

Audit Committee Report

The Audit Committee of Grameenphone, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. A brief of the Audit Committee and its roles, responsibilities and functions are as under:

Composition and Meetings

The Audit Committee of Grameenphone comprises 02 (two) Non-Executive Directors and 01 (one) Independent Director. All members possess adequate qualifications as determined in the Corporate Governance Guidelines promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The Committee includes:

1. Ms. Rokia Afzal Rahman, Chair
2. Mr. M Shahjahan, Member
3. Mr. Tore Johnsen, Member

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

A total of eight (8) meetings were held during 2017. Mr. Md. Ashraf Hassan (Managing Director, Grameen Telecom) and Mr. Hans Martin Hoegh Henrichsen (Chief Representative Officer, Telenor Group in Bangladesh) attended the meetings as special invitees. A record of the Members' attendance at Audit Committee meetings during 2017 is set out on page 41. Permanent invitees to the meetings were the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary. Relevant heads of divisions and other members of the Management and internal audit team also attended the meetings at 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 Codes 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.

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 2017.
- Approved the Internal Audit Plan, monitored the progress and effected revisions when necessary.
- 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.
- 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 new statutory auditors, A Qasem & Co, Chartered Accountants. A member firm of EY for the year 2018.
- 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.



Rokia Afzal Rahman
Chair
Audit Committee
29 January 2018