

# Audit Committee Report

The Audit Committee of Grameenphone, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. The Committee plays a key role in the governance of the Company's financial reporting, risk management, control and assurance processes and the external audit.

## Dear Shareholders,

This report provides an overview of how the Committee operated, an insight into the Committee's activities and its role in ensuring the integrity of the Company's published financial information and ensuring the effectiveness of its risk management, controls and related processes.

## Composition and Meetings

The Audit Committee of Grameenphone comprises of two (2) Non-Executive Directors and one (1) Independent Director. All members possess adequate qualifications as determined in the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The Committee includes:

1. Dr. Salehuddin Ahmed, Chair
2. Mr. M Shahjahan, Member
3. Mr. Øivind Burdal, Member

The Independent Director, Dr. Salehuddin Ahmed acts as Chair of the Committee. As per the regulatory guidelines, the Company Secretary, Mr. S M Imdadul Haque acts as the Secretary to the Committee. The Audit Committee, accordingly, performs in coherence and ensures compliance with the Corporate Governance Code promulgated by the BSEC.

A total of eight (8) meetings were held during 2020. Mr. Md. Ashraf Hassan (Managing Director, Grameen Telecom) attended the meetings as a special invitee. A record of the Members' attendance at the Audit Committee meetings during 2020 is given below:

Committee members	Attendance	% (Percentage)	Committee members since
Dr. Salehuddin Ahmed	8/8	 100%	12 December 2018
Mr. M Shahjahan	8/8	 100%	09 December 2009
Mr. Øivind Burdal	8/8	 100%	30 January 2018

\* Details of the Committee members' financial, accounting and other experience and expertise are given in their biographies under 'Directors' Profile' on pages 29 to 34.

Permanent invitees to the meetings were the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Head of Internal Audit and the Company Secretary. Relevant heads of divisions and other members of the Management and the internal audit team also attended the meetings on occasions, as required.

## Major Responsibilities of the Audit Committee

The purpose, authority, composition, duties and responsibilities of the Audit Committee are delineated in its Charter. Some of the major responsibilities of the Audit Committee are as follows:

- Review the annual, half-yearly and quarterly Financial Statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval.
- Review the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the Code of Conduct.
- Recommend appointment, termination and determination of audit fees for statutory auditors. Consider the scope of work, and oversee and evaluate the works performed by statutory auditors. Review permitted non-audit services performed by statutory auditors.
- Exercise its oversight of the work of Grameenphone Internal Audit. Review the effectiveness of internal audit functions including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of audit action plans

- Exercise its oversight of the work of Grameenphone Ethics & Compliance. Review the Compliance Plan.
- Review related party transactions to ensure compliance with relevant statutory rules and regulations.

### Major Activities of the Audit Committee during the reporting period

- Reviewed and recommended the quarterly and annual Financial Statements for the year ended 31 December 2020.
- Reviewed the Internal Audit Plan 2020 and its subsequent revision and monitored the progress.
- Reviewed the Compliance Plan 2020.
- Reviewed the Internal Audit Plan 2021.
- Reviewed the Managements' Discussion & Analysis 2019.
- Discussed Internal Audit reports and findings and guided completion of annual audit plan
- Monitored the status of implementation of audit action plans and provided guidance to ensure timely completion of action plans.
- Discussed Investigation reports and monitored the status of implementation of action plans.
- Reviewed and recommended related party transactions for foreign remittance.
- Reviewed compliance of Code of Conduct of the Company.
- Reviewed Management Letter issued by the External Auditors in their presence.
- Considered and made recommendation to the Board on the appointment and remuneration of statutory auditors, A Qasem & Co, Chartered Accountants.
- Reviewed and received report on the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).
- Reviewed other matters and incidents of significance as per Audit Committee Charter.

For and on behalf of the Board Audit Committee of Grameenphone Ltd.



**Dr. Salehuddin Ahmed**  
Chair  
Audit Committee

27 January 2021