ১৯.৮% বৃদ্ধি পেয়েছে। খরচ নিয়ন্ত্রণ ও আর্থিক সুব্যবস্থাপনার ফলে আমাদের গ্রস মার্জিন ২০.৬% বৃদ্ধি পেয়েছে, যা অতিরিক্ত ১৮.৫% বিক্রয় খরচ বৃদ্ধির প্রভাবকে প্রশমিত করতে সক্ষম হয়েছে। সকল ব্যাংকের ডিপোজিট রেট তীব্রভাবে কমে যাওয়ায় আমাদের কোম্পানির সুদবাবদ আয় উল্লেখযোগ্যভাবে কমে আসে এবং আমাদের নেট লাভ সামান্য ৩২ বিপিএস হ্রাস পেয়েছে। পরিচালনা পর্ষদ ৪৯তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে ২০২১ সালের জন্য ৪৪০% ডিভিডেন্ড - প্রতি ১০ টাকার শেয়ারে ৪৪ টাকার চূড়ান্ত লভ্যাংশের সুপারিশ করছে।

খরচ সাস্রয়ী করার উদ্যোগ, প্রযুক্তিগত উদ্ভাবন, ভোক্তাদের চাহিদা ও মানসিকতা গভীরতরভাবে বোঝা ও নতুন বাজার সম্প্রসারণ - এ কয়েকটি স্ট্র্যাটেজির উপর ২০২১ সালে বৃহৎ পরিসরে আমরা জোর দিয়েছি। আমাদের ভোক্তাদের পুষ্টির চাহিদা সহজলভ্য ভাবে পূরণের অঙ্গীকার থেকেই হরলিভ ও হরলিভ জুনিয়রের অ্যাক্সেস প্যাক পৌঁছে দেয়া নিশ্চিত করেছি।

দৈনন্দিন পুষ্টি সাস্রয়ী ও সহজলভ্য করে তোলার উদ্দেশ্য নিয়ে আমরা দেশব্যাপী নানা গুরুত্বপূর্ণ উদ্যোগ সফলতার সাথে সম্পন্ন করেছি। এ বছর আমাদের উন্নত ড্যানু প্যাক সীমিত ক্রয় ক্ষমতা সম্পন্ন শহরের ভোক্তাদের হাতের নাগালে এসেছে নিরবিচ্ছিন্ন সরবরাহ চেইনের মাধ্যমে। পুষ্টির চাহিদা ও সুস্বাদু খাদ্যাভ্যাস সম্পর্কে জ্ঞান বিকাশের লক্ষ্যে আমরা বিভিন্ন সচেতনতামূলক প্রচারণা চালানো অব্যাহত রেখেছি। হরলিভ কীভাবে দৈনন্দিন খাদ্যাভ্যাসের অংশ হিসেবে পুষ্টির চাহিদা পূরণ করতে পারে- এ সম্পর্কে সচেতনতা তৈরি করাই ছিল এই প্রচারণার একটি মুখ্য উদ্দেশ্য। এরই সফলতায় হরলিভের ছোট প্যাকের ভলিউম ডবল-ডিজিট হারে বৃদ্ধি পায় এবং আমাদের পণ্য ২০২০ সালে ১৫.৯% এর তুলনায় ২০২১ সালে এসে দেশের ১৭.৯% পরিবারে পৌঁছে যায়।



মাসুদ খান

চেয়ারম্যান

একইসাথে অপারেশনকে আরও সমন্বিত করে নেওয়া এবং বেগবান করতে আমরা আমাদের কাজের পদ্ধতিতে নতুনত্ব এনেছি। আমাদের কাজের প্রক্রিয়াকে স্বয়ংক্রিয় ও সমন্বিত করতে ডিজিটাল প্রযুক্তিতে একগ্রাভাবে বিনিয়োগ করেছি এবং এতে আমাদের কর্মীবৃন্দ ও ব্যবসায় সংশ্লিষ্ট খুচরা বিক্রেতার উপকৃত হয়েছে। আমাদের খুচরা বিক্রেতাদের মতো গুরুত্বপূর্ণ অংশীদারদের সহায়তা করার উদ্দেশ্যে চ্যানেল পার্টনারদের মধ্যে এই ডিজিটাল অটোমেশনের সূচনা হয়েছে এবং এখন খুচরা বিক্রেতার যেরম সহজে ও তাদের প্রয়োজন অনুসারে আমাদের পণ্য বেছে নিতে পারছেন, তেমন আমরাও আমাদের পণ্যের নেটওয়ার্ক ক্রমাগত প্রসারিত করতে সক্ষম হয়েছি। আমাদের চ্যানেল অপারেশনে সমন্বয় সাধনে ইউনিলিভার গ্লোবালের মানসম্পন্ন প্রক্রিয়া ও কর্মপদ্ধতির সাথে সামঞ্জস্য রেখে আমরা সংগঠন-ব্যাপী ইতিবাচক পরিবর্তন এনেছি। ইউনিলিভার গ্লোবালের অভ্যন্তরীণ কন্ট্রোল ও রিওয়ার্ড পলিসি অনুযায়ী আমরা আমাদের অভ্যন্তরীণ নিয়ন্ত্রণ নীতি এবং গ্রেড ও পুরস্কারের কাঠামো প্রনয়ণ করেছি।

আমরা আমাদের কোম্পানির দর্শন ইউনিলিভার কম্পাসের দিকনির্দেশনায় পরিচালিত করেছি। ইউনিলিভারে আমরা জোরালোভাবে বিশ্বাস করি যে পৃথিবীর সুস্বাস্থ্য, ভোক্তাদের স্বাস্থ্যসুরক্ষা ও সমাজের ক্ষমতায়ন নিশ্চিতকরণ আমাদের ঐক্যবদ্ধ দায়িত্ব। ফ্যাক্টরির ক্রমাগত উন্নয়ন, পুনর্ব্যবহারযোগ্য ও উন্নত প্লাস্টিক ব্যবহার ও প্লাস্টিক বর্জ্য ব্যবস্থাপনা, গ্রিন টেকনোলজি ব্যবহারের মত নানা পদক্ষেপ আমাদের কার্বন ফুটপ্রিন্ট ক্রমাগত হ্রাসের প্রক্রিয়ায় অগ্রণী ভূমিকা রাখছে। কোভিড-১৯ এর চ্যালেঞ্জিং সময়ে দুর্যোগপিড়িত জনগণের জন্য সামগ্রিকভাবে সহায়তা নিশ্চিত করার উদ্দেশ্যে আমরা সেনা কল্যাণ সংস্থা (SKS) এবং জাতিসংঘের যুব ও ছাত্র সংগঠন (UNYSAB) এর সাথে অংশীদারিত্ব গঠন করি যেন তারা সুবিধাবঞ্চিত সম্প্রদায়ের কাছে প্রয়োজনীয় সহায়তা পৌঁছাতে পারে। একটি কনজুম্যার হেলথকেয়ার কোম্পানি হিসাবে, আমাদের স্ট্র্যাটেজি গড়ে উঠেছে ইতিবাচক পুষ্টির বিষয়ে আমাদের বৈশ্বিক অবস্থানের নীতিকে ঘিরে। আমাদের এই পুষ্টি-সহজলভ্য এবং সুবিধাজনক উচ্চ-মানের খাদ্য পণ্যগুলো নিয়ে আমরা জাতির জন্য সুস্বাদু পুষ্টি নিশ্চিত করতে অবদান রাখতে চাই। আমরা বিশেষ ক্ষেত্রে কাজ করছি যাতে সরকারের ২০৩০ সালের মধ্যে অপুষ্টি দূরীকরণ ও ডিশন ২০৪৯ এর স্বাস্থ্যসেবা লক্ষ্য অর্জনে অবদান রাখতে ও সরকারের সাথে অংশীদারিত্ব গঠন করতে পারব। দেশের অন্যতম শক্তিশালী পুষ্টি-সহজলভ্য হরলিভের সাহায্যে সুস্বাদু খাদ্য ও পুষ্টি সম্পর্কে সচেতনতা ও জ্ঞান বৃদ্ধিতে আমরা ইতিমধ্যেই ২.৫ মিলিয়ন মাসেদের সাথে তাদের ও তাদের শিশুদের পুষ্টির উপকারিতা ও গুরুত্ব সম্পর্কে সচেতনতামূলক কর্মসূচি হাতে নিয়েছি; শিশুদের জটিল পুষ্টি চাহিদা সম্পর্কে জ্ঞান ও সচেতনতা তৈরি করা যার অন্যতম লক্ষ্য।

বিশ্ব অঙ্গনে ক্রমাগত বাংলাদেশ টেকসই উন্নয়ন ও সামগ্রিক সমৃদ্ধির সূচকে সন্তোষনাময় ও সুদৃঢ় অবস্থান তৈরি করেছে। এই উন্নয়ন ও সমৃদ্ধির যাত্রায় সক্রিয় অংশীদার হতে পেরে ইউসিএল পরিবার গর্বিত। জাতীয় উন্নয়ন লক্ষ্যমাত্রা ও প্রবৃদ্ধির অগ্রযাত্রার সাথে একাত্ম হয়ে আমরাও জনগণের সুস্বাস্থ্য সমৃদ্ধ, অধিক টেকসই ও উদ্ভাবনী বাংলাদেশ গড়ায় প্রতিশ্রুতিবদ্ধ।

গত দুই বছরের নানা প্রতিকূলতার মাঝেও ড্যানু চেইনের ধারাবাহিক উন্নয়ন ও পরিবর্তনের মাধ্যমে আমাদের ব্যবসায়িক কার্যক্রমকে ত্বরান্বিত করার প্রচেষ্টা কখনোই আমাদের সকল কর্মকর্তা ও কর্মচারীর অবিচল প্রচেষ্টা ছাড়া সফল হতো না; এর জন্য আমি আমাদের কর্মীদের প্রতি কৃতজ্ঞতা ও ধন্যবাদ জানাই। আমি আরও ধন্যবাদ দিতে চাই আমাদের সকল ভোক্তা, ব্যবসায়িক অংশীদার, নিয়ন্ত্রক সংস্থা, সরকার ও সবচেয়ে গুরুত্বপূর্ণভাবে, আমাদের শেয়ারহোল্ডারদের, যারা আমাদের এই পুরো যাত্রায় আমাদের উপর আস্থা রেখেছেন।





Message from The CEO

Dear Shareholders,

On behalf of the Leadership Team, I am honoured to present to you the vision and future plan of your company.

If we consider the global consumer goods landscape, Bangladesh is one of the most adaptive, agile, and bold markets in the world. The consumer goods market grows with the economy and Bangladesh continues to be one of the fastest-growing economies in the world. Our per capita income has increased from USD 415 to USD 2,554 in the last 20 years and we have transformed Bangladesh into a middle income country. As we experience rapid socioeconomic change, the demand for convenient and smart consumer goods is increasing and according to our assessment, we still have major growth opportunities as we are yet to reach half, or even in cases quarter of the regional per capita spend in FMCG (Fast Moving

Consumer Goods). We are also experiencing a digital revolution led by the exponential increase in internet penetration. Consumers today have access to more information and exposure to varied products than ever before. As today's youth are becoming more informed about diet, they want affordable sources of nutrition that are not only healthy but also taste better and are convenient.

We are the leading consumer healthcare company in Bangladesh with an international portfolio, backed by strong nutritional claims, including Horlicks, Maltova, Boost, and GlucoMax D. Each of our products provide clinically proven nutritional benefits, fortified with essential vitamins and minerals, through which we empower our consumers with more choices for their



nutritional needs. Along with the right products to cater to the needs of our consumers today, we also have the capabilities to predict future consumer needs and fulfil them. This is enabled by our global Research & Development and Technological expertise coupled with our strong local consumer understanding. We are constantly working on improving our formulation and planning to work with further, market-specific interventions such as products that will help fight stunting - a major problem for Bangladesh.

We have identified that lack of nutritional awareness and low household penetration continue to be critical issues

to address. Around 85% of people in Bangladesh lack proper knowledge of their nutritional needs. Our nutrition products are reaching around 20% of the households in the country so far in 2022 and by 2025, we aim to reach 60% of Bangladeshi households.

Our growth strategy now would be to expand into the underserved markets that have a higher need for nutrition. We possess the most iconic nutrition brand of the country - Horlicks. It has been an exceptional product that Bangladeshi consumers have loved and associated with for decades. However, consumers used to consider that this product was supposed to be consumed predominantly during illness, or seasonally. Additionally, it was considered a product primarily for the affluent class. We have been constantly working to establish Horlicks as a regular part of the diet that fulfils all the nutritional requirements of each member of the family, for all consumer segments. We are working to increase consumer awareness through thematic online and offline communications throughout the year. From door-to-door campaigns to establishing partnerships with key opinion leaders, we are continuing to educate our consumers about the nutritional benefit of Horlicks as part of their regular diet. We are promoting sub-brands that cater specifically to each of the consumer segments- Junior Horlicks for growing children, Horlicks Lite for working and active adults, Women's Horlicks for women's daily nutrition, and Mother's Horlicks for expecting and lactating mothers. Our future plan evolves around ensuring affordable value-for-money pack sizes of our products along with creating nutritional awareness, which will allow us to reach more households.

Besides awareness, we are simultaneously working to ensure that our products reach the last mile. We are leveraging Unilever Bangladesh's distribution network and have managed to double our outlet coverage in 2021. We have progressively implemented mass digitisation across our value chain to ensure a seamless flow of



information so that the right product is at the right place at the right time. We are constantly working to enhance the digital capability of our channel partners and improve our decision-making using Data and Artificial Intelligence.

Along with technological upgradation, by leveraging Unilever's Pallydut programme, we have further reached out to small scale retailers in deep rural villages of the country as reaching these outlets through the traditional route to market becomes infeasible. Reaching the consumers in these deep rural markets is equally important as we are committed to ensuring nutrition for the nation and this can never be achieved if we fail to reach these remote communities with our products. Going forward, we would be working more extensively with them to create local awareness and empower rural women as well in this process.

Pallyduts not only help us to reach our deep rural consumers but also help us support community empowerment, which is a priority as per our guiding philosophy - the Unilever Compass. However, as a consumer healthcare company, we want to keep consumer wellbeing at the core of our business and contribute to the SDGs of Zero Hunger and Health and Wellbeing. We want to contribute to this cause, reaching every household in Bangladesh, intending to provide our local insight driven products for each consumer class.

Bangladesh has continued to make strides in addressing poverty and inequality. But malnutrition continues to be one of the key issues to tackle. We at Unilever aim to continue providing access to proper, balanced nutrition for all the different segments of the population. We believe, the way to build a fair and just society for a sustainable Bangladesh is by ensuring nutrition for the nation.



Khan Salahuddin Mohammad Minhaj

Managing Director and CEO





Leading Growth Through Better Understanding of Consumer Needs

The pandemic has influenced people's lives and purchase choices in aspects both financial and psychological. Our continuous drive to better understand our consumers has continued to help us to serve them more efficiently, allowing us to develop and implement appropriate strategies across our value chain. We are tailoring our marketing communication and activities better, helping customers understand their nutritional needs, and innovating new ways to realize our vision of a future-fit nation.



BUSINESS ACTIVITIES

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EXTENDING NUTRITION TO EVERYONE

Standard Horlicks

Horlicks, one of the most loved household brands of Bangladesh, continued its relentless effort to aware people on, especially its role in providing balanced nutrition for children and building a stronger, loveable image among our consumers.

To drive product awareness, we launched a new television commercial (TVC) highlighting the benefits of Horlicks leveraging the nutritional similarities with milk, spinach and orange. The TVC further reinforced our nutritional claims of providing required nutrition for all. To make the communication comprehensive and engage our consumers, we went to their homes under a Door-to-Door activation scheme and Horlicks' role in child development. We also reached out to schools- taking a Nutritionist with us, under an innovative programme- 'Pusti-Kotha'. We also utilized digital channels to drive consumer awareness and interaction, focusing to build brand awareness and association around Immunity, Energy and Health. All our initiatives were focusing on our stance on the right nutrition choice, the growth journey of children and how Horlicks can help to ensure balanced nutrition for all, including children for their holistic growth.



Junior Horlicks

Learning from the flagship brand Horlicks, Junior Horlicks also single-mindedly drove awareness amongst consumers through interventions such as door-to-door reach out to several thousand households while conducting school activation under the same banner of Pusti-Kotha. Reaching out to mothers with children within the age of 5-6 years, Junior Horlicks was often the first product from the portfolio to enter the household. Kids are fussy eaters at this young age and thus Junior Horlicks can play a key role in ensuring apt nutrition for the child.

The key messages were amplified throughout the year on both TV and digital media. The same was supported through continuous on-ground initiatives in focus geographies.

Horlicks Women's Plus

Horlicks Women's plus is a unique product that caters to the specialised nutritional needs of women. Through our new thematic communications, we built awareness of Horlicks Women's Plus through TV and digital medium. We also continued with initiatives to reach out to key health experts to build brand equity and strong expert recommendations. We also partnered with different female groups, conducting sessions on women's bone health to drive awareness of the need for special nutritional support for women to keep their bones healthy and strong.



Horlicks Mother's Plus

Horlicks Mother's plus plays a crucial role in the critical journey of motherhood by providing key nutrients required during and after pregnancy. The key job in the business is raising awareness amongst expecting mothers on the importance of nutrition. The core communication was refreshed this year with the key brand message of ensuring nutrition from the beginning of pregnancy, which was on air throughout the year on main TV channels. We continued building awareness and trials for Horlicks Mother's Plus through TV and Digital Media and dialled up on Health Care Professional (HCP) detailing with new communications. The Company amplified efforts on digital communication and leveraged a variety of eCommerce platforms to reach more consumers. On the occasion of World Breastfeeding Awareness Week 2021, Mothers Plus designed a campaign titled "Matridughdho paan-e gori shohayok poribesh" which ran throughout the month of August.



Maltova

Maltova, a key jewel in the portfolio, focused on delivering one of the tastiest experiences to our consumers. We launched our first-ever video advertisement through the digital platforms Facebook and YouTube this year, reinvigorating the communication efforts of the brand.

Boost

Boost is a very strategic brand in the portfolio and had several initiatives by the business during the year. With continued investments across media and the launch of a strategic access pack at BDT 10 to drive trials, the brand had strong momentum. Associated with sports and with Bangladeshi sports icon Shakib Al Hasan as the brand ambassador, Boost was present at key sporting events in the country reminding consumers of the excellent product. Boost will continue receiving strong focus and marketing interventions while making it more available and accessible to consumers.



Glaxose D (Now Renamed GlucoMax D)

We continued building growth momentum for Glaxose D, executing timely initiatives, and driving contextual communications across platforms to leverage the right triggers for our consumers, especially Ramadan activities which helped the brand to win the season.

GROWING WITH SYNERGY

2021 has been the first full year after the integration with Unilever, and one of our biggest priorities for the year was to synergise major processes with Unilever's way of working. Along with remodelling our compensation and reward structure according to Unilever principles, this has seamlessly landed across various critical Finance pillars, such as forecasting, management reporting, performance management, net revenue management and controls.

We also made a Major Synergy Integration by including Unilever's other portfolios to former exclusive distributors for the company and this step was taken to improve their Return on Investment (ROI) and business performance.

Unique Distribution Reach

One of our key agendas in 2021 was to increase the footprint of our business. From a universe of around 150,000 outlets, we managed to distribute our portfolio to over 320,000 outlets through the following interventions:

- **Rehauling Distribution Partners:**

To ensure better reach and the best execution in the market, we dismantled the sub-distribution model and shuffled distributors across geographies. This exercise helped improve different performance matrixes like financial and operational hygiene.

- **Ensuring the Right Organisational Structure:**

We brought all distribution houses under a common organisational structure to ensure the best execution. We appointed an aptly large sales force and supervisors to serve the market exceptionally.

- **Nutrition Store Expansion:**

To establish a good relationship and ensure trade loyalty, we have expanded our Nutrition Store Programme to over 33% increased outlets.

- **Integration into Channel Programmes:**

Reaching the top contributing outlets of the country is a key driver for our business, so we integrated our portfolio into the channel programmes (Dosti, Top Gun, Labher Bazar) for retailers and incentivised them for delivering the targets.



Operating With Agility

The repeated COVID-19 waves made it essential that our supply chain delivered and made contingencies to support business growth. Our team not only demonstrated strong agility by evaluating and implementing alternative trader routes for material, sourcing and importing but also took several proactive and contingent measures to prevent supply disruption through alternate vendor development and management initiatives. Furthermore, UCL Supply Chain (SC) ensured that all the COVID-19 protocols are maintained at our manufacturing site including supporting the vaccination processes for the factory employees.

Amidst stringent lockdowns that followed surges of the pandemic, our goal was to ensure proper servicing in markets so that business remains operational, and our sales force was able to meet their targets and have every outlet equipped with our Nutrition portfolio for our consumers. We equipped all our field forces with proper safety gears such as vests, masks and sufficient sanitisers. We maintained basic health protocols like everyday temperature checks and handwashing across every distribution point.

We were also able to ensure operational permission for all our distribution points and ensured all our field forces had permission from the relevant authorities to operate during the lockdown.

We ensured smooth business partnering, maintaining 100% on-time supplier payment, 100% payment compliance and 100% achievement on cash and credit collection. Throughout the year, most of our finance team worked remotely while efficiently maintaining all regulatory compliances in due time. This stands as a testament to the extraordinary grit and proactiveness demonstrated by the team.



Health & Wellbeing

While 2020 was about supporting our employees and outer core in fighting COVID-19, in 2021 we worked on creating an ecosystem that proactively safeguards our employees during the pandemic. We ensured that more than 90% of our employees were fully vaccinated through several vaccination drives at the sites. We supported outer core resources through guidance in the registration process and partnered with the local authorities to expedite the vaccination for our employees across the country. We ensured infected employees were provided with medical consultation by in-house physicians, medical appliances, and medicines across the nation through Incident Management Committee and 24/7 support centre. When offices reopened, our HR team ensured the office is operational following the social

distancing protocol prescribed by the local and global health guidance. We also ensured exclusive contracts with multiple hospitals in Dhaka and outside for exclusive testing services and medical support.

Hundreds of engagement connect with our employees helped us realize the extent to which mental health has been impacted by the pandemic. To bring mental wellbeing centre-stage, we have introduced the Employee Assistance Programme which provides free, professional counselling support 24/7 to employees. We have also trained several of our internal employees as Mental Health Champions who are providing an unbiased listening ear to any of their colleagues who need them.



Engagement & Team Building

As we operated virtually most of the time, keeping people engaged and connected was one of the topmost priorities for our HR team. Throughout the year, we organised various team and individual engagement sessions on mental and physical wellbeing, team connects and connects with our leaders, raising the morale throughout the organisation. We organised the first-ever virtual Annual Conference, where the full organisation was connected. The quarterly townhalls led by our Managing Director also gave our people an opportunity to know more about our business, get directions from the top team and perform with renewed energy.

TOWARD A MORE INCLUSIVE AND FUTURE-FIT ORGANISATION

Creating A Safe, Inclusive Culture

UCL has customers of varying genders, ages, races and ethnicities, and we want the same reflected in our workforce. In 2021, we ensured the inclusion of those with physical disabilities in our ecosystem. We also employed our first two transgender employees. We continued our drive to become an organisation with equal employment opportunity, employing more women in the business than in earlier years. Through various platforms, we ensured our female employees feel valued and appreciated for their contribution to the business.



Empowering Our People

At UCL, we believe in lifelong learning for our employees. We empower our employees to take ownership of their learning, by offering both guided and self-learning mediums and encouraging on-the-job learning, and through Unilever’s online learning platform, with a vast amount of content curated for employees with various learning needs. In 2021, all our employees participated in Unilever Learning Week, and Digital Learning Summit, and received exclusive access to LinkedIn Learning and Udemy. The accessibility to a variety of learning platforms gave our employees a myriad of avenues to learn from and improve their skills.

As part of our integration with Unilever, we provided our employees with more career opportunities. Unilever’s range of brands, categories and larger geography allows for more people to work and learn, which we utilised by offering roles to existing employees of UCL in 2021. This empowered our people to learn from a wider scope of work and gain exposure. During reward harmonisation, deserving employees’ promotions were also ensured.

In 2021, the most significant event for our HR team was completing the Reward Harmonisation of all the employees of UCL. After the integration, we primarily focused on having our employees settle in and understand Unilever’s way of work. In the meantime, our people had significant exposure and gained knowledge of the Unilever system. On 1st July 2021, we communicated to them the new Grade and Reward structure in line with Unilever’s reward principles. We believe one of the biggest wins for our people was the noble introduction of Gratuity in UCL. After the harmonisation, our employees are now eligible for the same benefits applied as per Unilever’s local and global policies and all the facilities are now open to the employees of UCL.



A RESPONSIBLE BUSINESS

Safety remains to be of utmost priority across our end-to-end operations. At UCL, we continue to promote the Zero Accident culture. We did face challenges during the second COVID-19 wave but re-emerged strongly through implementing emergency M&OH (Medical & Occupational Health) preparedness and rapid response.

In persuasion of 'Vision Zero', we started embracing the Unilever Occupation and Health Safety standards. UCL already lives up to the Safe Travel Standard by providing functional vehicles to field employees, installing telematics and arranging behind the wheel driving training for chauffeurs. We also continued risk-management programmes, eliminating unsafe conditions, promoting safe behaviour, health and wellbeing support for employees, service providers and contract manufacturers and partners.

To inculcate safety behaviour as a culture, each employee undergoes basic Safety, Health & Environment (SHE) training before being posted to their respective fields. Risk perception training and awareness programmes were also conducted on the mandatory use of PPEs to mitigate risks, reinforced with signage and posters for the benefit of those working in manufacturing and non-manufacturing sites. Fire Safety and First Aid training by external authorities were conducted and First Aid and Fire Fighting teams were prepared to respond to any emergency.



Quality Control

Building ultimate confidence in its operations and quality principles, UCL has successfully faced CAD (3p Operations and System) audit, BSTI (for Packaged Commodities Rules) and BIDA inspections in 2021. This outcome was all possible through very stringent quality and operational controls put in place practising QCM, PACE, CODEX, Monthly Cycle Counts and Internal Audits.

Quality is the heart of everything we do here. Quality Council in UCL helps us to keep hold of that batten including demonstrating management commitment within the function. Exercising this forum of Quality Council, we drive stringent governance process in manufacturing where we not only ensure Quality Culture and Compliance but also fulfil the agenda of people and capability development which essentially helps to offer the best quality product to satisfy consumers and build trust, culminating in Zero Safety Incident at manufacturing and Zero Market Recall.

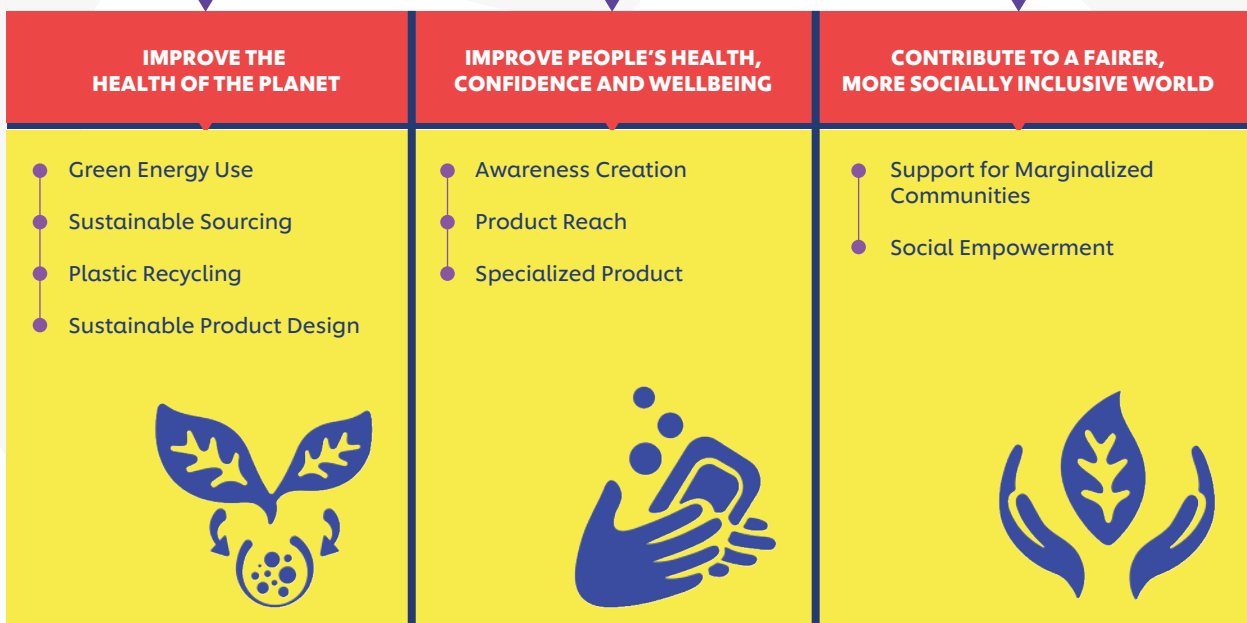


ENVIRONMENT AND SUSTAINABILITY

As one of the legacy multinational organisations operating in Bangladesh for more than four decades, we have a strong reputation for supporting the community to improve their wellbeing and contribute towards achieving the Sustainable Development Goals (SDG) and the Government’s Nutrition and Healthcare Goals.

As per Unilever’s Compass, we have realigned our sustainability activities to fit our global stances as Unilever is a company of brands and people with a focused purpose: to make sustainable living commonplace. As per Unilever Compass, we plan to win with our brands as a force for good, powered by purpose and innovation. To achieve this objective, we have clustered our activities under three objectives which are to improve the health of the planet, improve people’s health, confidence and wellbeing and contribute to a fairer, more socially inclusive world.

OUR SUSTAINABILITY APPROACH



BUSINESS ACTIVITIES

As part of our global commitment to improving the health of the planet, we are working to reduce any adverse impact of our production process on the planet and the society, and we have started to re-engineer our processes accordingly. As a part of that, we are transforming our operations and supporting systemic change beyond our business. We are continuously working to reduce the negative impact of plastic on the environment by using better, recyclable plastic, plastic waste reduction and packaging reengineering and innovation. To reduce plastic wastage, we recycle waste plastic jars and caps during our production process and follow a reuse method. This initiative has helped us save over 150 tonnes of plastic in 2021. We are also investing in green technology and innovations to decarbonize our supply chain. To reduce our post-production, consumer stage carbon footprint, we have re-engineered 25 Stock Keeping Units (SKU) to be more environmentally friendly. We are committed to making our company fully carbon neutral by 2030.





We are historically known in Bangladesh as a Health Brand. Our most loved household brand Horlicks is traditionally known as a nutrition booster during any illness. As a consumer healthcare company, we want to keep consumer wellbeing at the core of our business and contribute to the SDGs of Zero Hunger and Health and Wellbeing.

As per the company's new mission to ensure nutrition for every Bangladeshi, we have initiated a country-wide project to increase nutritional awareness and change the attitude towards nutrition-related issues. According to UNICEF research in 2019, around 28% of children aged 5-15 years in Bangladesh are still suffering from moderate and severe stunting while 22% of children in Bangladesh are still underweight. The Government of Bangladesh is also focused on eradicating malnutrition by 2030 and is considering Nutrition to be a critical pillar of Vision 2041. We are committed to partnering with the Government to support them to fight malnutrition. We have identified accessibility and awareness as two important areas to fight malnutrition. As per our pledge, we have initiated an awareness programme as we identified that millions of people in Bangladesh lack knowledge of proper nutrition and a healthy diet. This knowledge gap puts them at risk of falling sick too often opening the floodgate of rising inequality. Identifying the nutrition knowledge gap, Horlicks has taken up the ambitious goal of empowering 2.5 million mothers all across the nation with the knowledge of proper diet and positive nutrition. To do this, the brand has set up an extensive door-to-door awareness-raising programme through which, nutrition representatives visit households and directly engage with people to educate them on the fundamentals of good nutrition. The objective is to educate mothers on the benefits of ensuring the right nutrition and achieving immunity and holistic development, educating mothers on the importance of maintaining a healthy Body Mass Index (BMI) as per the World Health Organisation (WHO) and emphasizing the role of a mother's health and nutritional needs. In 2021 we have reached 1.6 million households across the nation.



We also want to further contribute to our Positive Nutrition by reaching every household in Bangladesh, intending to provide our products for each consumer class. We recognised the different consumer classes that needed our products the most – children, women, mothers, and active adults – and diversified our portfolio to cater better nutrition to each of them. For example, we have introduced an affordable family sachet pack at BDT 10 (USD 0.1) so that even the lowest income group people can access high-quality nutrition products at their will. The sachet offtake during the COVID-19 period indicated that this intervention was required. Supporting this type of special need is a part of our global commitment to positive nutrition. We always try to address the critical nutrition requirements for people who need it most- from product designing to promotion. By 2022, we're aiming to provide more than 200 billion servings with at least one of the five key micronutrients, vitamin A, D, iodine, iron and zinc. We constantly try to bring in these innovations and localise. For example, Horlicks Women's Plus is a nutritional health drink designed for women as we felt that the affordable special nutrition product was not available in Bangladesh. We also contributed to promoting Nutrition for lactating mothers. UNICEF and WHO work extensively in Bangladesh to promote breastfeeding and have been celebrating World Breastfeeding Week since 1990. The latest edition of World Breastfeeding Week was themed as 'Shared Responsibility', and hence centring around this occasion, Horlick Mother's Plus designed a campaign titled 'World Breastfeeding Week 2021: Matridughdho Paan-e Gori Shohayok Poribesh'.

The campaign was rolled out in three phases. The first phase disseminated knowledge and tips related to breastfeeding, breastfeeding awareness, nutrition for mothers during breastfeeding, breastfeeding during the pandemic, and encouraging husbands and male counterparts to proactively support breastfeeding mothers. The second phase consisted of awareness-based activity with social media influencers, where they emphasised the importance of breastfeeding and nutrition and highlighted that men, family and society, all have a role to play in supporting lactating mothers by caring and looking after them. In the third phase of the activity, Mother's Plus carried out health camps and awareness sessions on 'Maternal health and breastfeeding and responsibility of father for supporting breastfeeding' with top media houses such as The Daily Star, The Business Standard, Samakal and Channel 24.





2021 was the second year of the COVID-19 pandemic and community support activities this year were also important. It was the company's responsibility to reach out to as many people as possible and help them in their fight against the virus. Considering the scale of the challenge and addressing it at multiple levels, UCL collaborated with the Government, health institutions, implementation partners and civil society.

The company collaborated with different public and Not-for-Profit development sector stakeholders to support communities during the COVID-19 pandemic. In 2021, we not only donated 100 essential Oxygen Concentrators to the Directorate General of Health Services (DGHS) but also helped them distribute those to all 64 districts. Another important contribution of the company to fight COVID-19 was through partner organisations. In the lower-income group, most people living on daily wages were severely impacted during COVID-19 and these people required help. Several organisations came forward to support these income affected people by providing them with food and other necessary items. The company collaborated with Sena Kalyan Sangstha (SKS) to donate Care Packs worth BDT 5.7 million to 50,000 families.

We also partnered with Duroto Kids and the United Nations Youth and Student Association of Bangladesh (UNYSAB) to spread joy among underprivileged children during Eid. Through UNYSAB's "Eid for Street Children" programme, we collaborated to give the underprivileged children a day of their lives, leaving a memorable experience. The volunteers of UNYSAB prepared goodie bags carrying new clothes, essential food items, health, hygiene and nutrition products from Unilever Bangladesh and distributed them in 15 districts of the 7 divisions: our collaboration culminated in reaching 1502 families in just 3 days. We also contributed cash support for the disabled children of the Centre for the Rehabilitation of the Paralysed (CRP) to provide improved meals for a year.



2021 IN NUMBERS

19.4%

Revenue growth

20.6%

Gross Margin Increase

(helped balance the 18.5% increase in the cost of sales)

Dividend of
440%

BDT 44 per share of
BDT 10 each
(subject to the approval of
the Shareholders at the
49th Annual General Meeting)

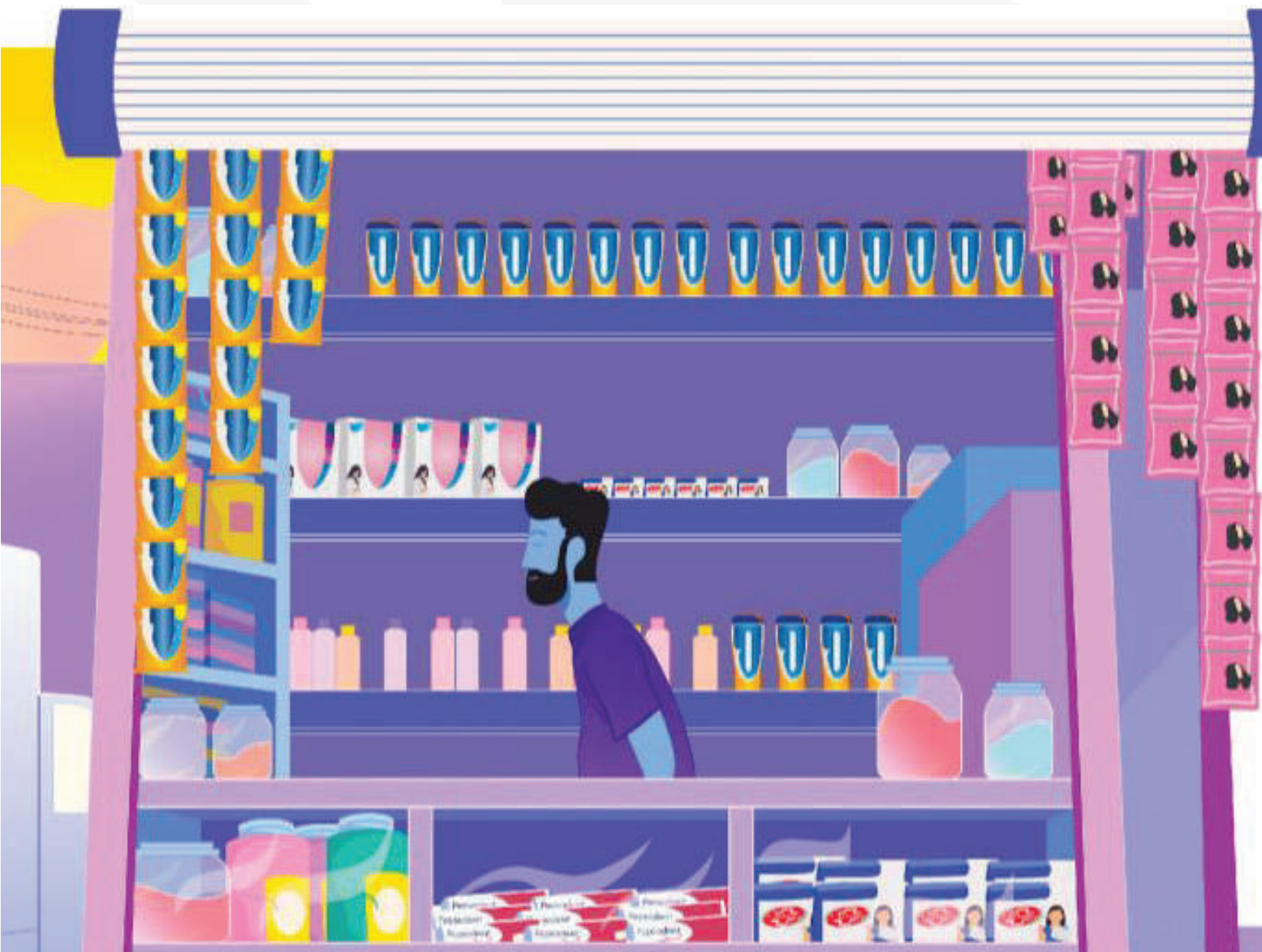
Increase in household
penetration from

15.9% to 17.9%

Strong Savings Delivery

10.8%

turnover savings







We Are Reaching Every Household

Horlicks, one of the country's most popular brands, provides 23 essential elements that help to prevent micronutrient deficiency in the diet. We have expanded Horlicks' sub-brands to better serve each market segment. Junior Horlicks, Horlicks Lite, Women's Horlicks, and Mother's Horlicks are the sub-brands created to meet the nutritional needs of different consumer groups. We have also introduced various SKUs to make our products affordable and further increase penetration. Our strong brands with purpose are continuing to empower the customers with more choices for nutritious products.



CORPORATE GOVERNANCE

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REPORT OF CORPORATE GOVERNANCE

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. These 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 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') are 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, 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 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, which 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 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

The details of Board composition have been presented on Directors' Report, page 108.

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 2021 was 06 (six). Out of which 05 (five) meetings were conducted through audio visual means as per the directives/orders issued by BSEC from time to time, for conduct of meetings during pandemic. 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 108.

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.unilever.com/UCL-bd.html. This Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to the Directors to help them recognize 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 2021, 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 Board, upon considering the integrity, qualification, expertise, positive attributes, experience, and independence of the person identified for appointment/re-appointment. Based on the recommendation, the Board shall appoint/re-appoint the Independent Directors which is subject to satisfactions of necessary regulatory approvals including Shareholders' approval.

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.

During the course of the year 2021, the Board following the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Mohsin Uddin Ahmed as Non-Executive Independent Director for another tenure of three years (second term) with effect from 01st February 2021 which later on approved by the Shareholders in Company's 48th Annual General Meeting held on 29th April 2021 and appointed Mr. Zaved Akhtar as Non-Executive Director with effect from 26th October 2021.

Furthermore, during the year, two Directors were resigned from the Board. Mr. Hasnain Thoufiq Ahmed has resigned with effect from 30th June 2021 and Mr. Kedar Lele has resigned with effect from 01st November 2021.

Brief resumes of Directors including their expertise in specific functional areas and membership in other Companies as Director/Board Committee member have been presented on page 80 to 85 of this Annual Report.

Directors' Induction

The provision of organising an appropriate induction program 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 induction program 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 program when they join the Board. The induction program 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, profile 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
- The Unilever Sustainability Compass
- 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 year, 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, 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 Mr. Md. Zahidul Islam Malita 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 19 years of experience.

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 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 2021 are included in the Audit Committee Report in page 87 to 90.

The Audit Committee met 4 (four) times during the year 2021. 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 Mr. Md. Zahidul Islam Malita act as members of the Committee. The Company Secretary functions as the Secretary of the Committee. Representatives from Human Resources Department were attended the meetings to give clarifications on agenda of the meetings.

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 2021 are included in the Nomination and Remuneration Committee Report in page 91 to 93.

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 3 (three) times during the year 2021. 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 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 Organization 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 authorize 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 Managing Director. 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 auditor. 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 organization's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organization'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 page 59 to 72.

Business Integrity

Our 24 codes of Business Principles, which range from anti-bribery, anti-money laundering; prevention of insider trading to respect, dignity and fair treatment, amongst many other core values, form the foundation of the work in Unilever. As a purpose-led company, our values are the foundation of our success and essential to achieving our ambition of making sustainable living commonplace. Living the Code means putting our values into practice and reiterate our commitment to doing good, this helps us to deliver value with values.

During the year, several sessions on the Code of Business Principles were held with the employees and new joiners. Our employees undertake mandatory annual training on these Policies via online training modules and an annual Business Integrity Pledge. Our Business Integrity governance framework includes clear processes for dealing with Code breaches. The Code and Code Policies reflect our desire to fight corruption in all its forms. We are committed to eradicate any practices or behaviors that are not in line with our Code and Code Policies though our zero-tolerance approach to such practices. Our Responsible Sourcing and Business Partnering Policy helps to give us visibility of our third parties to ensure their business principles are consistent with our own.

Breaching the Code or Code Policies could have very serious consequences for Company and for the individuals involved. As such, the Company has in place 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. The process is maintained with the utmost confidentiality and the platform also allows to raise issues on an anonymous basis. There is zero tolerance towards retaliation. At UCL, we ensure employees can raise such concerns without risking any kind of reprisal.

In order to raise the awareness, yearlong sessions are conducted. Process of incident reporting is shared with employees so that all employees know the mechanism of whistle blowing.

Prevention of Sexual Harassment at Workplace

Prevention of Sexual Harassment Policy ("POSH Policy") has been formulated and implemented in the Company. Under the POSH Policy, the Company now has in place an internal Sexual Harassment Complaint Committee ("Committee") for redressal of Sexual Harassment complaint or grievance. The Committee have five members, with majority of the members being women. The Chairman of the Committee is also a woman. 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 lawyers who have prior experience 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 organization. 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 confidential and sensitivity of all complaints that are reviewed under the POSH Policy.

Share Dealing Code

BSEC has issued the Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 1995, to govern the law relating to Insider Trading in Bangladesh. In line with this 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 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.unilever.com/UCL-bd.html. 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. 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 respective websites.

Shareholders’/Investors’ Complaints

A preemptive and reliant shareholders’ grievances and queries redressal mechanism is in place at the Company. During the financial year 2021, 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 maximum participation of shareholders at the AGM. Despite of Covid related challenges, the Company ensuring all applicable legal requirements and prevailing shareholders’ rights, held its 48th AGM through digital platform with the virtual presence of shareholders. Prior to 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 join in AGM are communicated to shareholders by means of text message and e-mail also. 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, 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
- 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 2021 is presented as annexure # iv of Directors’ Report 2021, 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 utilizing 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 utilized 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 and to the achievement of 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 at the core of the Board’s agenda, which is where we believe it should be.

Unilever’s appetite for risk 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.

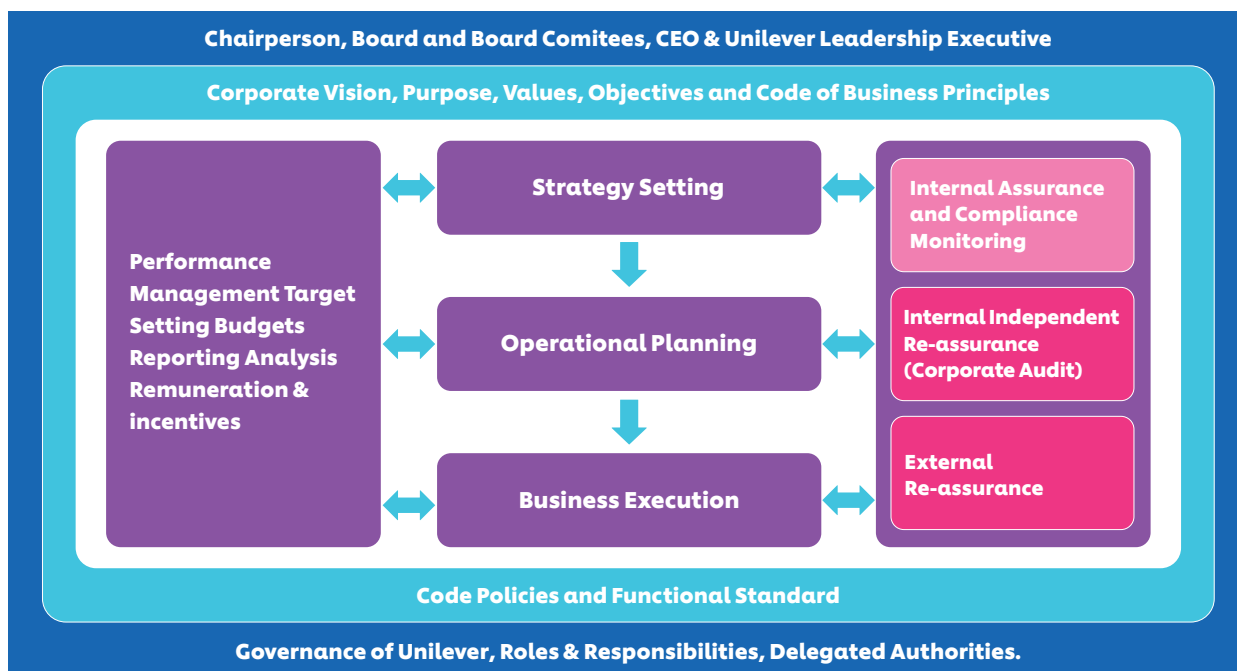
Our approach to risk management is designed to provide reasonable, but not absolute, assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated.

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. Risk management is part of everyone’s job, everyday, from country level operations to the Unilever Board. It is not managed as a separate standalone activity that is ‘delegated to others’.

The diagram below summarises the structural elements of the embedded approach.



- Organisation
- Foundation
- Processes
- Assurance
- Re-assurance

Organisation

Unilever’s organisation is designed to respond to all the key risks that we face in the short, medium and longer term and reflects all relevant external requirements in relation to good corporate governance.

Foundation

Our Corporate Mission & Purpose frame our objectives and strategy setting while our Code of Business Principles sets out the standards of behaviour that we expect all employees to adhere to. Day to day responsibility for ensuring these principles are applied throughout Unilever rests with senior management across clusters, categories, functions and operating companies.

Processes

This is about the day to day activities of all employees which contribute to the success of our area of the business - short, medium and long term. In some areas of our business, formal (including automated) processes / procedures have been laid down in order to manage/exploit risk and optimise our business performance. In other areas, the processes are less formalised and rely more on the judgement of individual employees and managers to manage risk.

Re-assurance

Corporate Audit provides an 'independent' perspective on the effectiveness of Unilever's systems of internal control and risk management. External assurance is also sought from 'specialist' third parties on certain areas of our business - normally as a result of regulatory requirement or our desire to meet generally accepted international standards.

Assurance

In Unilever the key internal assurance elements of our risk management approach include self-certification checklists or independent verification processes, independent third party assurance and Group Controller's Quarterly Risk and Control Status report that provides an updated picture of accounting and control.

3 Principles of Risk Management

All Managers at Unilever are required to implement the following principles in the normal course of how they operate their parts of the business. This means that they must be embedded in all our everyday operations and activities throughout the year.

All leadership teams of operational units must complete an annual holistic risk discussion during which:

- Key business risks for which they are responsible are identified
- How those risks are being managed is reviewed
- Any gaps to their desired risk appetite identified



Accountability

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

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.

Risk Mitigation

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

Principal or Key Business Risks and Opportunities

Our business is subject to risks and uncertainties. For each Key Business Risk, we have a Risk & Control Framework which includes the key control activities required to manage the risk. Globally, each Risk & Control Framework has an individual owner to do the following:



- Identify the Key Risks faced by the business.
- Set out the 'Key Controls' that should be operating in order to ensure the Key Business Risks are managed effectively and, as a result, the business has the best opportunity of achieving its objectives and maintaining its reputation.
- Identify the teams and individuals responsible for ensuring that the Key Controls are operating as required.
- Provide a useful means of reflecting on the Key Business Risks and Key Controls and assessing whether they remain relevant, effective and efficient.


Senior Management and Leadership teams are responsible for using the Risk & Control Frameworks periodically to support and facilitate discussions and reflection so that no important risks are missing and that all key business controls have been identified and are being operated as intended. The objective of the risk assessment process is to ensure that high quality discussions take place and that actions are identified and implemented in the normal course of business.




KEY BUSINESS RISK	RISK DEFINITION	KEY BUSINESS RISK	RISK DEFINITION
Brand Equity	Brands that are indistinct in the marketplace or do not generate profitable business	Product Pricing and Trade Terms	Significant loss of profitability caused by inappropriate product pricing or trade terms
Business Portfolio & Resource Allocation	A portfolio balance and allocation of resources that does not support the business strategy	Distributor Operations	Significant loss of sales and/or profit through inefficient management of distributor operations
M&A	An M&A deal that destroys shareholder value (including disposals)	Changing Customer Landscape	Significant loss of sales opportunities caused by lack of product availability in emerging and growing channels (e.g. e-commerce, Discounters)
Sustainability	Lack of ideas or implementation thereof to achieve the USLP ambition and/or inaccurate reporting of progress	IT Availability, Capability & Resilience	Critical Information and/or IT systems are not available, negatively affecting business operations
Safe & High Quality Products	Withdrawal of a product from the market due to a serious compromise of product integrity	Information Protection	Business impact due to inappropriate use, disclosure, falsification of business or personal information, or malicious disruption of IT services
Continuity of Operations	An interruption to product supply due to a disruption in supply chain operations	Business Transformation	The failure to deliver a key business transformation in terms of timescales, cost or realisation of business benefits
Security	A security breach resulting in the compromise of company assets, including the risk of harm to people	Treasury	Inability to finance Corporate objectives at any time while mitigating financial, market and credit risk
Safety	A serious safety incident that leads to loss of life or undermines confidence in work plan safety	Tax	Insufficient provisions against tax exposures or tax planning that could damage Unilever's reputation
Commodities	Commodity exposure that results in a material loss of shareholder value (beyond the benchmark for the industry)	Pensions Funding & Investment	A significant negative impact on the Group's Financial Plan from our Pension and benefits commitments
Capabilities	Securing, developing and embedding capabilities to drive our speed of response, the digital transformation and new business models	Accurate Financial Records & Reporting	Material inaccuracy in financial reporting
Code Compliance	A significant breach of our Code of Business Principles and/or Code Policies by employees or our business partners or that our Code is insufficient to instill the right behaviors	Climate Change	Environmental changes and governmental actions to reduce carbon emissions may disrupt our operations and/or reduce consumer demand for our products
		Regulatory Product Compliance	Withdrawal of a product from the market due to regulatory non-compliance

In the following pages we have identified the risks that we regard as the most relevant to our business. These are the risks that we see as most material to UCL's business and performance at this time. There may be other risks that could emerge in the future.




Our principal risks have not changed this year. Albeit the COVID 19 pandemic has increased the potential impact and likelihood of some of these risks. Much of our risk mitigation focus during the year has been on managing these risks. As well as identifying the most relevant risks for our business we reflect on whether we think the level of risk associated with each of our principal risks is increasing or decreasing. We set out below our principal risks, certain mitigating actions that we believe help us to manage our risks and the measure of future impact corresponding to each of the these.





Nature of risk	Management of risk	Level of risk
<p>Business Transformation</p> <p>Our business has been going through a transformation following changes in modality of operations which also required intimation with regulatory bodies.</p> <p>To fit with new 3P model of business many alignments were necessary in terms of approval and stakeholder management. Absence of these regulatory permissions for industrial import risks new business model which may lead us to go back to 2P model with adverse financial impact.</p>	<p>We have managed to obtain relevant permission and alignments with statutory stakeholders and regulatory bodies such as BIDA and CCIE. With those initiatives, we also have ramped up our sites to handle the new operation modality efficiently. Also, to remain future fit, we have managed the transformation building relevance with business growth.</p>	<p> Decrease</p>
<p>Continuity of Operations</p> <p>Supply continuity has been plagued by many baffling issues like single source procurement, suppliers' operations closure and transport unavailability etc. These have heavy impact on our business.</p>	<p>We have made a robust plan and followed the same implemented through intra-team communication and management even in the lockdown imposed due to pandemic. Our priorities were to build-up of on-hand inventory,</p>	<p> Decrease</p>


Nature of risk	Management of risk	Level of risk
<p>Dependency on single source supplier has been a major issue in supply chain. Continuity of supply of raw materials remain one of the most crucial agenda especially during pandemic. Supply shortage of Dry Mixed Ingredients (DMI) and other consumables can halt our whole operations.</p> <p>Also, maintaining manufacturing operations whilst adhering to changing local regulations and meeting enhanced health and safety standards has proven possible but has required significant management attention. In addition, ensuring the operation of logistics network for both input materials and finished goods has presented challenges and requires continuous focus and flexibility.</p>	<p>road route exploration to reduce sole dependency on sea route,</p> <p>sourcing from alternate manufacturing sites and SKU prioritization. We have also focused on building business case for DMI localization and successfully managed to develop the implementation trajectory.</p>	
<p>Capabilities</p> <p>Impact of COVID on business challenging the capability of our business to sustain in a stressed environment. Sustaining in the face of competition had also remain an area of continuous management attention. With all of these, new capabilities became mandatory with the change of shoppers' behaviour in pandemic.</p> <p>COVID 19 has been challenging our resilience throughout the year. The situation has been earmarked with negative impacts as the situation kept worsening. Key impacted areas those were major hurdles to follow through includes:</p> <ul style="list-style-type: none"> • Disruption of supply of materials • Halted production at 3P factory • Impacted people following rate of infection • Loss of seasonal sales <p>Move from competitors required to be remain vigilant to protect brands and sales as expected. Failing in these means losing the business which remained a test our capability to serve our consumer through various channels throughout the year.</p>	<p>We have approached the situation with utmost caution and our Business Continuity has been developed to cut through the challenges. We have managed to continue our operation in the face of pandemic with minimum business disruption. We have responded to the pandemic with following actions:</p> <ul style="list-style-type: none"> • Built necessary stock at factory and depots • Prioritized SKUs to avoid shortage of supply • Initiated various programs to ensure product availability at stores incentivising the frontliners • Ensured health and safety code for factory workers through communication and on-site implementation • Appropriate HR initiatives taken to prevent COVID from spreading at large • We also maintained our momentum to face the competitive environment with following actions: • Connecting with consumers to build a loyal consumer base through relevant campaigns and promotions • Made the product more accessible to all stage of consumers through new pack price architecture • Expanded the distribution coverage to the wider communities • Launched Low Unit Pack (LUP) 75gm of Horlicks launched • Initiated developing LUP for small brands 	<p style="text-align: center;">  Decrease </p>

Nature of risk	Management of risk	Level of risk
<p>Product Pricing and Trade Terms</p> <p>Maintaining price competitiveness is ever a critical factor for success in winning markets. We need to stay ahead of the status quo to keep floating. Surging commodity cost inflation following squeezed purchasing power have been impacting daily choices of shoppers.</p> <ul style="list-style-type: none"> • Pricing of our products could be affected by following factors: • Price Inflation of raw materials and packing materials in line with the recent global and local trends may increase production cost • Volatility of forex rate fluctuations may increase import cost • Reduction of complementary products price in the market may affect sales negatively if prices are not adjusted 	<p>Considering the impact of pricing of our products the issue remained one of the major risk agendas of management during the year. To manage the relevant risks, we stick to our principles and kept leading the market. We also ensured continuous engagement with our trade partners in different channels to build resilience against any difficult situation. Following actions have been taken at various capacity to remain up to our goals and expectations:</p> <ul style="list-style-type: none"> • Maintained coverage of different materials ranging from 3 to 6 months • Continuing strong relationship along with holding negotiation with vendors • Driving different savings initiatives to fuel our growth initiatives • Implemented Pack Price strategy to make our products more accessible to consumers • Active drive for sourcing diversification as well as localisation continued during the year 	 <p>No change</p>
<p>Sustainability</p> <p>Unfavorable changes in regulatory environment as well as changing environment impacting climate have major impacts on our business.</p> <p>Any government regulation or initiative related to plastic or other chemicals usage regulations that would significantly impact business in terms of cost of compliance and brand image. As an ethical and committed organization, this pressing issue also a challenge towards our future-fit business model.</p>	<p>Building continuous engagement and conscious contribution towards policy making as well behaving as a committed citizen remain our core strategy to adopt and lead in the changing environment. We have been representing UCL as part of the technical committee to work with regulators on formulation of Extended Producers Responsibility (EPR) regulation. As part of our commitment, we aimed to collect more plastic than we sell. We have proactively lead discussions with different chambers and work with reputed developmental organizations to pilot plastic waste management project. We are continuously engaging with regulators to share our initiatives to build trust on our intent as well as actively engaging with World Bank, IFC and UNDP and bring visibility on the business challenges.</p>	 <p>Decrease</p>
<p>Regulatory Product Compliance</p> <p>Unfavorable changes in regulatory environment especially for food and nutrition products could have detrimental effect on our business.</p> <p>New BSTI Standard or negative deviation from current standard may lead to change in product formulation resulting additional cost of compliance.</p>	<p>We are committed and strictly following our product compliances as per scientific facts and findings. We also remain active in managing relationships with our key stakeholders and partners.</p>	 <p>Decrease</p>

Nature of risk	Management of risk	Level of risk
<p>Tax</p> <p>Unfavorable changes in regulatory environment regarding taxation matters may alter business results and produce volatility in shareholder return.</p> <p>Changes in taxation through Finance Act every year impact both top and bottom line of our business. Unfavorable changes in duties and taxes may have negative financial impact increasing in cost for import based raw materials directly impacting our COGS along with driving down price competitiveness.</p>	<p>We actively contribute and respect national laws and regulations and do business in compliance with all relevant codes. We keep our active engagement with relevant stakeholders and regulatory bodies to create awareness on importance of nutrition products and impact of additional duties and taxes on the affordability for end consumers.</p>	<p> Decrease</p>
<p>Brand Equity</p> <p>Public Relations risk – negative publicity may impact our brand image losing power in marketplaces</p> <p>Negative news in the media can impact stakeholder perception about the company which in turn can lead to reputational risk. The source of the risks may remain unknown until it does a sizeable amount of loss. Our brand power may at stake due to any issue at any part of the value chain. Failure to respond in any situation or incident may also have the same implications.</p>	<p>We strictly adhere to Unilever media policy and engage in right forums upholding our brand equity. Our everyday behaviour and actions are based on our codes and business principles which ensure appropriate communication with our stakeholders. We organized many issue management training for relevant personnel. Our overall efforts are summarized as follows:</p> <ul style="list-style-type: none"> • PR planning covering RCA and action plan • Training leadership team for issue management • Reinforcing media policy requirements with necessary training and refreshers • Stakeholder mapping and engagement 	<p> No change</p>
<p>Pensions Funding & Investment</p> <p>Being in new modality and many transformations in business statutory compliance regarding funds remain a vital issue for our business</p> <p>As per Bangladesh labour laws, having gratuity or equivalent compensation policy for employees is mandatory. To apply the same into the newly transformed organisation is an area to be remain compliant.</p>	<p>Post harmonization, management has initiated and successfully able to comply with all fund related obligations. Gratuity Fund has been implemented and effective from July 2021.</p>	<p> Decrease</p>
<p>Safety</p> <p>Occupational Health and Safety has always been one of our top priority areas that concerns every level of the organisation.</p> <p>Non-adherence to safety protocols for travel and pandemic can lead to health or safety incident.</p>	<p>Management has always remained vigilant in identifying, assessing, and addressing safety issues with highest priority adhering to country Safety, Health and Environment (SHE) guidelines. Significant initiatives have been taken place during the year include:</p> <ul style="list-style-type: none"> • Safety training and awareness • Driver Safety training • Use of signage in the office • Continuous communication on health and safety guidelines 	<p> Decrease</p>

Nature of risk	Management of risk	Level of risk
<p>Safe & High Quality Products</p> <p>Misinterpretation of our product claims or communication may seriously damage our brand name</p> <p>People trust a brand that is consistent whereas any misinterpretation of product or brand claims and communications by external stakeholders may lead to potential damage to brand image which can impact the whole business. Our customers receive some promise along with products failing in which mean just losing the business. Being careless to the delicacy of our products may bring serious impact on our business.</p>	<p>We placed a robust end to end system to ensure quality of our products. Any claim or consumer-facing communication or artwork goes for vetting to CRC (Copy Review Committee consisting of representatives from legal, regulatory, global medical team). All claim is based on CSS (Claim Support Sheet) issued by global medical team.</p> <p>Media monitoring by our digital agencies and internal media team to look for any consumer feedback that has potential to damage brand image and activate our local legal, regulatory and communication team for mitigation plan. We also ensured that any transformation in our business should never have any detrimental effect on our commitment regarding safe and high-quality products.</p>	<p></p> <p>No change</p>
<p>Commodities</p> <p>Since our products are delicate depending on age, specific guidelines regarding the age groups are crucial for our operations. If products quality and relevant metrics are not managed there could be a hazardous impact on business such as violation of guidelines for Expert Marketing activities.</p> <p>Bangladesh Breastmilk Substitutes (BMS) Act is relevant for us once JHlx Stage-1 is launched. If any mandates of the BMS Act are violated by Expert Marketing team, it may lead to penalty by Govt. as well as create reputation risk. Furthermore, Scientific Engagement (SE) activities involve financial investment, there is possibility of fraud which can also create reputational risk for the company. Sampling misuse of MHLx can be interpreted as influencing the doctor to generate irrelevant prescriptions.</p>	<p>In response to these risks, we have initiated many action-based programs such as</p> <ul style="list-style-type: none"> • Training and awareness on regulations and Code, both on job and classroom sessions • Expert Marketing SOP training on annual basis. • Refresher training at every 6 months for Exp. Mkt. team members • Bi-annual departmental audit by Exp. Mkt. team for SE activities • Quarterly departmental audit by Exp. Mkt. team on sampling 	<p></p> <p>Decrease</p>
<p>Business Portfolio & Resource Allocation</p> <p>In order to align our business portfolio, we required to rename “Glaxose” brand which also has a domino effect in market.</p> <p>Since “Glaxose” name has been planned to change, there is a probable impact on sales due to consumer confusion regarding brand name and identity.</p>	<p>To have a smooth brand name transition we have chalked out a detailed plan which includes:</p> <ul style="list-style-type: none"> • Brand name/artwork journey • Consumer facing communication • Trade facing communication <p>Eventually we have launched new brand name “GlucoMax D” with higher acceptability in marketplaces.</p>	<p></p> <p>Decrease</p>

Nature of risk	Management of risk	Level of risk
<p>Code Compliance</p> <p>Many transitional compliance matters which remain unresolved may bring unfavourable outcome for the entity which also has a stake on our reputation.</p> <p>We had to deal with many complaints and even legal issues during as well as after the transition. Many legal proceedings have been initiated against the company related to compensations. Any adverse order would have significant financial impact as well as impact on company reputation.</p>	<p>We have strived to handle the situation with appropriate measures. To keep the issue in control we are continuing our necessary surveillance through following actions:</p> <ul style="list-style-type: none"> • Monitoring the cases • Preparing the evidence and replies • Preparing a contingency plan in case of adverse order 	<p style="text-align: center;"> Decrease</p>
<p>Security</p> <p>General legal matters like land dispute may cause significant loss to our business.</p> <p>We faced issues with possession and record of our land asset which could have an adverse consequence and lose property.</p>	<p>We have taken following relevant steps in response to this risk:</p> <ul style="list-style-type: none"> • Took possession of land • Established boundary wall and fixed the Company board • Filing record correction suit 	<p style="text-align: center;"> Decrease</p>
<p>Changing Customer Landscape</p> <p>Grey products, lookalikes and counterfeits impact our sales and confuses the consumers in the market, resulting in bad consumer experience and loss of sales.</p> <p>Often it becomes tough for a customer to differentiate original from lookalike, grey and counterfeit products which may cause many complications if consumed. In addition, those products may bring disreputation to our brands. If not controlled strictly, these can affect health widespread.</p>	<p>We have taken many initiatives to reach our customers with safe and original products such as:</p> <ul style="list-style-type: none"> • We have filed WP No. 10307 of 2015 and obtained Rule and Direction in our favour • Filed Notice to Customs Authority under Intellectual Property (import & Export) Enforcement Rules 2019 • Started engagement with Customs Authorities • Raid at market and factory premises • Establishing intel base through C&F Agents and engagement with NBR and Customs to create the awareness and have further intel base solution. • Get the Writ Petition No. 10307 of 2015 heard before the High Court and obtain a favorable Judgment • Exploring option to file writ to prevent retail sale • Developing a structured process for market raids to be conducted on a half yearly basis • Engaging with Regulatory team of India for necessary actions to stop unauthorized trade to Bangladesh 	<p style="text-align: center;"> Decrease</p>
<p>Information Protection</p> <p>Information Protection is key to reputation that holds the business</p>	<p>We have put standard practice in place to protect our key information. Our major actions include:</p>	<p style="text-align: center;"> Decrease</p>

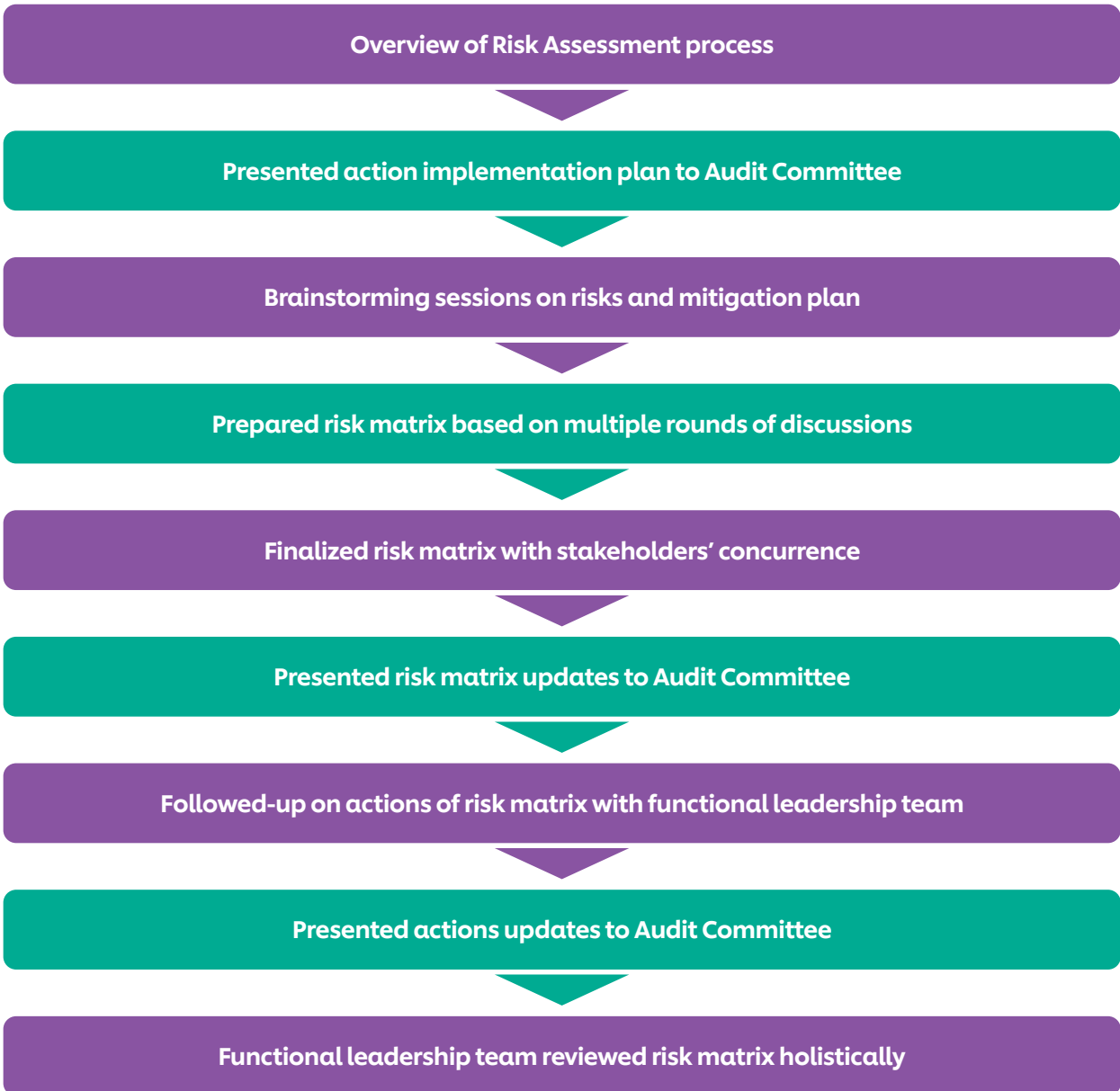
Nature of risk	Management of risk	Level of risk
<p>Proprietary data stored in local drive can be lost or misused if the device is stolen, damaged or left unattended. Also, if not properly stored, consumer data may get leaked to wrong party resulting in breach of Confidentiality policy.</p>	<ul style="list-style-type: none"> • Password protected IT systems with strong verification method in place • Periodic global awareness mandatory training on Information protection • Consumer data is stored in password protected One Drive & GIGYA, which are encrypted 	
<p>Distributor Operations</p> <p>Distributors are crucial part of our whole value chain which needed to be managed separately especially in the period of transformation.</p> <p>Distributors remain at the core of our value chain issues in which may cause significant business damage. During transition many facets of changes needed to be managed with distributor. Legally binding contracts with the distributors were recommended along with confirmation of receipt of risk and reward by the distributors is highly recommended to avoid future risks. Major hurdles include:</p> <ul style="list-style-type: none"> • Lack of legal contract with the distributors • Confirmation of the transport agency does not serve the purpose of acceptance of risk and reward of the goods by the distributors 	<p>We have already initiated the agreement process for all the distributors. Meanwhile, we have ensured the following security documents:</p> <ul style="list-style-type: none"> • Security cheque and undertaking from bank confirming the authenticity of the cheque • Undertaking from the distributor stating that they will pay the full amount in case of any default • Agreements with all the distributors have been made and effective with all relevant clauses. 	<div style="text-align: center;">  <p>Decrease</p> </div>

Our thrives towards opportunities

Opportunities	What we are doing to respond to opportunities
<p>Future-fit Portfolio</p> <p>UCL's strategic investment choices in keeping with changing consumer demographics, aspirations and spending power will bring about an opportunity for growth and improved margins. There is a huge headroom to grow through building our product portfolio in high growth masstige and prestige segments/high potential white spaces.</p>	<p>Our strategy and our business plans are designed to ensure that resources are prioritized towards high growth segments. We have a strong pipeline of relevant innovations and are staying close to consumers by proactively spotting consumer insights & capturing potential trends to adapt to the emerging demand patterns in the short-term and prepare for any structural changes in the medium term. We are also focused on making brands aspirational and significantly enhanced brand propositions and marketing investments to increase adoption in under-penetrated categories.</p>
<p>Growing in Channels of the Future</p> <p>There has been a hyper fragmentation of channels. Accelerated growth of e-Commerce and Modern Trade has brought about a huge opportunity to tap into these channels and drive business growth. The pandemic has driven rapid increase in online shopping which require us to accelerate development of our e-Commerce and eRTM capabilities.</p> <p>Strategically designed and flawlessly executed transformation would open a huge opportunity to tap into the new age channels and drive business growth.</p>	<p>While UCL continues to drive growth in the traditional trade and route to market, it is also critical to increase its footprint in emerging channels. COVID 19 pandemic has accelerated the shift of consumers to online with the trend of e-everything becoming highly discernible. The Company is working on rapid proliferation of technology enabled distribution models to engage key customers and consumers strategically.</p> <p>Several new initiatives have been piloted to capture higher growth opportunities in different channels.</p>

Opportunities	What we are doing to respond to opportunities
<p>Digital Transformation</p> <p>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>The ability to keep our operations future fit through building digital capabilities in systems, workforce and business models will help us stay agile and respond in time to evolving consumer, channel, market requirements.</p>	<p>To ensure sustainable growth, we continue to drive organization wide digital transformation agenda to capture the digital opportunity. 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 with strong focus on external orientation and partnership across large IT Companies/Industry Bodies. We are also invested to make sure that our talent is digitally enabled and future fit to ride the digital transformation wave.</p>

Risk Management Activities 2021



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 entity has effective internal controls over financial reporting. They establish guidelines for an organization'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.

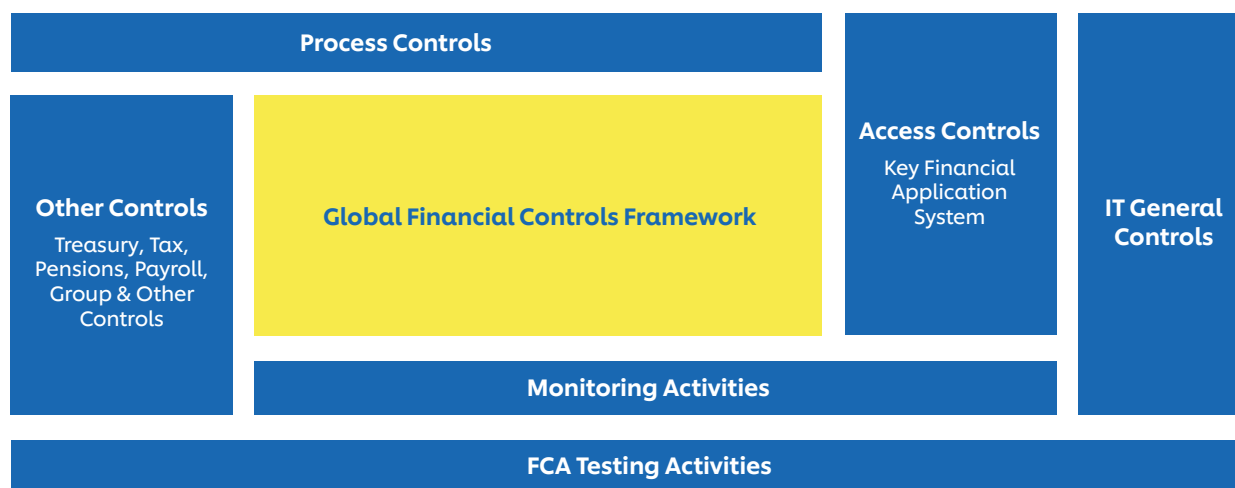
COSO principles on Integrated Internal Control Framework are widely used as a standard to manage/implement the function of internal control, and as a best practice, an organization should follow these principles to maintain a sound internal control environment, and which also form basis of forming the ELCs. We have following 25 ELCs in 8 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 • Corporate 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

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 – under Global Financial Controls Framework (GFCF)
- Other Process Controls - Treasury, Tax, Pensions, Payroll, 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 standardization of controls globally, creating efficiencies and cost savings
- is designed to maximize the use of automated controls
- facilitates a greater level of monitoring to enable 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 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 and rectification & remediation. Testing as per Global Financial Controls Framework (GFCF) has been carried out throughout the year in two phases and submitted for review at regional level. The Unilever Control Service Center (CSC) monitors a set of Control Health Indicators (CHI) on monthly basis. These controls findings are shared at the South Asia Cluster Control Forum. Detailed FCA process steps are as follows:

S.No.	Key activities	Performed by	Brief Description	
1	Scoping	GCAD (Financial Risk and Control)	Scoping determines what will be assessed	
Phase 1	2	Process documentation	Process owner	Process flowcharts and narratives are mandatory as they document and help understand the process
	3	Risk and Control Matrix (RACM)	Process owner	RACMs document relevant risks, together with the key and non-key controls that mitigate them
	4	Self-assessment	Process and Control owner	Opportunity to assess and document alternate controls to GFCF defined controls
	5	Talk through or Walkthrough	Assessor	Assess the accuracy of the process documentation and the adequacy of the controls
	6	Test plan	Assessor	Test plans help efficient testing of the key controls and adequate documentation
	Phase 1 and 2	7	Design and operational testing	Assessor
8		Deficiency assessment	Process owner and Assessor	To assess the potential impact of control failures
9		Deficiency remediation	Process owner	The identified deficiencies must be corrected and retested
10		V800 sign-off	Unit head	This document confirms compliance to the FCA process

The IT tool, Controls Hub, has been rolled out to use in the documentation of FCA process. To support and manage all elements of the FCA methodology the tool Controls Hub 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) are responsible for the daily management of the Controls Hub tool.

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.

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 unauthorized 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, unauthorized usage of systems and data loss from systems by prescribing appropriate IT-based controls.

Control Assurance

Internal Audit function carries out various process 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 2021, there were process audit held in following areas such as Vendor / Supplier Contract Management, Master Data Management, C&F process, Overheads, Payroll, Procurement and Third-Party site (MFPL). The pandemic impacted the way the audits have been completed during the year. All work has been done remotely and there has been more focus on data analysis and the use of digital technology. There was no major observation found from these audited areas.

As part of FCA test during phase 1 and phase 2 of 2021, there were 26 key manual controls were in scope. After due scoping, those controls were tested and reported in the Controls Hub accordingly. Furthermore, control operators (preparers, reviewers, and approvers) were guided for operating and documenting controls as per the control frameworks.

Access controls were duly exercised by LAC (Local Authorization 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 Duty (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 timely basis to ensured 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 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 120,464,490
Class of Shares	Ordinary
Face Value of Shares	BDT 10
Number of Shares Outstanding	12,046,449

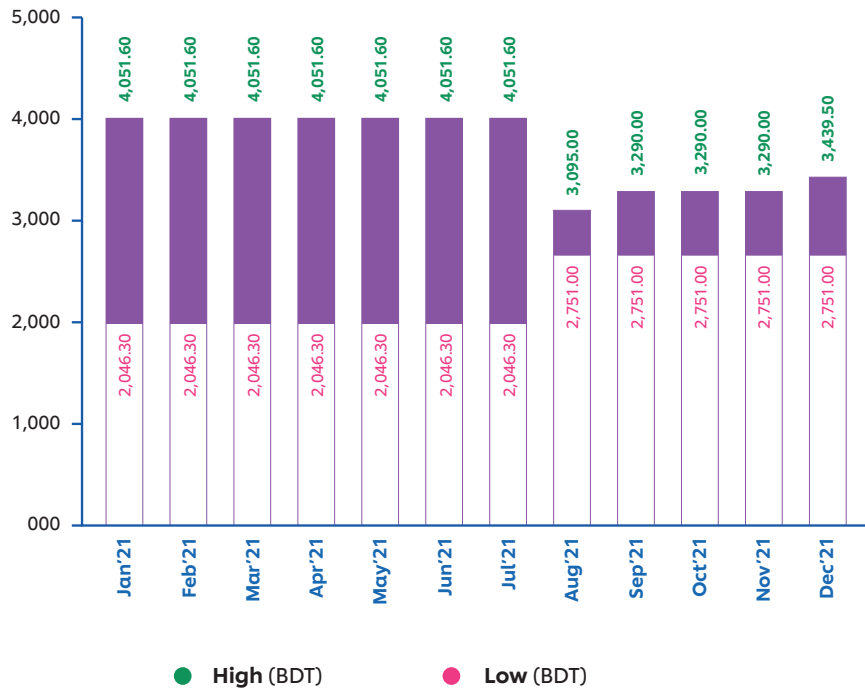
Stock Exchange Information

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

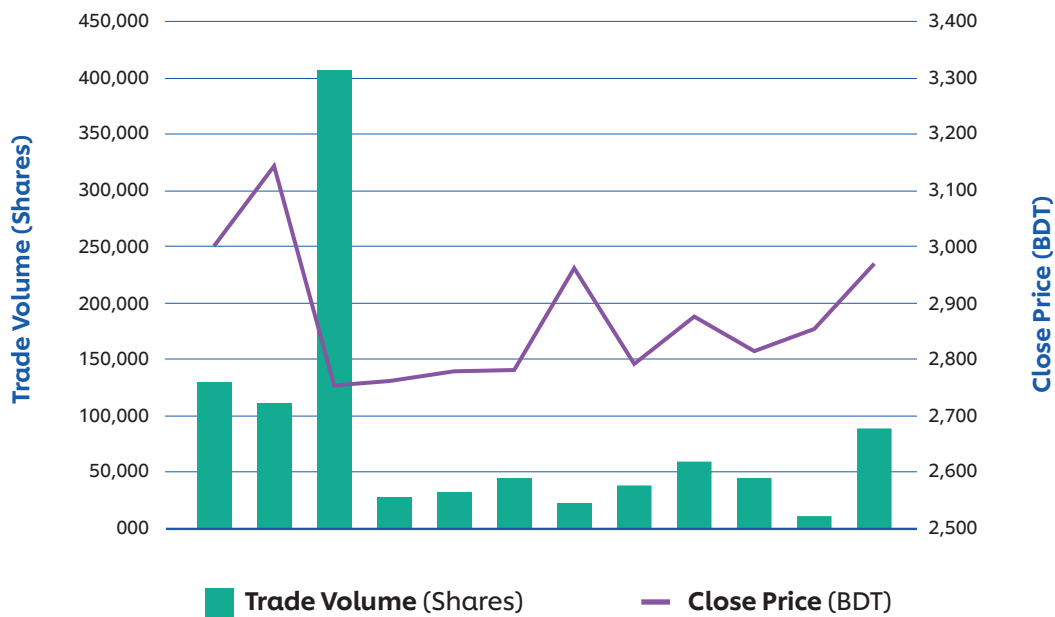
Share Performance at DSE (In 2021)

Month	High (BDT)	Low (BDT)	Close (BDT)	Volume (No.)	DSEX Index (Point)
January	4,051.60	2,046.30	3,000.40	139,775	5,649.86
February	4,051.60	2,046.30	3,139.00	112,781	5,404.80
March	4,051.60	2,046.30	2,751.00	404,161	5,278.16
April	4,051.60	2,046.30	2,761.80	24,459	5,479.62
May	4,051.60	2,046.30	2,780.50	25,691	5,990.99
June	4,051.60	2,046.30	2,779.10	45,710	6,150.48
July	4,051.60	2,046.30	2,967.40	23,712	6,425.26
August	3,095.00	2,751.00	2,794.00	36,553	6,869.25
September	3,290.00	2,751.00	2,877.80	66,963	7,329.04
October	3,290.00	2,751.00	2,812.40	45,229	7,000.95
November	3,290.00	2,751.00	2,853.30	16,264	6,703.26
December	3,439.50	2,751.00	2,977.10	81,923	6,756.66

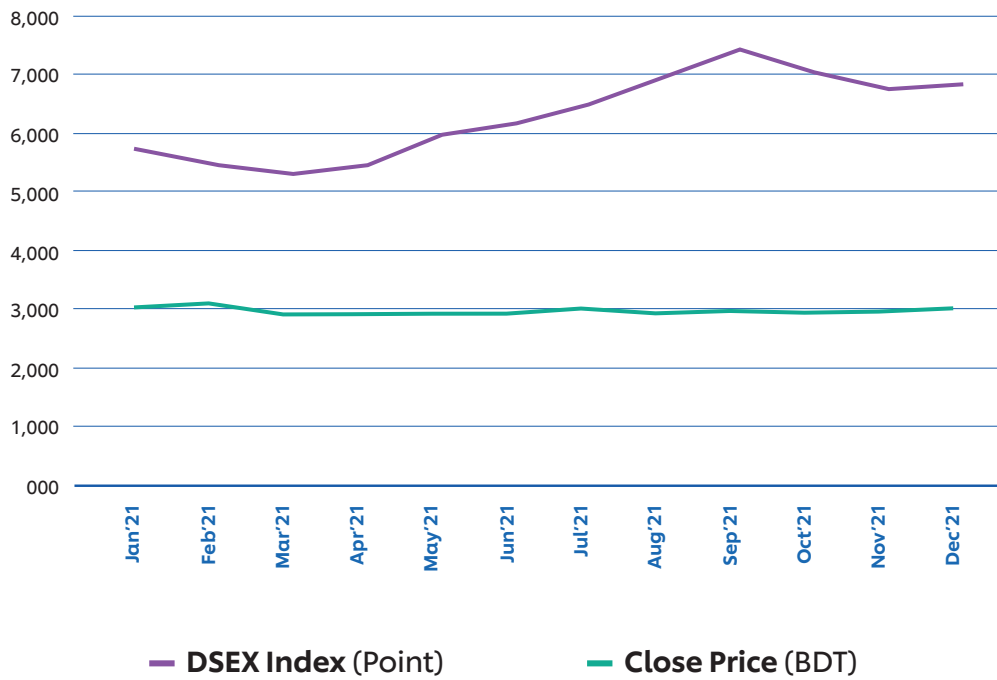
High Low Monthly Share Prices in 2021 (BDT)



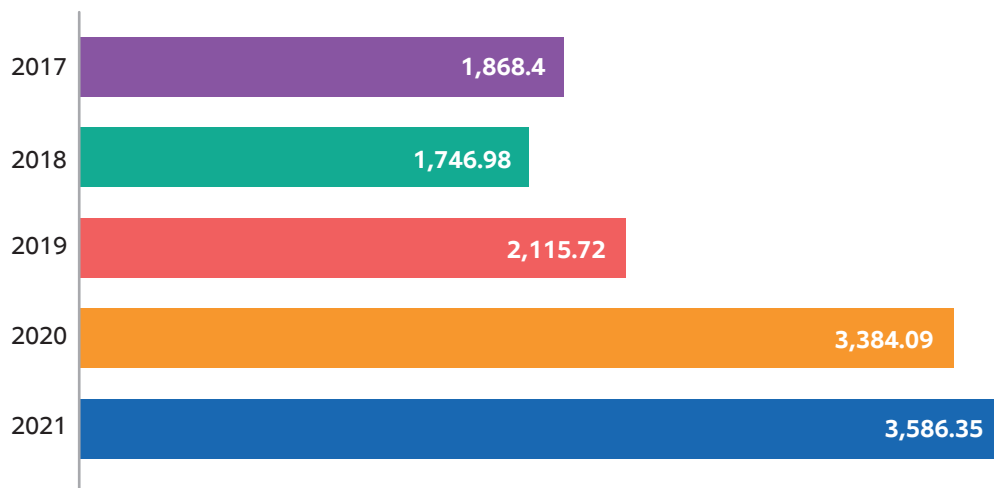
Monthly Trade Volume (Shares) vs Close Price (BDT)



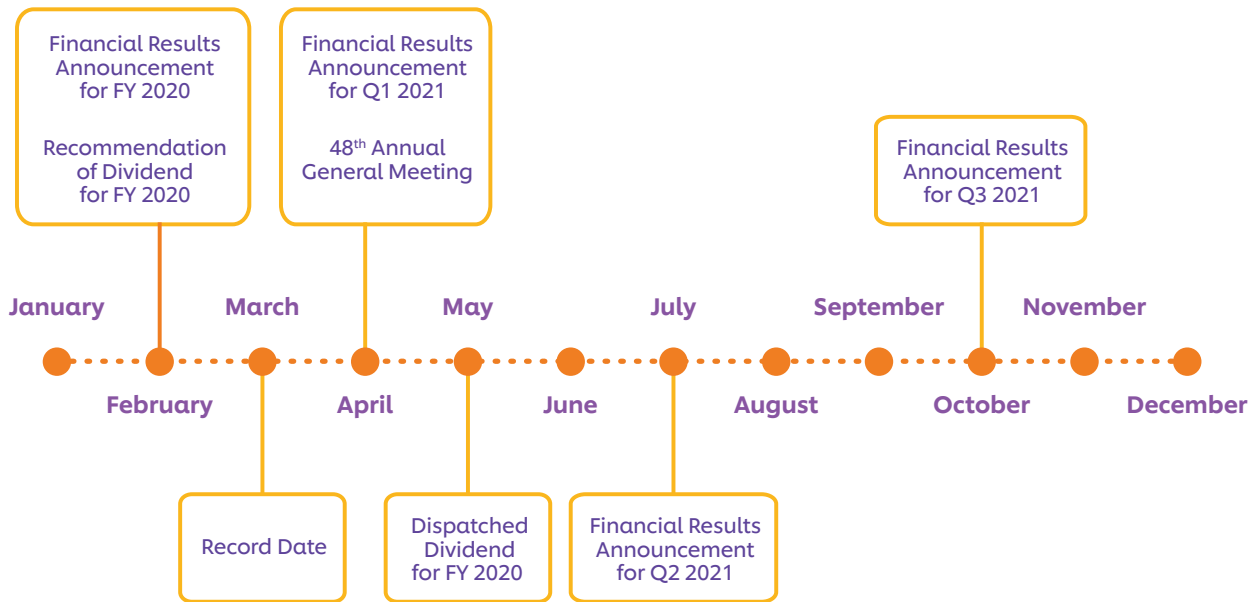
Monthly DSEX Index (Point) vs Close Price (BDT)



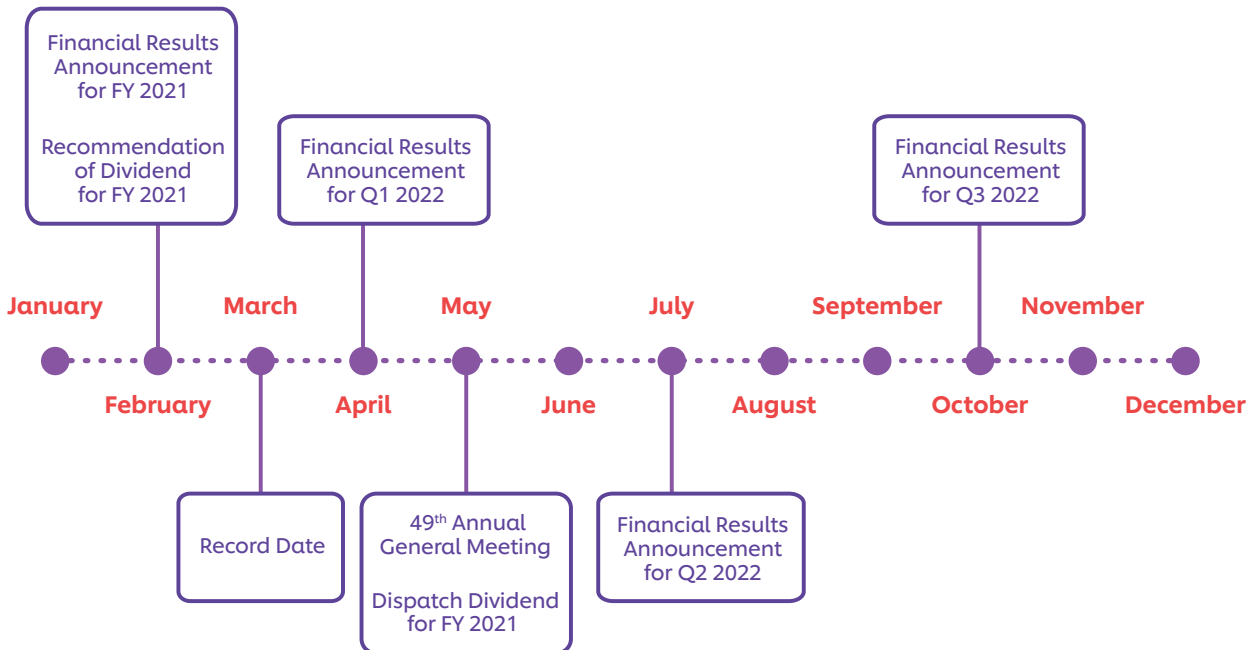
Market Capitalisation at Year-End (BDT Crore)



Calendar of Financial Year 2021



Tentative Calendar for Financial Year 2022



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, 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 +88 02 8415560 or visit the website of the Company at www.unilever.com/UCL-bd.html.

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:



Investors are encouraged to lodge their queries through e-mail at UCL.Bangladesh-info@unilever.com or via a phone call or e-mail at Mohammad-Naharul.Molla@unilever.com to the Company Secretary.

Investors may also contact the Company's Investors' Relation Department in person. Designated team member will attend to Investors individually.



Investors' Relations team acknowledges the queries and contacts the Investors to confirm their identity to proceed further.



After confirming the Investors identity, Investor Relations Team addresses their queries and delivers necessary information/documents as pursued in an expeditious manner.

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 43 years' 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.

He is also an independent director of Berger Paints Bangladesh Limited, Singer Bangladesh Limited, Community Bangladesh Bank Limited and Viyellatex Limited. 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 in the Institute of Chartered Accountants of Bangladesh for the past 43 years.

He did his Bachelor of Commerce with Honours from St Xaviers' College under 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

KSM Minhaj was inducted to the UCL Board as the Managing Director in June 2020. Minhaj brings with him 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.

He started his career at Nestlé Bangladesh Limited in 2000, doing stints in Supply Chain and Brand Management before joining Unilever Bangladesh Limited in 2006. 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.

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 did his Business Graduation from Faculty of Business Studies and MBA from IBA, Dhaka University.

Md. Zaved Akhtar Non-Executive Director

Md. Zaved Akhtar was inducted to the UCL Board as non-executive Director in October 2021. Zaved, CEO and Managing Director of Unilever Bangladesh Limited joined Unilever in 2000 after 3.5 years in British American Tobacco, and in a career spanning more than 20 years in Unilever, has worked in multiple categories across Bangladesh, India and Philippines, demonstrating the ability to thrive across different cultures. From Regional Brand Innovation Manager for Dirt is Good (India), Marketing Manager – Skin (Bangladesh), Marketing Manager - Home Care & Oral (Philippines), Regional Brand Director, Deos Asia to Brand Building Director (Bangladesh), Zaved carries rich international experience in brands, innovation, communication development and business management. In his recent role as VP, Digital Transformation & Growth, Zaved has setup and led the Digital Council for Hindustan Unilever and anchored the 'Reimagine HUL' agenda, which is widely recognised across Unilever as a comprehensive end-to-end digital transformation program with impact. Zaved has also been an integral part of Hindustan Unilever team crafting the Five Fundamentals of Growth, Institutionalising Market Development and driving Net Revenue Management in Unilever's business in South Asia.

Zaved is a graduate from the Institute of Business Administration (IBA), University of Dhaka.

Zaved loves to be outdoor so tries to hike whenever he can. He is also a certified Master Scuba Diver so jumps into the blue yonder when he can. When none of these happens, he tries to improve his handicap in golf.





Md. Zahidul Islam Malita Non-Executive Director

Md. Zahidul Islam Malita was inducted to the UCL Board in June 2020. Zahid's 19 years career with Unilever saw him undertake different roles ranging from Global Category Finance and R&D Finance in the Headquarter (London), Category Finance Partnering, Financial Control, Management Accounting, Treasury and Internal Audit in Bangladesh operation, Corporate Finance & Customer Finance in Pakistan, and more recently Finance Director in Foods & Refreshment business in Pakistan before moving to the current role as Finance Director of Unilever Bangladesh Board. He is a highly motivated and result driven Finance professional with experience in cross functional, multi-cultural environment in Bangladesh, Pakistan and UK. Zahid assumed the role of Finance Director in 2016 and has excelled with aims to add value to the organization through continuous learning and improvement.

He is a Gold Medalist Chartered Accountant and holds Hons and Masters degree in Accounting from University of Dhaka.

S.O.M. Rashedul Quayum Non-Executive Director

S.O.M. Rashedul Quayum was joined on the UCL Board in June 2020. He is an UK qualified Barrister from Lincoln's Inn and Advocate of the Supreme Court of Bangladesh 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 BBA and MBA degree from North South University. He is life member of the Honorable Society of Lincoln's Inn, UK, member of 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 and Manpower, executive committee member of IPAB, member of Legal sub-committee of FICCI and Commercial Legislation committee of MCCI.





Md. Abul Hossain Non-Executive Director

Md. Abul Hossain was joined on 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 31 years of diversified experience in investment banking, specialized 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 organization. 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 Limited. In addition to perform his professional duties, Mr. Hossain is actively involved in different philanthropic activities of various national, social, cultural, religious and volunteer organizations.

Mohsin Uddin Ahmed Independent Director

Mohsin Uddin Ahmed joined the Board in February 2018 as Independent Director. Mohsin has over 28 years of experience primarily in FMCG sector. Mohsin is currently the Chief Executive Officer (CEO) of New Zealand Dairy Bangladesh Limited. He was the Managing Director of LINDE Bangladesh Limited. Prior to joining LINDE Bangladesh, Mohsin was the President at Emami Group for its SAARC Countries' business operations. He started his career with British American Tobacco Bangladesh Company Limited (BATBC) where he spent about five years in various roles under Trade Marketing and Distribution function. He was also the Sales Director of Nestle Bangladesh from 2003 to 2011. He was expatriated to Nestle Maghreb region (Morocco, Algeria & Tunisia) as Regional Sales Development Manager in Morocco. He started his early career in Unilever and worked in various capacities under Sales Operations and later in 2011 rejoined Unilever as Customer Development Director. He was also the Member of Unilever Bangladesh Board of Directors.

Mohsin holds a Master's degree in Applied Physics and Electronics from the University of Dhaka.





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 & CEO of Runner Automobiles Limited, prior to which, he was the Regional Director of Avery Dennison RBIS South Asia. He was also the Managing Director of Reckitt Benckiser Thailand Cluster (Thailand, Philippines & Indo-China).

Mr. Chowdhury started his career at British American Tobacco as Territory Sales Manager. As a Business Manager, he has more than 29 years of wide experience in General Management, Sales, Brand Marketing, Trade Marketing and Shopper Marketing in 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. He is also the member of multiple boards as Independent Director and member of Audit Committee and NRC. Currently he sits in the Board of Hemas Bangladesh Limited, Evercare Hospital and Singer Bangladesh Limited as Independent Director.

Mr. Chowdhury has a Bachelor (Hons.) and Master's degree in Marketing from Dhaka University. He also is a graduate in 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 25 years of professional experience in Food, Nutrition and Consumer Health Care sector. He joined UCL (ex GSK) in May 2016 and lead Regulatory and Corporate Affairs function of Bangladesh, Myanmar & Nepal for the Consumer Healthcare business as Director - Regulatory and Corporate Affairs. Nahar was also the Director of GSK Bangladesh Board from December 2018 to June 2020.

Prior to UCL, he spent 19 years in Nestlé Bangladesh Limited in various management positions including Expert Marketing, Business Excellence, Scientific Relations and Code Compliance.

He did both his graduation and post-graduation from Geology Department, University of Dhaka.

REPRESENTATION OF DIRECTORS IN OTHER COMPANIES

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

S.No.	Name	Designation in UCL Board	Directorship in other Companies	Types of Directorship	Membership in Board Committees
1	Masud Khan	Chairman	Berger Paints Bangladesh Limited	Independent Director	Audit Committee
			Singer Bangladesh Limited	Independent Director	Audit Committee and Nomination & Remuneration Committee
			Community Bank Bangladesh Limited	Independent Director	Audit Committee
			Viyellatex Ltd	Independent Director	Audit Committee
			Edge Ventures Ltd	Director	-
			Kultprit Private Limited	Director	-
			Excelsior Restaurants and Conference Private Limited	Director	-
2	KSM Minhaj	Managing Director	Unilever Bangladesh Limited	Non-Executive Director	-
3	Md. Zaved Akhtar	Non-Executive Director	Unilever Bangladesh Limited	Managing Director & CEO	-
4	Md. Zahidul Islam Malita	Non-Executive Director	Unilever Bangladesh Limited	Finance Director	-
5	S.O.M. Rashedul Quayum	Non-Executive Director	-	-	-
6	Md. Abul Hossain	Non-Executive Director	British American Tobacco Bangladesh Company Limited	Nominee Director	Audit 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 Limited	Nominee Director	Audit Committee			
7	Mohsin Uddin Ahmed	Independent Director	-	-	-
8	Reazul Haque Chowdhury	Independent Director	Runner Automobiles Limited	Managing Director	-
			Singer Bangladesh Limited	Independent Director	Audit Committee and Nomination & Remuneration Committee
			Evercare Hospital	Independent Director	-
			Hemas Bangladesh Limited	Independent Director	-

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 2021, are set forth in this annual report, which has been approved by the Board of Directors in its meeting dated 28 February 2022 and 14 March 2022 respectively.

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

The Audit Committee comprises of four members, all of whom are non-executive directors. The Chairman of the Committee is appointed by the Board of Directors 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 19 years of experience.

The terms of reference of the Audit 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 authorized 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 recommendation before disclosing in the Annual Report.



Audit Reports

- To prepare the annual Audit Committee report and submit to the Board which includes 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 bi-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 its duties.
- Review and assess 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 from 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 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 to 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 Audit 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 2021, the Audit 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 twice in the year.
- 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 2021 in consideration of major risks of the Company.
- Reviewed all Internal audit reports submitted by Internal auditor and overseen 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) auditor's 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 Audit Committee meetings are placed subsequently to the Board of Directors for their intimation on 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 interests.
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements.
- Suspected infringement 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

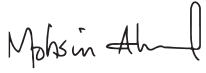
In the year 2021, the Audit Committee met four times. The details of attendance of each member of the Audit Committee meetings in 2021 are as follows:

Name	Representation in Board	Representation in Audit Committee	Date of joining the Committee	No. of meetings in 2021	
				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	4
Mr. Md. Abul Hossain	Non-Executive Director	Member	21 st August, 2019	4	4
Mr. Md. Zahidul Islam Malita	Nominated Non-Executive Director	Member	1 st October, 2020	4	4

Mr. Hasnain Ahmed attended the meetings as Finance Director till H1-2021 and Mr. Md. Humayoun Kabir attended the meetings as Head of Finance for rest of the year to provide clarifications on all Company's financial matters.

Internal Audit Manager, Mr. Prasenjit Dev and thereafter Mr. Probal Raha has attended all meetings in H1 & H2-2021 respectively of the Committee 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 2020 to the Committee.

Mr. Md. Naharul Islam Molla, Company Secretary, attended all meetings in 2021 in the role of Secretary of the Audit Committee.



Mohsin Uddin Ahmed
Chairman
Audit Committee
Date: 28 February 2022



NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee (“Committee”) constituted by the Board of Directors (“Board”) of the 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.

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 has 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 position 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 Board’s diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- (iv) Review the Code of Conduct of Board on a periodic basis and recommend any amendments for Board consideration.
- (v) Identifying the company’s needs for employees at different levels and determine 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 Board relating to the remuneration of the Directors and top-level executive, 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 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.
- (viii) Assist the Board to formulate the criteria for evaluation of 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 transparent, rigorous, and nondiscriminatory way. The Committee recommends the appointment of Directors and Top-Level Executives to Board, upon considering the integrity, qualification, expertise, positive attributes, experience, and independence (in case of 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 reflecting diversity in broader sense. The Committee assess 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 reward philosophy are followed in entirety, thereby facilitating the Company to recruit, retain and motivate the best talent. The ultimate objective is to gain competitive advantage by creating a reward proposition that inspires employees to deliver Company's promise to shareholders & 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. Company's compensation policy defines the composition of Executive

Directors' and Top-Level Executives' compensation package which comprises with fixed and incentive pay. The incentives are also tied in with Company's business performance.

Non-Executives Directors 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 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 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 2021:

- (i) Reviewed and recommended to the Board a report on activities of the Committee carried out during the financial year 2020.
- (ii) Reviewed and recommended the introduction of "Voluntary Resignation and Immediate Re-Hiring Scheme" for the purpose of implementing "Gratuity Scheme" in the Company.
- (iii) Reviewed and recommended to the Board the appointments of Directors to Board in accordance with the nomination criteria.
- (iv) Reviewed and recommended to the Board the re-appointment of an Independent Director in accordance with the nomination criteria.
- (v) Reviewed the criteria for performance evaluation of the Board and Independent Directors.
- (vi) Reviewed and recommended to the Board the appointments of Top-Level Executives in accordance with the nomination criteria.
- (vii) Reviewed and recommended to the Board the closure of assignment of an Expatriate Employee.
- (viii) Reviewed the Company's existing Human Resources and Training policies.
- (ix) 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.
- (x) Reviewed the "Terms of Reference" of the Committee and recommended it to Board for approval with required amendments.

Meetings and Attendance

During the year 2021, the Committee met for three times. The following table shows the composition of the Committee and members attendance at the Committee meetings:

Name	Representation in Board	Representation in Committee	Date of joining the Committee	No. of meetings in 2021	
				Held	Attended
Mr. Reazul Haque Chowdhury	Non-Executive Independent Director	Chairman	10 th April, 2019	3	3
Mr. Mohsin Uddin Ahmed	Non-Executive Independent Director	Member	1 st December, 2018	3	3
Mr. Md. Abul Hossain	Nominated Non-Executive Director	Member	21 st August, 2019	3	3
Mr. Md. Zahidul Islam Malita	Nominated Non-Executive Director	Member	1 st October, 2020	3	3

Mr. Md. Naharul Islam Molla, Company Secretary attended all meetings held in 2021 in the role of Secretary of 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: 28 February 2022



LEADERSHIP TEAM







Khan Salahuddin Mohammad Minhaj

Managing Director

KSM Minhaj was inducted to the UCL Board as the Managing Director in June 2020. Minhaj brings with him 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.

He started his career at Nestlé Bangladesh Limited in 2000, doing stints in Supply Chain and Brand Management before joining Unilever Bangladesh Limited in 2006. 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.

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 did his Business Graduation from Faculty of Business Studies and MBA from IBA, Dhaka University.

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 25 years of professional experience in Food, Nutrition and Consumer Health Care sector. He joined UCL (ex GSK) in May 2016 and lead Regulatory and Corporate Affairs function of Bangladesh, Myanmar & Nepal for the Consumer Healthcare business as Director - Regulatory and Corporate Affairs. Nahar was also the Director of GSK Bangladesh Board from December 2018 to June 2020.

Prior to UCL, he spent 19 years in Nestlé Bangladesh Limited in various management positions including Expert Marketing, Business Excellence, Scientific Relations and Code Compliance.

He did both his graduation and post-graduation from Geology Department, University of Dhaka.





Aditya Kumar

Marketing Director

As Marketing Head, Aditya is responsible for the overall marketing activities of the Company. Aditya joined Unilever in Bangladesh to lead the integration of GSK-CH with Unilever and post that joined in 2020 as Marketing lead of the Company. Aditya joined Unilever in India in 2009 and started his career in sales in General Trade and Modern Trade. Post that he led marketing in various foods brands of Unilever in South Asia countries. Aditya has completed his MBA (post-graduation) from XLRI Jamshedpur, India.



Shamima Akhter

Head of Corporate Affairs,
Partnerships and Communications

As Head of Corporate Affairs for Unilever in Bangladesh, Shamima looks after corporate affairs, partnerships for sustainability initiatives and company communications.

Shamima joined Unilever in 2019 and with 17 years of work experience, she has worked at global brands like Coca-Cola, Grameenphone, technology start-up QUBEE, USAID and UNDP.

Shamima holds a Master's Degree in Development Studies from North South University and Masters of Arts (Gender Studies) from The University of Dhaka.



Md. Humayoun Kabir

Head of Finance

Md. Humayoun Kabir is the Head of Finance of the Company. He is a qualified Chartered Accountant by profession having MBA in Finance from Rajshahi University. He has twelve years of professional experience in different industries, including Pharmaceuticals, Oil and Gas, IT and Foods, working in all disciplines in Finance function throughout his career. Md. Humayoun Kabir joined the Company (ex GSK) in September 2015 as Management Reporting Manager of the MyBaN (Myanmar, Bangladesh, and Nepal) cluster and became the Head of Finance in 2021.

Md. Tafizul Islam Pial

Head of Sales

Md. Tafizul Islam Pial joined Unilever Bangladesh Limited as a Territory Manager in 2006. He has 15 years of experience in Unilever, both locally and internationally in Field Sales, Customer and Brand Marketing. During this journey, Pial has bagged success in various business critical assignments and gathered a holistic and rich experience.

After a successful stint as the Regional Manager, followed by Channel Development & Shopper Marketing Lead, he assumed responsibilities as the General Sales Operations Manager where Pial has successfully established future-fit and complaint RTM Partners which is a non-negotiable to establish competitive edge for sustainable growth. Thereafter, he was appointed as the Head of Sales for the Nutrition business, post the successful CD integration of GSK operations.

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





Ishrat Ahmed

Senior Legal Counsel and Compliance Manager

Ishrat joined Unilever as Lead Counsel for the Acquisition of GSK Bangladesh Limited by Unilever. After successful completion of the acquisition, she was appointed to lead the Legal department of UCL.

Ishrat is a Barrister-at-Law (UK), a lawyer in Australia and Advocate of Supreme Court of Bangladesh and she comes with 12+ years of experience as Senior Legal Counsel of British American Tobacco, HSBC and she was the Head of Legal for Siemens Bangladesh Limited.

She has received various awards for her outstanding performance as a contributor to the business that she served. In Unilever she was awarded with various recognition for her contribution in leading and implementing data privacy process, tea-business carve out, combatting counterfeit and grey products. Ishrat completed her Bar Vocational Course and LLM from City University, London.



Imtiaz Mahmud

Supply Chain Lead

Imtiaz joined the Company supply chain in 2012. In his current role, he is responsible for UCL's supply chain operation.

Prior to joining UCL, he was at British American Tobacco Bangladesh. In his career, he moved across different roles within supply chain.

Imtiaz did his BSc in Computer Science and Engineering from Ahsanullah University of Science and Technology.



Ahmed Inam

Human Resources Lead

Inam 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. Inam comes with over 13 years of experience in HR in different multinational & local companies including Banglalink, Rahimafrooz and Huawei. He completed both his graduation and post-graduation from North South University.

AWARDS AND ACHIEVEMENTS



8th ICSB National Award for Corporate Governance Excellence 2020 – Silver Award in Food and Allied Companies category.





Partnering For The Future

We are continuing to capitalize the strong distribution network of Unilever to build strong partnerships with retailers of varying scales. Not only are we distributing nutritional products across the whole country but also helping these retailers boost their skills and income. We understand how crucial the contribution of small-scale retailers are to developing a market in their respective communities and we are empowering them through initiative like "Pollydut" with a steady stream of products, allowing us to reach our consumers to the last mile every day.



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DIRECTORS REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 2021

Dear Shareholders,

The Board of Directors has the pleasure of presenting the Directors' Report and Auditor's Report together with the audited Financial Statements of Unilever Consumer Care Limited ("Company" or "UCL") for the year ended on 31 December 2021.

The Directors' Report has been prepared in accordance with Corporate Governance Code issued by Bangladesh Securities & 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 49th Annual General Meeting of the Company scheduled on 17 May 2022.

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 Limited since 1976. On 30 June 2020, 81.98% of shares of the Company was 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) with 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 healthcare products under the brands' names Horlicks, Boost, Maltova, and GlucoMax D (previously known as Glaxose D).

Industry Outlook and Possible Future Developments

2021 has seen major upheavals in Fast Moving Consumer Goods (FMCG) industry. While the economy recovered from the pandemic affected slump in 2020, as the GDP growth of 5.5% (Asian Development Bank FC) suggests, a rise in commodity prices saw inflation creep up throughout the year, with the rate rising sequentially as the year progressed. Increasing transport costs and the appreciation of the US dollar saw the non-food inflation on the rise in December 2021. Additionally, 800,000 tons decline in the production of Aman rice grain led to further pressure on the food market, with the result that food inflation rate increased up to 5.46% by the year end.

This trend is expected to continue into 2022, with several rounds of pricing expected across the industries in both food and non-food segments, as fuel prices, especially of crude oil, are anticipated to soar further.

However, several key factors are cause for cautious optimism. COVID-19 cases have been steadily declining since the turn of the year, as the government undertook a large project to increase access to booster doses. The Padma bridge project is expected to be completed in the first half of 2022. Part of the Metro rail networks in Dhaka is scheduled to become operational by the year end, yielding significant productivity benefits. These factors have led the World Bank to increase its GDP growth forecast for Bangladesh to 6.7% for the fiscal year 2022-2023, up by 70bps from the last iteration.

Business Performance Through Sustainable Value Creation

Unilever's operational principle is to create sustainable long-term value while achieving superior business performance. Through its well-known 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 innovation in packaging, product, price, and communication over the year 2021.

The Company identified availability and affordability alongside consumer awareness as key intervention areas to address. The distribution width was broadened significantly to improve availability, smaller, convenient, and innovative packs were launched at affordable prices to improve the value offered to consumers. Throughout the year, consumer awareness was driven by rolling out contextually relevant communications on online and offline platforms. The door-to-door campaign was piloted with the access pack to educate low-SEC consumers about the value of nutrition that Horlicks provides. Key periods of the year like Ramadan and exam season were identified for thematic communication to build relevance. Several partnerships with key opinion leaders from different occupations were formed to advocate for Horlicks' usage among relevant consumer segments, which paid dividends in convincing consumers about the long-term benefits of Horlicks' nutrition.

The activities resulted in rise of Horlicks' household penetration from 15.9% in 2020 to 17.9% in 2021, led by double-digit growth in small pack volumes. Overall, the Company closed the year at 19.4% Underlying Sales Growth (USG).

Manufacturing

At present, the Company ensures all its supply from the third-party (3P) manufacturing site, Mutual Food Products Limited (MFPL), located at Konabari, Gazipur. MFPL has been UCL's sole manufacturing partner since 2002. With its state-of-the-art manufacturing setup, MFPL supported strong business volume growth in 2021. MFPL is compliant with the most stringent safety and quality regimen set by Unilever global and local regulatory bodies and entities. The site is ISO22000 certified with the safest food manufacturing facilities according to Global Food Safety

Initiative (GFSI) standards. Also, all our products are Package Commodity Rule (PCR) registered after physical site audit by Bangladesh Standard and Testing Institute (BSTI), which is the testimony of our compliance practices as per the local regulations.

To complement Safety and Quality Assurance, periodic trainings and skill development workshops are organized for the manufacturing team as per Training Matrix on a regular basis. The production site is fully compliant with Bangladesh Labor Law and does not appoint child labour for any of its activities.

MFPL is an environmentally responsible manufacturing site with ETP usage, carbon efficient transportation, energy efficient electrical and material handling. In terms of Health and Safety practices, MFPL is fully covered with fire detection and combat system, which is centrally monitored, keeping the operation safe.

Additionally, the Company is working on resuming some of its manufacturing activities at the Chattogram factory by the end of 2022.

Financial Performance

The Directors are pleased to report the financial results of the Company for the year ended 31 December 2021.

Particulars	2021	2020	BDT Crore	
			Vs	2020
Revenue	414.4	346.9		19.4%
Cost of sales	222.3	187.6		18.5%
Gross Profit	192.1	159.3		20.6%
% to turnover	46.4%	45.9%		0.4%
Profit from operations	73.3	55.4		32.5%
% to turnover	17.7%	16.0%		1.7%
Profit before tax	71.7	66.7		7.5%
Income tax expenses	18.9	17.0		11.4%
Profit/(loss) from discontinued operations	-	3.2		-100.0%
Profit after tax	52.8	52.9		-0.3%
% to turnover	12.7%	15.3%		-2.5%

Cost of Sales

The cost of sales increased by 18.5% during 2021 in line with sales growth. The cost of sales has also been impacted by raw and packing material inflation and increased custom duty (from 15% till June 2020 to 25% afterwards).

Gross Profit Margin

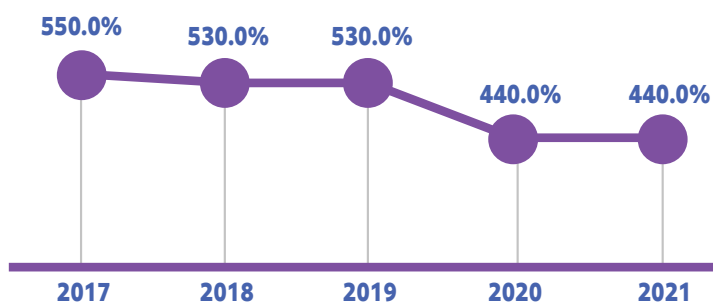
The Company took extensive savings initiatives and was able to offset the increase in the cost of sales. Due to innovative saving programmes, gross margin has improved in 2021.

Net Profit Margin

Though the operating margin of the Company has improved over 2020, the profit margin of the Company declined by 2.5% vs the same period mainly due to reduced interest income.

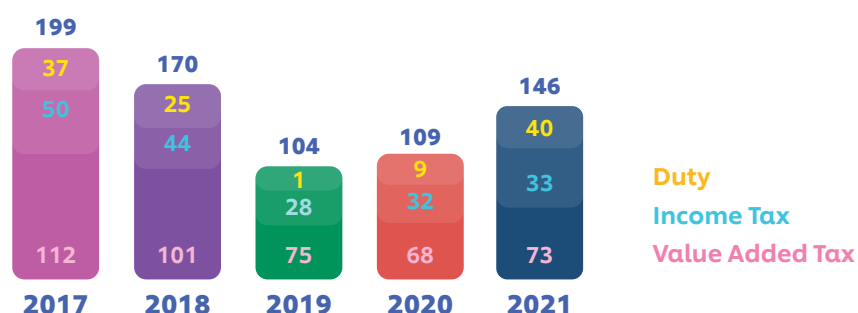
Distribution to Equity Shareholders

In consideration of the above business and financial performance, the Board of Directors recommended a final dividend of 440%, i.e., BDT 44 per share of BDT 10 each for the year 2021. The recommended dividend, if approved by the Shareholders at the 49th Annual General Meeting, will involve a cash outflow of BDT 53 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 2021, the Company contributed to the National Exchequer a sum of BDT 146 Crore.



Key Operating and Financial Data

The summarized key operating and financial data for the five years (2017-2021) is presented below: (The detailed version is presented in Annexure-II).

Particulars	BDT Crore				
	2021	2020	2019	2018	2017
Revenue	414.4	346.9	404.2	481.7	465.7
Cost of sales	222.3	187.6	181.1	256.7	243.3
Gross Profit	192.1	159.3	223.1	224.9	222.4
Operating Expenses	118.7	103.9	116.0	106.6	114.1
Profit from operations	73.3	55.4	107.1	118.3	108.3
Net finance income	1.6	16.9	16.9	11.6	6.3
Other income/(expenses)	0.5	(1.9)	-	-	-
Profit before WPPF & taxation	75.4	70.3	123.9	130.0	114.6
Contribution to WPPF	3.8	3.7	6.0	-	5.0
Profit before tax	71.7	66.7	117.9	130.0	109.6
Income tax expenses	18.9	17.0	16.2	(9.7)	27.8
Profit from continuing operations	52.8	49.7	101.7	139.6	81.8
Profit/(Loss) from discontinued operation	-	3.2	(3.1)	(203.2)	(14.8)
Profit after tax	52.8	52.9	98.6	(63.5)	66.9

Note: Other income/(expenses) in 2019 and earlier are included in operating expenses

Event Subsequent to the Statement of Financial Position

The Board of Directors recommended a final cash dividend at the rate of 440% per share for the year ended 31 December 2021 at the 306th Board meeting held on 28 February 2022. 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. As of the date of this report, the Board consists of eight Directors comprising seven Non-Executive Directors, out of which two are Independent Directors and the Managing Director.

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 page 80 to 85 of this Annual Report.

Board of Directors Meeting and Attendance

During the year 2021, 06 (Six) 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)	06	06	Existing
Mr. Khan Salahuddin Mohammad Minhaj (Managing Director)	06	06	Existing
Mr. Md. Zaved Akhtar (Non-Executive Director)	01	01	Appointed with effect from 26 October 2021
Mr. Md. Zahidul Islam Malita (Non-Executive Director)	06	06	Existing
Mr. S.O.M. Rashedul Quayum (Non-Executive Director)	06	06	Existing
Mr. Md. Abul Hossain (Non-Executive Director)	06	06	Existing
Mr. Mohsin Uddin Ahmed (Independent Director)	06	06	Re-appointed with effect from 01 February 2021
Mr. Reazul Haque Chowdhury (Independent Director)	06	06	Existing
Mr. Kedar Lele (Non-Executive Director)	06	05	Resigned with effect from 01 November 2021
Mr. Hasnain Thoufiq Ahmed (Finance Director)	04	04	Resigned with effect from 30 June 2021

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. Md. Zahidul Islam Malita, and Mr. S.O.M. Rashedul Quayum, who being eligible, offer themselves for re-election.

Pursuance to the Article 89 of The Articles of Association of the Company, Directors appointed at Casual Vacancy or as Additional Director shall be retiring in the ensuing Annual General Meeting and, if eligible, qualify for re-election.

Accordingly, Mr. Md. Zaved Akhtar, having been appointed to the Board since the last Annual General Meeting, shall retire, and being eligible, offer himself for re-election.

As per the stipulation of the BSEC's Corporate Governance Code, the tenure of Mr. Reazul Haque Chowdhury as Independent Director will be completed on 09 April 2022. The Board, subject to BSEC's consent and Shareholders' approval in the ensuing 49th Annual General Meeting, has been re-appointed Mr. Reazul Haque Chowdhury as Independent Director of the Company for another tenure of three years effective from 10 April 2022.

The brief resumes of re-electing / re-appointing Directors are given below:

Mr. Md. Zahidul Islam Malita

A brief resume of Mr. Md. Zahidul Islam Malita has been presented on Page No. 82.

Mr. S.O.M. Rashedul Quayum

A brief resume of Mr. S.O.M. Rashedul Quayum has been presented on Page No. 82.

Mr. Md. Zaved Akhtar

A brief resume of Mr. Md. Zaved Akhtar has been presented on Page No. 81.

Mr. Reazul Haque Chowdhury

A brief resume of Mr. Reazul Haque Chowdhury has been presented on Page No. 84.

Remuneration of Directors, Including Independent Directors

During the year, the Company has paid a total of Tk. 936,000 as Board meeting attendance fees including AIT and VAT to two Independent Directors and one Non-Executive Director excluding Directors who are in the employment of the Unilever Group Companies (disclosed in note 24 of the Financial Statements). Another Non-Executive Director who is not part of the employment of Unilever Group Companies is given remuneration for his advisory role as Chairman, which is disclosed in note 35 of the Financial Statements along with remuneration of Key Management Personnel.

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 Company's website www.unilever.com/UCL-bd.html. All Directors signed an annual declaration for the year 2021, 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 presents 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 that 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 the last year's operating results of the Company have been highlighted under the above point (Financial Performance).

Certification by 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 Declaration by Directors

- a) Utilization 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 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 2021 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 report, 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 meeting, the Board engages with shareholders and respond to their queries on varied topics.

Compliance with BSEC Directive - Capital Market Stabilization Fund

Pursuance to regulatory requirements mandated by the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021, all publicly listed Companies are directed by BSEC to transfer the amounts to the Capital Market Stabilization 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. Securing all applicable legal obligations, the Company has deposited the amount of Tk. 8,135,886.15 to CMSF, which was held in Company for 3 (three) or more years against unclaimed or undistributed or unsettled cash dividend.

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 35 of the 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 page 59 to 68.

Internal Control

The Company has a robust internal control and risk management system in place. The system of internal control is sound in design 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 protecting 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 Global Financial Controls Framework (GFCE), testing has been carried out throughout the year in two phases and submitted for review at the regional level. The Unilever Control Service Center (CSC) monitors a set of Control Health Indicators (CHI) on a monthly basis.

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 have been presented and reviewed by the Audit Committee on a quarterly basis.

As per the Annual plan approved by the Audit Committee, the internal audit function conducted periodic process audits throughout the year to assess the effectiveness of controls. 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. 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

2021 was a significant year for the employees of UCL with the culmination of reward harmonization, which was a critical milestone for our people. While this is being done, the country has gone through the second wave of COVID-19. However, with a strong growth mindset and camaraderie among the employees, the Company overcame the challenges and made praiseworthy progress.

On 1st July 2021, after one year of integration, the organization implemented the new grade and reward structure in line with Unilever's reward principles. UCL employees are now eligible for Gratuity, which was not present earlier.

Throughout the pandemic, Company's Human Resource (HR) team was appreciated for its outstanding medical support to employees and the outer core. The Company got into some exclusive contracts and managed to get employees tested in the fastest possible time. Through vaccinations drives, it ensured that employees were registering for the vaccine on time and became vaccinated. Company HR developed a 24/7 dedicated team to support the infected employees and their families. During the office reopening period, the team ensured all health-related protocols for a safe work environment.

Apart from the pandemic support, the safety of the employees remained a top priority for the Company. It

took proactive measures as per Unilever's Safety practices as part of its commitment to ensuring a 'Zero Incident' record throughout the year. Wellbeing remained another commitment supported through diversified initiatives, i.e., online gym and yoga sessions webinars on mental health conducted by experts.

The HR team also remained committed to keeping the workforce energized and motivated. It has arranged many sessions throughout the year, including a virtual annual conference, team connects, bootcamp, Customer Development Meet, and quarterly townhall that kept the employees close to the leadership team and each other. These initiatives kept them energized and helped create the strong growth momentum the organization is currently having. These actions focusing on enhancing the Company's culture to foster a growth mindset have also resulted in the Company's highest-ever Employee Engagement score since its inception.

In the year 2021, the Company focused on strengthening its diversity agenda by including a higher number of females, people with physical disabilities and transgender into its ecosystem.

Governance, Compliance and Business Integrity

The Company believes in growing responsibly and sustainably. Having a strong set of values that respect people, society, and the planet has always been at the heart of Unilever. Our Code of Business Principles (Code) is a simple and mandatory ethical statement of how we should operate, and it act as our guidebook for putting our values into practice. The Code define the ethical behaviour's that we all need to demonstrate when working for Unilever. Several sessions on Code and Business Integrity were held with the employees and new joiners during the year. We ensured 100% of employees undertook and signed their yearly business integrity pledge.

The Company has robust processes to ensure that the claims of our products are right and compliant. Additionally, there are structured process in place to manage contracts, litigations and regulatory compliance. As Bangladesh is moving further towards digitalization, new regulations are being formulated for data privacy and security, hence ensuring data security and privacy has now become vital. Unilever is continuing to ensure it has an appropriate framework and standards to safeguard data privacy of its employees and consumers.

In 2021, the Company has closely worked with different regulatory authorities to form progressive policies and regulations that will allow innovative and world-class products and business in the country. We are continuing to combat the menace of counterfeits, and unauthorized/illegal import of our products vide 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 formers to develop a progressive regulatory environment in the best interest of all stakeholders and for ensuring a level playing field.

Our Responsibilities for Sustainable Bangladesh

Food and nutrition are some of the key foundations of a healthy life. Our society cannot prosper without addressing the nutritional needs of children and their mothers during their formative years. Horlicks, the premier health beverage in Bangladesh, modelled its philosophy on delivering the necessary macro and micronutrients needed for everyone.

Horlicks has taken up the ambitious goal of empowering 2.5 million mothers across the nation with the knowledge of proper diet and nutrition. To do so, the brand has set up an extensive door-to-door awareness programme through which nutrition representatives visit households and directly engage with mothers to educate them on the fundamentals of good nutrition and the role of Horlicks. The objective is to educate mothers on the benefits and importance of the right nutrition in ensuring immunity and holistic development.

UNICEF and WHO works extensively in Bangladesh to promote breastfeeding and has been celebrating World Breastfeeding Week since 1990. Horlicks Mother's Plus, one of the premier nutrition brands of Bangladesh for pregnant and lactating mothers, developed a campaign titled 'World Breastfeeding Week 2021: Matridughdho Paan-e Gori Shohayok Poribesh'. The campaign initiative disseminated knowledge and tips related to breastfeeding, awareness on breastfeeding, nutrition for mothers during breastfeeding, breastfeeding during the pandemic, and encouraging husbands and male counterparts to proactively support breastfeeding mothers.

To combat the COVID-19 surge in 2021, the Company joined hands with Sena Kalyan Sangstha (SKS) to provide nationwide relief support among 50,000 marginalised families with products related to health, hygiene and nutrition. SKS, the welfare organisation of the Armed Forces, and the Bangladesh Army has distributed those products in different parts of the country to expedite the Government's COVID-19 relief support. Details of these initiatives are provided on page 39 to 42.

Awards and Achievements

At UCL, principles of Corporate Governance are built on transparency, accountability 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 taking business decisions and acting in a way that is ethical and in compliance with applicable legislations. In recognition of such governance practices, the Company was conferred upon a Certificate of Recognition at the ICSB National Award for Excellence in Corporate Governance for the year 2020 by the Institute of Chartered Secretaries of Bangladesh.

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 on Corporate Governance Code for the year 2021 is attached in Annexure-IV, along with the Certificate of Compliance required under the said Code.

Statutory Auditors

The present auditors, Rahman Rahman Huq, Chartered Accountants (KPMG in Bangladesh), shall retire from their office in the ensuing 49th Annual General Meeting, and being eligible to offer themselves for re-appointment. Following the recommendation of the Audit Committee, the Board has endorsed the re-appointment of Rahman Rahman Huq, Chartered Accountants as the Auditors of the Company for the year 2022 subject to the approval of Shareholders in the ensuing 49th Annual General Meeting.

Compliance Auditors

As per stipulation of the BSEC's Corporate Governance Code, Board has recommended the re-appointment of MABS & J Partners, Chartered Accountants as Compliance Auditors for the year 2022 subject to the approval of Shareholders in the ensuing 49th 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 this 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, Ministry of Home Affairs, Bangladesh Police, Ministry of Public Administration, Local District and Upazila Administration, The Bangladesh Securities and Exchange Commission ("BSEC"), The Dhaka Stock Exchange Limited ("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"), 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 2021, especially during the period of pandemic.

On behalf of the Board



Masud Khan
Chairman

Date: 14 March 2022

শেয়ার হোল্ডারের জন্য পরিচালনা পর্ষদের প্রতিবেদন - ২০২১

প্রিয় শেয়ারহোল্ডার,

ইউনিলিভার কনজিউমার কেয়ার লিমিটেড ('কোম্পানি' বা 'ইউসিএল')-এর পরিচালনা পর্ষদ ২০২১ সালের ৩১ ডিসেম্বর সমাপ্ত বছরের জন্য নিরীক্ষিত আর্থিক বিবরণী, পরিচালকদের প্রতিবেদন এবং নিরীক্ষকের প্রতিবেদন আপনাদের কাছে উপস্থাপন করতে পেরে আনন্দিত।

পরিচালনা পর্ষদের এ প্রতিবেদনটি বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের ("বিএসইসি") জারি করা কর্পোরেট গভর্নেন্স কোড নোটিফিকেশন নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/অ্যাডমিন/৮০, ও জুন ২০১৮ এবং কোম্পানি আইন-১৯৯৪ সালের ১৮৪ ধারা অনুসারে প্রস্তুত করা হয়েছে। প্রতিবেদনটি ১৭ মে ২০২২ তারিখে নির্ধারিত কোম্পানির ৪৯তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের কাছে উপস্থাপন করা হচ্ছে।

আমাদের ব্যবসায়িক কার্যক্রম

ইউনিলিভার কনজিউমার কেয়ার লিমিটেড (পূর্বকালীন গ্ল্যাক্সোস্মিথক্লাইন বাংলাদেশ লিমিটেড) ১৯৭৪ সালের ২৫ ফেব্রুয়ারী পাবলিক লিমিটেড কোম্পানি হিসেবে যাত্রা শুরু করে এবং ১৯৭৬ সালে ঢাকা স্টক এক্সচেঞ্জ লিমিটেডের তালিকাভুক্ত হয়। ২০২০ সালের ৩০ জুন সেটফার্ট লিমিটেড এবং ইউনিলিভার এনভি (ইউনিলিভার এনভি, ইউনিলিভার ওভারসিজ হোল্ডিংস বিডি কে-৩ হিসেবে মনোনীত করে) শেয়ার ক্রয় চুক্তির অংশ হিসেবে ইউনিলিভার ওভারসিজ হোল্ডিংস বিডি কোম্পানির ৮১.৯৮% শেয়ার ক্রয় করে। ফলে, কোম্পানি ইউনিলিভার ওভারসিজ হোল্ডিংস বিডি সাবসিডিয়ারি বা অধীনস্থ কোম্পানিতে পরিণত হয়। নিয়ন্ত্রক সংস্থা ও শেয়ারহোল্ডারদের কাছ থেকে প্রয়োজনীয় অনুমোদন লাভের পর ২৪ আগস্ট ২০২০ থেকে কোম্পানির নাম পরিবর্তন করে ইউনিলিভার কনজিউমার কেয়ার লিমিটেড করা হয়।

ইউসিএল-এর প্রধান কার্যক্রমের মধ্যে হরলিক্স, বুস্ট, মালটোভা ও গ্লুকোম্যাক্স ডি (গ্লুকোজ ডি নামে পূর্বে পরিচিত) ব্র্যান্ডের অধীনে ভোক্তাদের জন্য হেলথ ফুড ড্রিংক (এইচএফডি) উৎপাদন ও বাজারজাতকরণ অন্তর্ভুক্ত।

ব্যবসা এবং অর্থনীতির সার্বিক পরিস্থিতি ও ভবিষ্যৎ সম্ভাবনা

২০২১ সালে ফার্ট মুভিং কনজিউমার গুডস (এফএমসিজি) শিল্পখাত শুরুতর সমস্যার সম্মুখীন হয়েছে। ২০২০ সালের মহামারী প্রভাবিত মন্দা থেকে দেশের অর্থনীতি ৫.৫% জিডিপি বৃদ্ধির (এশিয়ান ডেভেলপমেন্ট ব্যাঙ্ক এফসি) সাথে ধীরে ধীরে উন্নীত হলেও সারা বছরজুড়েই দ্রব্যমূল্যের বৃদ্ধির কারণে মুদ্রাস্ফীতি বাড়তে দেখা গেছে, এবং এ হার বছর এগিয়ে যাওয়ার সাথে সাথে বেড়েই চলেছে। ২০২১ এর ডিসেম্বরের পরিবহন খরচ ও ইউএস ডলারের বিনিময় মূল্য ক্রমাগত বৃদ্ধির কারণে নন-ফুড ইনফ্লেশন বা খাদ্য-বাহির্ভূত মূল্যস্ফীতি বৃদ্ধি পায়। একই সাথে, আমন ধানের উৎপাদন ৮০০,০০০ মেট্রিক টন কমে যাওয়ায় খাদ্যবাজারে বাড়তি চাপ সৃষ্টি হয়, যার প্রতিক্রিয়ায় বছর শেষে খাদ্যের মূল্যস্ফীতি বেড়ে ৫.৪৬% হয়।

এই প্রবণতা ২০২২ সালেও অব্যাহত থাকবে বলে আশঙ্কা করা হচ্ছে, শিল্পখাতজুড়ে ফুড ও নন-ফুড বিভাগে কয়েক দফা মূল্যবৃদ্ধি হবে, যেহেতু জ্বালানি তেলের মূল্য, বিশেষ করে অপরিমার্জিত তেলের দাম আরও বাড়তে পারে বলে ধারণা করা হচ্ছে।

তবে আশার কথা হচ্ছে যে, বাংলাদেশ সরকারের গণটিকাদান কর্মসূচীর সাফল্যের কারণে ২০২১ সাল শেষে কোভিড-১৯ আক্রান্তের হার স্থিতিশীলভাবে কমে এসেছে। ২০২২ সালের প্রথম ভাগে বহল প্রতীক্ষিত পদ্মা বহুমুখী সেতু প্রকল্পের কাজ সম্পন্ন হবে বলে আশা করা যাচ্ছে। একইভাবে, বছরের শেষ ভাগে ঢাকা মেট্রোরেল নেটওয়ার্কের কিছু অংশ চালু হওয়ার প্রক্রিয়ায় রয়েছে। এই ধরনের বৃহৎ অবকাঠামো চালু হলে সামগ্রিক উৎপাদনশীলতা বৃদ্ধি পাবে বলে আশা করা হচ্ছে। এই সম্ভাবনার কারণেই বিশ্বব্যাংক ২০২২-২০২৩ অর্থবছরে বাংলাদেশের প্রত্যাশিত জিডিপি বৃদ্ধির হার বাড়িয়ে ৬.৭% পূর্বানুমান করেছে, যা আগের পূর্বানুমান থেকে ৭০ বিপিএস বেশি।

টেকসই উন্নয়নের মাধ্যমে ব্যবসা বৃদ্ধি

ইউনিলিভারের অপারেশনাল মূলনীতি হলো, উচ্চ ব্যবসায়িক সাফল্যের পাশাপাশি দীর্ঘমেয়াদি টেকসই ডায়াল সৃষ্টি করা। কোম্পানি তার স্থপরিচিত ও শক্তিশালী ব্র্যান্ডের মাধ্যমে ধারাবাহিকভাবে ভোক্তাদের সেবা মানের খাদ্য ও পুষ্টি পণ্য সরবরাহ করেছে। ২০২১ সালে কোম্পানি মোডক (প্যাকেজিং), পণ্য (প্রোডাক্ট), মূল্য (প্রাইস) এবং বিজ্ঞাপনের উন্নয়ন ও উদ্ভাবনী কৌশল ব্যবহার করে আরও বেশি ভোক্তাদের আকৃষ্ট করার চেষ্টা করেছে।

কোম্পানি পণ্যের দাম, পণ্যের প্রাপ্যতা ও একই সাথে ভোক্তাদের মাঝে সচেতনতা তৈরিকৈ কাজ করার ক্ষেত্রে হিসেবে চিহ্নিত করেছে। পণ্যের প্রাপ্যতা বৃদ্ধি জন্য আমরা আমাদের ডিস্ট্রিবিউশন নেটওয়ার্ক সম্প্রসারণ করেছি। আমাদের ভোক্তাদের সুবিধার জন্য আমরা সশ্রমী মূল্যে ছোট, সুবিধাজনক ও উদ্ভাবনী ডায়াল-ফর-মানি প্যাক বাজারে নিয়ে এসেছি। আমাদের পণ্যের পুষ্টিগুণ সম্পর্কে সচেতনতা বাড়াতে ২০২১ সাল জুড়ে বিভিন্ন অনলাইন এবং অফলাইন কার্যক্রম পরিচালনা করা হয়েছে। সীমিত আয়ের মানুষদের হরলিক্স-এর পুষ্টিগুণ সম্পর্কে জানাতে অ্যাক্সেস প্যাক নিয়ে বাড়ি বাড়ি গিয়ে সচেতনতা কার্যক্রম পরিচালনা করা হয়েছে। রমজান ও পরীক্ষার মৌসুমের মতো গুরুত্বপূর্ণ সময়ের কথা বিবেচনা করে আমরা আগে থেকেই আমাদের থিমোটিক বিজ্ঞাপন প্রস্তুত করেছি, যেন আমাদের পণ্য আমাদের ভোক্তাদের মধ্যে প্রাসঙ্গিকতা তৈরি করে। বিভিন্ন শ্রেণীর ভোক্তাদের মধ্যে থেকে গুরুত্বপূর্ণ ও প্রভাবশালী লিডারদের সাথে পার্টনারশিপের মাধ্যমে আমরা সেই সব ভোক্তাশ্রেণীর মাঝে হরলিক্সের দীর্ঘমেয়াদি পুষ্টি সংক্রান্ত উপকারিতা নিয়ে সচেতনতা বৃদ্ধি করেছি। এই কার্যক্রমগুলোর ফলাফল হিসেবে হরলিক্সের হাউজহোল্ড পেনেট্রেশন ২০২০ সালের ১৫.৯% থেকে ২০২১ সালে ১৭.৯% -এ বৃদ্ধি পেয়েছে। সামগ্রিকভাবে, ১৯.৪% আডারলাইং সেলস গ্রোথ (ইউএসজি) অর্জন করে কোম্পানি ২০২১ সাল শেষ করেছে।

পণ্য উৎপাদন

কোম্পানি বর্তমানে গাজীপুরের কোনাবাড়িতে অবস্থিত মিউচুয়াল ফুড প্রোডাক্টস লিমিটেড (এমএফপিএল) কে থার্ড-পার্টি (থ্রিপি) উৎপাদনকারী হিসেবে ব্যবহার করে সমস্ত পণ্য উৎপাদন নিশ্চিত করেছে। ২০০২ সাল থেকে এমএফপিএল কোম্পানির একমাত্র উৎপাদনকারী পার্টনার হিসেবে কাজ করেছে। এমএফপিএল-এর প্রযুক্তির আধুনিকতম অবস্থা সম্বলিত ফ্যাক্টরি থেকে ২০২১ সালে আমাদের ব্যবসায়িক ভলিউম গ্রোথ শক্তিশালী করার জন্য প্রয়োজনীয় সর্বাত্মক সহযোগিতা পাওয়া গিয়েছে। গ্লোবাল ফুড সেফটি ইনিশিয়েটিভ (জিএফএসআই) দ্বারা আইএসও ২২০০০ সনদপ্রাপ্ত এমএফপিএল-এর ফ্যাক্টরি ইউনিলিভার গ্লোবাল এবং স্থানীয় নিয়ন্ত্রক সংস্থার দ্বারা প্রণয়ন করা সকল নিরাপত্তা এবং কোয়ালিটি স্ট্যান্ডার্ডের সাথে কমপ্লায়েন্স নিশ্চিত করে। একই সাথে, আমাদের কমপ্লায়েন্স প্র্যাকটিসের প্রমাণস্বরূপ বাংলাদেশ স্ট্যান্ডার্ড অ্যান্ড টেস্টিং ইনস্টিটিউট (বিএসটিআই) দ্বারা পরিচালিত সাইট অডিটের পর আমাদের সকল পণ্য প্যাকেজিং কমেডিটি রুলস (পিসিআর) দ্বারা নিবন্ধন নিশ্চিত করা হয়েছে।

নিরাপত্তা ও গুণগত মান নিশ্চিত করার লক্ষ্যে উৎপাদন বিভাগে কর্মরতদের জন্য প্রশিক্ষণ ম্যাট্রিক্স অনুযায়ী নিয়মিত পর্যায়ক্রমিক প্রশিক্ষণ এবং দক্ষতা উন্নয়ন কর্মশালার আয়োজন করা হয়। আমাদের এই উৎপাদন সাইটটি বাংলাদেশ শ্রম আইনের সাথে সম্পূর্ণভাবে সঙ্গতিপূর্ণ এবং এর কোনো কার্যক্রমের জন্য শিশু শ্রমিক নিয়োগ করা হয় না।

এমএফপিএল পরিবেশগতভাবে দায়িত্বশীল একটি উৎপাদন সাইট, যেখানে ইটিপি ব্যবহার, কার্বন এফিসিয়েন্সি পরিবহন, পরিবেশবান্ধব উপায়ে বিদ্যুৎ এবং প্রোডাকশন উপাদান (ম্যাটেরিয়াল) ব্যবহার করা হয়। স্বাস্থ্য ও নিরাপত্তা ঝুঁকি প্রশমনের ক্ষেত্রে এমএফপিএল সম্পূর্ণভাবে অগ্নি সনাক্তকরণ এবং দুর্ঘটনা মোকাবেলা ব্যবস্থাপনা দিয়ে সুরক্ষিত, যা কেন্দ্রীয়ভাবে পরিচালিত ও সম্পূর্ণ অপারেশনের নিরাপত্তা নিশ্চিত করে।

এছাড়াও ২০২২ সালের শেষ নাগাদ কোম্পানি এর চট্টগ্রাম কারখানায় পুনরায় আংশিক উৎপাদন কার্যক্রম শুরু করার জন্য কাজ করছে।

আর্থিক ফলাফল

পরিচালনা পর্ষদ ৩১ ডিসেম্বর ২০২১ তারিখে শেষ হওয়া অর্থবছরের জন্য কোম্পানির আর্থিক ফলাফল উপস্থাপন করছে:

বিবরণ	টাকা (কোটি)		বনাম ২০২০
	২০২১	২০২০	
রাজস্ব	৪১৪.৪	৩৪৬.৯	১৯.৪%
বিক্রয় খরচ	২২২.৩	১৮৭.৬	১৮.৫%
মোট মুনাফা	১৯২.১	১৫৯.৩	২০.৬%
% টার্নওভার	৪৬.৪%	৪৫.৯%	০.৪%
অপারেশন থেকে মুনাফা	৭৩.৩	৫৫.৪	৩২.৫%
% টার্নওভার	১৭.৭%	১৬.০%	১.৭%
কর পূর্ববর্তী মুনাফা	৭৯.৭	৬৬.৭	৭.৫%
আয়কর খরচ	১৮.৯	১৭.০	১১.৪%
বন্ধ কার্যক্রম থেকে লাভ/লোকসান	-	৩.২	-১০০.০%
কর পূর্ববর্তী মুনাফা	৫২.৮	৫২.৯	-০.৩%
% টার্নওভার	১২.৭%	১৫.৩%	-২.৫%

বিক্রয় খরচ

কোম্পানির আয় বৃদ্ধির সাথে সাথে ২০২১ সালে কোম্পানির বিক্রয় খরচ ১৮.৫% বৃদ্ধি পেয়েছে। এ বিক্রয় খরচ আরও প্রভাবিত হয়েছে কাঁচামাল ও প্যাকেজিং ম্যাটেরিয়ালের মূল্য বৃদ্ধি ও আমদানি শুল্ক (জুন ২০২০ পর্যন্ত ১৫% এবং পরে বেড়ে গিয়ে ২৫%) বৃদ্ধির কারণে।

মোট প্রান্তিক মুনাফা

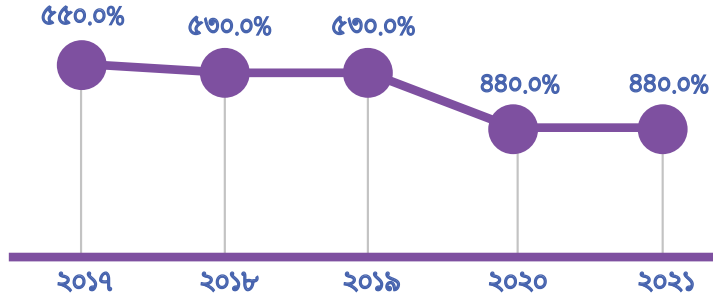
কোম্পানি বৃহৎ পরিসরে ব্যয় সাশ্রয়ী উদ্যোগ গ্রহণ করেছে এবং বিক্রয় খরচ বৃদ্ধির প্রভাব কমাতে সক্ষম হয়েছে। ব্যয় সাশ্রয়ী উদ্যোগের কারণে ২০২১ সালের মোট প্রান্তিক মুনাফা বৃদ্ধি পেয়েছে।

নিট প্রান্তিক মুনাফা

২০২০ সালে কোম্পানির অপারেটিং মার্জিন উন্নত হলেও, কোম্পানির প্রফিট মার্জিন, ইন্টারেস্ট রেট কমে যাওয়ার কারণে মূলত একই সময়ের তুলনায় ২.৫% হ্রাস পেয়েছে।

শেয়ারহোল্ডারদের লভ্যাংশ

উল্লিখিত ব্যবসায়িক কার্যক্রম এবং আর্থিক অবস্থা বিবেচনা করে, পরিচালনা পর্ষদ ২০২১ সালের জন্য ৪৪০% চূড়ান্ত লভ্যাংশ প্রস্তাব করেছে; অর্থাৎ ২০২১ সালে প্রতি ১০ টাকার শেয়ারের জন্য শেয়ারহোল্ডারদের লভ্যাংশ হবে ৪৪ টাকা। প্রস্তাবিত লভ্যাংশ শেয়ারহোল্ডারদের দ্বারা ৪৯তম বার্ষিক সাধারণ সভায় অনুমোদিত হলে কোম্পানি থেকে ৫৩ কোটি টাকা লভ্যাংশ হিসেবে শেয়ারহোল্ডারদের নগদ পরিশোধ করতে হবে।



জাতীয় রাজস্বে অবদান

বাংলাদেশে প্রতিষ্ঠার পর থেকেই কোম্পানি সবসময় শুল্ক এবং কর পরিশোধের মাধ্যমে জাতীয় রাজস্বে গুরুত্বপূর্ণ অবদান রেখে চলেছে। সমস্ত বকেয়া এবং প্রযোজ্য কর সময়মতো পরিশোধ, সংগ্রহ এবং জমা করা হয়েছে। ২০২১ সাল জুড়ে কোম্পানি জাতীয় রাজস্বে ১৪৬ কোটি টাকা অবদান রেখেছে।



অপারেটিং এবং আর্থিক তথ্য

কোম্পানির পাঁচ বছরের (২০১৭-২০২১) মূল অপারেটিং এবং আর্থিক তথ্যের সংক্ষিপ্ত বিবরণী নিচে উপস্থাপন করা হলো।
(বিস্তারিত সংস্করণটি পরিশিষ্ট-২ এ উপস্থাপিত)

বিবরণ	টাকা (কোটি)				
	২০২১	২০২০	২০১৯	২০১৮	২০১৭
রাজস্ব	৪১৪.৪	৩৪৬.৯	৪০৪.২	৪৮১.৭	৪৬৬.৭
বিক্রয় খরচ	২২২.৩	১৮৭.৬	১৮১.৯	২৫৬.৭	২৪৩.৩
মোট মুনাফা	১৯২.১	১৫৯.৩	২২২.৩	২২৪.৯	২২২.৪
অপারেটিং খরচ	১১৮.৭	১০৩.৯	১১৬.০	১০৬.৬	১১৪.৪
অপারেটিং মুনাফা	৭৩.৩	৫৫.৪	১০৬.৩	১১৮.৩	১০৮.৩
আর্থিক রাজস্ব	১.৬	১৬.৯	১৬.৯	১১.৬	৬.৩
অন্যান্য আয়/ব্যয়	০.৫	(১.৯)	-	-	-
কর ও ডাবল্লুপিপিএফ পূর্ববর্তী মুনাফা	৭৫.৪	৭০.৩	১২৩.৯	১৩০.০	১১৪.৬
ডাবল্লুপিপিএফ এ অবদান	৩.৮	৩.৭	৬.০	-	৫.০
কর পূর্ববর্তী মুনাফা	৭৯.৭	৬৬.৭	১২৯.৯	১৩০.০	১১৯.৬
আয়কর খরচ	১৮.৯	১৭.০	১৬.২	(৯.৭)	২৭.৮
অব্যাহত অপারেশন থেকে মুনাফা	৫২.৮	৪৯.৭	১১৩.৭	১৩৯.৬	৯১.৮
বন্ধ অপারেশন থেকে লাভ/লোকসান	-	৩.২	(৩.৯)	(২০.২)	(১৪.৮)
কর পরবর্তী মুনাফা	৫২.৮	৫২.৯	১০৯.৮	১১৯.৪	৭৭.০

নোটঃ ২০১৯ ও পূর্বের অন্যান্য আয়/ব্যয় অপারেটিং খরচে হিসাব করা হয়েছে

আর্থিক বিবরণী প্রকাশের পরবর্তী ঘটনা

২৮ ফেব্রুয়ারি ২০২২ সালে অনুষ্ঠিত ৩০৬তম পরিচালনা পর্ষদ সভায় ৩১ ডিসেম্বর ২০২১ -এ সমাপ্ত বছরের জন্য ৪৪০% চূড়ান্ত লভ্যাংশ প্রস্তাব করেছে। আর্থিক বিবরণী প্রকাশের পর থেকে কোম্পানির ব্যবসা পরিচালনায় বিঘ্ন সৃষ্টি করার মত উল্লেখযোগ্য কোন ঘটনা ঘটেনি।

পরিচালনা পর্ষদ

কোম্পানির পরিচালনা পর্ষদ পেশাদারিত্ব, জ্ঞান এবং অভিজ্ঞতার একটি সর্বোত্তম সমন্বয়ে গঠন করা হয়েছে, যা পর্ষদের উপর অপিত দায়িত্ব পালন এবং ব্যবসায় কার্যকারী নেতৃত্ব প্রদানে সক্ষম। কোম্পানি আইন, ১৯৯৪, কোম্পানির আর্টিকলেস অফ এসোসিয়েশন এবং বি.এসইসি দ্বারা জারি করা কর্পোরেট গভর্নেন্স কোডের সাথে সঙ্গতি রেখে নির্বাহী এবং অ-নির্বাহী পরিচালকদের সমন্বয় করে কোম্পানির পরিচালনা পর্ষদ গঠিত হয়েছে। বার্ষিক প্রতিবেদন প্রকাশের দিন হতে বোর্ডে সাতজন অ-নির্বাহী পরিচালকসহ মোট আটজন পরিচালক নিয়োজিত আছেন, যাদের মধ্যে দুইজন স্বতন্ত্র পরিচালক এবং একজন ব্যবস্থাপনা পরিচালক।

এই বার্ষিক প্রতিবেদনের পৃষ্ঠা ৮০ থেকে ৮৫-তে পরিচালকদের কার্যকরী ক্ষেত্রে দক্ষতা ও অন্যান্য কোম্পানির পরিচালক/বোর্ড কমিটির সদস্যদের উল্লেখসহ সংক্ষিপ্ত জীবনবৃত্তান্ত উপস্থাপন করা হয়েছে।

পরিচালনা পর্ষদের সভা এবং উপস্থিতি

২০২১ সালে পরিচালনা পর্ষদের ০৬ (ছয়)টি সভা অনুষ্ঠিত হয়েছিল। নিম্নলিখিত টেবিলে পর্ষদের গঠন এবং পর্ষদ সভায় পরিচালকদের উপস্থিতির তথ্য উপস্থাপন করা হলো:

পরিচালকের নাম	অনুষ্ঠিত সভা	সভায় উপস্থিতি	মন্তব্য
মামুদ খান (চেয়ারম্যান)	০৬	০৬	বিদ্যমান
খান সালাহউদ্দিন মোহাম্মদ মিনহাজ (ব্যবস্থাপনা পরিচালক)	০৬	০৬	বিদ্যমান
মোঃ জাভেদ আকতার (অ-নির্বাহী পরিচালক)	০৯	০৯	২০২১ সালের ২৬ অক্টোবর থেকে নিয়ুক্ত
মোঃ জাহিদুল ইসলাম মানিতা (অ-নির্বাহী পরিচালক)	০৬	০৬	বিদ্যমান
এস.ও.এম. রাশেদুল কাইয়ুম (অ-নির্বাহী পরিচালক)	০৬	০৬	বিদ্যমান

পরিচালকের নাম	অনুষ্ঠিত সভা	সভায় উপস্থিতি	মন্তব্য
মোঃ আবুল হোসেন (অ-নির্বাহী পরিচালক)	০৬	০৬	বিদ্যমান
মহসিন উদ্দিন আহমেদ (স্বতন্ত্র পরিচালক)	০৬	০৬	২০২১ সালের ১ ফেব্রুয়ারী পুনঃনিযুক্ত হয়েছেন
রোয়াজ্জল হক চৌধুরী (স্বতন্ত্র পরিচালক)	০৬	০৬	বিদ্যমান
কেন্দার লেলে (অ-নির্বাহী পরিচালক)	০৬	০৫	২০২১ সালের ১ নভেম্বর পদত্যাগ করেছেন
হাসনাইন তৌফিক আহমেদ (পরিচালক, অর্থ)	০৪	০৪	২০২১ সালের ৩০ জুন পদত্যাগ করেছেন

যে সকল পরিচালক সভায় উপস্থিত থাকতে পারেননি, তাদের অনুপস্থিতির ছুটি অনুমোদন করা হয়েছিল।

পরিচালকদের নিয়োগ/পুনর্নিয়োগ

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

তদনুসারে, আবর্তনের মাধ্যমে জনাব মোঃ জাহিদুল ইসলাম মালিতা, এবং জনাব এস.ও.এম. রাশেদুল কাইয়ুম অবসর গ্রহণ করেন এবং পুনর্নিয়োগের জন্য যোগ্য হবার কারণে পুনরায় নির্বাচনের জন্য নিজেদের প্রস্তাব করেন।

দি আর্টিকেলস অফ এসোসিয়েশন অফ দি কোম্পানি -এর ধারা ৮৯-এর অনুসরণে, নৈমিত্তিক শূন্যপদে বা অতিরিক্ত পরিচালক হিসাবে নিযুক্ত পরিচালকরা পরবর্তী বার্ষিক সাধারণ সভায় অবসর নেবেন এবং প্রয়োজ্য হলে পুনরায় নির্বাচনের জন্য যোগ্য হবেন।

তদনুসারে, জনাব মোঃ জাভেদ আখতার, যিনি গত বার্ষিক সাধারণ সভার পর পর্ষদে নিযুক্ত হয়েছেন, অবসর গ্রহণ করবেন এবং যোগ্য বিধায় নিজেকে পুনরায় নির্বাচনের জন্য প্রস্তাব দিচ্ছেন।

বিএসইসির কর্পোরেট গভর্ন্যান্স কোডের শর্তানুযায়ী, স্বতন্ত্র পরিচালক হিসেবে জনাব রিয়াজুল হক চৌধুরীর মেয়াদ ২০২২ সালের ০৯ এপ্রিল পূর্ণ হবে। পর্ষদ, বিএসইসির সম্মতি এবং ৪৯তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে, ১০ এপ্রিল ২০২২ থেকে কার্যকর তিন বছরের জন্য রিয়াজুল হক চৌধুরীকে কোম্পানির স্বতন্ত্র পরিচালক হিসাবে পুনরায় নিযুক্ত করেছে।

পুনরায় নিয়োগপ্রাপ্ত পরিচালকদের সংক্ষিপ্ত জীবনবৃত্তান্ত নিম্নে দেওয়া হলঃ

জনাব মোঃ জাহিদুল ইসলাম মালিতা

জনাব মোঃ জাহিদুল ইসলাম মালিতার একটি সংক্ষিপ্ত জীবনবৃত্তান্ত পৃষ্ঠা নং ৮২-এ উপস্থাপন করা হয়েছে।

জনাব এস.ও.এম রাশেদুল কাইয়ুম

জনাব এস.ও.এম রাশেদুল কাইয়ুমের এর একটি সংক্ষিপ্ত জীবনবৃত্তান্ত পৃষ্ঠা নং ৮২-এ উপস্থাপন করা হয়েছে।

জনাব মোঃ জাভেদ আখতার

জনাব মোঃ জাভেদ আখতারের একটি সংক্ষিপ্ত জীবনবৃত্তান্ত পৃষ্ঠা নং ৮১-এ উপস্থাপন করা হয়েছে।

জনাব রিয়াজুল হক চৌধুরী

জনাব রিয়াজুল হক চৌধুরীর একটি সংক্ষিপ্ত জীবনবৃত্তান্ত পৃষ্ঠা নং ৮৪-এ উপস্থাপন করা হয়েছে।

পরিচালকদের পারিশ্রমিক (স্বতন্ত্র পরিচালক সহ)

২০২১ সালে কোম্পানি ইউনিলিভার গ্রুপ কর্মরত দুইজন স্বতন্ত্র পরিচালক এবং একজন অ-নির্বাহী পরিচালককে বোর্ড সভায় উপস্থিতি ফি হিসাবে অগ্রিম আয়কর এবং মুসক (ড্যাটি) সহ মোট ৯,৩৬,০০ টাকা পরিশোধ করেছে (বিস্তারিত তথ্য আর্থিক বিবৃতির নোট ২৪-এ প্রকাশ করা হয়েছে)। আরেকজন অ-নির্বাহী পরিচালক, যিনি ইউনিলিভার গ্রুপ কর্মরত নন, তাকে চেয়ারম্যান হিসেবে পরামর্শকের ভূমিকা পালনের জন্য পারিশ্রমিক দেয়া হয়েছে, যা আর্থিক বিবৃতির ৩৫ নং নোটে কি ম্যানেজমেন্ট পারসোনেল-এর পারিশ্রমিকের সাথে বিবৃত।

আচরণবিধি

মনোনয়ন এবং সম্মতি কমিটির সুপারিশের ভিত্তিতে, কোম্পানির পরিচালনা পর্ষদ কোম্পানির পরিচালকদের জন্য একটি "ব্যবসায়িক আচরণ ও নীতিমালা" প্রণয়ন করেছে যা কোম্পানির ওয়েবসাইটে www.unilever.com/UCL-bd.html এ সহজেই পাওয়া যায়। সকল পরিচালকেরা ২০২১ সালের বার্ষিক যৌথভাবে স্বাক্ষর করেছেন এবং এই নীতিমালার সাথে তাদের পূর্ণ সম্মতি ও কমপ্লায়েন্স নিশ্চিত করেছেন।

আর্থিক প্রতিবেদন সংক্রান্ত পরিচালকদের ঘোষণা

সম্পূর্ণ আর্থিক বিবরণী প্রতিবেদনের পরবর্তী অংশে বিস্তারিতভাবে উপস্থাপন করা হয়েছে। বিএসইসি দ্বারা জারি করা কর্পোরেট গভর্নেন্স কোডের প্রয়োজনীয়তা অনুসারে পরিচালকগণ নিম্নলিখিত বিষয়গুলো নিশ্চিত করেছেনঃ

- কোম্পানির ম্যানেজমেন্ট দ্বারা প্রস্তুতকৃত আর্থিক বিবরণীতে নিরপেক্ষভাবে কোম্পানির কার্যকারিতা, অপারেশনের ফলাফল, ক্যাপ ফ্লো, এবং ইকুইটির পরিবর্তন উপস্থাপিত হয়েছে;
- কোম্পানির হিসাবের বই যথাযথভাবে সংরক্ষণ করা হয়েছে;
- আর্থিক বিবরণী প্রস্তুত করার সময়ে উপযুক্ত হিসাববিজ্ঞানের নীতিগুলো ধারাবাহিকভাবে প্রয়োগ করা হয়েছে এবং অ্যাকাউন্টিংয়ের অনুমানসমূহ যুক্তিসঙ্গত এবং বিচক্ষণতার ভিত্তিতে তৈরি;
- আর্থিক বিবরণীটি ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ডস (আইএএস) ও ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস) বাংলাদেশের প্রেক্ষাপট অনুসরণ করে প্রস্তুত করা হয়েছে এবং এর থেকে যে কোনো ব্যত্যয় যথাযথভাবে প্রকাশ করা হয়েছে;
- ত্রৈমাসিক আর্থিক পারফরম্যান্স এবং বার্ষিক আর্থিক বিবরণীর মধ্যে কোনো উল্লেখযোগ্য পার্থক্য নেই;
- কোম্পানির গত বছরের অপারোটিং ফলাফলের সকল বিচ্যুতি উপরের পয়েন্টের (ফাইন্যান্সিয়াল পারফরমেন্স) অধীনে হাইলাইট করা আছে।

ব্যবস্থাপনা পরিচালক এবং হেড অফ ফাইন্যান্স-এর প্রত্যয়ন

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

পরিচালকদের অন্যান্য রেগুলেটরি ঘোষণা

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

ব্যবস্থাপনা পর্যালোচনা ও বিশ্লেষণ

বিএসইসি কর্তৃক ইন্সটিটিউট কর্পোরেট গভর্নেন্স কোড এর শর্ত নং ৫(২৬) অনুসারে নিরীক্ষা কমিটির পর্যালোচনা করা ব্যবস্থাপনা পর্যালোচনা ও বিশ্লেষণ, ব্যবস্থাপনা পরিচালক ও হেড অফ ফাইন্যান্স দ্বারা স্বাক্ষরিত হওয়ার পর পরিশিষ্ট-১ এ যুক্ত করা হয়েছে।

শেয়ারহোল্ডিং প্যাটার্ন

০৯ ডিসেম্বর ২০২১ অনুসারে প্রযোজ্য শেয়ারহোল্ডার বিষয়ক ও সংশ্লিষ্ট অন্যান্য তথ্য পরিশিষ্ট-৩ এ যুক্ত করা হয়েছে।

সংখ্যালঘু শেয়ারহোল্ডারদের সুরক্ষা

কোম্পানি সংখ্যালঘু শেয়ারহোল্ডারদের প্রতি সংখ্যাগুরু (নিয়ন্ত্রণকারী) শেয়ারহোল্ডারদের আপত্তিকর কর্মকাণ্ড প্রতিকারের কার্যকরী উপায় গ্রহণ ও তাদের আপত্তিকর কর্মকাণ্ড থেকে শেয়ারহোল্ডারদের প্রত্যক্ষ বা প্ররোক্ষভাবে সুরক্ষিত করার জন্য কার্যকরী ব্যবস্থা গ্রহণ করেছে। কোম্পানি নিয়মিতভাবে তার শেয়ারহোল্ডার ও বিনিয়োগকারীদের সাথে আর্থিক বিবরণী, মূল্য সংবেদনশীল তথ্য ও উপাদান তথ্য, বার্ষিক প্রতিবেদন, মিডিয়া রিলিজ এবং কোম্পানির ওয়েবসাইট-এর মাধ্যমে তথ্য প্রকাশ ও যোগাযোগ করে থাকে। বার্ষিক সাধারণ সভা শেয়ারহোল্ডারদের পরিচালনা পর্ষদ ও ম্যানেজমেন্টের সাথে সরাসরি যোগাযোগ করার সুযোগ করে দেয়। এই ধরনের বৈঠকের সময় পর্ষদ শেয়ারহোল্ডারদের সাথে যোগাযোগ করে থাকে এবং বিভিন্ন বিষয়ে তাদের প্রশ্নের উত্তর দেয়।

বিএসইসি নির্দেশের সাথে কমপ্লায়েন্স - ক্যাপিটাল মার্কেট স্ট্যাবিলাইজেশন ফাড

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (ক্যাপিটাল মার্কেট স্ট্যাবিলাইজেশন ফাড) বিধিমালা, ২০২১ অনুসারে তালিকাভুক্ত কোম্পানিগুলোকে সকল অ-দাবিকৃত, অ-বণ্টিত, বা অমীমাংসিত নগদ লভ্যাংশ বা নন-রিফাউন্ডেড পাবলিক সাবস্ক্রিপশন মানির বিপরীতে জমাকৃত (ডেট অফ ডিক্লোরেশন, অনুমোদন বা রেকর্ড ডেট এর তিন বছর বা অধিক) অর্থ বাধ্যতামূলকভাবে বিএসইসি দ্বারা পরিচালিত ক্যাপিটাল মার্কেট স্ট্যাবিলাইজেশন ফাডে ("সিএমএসএফ") স্থানান্তর করতে হয়। প্রযোজ্য আইনি বাধ্যবাধকতা অনুযায়ী কোম্পানি সিএমএসএফ-এ ৮,১৩৬,৮৮৬.১৬ টাকা জমা দিয়েছে, যা কোম্পানিতে তিন বছর বা অধিক সময় অ-দাবিকৃত, অ-বণ্টিত, বা অমীমাংসিত নগদ লভ্যাংশের বিপরীতে জমা ছিল।

সংশ্লিষ্ট পক্ষ লেনদেন

সকল সংশ্লিষ্ট পক্ষের বাণিজ্যিক লেনদেন "আরএস লেংথ ট্রানজেকশন (লেনদেন)" এর ভিত্তিতে করা হয়েছে। আর্থিক বিবরণীর ৩৫ নং নোটে সংশ্লিষ্ট পক্ষের লেনদেন উপস্থাপন করা হয়েছে।

গোয়িং কনসার্ন

কোম্পানির পরিচালকেরা বিশ্বাস করেন কোম্পানিটি একটি গোয়িং কনসার্ন এবং এ কোম্পানির গোয়িং কনসার্ন হিসেবে এগিয়ে যাবার ক্ষমতা নিয়েও তাদের কোন সংশয় নেই। তদনুসারে, গোয়িং কনসার্নের ভিত্তিতে কোম্পানির আর্থিক বিবরণী প্রস্তুত করা হয়েছে।

ঝুঁকি এবং উদ্বেগ

কঠোর কর্মপ্রক্রিয়া ও পদ্ধতির মাধ্যমে ব্যবসায়িক সততা নিশ্চিত করা কোম্পানির লক্ষ্য। কোম্পানি ৩টি এম্বেডেড রিস্ক ম্যানেজমেন্ট নীতি অনুসরণ করে যা অভ্যন্তরীণ ও বাহ্যিক ব্যবসায়িক ঝুঁকি, সুযোগ সনাক্ত, পরিমাপ এবং পরিচালনা করতে সহায়তা করে। রিস্ক ম্যানেজমেন্ট ফ্রেমওয়ার্ক ও বাৎসরিক কার্যক্রমগুলো ৫৯ থেকে ৬৮ পৃষ্ঠায় কর্পোরেট গভর্নেন্স অধ্যায়ে বর্ণনা করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানির একটি অত্যন্ত কার্যকর অভ্যন্তরীণ নিয়ন্ত্রণ এবং ঝুঁকি ব্যবস্থাপনা পদ্ধতি রয়েছে। অভ্যন্তরীণ নিয়ন্ত্রণের প্রক্রিয়াটি সুপরিকল্পিত ও কার্যকরভাবে সারা বছর জুড়ে প্রয়োগ এবং পর্যবেক্ষণ করা হয়েছে। ইউনিভার্সাল কন্ট্রোল ইউনিভার্সাল বিভিন্ন নিয়ন্ত্রণ কাঠামোর সমন্বয়ে গঠিত। ইউনিভার্সাল ফাইন্যান্সিয়াল রিপোর্ট কন্ট্রোলস মডেলের ছয়টি কম্পোনেন্ট রয়েছে, যা একে আরও সঠিক আর্থিক প্রতিবেদনের জন্য এর অভ্যন্তরীণ নিয়ন্ত্রণকে স্থাপন, মূল্যায়ন ও উন্নত করার সুযোগ দেয়, জালিয়াতি হওয়া থেকে বিরত রাখে এবং কোম্পানির সম্পদ রক্ষা করে। এছাড়াও সিস্টেম অ্যাক্সেস বা প্রবেশাধিকার নিয়ন্ত্রণের মাধ্যমে ও অন্যান্য আইটি-ভিত্তিক কার্যক্রম নিয়ে কোম্পানি তথ্য সুরক্ষার নিশ্চিত করে।

ফিন্যান্সিয়াল কন্ট্রোল অ্যাসেসমেন্ট (এফসিএ) প্রক্রিয়া প্রতি বছর আর্থিক প্রতিবেদন নিয়ন্ত্রণের নিশ্চয়তা প্রদান করে। গ্লোবাল ফিন্যান্সিয়াল কন্ট্রোল ফ্রেমওয়ার্ক (জিএফসিএফ) অনুসারে পরীক্ষাটি সারা বছর ধরে দুটি ধাপে করা হয়েছে এবং আঞ্চলিক পর্যায়ে পর্যালোচনার জন্য জমা দেওয়া হয়েছে। ইউনিলিভার কন্ট্রোল সার্ভিস সেন্টার (সিএসসি) মাসিক ভিত্তিতে একটি কন্ট্রোল হেলথ ইন্ডিকের (সিএইচআই) পর্যবেক্ষণ করে।

অডিট কমিটি পর্যায়ক্রমে কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণ কাঠামোর পর্যাপ্ততা এবং কার্যকারিতা মূল্যায়ন করে। মূল নিয়ন্ত্রণের অবস্থা মূল্যায়ন করার জন্য অভ্যন্তরীণ এবং বাহ্যিক অডিটের ফলাফলগুলোকে বিবেচনা করা হয়। নিরীক্ষা পর্যবেক্ষণ এবং প্রয়োজনীয় সংশোধনমূলক পদক্ষেপগুলো ত্রৈমাসিক ভিত্তিতে অডিট কমিটি দ্বারা উপস্থাপন এবং পর্যালোচনা করা হয়।

অডিট কমিটি কর্তৃক অনুমোদিত বার্ষিক পরিকল্পনা অনুযায়ী, অভ্যন্তরীণ অডিট ফাংশন নিয়ন্ত্রণের কার্যকারিতা মূল্যায়নের জন্য সারা বছর ধরে পর্যায়ক্রমিক প্রসেস অডিট পরিচালনা করা হয়। অভ্যন্তরীণ অডিট পরিচালনার আওতায় রয়েছে কোম্পানির কার্যকলাপের অভ্যন্তরীণ নিয়ন্ত্রণ ও ঝুঁকির পর্যালোচনা এবং তা তৃতীয় পক্ষের (থ্রিপি) উৎপাদন সাইট, বিক্রয় অফিস, গুদাম ও কেন্দ্রীয়ভাবে নিয়ন্ত্রিত ব্যবসা এবং কার্যবলীর ক্ষেত্রেও প্রযোজ্য। অভ্যন্তরীণ অডিট প্রতিবেদনের ভিত্তিতে প্রসেসের দায়িত্বে নিয়োজিতরা নিজ কার্যক্ষেত্রে প্রয়োজনীয় ব্যবস্থা গ্রহণ করে নিয়ন্ত্রণগুলোর উন্নয়ন করেছে।

এই বার্ষিক প্রতিবেদনে অভ্যন্তরীণ নিয়ন্ত্রণ কাঠামোর পাশাপাশি কর্পোরেট গভর্ন্যান্স বিভাগের অধীনে থাকা অডিট কমিটির কার্যক্রমের উপর বিস্তারিত আলোচনা করা হয়েছে।

কর্মীদের সার্বিক পরিস্থিতি

২০২১ সালেটি ইউসিএল- এর কর্মীদের জন্য একটি উল্লেখযোগ্য বছর ছিল কারণ এ বছরে আমরা আমাদের কর্মীদের জন্য রিওয়ার্ড বা প্রণোদনা সংক্রান্ত নীতির সমন্বয়কে সাথে নিয়ে এক মাইলফলক সৃষ্টি করেছি। এই একই সময় দেশ কোভিড-১৯ এর দ্বিতীয় প্রবাহের শিকার হয়। তবে প্রবৃদ্ধিশীল মানসিকতা এবং কর্মীদের পারস্পরিক আস্থার কারণে কোম্পানি চ্যালেঞ্জগুলোকে অতিক্রম করতে সক্ষম হয়েছে এবং প্রশংসনীয় অগ্রগতি অর্জন করেছে।

ইউনিলিভারের সাথে একীভূত হবার এক বছর পর ৯ জুলাই ২০২১ থেকে কোম্পানি ইউনিলিভারের রিওয়ার্ড বা প্রণোদনা নীতির সাথে সামঞ্জস্য রেখে নতুন গ্রেড এবং রিওয়ার্ড কাঠামো বাস্তবায়ন করেছে। ইউসিএল কর্মীরা এখন গ্রাডুয়েটি (পারিতোষিক)- এর জন্য উপযুক্ত, যা আগে কখনও উপস্থিত ছিল না।

কোম্পানির হিউম্যান রিসোর্স (এইচআর) টিম মহামারীর পুরো সময়জুড়ে কর্মচারী ও সংশ্লিষ্টদের (আউটার কোর) অসামান্য সহায়তা প্রদান করার জন্য প্রশংসিত হয়। কোম্পানি বিশেষ ব্যবস্থার মাধ্যমে প্রয়োজনীয় ক্ষেত্রে দ্রুততম সময়ে কর্মীদের জন্য কোভিড-১৯ পরীক্ষা করাতে সক্ষম হয়েছে। টিকা নিয়ে সচেতনতা সৃষ্টি করার মাধ্যমে কোম্পানি কর্মীদের সময়মতো টিকা নেওয়ার জন্য নিরঙ্কন এবং টিকা নেয়া নিশ্চিত করা হয়েছে। এইচআর কোম্পানির কোভিড-১৯ আক্রান্ত কর্মী ও তাদের পরিবারকে সহায়তা করার জন্য একটি ২৪/৭ নিবেদিত দল গঠন করে। অফিস পুনরায় খোলার সময় এইচআর টিম নিরাপদ কর্ম-পরিবেশ নিশ্চিত করতে স্বাস্থ্যবিধি ও কর্মক্ষেত্রে নিরাপত্তা সম্পর্কিত সকল প্রোটোকল মেনে চলা নিশ্চিত করেছে।

কোভিড-১৯ সংক্রান্ত সহায়তা নিশ্চিত করা ছাড়াও কর্মীদের নিরাপত্তা কোম্পানির অন্যতম অগ্রাধিকার ছিল। ইউনিলিভারের সেফটি প্র্যাকটিস অনুসারে বছর জুড়ে 'জিরো ইনসিডেন্ট' রেকর্ড নিশ্চিত করার জন্য সক্রিয় ব্যবস্থা গ্রহণ করা হয়। কর্মীদের মানসিক প্রশান্তির (ওয়েলবিং) উন্নয়নের জন্য আমরা বিভিন্ন উদ্যোগ নেই যার মধ্যে উল্লেখযোগ্য হলো, বিশেষজ্ঞদের দ্বারা পরিচালিত মানসিক স্বাস্থ্যের জন্য অনলাইন ওয়েবিনার, জিম এবং যোগব্যায়াম সেশন।

এছাড়াও এইচআর টিম নানাভাবে কর্মীদের উৎসাহিত ও অনুপ্রাণিত রাখতে প্রতিশ্রুতিবদ্ধ ছিল। এই উদ্দেশ্যে ভার্সুয়াল বার্ষিক সম্মেলন, টিম কানেক্ট, বৃটিক্যাম্প, কাস্টমার ডেভেলপমেন্ট মিট, ত্রৈমাসিক টাউনহলসহ বছর জুড়ে বিভিন্ন ধরনের সেশনের ব্যবস্থা করা হয় যা কর্মীদের লিডারশিপ টিম ও একে অন্যের সাহায্যে রাখতে সাহায্য করে। এ উদ্যোগগুলো আমাদের কর্মীদের উৎসাহ ধরে রাখে ও কোম্পানিতে একটি গ্রোথ মাইন্ডসেট (প্রবৃদ্ধির মানসিকতা) তৈরি করতে সাহায্য করে, যা কোম্পানির ব্যবসায়িক সাফল্যে আবদান রাখে।

কোম্পানির কালচার (কর্ম পরিবেশ) উন্নয়নে ও বিকাশমুখী মানসিকতা তৈরীর লক্ষ্যে পরিচালিত এই কার্যক্রমগুলোর ফলে কোম্পানি প্রতিষ্ঠার পর থেকে এ বছর সর্বোচ্চ এমপ্লয়ি এনগেজমেন্ট স্কোর অর্জন করেছে।

২০২১ সালে কোম্পানির ডাইভার্সিটি এজেন্ডাকে আরও বেগবান করার জন্য অধিক সংখ্যায় নারী, শারীরিক প্রতিবন্ধী এবং ট্রান্সজেন্ডার (তৃতীয় লিঙ্গের) কর্মী অন্তর্ভুক্ত করা হয়েছে।

গভর্নেন্স, কমপ্লায়েন্স ও ব্যবসায়িক সততা

কোম্পানি বিশ্বাস করে দায়িত্বশীল ও টেকসই উন্নয়নে। মানুষ, সমাজ এবং পরিবেশ সুরক্ষাকে সম্মান করে এমন মূল্যবোধের উপস্থিতি ইউনিলিভারের মূলভিত্তি। আমাদের কোড অফ বিজনেস প্রিন্সিপলস (কোড) সহজ এবং বাধ্যতামূলক একটি নৈতিক বিবৃতি যা আমাদের শেখায় আমাদের কীভাবে চলতে হবে, এবং; এটি আমাদের মূল্যবোধ চর্চা করার ক্ষেত্রে একটি নির্দেশিকা হিসেবে কাজ করে। ইউনিলিভারে কাজ করার সময় আমাদের যে সকল নৈতিক আচরণ প্রদর্শন করতে হবে, কোডটি তা সংজ্ঞায়িত করে। এ বছর বর্তমান কর্মী ও নতুন যোগদানকারীদের সাথে নিয়ে কোড এবং বিজনেস ইন্ট্রিগ্রেটি বিষয়ক বেশ কয়েকটি সেশন অনুষ্ঠিত হয়েছে। আমরা শতভাগ কর্মীদের বার্ষিক বিজনেস ইন্ট্রিগ্রেটি অঙ্গীকার গ্রহণ এবং স্বাক্ষর নিশ্চিত করেছি।

আমাদের পণ্যগুলোর দাবি সঠিক এবং সঙ্গতিপূর্ণ (কমপ্লায়েন্স) কিনা তা নিশ্চিত করার জন্য কোম্পানির কার্যকরী পদ্ধতি রয়েছে। এছাড়া, কন্ট্রাক্ট, লিটিগেশন এবং রেগুলেটরি কমপ্লায়েন্স পরিচালনা করার জন্যও কাঠামোগত প্রক্রিয়া রয়েছে। ডিজিটালইজেশনের দিকে বাংলাদেশের এগিয়ে যাওয়ার সাথে সাথে তথ্য গোপনীয়তা ও সুরক্ষার জন্য নতুন প্রবিধান প্রণয়ন করা হচ্ছে, তাই তথ্য সুরক্ষা ও গোপনীয়তা নিশ্চিত করা এখন অত্যাাবশ্যক। কর্মী এবং ডেভেলপারদের তথ্যের গোপনীয়তা রক্ষা করার জন্য ইউনিলিভার উপযুক্ত কাঠামো এবং মান নিশ্চিত করে চলেছে।

২০২১ সালে কোম্পানি প্রগতিশীল পলিসি এবং প্রবিধান তৈরি করতে বিভিন্ন নিয়ন্ত্রক কর্তৃপক্ষের সাথে সংশ্লিষ্ট হয়ে কাজ করেছে যেন করে দেশে উদ্ভাবনী এবং বিশ্বমানের পণ্য উৎপাদন এবং ব্যবসা পরিচালনা করা সম্ভব হয়। আমরা নকল পণ্য ও পণ্যের অননুমোদিত আমদানির বিরুদ্ধে কাজের অংশ হিসেবে বিভিন্ন আইনি পদক্ষেপ ও ব্যবস্থা গ্রহণ করছি, যেমন অর্পিত কোয়ার্টারের বিরুদ্ধে মামলা। সমস্ত স্টেকহোল্ডারদের সর্বোত্তম স্বার্থে ও একটি লেভেল প্লেয়িং ফিল্ড নিশ্চিত করতে একটি প্রগতিশীল নিয়ন্ত্রক পরিবেশ দরকার আর সেই পরিবেশ সৃষ্টির জন্য কোম্পানি শিল্প সমিতি, নিয়ন্ত্রক এবং অন্যান্যদের সাথে কাজ করে চলেছে।

টেকসই বাংলাদেশ নির্মাণে আমাদের দায়িত্ব

স্বাস্থ্যকর জীবনের গুরুত্বপূর্ণ ভিত্তি হলো খাদ্য ও পুষ্টি। শিশুর বয়স্ক বয়সে শিশু ও মায়ের পুষ্টির চাহিদা পূরণ না হলে আমাদের জাতির স্বাস্থ্যমানের উন্নয়ন হবে না। বাংলাদেশের প্রধান হেলথ ড্রিংক হরলিভ এই দুর্ভিক্ষ থেকেই দেশের প্রত্যেকের জন্য প্রয়োজনীয় ম্যাক্রো এবং মাইক্রোনিউট্রিয়েন্ট সরবরাহ করার উদ্দেশ্যেই তাদের দর্শন গড়ে তুলেছে।

হরলিভ সারা দেশে ২৫ লক্ষ মায়াদের সঠিক খাদ্য ও পুষ্টি সম্পর্কে জ্ঞান বিতরণ করে করার জন্য বিশেষ কার্যক্রম শুরু করেছে। এর অংশ হিসেবে হরলিভ একটি ডোর-টু-ডোর সচেতনতা কার্যক্রম শুরু করেছে যার মাধ্যমে কোম্পানির পুষ্টি প্রতিনিধিরা বাড়ি বাড়ি গিয়ে মায়াদের সুষম পুষ্টির মৌলিক বিষয়গুলো সম্পর্কের সচেতন করেন ও হরলিভ কীভাবে এক্ষেত্রে সহযোগিতা করতে পারে তা বুঝিয়ে বলেন। রোগ প্রতিরোধ ক্ষমতা এবং সামগ্রিক বিকাশ নিশ্চিত করার জন্য সঠিক পুষ্টির উপকারিতা এবং গুরুত্ব সম্পর্কে মায়াদের অবগত করা এই কার্যক্রমের মূল উদ্দেশ্য।

বাংলাদেশে মাতৃদুগ্ধপান নিয়ে সচেতনতা সৃষ্টি করার জন্য ইউনিসেফ এবং ডব্লিউএইচও (বিশ্ব স্বাস্থ্য সংস্থা) কাজ করেছে এবং ১৯৯০ সাল থেকে বিশ্ব মাতৃদুগ্ধপান সপ্তাহ উদযাপন করে আসছে। গর্ভবতী ও মাতৃদুগ্ধদানকারী মায়াদের জন্য বাংলাদেশের অন্যতম পুষ্টির ব্র্যান্ড হরলিভ মাদারস প্লাস, বিশ্ব মাতৃদুগ্ধপান সপ্তাহ ২০২১: মাতৃদুগ্ধপানে সহায়ক পরিবেশ শিরোনামের একটি প্রচারণা চালায়। প্রচারাভিযানটি মাতৃদুগ্ধপান করানো, মাতৃদুগ্ধপান বিষয়ে সচেতনতা তৈরি, মাতৃদুগ্ধপানের সময় মায়াদের জন্য পুষ্টি নিশ্চিতকরণ, মহামারী চলাকালীন

সময়ে মাতৃদুষ্কপান করানো, এবং মাতৃদুষ্কদানকারী মায়েদের সক্রিয়ভাবে সহায়তা করার জন্য স্বামী ও পুরুষদের উৎসাহিত করে।

২০২১ সালে কোভিড-১৯ মোকাবেলা করতে সেনা কল্যাণ সংস্থা (এসকেএস) এর সাথে কোম্পানি কাজ করে এবং স্বাস্থ্য, স্বাস্থ্যবিধি ও পুষ্টি সম্পর্কিত বিভিন্ন পণ্য দেশব্যাপী ৫০,০০০ প্রান্তিক পরিবারের মাঝে ত্রান সহায়তা হিসেবে বিতরণ করে। সরকারের কোভিড-১৯ ত্রান সহায়তা ত্বরান্বিত করতে সেনা কল্যাণ সংস্থা (এসকেএস) এবং বাংলাদেশ সেনাবাহিনী দেশের বিভিন্ন জায়গায় ত্রান হিসেবে পণ্যগুলো বিতরণ করেছে।

এই উদ্যোগগুলোর বিশদ বিবরণ ৩৯ থেকে ৪২ নম্বর পৃষ্ঠায় দেওয়া হয়েছে।

পুরস্কার এবং কৃতিত্ব

ইউসিএল-এ কর্পোরেট গভর্নেন্সের নীতিমালা গঠিত হয়েছে স্বচ্ছতা, জবাবদিহিতা এবং দীর্ঘমেয়াদে কোম্পানির টেকসই সাফল্যের ভিত্তিতে। আমরা সঠিক উপায়ে সঠিক কাজ করতে প্রতিশ্রুতিবদ্ধ, যার অর্থ ব্যবসায়িক সিদ্ধান্ত এবং কাজে নৈতিকতা বজায় রেখে প্রচলিত ও প্রয়োজ্য আইন মেনে ব্যবসা পরিচালনা করা। এই ধরনের গভর্নেন্স প্র্যাকটিসের স্বীকৃতিস্বরূপ ইনস্টিটিউট অফ চার্টার্ড সেক্রেটারি বাংলাদেশ (আইসিএসবি) কর্তৃক ২০২০ সালে আইসিএসবি ন্যাশনাল অ্যাওয়ার্ড ফর এক্সিলেন্স ইন কর্পোরেট গভর্নেন্স অনুষ্ঠানে কোম্পানিকে একটি সার্টিফিকেট অফ রিকোগনিশন প্রদান করা হয়।

কর্পোরেট গভর্ন্যান্স কমপ্লায়েন্স রিপোর্ট

কর্পোরেট নিতির অংশ হিসেবে কর্পোরেট গভর্ন্যান্সের ক্ষেত্রে কোম্পানি সবসময় উচ্চমানের কমপ্লায়েন্স বজায় রাখতে বদ্ধপরিকর। কর্পোরেট গভর্ন্যান্স বিভাগে বর্ণিত কোম্পানির কর্পোরেট গভর্ন্যান্স সনদে কোম্পানি কিভাবে স্বচ্ছতা, জবাবদিহিতা ও সততা নিশ্চিত করে পরিচালিত হবে তা উল্লেখ করা আছে। আমরা আনন্দের সাথে নিশ্চিত করছি যে, কোম্পানি এর কর্পোরেট গভর্ন্যান্স কোডের (নীতিমালার) সব প্রয়োজনীয় নির্দেশিকা মেনে চলেছে। ২০২১ সালের কর্পোরেট গভর্ন্যান্স নীতিমালার সার্বিক সম্মতি উক্ত কোডের অধীনে থাকা প্রয়োজনীয় সার্টিফিকেট অফ কমপ্লায়েন্সের সাথে পরিশিষ্ট-৪ এ সংযুক্ত রয়েছে।

স্টেচুয়ারি নিরীক্ষক

বর্তমান নিরীক্ষক (অডিটর), রহমান রহমান হক চার্টার্ড অ্যাকাউন্ট্যান্টস (কেপিএমজি বাংলাদেশ) সাধারণ সভা সমাপ্তি সাপেক্ষে অবসর গ্রহণ করবে এবং পুনরায় নিয়োগের জন্য নিজেদের প্রস্তাব করার উপযুক্ত হবে। অডিট কমিটির সুপারিশের পর পর্ষদ আগামী ৪৯তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে ২০২২ সালের জন্য কোম্পানির অডিটর হিসাবে রহমান রহমান হক চার্টার্ড অ্যাকাউন্ট্যান্টস এর পুনঃনিযুক্তি প্রস্তাব করেছে।

কমপ্লায়েন্স অডিটর

৪৯তম সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে বিএসইসি কর্পোরেট গভর্নেন্স কোড অনুযায়ী ম্যাবস এণ্ড জে পার্টনারস, চার্টার্ড অ্যাকাউন্ট্যান্টসকে পর্ষদ ২০২২ সালের জন্য কমপ্লায়েন্স অডিটর হিসেবে পুনঃনিযুক্তির প্রস্তাব দিয়েছে।

স্বীকৃতি

পরিচালনা পর্ষদ কোম্পানির সমস্ত কর্মীদের ধন্যবাদ জানাতে চায়, যারা কোম্পানির সকল মূল্যবোধের চর্চা বজায় রেখে, টেকসই জীবনযাত্রাকে সবার মাঝে ছড়িয়ে দেওয়ার লক্ষ্য অর্জনে নিরন্তর কাজ করে চলেছে।

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

আমরা ২০২১ সালে, বিশেষ করে কোভিড-১৯ মহামারীর মধ্যে দিয়ে ইউনিলিভার কনজুমার কেয়ার লিমিটেডের কার্যক্রম পরিচালনায় সদয় ও অকৃত্রিম সহযোগিতার জন্য মাননীয় প্রধানমন্ত্রীর কার্যালয়, স্বরাষ্ট্র মন্ত্রণালয়, বাংলাদেশ পুলিশ, জনপ্রশাসন মন্ত্রণালয়, ডিস্ট্রিক্ট এবং উপজেলা প্রশাসন, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন ("বিএসইসি"), ঢাকা স্টক এক্সচেঞ্জ লিমিটেড ("ডিএসই"), বাংলাদেশ বিনিয়োগ উন্নয়ন কর্তৃপক্ষ ("বিআইডিএ"), স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়, শ্রম মন্ত্রণালয়, খাদ্য মন্ত্রণালয়, বাণিজ্য মন্ত্রণালয় ("এমওসি"), বাংলাদেশ নিরাপদ খাদ্য অধিদপ্তর ("বিএফএসএ"), বাংলাদেশ স্ট্যাডার্ড ও টেস্টিং ইন্সটিটিউট ("বিএসটিআই"), জাতীয় রাজস্ব বোর্ড ("এনবিআর"), সেন্ট্রাল ডিপোজিটারি বাংলাদেশ লিমিটেড ("সিডিবিএল"), ব্যাংক, বিমা ও আর্থিক প্রতিষ্ঠান, কাস্টমস এক্সাইজ এবং ড্যাট কমিশনারেট, কাস্টম হাউস, ইউটিলিটি সেবাদানকারী প্রতিষ্ঠান, অন্যান্য সরকারি প্রতিষ্ঠান সহ কোম্পানির সমস্ত কর্মীদের প্রতি কৃতজ্ঞতা জ্ঞাপন করতে চাই।

পরিচালনা পর্ষদের পক্ষ থেকে



মাসুদ খান

চেয়ারম্যান

তারিখঃ ১৪ মার্চ ২০২২

MANAGEMENT DISCUSSION AND ANALYSIS

Annexure I

Pursuant to condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis for the year ended 31 December 2021 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 45 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 2021. Key performance indicators for last 5 years are given below:

Key Performance Indicator	2021	2020	2019	2018	2017
Revenues (Taka '000)-continuing operation	4,143,597	3,468,984	4,041,780	4,816,557	4,657,200
Revenues (Taka '000)-company	4,143,597	3,731,560	4,474,898	6,336,472	6,796,559
Operating Profit (Taka '000)-continuing operation	733,244	553,540	1,010,267	1,183,204	1,033,262
Operating Profit (Taka '000)-company	733,244	585,986	979,205	(848,698)	884,892
Earnings per Share (EPS) (Taka)-continuing operation	43.80	41.25	84.41	115.92	67.88
Earnings per Share (EPS)(Taka)-company	43.80	43.94	81.83	(52.75)	55.56
Net Operating Cash Flow per Share-company (Taka)	51.65	23.82	82.78	44.67	117.75

C. Financial and Economic Scenario of the Country and the Global Context

2021 was a year of upheaval for Bangladesh economy. It started with relaxed lockdowns, infection rates at under 5%, and a mass vaccination drive from the government, giving people a sense of optimism and a semblance of normalcy. However, with the arrival of the Delta variant and a pause in the vaccination efforts due to vaccine shortages, infection rates soared to above 30% by August. Measures were put in place to curb the impact of the pandemic, with closure or restrictions of educational institutions, government offices and some businesses. This resulted in hardship of a different sort, with an estimated 5 million jobs lost in FY 2021, as poverty rates surged to 30% at the height of the pandemic. A decline in global production and local sourcing capacity exacerbated the problem as inflation soared to 5.98% by November, with non-food inflation at a 12-month high of 6.87%.

To stabilize the economy and to protect the people from the brunt of the impact, the government announced a 187,000 crore relief plan for the full year of 2021. As the relief package kicked in and the sting of COVID softened as Omicron replaced the delta variant, economic hardships abated. The country was put on a path of recovery with an uptick in internal and external demand with relaxation in COVID protocols both nationally and internationally. Schools re-opened, and international travel and businesses resumed, leading to a rise in demand for exports. The sector netted a 16% growth in 2021, with RMG forming the spine of business by contributing 80% of overall exports and growing at 28%. A strong close to the year enabled the country to finish at 5.5% GDP growth in 2021, compared to 3.8% in 2020.

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)" 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 is provided within separate sections titled "Risk Management at UCL" and "Internal Control Framework" in this report. Description of specific financial risks such as credit, liquidity, interest etc. including the approach to manage them are disclosed within Note 34 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 need of top quality nutrition food products to the consumers through its brands, while adopting changes on packaging, product, pricing, 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 building 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 in reaching our consumer effectively. This would be through strong partner programs, leveraging portfolio and deploying customized 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 Thousand

Particulars	2021	2020	2019	2018	2017
Balance Sheet					
Property, Plant and Equipment	68,890	83,509	100,707	114,128	694,252
Right-of-use asset	239,011	287,777	-	-	-
Intangible assets	-	-	14,028	16,617	51,638
Other receivable	-	-	-	-	4,031
Deferred Tax Asset	24,738	29,466	40,451	150,625	-
Retirement benefit assets	-	-	3,464	16,226	32,433
Advances, deposits and prepayments	3,358	2,376	-	-	-
Non-Current Asset	335,997	403,128	158,650	297,597	782,355
Inventory	556,148	390,329	11,501	21,745	920,530
Trade and other receivable	154,744	81,252	493,289	545,488	1,014,510
Advances, deposits and prepayments	26,768	28,574	28,836	-	-
Cash and cash equivalent	3,760,268	3,697,148	3,796,022	3,419,507	3,526,422
Current tax assets	-	-	17,335	-	-
Current assets directly related with discontinued operation	-	-	3,117	223,087	-
Current Asset	4,497,928	4,197,303	4,350,100	4,209,826	5,461,462
Total Assets	4,833,925	4,600,431	4,508,750	4,507,423	6,243,817
Share capital	120,465	120,465	120,465	120,465	120,465
Reserves	9,997	9,997	9,997	9,997	11,868
Retained earnings	1,349,827	1,352,252	1,461,383	1,123,623	2,498,017
Shareholders' Equity	1,480,289	1,482,714	1,591,845	1,254,086	2,630,350
Lease obligation	190,542	226,307	-	-	3,114
Deferred Tax Liabilities	-	-	-	-	17,129
Non-current liabilities	190,542	226,307	-	-	20,243
Trade and other payable	3,003,841	2,739,920	2,824,288	3,025,954	3,471,318
Current tax liabilities	54,338	69,219	-	(46,255)	118,619
Unclaimed dividend payable	2,201	10,434	10,140	-	-
Lease obligation	61,030	68,657	-	3,113	3,288
Liabilities directly associated with discontinued operation	-	-	82,477	270,523	-
Defined benefit liabilities	10,610	-	-	-	-
Advance from customers	31,074	3,180	-	-	-
Current liabilities	3,163,094	2,891,410	2,916,905	3,253,337	3,593,224
Total equity and liabilities	4,833,925	4,600,431	4,508,750	4,507,423	6,243,817

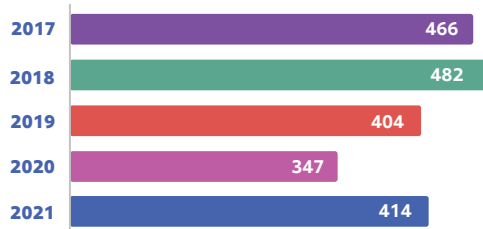
BDT Thousand

Particulars	2021	2020	2019	2018	2017
Income statement					
Revenue	4,143,597	3,468,984	4,041,780	4,816,557	4,657,200
Cost of sales	2,222,975	1,876,375	1,810,943	2,567,308	2,433,248
Gross Profit	1,920,622	1,592,609	2,230,837	2,249,250	2,223,952
Operating Expenses	1,187,377	1,039,069	1,160,169	1,066,046	1,140,816
Profit from operations	733,245	553,540	1,070,668	1,183,204	1,083,136
Net finance income	16,288	168,897	168,423	116,343	62,709
Other income/(expenses)	4,835	(19,058)	-	-	-
Profit before WPPF & taxation	754,368	703,379	1,239,091	1,299,547	1,145,845
Contribution to WPPF	37,718	36,791	60,401	-	49,874
Profit before tax	716,650	666,588	1,178,690	1,299,547	1,095,971
Income tax expenses	189,029	169,702	161,893	(96,875)	278,297
Profit from continuing operations	527,621	496,886	1,016,797	1,396,421	817,674
Profit/(Loss) from discontinued operation	-	32,446	(31,062)	(2,031,902)	(148,370)
Profit after tax	527,621	529,332	985,735	(635,480)	669,304
Cash flow statement					
Opening cash and cash equivalent	3,697,148	3,796,022	3,419,507	3,526,422	2,844,505
Cash flow from operating activities	622,174	286,944	997,216	538,123	1,418,375
Cash flow from investing activities	49,377	276,039	19,634	20,806	(130,938)
Cash flow from financing activities	(608,432)	(662,727)	(640,886)	(665,844)	(605,520)
Other	-	870	551	-	-
Closing cash and cash equivalent	3,760,268	3,697,148	3,796,022	3,419,507	3,526,422



KEY PERFORMANCE INDICATORS

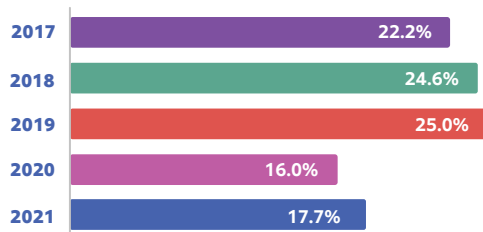
Turnover (Crore)



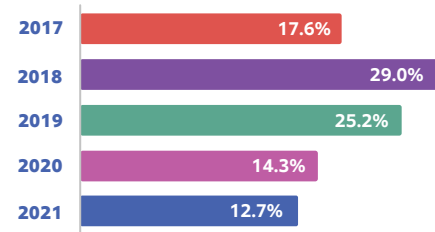
Gross Margin



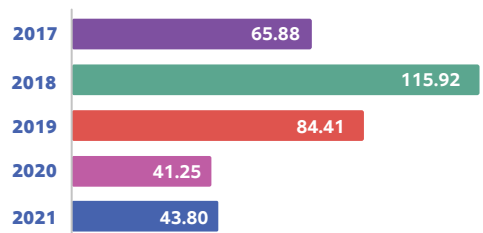
Operating Margin (Continuing Operation)



Profit Margin (Continuing Operation)



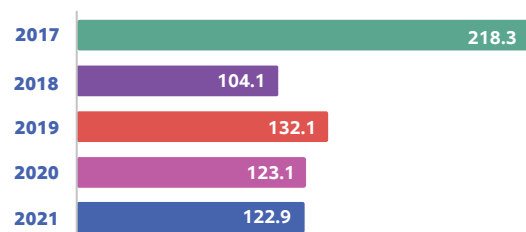
EPS (Continued Operation)



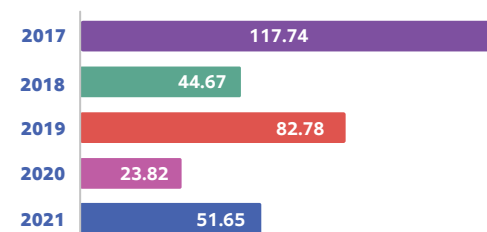
Dividend Per Share (Taka)



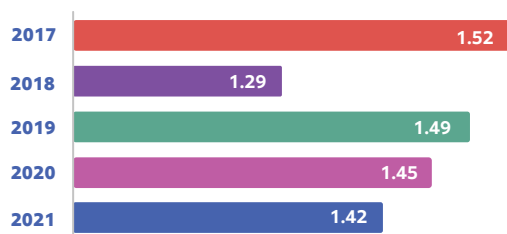
Net Assets Value Per Share (Taka)



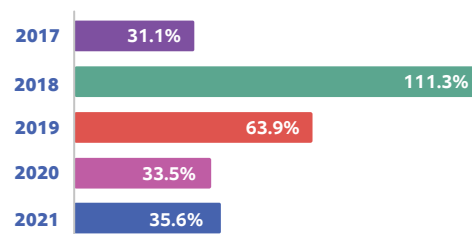
NOCFPS (Taka)



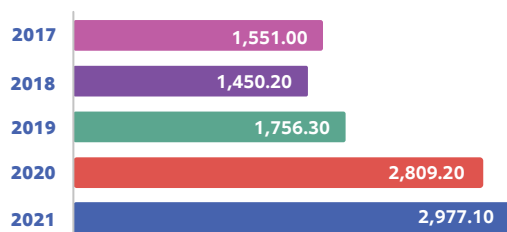
Current Ratio (Times)



Return on Equity (Continued Operation)



Market Price Per Share



Market Share Information Of Major Categories Of Products - In %

Category	2021	2020
Health Food Drink	89.5%	87.2%
Glucosxe Powder	51.6%	52.9%

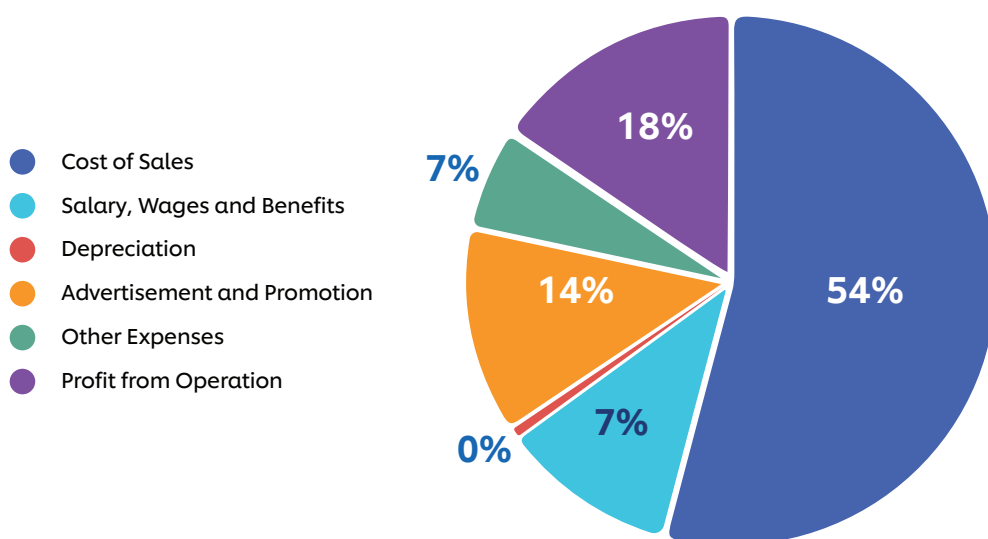


ANALYSIS OF REVENUE

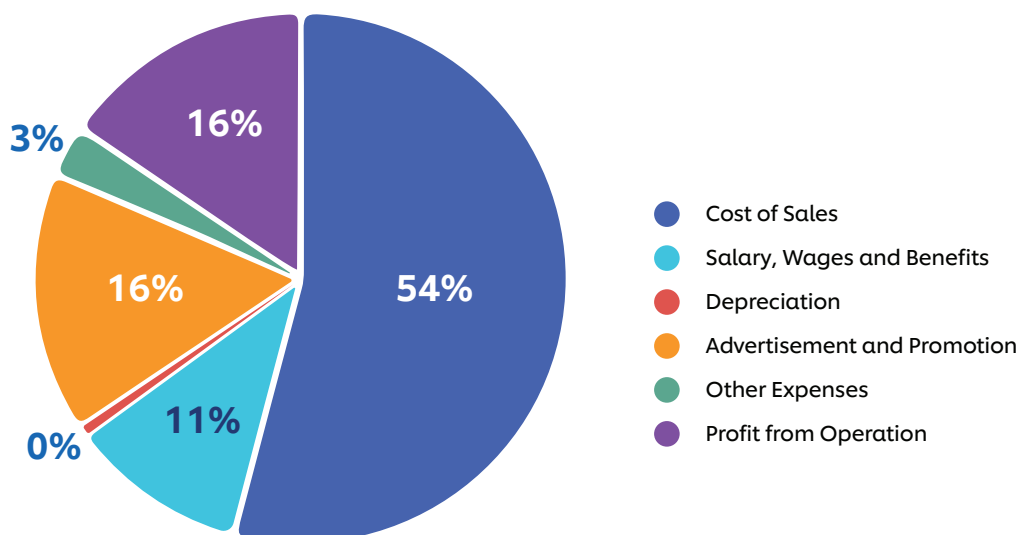
	BDT Thousand			
	2021		2020	
Sales		4,143,597		3,468,984
Cost of sales	54%	2,222,975	54%	1,876,375
Salary, wages & benefits	7%	313,794	11%	376,286
Depreciation	0%	10,589	0%	16,757
Advertisement and promotion	14%	567,777	16%	548,564
Other expenses	7%	295,218	3%	97,462
Profit from Operation	18%	733,245	16%	553,540
Total	100%	-	100%	-

Note: Salary, wages & benefits, Depreciation and Other expenses in 2020 are apportioned to continued operation

2021



2020



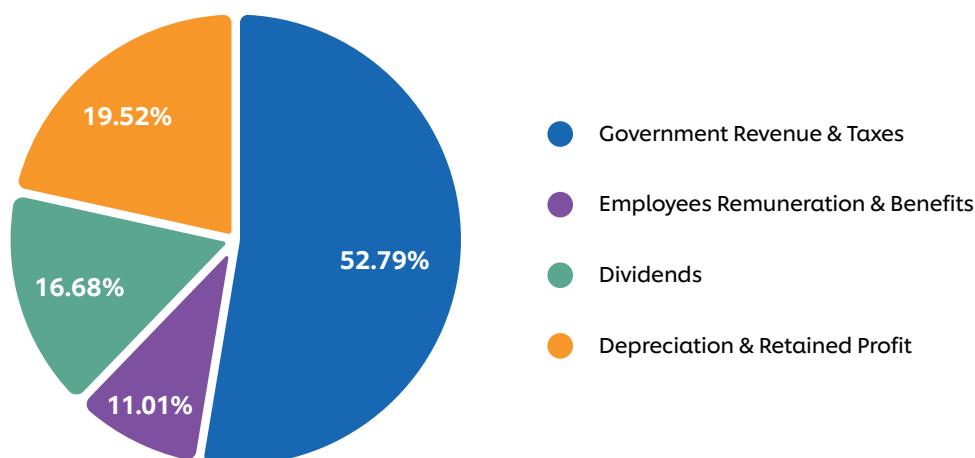
VALUE ADDED STATEMENT

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

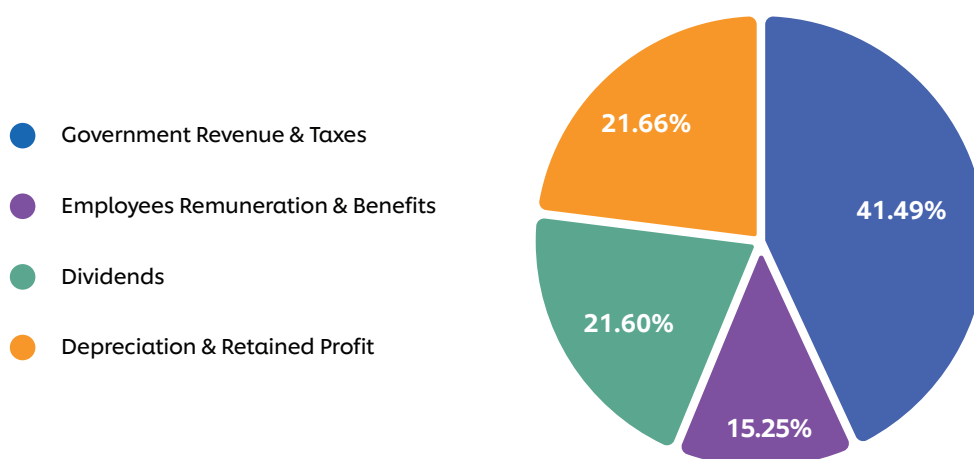
	BDT Thousand			
	2021		2020	
	Amount	%	Amount	%
Sales				
Turnover	4,765,137		4,291,294	
Less Bought in Materials & Services	2,028,540		1,825,033	
	2,736,597	99.23	2,466,261	93.49
Other income	4,835	0.18	3,637	0.14
Financial Income	16,288	0.59	168,027	6.37
	2,757,720	100	2,637,924	100
Applied to:				
Government Revenue & Taxes	1,455,833	52.79	1,094,524	41.49
Employees Remuneration & Benefits	303,601	11.01	402,270	15.25
Dividends	460,075	16.68	569,730	21.60
	2,219,509	80.48	2,066,524	78.34
Depreciation & Retained Profit	538,211	19.52	571,400	21.66
	2,757,720	100	2,637,924	100

DISTRIBUTION OF VALUE ADDITION

2021



2020



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 and 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 Thousand	
	2021	2020
Profit After Tax (PAT)	527,621	529,332
Capital Employed	1,670,832	1,709,021
Cost of capital in %	32%	37%
Cost of capital (COC)	530,044	638,463
EVA = PAT-COC	(2,423)	(109,131)

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	9,875,144

(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

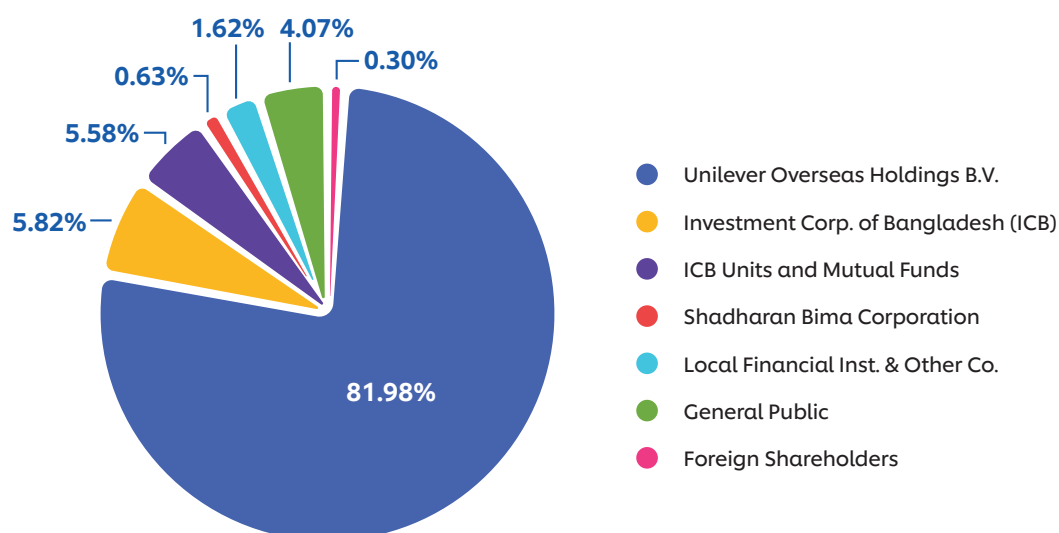
(d) Shareholders holding ten per cent (10%) or more voting interest in the Company:

Name	No. of shares	% of Holding
Unilever Overseas Holdings B.V.	9,875,144	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)	700,676	5.82 %
ICB Units and Mutual Funds	672,147	5.58 %
Shadharan Bima Corporation	76,437	0.63 %
Local Financial Institutions & other Companies	194,989	1.62 %
General Public	490,833	4.07 %
Foreign Shareholders	36,223	0.30 %

Shareholding Position (as on 31 December 2021)



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 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 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 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 have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial 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.

Nasir U Ahmed, FCA, FCS, ACMA (UK)
Deputy Managing Partner
MABS & J Partners
Chartered Accountants

Place: Dhaka
Dated: 24 March 2022



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33, Banani C/A, Road 17
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 +88-02-9821365-66
Email : info@mabsj.com
web : www.mabsj.com

Motijheel Branch Office :
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Dhaka-1000, Bangladesh
Phone : +88-02-58315469/58315471
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 issued under section 2CC of the Securities and Exchange Ordinance, 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 one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are 2 (two) Independent Directors (IDs) out of total 08 (eight) Directors
1(2)(b)(i)	"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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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
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 convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); 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);	✓		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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 business association; or	✓		
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 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; 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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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
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 2021
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 utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 2021
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
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 summarized;	✓		Included as annexure # II of Directors' Report 2021
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 440% 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 2021
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 2021
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 this Annual Report
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 2021
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; and	✓		Included as annexure # V of Directors' Report 2021
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9	✓		Included as annexure # IV of Directors' Report 2021

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		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).	✓		In Practice
3.2	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		In Practice
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)(i)	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: These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		Disclosed as annexure # V of Directors' Report 2021

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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
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 rationalize their competences

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 1 (one) month 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
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 48th AGM held on 29 April 2021
5(4)(a)	Meeting of the Audit Committee: The Audit Committee shall conduct at least 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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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
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 utilized 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			Not Applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	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 utilized 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.			
5(6)(a)(i)	Reporting of the Audit Committee: 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
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 2021 are stated in AC Report and disclosed in this Annual Report

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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)	All 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
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;			No such incidence arose in the reporting period
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 48th AGM held on 29 April 2021
6(4)(a)	Meeting of the NRC: The NRC shall conduct at least one meeting in a financial year;	✓		There were 3 (three) 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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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
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 48th AGM held on 29 April 2021
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 48th AGM held on 29 April 2021
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 2021



CEO & CFO CERTIFICATION

Annexure V

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

24 February 2022
The Board of Directors
Unilever Consumer Care Limited
DTX Tower, Kazi Bari, Kuril, Bhatara, Dhaka-1229.

Subject: Declaration on Financial Statements for the year ended on 31 December 2021.

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 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going 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 2021 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

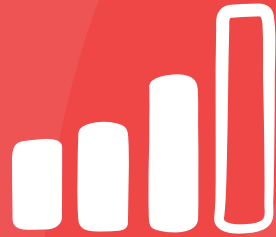
Md. Humayoun Kabir
Head of Finance



A person's arm is visible on the left side of the image, wearing a blue sleeve with a fine, woven texture. The background is a vibrant red, featuring several large, semi-transparent, overlapping shapes in various shades of red and orange, creating a dynamic, abstract composition. The overall aesthetic is modern and tech-oriented.

A Future-fit Operation

Technology is a core part of our innovation. With the assistance from contemporary IT and technology we have been able to study insights from our consumer and deliver our products seamlessly. Through process automation we have been able to capitalize on modern digital technology for the betterment of our people and retailers of UCL. We are also studying our consumer connections digitally for trends, insights, and opportunities and using automated technology to quickly and efficiently bring relevant solutions to the market.



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 2021, 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 a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 31 December 2021, 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.

1. Revenue Recognition

See notes **22** and **45(K)** 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.

In normal circumstances, the Company's policy is that revenue is recognised on despatch of goods from the Company warehouse. Sales may be recognised on receipt by the customer if this better reflects the transfer of risks and rewards. The Company has sales employees' incentives which is directly linked to meeting the sales targets. Thus, there is a risk that revenue may be recognised before transferring risks and rewards.

The company has reported total revenue of BDT 4,144 million (31 December 2020: BDT 3,469 million) in current year.

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.
- Testing 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 Matter

The financial statements of the Company as at and for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on 2 March 2021.

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 accounts 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 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.



Ali Ashfaq, Partner, Enrolment number: 509
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: N/A

Dhaka, 28 February 2022

DVC: 2203020509AS300990

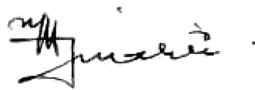
Unilever Consumer Care Limited
Statement of Financial Position

<i>In thousands of BDT</i>	Note	31 December 2021	31 December 2020
Assets			
Property, plant and equipment	5	68,890	83,509
Right of use assets	6	239,011	287,777
Deferred tax assets	15	24,738	29,466
Advances, deposits and prepayments	8	3,358	2,376
Non-current assets		335,997	403,128
Inventories	9	556,148	390,329
Trade and other receivables	10	154,744	81,252
Advances, deposits and prepayments	8	26,768	28,574
Cash and cash equivalents	11	3,760,268	3,697,148
Current assets		4,497,928	4,197,303
Total assets		4,833,925	4,600,431
Equity			
Share capital	12	120,465	120,465
Reserves	13	9,997	9,997
Retained earnings	14	1,349,827	1,352,252
Total equity		1,480,289	1,482,714
Liabilities			
Lease liabilities	20	190,542	226,307
Non-current liabilities		190,542	226,307
Trade payables	17	123,629	126,270
Other payables and provisions	18	2,880,212	2,613,650
Defined benefit liabilities	16	10,610	-
Advance from customers	19	31,074	3,180
Lease liabilities	20	61,030	68,657
Current tax liabilities	21	54,338	69,219
Unclaimed dividend payable	31	2,201	10,434
Current liabilities		3,163,094	2,891,410
Total liabilities		3,353,636	3,117,717
Total equity and liabilities		4,833,925	4,600,431
Net Asset Value (NAV) per share	29	122.88	123.08

The notes on pages 160 to 194 are an integral part of these financial statements.



Md. Naharul Islam Molla
Company Secretary



Md. Zahidul Islam Malita
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 Registration Number: N/A

DVC: 2203020509AS300990

Dhaka, 28 February 2022

Unilever Consumer Care Limited

Statement of Profit or Loss and Other Comprehensive Income

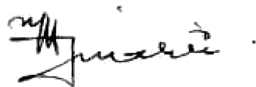
For the year ended 31 December

<i>In thousands of BDT</i>	Note	2021	2020
Revenue	22	4,143,597	3,468,984
Cost of sales	23	(2,222,975)	(1,876,375)
Gross profit		1,920,622	1,592,609
Operating expenses	24	(1,187,377)	(1,039,069)
Operating profit		733,245	553,540
Net finance income	25	16,288	168,897
Other income/(expenses)	26	4,835	(19,058)
Profit before contribution to WPPF		754,368	703,379
Contribution to WPPF		(37,718)	(36,791)
Profit before tax		716,650	666,588
Income tax expense	28	(189,029)	(169,702)
Profit from continuing operations		527,621	496,886
Discontinued operation			
Profit from discontinued operation, net of tax	44	-	32,446
Profit for the period		527,621	529,332
Other comprehensive income (loss), net of tax		-	-
Total comprehensive income for the year		527,621	529,332
Basic earnings per share from continuing operations	30	43.80	41.25
Basic earnings per share (continuing and discontinued operations)	30	43.80	43.94

The notes on pages 160 to 194 are an integral part of these financial statements.



Md. Naharul Islam Molla
Company Secretary



Md. Zahidul Islam Malita
Director



Khan Salahuddin Mohammad Minhaj
Managing Director

Dhaka, 28 February 2022

As per our report of same date.



Auditor

Ali Ashfaq, Partner, Enrolment number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: N/A

DVC: 2203020509AS300990

Unilever Consumer Care Limited

Statement of Changes in Equity

For the year ended 31 December 2021

<i>In thousands of BDT</i>	Share capital	Revaluation reserve	General reserve	Capital reserve	Retained earnings	Total equity
Balance at 1 January 2020	120,465	4,831	5,000	166	1,461,383	1,591,845
Total comprehensive income						
Profit for the year	-	-	-	-	529,332	529,332
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	529,332	529,332
Transaction with owners of the Company						
Dividends						
Final dividend for 2019	-	-	-	-	(638,463)	(638,463)
Balance at 31 December 2020	120,465	4,831	5,000	166	1,352,252	1,482,714
Balance at 1 January 2021	120,465	4,831	5,000	166	1,352,252	1,482,714
Total comprehensive income						
Profit for the year	-	-	-	-	527,621	527,621
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-			527,621	527,621
Transaction with owners of the Company						
Dividends						
Final dividend for 2020	-	-	-	-	(530,046)	(530,046)
Balance at 31 December 2021	120,465	4,831	5,000	166	1,349,827	1,480,289

The notes on pages 160 to 194 are an integral part of these financial statements.

Unilever Consumer Care Limited

Statement of Cash Flows

For the year ended 31 December

<i>In thousands of BDT</i>	Note	2021	2020
Cash flows from operating activities			
Collections from turnover		4,211,539	4,077,454
Payments for costs and expenses		(3,361,366)	(3,708,924)
Other income		-	(9,065)
Interest paid on lease	20.2	(28,816)	(358)
Income tax paid	21.1	(199,183)	(72,163)
Net cash generated from operating activities		622,174	286,944
Cash flows from investing activities			
Interest received		40,844	271,564
Purchase of property, plant and equipment	5.2	(1,750)	-
Sales proceeds from property, plant and equipment	27	10,284	4,475
Net cash from investing activities		49,378	276,039
Cash flows from financing activities			
Dividend paid	31.2	(538,279)	(638,169)
Payment of lease liabilities	20.2	(70,153)	(24,558)
Net cash used in financing activities		(608,432)	(662,727)
Net increase in cash and cash equivalents		63,120	(99,744)
Cash and cash equivalents at 1 January		3,697,148	3,796,022
Effect of foreign exchange rate on cash & cash equivalents		-	870
Cash and cash equivalents at 31 December		3,760,268	3,697,148
Closing cash and cash equivalents have been arrived at as follows:			
Term deposits	11.1	3,600,000	3,050,000
Current account with scheduled commercial banks	11.2	160,268	647,148
		3,760,268	3,697,148
Net operating cash flow per share (NOCFPS)	33	51.65	23.82

The notes on pages 160 to 194 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. The business of Oral Health Care has been discontinued since 30 June 2020.

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 45.

The financial statements were approved by the Company's Board of Directors on 28 February 2022.

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 9 - Inventories
- Note 15 - Deferred tax assets/(liabilities)
- Note 16 - Defined benefit liabilities
- Note 20 - Lease liabilities
- Note 21 - Current tax liabilities
- Note 38 - Contingent liabilities and commitments

i. 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 45(A)

Reconciliation of carrying amount

<i>In thousands of BDT</i>	Freehold land	Leasehold land	Building	Plant and machinery	Motor vehicles	Furniture, fixtures and office equipment	Capital work in progress (Note 5.2)	Total
Cost								
Balance at 1 January 2020	221	619	142,028	429,434	82,394	296,763	-	951,459
Additions	-	-	-	-	-	-	-	-
Disposals/transfers	-	-	-	-	(10,272)	(1,779)	-	(12,051)
	221	619	142,028	429,434	72,122	294,984	-	939,408
Revalued in 1978								
Balance at 1 January 2020	4,831	12	45,747	7,398	-	1,491	-	59,479
Additions	-	-	-	-	-	-	-	-
Disposals/transfers	-	-	-	-	-	-	-	-
	4,831	12	45,747	7,398	-	1,491	-	59,479
Balance at 31 December 2020	5,052	631	187,775	436,832	72,122	296,475	-	998,887
Cost								
Balance at 1 January 2021	221	619	142,028	429,434	72,122	294,984	-	939,408
Additions	-	-	-	-	-	-	1,750	1,750
Disposals/transfers	-	-	-	-	(26,467)	(28,196)	-	(54,663)
	221	619	142,028	429,434	45,655	266,788	1,750	886,495
Revalued in 1978								
Balance at 1 January 2021	4,831	12	45,747	7,398	-	1,491	-	59,479
Additions	-	-	-	-	-	-	-	-
Disposals/transfers	-	-	-	-	-	-	-	-
	4,831	12	45,747	7,398	-	1,491	-	59,479
Balance at 31 December 2021	5,052	631	187,775	436,832	45,655	268,279	1,750	945,974

<i>In thousands of BDT</i>	Freehold land	Leasehold land	Building	Plant and machinery	Motor vehicles	Furniture, fixtures and office equipment	Capital work in progress (Note 5.2)	Total
Accumulated depreciation								
Balance at 1 January 2020	-	240	122,916	290,044	73,500	134,638	-	621,338
Depreciation for the year	-	112	3,232	4,347	3,732	3,608	-	15,031
Adjustment for disposals/transfers	-	-	-	-	(9,261)	(623)	-	(9,884)
Balance at 31 December 2020	-	352	126,148	294,391	67,971	137,623	-	626,485
Balance at 1 January 2021	-	352	126,148	294,391	67,971	137,623	-	626,485
Depreciation for the year	-	112	3,169	3,896	1,144	2,268	-	10,589
Adjustment for disposals/transfers	-	-	-	-	(23,592)	(16,320)	-	(39,912)
Balance at 31 December 2021	-	464	129,317	298,287	45,523	123,571	-	597,162
Accumulated impairment								
Balance at 1 January 2020	-	-	-	136,928	-	151,965	-	288,893
Impairment for the year	-	-	-	-	-	-	-	-
Adjustment for disposals/transfers	-	-	-	-	-	-	-	-
Balance at 31 December 2020	-	-	-	136,928	-	151,965	-	288,893
Balance at 1 January 2021	-	-	-	136,928	-	151,965	-	288,893
Impairment for the year	-	-	-	-	-	-	-	-
Adjustment for disposals/transfers	-	-	-	-	-	(8,971)	-	(8,971)
Balance at 31 December 2021	-	-	-	136,928	-	142,994	-	279,922
Carrying amounts								
At 1 January 2020	5,052	391	64,859	9,860	8,894	11,651	-	100,707
At 31 December 2020	5,052	279	61,627	5,513	4,151	6,887	-	83,509
At 31 December 2021	5,052	167	58,458	1,617	132	1,714	1,750	68,890
5.1 Allocation of Depreciation								
<i>In thousands of BDT</i>							2021	2020
Cost of sales							3,812	5,630
Operating expenses							6,777	9,401
							10,589	15,031

5.2 Capital Work in Progress (CWIP)

<i>In thousands of BDT</i>	Freehold land	Leasehold land	Building	Plant and machinery	Motor vehicles	Furniture, fixtures and office equipment	Total
Cost							
Balance at 1 January 2020	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals/transfers	-	-	-	-	-	-	-
Balance at 31 December 2020	-	-	-	-	-	-	-
Balance at 1 January 2021	-	-	-	-	-	-	-
Additions/(adjustments)	-	-	1,659	-	-	91	1,750
Disposals/transfers	-	-	-	-	-	-	-
Balance at 31 December 2021	-	-	1,659	-	-	91	1,750

6 Right of Use Assets

See accounting policy in Note 45(F)

<i>In thousands of BDT</i>	Corporate office & warehouse	Factory premises	Vehicles	Total
Cost				
Balance at 1 January 2020	-	-	-	-
Additions	27,755	285,333	-	313,088
Disposals/transfers	-	-	-	-
Balance at 31 December 2020	27,755	285,333	-	313,088
Balance at 1 January 2021	27,755	285,333	-	313,088
Additions	29,795	-	3,650	33,445
Disposals/transfers	(24,926)	-	-	(24,926)
Balance at 31 December 2021	32,624	285,333	3,650	321,607
Accumulated depreciation				
Balance at 1 January 2020	-	-	-	-
Depreciation for the period	8,508	16,803	-	25,311
Adjustment for disposals/transfers	-	-	-	-
Balance at 31 December 2020	8,508	16,803	-	25,311
Balance at 1 January 2021	8,508	16,803	-	25,311
Depreciation for the period	23,673	56,944	1,413	82,030
Adjustment for disposals/transfers	(24,745)	-	-	(24,745)
Balance at 31 December 2021	7,436	73,747	1,413	82,596
Carrying amounts				
Balance at 1 January 2020	-	-	-	-
Balance at 31 December 2020	19,247	268,530	-	287,777
Balance at 31 December 2021	25,188	211,586	2,237	239,011

6.1 Allocation of Depreciation

<i>In thousands of BDT</i>	2021	2020
Cost of sales	64,584	16,803
Operating expenses	17,446	8,508
	82,030	25,311

7 Intangible Assets

See accounting policy in Note 45(B)

<i>In thousands of BDT</i>	Manufacturing ERP Software	Commercial ERP Software	Total
Cost			
Balance at 1 January 2020	7,654	54,520	62,174
Additions	-	-	-
Disposals/transfers	(7,654)	(54,520)	(62,174)
Balance at 31 December 2020	-	-	-
Balance at 1 January 2021	-	-	-
Additions	-	-	-
Disposals/transfers	-	-	-
Balance at 31 December 2021	-	-	-
Accumulated amortisation			
Balance at 1 January 2020	7,654	13,028	20,682
Amortisation for the year	-	1,726	1,726
Disposals/transfers	(7,654)	(14,754)	(22,408)
Balance at 31 December 2020	-	-	-
Balance at 1 January 2021	-	-	-
Amortisation for the year	-	-	-
Balance at 31 December 2021	-	-	-
Accumulated impairment			
Balance at 1 January 2020	-	27,465	27,465
Impairment for the year	-	-	-
Disposals/transfers	-	(27,465)	(27,465)
Balance at 31 December 2020	-	-	-
Balance at 1 January 2021	-	-	-
Impairment for the year	-	-	-
Balance at 31 December 2021	-	-	-
Carrying amounts			
At 1 January 2020	-	14,027	14,027
At 31 December 2020	-	-	-
At 31 December 2021	-	-	-

Amortisation on intangible assets has been allocated to general and administrative expenses.

8 Advances, Deposits and Prepayments

See accounting policy in Note 45(C)

<i>In thousands of BDT</i>	2021	2020
Loans and advances		
Advance to suppliers	13,137	7,379
Loans and advances to employees	11,577	16,434
VAT current A/C	-	3,559
	24,714	27,372
Deposits		
Security deposits	3,358	2,376
	3,358	2,376
Prepayments		
Insurance	1,441	802
BSTI license fee	613	-
International club subscription	-	400
	2,054	1,202
Balance at 31 December	30,126	30,950
Current portion	26,768	28,574
Non-current portion	3,358	2,376
	30,126	30,950

* Security deposits have been paid for utility services.

9 Inventories

See accounting policy in Note 45(G)

<i>In thousands of BDT</i>	Note	2021	2020
Stock in trade		392,269	237,649
Stock in transit		163,879	152,680
		556,148	390,329
Stock in trade			
Raw materials	9.1	146,637	70,171
Packing materials	9.2	15,365	20,380
Semi finished goods		81,249	7,546
Finished goods	9.3	149,018	139,552
		392,269	237,649
Stock in transit			
Raw materials		130,783	111,379
Semi finished goods		33,096	41,301
		163,879	152,680

9.1 Raw Materials

<i>In thousands of BDT</i>	2021	2020
Gross value of raw materials stock	150,508	71,052
Provision for raw materials stock	(3,871)	(881)
Net value of raw materials stock	146,637	70,171

9.2 Packing Materials

<i>In thousands of BDT</i>	2021	2020
Gross value of packing materials stock	19,627	20,487
Provision for packing materials stock	(4,262)	(107)
Net value of packing materials stock	15,365	20,380

9.3 Detailed Disclosure in Respect of Finished Goods

	2021		2020	
	Quantity MT	In thousands of BDT	Quantity MT	In thousands of BDT
Health food drink	509	150,549	335	110,436
Glucose powder	23	5,392	263	38,430
	532	155,941	598	148,866
Gross value of finished goods stock		155,941		148,866
Provision for finished goods stock		(6,923)		(9,314)
Net value of finished goods stock		149,018		139,552

10 Trade and Other Receivables

See accounting policy in Note 45(C)

<i>In thousands of BDT</i>	Note	2021	2020
Trade receivables		8,548	48,596
Intercompany receivables	10.1	143,716	28,318
Accrued interest		2,097	4,338
Other receivables		383	-
		154,744	81,252

10.1 Intercompany Receivables

<i>In thousands of BDT</i>	2021	2020
Unilever Bangladesh Limited	143,716	28,318
	143,716	28,318

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

11 Cash and Cash Equivalents

See accounting policy in Note 45(C)

<i>In thousands of BDT</i>	Note	2021	2020
Cash in hand		-	-
Cash at bank:			
Term deposits	11.1	3,600,000	3,050,000
Current account with scheduled commercial banks	11.2	160,268	647,148
		3,760,268	3,697,148
Cash and cash equivalents in the statement of cash flows		3,760,268	3,697,148

Balance in Standard Chartered Bank includes unclaimed dividends payable amounting 2,201 (BDT '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.

11.1 Term Deposits

<i>In thousands of BDT</i>	2021	2020
The Hongkong and Shanghai Banking Corporation Limited	3,600,000	3,050,000
	3,600,000	3,050,000

11.2 Current Account with Scheduled Commercial Banks

<i>In thousands of BDT</i>	2021	2020
The Hongkong and Shanghai Banking Corporation Limited	82,396	231,213
Standard Chartered Bank Limited	64,252	406,064
Sonali Bank Limited	13,620	9,804
Citibank, N.A.	-	67
	160,268	647,148

12 Share Capital

See accounting policy in Note 45(D)

<i>In thousands of BDT</i>	2021	2020
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
	71,021	71,021
	120,465	120,465

Shareholding position:

Name of shareholders	2021		2020	
	No. of shares	Value (BDT)	No. of shares	Value (BDT)
Unilever Overseas Holdings B.V., The Netherlands	9,875,144	98,752	9,875,144	98,752
Investment Corporation of Bangladesh (ICB) & ICB Unit & ICB Mutual Fund	1,372,823	13,729	1,373,917	13,739
Shadharan Bima Corporation	76,437	764	76,437	764
Local Financial Institutions & other Companies	194,989	1,950	182,613	1,826
General Public	490,833	4,908	503,224	5,033
Foreign Shareholders	36,223	362	35,114	351
	12,046,449	120,465	12,046,449	120,465

12.1 Percentage of Shareholdings

Name of shareholders	2021	2020
Unilever Overseas Holdings B.V., The Netherlands	81.98%	81.98%
Investment Corporation of Bangladesh (ICB) & ICB Unit & ICB Mutual Fund	11.40%	11.40%
Shadharan Bima Corporation	0.63%	0.63%
Local Financial Institutions & other Companies	1.62%	1.52%
General Public	4.07%	4.18%
Foreign Shareholders	0.30%	0.29%
	100%	100%

12.2 Classification of Shareholders by Holding

Holdings	2021		2020	
	Number of shareholders	Total no of shares	Number of shareholders	Total no of shares
Less than 500 shares	2,156	97,371	2,656	124,221
500 to 5,000 shares	107	118,297	107	121,347
5,001 to 10,000 shares	10	71,640	8	66,715
10,001 to 20,000 shares	3	42,198	3	45,806
20,001 to 30,000 shares	2	45,151	2	44,728
30,001 to 40,000 shares	-	-	-	-
40,001 to 50,000 shares	1	46,751	1	46,751
50,001 to 100,000 shares	3	232,956	3	232,956
100,001 to 1,000,000 shares	3	1,516,941	2	461,672
Over 1,000,000 shares	1	9,875,144	2	10,902,253
	2,286	12,046,449	2,784	12,046,449

12.3 Classification of Shareholders by Holding (In percentage):

	2021	2020
Holdings		
Less than 500 shares	0.8%	1.0%
500 to 5,000 shares	1.0%	1.0%
5,001 to 10,000 shares	0.6%	0.6%
10,001 to 20,000 shares	0.4%	0.4%
20,001 to 30,000 shares	0.4%	0.4%
30,001 to 40,000 shares	0.0%	0.0%
40,001 to 50,000 shares	0.4%	0.4%
50,001 to 100,000 shares	1.9%	1.9%
100,001 to 1,000,000 shares	12.6%	3.8%
Over 1,000,000 shares	82.0%	90.5%
	100.0%	100.0%

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

	2021	2020
No. of shares held by the members of the Company Executive Committee	-	-
	-	-

12.5 Profit Attributable to

	2021		2020	
	Shareholding %	Value (000)	Shareholding %	Value (000)
Unilever Overseas Holdings B.V., The Netherlands	81.98%	432,521	81.98%	433,923
Non-controlling interest	18.02%	95,100	18.02%	95,409
	100%	527,621	100%	529,332

13 Reserves

<i>In thousands of BDT</i>		2021	2020
General reserve		5,000	5,000
Revaluation reserve	13.1	4,831	4,831
Capital reserve	13.2	166	166
		9,997	9,997

13.1 Revaluation Reserve

The balance represents surplus arising from the revaluation of fixed assets (land) carried out in 1978.

13.2 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>	2021	2020
Balance at 1 January	1,352,252	1,461,383
Total comprehensive income for the year:		
Profit for the year	527,621	529,332
Other comprehensive income	-	-
Dividends during the year:		
Cash dividend 2020	(530,046)	-
Cash dividend 2019	-	(638,463)
Balance at 31 December	1,349,827	1,352,252

15 Deferred Tax Assets/(Liabilities)

See accounting policy in Note 45(L)

31 December 2021	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	62,088	148,863	86,775
Defined benefit liabilities	(10,610)	-	10,610
Right of use assets	239,011	-	(239,011)
Lease liabilities	(251,572)	-	251,572
Net temporary difference			109,946
Applicable tax rate			22.5%
Deferred tax assets/(liabilities)			24,738

31 December 2020	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	78,464	195,577	117,113
Defined benefit liabilities	-	-	-
Right of use assets	287,777	-	(287,777)
Lease liabilities	(288,530)	-	288,530
Net temporary difference			117,866
Applicable tax rate			25%
Deferred tax assets/(liabilities)			29,466

15.1 Deferred Tax (Expense)/Income

<i>In thousands of BDT</i>	2021	2020
Deferred tax assets at the beginning of the year	29,466	40,451
Deferred tax assets at the end of the year	24,738	29,466
	(4,728)	(10,985)
Deferred tax attributable to actuarial gain/(loss) on defined benefit plan recognised directly in equity	-	3,171
Deferred tax (expense)/income	(4,728)	(7,814)

16 Defined Benefit Liabilities

See accounting policy in Note 45(H)

<i>In thousands of BDT</i>	2021	2020
Opening balance	-	-
Addition during the year	10,610	-
Payment during the year	-	-
Closing balance	10,610	-

17 Trade Payables

See accounting policy in Note 45(C)

<i>In thousands of BDT</i>	Note	2021	2020
Trade payables		19,264	20,947
Intercompany payables	17.1	104,365	105,323
		123,629	126,270

17.1 Intercompany Payables

<i>In thousands of BDT</i>	2021	2020
Unilever India Export Limited	77,912	105,323
Unilever Bangladesh Limited	26,453	-
	104,365	105,323

Payable to Unilever India Export Limited represents payable against import of Dry Mix Ingredients (DMI) and Vitamin Pre-mix outstanding as on 31 December 2021. Payable to Unilever Bangladesh Limited is on account sharing of expenses under common platform.

18 Other Payables and Provisions

<i>In thousands of BDT</i>	Note	2021	2020
Provisions	18.1	1,610,640	1,806,552
Accrued expenses		1,221,533	767,596
Workers' profit participation fund payables	18.2	23,050	36,791
VAT payables		13,890	-
Withholding tax payables		11,099	2,711
		2,880,212	2,613,650

18.1 Provisions

<i>In thousands of BDT</i>	2021	2020
Balance at 1 January	1,806,552	1,920,458
Provisions made during the year	-	-
Provisions used/reversed during the year	(195,912)	(113,906)
Balance at 31 December	1,610,640	1,806,552

18.2 Workers' Profit Participation Fund Payables

<i>In thousands of BDT</i>	2021	2020
Balance at 1 January	36,791	60,401
Addition during the year	37,718	36,791
Paid during the year	(51,459)	(60,401)
Balance at 31 December	23,050	36,791

19 Advance from Customers

<i>In thousands of BDT</i>	2021	2020
Advance from customers	31,074	3,180
	31,074	3,180

20 Lease Liabilities

See accounting policy in Note 45(F)

<i>In thousands of BDT</i>	2021	2020
Opening balance	294,964	-
Lease obligation made during the year	27,010	319,522
Payment of lease obligation	(70,153)	(24,558)
Lease liabilities termination/adjustments	(249)	-
	251,572	294,964

<i>In thousands of BDT</i>	2021	2020
Current	61,030	68,657
Non-current	190,542	226,307
	251,572	294,964

20.1 Amounts Recognised in Profit or Loss

<i>In thousands of BDT</i>	2021	2020
Interest on lease liabilities	22,382	6,792
	22,382	6,792

20.2 Amounts Recognised in the Statement of Cash Flows

<i>In thousands of BDT</i>	2021	2020
Payments for leases - principle	70,153	24,558
Payments for leases - interest	28,816	358
	98,969	24,916

21 Current Tax Liabilities

See accounting policy in Note 45(L)

<i>In thousands of BDT</i>	Note	2021	2020
Advance income tax	21.1	337,227	138,045
Provision for income tax	21.2	(391,565)	(207,264)
		(54,338)	(69,219)

21.1 Advance Income Tax

<i>In thousands of BDT</i>	2021	2020
Opening balance	138,044	65,881
Add: Paid during the year	199,183	72,163
Closing balance	337,227	138,044

21.2 Provision for Income Tax

<i>In thousands of BDT</i>	2021	2020
Opening balance	207,264	48,547
Add: Provision made during the year	216,080	158,717
Less: Provision released during the year	(31,779)	-
Closing balance	391,565	207,264

22 Revenue

See accounting policy in Note 45(K)

<i>In thousands of BDT</i>	2021	2020
Net revenue	4,143,597	3,468,984
	4,143,597	3,468,984

22.1 Quantity and Amounts of Revenue by Category

Note	2021		2020	
	Quantity in MT	In thousands of BDT	Quantity in MT	In thousands of BDT
Health food drink	7,371	3,805,656	6,229	3,186,844
Glucose powder	1,230	337,941	1,002	282,140
Total net revenue	8,601	4,143,597	7,231	3,468,984

22.2 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

In thousands of BDT	Note	2021	2020
Finished goods at 1 January			
-Manufactured goods	9.3	136,709	18
-Imported goods	9.3	2,843	11,482
		139,552	11,500
Addition during the year			
-Manufactured goods	23.1	2,232,441	1,892,415
-Imported goods		-	112,012
		2,232,441	2,004,427
Finished goods at 31 December			
-Manufactured goods	9.3	(148,744)	(136,709)
-Imported goods	9.3	(274)	(2,843)
Cost of sales		2,222,975	1,876,375

The increase in Cost of Sales mainly driven by volume growth coupled with price inflation in raw and packing material and increased custom duty (25% instead of 15% from July 2020). The Company has taken extensive savings initiatives resulting in improvement in gross margin (GM).

23.1 Cost of Goods Manufactured

In thousands of BDT	Note	2021	2020
Materials consumed	23.1.1	1,900,606	1,557,864
Manufacturing overhead:			
Conversion cost		139,448	234,295
Salaries, wages and welfare		50,724	55,746
Depreciation on Right of use assets	6.1	64,584	16,803
Depreciation on Property, plant & equipment	5.1	3,812	5,630
Warehousing & Logistics		73,267	22,077
		331,835	334,551
		2,232,441	1,892,415

The Company was under 2P manufacturing model for nine months in 2020 with the contract manufacturer. Under 2P model, the contract manufacturer performs end to end manufacturing activities including procurement and logistics under the supervision of the Company. As a result, the conversion cost was significantly higher. The Company changed its manufacturing model to 3P from October 2020 where the Company performs procurement, logistics and other related activities itself. As a result the conversion cost for 2021 has decreased significantly.

The Company adopted IFRS 16 from September 2020 post its manufacturing model change. Depreciation on right of use assets of 2021 includes full year's impact of lease against four months' impact in 2020.

Warehousing and logistics cost were introduced in 2020 due to distribution model change. However, it has not affected the gross margin as the sales price has also improved due to changes in distribution model.

23.1.1 Materials Consumed

<i>In thousands of BDT</i>	2021	2020
Raw materials		
-Imported	1,546,651	1,285,457
-Local	47,303	34,902
Packing materials	306,652	237,505
	1,900,606	1,557,864

24 Operating Expenses

<i>In thousands of BDT</i>	Note	2021	2020
Salaries, wages and welfare		263,069	320,540
Advertisement and promotion		567,777	548,564
Technical assistance fee and royalty		226,366	33,108
Information and communication expenses		32,183	5,479
Travel, training and conference		25,584	32,713
Depreciation on right of use assets	6.1	17,446	8,508
Professional fees and consultancy fees		10,996	12,610
Rents, rates and taxes		7,540	42,466
Depreciation on property, plant & equipment	5.1	6,777	9,401
Insurance		6,757	3,780
Repairs and maintenance		5,144	5,539
Fuel and utilities		5,042	3,409
Vehicle expenses		4,958	5,016
Motor running expenses		4,522	2,758
Entertainment		1,455	1,692
Auditor's remuneration	24.1	825	660
Directors' fee		936	1,100
Amortisation		-	1,726
		1,187,377	1,039,069

24.1 Auditors' Remuneration

<i>In thousands of BDT</i>	2021	2020
Audit fee	825	660
Audit of provident, pension and workers' profit participation & welfare funds and special certifications	-	-
	825	660

25 Net Finance Income

See accounting policy in Note 45(N)

<i>In thousands of BDT</i>	2021	2020
Interest income from banks and others	38,621	174,819
Net foreign exchange gain	49	870
Finance income	38,670	175,689
Interest expense on leases	22,382	6,792
Finance costs	22,382	6,792
Net finance income	16,288	168,897

26 Other Income/(Expense)

<i>In thousands of BDT</i>	Note	2021	2020
Other income	26.1	4,835	4,238
Other expenses	26.2	-	(23,296)
		4,835	(19,058)

26.1 Other Income

<i>In thousands of BDT</i>	2021	2020
Gain on sale of property, plant & equipment	4,506	2,308
Scrap sales	329	502
Management fee	-	383
Income from Provident Fund (forfeited balances of beneficiaries)	-	1,045
	4,835	4,238

26.2 Other Expenses

<i>In thousands of BDT</i>	2021	2020
Loss on intangible asset write off	-	12,301
Professional fees and consultancy fee	-	10,995
	-	23,296

Professional fees and consultancy fees in 2020 include restructuring project related expenses. Considering the one-off nature, this had been presented in Other expense.

27 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
Freehold land	-	-	-	-	-	
Leasehold land	-	-	-	-	-	
Plant and machinery	-	-	-	-	-	
Building	-	-	-	-	-	
Motor vehicles	26,467	(23,592)	2,875	10,205	7,330	Written off
Furniture, fixtures and office equipment	28,196	(25,293)	2,903	79	(2,824)	Written off
2021 Total	54,663	(48,885)	5,778	10,284	4,506	
2020 Total	12,051	(9,884)	2,167	4,475	2,308	

The Company disposed its ERP software in 2020 having written down value of 12,301 (In thousands of BDT). Net loss from disposal of property, plant and equipment and ERP software is 9,993 (In thousands of BDT) .

28 Income Tax Expense

See accounting policy in Note 45(L)

<i>In thousands of BDT</i>	Note	2021	2020
Current tax	21.2	216,080	158,717
Provision released during the year	21.2	(31,779)	-
Deferred tax expenses	15.1	4,728	10,985
		189,029	169,702

28.1 Reconciliation of Effective Tax Rate

<i>In thousands of BDT</i>		2021		2020
Profit for the year		716,650		666,588
Income tax using the applicable tax rate	22.50%	161,246	25.00%	166,647
Tax effect of:				
Non deductible expenses	8.31%	59,562	0.46%	3,055
Provision released during the year	-4.43%	(31,779)	0.00%	-
	26.38%	189,029	25.46%	169,702

29 Net Asset Value per Share

<i>In thousands of BDT</i>	2021	2020
Total assets	4,833,925	4,600,431
Total liabilities	(3,353,636)	(3,117,717)
Net assets (a)	1,480,289	1,482,714
Weighted average number of ordinary shares ('000) (b)	12,046	12,046
Net Asset Value per share (a/b)	122.88	123.08

The marginal decrease in Net Asset Value (NAV) Per Share has resulted from dividend payout in 2020 which was marginally higher than 100% (paid in 2021).

30 Basic Earnings per Share

Earnings per share (EPS) is calculated in accordance with the IAS 33 Earnings per share. The composition of EPS is given below:

	2021	2020
Earnings attributed during the year to the ordinary shareholders (BDT in thousand) from continuing operations	527,621	496,886
Number of ordinary shares outstanding at the end of the year ('000)	12,046	12,046
Basic earnings per share (in BDT)	43.80	41.25
Earnings attributed during the year to the ordinary shareholders (BDT in thousand) (from continuing and discontinued operations)	527,621	529,332
Number of ordinary shares outstanding at the end of the year ('000)	12,046	12,046
Basic earnings per share (in BDT)	43.80	43.94

Operating profit has increased by 32.5% and EPS from continuing operation have improved by BDT 2.55. Overall EPS has marginally decreased due to lower net finance income resulting from lower interest rate.

31 Details of Dividends

31.1 Dividends Declared

<i>In thousands of BDT</i>	2020
a. Unilever Overseas Holdings B.V.	434,506
b. Investment Corporation of Bangladesh (ICB) & ICB Unit & ICB Mutual Fund	60,467
c. Shadharan Bima Corporation	3,363
d. Other local financial /securities companies	8,573
e. General public	20,865
f. Foreign shareholders	2,272
	530,046

31.2 Dividends Paid During the Year

<i>In thousands of BDT</i>	Note	2021	2020
Opening balance of unclaimed dividend		10,434	10,140
Dividend declared for prior year	31.1	530,046	638,463
Closing balance of unclaimed dividend		(2,201)	(10,434)
		538,279	638,169

Dividend paid during the year include BDT 8,136 thousands paid to Capital Market Stabilisation Fund under direction from the Bangladesh Securities and Exchange Commission.

31.3 Unclaimed Dividend Payable

<i>In thousands of BDT</i>	2021	2020
Opening	10,434	10,140
Addition during the year	639	962
Paid during the year	(8,872)	(668)
	2,201	10,434

31.4 Year-wise Unclaimed Dividend Payable

<i>In thousands of BDT</i>	2021	2020
For 2020	639	-
For 2019	918	962
For 2018	644	647
Earlier years	-	8,825
	2,201	10,434

32 Reconciliation of Net Income with Cashflows from Operating Activities

<i>In thousands of BDT</i>	Note	2021	2020
Cash flows from operating activities			
Profit after tax		527,621	529,332
Net finance income	25	(16,288)	(168,027)
Income tax expense	28	189,029	169,702
Adjustment for non-cash items:			
- Depreciation	5,6	92,620	40,342
- Amortisation	7	-	1,726
- (Gain)/Loss on disposal of property, plant and equipment	27	(4,506)	9,993
		788,476	583,068
Changes in working capital components:			
- Inventories		(165,819)	(378,828)
- Trade and other receivables		(75,733)	315,292
- Advance, deposits and prepayments		824	(2,114)
- Trade payables		(2,641)	(159,053)
- Other payables and provisions		266,562	(2,080)
- Defined benefit liabilities		10,610	-
- Advance from customers		27,894	3,180
Cash generated from operating activities		850,173	359,465
Income tax paid	21.1	(199,183)	(72,163)
Interest paid on leases	20.2	(28,816)	(358)
Net cash generated from operating activities		622,174	286,944

33 Net Operating Cashflows per Share

<i>In thousands</i>	2021	2020
Net cash from operating activities (a)	622,174	286,944
Weighted average number of ordinary shares (b)	12,046	12,046
Net operating cashflows per share (a/b)	51.65	23.82

Significant increase in NOCFPS has resulted from higher sales growth and lower payment for cost and expense in 2021 as well as higher inventory build-up in 2020 due to manufacturing model change which has been normalised in 2021.

34 Financial Instruments - Fair Values and Risk Management

See accounting policies in Notes 45(C) and 45(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 2021

		Carrying amount							
	Note	Fair value - hedging instruments	Mandatorily at FVTPL- Others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortised cost	Other financial liabilities	Total amount	
Financial assets not measured at fair value									
Deposits	8	-	-	-	-	3,358	-	3,358	
Trade and other receivables	10	-	-	-	-	154,744	-	154,744	
Cash and cash equivalents	11	-	-	-	-	3,760,268	-	3,760,268	
		-	-	-	-	3,918,370	-	3,918,370	
Financial liabilities not measured at fair value									
Trade payables	17	-	-	-	-	-	123,629	123,629	
Other payables	18	-	-	-	-	-	2,880,212	2,880,212	
Advance from customers	19	-	-	-	-	-	31,074	31,074	
		-	-	-	-	-	3,034,915	3,034,915	

31 December 2020

		Carrying amount							
	Note	Fair value - hedging instruments	Mandatorily at FVTPL- Others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortised cost	Other financial liabilities	Total amount	
Financial assets not measured at fair value									
Deposits	8	-	-	-	-	2,376	-	2,376	
Trade and other receivables	10	-	-	-	-	81,252	-	81,252	
Cash and cash equivalents	11	-	-	-	-	3,697,148	-	3,697,148	
		-	-	-	-	3,780,776	-	3,780,776	
Financial liabilities not measured at fair value									
Trade payables	17	-	-	-	-	-	126,270	126,270	
Other payables	18	-	-	-	-	-	2,613,650	2,613,650	
Advance from customers	19	-	-	-	-	-	3,180	3,180	
		-	-	-	-	-	2,739,920	2,739,920	

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.

34.1 Financial Risk Management

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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.

34.1.1 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	2021	2020
Deposits	8	3,358	2,376
Trade and other receivables	10	154,744	81,252
Cash and cash equivalents	11	3,760,268	3,697,148
		3,918,370	3,780,776

34.1.2 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 2021							
Contractual cash flows							
<i>In thousands of BDT</i>	Note	Carrying amount	Total	1 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Trade payables	17	(123,629)	(123,629)	(123,629)	-	-	-
Lease liabilities	20	(251,572)	(287,614)	(77,055)	(76,545)	(134,014)	-
Other payables	18	(2,880,212)	(2,880,212)	(2,880,212)	-	-	-
		(3,255,413)	(3,291,455)	(3,080,896)	(76,545)	(134,014)	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

31 December 2020							
Contractual cash flows							
<i>In thousands of BDT</i>	Note	Carrying amount	Total	1 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Trade payables	17	(126,270)	(126,270)	(126,270)	-	-	-
Lease liabilities	20	(294,964)	(379,470)	(91,855)	(77,055)	(210,560)	-
Other payables	18	(2,613,650)	(2,613,650)	(2,613,650)	-	-	-
		(3,034,884)	(3,119,390)	(2,831,775)	(77,055)	(210,560)	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

34.1.3 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 2021

<i>In Thousands</i>	USD
Foreign currency denominated assets	
Cash and cash equivalents	-
Intercompany receivables	-
	-
Foreign currency denominated liabilities	
Intercompany payables	(908)
Net exposure	(908)

31 December 2020

	USD
Foreign currency denominated assets	
Cash and cash equivalents	-
Intercompany receivables	-
	-
Foreign currency denominated liabilities	
Intercompany payables	(1,244)
Net exposure	(1,244)

The following exchange rates are applied at reporting date:

	2021	2020
USD	85.85	84.65

(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 2020.

2021

<i>In thousands of BDT</i>	Strengthening profit or (loss)	Weakening profit or (loss)
USD (3 percent movement)	2,337	(2,337)
	2,337	(2,337)

2020

<i>In thousands of BDT</i>	Strengthening profit or (loss)	Weakening profit or (loss)
USD (3 percent movement)	3,160	(3,160)
	3,160	(3,160)

(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.

35 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>	2021	2020
Remuneration and allowances	33,314	76,718
House rent and allowances	2,024	3,452
Medical allowances	76	178
Contribution to retirement benefit scheme	2,153	1,672
Leave passage	-	1,689
Others	40	300
	37,607	84,009
Number of persons	2	4

Expatriate directors have also been provided with free furnished accommodation and car facility.

(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.

<i>In thousands of BDT</i>	Relationship	Transaction values for the year ended 31 December		Balance outstanding as at 31 December	
		2021	2020	2021	2020
Name of the party					
Dividend					
Unilever Overseas Holdings B.V.	Parent Company	434,506	-	-	-
		434,506	-	-	-
Technical assistance fee					
Unilever Europe Business Center B.V.	Sister Concern	82,315	12,039	-	(12,039)
		82,315	12,039	-	(12,039)
Technology & trademark royalty					
Unilever PLC, UK	Sister Concern	144,051	21,069	-	(21,069)
		144,051	21,069	-	(21,069)
Import of materials and finished goods					
Unilever India Exports Ltd.	Sister Concern	1,262,378	256,930	(77,912)	(105,323)
		1,262,378	256,930	(77,912)	(105,323)
Intercompany services					
Unilever Bangladesh Ltd.	Sister Concern	267,786	28,318	117,263	28,318
		267,786	28,318	117,263	28,318
		-	-	-	-
Total related party transactions and balances		2,191,036	318,356	39,351	(110,113)

36 Installed Capacity and Actual Production

Category	2021	2020	2021	2020
	Installed Capacity - MT (Multiple shift basis)		Actual Production - MT (Multiple shift basis)	
	(Based on 7 days Production)			
Powder products	17,450	17,450	8,737	7,810

37 Other Expenditure in Equivalent Foreign Currency

In thousands of BDT	Note	2021	2020
Technical assistance, trademark and technology fees	37.1	226,366	33,108
Foreign travelling		-	154
		226,366	33,262

37.1 Technical Assistance, Trademark and Technology Fees

In thousands of BDT	2021	2020
Technical Assistance Fees-Unilever Europe Business Center B.V	82,315	12,039
Trademark-Unilever PLC, UK	61,736	9,030
Technology-Unilever PLC, UK	82,315	12,039
	226,366	33,108

Royalty, Trademark and Technical Assistance Fees are under agreement between Unilever Europe Business Center B.V, Unilever PLC, UK and the Company effective from November 2020. Unilever Europe Business Center B.V stands for Technical Assistance Fees, Unilever PLC for Trademark and for Technology Fees.

38 Contingent Liabilities and Commitments

See accounting policy in Note 45(J)

38.1 Contingent Liabilities

In thousands of BDT	2021	2020
i) Guarantees issued by the Company's scheduled bank to third parties on counter - indemnities given by the Company against the bank's limit of Tk. 20 million.		
Less than 1 year	-	496
1 to 5 years	4	87
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.	873	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.	17,625	16,052
iv) The Chattogram local VAT authority imposed total demand of Tk 60,822,774 for the audit year 2010-2011 as short fall of payment of VAT on sales.	60,823	60,823
	79,325	78,331

Management conducted an extensive review of all pending litigations and claims. Based on the current development and merit thereon, Management doesn't foresee any liability from the above litigations and claims.

38.2 Commitments

<i>In thousands of BDT</i>	2021	2020
Outstanding letter of credits	221,204	400,496
	221,204	400,496

39 Number of Employees

The Company employed a weighted average of 114 (2020: 145) permanent employees and a varying number of temporary workers throughout the year. As at 31 December 2021, 93 permanent employees were engaged. All permanent employees receive total remuneration in excess of Tk. 36,000 per annum.

40 Impact of "COVID-19"

Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered virus (COVID-19) and declared a global pandemic by the World Health Organization (WHO) with serious adverse impact on economy and business. Supply Chain disruptions in Bangladesh as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several area followed by a nationwide lockdown from the 26th of March 2020 announced by the Bangladesh Government, to stem the spread of COVID-19. Due to this the operations in many of UCL's manufacturing, distribution center's, warehouses and extended supply chain partner locations got temporarily disrupted.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property plant and equipment, intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

41 Events After the Reporting Period

See accounting policy in Note 45(R)

The Board of Directors of the Company recommended BDT 44 per share as cash dividend for the year ended 31 December 2021 at the board meeting held on 28 February 2022. 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 2021 do not include the effect of the dividend.

There was no other significant event after the reporting period that requires either disclosure of or adjustment to this annual financial statements.

42 Basis of Measurement

The financial statements have been prepared on going concern basis under the historical cost convention.

43 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.

44 Discontinued Operation (Oral Health Care)

44.1 Description

Unilever Overseas Holding B.V acquired the shares of the Company from SETFIRST Limited as part of the global deal for divesting the Nutrition portfolio of Unilever Consumer Care Limited . The deal is only applicable for Health Food Drink and Glucose Powder and not for any product of Oral Health Care category. As a result, the portfolio of Paste and Brush business of the Company has been discontinued post integration with Unilever effective from 1st July 2020.

44.2 Financial Performance and Cash Flow Information

The financial performance and cash flow information presented are for the year ended 31 December 2021 and the year ended 31 December 2020.

<i>In thousands of BDT</i>	2021	2020
Revenue		262,576
Other income		-
Cost and expenses		(230,130)
Profit/(Loss) before income tax		
Profit/(Loss) from discontinued operation		32,446
Net Cash flow from operating activities		32,446
Net Cash flow from investing activities		
Net Cash flow from financing activities		
Net increase in cash generated by discontinued operation		32,446

Income tax on discontinued operation has been considered at entity level under Note 28

Cash receipt from customer includes 32,446 (BDT '000) as a cash receipt from Oral Health Care operation.

44.3 Revenue

	2021	2020
Local		262,576
Export		-
		262,576

44.4 Revenue

	2021	2020
Profit on disposal of Property, Plant & Equipment		-
Scrap sales and other income		-
		-

44.5 Cost of Sales and Other Expenses

	2021	2020
Cost of sales excluding overhead		145,866
Salaries, wages and welfare		23,260
Retirement benefit expense		470
Fuel and utilities		223
Repairs and maintenance		589
Insurance		352
Depreciation & Amortisation		-
Rents, rates and taxes		3,133
Travel, training and conference		2,643
Entertainment		171
Motor running expenses		667
Information and communication expenses		454
Professional fees and consultancy fees		541
Promotional and distribution expenses		51,761
		230,130

Cost of sales and Promotional and distribution expenses are directly attributable to OHC business. Other items of expenses (operating expenses) are allocated between HFD & IPD and OHC in proportion to their sales contribution. The justification of allocating the operating expenses is that the Company employed common infrastructure facility to run the businesses of HFD, IPD and OHC. As a result, there are elements of expenses that cannot be directly identifiable to be attributable to each category.

45 Significant 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 | K. Revenue from contracts with customers |
| B. Intangible assets | L. Income tax expense |
| C. Financial instruments | M. Foreign currency |
| D. Share capital | N. Finance income and expenses |
| E. Impairment | O. Statement of cash flows |
| F. Lease | P. Comparatives and rearrangement |
| G. Inventories | Q. Reporting period |
| H. Employee benefit | R. Events after the reporting period |
| I. Provisions | S. Discontinued operations |
| J. Contingencies | |

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%

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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 expires.

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

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.

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 Expense

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 22.5% 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 2021 to 31 December 2021.

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.

S. Discontinued operations

Oral Healthcare segment of the company have been identified as discontinued operation from June 30, 2020 and financial statements have been prepared in accordance with IFRS 5 where applicable.

46 Standards Issued but not yet Effective

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

- a) Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- b) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- c) Other standards

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements:

- Annual Improvements to IFRS Standards 2018–2020.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.





Unilever Consumer Care Limited

Registered Office: Fouzderhat Industrial Area, North Kattali, Chattogram
Corporate Office: DTX Tower (6th Floor) Kazi Bari, Kuril, Bhatara, Dhaka-1229.

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 49th Annual General Meeting of the Company to be held on **Tuesday, 17th May 2022** at 11:00 a.m. through **Digital Platform** and at any adjournment thereof.

Dated this _____ day of _____ 2022

(Signature of the Proxy)

Dated:

(Signature of the Shareholders)

Dated:

Folio No / BO ID :

Note:

A Shareholder entitled to attend and vote at the 49th 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 20 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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