

Directors' Report

For the Year Ended 31 December 2020

Dear Shareholders, I welcome you all to the 24th Annual General Meeting (AGM) of Grameenphone Ltd on behalf of the Board of Directors and Management during this most challenging time. We have the pleasure to place the Directors' Report and the Auditor's Report, together with the Company's Audited Financial Statements. The year ended 31 December 2020 for your valued consideration, approval, and adoption.

2020: Accelerating Digital Transformation

2020 has proven to be the most challenging year for all of us worldwide in the face of the Covid-19 pandemic. As a joint force, we stood by society and delivered the mobile industry's vital contribution to social and economic well-being. Bangladesh especially stands out in tackling the Covid-19 pandemic, Cyclone Amphan and subsequent flood and bad weather while at the same time maintaining strong social and economic progress in line with the trajectory of recent years. The challenges of 2020 were unprecedented, but as an economy, Bangladesh continued to deliver at an average rate of 6.8% during the last decade on rising productivity. At the same time, the country recorded considerable improvement across several Human Development Indices (HDIs).

Our role as a connectivity partner to the Digital Bangladesh journey has helped society to tackle challenges of community lockdown by ensuring access to connectivity, which had become a lifeline for many essential services during the Covid-19 pandemic. Collective efforts with credible partners and authorities enabled the government to provide a range of vital services to alleviate the impact of the pandemic on vulnerable individuals and communities.

We overcame significant global and operational challenges over the year to deliver to a higher number of customers in 2020. While Grameenphone reported total revenues of BDT 139.6 billion for FY 2020, it still accounted for an 2.8% de-growth from the previous year. Net Profit After Taxes (NPAT) for the year was BDT 37.2 billion, with 26.6% margin. Earnings per share (EPS) for the year stood at BDT 27.5. The Company also ended the year with 79.0 million total customers, of which 52.2%, or 41.3 million, are data customers. During the year, the Company also registered a promising 14% growth in data revenue brought about from higher dependence on data connectivity due to the pandemic.

During the year, the Company invested BDT 13.8 billion (excluding license & lease) for network coverage, adding 4,172 new 4G sites to its network, which picked up pace through the third quarter. With clearance on NOCs from BTRC secured, the Company could focus on customer experience to a greater degree. The Company has paid BDT 98.2 billion equalling 70.4% of its total revenues, to the National Exchequer in taxes, VAT, duties, fees, 4G license and spectrum assignment.

Grameenphone has taken significant steps this year to diversify its business further, transitioning from a more commodity-based telco to a platform-based digital technology company that offers exciting opportunities and partnerships in IoT and digital content. It is expected that the market will see further acceleration as more and more people adopt data, following the widespread digitisation after effects of the pandemic.

2020 has been a year of exploration and innovation to drive results and at the same time showing resilience and being ready to face any consequences. It was also been a year of collaboration and a year spent unlocking the possibilities of the internet to the unreached. Grameenphone is always committed to stand by the nation, contributing to economic growth and investing to build a quality network to move Bangladesh ahead. In 2020, we have reached the 14,000 4G BTS milestone which opens up even newer possibilities for Bangladesh.

The promise of 'empowering societies' has never carried more weight as the Company's purpose than it had in 2020 given the market uncertainties. Recognised as an essential service against Covid-19 in Bangladesh, Grameenphone has contributed to society through several initiatives, rolled out in close collaboration with credible partners, i.e., regulator, authorities and development partners.

Furthermore, transformation and modernisation within the organisation over the past few years has ensured the Company was able to rapidly adapt to a new way of work with employees working safely work from home.

Telecommunication Industry Scenario

Bangladesh has been maintaining one of the fastest economic growth rates in the world over the last few years, a stable economic performance that has helped to reduce poverty and social inequalities. The country has seen considerable improvement across several Human Development Indices (HDIs), including adult literacy rates, life expectancy at birth, and gender parity in school enrolment. Much of this progress has coincided with the rapid adoption of mobile services and the utilisation of mobile platforms to deliver life-enhancing services.

At the end of 2020, there were 89 million unique mobile subscribers in Bangladesh, whereas total connection numbers reached 169 million, representing connection penetration of more than 100%. The data market has seen a steady growth of around 13.9% with total mobile internet connections standing at 110 million subscribers. With 52.5% unique mobile internet subscribers, there is still strong potential for further growth in data services.

2020 was a unique year for the telecom industry, which has gone through a notable natural and regulatory challenges, however, the industry has played a significant role in keeping the economy and essential services up and running. In addition to providing access to connectivity, which has become a lifeline for many essential services during the Covid-19 pandemic, mobile operators have actively engaged with citizens and the government to provide a range of vital services that have alleviated the impact of the pandemic on vulnerable individuals and communities.

Telecom Regulatory Environment

The Telecom regulatory environment in Bangladesh continued to remain challenging throughout the year. Since the end of the first quarter of 2020, due to Covid-19, mobile internet has become a lifeline for many economic and essential services. However, in the 2020-21 budget, supplementary duty on mobile usage has been increased from 10% to 15% on top of other applicable taxes. As a result, with the new tax ratio, customers now pay 33.25% as tax to the government for mobile phone usage.

In 2020, as per a court order, Grameenphone deposited BDT 20 billion to avoid operational restrictions imposed by BTRC in relation to the disputed BTRC Audit. In June 2020, BTRC imposed SMP directives on Grameenphone. Earlier, Grameenphone had legally challenged SMP directives, but this time, Grameenphone chose to enter into dialogue with the regulator.

Grameenphone implemented the SMP directives but continued discussion with the BTRC to establish the SMP framework based on the principle of market competition and international best practices. Throughout the year there had been several rounds of discussions between the regulator (Ministry and BTRC) and industry on the TowerCo guidelines and operations, up until the new regime became finally operational at the end of 2020. Grameenphone has signed an agreement with one of the TowerCos to roll out new towers under the new regime. At the end of 2020, there had been intensive consultation between the industry and the regulator (both Ministry and BTRC) with respect to the fibre network regime. It became more and more apparent that the current NTTN regime is facing a challenge to drive the country's digitalisation needs. The ministry formed a committee, which included AMTOB (Association of Mobile Operators of Bangladesh) as a member to fix the tariff of the NTTN operators. A report from AMTOB was submitted to the committee highlighting the challenges in the current fibre regime along with the recommendations and pricing principles for NTTN operators. Although the committee was primarily formed to set the tariff, the committee was also delegated to address problems the industry was facing.

At the beginning of 2020, BTRC and the Ministry kicked off consultations regarding 5G launch in 2021, however, this consultation process shall continue further. In the fourth quarter of 2020, BTRC started discussions with the MNOs regarding allocations of spectrum after Robi renewed 11.6 MHz spectrum from 900 MHz and 1800 MHz bands for another 10 years. The Ministry initiated the consultation process for amendment of BTRA (Bangladesh Telecommunication Regulatory Act) where MNO's participated and collectively provided their observations under the AMTOB banner.

The Telecom Regulatory Framework continues to present challenges and the industry continues advocating for amending the BTRA for ensuring predictability and sustainability in the framework.

Capital Market Overview 2020

The Bangladesh stock market witnessed a positive year in 2020, registering a growth of 21.3% after experiencing two consecutive negative years in 2018 and 2019. This was the second-highest return in the world after NASDAQ (43.4%) despite the pandemic. In peer markets, Bangladesh posted the highest returns followed by India's 15.5% and Vietnam's 14.6%. In the DSE, Telecommunication posted the highest gain of 16.6% in 2020, followed by 12.7% gain from Engineering.

The capital market was impacted significantly due to Covid-19. Subsequently, BSEC imposed floor prices to control the free fall. Moreover, both stock markets in Bangladesh remained closed for 66 days during the first half of the year due to the nationwide lockdown measures. The government's declaration of a stimulus package with the national budget announcement had a positive

influence on the market; coupled with several policy changes brought about by the Bangladesh Bank, such as decline in deposit rates, were key to persuading investors to look for alternative investment opportunities. The new regulatory commission made further changes which were investor friendly, such as strict stance on compliance issues, enlistment of reputed companies, regaining faith from local and foreign investors.

On the Dhaka Stock Exchange (DSEX), the broad and free-float weighted DSEX index gained 21.3% powered by the Engineering, Telecommunication and Pharmaceutical sectors. Daily average turnover value increased by 18.57% while market capitalisation increased by 32.01% in 2020, compared to the preceding year. Grameenphone share price increased by 21.4%, closing at BDT 347.1 at year-end with a daily average turnover value of BDT 86.5 million (BDT 8.6 crore). During the year, the highest value of Grameenphone share price was BDT 356.8 and the lowest was BDT 219.5. Grameenphone market capitalisation on 30 December 2020 stood at BDT 468.7 billion (BDT 46,868 crore), representing 10.5% of the DSE's total equity market capitalisation.

**Source: Dhaka Stock Exchange*

Product & Services that Connect People to What Matters Most

During the pandemic, Grameenphone understood the urgency to stand by the nation through these trying times, and quickly shifted focus on utilising its connectivity backbone and digital expertise. Grameenphone began to develop and launch relevant products and services that would meet customer needs and simplified digital eco-system adaption to support the nation and empower the society.

It cannot be argued that while the whole country was under lockdown and mobility was restricted, mobile connectivity played a pivotal role in connecting people to what mattered most to them. People were stressed and needed affordable, seamless connectivity for their communication, news, entertainment, education, work and daily requirements.

At the same time, as the economy suffered, overall income levels had dropped during this period. In response, Grameenphone launched limited time bound offers by reducing voice tariff, increasing recharge validity during the lockdown, introducing discounted data packs and 100% data bonus volumes to make connectivity more affordable and accessible.

In the 2020-21 national budget, supplementary duty (SD) was increased by 5% on all mobile services. Grameenphone took a conscious call to absorb most of the additional SD for the smaller voice packs used by the lower-income segment, and around 80% of the same for the data packs, to support connectivity during the pandemic. Grameenphone introduced affordable communication packs for different educational institutions to empower teachers and students to conduct online classes and ensure the best possible learning journey. The Company supported its corporate customers with right-connectivity value propositions for their business needs while working from home. Moreover, the Company provided financial assistance to small retailers to support them and help them restart their businesses to offset the economic setbacks of the pandemic.

Grameenphone also joined hands with the government and a2i (access to information, a programme of the Bangladesh government's Digital Bangladesh agenda, specialising in introducing citizen-centric public service innovation) to collaborate with our data analytics, research and AI-based solutions. The Company generated analytics data to help the authorities manage Covid-19 situation by developing an AI-based model to facilitate health care for the right people.

Further, Grameenphone conducted online/offline campaigns to make its customers aware of the alternative service channels available through its health, education and donor partners. In collaboration with the ICT Division, a2i and Google, Grameenphone launched the 'Bangladesh Challenge Campaign' that promoted general public to pinpoint important locations such as hospitals, commodity markets, mobile balance recharge points, Nagad/bKash points, and others in their respective locality so as to make the locations easily identifiable by the wider public.

While the pandemic brought unprecedented challenges, it also opened people to the digital eco-systems more than ever. This swift behavioural change helped the Company connect customers and partners digitally, helped customers experience the possibilities of the internet and the efficiency of digital solutions. Grameenphone continued to simplify its digital solutions and build digital adaption awareness in 2020. The Company is constantly striving to come up with products and services that facilitate access to education, skills, marketplaces and other necessities for a better life.

During this pandemic, the distribution operation and maintaining health & safety for the distributor field force were very challenging; but Grameenphone brought innovative tools and techniques like retail-to-retail transfer and retail credit to serve the market in the best possible manner. The Company also took good care of its distribution and retail partners by offering additional financial support (BDT 10 crore safety-net credit scheme for affected retailers), regular hygiene supplies to sales representatives and retailers, as well as hospitalisation and medical support to sales representatives when required.

Transforming the Customer Experience with Innovation

Grameenphone is continuously driving to ensure better experience. Given adverse challenges in 2020, Grameenphone has prioritised uninterrupted services for its customers across the country. Throughout the year the Company has driven its expansion plans to enable its customers with a robust network and connectivity at affordable prices with packages for different segments; ensuring that customers can remain connected from anywhere in the country. Moreover, in consideration of customer safety and security, mainly to provide social distancing, the Company has streamlined customer journey processes in 2020 to give them greater empowerment and control over their connections. Critically these improved processes, over different platforms, have allowed customers to access and enjoy services without unnecessary human interaction.

Additionally, Grameenphone continued pandemic awareness initiatives across different channels throughout the year. As a result of these activities, Grameenphone has successfully retained its industry-leading position in the Net Promoter Score (NPS).

Grameenphone Expanding its 4G Network Across Bangladesh and Enhancing Related Services to Ensure Better Customer Experience

Grameenphone demonstrated its commitment towards ensuring quality mobile broadband by rolling out over 14,000 4G sites, thus also ensuring the widest 4G coverage in the country. The Company is humbled by the fact that within three years of launch, almost 70% of the total national data volume is carried over Grameenphone's 4G network. Substantial growth of data volumes over its 4G network has sustained the country towards a Digital Bangladesh. The capacity of existing 4,500 4G sites were also enhanced to cater to the growing demand of 4G. Traffic steering and optimisation between 2G, 3G and 4G technologies has ensured that subscribers receive the best voice and data experience on the Grameenphone network. As demand for new growth areas in the network increased The Company teamed up with a TowerCo to start building new sites across the country. In parallel, Grameenphone also started to rollout and strengthen its fibre network for future 5G technology readiness.

As a result of VoLTE (Voice over LTE) launched over the 4G network, Grameenphone customers now enjoy voice calls with HD voice quality and reduced (1-2 second) call set up time. More than one million Grameenphone subscribers are now using the VoLTE services.

In line with its digital ambition, Grameenphone also implemented new service bundling capability in 2020 throughout its network; hence, customers can now provision for and enjoy video on demand & communication pack service bundles (i.e. Bioscope, Zee5, Zoom, Google Duo, Teams etc.) on Grameenphone's robust data network. Furthermore, other digital services such as MyGP 4.0, GPAY, Flexiplan, Retail App, and the Franchisee's App have been revamped under a new architecture and User Interface, leading to improved user experiences. MyGP capacity has been enhanced; POL (payment orchestration layer) has been introduced and launched with Recharge capability from MyGP, bKash etc. SSC result registration and other hotline services for health have also been provided to customers.

Grameenphone has also modernised its Credit-control and Invoicing systems to extend better customer experience to post-paid users. A Big Data-based Analytics Enabler Platform (AEP) has also been implemented to fulfil Grameenphone's ambition for AIML-based personalisation services and near real time BI (business intelligence) reporting to get customer insights in granularity.

As soon as the lockdown was lifted in June 2020, the entire telecom industry faced a significantly higher number of fibre cuts in 2020 due to the massive construction projects by the government, which caused great challenges maintaining network availability. Nonetheless, armed with strong surveillance and field teams, the Company has managed to be resilient and been able to limit network downtime.

Altogether, 2020 was a year of strong network growth and great technological advancement, in line with the business growth, against a very challenging economic and unprecedented dysfunctional environment.

Rising to Challenges and Uplifting Customer-Centricity through Modernisation, Agility and an Inclusive Culture

Grameenphone continues its journey on becoming a dynamic technology company by focusing on agility and capability. The Company is continuously up-skilling its resources with relevant skillsets and innovation to stay ahead of the curve in the market. The digital space, alongside ICT, remains the focus for the Company to catalyse its growth as its customers' preferred lifestyle partner.

Capitalising on enhanced HR self-services throughout 2020, Grameenphone introduced of relevant programmes and digital interventions. By building capabilities around future-fit competencies, the Company has been able to develop in-house expertise in critical skill areas such as – Automation, Cyber Security, Data & Analytics, Cloud & Virtualisation etc. To support the organisational agility, HS&S launched a structured agile capability development programme labelled "Distance Leadership" to enable learning during the "work from home" set up.

Like last year, the Company has championed Gender Diversity as a top priority in 2020 as well. 84% external female employees were recruited, including an exclusively female team of Territory Managers in the sales force. Female representation across all Divisional Management teams, involvement of promising females in critical projects are some of the key steps the Company has undertaken. 2020 ended with a Full Time Equivalent employee base of 2,086.

Robotic Process Automation (RPA) has also a key element in the foundation for modernisation in 2020 that has brought in efficiency in business processes, increased employee productivity, faster execution and extend superior experience to customers.

Despite a very challenging year, Grameenphone has had one of its best performance relays in 2020. A collaborative approach towards supporting each other amidst the pandemic has resulted in renewed passion and energy towards the Company's purpose of connecting customers to what matters most to them, and the coming together as a strong team. This has only been possible thanks to a capable and engaged workforce closely aligned with Company's vision of empowering societies and responsible business.

Sustainability Initiatives toward Reducing Inequalities

Grameenphone is committed to reducing inequalities and empowering societies through ensuring access to connectivity, digital & technological inclusion, timely responses and environmental challenges. The ambition is to contribute to UN SDG #10 – Reduced Inequalities, and responsible business practices.

In 2020, as Covid-19 emerged, Grameenphone assessed the situation quickly and developed the Covid-19 response framework in collaboration with the credible partners, i.e. regulator, authorities, development partners, and volunteers to support the nation. Grameenphone's contribution to support the country combat the pandemic ranged from providing 50,000 ICU-grade PPEs (amid the broken global supply chain) to 12 hospitals, in collaboration with DGHS; emergency food support for 100,000 affected families who lost their jobs due to the pandemic, in partnership with Brac, the world's largest NGO, under the "Dakche Amar Desh (My Country Calls)" initiative; and finally, relief support for 100,000 families in 16 districts, in partnership with Bangladesh Red Crescent Society and the Disaster Response Ministry, when the country faced severe flood which bore greater criticality under Covid-19 conditions. Grameenphone also developed and deployed initiatives to create mass awareness on how to remain safe during the Covid-19 pandemic.

Additionally, the Company continued its journey in reducing inequalities through its Child Online Safety program, in partnership with UNICEF and Telenor, to create a safer online experience for children in partnership with UNICEF, a2i, WHO, DGHS.

Grameenphone has further strengthened its commitment to establish a sustainable supply chain by implementing Supplier Conduct Principles (SCP), based on internationally recognised standards around human rights, health and safety, labour rights, environment, and anti-corruption. All suppliers and partners of Grameenphone have endorsed the Supplier Conduct Principles (SCP) and Agreement on responsible Business Conduct (ABC). In 2020, the Company conducted more than 6000 man-hours of capacity building to enhance the supply chain's competence and capabilities. Besides, Grameenphone has performed a total of 755 supply chain inspections throughout the year, monitoring responsible business conduct at partner locations. The Company puts 'People' first and believes in continual improvement to implement and establish a safe working environment and responsible business practices.

For a Green Business and a Green Planet

Grameenphone aims to do its part in making the planet greener and more liveable for generations to come by optimising energy consumption and increasing the use of renewable energy. Grameenphone's priority is to take responsibility for the excess CO₂ emissions generated by its own operations and has set a target to reduce 50% carbon emission (CO₂) by 2030, considering 2019 as the baseline. Grameenphone has launched awareness programmes for employees and stakeholders to make them more conscious of the environment and climate. Moreover, the Company initiated several programmes to enhance environmental sustainability, including reducing dependency on diesel generators, operational travel time, and the use of valuable resources.

The Company is committed to the continuous deployment of enhanced sustainable solutions for an energy-efficient and environment-friendly network. Detailed information on the initiatives of the Company is provided in the Climate Change section of the Annual Report on page 14.

Health, Safety and Security

Grameenphone places utmost priority on promoting HS&S culture. Grameenphone focuses on continuous improvement of HS&S to establish a safe and healthy work environment. Keeping "People First" in mind, routine risk assessments are conducted to identify workplace hazards and enforce control mechanisms as per local legislation, international guidelines and best practices.

Heightened precautionary measures have been taken to prevent the Covid-19 spread amongst the employees by reducing exposure and transmission of the virus. In order to control the pandemic, Grameenphone introduced work from home from

mid-March and implemented digital tools to collaborate and work from home. Business operations were resumed by adopting strict hygiene and health precautions while ensuring rigorous awareness across the value chain in order to serve customers in the best possible and safest manner. Proactive initiatives like HS&S advisory, 24/7 doctor consultation, Covid-control guidelines including use of PPEs, were enforced. To ensure business continuity, as an emergency telecommunication service provider, there has been extensive alignment and cooperation with the authorities. Grameenphone has also ensured emergency medical support (hospitalisation, ambulance etc.) for employees. Distribution of face mask packs and appropriate Covid-control measures have been implemented in Grameenphone establishments for the safekeeping of employees and customers.

In 2020, total 7,976 hours of HS&S training, including online awareness, were carried out for all employees with special focus on Covid-19 prevention and mental health. Safety committees were revamped in alignment with compliance of local legal requirements.

Corporate Governance Approach

Governance is continuously evolving and remains central to long-term business sustainability and value creation. The Company recognises that a robust and sound governance framework is vital in providing a solid foundation for our business's sustainable long-term success and the value creation for Grameenphone's stakeholders. The Board of Directors and Management of Grameenphone are pledge bound to continue implementing the highest standards of Corporate Governance in the Company through a culture of accountability, transparency and well-understood policies and procedures. This aspect is discussed in the "Corporate Governance in Grameenphone" section of the Annual Report on page 39.

In line with the same, the Company has complied with the conditions as stipulated in the Corporate Governance Code issued on 03 June 2018 by BSEC. In this connection, compliance status has been annexed to this report as Annexure-I on page 77. Furthermore, a certificate of compliance from ACNABIN, Chartered Accountants, confirming compliance of conditions of Corporate Governance Code, as stipulated under condition 9(i) of the BSEC Code is also annexed to this report as Annexure-VI on page 97.

Disclosure/Statements according to the Provisions of the BSEC's Corporate Governance Code 2018

- **Industry Outlook and Possible Future Developments**

While voice revenue trend is declining against increased data growth and adjacent businesses, it still remains the main revenue driver and is expected to remain so over the next few years. The increasing trend of OTT usage is also contributing to decline in voice usage. Through the Covid-19 pandemic, adoption of a digital lifestyle and working culture has accelerated. Mobile telephone services have contributed significantly to these economic activities and other essential services. The government on its part has been supportive in the effort of digitalising public and private services. The government's incentive on assembling mobile phones locally is expected to also facilitate the penetration of mobile internet and smart phones in the country. The emergence of new digital services, convergence of technologies/IoT, and increased financial inclusion are all shaping up the digital transformation journey in Bangladesh.

Further, the government of Bangladesh has reinforced its goals and objectives for a Digital Bangladesh through its 7th Five Year Plan. The campaign is adopting IT practices and tools on a wide scale to enable economic, cultural, and social development. As part of this nation-wide initiative, particular focus is given to greater adoption of e-Governance and e-Services solutions. The government is aiming to digitalise 90% of its service by 2021. As per ICT Division the government has already digitalised 600 public services, moving towards digitalising 2,800 public services in 2021. So far, the government has been serving around 60 million people through 6,790 Digital Centres and is in the process of building 39 IT parks across the country.

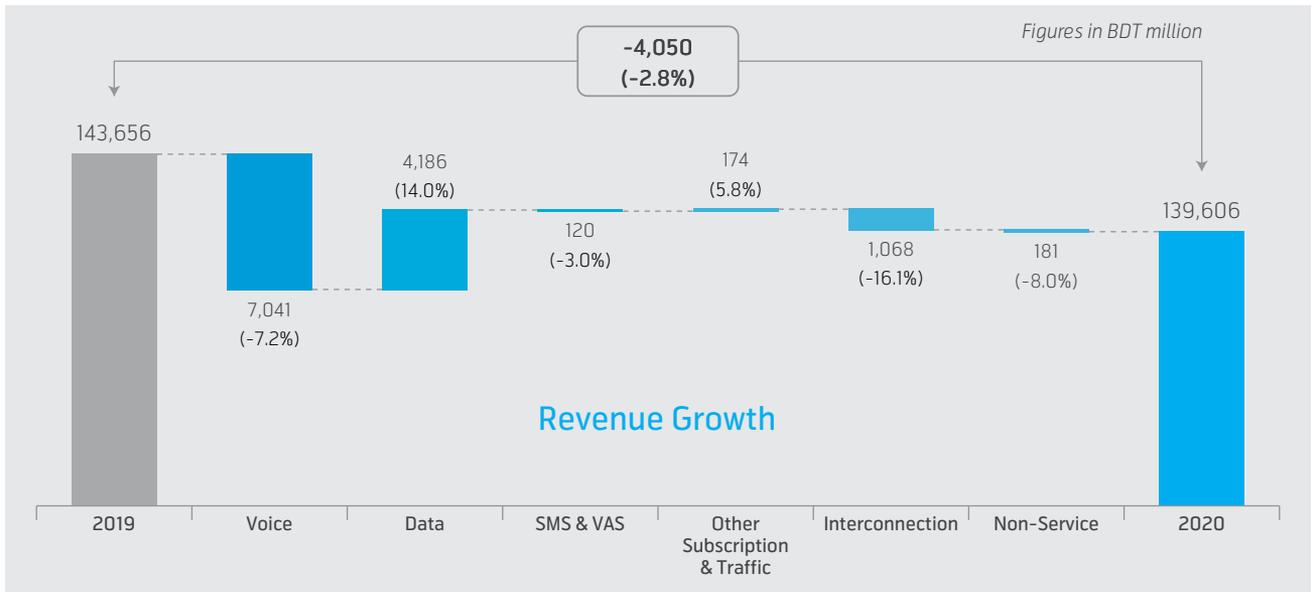
With the increased collaboration between the government and the Telecom Industry, the Digital Bangladesh journey is fast gaining momentum.

- **Segment/Product Wise Performance**

Grameenphone essentially provides similar products and services to customers across the country; and reviews revenue performance of its services. A relevant disclosure is provided in the notes to the Financial Statements.

Grameenphone posted BDT 139.6 billion of total revenue for the year 2020 with 2.8% decrease compared to the previous year. The decrease in total revenue was mainly driven by lower voice and interconnect revenues, partly offset by growth in data services.

The 7.2% decrease in voice revenue in 2020 was mainly attributed to the lower usage due to the Covid-19 pandemic and unfavourable impact from additional 5% Supplementary Duty implementation in June 2020. Grameenphone added 2.6 million subscribers in 2020 despite number series crisis in the first quarter and retail closure during general holidays under Covid-19. At the end of 2020, Grameenphone's total subscriber base reached at 79 million, with 3.4% growth from last year and 0.3 percentage point improvement in subscription market share.



Data revenue has increased by 14.0% from 2019, mainly driven by 1.7% increase in the number of data users and 60.6% growth in data volume in 2020. The substantial growth in data volume was achieved through rolling-out more than 4,000 4G sites during the year, continued focus on investment for network capacity and coverage expansion as well as bringing competitive product & market offers. At the end of 2020, 52.2% of Grameenphone’s subscriber base were active data users.

‘SMS and VAS’ includes Content service, SMS and MMS revenue, decreased by 3.0% in 2020. ‘Other Subscription & Traffic’ mainly includes revenue from bundled services, outbound roaming services and USSD revenue from mobile-financial services. Growth in this segment was mainly driven by higher bundle services revenue in 2020.

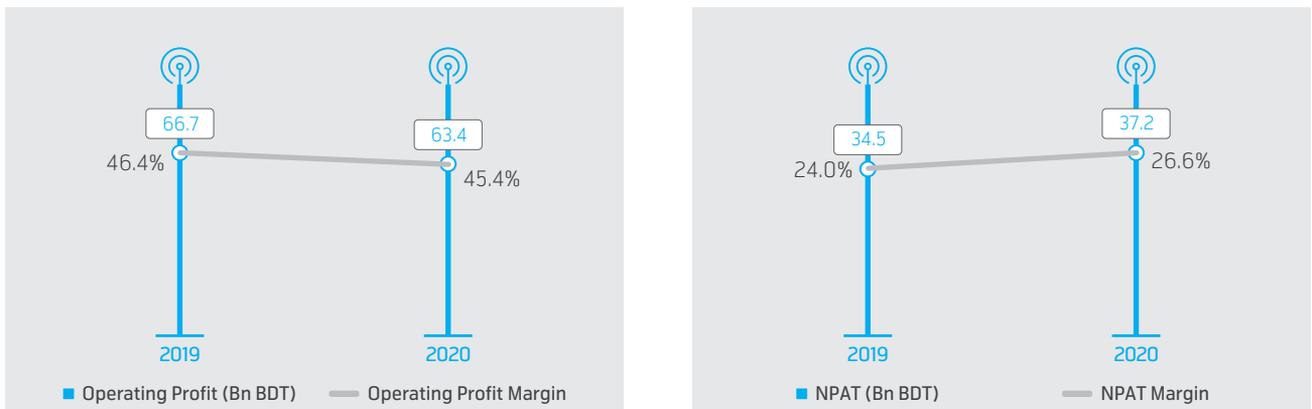
Interconnection revenue, generated from the incoming traffic originating from outside the Grameenphone network, decreased by 16.1% in 2020 from 2019 following a decrease in incoming minutes from international operators owing to the global uptrend of OTT services. Additionally, the interconnect revenue in 2020 had two-fold negative impact from reduction in international call termination rate and implementation of SMP directives (reduction in national call termination rate)

‘Non-Service Revenue’ segment includes customer equipment, i.e. sales of handsets, internet modems and Vehicle Tracking System, and revenue from telecom infrastructure sharing, commission from financial services, etc.

● **Review on Operating Expense, Operating Profit Margin and Net Profit Margin**

Operating expenses consist of cost of material and traffic charges, salaries and personnel cost, operation and maintenance, sales, marketing and commission, revenue sharing, spectrum charges and license fees, depreciation and amortisation expense, and other expenses. Operating expense for 2020 was BDT 76.2 billion with 1.1% decrease compared to last year. The decrease in operating expense mainly came from lower sales, marketing and commission cost, partly offset by higher cost of material and traffic charges and higher CSR cost for Covid-19 and flood. Operating profit for 2020 stood at BDT 63.4 billion, with a margin of 45.4%.

Operating Profit Margin and Net Profit Margin



Net profit after tax for 2020 was BDT 37.2 billion with a margin of 26.6%. BDT 2.7 billion growth in net profit after tax mainly came from BDT 3.8 billion lower tax expense, which was partly offset by BDT 1.1 billion lower profit before tax. As a result, Earnings Per Share (EPS) for the year 2020 stood at BDT 27.54 as compared to BDT 25.56 for the year 2019, registering year-on-year growth of 7.7%.

● Risks & Concerns

Risk Management is always a high priority issue in Grameenphone. The Company recognises that risk management is integral to the achievement of Grameenphone's strategic imperatives and how decisions are made. As with other co-existing companies, Grameenphone's business is also exposed to diverse risks that arise both from the internal and external fronts. Apart from uncertainties stemming from a challenging regulatory regime, the Company has always been prepared for issues such as competing markets, operational challenges, legal knots, interest and exchange rate volatilities, and potential changes in policies at the national or global level. However, Grameenphone has a befitting risk management policy and a periodic monitoring system to address the concerns and uncertainties that are likely to hit the Company's business activities, operations, liquidity and financial position for future performances. This aspect is discussed in the "Enterprise Risk Management" section of the Annual Report on page 55.

● Extraordinary gain or loss

As per IAS 1 Presentation of Financial Statements, no items of income and expenses are to be presented as 'extraordinary gain or loss' in the financial statements. Accordingly, no 'extraordinary gain or loss' has been presented in the Financial Statements.

● Related Party Transactions

All transactions with related parties have been made on a normal course of business. Details of related parties and related party transactions have been disclosed in note 41 to the Financial Statements 2020 as per the relevant IFRS requirements.

● Utilisation of Proceeds from IPO

The Grameenphone Initial Public Offering (IPO) was made in 2009, and the fund raised thereby has already been utilised by 30 June 2010 as reported to the regulators. No other equity instrument has been issued since then.

● Significant Variance of Financial Statements

No significant variations have occurred between quarterly and annual financial performances of the Company during the year 2020 except for a de-growth in revenue which is discussed in "Review of Segment/Product Wise Performance" segment of this report. Besides, during the year Grameenphone has deposited BDT 20 billion to BTRC pursuant to the order of Hon'ble Appellate Division of the Supreme Court of Bangladesh. The details of the dispute are discussed in Note 45 (Contingencies) to the annual financial statements. Other variances from business operation are sufficiently disclosed in the relevant segments of this Annual Report.

● Director Remuneration

No remuneration is given to the Directors of the Board apart from attendance fees in connection with Board and Board Sub-Committee meetings. During the year 2020, attendance fees in connection with Board and Board Sub-Committee meetings were BDT 753,931 (2019: BDT 865,161). Foreign Directors have decided not to receive the attendance fees in connection with Board and Board Sub-Committee meetings.

● Directors' Declaration on the Financial Statements

The Board is responsible for presenting an accurate and fair view of the Company's financial performance and position as a part of good governance. To that end, the Directors confirm to the best of their knowledge that:

- a) The Financial Statements, prepared by the Management of the Company, present its state of affairs, the result of its operations, cash flows and changes in equity fairly;
- b) Proper books of account of the Company have been maintained;
- c) Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgement;
- d) International Financial Reporting Standards (IFRSs) have been followed in preparation of the Financial Statements and any departure therefrom has been adequately disclosed;
- e) The system of internal control is sound in design and has been effectively implemented and monitored; and
- f) There is no doubt upon the Company's ability to continue as a going concern.

● Declaration of the CEO and the CFO on the Financial Statements

As required under BSEC's Corporate Governance Code, the declaration by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) on Financial Statements 2020 to the Board as prescribed is annexed to this report as Annexure-IV on page 90.

● Minority Interest

Grameenphone believes that good Corporate Governance involves open and trusting cooperation between all stakeholders involved in the Company, including the owners of the Company – the Shareholders. The Board of Directors is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders, including the rights of its minority shareholders while promoting integrity, transparency and accountability. The Board of Directors shall always act in a manner that will be in the best interest of the Company.

● Management's Discussion and Analysis

Management's Discussion and Analysis signed by the CEO presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements and other requirements of the Corporate Governance Code is disclosed in Annexure-V of this report on page 91.

● Other Disclosure

- The Company's financial results have continued to improve since the IPO in 2009 as reflected in the yearly Financial Statements.
- All significant deviations from the previous year in the Company's operating results have been highlighted and reasons thereof have been explained.
- The key operating and financial data for the last six years have been disclosed under Financial Analysis section of this Annual Report on page 64.
- Grameenphone has declared interim dividend and recommended final dividend for the year 2020.
- Grameenphone has not declared Bonus Share as Interim and Final Dividend in 2020.
- During 2020, a total of 12 (twelve) Board meetings were held, which met the regulatory requirements in this respect. The attendance records of the Directors are shown in Annexure-II of this report on page 91.
- Shareholding pattern of the Company as on 31 December 2020 is shown in Annexure-III of this report on page 89.

Annual Results and Allocations

The Directors take pleasure in reporting the financial results of the Company for the year ended 31 December 2020 and recommended the appropriation as mentioned in the 'Appropriation of Profit' table below:

Figures in BDT million

	2020	2019
Profit available for Appropriation		
Profit/ (Loss) after tax	37,187	34,517
Other comprehensive income (loss), net of tax	(470)	77
Un-appropriated profit brought forward from previous year	16,988	15,477
Total Amount available for Appropriation	53,705	50,070
Appropriation		
Final Dividend Paid for Previous Year	(5,401)	(20,930)
Interim Dividend Paid for Current Year	(17,554)	(12,153)
Closing Retained Earnings at year end (before Proposed Final Dividend)	30,750	16,988
Proposed Final Dividend for the year (2020: 145% and 2019: 40% cash)	19,579	(5,401)
Retained Earnings after Proposed Dividend	11,171	11,587

Contribution to the National Exchequer

As one of the largest contributors to the National Exchequer for the last several consecutive years, the collective contribution of Grameenphone from inception up to December 2020 was BDT 853.7 billion. During 2020 alone, the Company contributed BDT 98.2 billion to the national exchequer which represents about 70.35% of Grameenphone's total revenue of 2020. Grameenphone has paid BDT 30.4 billion corporate taxes during 2020.

Dividend

For the year ended 31 December 2020, the Board of Directors of the Company has paid an Interim Cash Dividend @ 130% of the paid-up capital amounting to BDT 17,553,900,286 which was BDT 13 per share of BDT 10 each. Now, the Directors are pleased to recommend a Final Cash Dividend @ 145% of the paid-up capital amounting to BDT 19,579,350,319 which is BDT 14.5 per share of BDT 10 each for the year 2020 out of the divisible profits of the Company for consideration and approval of the Shareholders for distribution. Inclusive of the Interim Dividend of 130% paid already, this would make a cumulative total dividend @ 275% of the paid-up capital of the Company which represents 99.86% of the Profit After Tax for the year 2020 amounting to BDT 37,133,250,605.

The above recommendation of dividend is as per the Board approved dividend policy which is disclosed in the “Dividend Distribution Policy” section of the Annual Report 2020 on page 47.

Board of Directors

The composition of the Board of Directors who held office during the year was as below:

1. Mr. M Shahjahan, Grameen Telecom, Director
2. Mr. Md. Ashraful Hassan, Grameen Telecom, Director
3. Mr. Håkon Bruaset Kjøl, Telenor Mobile Communications AS, Director
4. Ms. Parveen Mahmud, Grameen Telecom, Director
5. Mr. Øivind Burdal, Telenor Mobile Communications AS, Director
6. Dr. Salehuddin Ahmed, Independent Director
7. Mr. Lars Erik Tellmann, Telenor Mobile Communications AS, Director
8. Mr. Jørgen C. Arentz Rostrup, Telenor Mobile Communications AS, Director and Chair [effective from 09 June 2020]
9. Mr. Abdul-Muyeed Chowdhury, Independent Director [effective from 14 September 2020]
10. Ms. Tone Ripel, Telenor Mobile Communications AS, Director [effective from 18 October 2020]

Changes in the Board, Appointment of New Chairman and New Independent Director

During the period under review, there were several changes in the Board. Grameenphone announced the appointment of Mr. Jørgen C. Arentz Rostrup as Director and Chair of the Board replacing Mr. Petter Boerre Furberg with effect from 09 June 2020 and expected that his dynamic leadership would take the Company to further heights in the future. In April 2020, one of our Independent Directors, Prof (Dr.) Jamilur Reza Chowdhury’s position fell vacant due to his sudden and sad demise. The Company was obliged to fill the vacancy within the regulatory timeline and, accordingly, Mr. Abdul-Muyeed Chowdhury was appointed as Independent Director, with effect from 14 September 2020. The said appointment will be approved by the Shareholder in upcoming 24th Annual General Meeting. Ms. Tone Ripel joined the Board in October 2020 as nominated by Telenor Mobile Communications AS in place of Mr. Irfan Wahab Khan. The Board welcomes Mr. Abdul-Muyeed Chowdhury and Ms. Tone Ripel to the Board and looks forward for their enriching contribution to the governance of the Company.

The Board of Directors would also like to take this opportunity to deeply thank and bid farewell to two esteemed Board members for their invaluable contribution to the Board over the years and help the Board discharge its governance responsibilities towards the Company. The Board wishes them the very best for their futures. The Board also expresses its profound grief and sorrow over the sad and sudden demise of Prof. (Dr.) Jamilur Reza Choudhury on 28 April 2020 who was an Independent Director of Grameenphone Board since 15 June 2016. The Board acknowledges his remarkable contributions to Grameenphone, and to the nation, particularly in the field of education and development.

Directors’ Appointment & Re-Appointment

Regarding the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association, the Companies Act. 1994 and other related legislations. Accordingly, the following Directors of the Board will retire at this Annual General Meeting. They are, however, eligible for re-appointment:

1. Mr. Håkon Bruaset Kjøl
2. Mr. Md. Ashraful Hassan
3. Ms. Parveen Mahmud

As per the Corporate Governance Code 2018, after the appointment of Independent Director by the Board, the Shareholders will approve the said appointment in the Annual General Meeting. Accordingly, Mr. Abdul-Muyeed Chowdhury’s appointment is to be vetted and confirmed at the Company’s ensuing 24th AGM.

Brief profiles of the Directors being proposed for re-appointment are given on page 29 of the Annual Report, which fulfils condition 1(5)(xxiv) of the Corporate Governance Code of BSEC.

Appointment of Auditors and Corporate Governance Compliance Auditor

As per the Companies Act 1994 and the Articles of Association of Grameenphone, the statutory auditors of the Company, A Qasem & Co, Chartered Accountants, shall retire at this AGM. As per BSEC Order No. SEC/CMRRCD/2009-193/104/Admin dated 27 July 2011, an audit firm cannot be engaged for more than three consecutive years as statutory auditors of the same Company. A Qasem & Co, Chartered Accountants has been the statutory auditors of the Company since 2018. In compliance with the BSEC order, we are required to appoint new statutory auditors for the Company. ACNABIN, Chartered Accountants has offered their willingness to be appointed as statutory auditors of Grameenphone. On the suggestion of the Audit Committee, the Board recommends their appointment for the year 2021 and continuation till the next AGM at a fee of BDT 3 million plus VAT.

In compliance with the BSEC Corporate Governance Code, the Board appointed M/S Al-Muqtadir Associates as Corporate Governance Compliance Auditor of the Company for the year 2021 at a fee of BDT 204,445 and the said appointment will be approved by the Shareholders in the upcoming 24th AGM.

Outlook 2021: Unleash the Potential of Bangladesh and Continue Growing Shareholder Value

The telecom industry is changing to accommodate technological advancements, customer needs and economic progression rapidly. While the Covid-19 pandemic has somewhat accelerated and even shifted the progression roadmap, it is in line with the paradigm shift in the present times' evolving communication needs. Connecting our customers to what matters most to them is at the core of Grameenphone's existence

As a connectivity partner on the Digital Bangladesh journey, Grameenphone's goal is to keep innovating to improve its customers and stakeholders' lives. The Company is committed to creating a brighter digital future to maintain the largest 4G LTE network and introduce innovative solutions. Grameenphone aims to continue investing in the country and building a strong network and distribution ecosystem to deliver value to its shareholders and customers. The Company has built agile capabilities, ensured employee safety and fast-forwarded its transformation agenda to meet and match customers' new-normal requirements and behavioural changes. With this set platform, our resilient network is also getting ready to take on the challenges and opportunities of 2021 when Bangladesh is getting ready to celebrate 50 years of nationhood and its national journey and socioeconomic development to become a middle-income economy.

Appreciation

The Board of Directors expresses their gratitude to all the Company's shareholders, investors, regulators, customers and partners for their trust and support over the years. Moreover, the Board of Directors thanks Grameenphone employees for their enthusiasm and untiring commitment to the Company. 2020 presented many unprecedented challenges that had affected just about every aspect of the business. Yet, the people at Grameenphone had risen to the occasion as always and proven their agility and commitment to duty. Under these trying circumstances, achieving such a result is testament to their hard work, skill, and desire to deliver to the business and our customers. Employees have demonstrated commendable effort in collaborating with our partners to build a sustainable and enterprising organisation such as Grameenphone.

Looking towards 2021 and the plans for the next 12 months, we have a large pipeline of exciting activities already ahead of us.

For and on behalf of the Board of Directors of Grameenphone Ltd.



Jørgen C. Arentz Rostrup
Chair

27 January 2021

Annexure I

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/ Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1	Board of Directors (BoD)			
1(1)	Board's Size (number of Board members – minimum 5 and maximum 20)	√		Grameenphone Board is comprised of 10 (Ten) Directors
1(2)	Independent Directors			
1(2)(a)	At least one-fifth (1/5) of the total number of directors 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 (ID) out of total 10 (Ten) Directors
1(2)(b)	Independent Director means a Director:			
1(2)(b)(i)	who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company	√		The IDs have submitted declarations about their compliances
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	√		-do-
1(2)(b)(iii)	who has not been an executive of the Company in the immediately preceding 2 (two) financial years	√		-do-
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated companies	√		-do-
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	√		-do-
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	√		-do-
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)	√		-do-
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude	√		-do-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	√		a) Dr. Salehuddin Ahmed, in his 1 st term, and his appointment was approved at 22 nd AGM b) The Board appointed Mr. Abdul-Muyeed Chowdhury, and the shareholders would approve his appointment at the upcoming 24 th AGM
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		The position of Prof. (Dr.) Jamilur Reza Chowdhury, Independent Director was vacant on 28 April 2020 due to his sudden demise. The Board appointed Mr. Abdul-Muyeed Chowdhury as a new Independent Director on 14 September 2020 within the extended time as granted by BSEC
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	√		The IDs are in their regular term of office
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 qualification and background of IDs justify their abilities as such
1(3)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of BDT 100 million or any listed company or a member of any national or international chamber of commerce or business association; or	Not applicable		
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 BDT 100 million or of a listed company; or	Not applicable		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of Bachelor degree in Economics or Commerce or Business or Law	√		
1(3)(b)(iv)	University teacher who has educational background in Economics or Commerce or Business Studies or Law	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	Not applicable		
1(3)(c)	The independent director shall have at least 10 (ten) years' 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	None		No such case in the reporting year

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(4)	Duality of Chair of the Board of Directors and Chief Executive Officer			
1(4)(a)	The positions of the Chair of the Board and the Chief Executive Officer (CEO) of the Company shall be filled by different individuals	√		The Chair and the CEO are different individuals with clearly defined roles and responsibilities
1(4)(b)	The Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		The CEO does not hold the same position in any other listed company
1(4)(c)	The Chair of the Board shall be elected from among the non-executive directors of the company	√		All Board members are non-executive director. The Chair of the Board is non-executive director
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chair and the Chief Executive Officer	√		The Board clearly defined roles and responsibilities of the Chair and the CEO
1(4)(e)	In the absence of the Chair of the Board, the remaining members may elect one of themselves from non-executive directors as Chair for that particular Board's meeting; the reason of absence of the regular Chair shall be duly recorded in the minutes	None		No such case in the reporting year
1(5)	The Directors' Report shall include the following additional statements			
1(5)(i)	Industry outlook and possible future developments in the industry	√		Included in the Directors' report on Page 71 of the Annual Report
1(5)(ii)	Segment-wise or product-wise performance	√		Included in the Directors' report on Page 71 of the Annual Report
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable	√		Included in the Directors' report on Page 72 of the Annual Report
1(5)(v)	Discussion on continuity of any extraordinary activities and their implications (gain or loss)	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(vi)	Detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(vii)	Statement of utilisation of proceeds raised through public issues, rights issues and/or any other instruments	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(viii)	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.	√		Included in the Directors' report on Page 74 of the Annual Report
1(5)(ix)	Explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(x)	Statement of remuneration paid to the directors including independent directors	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(xi)	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	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(xii)	Proper books of account of the issuer company have been maintained	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement	√		Included in the Directors' report on Page 73 of the Annual Report

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(5)(xiv)	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	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		Included in the Directors' report on Page 73 of the Annual Report
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	√		Included in the Directors' report on Page 74 of the Annual Report
1(5)(xvii)	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	√		Included in the Directors' report on Page 73 of the Annual Report
1(5)(xviii)	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	√		Included in the Directors' report on Page 74 of the Annual Report
1(5)(xix)	Key operating and financial data of at least preceding five (5) years shall be summarised	√		Given on Page 62 of the Annual Report
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	Not applicable		No such case in the reporting year
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	√		Stated in the Directors' report on Page 74 of the Annual Report
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	√		Included in the Directors' report on Page 74 of the Annual Report
1(5)(xxiii)	Pattern of shareholding and name wise details (disclosing aggregate number of shares):			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties	√		Included in the Directors' report on Page 89 of the Annual Report
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	√		Included in the Directors' report on Page 89 of the Annual Report
1(5)(xxiii)(c)	Executives	√		Included in the Directors' report on Page 89 of the Annual Report
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company	√		Included in the Directors' report on Page 89 of the Annual Report
1(5)(xxiv)	In case of the appointment/re-appointment of a director, disclose:			
1(5)(xxiv)(a)	a brief resume of the director	√		Given on Page 29 of the Annual Report
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas	√		Given on Page 29 of the Annual Report
1(5)(xxiv)(c)	names of companies in which the person also holds the Directorship and the membership of committees of the Board	√		Given on Page 33 of the Annual Report

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(5)(xxv)	Management's Discussion and Analysis signed by CEO 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:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		Stated as Annexure -V (Management's Discussion and Analysis) of the Directors' Report on Page 93 of the Annual Report
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	√		Stated as Annexure -V (Management's Discussion and Analysis) of the Directors' Report on Page 94 of the Annual Report
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	√		Stated as Annexure -V (Management's Discussion and Analysis) of the Directors' Report on Page 95 of the Annual Report
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)	√		Stated as Annexure -IV of the Directors' Report on Page 90 of the Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed	√		The Certificate regarding compliance of the conditions is disclosed on page 97 of the Annual Report
1(6)	Meetings of the Board of Directors			
1(6)	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	√		Company conducts its Board meetings and record the minutes of the meetings as well as keep required books and records as per provisions of Bangladesh Secretarial Standards (BSS) as adopted by ICSB
1(7)	Code of Conduct for the Chair, 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 Chair of the Board, other board members and Chief Executive Officer of the Company	√		There is a written Code of Conduct for the Chair of the Board, other board members and CEO of the Company, which was recommended by the NRC and approved by the Board
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 behaviour; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		The Code of Conduct as recommended by the NRC and approved by the Board is available on the website of the Company

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
2	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		Grameenphone 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	Not applicable		-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	Not applicable		-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	Not applicable		-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	Not applicable		-do-
3	Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		The CEO, CFO, CS, Head of Internal Audit and Head of Ethics & Compliance have been appointed by the Board
3(1)(b)	The positions of the 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	√		The CEO, CFO, CS, Head of Internal Audit and Head of Ethics & Compliance are different individuals and their roles and responsibilities are separately defined
3(1)(c)	The CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other Company at the same time	√		The CEO, CFO, CS, Head of Internal Audit and Head of Ethics & Compliance do not hold any executive position in any other company
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		The roles and responsibilities are separately defined
3(1)(e)	The 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 CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	√		The CEO, CFO, CS, Head of Internal Audit and Head of Ethics & Compliance attended in the Board Meetings
3(3)	Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The 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	√		The CEO and CFO have duly certified to the Board and the declaration is disclosed as Annexure-IV on page 90 of the Annual Report
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		-do-

Condition No.	Title	Compliance Status ("√" has been 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	√		The CEO and CFO have duly certified to the Board and the declaration is disclosed as Annexure-IV on page 90 of the Annual Report
3(3)(b)	The CEO and CFO shall also certify that there are, to the best of their 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 CEO and CFO shall be disclosed in the Annual Report	√		The declaration by the CEO and CFO is disclosed on page 90 of the Annual Report
4	Board of Directors' Committee			
	For ensuring good governance in the Company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee	√		The Board formed the Audit Committee on 10 November 2008
4(ii)	Nomination and Remuneration Committee	√		The Board formed the NRC on 11 December 2018
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a subcommittee of the Board	√		Audit Committee is established as per BSEC guidelines
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	√		The Audit Committee discharges as per BSEC guidelines
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	√		The duties of the Audit Committee are clearly defined in the Board approved Audit Committee Charter as per BSEC guidelines
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	√		Audit Committee comprises of 3 (three) members
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chair of the Board and shall include at least 1 (one) independent director	√		All members of the Audit Committee are non executive directors, out of which one member is ID. All the members are appointed by the Board. The Chair of the Board is not the member of the Audit Committee
5(2)(c)	All members of the audit committee should be "financially literate" and at least one (1) member shall have accounting or related financial management background and ten (10) years of such experience	√		Based on the academic qualifications and professional experience, which provided on page 31 of the Annual Report demonstrate that all the existing members of the Audit Committee are "financially literate" and they have "related financial management" experience as per BSEC notification

Condition No.	Title	Compliance Status ("√" has been 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 three (3) persons, the Board shall appoint new Committee member to fill up the vacancy immediately or not later than one (1) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	None		No such case in the reporting year
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 one (1) independent director	√		In practice
5(3)	Chair of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	√		The Chair of the Audit Committee 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	None		No such case in the reporting year
5(3)(c)	Chair of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		The Chair of the Audit Committee attended in the 23 rd AGM held on 21 April 2020
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least four (4) meetings in a financial year	√		There were eight (8) meetings held during the reporting period
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	√		In practice
5(5)	Meeting of the Audit Committee			
5(5)(a)	Oversee the financial reporting process	√		The Audit Committee performs as per BSEC's guidelines
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-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		The Audit Committee performs as per BSEC's guidelines
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	√		-do-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilised as per the purposes stated in relevant offer document or prospectus approved by the Commission	None		No IPO was made in the year 2020
5(6)	Reporting of the Audit Committee			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board	√		
5(6)(a)(ii)(a)	Report on conflicts of interests	None		No such event in the reporting year
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	None		No such event in the reporting year
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	None		No such event in the reporting year
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	None		No such event in the reporting year
5(6)(b)	Reporting to BSEC (if any, which has material impact on the financial condition and results of operation, unreasonably ignored by the management)	None		No such event in the reporting year
5(7)	Reporting to the Shareholders and General Investors of Audit Committee Activities, which shall be signed by the Chair of the Audit Committee and disclosed in the Annual Report	√		Activities of the Audit Committee are reported on page 57 of the Annual Report
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		NRC is established as per BSEC guidelines
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	√		The NRC discharges as per given guidelines

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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)	√		The duties of the NRC are clearly defined in the Board approved NRC Charter as per BSEC's guidelines
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three (3) members including an independent director	√		NRC comprises of three (3) members, which includes one ID
6(2)(b)	All members of the Committee shall be non-executive directors	√		All members of NRC are non-executive directors
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	√		All members of the NRC are appointed by the Board
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 one hundred eighty (180) days of such vacancy occurring in the Committee	√		The position of Prof. (Dr.) Jamilur Reza Chowdhury, Independent Director was vacant on 28 April 2020 due to his sudden demise. The Board appointed Mr. Abdul-Muyeed Chowdhury as new Independent Director on 14 September 2020 within the extended time as granted by BSEC
6(2)(f)	The Chairperson of the Committee may appoint or coopt 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 is valuable for the Committee	None		No such case in the reporting year
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	√		No such case in the reporting year
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 honourarium from the company	√		No such case in the reporting year
6(3)	Chair of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chair of the Committee, who shall be an independent director	√		The Chair of the NRC is an Independent Director
6(3)(b)	In the absence of the Chair 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	√		The reason for the absence of the NRC Chair was duly recorded in the minutes
6(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders	√		The Chair of the NRC attended in the 23 rd AGM held on 21 April 2020
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year	√		There were seven (7) meetings held during the reporting period
6(4)(b)	The Chair of the NRC may convene any emergency meeting upon request by any member of the NRC	None		No such case in the reporting year

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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	√		In practice
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	√		The NRC performs as per BSEC's guidelines
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	√		-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	√		-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			The policy, criteria and activities of NRC are given on Page 59 of the Annual Report
7	External or Statutory Auditors			
7(1)(i)	Appraisal or valuation services or fairness opinions	√		As declared by the Auditors
7(1)(ii)	Financial information systems design and implementation	√		-do-
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements	√		-do-
7(1)(iv)	Broker-dealer services	√		-do-
7(1)(v)	Actuarial services	√		-do-
7(1)(vi)	Internal audit services or special audit services	√		-do-
7(1)(vii)	Any service that the Audit Committee determines	√		-do-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1) ; 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	√		-do-
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	√		The representative of external auditors attended in the 23 rd AGM held on 21 April 2020
8	Maintaining a website by the Company			
8(1)	The Company shall have an official website linked with the website of the stock exchange	√		In practice
8(2)	The Company shall keep the website functional from the date of listing	√		In practice
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		In practice
9	Reporting and Compliance of Corporate Governance			
9(1)	Obtaining 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 such certificate shall be disclosed in the Annual Report.	√		The company obtained the certificate from ACNABIN, Chartered Accountants regarding compliance of conditions of Corporate Governance Code 2018 and such certificate is disclosed on page 97 of the Annual Report
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		The Board appointed the Compliance Auditor and their appointment was approved by the Shareholders
9(3)	Directors statement in the directors' report whether the Company has complied with these conditions or not	√		Detailed status of compliance is given on page 77 of the Annual Report in the compliance schedule as published with the Directors' Report

Annexure II

Board Meeting and attendance during the year ended 31 December 2020

Name of Directors	Board Member Since	Number of meetings attended during 2020
Mr. M Shahjahan	26 June 2006	12/12
Mr. Md. Ashrafal Hassan	20 January 2010	12/12
Mr. Håkon Bruaset Kjøl****	14 September 2011	11/12
Ms. Parveen Mahmud	17 October 2012	12/12
Mr. Øivind Burdal	18 May 2016	12/12
Dr. Salehuddin Ahmed****	12 December 2018	11/12
Mr. Lars Erik Tellmann	11 December 2019	12/12
Mr. Jørgen C. Arentz Rostrup	9 June 2020	05/05
Mr. Abdul-Muyeed Chowdhury	14 September 2020	02/02
Ms. Tone Ripel	18 October 2020	02/02
Prof. (Dr.) Jamilur Reza Choudhury*	15 June 2016	04/06
Mr. Petter Boerre Furberg**	26 May 2017	08/08
Mr. Irfan Wahab Khan***	14 July 2019	10/11

* Prof. (Dr.) Jamilur Reza Choudhury passed away on Tuesday, 28 April 2020

** Mr. Petter Boerre Furberg retired from the Board on 09 June 2020

*** Mr. Irfan Wahab Khan retired from the Board on 18 October 2020

**** In compliance with the law, the Board granted leave of absence to the members who were unable to attend Board meetings.

Annexure-III

The Pattern of Shareholding as on 31 December 2020

Name of Shareholders	Status	Shares Held	Percentage
i) Parent/Subsidiary/Associate Companies			
Telenor Mobile Communications AS	-	753,408,154	55.80%
Grameen Telecom	-	461,766,409	34.20%
ii) Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses and minor children			
Mr. Jørgen C. Arentz Rostrup	Chair	-	-
Mr. M Shahjahan	Board Member	-	-
Mr. Md. Ashrafal Hassan	Board Member	-	-
Mr. Håkon Bruaset Kjøl	Board Member	-	-
Ms. Parveen Mahmud	Board Member	-	-
Mr. Øivind Burdal	Board Member	-	-
Dr. Salehuddin Ahmed	Board Member	-	-
Mr. Lars Erik Tellmann	Board Member	-	-
Mr. Abdul-Muyeed Chowdhury	Board Member	-	-
Ms. Tone Ripel	Board Member	-	-
Mr. Yasir Azman	Chief Executive Officer	39,783	0.00%
Mr. Jens Becker	Chief Financial Officer	-	-
Mr. S M Imdadul Haque	Company Secretary	-	-
Mr. Hasan Faisal	Head of Internal Audit	195	0.00%
iii) Executives (as explained in the BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012)			
Mr. Solaiman Alam	Chief Digital & Strategy Officer	-	-
Mr. Mohammad Sajjad Hasib	Chief Marketing Officer	2000	0.00%
Mr. Syed Tanvir Husain	Chief Human Resources Officer	-	-
Mr. Kazi Mahboob Hassan	Chief Business Officer	-	-
Mr. Hossain Sadat	Director Public and Regulatory Affairs	376	0.00%
iv) Shareholders holding ten percent or more voting interest			
Telenor Mobile Communications AS	-	753,408,154	55.80%
Grameen Telecom	-	461,766,409	34.20%

Annexure -IV

Declaration by the CEO and the CFO

[As per condition No. 1(5)(xxvi) of Corporate Governance Code 2018]

The Board of Directors

Grameenphone Ltd.

Subject: Declaration on Financial Statements for the year ended on 31 December 2020.

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

- (1) The Financial Statements of Grameenphone Ltd. for the year ended on 31 December 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December 2020 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; and
- (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,



(Yasir Azman)
Chief Executive Officer (CEO)



(Jens Becker)
Chief Financial Officer (CFO)

27 January 2021