

Future is Now



Annual
Report
2023

Future is now

Our exceptional operation promises a future where the present will be equipped with revolutionary functions for virtual ease for all purposes of life. Our seamless connectivity, superfast network and technological dimensions transform lives and lifestyles. We have been a pioneering name for 27 years in serving the customer for their communication needs. We strive to elevate our customer's experience with the utmost cutting-edge network and provide customers with solutions for any of their needs and upgrades.

Who We Are

Grameenphone is a trusted digital connectivity and services company, empowering societies and keeping customers connected to what matters most.

Our Purpose

Connecting Customers to What Matters Most Empowering Societies

Connecting customers to what matters most has been the core of our business. Today internet connectivity impacts nearly every part of our lives, and we believe in making it personalised and relevant for our customers. It's about more than good business; it's empowering societies.

Our Behaviours

We have four behaviours that guide the way we work:

Always Explore

We believe growth comes from learning every day. We are curious and we dare to challenge, test, fail fast and pivot.

Create Together

We believe in diverse teams and better solutions. We seek different perspectives, share, involve, and help each other succeed.

Keep Promises

We believe that trust is key in all our relationships. We take ownership and pride in delivering with precision and integrity.

Be Respectful

We believe in the unique human ability to understand what matters to people. We meet everyone at eye level, listen and show that we care.

Inside this report

Strategic Overview Insight into Our Operation and How Our Strategy is Delivered

01	Chair's Message	02
	Chief Executive's Message	04
	Our Performance 2023	07
	How We Create Value	09
	Our Business and Strategy	10
	Telecom Industry and Regulatory Environment	13
	Stakeholder Engagement	14
	Value Added Statement 2023	15
	Contribution to National Exchequer	16
	Enterprise Risk Management	17

Environment, Social and Governance (ESG) Report Our Sustainability Efforts and Framework for Corporate Governance

02	Environment, Social and Governance (ESG) Report	20
	Corporate Governance in Grameenphone	29
	Board of Directors' Profile	30
	Audit Committee Report	36
	Nomination and Remuneration Committee Report	39
	Management Team Profile	41

Financial Analysis Financial Performance and Audited Financial Statements

03	Directors' Report	52
	Management's Discussion and Analysis	69
	Audited Financial Statements	77

Additional Information Corporate Information and Notice

04	Our Journey	134
	Our Recognition 2023	135
	Useful Information for Shareholders	136
	Notice of the 27 th AGM	140
	Proxy Form	143

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Chair's Message



Håkon Bruaset Kjøl
Chair



Dear Shareholders,

Grameenphone navigated 2023 prioritising customer-centric digitalisation and catering to people's increasingly digital lives, while making good progress on its ambition to become a future-ready telco-tech Company.

A Catalyst for the Smart Bangladesh Vision

The Board of Directors is pleased to report that the Company continued to have good growth momentum in 2023 in both EBITDA and revenue, achieving positive topline growth in a challenging macroeconomic environment. Grameenphone solidified its position as the country's No.1 network provider, supported by a steadfast focus on modernisation and investment into building a future-ready network. This year, the Company also leveraged advanced digital capabilities and simplified its product portfolio along with other steps taken to ensure a superior customer experience. In doing so, Grameenphone creates value not only for its shareholders but for its loyal customers who are the real cornerstone of the Company's success.

Grameenphone continues to invest in its technology and digital capabilities to become a telco-tech Company enabling a digitally connected society and supporting the government's vision of becoming a Smart Bangladesh by 2041. The Company works to bring innovative and industry-first solutions to market and reached an exciting milestone this year, bringing IoT solutions to market through the intuitive 'alo' app. On top of the connectivity that Grameenphone brings to millions across the country, customer-centric innovation remains at the core of Grameenphone's initiatives. Strategic partnerships with digital players such as a2i, bKash and Meta, among others, resulted in more convenient digital solutions becoming available to Grameenphone customers in 2023.

As a partner for the nation's 'Smart Bangladesh 2041' vision, Grameenphone remained firmly committed to enabling Bangladesh's progress in 2023 and this year marked the eighth consecutive year that Grameenphone was recognised as the highest taxpayer in the telecom sector. Throughout the year there was also good collaboration with stakeholders to resolve long-standing disputes, fostering a co-creative environment for a sustainable future.

Strength in Sustainability

Grameenphone maintains a strong focus on its commitment to empowering society through the connectivity and digital access it provides. In collaboration with various civil society partners, including Telenor's global partners Plan International and UNICEF, Grameenphone provides digital literacy support and training to women, children, and marginalised populations, promoting safe inclusivity in the digital realm. Grameenphone also believes in taking a youth-first approach, upskilling and reskilling young people through initiatives like GP Accelerator, helping them to thrive safely in the digital era and become a driving force in Bangladesh's digital and socio-economic progress.

The Board of Directors was proud to see Grameenphone recognised by Bloomberg as the leading Bangladeshi company for sustainable development in 2023. Grameenphone has committed to reducing its carbon emissions by 50% by 2030. The Company has deployed over 1,200 solar-powered towers for sustainable connectivity and the Company is advocating for access to greener energy options. Grameenphone still has a way to go to deliver on its emission-reduction ambitions, but remains keen to play an active role in the green shift in Bangladesh.

In addition, Grameenphone nurtures an inclusive, equitable and diverse workforce and continues to uphold its commitment to high standards of corporate governance. The people in the Company support its purpose to provide connectivity to fuel sustainable economic prosperity for all.

Embracing Tomorrow

Fuelled by its focus on innovation, sustainability and socio-economic development, the Company remains dedicated to forging a path towards a thriving, future-fit and inclusive digital future for all in Bangladesh. Together with the Grameenphone Board of Directors, I express my heartfelt appreciation to Grameenphone’s esteemed customers, the communities we are privileged to serve, our invaluable partners, and our dedicated employees. Your unwavering support, trust and loyalty serve as a constant source of inspiration for us, driving us to continually strive for excellence.

22 February 2024

Chief Executive's Message



Yasir Azman
Chief Executive Officer (CEO)



Dear Shareholders,

The year 2023 has been a pivotal year for Grameenphone, marked by transformational initiatives. The initiative encompassed both organisational restructuring and technological advancements, leading to a substantial digital uplift. Our efforts have successfully laid a robust foundation for the organisation, propelling our journey from a traditional telecommunications company to becoming a Telco-Tech. Despite the less than favourable macroeconomic conditions and global conflicts, we successfully navigated through supply chain disruptions and equipment import challenges. With the support from our team, regulators, and financial institutions, we were able to effectively execute our strategic plans. As we stand today, Grameenphone is in a stronger position, poised to embrace the future and its possibilities.

Impressive Outcomes

In 2023, Grameenphone achieved total revenue of BDT 158.7 billion, which was 5.5% higher than the previous year. The Company also gained 2.8 million new subscribers, increasing its customer base by 3.6% to 82 million. By the end of 2023, Grameenphone had 46.6 million internet users, which made up 57% of its total subscriber base; among the total data users, 37.6 million used 4G data, which rose by 10.1% from the year before. Moreover, the Company launched simple, innovative, and customer-friendly data packs which provided higher customer value. With the expansion of content access and digital services, data revenue increased by 19.5% from the previous year. Consequently, data revenue contribution in mobile communication revenue increased to 29.1% compared to 25.6% from the previous year.

Grameenphone also spent BDT 33.1 billion on capital expenditure in 2023, with a 20.8% 'total capex to sales' ratio. A majority of that amount was spent on spectrum deployment, 4G site rollout, capacity expansion and coverage expansion to provide better voice and data services to our customers. Over 1,600 new 4G sites were rolled out, reaching over 21,200 4G sites by the end of Q4'23, covering 97.9% of the population. Grameenphone contributed BDT 122 billion to the National Exchequer, equalling 77% of its total revenue, in various forms of taxes and fees.

Future-focused evolution

Grameenphone has been instrumental in revolutionising the country's digital landscape through its continuous efforts to enhance network infrastructure and connectivity. Our investments in expanding and modernising the network have led to a substantial increase in coverage and reliability, particularly in the realm of 4G technology. This robust connectivity not only ensures faster internet speeds but also sets the stage for innovative services, contributing to a smarter ecosystem. We have digitalised numerous services, including our 'Cockpit' platform for retailers, facilitating millions of transactions daily. Moreover, our introduction of advanced products and IoT solutions under the 'alo' app umbrella has further propelled us towards a smarter future. MyGP continues to be the largest local self-service app in Bangladesh with now 17.5 million monthly active users. As we embrace smart devices, AI, and connectivity, the time is now for us to embark on a journey toward a safer, healthier, and happier lifestyle. Together, we will forge a Smart Future for Smart Bangladesh, marked by progress and prosperity. We are also building a future-fit organisation by driving a growth mindset culture, building the right skills and capabilities, cultivating leadership, and driving a transformative culture of collaboration and co-creation.

Empowering Lives, Enabling Society

Our commitment goes beyond infrastructure. Through various initiatives in 2023, we aimed to equip the youth of our country with the skills and tools necessary to thrive in the smart era. We have implemented programmes that

not only provide training and mentorship but also create opportunities for the youth to contribute meaningfully to the digital economy. Our efforts to decrease our carbon dioxide footprint by 50% by the year 2030, from the 2019 baseline value, is still very much in progress. Our ESG efforts include carbon footprint reduction aligned to SBTi (Science Based Targets initiative), driving digital inclusion, online safety, upskilling the youth, and a heightened focus on addressing the gender gap, to contribute to the country's social and economic progress. We are also proud that Grameenphone was recognised as top among seven Bangladeshi companies on Bloomberg's sustainability list.

In 2023, we received many awards in various categories. Some of the notable ones included three leadership awards at the Bangladesh C Suite Awards 2023, Bangladesh Sustainability Excellence Awards 2023, for our earnest efforts with our flagship programmes like GP Accelerator and GP Academy, and the prestigious Highest Taxpayer Award in the Telecom Sector of the country for the eighth time in a row. The achievements reflect our dedication to corporate social responsibility and the significant role Grameenphone plays in the nation's progress and development.

We remain committed to our mission of leveraging technology to empower societies, connecting the unconnected, and look forward to the opportunities that lie ahead in realising the vision of building a smart, digitally inclusive, and sustainable Bangladesh that stands as a beacon of progress and prosperity.

22 February 2024

Youth Upskilling is now

Grameenphone Academy ushers in a future of integrated virtual learning. Young individuals receive global-standard trainings through direct connections with expert trainers, and community collaboration. With Grameenphone's robust connectivity, the academy is prepped to build Smart Bangladesh and a future-ready generation.



Our Performance 2023

A resilient performance led to continued growth momentum supported by network investment and strategic execution amidst a challenging macroeconomic backdrop.

Revenue

BDT 158,716m

Previous
BDT 150,403m **5.5%** ▲

Operating Profit

BDT 64,429m

Previous
BDT 63,598m **1.3%** ▲

Profit Before Tax

BDT 54,324m

Previous
BDT 51,990m **4.5%** ▲

Net Profit After Tax

BDT 33,075m

Previous
BDT 30,092m **9.9%** ▲

Earnings Per Share

BDT 24.49

Previous
BDT 22.29 **9.9%** ▲

NAV* Per Share

BDT 49.39

Previous
BDT 34.22 **44.3%** ▲

NOCF** Per Share

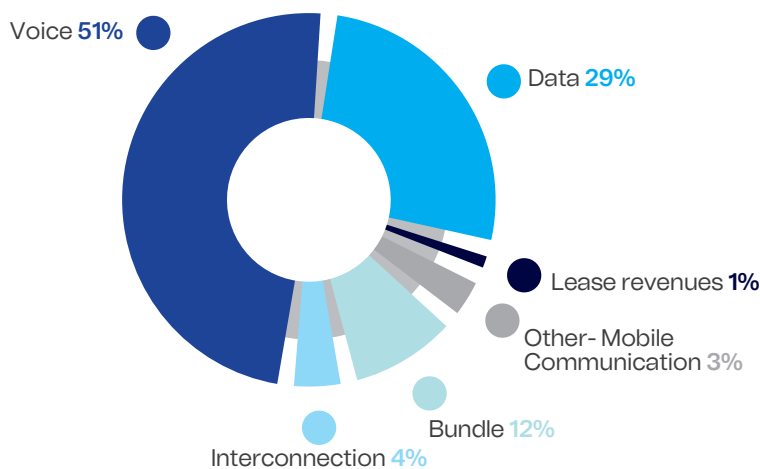
BDT 44.88

Previous
BDT 47.26 **-5.0%** ▼

*NAV- Net Asset Value; **NOCF- Net Operating Cash Flow

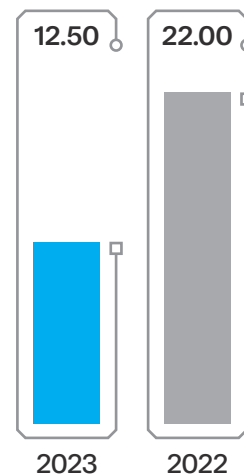
Revenue

Contribution by Products and Services



Shareholder Payout

Dividend Per Share (BDT)



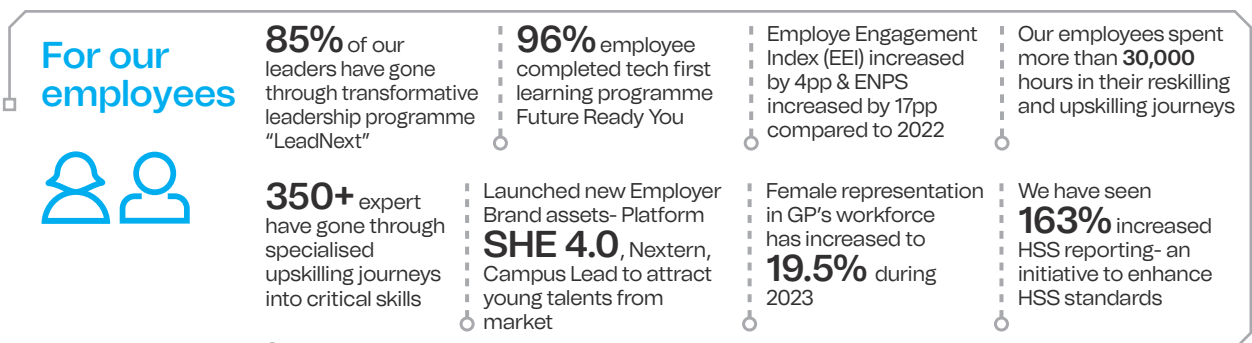
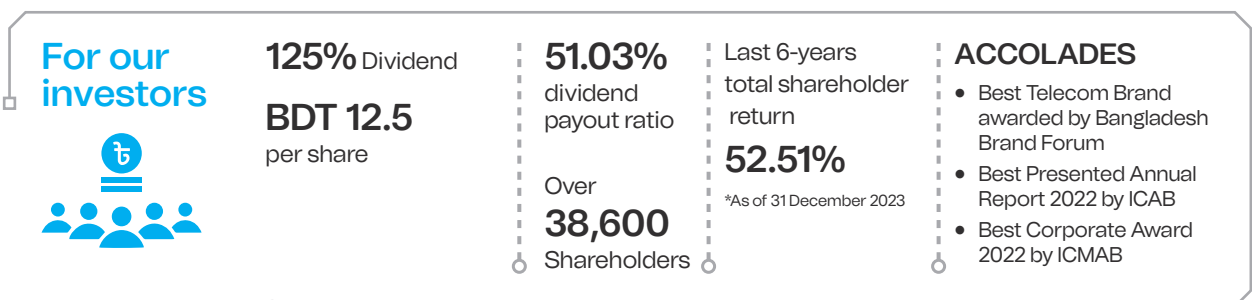
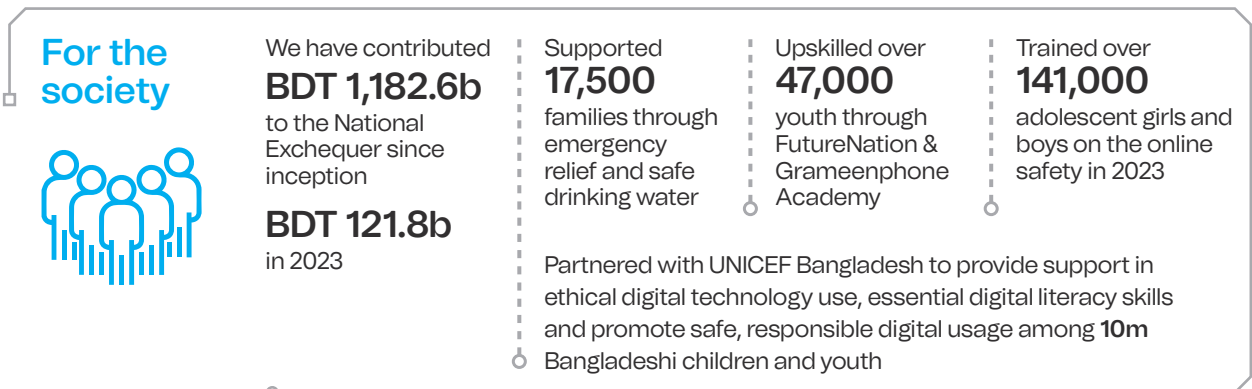
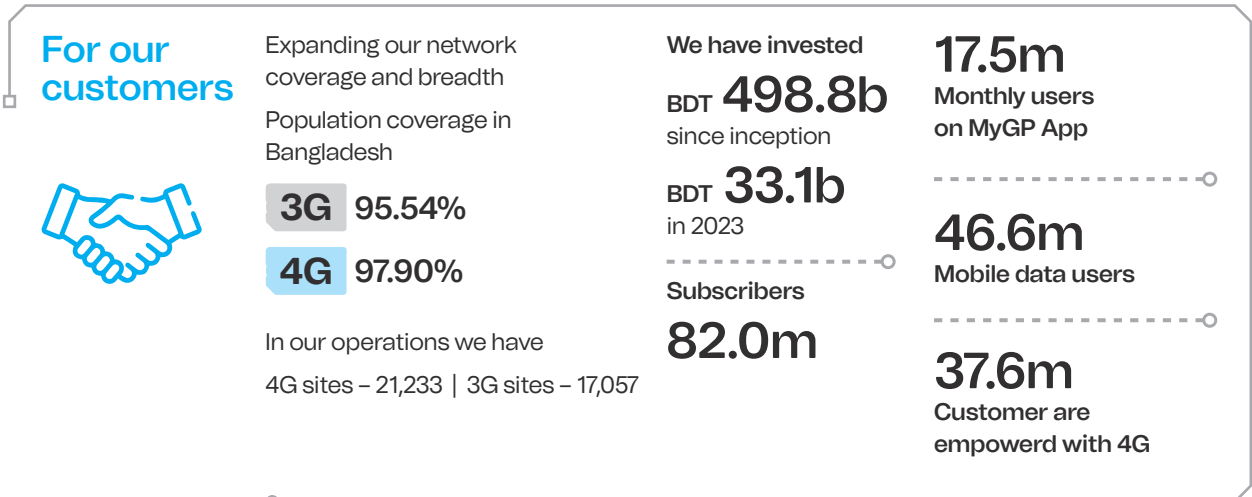
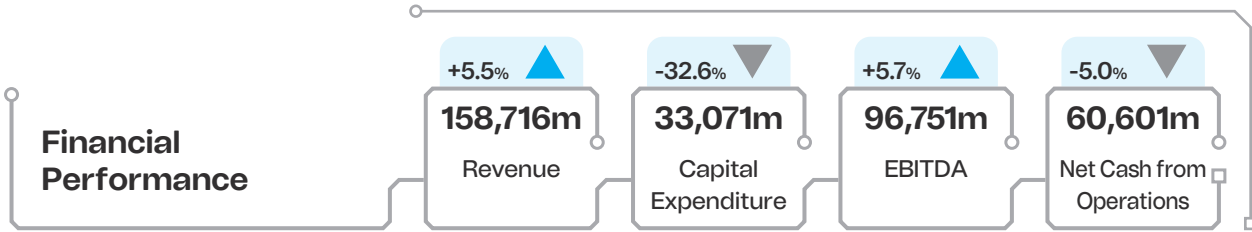
Special Privilege is

now



With more than 7,000 partner outlets nationwide, Grameenphone's Loyalty Program GPStar is raising the notch for a seamless lifestyle for its customers. With GPStar's special privileges, Grameenphone envisions a future of enhanced offline and online experiences in shopping, traveling and other categories.

How We Create Value



Our Business

Delivering sustainable business growth while ensuring superior customer experience and empowering society

We aim to adopt a customer centricity philosophy in every aspect of business while focusing on becoming the best technology service provider by unleashing the potential of progressing Bangladesh by securing access to spectrum, investing in mobile networks and IT capabilities, developing, and distributing a wide range of products and services tailored to our market segments, and running a strong brand programme.

These activities focus on ensuring sustainable and profitable growth and strong cash generation, enabling us to reinvest in the resources and relationships that we rely on to do business and to deliver on our core purpose: 'Empowering societies. Connecting you to what matters most'.

Portfolio and Experience Upliftment

Customers are evolving, and so are we. We are constantly striving to create compelling reasons for customers to utilise our services. We have streamlined our current product portfolio, enhancing our diversified service bundles and content offerings for the consumer market. As we continue to innovate, we are exploring new and relevant services to bring to our customers. In the enterprise business sector, we have introduced a range of Internet of Things (IoT) devices and will be introducing more new solutions in the areas of mobility and ICT to cater to our current customers with smart solutions.

Differentiated and Digitalised Customer Experience

Our ambition is to provide the best customer experience through a simplified and digitalised journey, introducing automated and personalised customer interaction and complaint management. Customer touchpoints, both physical and digital will have enhanced capability and agility with the help of MyGP, Cockpit and other digital platforms. We will focus on partnerships to co-create innovative platform solutions and services to meet the evolving needs of our customers and create an impact on their digital lifestyle. Our personalised approach to understanding customer behaviour and offering the right solutions will continue to be our key strength.

Network and IT Infrastructure

We will continue to invest in our core business to strengthen our network leadership in the market and provide a superior network experience to our customers, along with service innovation. IT capabilities enhancement will focus on cloud-native micro solutions, analytics, resiliency, digital capabilities, and the transformation of core IT systems to support scaling new portfolios, offers, and experiences.

Managing our Brand and Reputation

Our Brand ambition is to become the most preferred connectivity partner while being at the forefront of fulfilling the evolving needs of smart and progressing Bangladesh. We build a brand with purpose, providing experiences that matter, developing and maintaining a reputation as a Company that empowers societies by connecting people to what matters most to them. We take pride in leading the way towards a sustainable business environment, promoting inclusivity and responsibility for the socioeconomic transformation of the country.

Health, Safety, Security and Environment

Grameenphone encourages high standards within Health, Safety, Security, and Environment (HSSE) to ensure a healthy, safe, and secure workplace and a better climate. HSSE is an important part of GP's strategy, and the organisation is focused on continuously improving HSSE parameters through major initiatives and projects.

Our Strategy

Grameenphone will have a clear focus on sustainability while meeting customers evolving needs through driving data and the digital market in Bangladesh, with a strong emphasis on investing in technology and digital capabilities. The goal is to contribute to the development of a digitally connected society and support the government's vision of a Smart Bangladesh. This strategic approach demonstrates a commitment to leveraging technology for growth and progress in the country.



Our strategy is broken into the following four key Value Drivers

Sustainability

Sustainability is essential for the environmental, social and economic cause and we need to fundamentally rethink the way we function. This is at the core of our strategy and operations. It focuses on our entire value chain and how we are practising sustainability across.

Our sustainability strategy starts with business environment and stakeholder management, while to ensure growth enablement through spectrum management, mitigating disputes and driving business friendly regulation for new businesses while safeguarding against possible risk exposure from existing and emerging areas. We will continue to take a socially responsible position through our climate management programme, strengthening digital inclusion and youth upskilling, and continuing to expand online safety at the national level and across new/digital businesses.

Customer Experience

We start and end with customers with an equal focus on both consumer and business segments. We continuously work on understanding and predicting customer needs through hyper personalisation and building tailored solutions to fulfil these needs effectively and bring efficiency through process innovation. We will enhance customer service further by bringing proactive problem solving. Last but not least, we will stand on the backbone of providing network leadership through continuous modernisation in the core network to stay ahead of the competition while ensuring a superior experience for our customers. We aim to be the best in video experience, ensure smooth gaming and deliver a crystal OTT experience.

Transformation

We focus on building a competent, resilient, and forward-thinking resource pool that thrives in driving a technology-driven business. We enable our resources through a capable organisation where we will transform into a machine powered HR with the right structure and way of work. In a dynamic technology landscape along with evolving customer needs, enabling Telco to Telco-Tech journey mostly relies on stepping up in IT capability and making a future fit organisation with a competent pool of resources and diverse leadership.

Growth

Our primary focus is to maintain voice and grow our data business faster by embracing new products, services, digitisation and innovation. We will continue to explore our core and beyond core services while maintaining premium pricing. We encourage a culture of continuous learning and experimentation to develop and provide new technologies and solutions that meet the evolving needs of businesses and consumers. Allocate resources to research emerging technologies and industry trends. As we make our portfolio more robust, we strive to become attractive to partners. We grow along with the customers and the ecosystem players. We continue our effort on digitisation and simplification, driving greater efficiency for our core operations while building new revenue streams from the beyond core segment.

Seamless Entertainment is

now

A single Grameenphone number is everything one needs to access the world of exciting entertainment content and subscription-based services. Grameenphone envisions a future of entertainment where the single number will be the gateway for immersive content and virtual-reality experiences.



Telecom Industry and Regulatory Environment

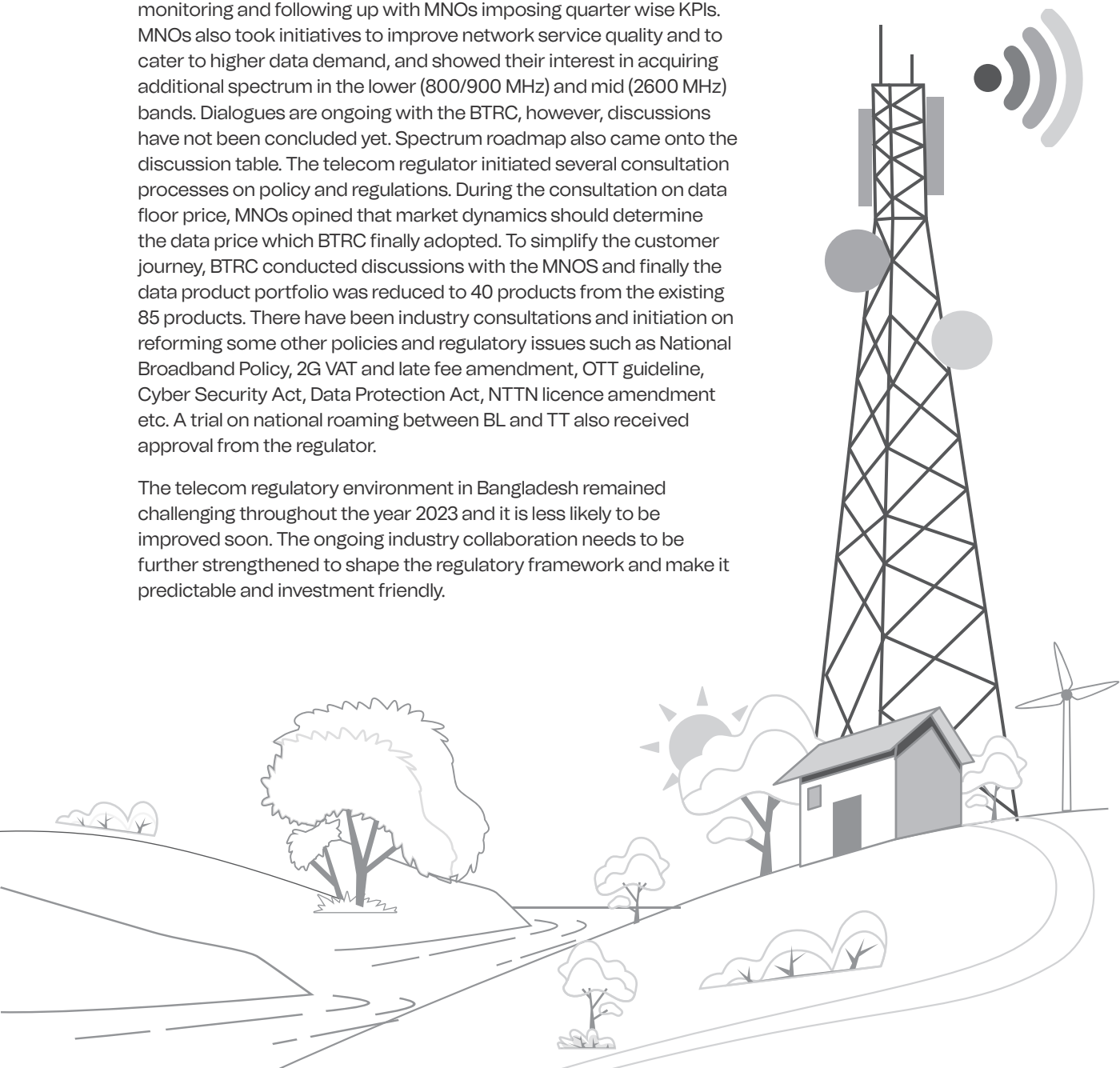
The Telecom and ICT sector has been a priority of the government as it has adopted Smart Bangladesh Vision 2041 as a roadmap to transform the country from a Digital Bangladesh to a smart country by 2041. In 2023, amid macro-economic and political challenges, the Telecom industry has seen growth with a lower rate. The mobile connection reached to above 190.5 million at the end of December 2023 compared to 180.2 million connection at the end of December 2022. Same trend has been observed for mobile data subscribers which reached to 118.5 million at the end of December 2023 compared to 112.5 million at the end of 2022. The industry has seen positive revenue growth as well. All the mobile operators have invested significantly this year in network expansion and improving the quality of services.

Telecom Regulatory Environment

Like the previous years, the telecom regulatory environment remained challenging towards Mobile Network Operators (MNO) in 2023.

QoS of MNOs remained a top agenda of the BTRC and it continued monitoring and following up with MNOs imposing quarter wise KPIs. MNOs also took initiatives to improve network service quality and to cater to higher data demand, and showed their interest in acquiring additional spectrum in the lower (800/900 MHz) and mid (2600 MHz) bands. Dialogues are ongoing with the BTRC, however, discussions have not been concluded yet. Spectrum roadmap also came onto the discussion table. The telecom regulator initiated several consultation processes on policy and regulations. During the consultation on data floor price, MNOs opined that market dynamics should determine the data price which BTRC finally adopted. To simplify the customer journey, BTRC conducted discussions with the MNOS and finally the data product portfolio was reduced to 40 products from the existing 85 products. There have been industry consultations and initiation on reforming some other policies and regulatory issues such as National Broadband Policy, 2G VAT and late fee amendment, OTT guideline, Cyber Security Act, Data Protection Act, NTTN licence amendment etc. A trial on national roaming between BL and TT also received approval from the regulator.

The telecom regulatory environment in Bangladesh remained challenging throughout the year 2023 and it is less likely to be improved soon. The ongoing industry collaboration needs to be further strengthened to shape the regulatory framework and make it predictable and investment friendly.



Stakeholder Engagement

We identify stakeholders as individuals, communities and organisations that may be affected by and/or may influence our business.

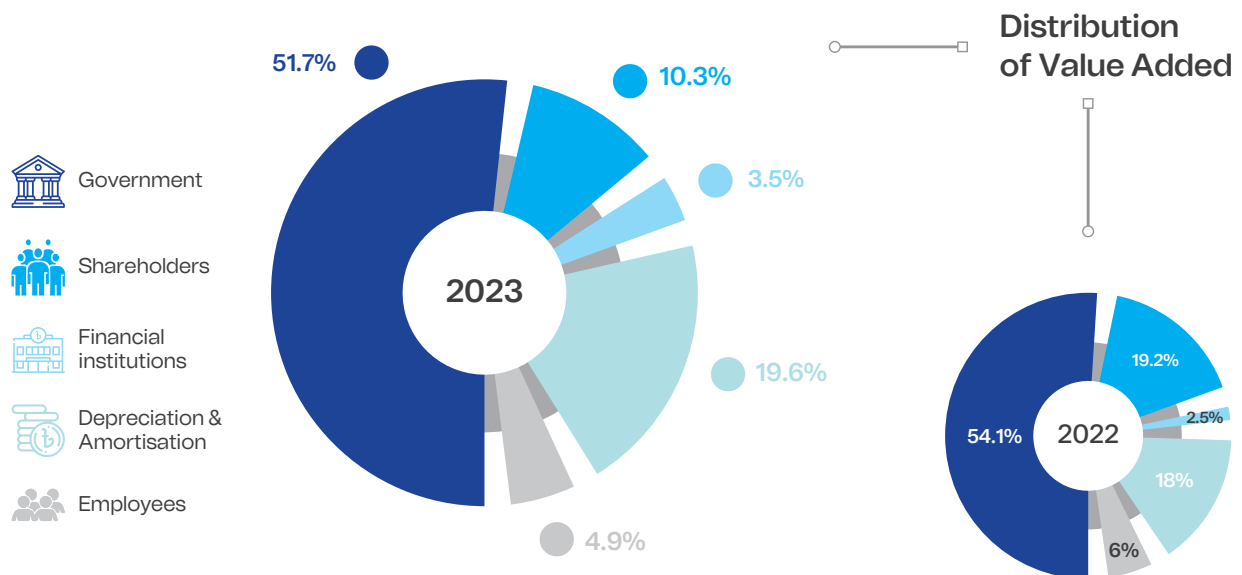
The Company's business sustainability and long-term value depend on our understanding and response to the needs of valued stakeholders. As a part of our business process, we maintain relationships with key stakeholder groups and engage in dialogue to learn from them; constructive dialogue helps shape our strategic priorities and refine our approach in the market. The following chart presents a summary of our main stakeholders and some examples of how we engage with them.

Our Goal	Who we engage with	How we engage
Long term value creation	Customers Investing in online tools, products and services designed to give our customers a greater level of control in their interactions with us	<ul style="list-style-type: none"> Call centres, retail outlets, MyGP app, Website, messaging and USSD channels Social Media platform: Facebook and Grameenphone website Our continuous effort is to enable 100% self-service for customers through apps
	Communities Engaging in sustainable development initiatives that strengthen the socio-economic lives of people in the communities in which we operate	<ul style="list-style-type: none"> Partnering with communities in sustainable initiatives Investing in social sustainability projects as part of our corporate social responsibility Investing in public participation projects and initiatives that give back to society, e.g. the FutureNation programme with UNDP Partnering on key areas including education and gender-based programmes
	Governments and Regulators Providing value against access to spectrum and operating licences. Engaging in dialogue to seek the best balance in regulatory measures that pose potential cost implications	<ul style="list-style-type: none"> Participation in consultations and public forums Submission and engagement on draft regulations and bills Engagement through industry consultative bodies
	Investors & Shareholders Providing sustainable financial capital required to grow, presenting operational feedback to management, and improving reporting practices	<ul style="list-style-type: none"> Dedicated investor relations office as the focal point for investor updates Investor engagements that include roadshows, conferences and meetings Annual and interim results announcements Annual General Meetings with shareholders to update them on business strategy Investor Relations page(s) on website
	Employees We engage with employees to build a workforce which is capable of driving corporate strategy through their engagement, collaboration, leadership, skills, competencies and responsible business	<ul style="list-style-type: none"> Internal engagement and collaboration initiatives Strategy sessions and updates Leadership development programmes Functional skill development programmes and forums Through cross functional projects and task forces Awareness of responsible business
	Suppliers Working in close conjunction with suppliers to improve our ability to offer cost-effective, quality products and services through cutting-edge technology	<ul style="list-style-type: none"> Supplier engagement forums and ongoing site visits Inspections and Audits
	Business partners Collaborating closely with business partners, a key interface with our customers and custodians of our brand and reputation, to ensure our strategy of delivering the best customer experience	<ul style="list-style-type: none"> One-on-one and virtual business meetings Training sessions on new products and services Market visits
	Media Keeping media abreast of operational facts, developments, and new products and services, as they are a critical contact point for our external stakeholders	<ul style="list-style-type: none"> Media session and press release Media advocacy and thought leadership Product launches and events Media query, crisis and change management Reputation drives and initiatives

Value Added Statement 2023

in '000 BDT

	2023		2022	
Value Added				
Revenue	158,715,818		150,403,469	
Other income including interest income	359,225		165,552	
Indirect taxes	47,593,000		42,886,244	
	206,668,043		193,455,265	
Less: Cost of network and services	42,188,872		38,525,964	
Available for distribution	164,479,171	100%	154,929,301	100%
Distributions				
Employees	8,107,744	4.9%	9,238,892	6.0%
Government	85,034,219	51.7%	83,815,281	54.1%
Providers of finance:				
Financial institutions	5,708,873	3.5%	3,885,844	2.5%
Shareholders	16,878,750	10.3%	29,706,600	19.2%
	115,729,586	70.4%	126,646,617	81.8%
Value reinvested and retained				
Depreciation and amortisation	32,321,703	19.6%	27,899,584	18.0%
Retained profit	16,427,882	10.0%	383,100	0.2%
	48,749,585	29.6%	28,282,684	18.3%
	164,479,171	100%	154,929,301	100%



Contribution to National Exchequer

As one of the largest contributors to the National Exchequer for the last several consecutive years, we take responsibility for contributing to the social and economic development of the country in which we operate, and we remain committed to acting with integrity, honesty and transparency in the creation and execution of our tax strategy, policies, and practices.



BDT 121.8
billion

As a major investor, taxpayer, employer and purchaser of local goods and services we contributed more than BDT 121.8 billion (2022: BDT 104.3 billion) to the public finances of governments in the jurisdiction in which we operate.

BDT 37.7

billion

was paid as direct taxes
(2022: BDT 34.8 billion)

BDT 60.1

billion

was collected and paid as
indirect tax contributions
(2022: BDT 53.6 billion)

BDT 24.0

billion

was paid as other
contributions
(2022: BDT 15.8 billion)

The major tax types included in the above are:

We paid BDT 28.3 billion (2022: 24.1 billion) corporate taxes on profit before tax of **BDT 54.3 billion** (2022: 52.0 billion).

Thus, we paid BDT 0.52 in corporate tax for every BDT 1 we generated in profit before tax.

We collected from our customers and deposited **BDT 46.8 billion** (2022: 42.5 billion) in output value-added tax, supplementary duty, surcharge, and other forms.

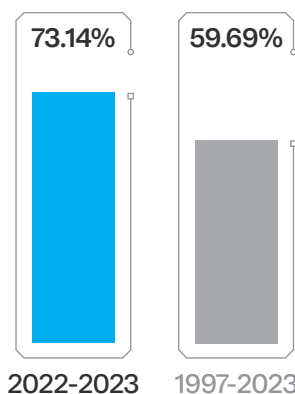
Thus, we contributed BDT 0.29 in output taxes for every BDT 1 we generated in revenue.

We withheld BDT 12.4 billion (2022: 13.1 billion) as withholding tax and value-added tax from payment to suppliers, employees and shareholders and paid it to the relevant tax authorities on their behalf.

We paid BDT 10.2 billion in customs and import duties (2022: BDT 8.8 billion).

We paid BDT 24.0 billion (2022: 15.8 billion) with BTRC as revenue share, contribution to social obligation fund, spectrum usage charges, spectrum assignment fees and for purchase of spectrums.

Average contribution to national exchequer as a % of average revenue



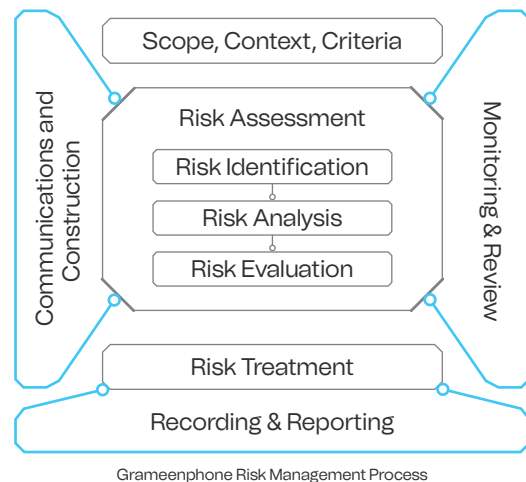
Enterprise Risk Management

Grameenphone Ltd. operates in a dynamic industry that exposes it to various uncertainties, both risks and opportunities, which may impact its business. With the goal of earning competitive returns at acceptable risk levels, the Company maintains a rigorous enterprise risk management (ERM) process. To effectively capture and address enterprise risks, a separate risk function has been established under the Chief Risk Officer (CRO). This process is based on a structured framework comprising policies, procedures, and tools that ensure the identification, assessment, and treatment of risks and opportunities to support the achievement of Grameenphone's ambitions and goals.

Our Risk Management Process

The ERM framework of Grameenphone is framed broadly on international risk management standard ISO 31000:2018 Risk Management- Guidelines and the COSO ERM Integrated Framework. The Company has drawn upon the experience of different risk management contexts to identify and prioritise risks and create an effective link between strategy formulation and risk mitigation.

Risk management is an ongoing process and is integrated into the business across the organisation. All functions are required to be accountable for risk management within their areas of responsibility and ensure that risk management is embedded in their day-to-day business processes. To increase its effectiveness throughout the process, Risk Management Forums have been established within the Company to ensure ownership and active participation from different functional areas. We regularly conduct forum discussions, rigorously monitor risks and mitigation actions, and report key risks to the Management and the Board.



Grameenphone recognises the importance of adapting its ERM process in line with its growth and the rapidly changing world. Factors such as technological advancements, geopolitics, environmental issues, socioeconomic changes and regulatory environment can all give rise to emerging risks, which need to be identified and treated appropriately. To address these risks, Grameenphone has been continuously evolving its ERM process. The Company utilises its line of defences to ensure that emerging risks are detected early and addressed effectively.

Our Key Risks

During the financial year under review, the Grameenphone ERM function reviewed, monitored and reported the significant risks of the Company and the mitigating measures were evaluated by the Management and Board on a regular basis. This is to ensure that the Company's risk management framework continues to effectively promote and enable the identification, monitoring, and mitigation of risks across the organisation.

Below are some key risk areas identified at Grameenphone

Financial	Regulatory	Modernisation	Operational	Strategic	Sustainability
Key Risk Area	Risk Description		Risk Response		
Financial Risk	<p>Financial risk includes credit risks, liquidity risks, currency risks and interest rate risks.</p> <p>The Company's principal financial assets include trade receivables and others, cash and short-term deposits that arise directly from its operations. The Company's financial liabilities mainly include trade payables and others, lease obligations and loans and borrowings. The main purpose of these financial liabilities is to finance the Company's operations.</p>		<p>The Company's financial risk management is governed by Treasury Policy as approved by the Board of Directors.</p> <p>The Company is exposed to credit risk, liquidity risk and market risk related to its financial instruments.</p> <p>Grameenphone's exposure and responses to the mentioned financial risks are disclosed under note 39 to the financial statements.</p>		

Key Risk Area	Risk Description	Risk Response
Regulatory Risk	<p>Grameenphone's operations are subject to requirements through sector specific laws and regulations. Regulatory developments and regulatory uncertainty could affect the Company's results and business prospects. The introduction of, or increase in, sector specific taxes and levies may impact the business.</p> <p>The Company depends on licences, access to spectrum, and numbering resources to provide telecommunications services. If the Company is not successful in acquiring/renewing spectrum licences or is required to pay higher rates than expected, this might impact our business strategy. Further, unforeseen events may disrupt in roll-out plans, resulting in risks of deterioration of network quality. In a nutshell, every change in regulations may affect the growth and sustainability of the Company as well as the industry either positively or negatively.</p> <p>The risk is particularly high with issues related to regulatory and tax disputes, renewal of licences and general unpredictability in the business environment. Grameenphone still faces regulatory scrutiny of its operations and has several unresolved regulatory and legal cases pending.</p>	<p>The telecom regulatory environment in Bangladesh has remained unpredictable and challenging throughout 2023 and it is likely to continue in this manner in the near future. For the telecom industry to grow and prosper, it needs collaborative and constructive engagement to make the regulatory framework predictable and investment friendly.</p> <p>Grameenphone has been maintaining constructive engagement with the relevant stakeholders to address current and emerging challenges.</p> <p>Regarding updates on the Telecom Industry and Regulatory Environment, please see page 13 of the Annual Report.</p> <p>For further information on tax, legal and regulatory contingencies please see note 45 to the financial statements.</p>
Modernisation Risk	<p>The introduction of new technologies, digitalisation and changing consumer behaviours open new business models in the telecom sector, leading to structural changes and new industry dynamics. Grameenphone has started embarking on a vital transformation agenda to adapt accordingly. Failure to respond to the changed dynamics, and to drive a change agenda to meet mature and developing demands in the marketplace, will impact the Company's position in the value chain, service offerings and customer relationships.</p> <p>The transformation agenda also includes the risk of not being able to sufficiently acquire; upskill and retain competencies and talents needed for the evolving business dynamics.</p>	<p>Grameenphone has been continuously focusing on innovation, network modernisation and implementation of up-to-date technology and acquired the maximum allowable spectrum to improve service quality further. We have kept customers at the centre of every innovation, from the Alo intuitive app for IoT solutions to industry-first offerings like GP Prime and Tourist SIM.</p> <p>We focus on building a competent, resilient, and forward-thinking resource pool that thrives in driving a technology-driven business, robust organisational capabilities and enabling culture. In 2023 we have continued our journey towards future-fit capabilities and operating model by taking a 360-degree modernisation approach across various functions of the organisation.</p>
Operational Risk	<p>Grameenphone operates in a dynamic industry. The quality and reliability of Grameenphone's telecommunications services depend on the stability of its network and the networks of other service providers. Any repeated, prolonged or catastrophic network or IT system failures could damage the Company's reputation and financial performance.</p>	<p>Grameenphone has been investing significantly in expanding and modernising the network to ensure a substantial increase in coverage and reliability. Our commitment to innovation is evident in advancements in 4G and 5G readiness, increased fibre connectivity and resilient network support during natural disasters.</p>

Key Risk Area	Risk Description	Risk Response
	<p>Cyber-attacks may disrupt services and damage critical infrastructure. This may have a severe impact on the Company's reputation and financial performance. Technological development and complexity continue to drive the risk of cyber-attacks, and especially of advanced cyber threats.</p> <p>Grameenphone handles substantial volumes of confidential information. Loss, alteration or unauthorised disclosure of such information, may adversely affect the Company's business and reputation.</p> <p>Political instability and violence, including social unrest, terrorist attacks etc., may prevent the Company from operating its business effectively.</p>	<p>A huge amount of fibre connectivity is now a core part of Grameenphone network topology that is exposed to be accidentally damaged or interrupted due to road expansion activities. Grameenphone has invested in redundant connections and increased proactive activities significantly to reduce the probability of incident.</p> <p>Grameenphone continuously focuses on providing security awareness for employees as well as partners. We are promoting security-first culture as one of our strategic initiatives. Grameenphone continues to invest in people, organisation, partners and technology to uplift the security posture even further. For more information, please refer to the Cyber Security part of the Annual Report (page 27). For other operational risks, we have implemented necessary controls and monitoring system where needed.</p>
Strategic Risk	<p>Strategic risk refers to the events or decisions that could potentially stop an organisation from achieving its objectives and strategic goals. Poor strategic decision, changes in key management, shift of customer needs, reputational damage, failure to adopt changes, etc. can have a severe impact in the long term for an organisation.</p> <p>Grameenphone operates in a highly complex environment. New technologies, increasing modernisation, and evolving customer demands create risks that can disrupt operations, weaken cyber security, and harm the organisation's reputation or financial position and above all, leave the organisation unable to achieve its business objectives.</p>	<p>In 2023, Grameenphone performed a comprehensive risk assessment exercise and identified some strategic risks during the strategy formulation phase, which are being continually monitored and addressed through our risk management process. We are increasingly focusing on anticipating and proactively mitigating any risks that may arise during the strategy period.</p> <p>Grameenphone continues to invest in its technology and digital capabilities to become a telco-tech Company enabling a digitally connected society. Through strategic partnerships, innovation, and collaboration, we have established a firm foundation for sustained growth and success, positioning ourselves to tackle emerging challenges and seize new opportunities.</p>
Sustainability Risk	<p>Grameenphone is committed to doing business in a responsible way that helps create value for its people, shareholders and society as well as keeping the planet habitable for future generations.</p> <p>The challenges related to climate change, health and safety, social security and welfare, data privacy and human rights may impact the progress of Grameenphone's long term value creation.</p> <p>Further, challenges in supply chain sustainability may impact our long-term business success. Grameenphone believes that partnership and cooperation with suppliers and industry peers are vital to achieving its ambitions within supply chain sustainability.</p>	<p>Sustainability is at the core of our strategy and operations. It focuses on our entire value chain and how we are practising sustainability across it. We will continue to take a socially responsible position through climate management programme, strengthening digital inclusion, youth upskilling, and expanding online safety at the national level and across new and digital businesses.</p> <p>Grameenphone will continue to strive for its supply chain sustainability efforts to have a positive impact on the business as a whole, and in the societies in which it operates and is committed to maintaining responsible business practices throughout its entire supply chain, ensuring that its partners maintain the same standards.</p> <p>In 2023, Grameenphone has been recognised locally and globally for sustainability initiatives through esteemed awards such as the Sustainability Award from Daily Star and CSR Window and also by Bloomberg as the highest ESG scorer among Bangladeshi firms. For more information, please refer to the ESG part of the Annual Report (page 20).</p>

Environment, Social and Governance (ESG) Report



Grameenphone is committed to doing business in a responsible way that helps to create value for its people, shareholders and society as well as keeping the planet habitable for future generations. The growing focus on sustainability is essential in Grameenphone not only to ensure our environmental responsibility and social equity but also to drive innovations and operational efficiency. In the dynamic landscape of 2023, Grameenphone has remained at the forefront, unwavering in its commitment to spearhead digital transformation within society. The Company's endeavours have been focused on cultivating digital skills and resilience amongst youth to prepare them for economic opportunities, digital inclusion of marginal communities, especially women, adherence to guiding principles for business and human rights, and finally high focus on actions to combat climate change.

While Grameenphone has steadily built up the social impact portfolio focusing more on the social side, moving forward in 2024 our ambition is to further build on our position, with a greater focus on Climate and Environment actions with attention to renewable energy (RE) access through the enablement of Corporate Power Purchase Agreement (CPPA) policy.

In 2023, Grameenphone has been recognised locally and globally for sustainability initiatives through esteemed awards such as the Sustainability Award from Daily Star and CSR Window and also by Bloomberg as the highest ESG scorer among Bangladeshi firms. There has been extensive participation from Grameenphone in sustainability and climate forums followed by media coverage to raise awareness on relevant issues where more attention is required.

In its pursuit of becoming more future-ready through modernisation, Grameenphone has set ambitious goals aimed at fostering a gender-inclusive and skill-centric workplace environment. Notably, the organisation achieved a gender diversity ratio of 19.8% as of December 2023, marking the highest figure recorded over the past decade, with 11.5% women representation in the Extended Management Team.

Grameenphone remains dedicated to its commitment to maintaining ethical standards, transparency, and effective corporate governance practices. In alignment with this dedication, the Company undertook a thorough human rights due diligence exercise within the organisation. Furthermore, a key priority throughout the year has been the enhancement of existing governance procedures, specifically concerning privacy measures and the management of authority requests. These efforts aim to safeguard and efficiently manage data privacy and information security in all operations.

In its journey throughout 2023, Grameenphone has proactively worked to uplift the areas of impact for environmental, societal, and governance ambitions, while ensuring the attainment of stakeholder expectations in harmony with long term business development objectives.

Our Mission

Grameenphone has always had environment as a core strategic focus and being a responsible corporate citizen is an early adopter of climate initiatives, committed to climate change prevention

Environment

Material Topics



1. Climate Change

As Bangladesh navigates the challenges of climate change, Grameenphone is in pursuit of the ambitious target committed to SBTi standards aligned with the Paris Agreement Goal.

Ambition

The climate goal is to achieve a 50% reduction in CO₂ emissions from Scope 1 and Scope 2 by 2030, benchmarked against the 2019 baseline of 220,000 tons CO₂ emissions, recognising the imperative to address the exponential growth in energy usage through access to renewable energy. In 2023, Grameenphone has established a project team and taken an integrated approach to expedite the three primary approaches to access renewable energy.

Acquiring green electricity from the grid via the Corporate Power Purchase Agreement (CPPA) model is vital for meeting Grameenphone's climate objectives. Consequently, it is crucial to address governmental policies and regulations to enable access to renewable electricity. Within these frameworks, renewable energy producers have the opportunity to provide electricity to large corporate power consumers across the country through the national power grid managed by distribution companies, also supported by the wheeling policy. Government support to enable the climate policies is thus crucial not only for supporting the private sector such as Grameenphone to achieve climate ambitions but also to achieve national green energy ambitions.

Towards Grameenphone's environmental responsibility, the Company diligently has ensured the deployment of advanced eco-friendly solutions to create an energy-efficient network. Through a variety of initiatives, including energy efficiency and procuring Energy Attribute Certificates (EACs) for renewable energy sources, it strives to curtail its carbon footprint. Furthermore, Grameenphone is actively engaging with suppliers to mitigate the environmental impact across its supply chain, aligning with its Scope 3 climate targets.

Since 2010, Grameenphone has implemented an Environment Management System (EMS) aligned with ISO 14001 standards, with the ambition to eventually certify the system according to the standards. This system serves as a structured approach for identifying and achieving environmental goals while ensuring continual evaluation and enhancement of environmental performance. By adhering to this framework, Grameenphone is committed to effectively managing its environmental impact and promoting sustainability practices within its operations.

Key Highlights 2023

- Grameenphone marked its inaugural contribution to the renewable energy ecosystem through procurement of Energy Attribute Certificates (EACs), tradeable certificates symbolising the environmental benefits of renewable energy generation, empowering corporates to declare their commitment to renewable energy usages and climate objectives. In 2023, Grameenphone purchased 46.23 gigawatt-hours (GWh) of EACs, resulting in the reduction of 26,766 tons of CO₂ emissions, which represents a significant 9.26% reduction in emissions from its network operations.
- Throughout the year, continuous advocacy efforts have been undertaken to facilitate the enablement of the CPPA Policy. Grameenphone has made strategic alliances involving collaboration with the government, development partners and the private sector including UNDP, USAID Badge project, H&M Bangladesh, The Earth Society, and Climate Parliament Bangladesh.
- Grameenphone played a prominent role in sponsoring and actively participating in the Regional Climate Summit-2023, presented the platform for discussing the future of energy. The collaboration led to the incorporation of the need for CPPA policy in the summit declaration, signifying a substantial advancement in policy support. Efforts remain to translate this declaration into active policy.
- On World Environment Day 2023, a Round Table Discussion was organised at GPHouse. This event gathered key stakeholders, including the country economist of UNDP, the Ambassador of Norway, Independent Power Producers (IPPs), multinational brands with aligned goals, and a distinguished renewable energy expert & professor, with the primary aim to bolster Grameenphone's climate positioning and emphasise the significance of the CPPA policy in Bangladesh.
- In 2023, Grameenphone has converted 15 Generators + Solar sites to Commercial Power + Solar Hybrid sites. These Hybrid sites provide additional savings of more than 128,300 litres of fuel, which is around 205 tons of reduced CO₂ emissions per year.



- Grameenphone actively fosters internal awareness programmes, exemplified by its commemoration of "World Nature Conservation Day" in 2023. The Company organised a two-day tree fair and initiated a tree plantation drive, promoted the cessation of single-use plastic at the workplace, and encouraged green commuting through a cycling rally among employees.



2. Water

Grameenphone aims to reduce its water footprint and enhance water availability in the communities where it operates.

Ambition

Maintaining treatment of 100% wastewater before draining out every year.

Key Highlights 2023

In 2023, water usage increased by 16% compared to 2022, primarily due to heightened cleaning frequency.



3. Waste

Reduce, Reuse and Recycle (The 3R's) policy helps to reduce e-waste as well as general waste and conserve natural resources.

Ambition

Grameenphone has an ambition to recycle 100% e-waste and lead acid battery to reduce adverse effects on the environment and support a circular economy.

Key Highlights 2023

- By December 31st 2023, over 221 tons of e-waste, including GSM devices, microwave antennas, IT equipment, and other electronic accessories, have been recycled through our partnering recycling facilities. Recycling operations adhere to ISO 14,000, OSHAS 18,000, and R2 standards, conducted both domestically and internationally.
- Recycling of 100% used lead acid batteries has been set as the Company's internal KPI. In 2023, Grameenphone recycled 29,975 old lead acid batteries.



4. Disaster Response Initiatives

Grameenphone has had a keen eye for identifying needs of the society, especially in times of natural calamities and disaster, and has been supporting the nation in times of such crises.

Key Highlights 2023

In 2023, Chattogram division was severely hit by flash floods. In partnership with the Bangladesh Red Crescent Society, Grameenphone provided food relief packs to 10,000 families to shoulder their suffering. In addition, five water purification plants were deployed to distribute safe drinking water that benefited 7,500 households. In total this effort benefited over 80,000 individuals.

Our Mission

Grameenphone is committed to reducing inequalities and empowering societies by ensuring access to connectivity, focusing on digital inclusion, as well as addressing the critical needs of society at times of crisis and disaster. The ambition is to empower societies by reducing inequalities (SDG10), empowering women and girls (SDG5), and helping enable quality education (SDG4) through our services, social impact initiatives, and responsible business practices. Grameenphone is committed to maintaining responsible business practices throughout its entire supply chain, ensuring that its partners maintain the same standards and respect human rights.

Material Topics



1. Youth Upskilling

Grameenphone Accelerator leaps forward to regional space

Grameenphone Accelerator has launched a smart regional entrepreneurs hunt with 'Jelay Jelay Smart Uddyokta' programme, designed to uplift and enable the regional youth towards entrepreneurship

Social

to solve local challenges and encourage the youth to innovate local solutions. The programme has connected 27 community builders who have nationwide awareness and outreach. The programme will host 20 bootcamps and pitch competitions across 20 districts, identifying and rewarding the top 20 potential entrepreneurs. This effort is aligned with Bangladesh's goal of becoming a Smart Nation, leveraging the potential of its youth demographic.

Grameenphone Academy paving the way towards youth empowerment and innovation

Grameenphone Academy is our youth upskilling platform for bridging between academia and industry with a blended learning approach through the Learning Management System (LMS) www.grameenphone.academy. Launched in May 2022, the academy currently has 73,500+ registered students, of which 55,577 were enrolled in 2023 from 170+ academic institutions, which grew organically. 52% received certification from the total enrolled students compared to the market average of 3-10%. The National University of the country is on top in terms of course completion. 10,800+ female students got certification from this platform which is 30% of the total number. 22 onsite sessions have been conducted for the premium master classes by National Leaders, Grameenphone CXOs and senior leaders along with Youth influencers connecting more than 10,000 students. The academy collaborates with ICT ministry, A2i (Muktopath), university clubs and youth led organisations to transform more youth into smart citizen. Honorable ICT State Minister, Zunaid Ahmed Palak, conducted a leaders' masterclass for academy students and accepted 10 concept papers from the students on innovative ideas.

Grameenphone Academy has an ambition of 80,000 certifications by the end of 2024. Currently, 20% of the students are outside of Dhaka. The major focus areas of learning from this platform are Career Readiness, Digital Skills, Cyber Security, Freelancing and Entrepreneurship. The academy has collaborated with Cisco Network Academy for courses on Cyber Security and programming language. Other content providers are Coderstrust, Creative IT, Brightskills and amarischool.

FutureNation, connecting youth to economic opportunities

FutureNation, a Public, Private, Development Partnership (PPDP) programme with UNDP and BIDA, was introduced in November 2021 to enable the youth of Bangladesh to have economic opportunities. With this vision, FutureNation launched the FutureNation platform (<https://futurenation.gov.bd/>) in September 2023. This platform offers a self-assessment tool for youth to assess employability preparedness, and offers different learning opportunities such as courses like Business and Social English by the British Council, Software Product Management, Cyber Security & Ethical Hacking, Blockchain Technology, Artificial Intelligence & Machine Learning, Data Science & Analytics courses from Coursera and custom made courses on UI/UX Design, Digital Literacy, Android App Development, Professional Video Editing, Motion Graphics through its Learning Management System (LMS). The platform also offers opportunities to connect to employment opportunities through the Recruitment Engine. More than 20,000 youth have registered on this platform in 2023.

Ambition

In 2024, Grameenphone aspires to upskill 100,000 youth combinedly through Grameenphone Academy, GP Accelerator and FutureNation initiatives.



2. Online Safety Training for Marginal Communities focusing on women

At Grameenphone, our unwavering dedication to online safety drives us to tirelessly cultivate a secure digital environment for our community - from children to parents, teachers, and guardians. We firmly believe that digital skills and online safety are indispensable tools that empower individuals to not only enhance their lifestyles but also harness the full potential of technology. With Plan International, we embark on a transformative journey to train 2.3 million vulnerable people across 19 districts with vital digital skills by 2025.

Our commitment has not only been a pledge but a series of impactful actions in 2023:

- Directly trained over 141,000 school children and 1,200 teachers from over 600 schools from vulnerable communities, fostering digital empowerment at the grassroots level.
- Extended our reach to the farthest corners through collaboration with the Bangladesh Community Radio Association, ensuring no community is left behind and a continuing the education on online safety and digital skills
- Conducted comprehensive digital skills and online safety assessments for the baseline survey across 19 districts, laying the groundwork for targeted interventions tailored to local needs.
- Engaged in 28 inspiring youth-led sessions nationwide, amplifying the voices of young advocates and catalysing change at the grassroots level.
- Celebrated Girls Takeover Day, a powerful tribute to the boundless potential and power of girls worldwide, by creating an opportunity for a member of the vulnerable community to roleplay as Grameenphone CEO for a day.

This year also marks a significant milestone as we announce a renewed partnership with long-lasting global partner UNICEF Bangladesh. Our Partnership with UNICEF will strengthen digital literacy and secure ethical and responsible use of digital technology for school children which has the potential to reach 10 million, including children and teachers.



3. Gender Diversity, Equality, And Inclusion

Grameenphone strongly believes that a gender balanced workplace is essential for better business performance and to master innovation. It is about creating services and solutions collectively that address the different perspectives of our employees, customers, stakeholders and partners. We continue to work with a broader agenda that includes gender, inclusive culture, skills and competence.

Ambition

Grameenphone has been working towards a better balance in female representation in the organisation to become a balanced future fit workplace. The focus is building a critical mass, developing successful female leadership, competence development and creating an inclusive culture. With the commitment from the leaders and the management team, year-on-year we have seen a strong positive movement since 2018. As of 31 December 2023, the female:male ratio stands at 19.8%. Special development initiatives focusing on more than 200 female talents were undertaken throughout the year. Soft Skills and Future Skills Development has been a top development area for female talent in the leadership pipeline. For developing an inclusive culture there have been focused trainings and workshops with the extended management team. We will continue to drive this journey at full momentum to reach our ambition of 23% by 2026 and further set the standard of inclusive culture in Grameenphone as a benchmark in the local market and beyond.

Key Highlights 2023

Gender Diversity has been delivered objectives through a structured project for the 6th year.

- Women representation in the Organisation 19.8%.
- Women representation on the Board 20%.
- Women Representation in the Extended Management Team 11.5%.
- Women representation among new recruits 31.4%.
- 30% female participation in Global Development Programmes.
- Female representation is now present at all levels across Grameenphone, including management as we onboarded a female CHRO.
- Keeping inclusion at the core, both management and employee pledge to create a more equitable workplace emphasised through gender based speak up sessions. The "Flexi-Break" concept introduced for females working in sales roles in circles to allow them flexibility during their periods. This year, Grameenphone won the Star DEI Team of the Year in the Special Mention Category from FICCI for the well-rounded, structured and sustainable efforts to increase diversity, equity and inclusion in the organisation.



4. Health, Safety and Security Performance

Grameenphone promotes high standards within Health, Safety and Security (HSS) to ensure a healthy, safe and secure workplace. Ensuring well-being and a sustainable work-life balance empowers employees to perform in their roles and makes Grameenphone an attractive employer.

Ambition

Grameenphone's HSS ambition is to create an advanced HSS culture across the value chain as an integral part of the business. Strategic priorities and business goals have been initiated, keeping HSS at the core. The HSS step-up journey focuses on the dimensions of leadership and commitment, organisation and competence, work management system and governance, ownership and teamwork, as well as in reporting and communication.

Efforts are ongoing to mitigate the main three risks - working at height, road safety and fire safety - through the hierarchy of control (elimination, substitution, engineering control, administrative control, and PPE). Specific focus has been given to high-risk functions, i.e., Commercial and Technology - employees, distribution field forces, and business partners, through risk analysis and management, travel safety, cash management and fire safety. An emergency preparedness guideline and other safe operation procedures have been developed and shared with all relevant stakeholders.

Key Highlights 2023

HSS step-up journey

- Improved HSS reporting culture- Safety leading incident (near-miss, unsafe act/condition) reporting has increased by around 200% (3,052) in comparison with 2022 which indicates a positive safety culture.
- HSS Competence Building- Total training hours for employees 4,545 hours and total training hours for suppliers 10,354 hours. The trainings covered major topics including leading indicator reporting, work at height certification training, road safety & defensive driving training for transport drivers, and firefighting and evacuation drill training.

Risk Analysis & Management

- Hazard Identification Risk Assessment and Risk Control (HI-RA-RC) for high-risk functions of Commercial, Technology, Finance and People & Organisation has been completed. Currently implementation of the outcome of HI-RA-RC is being worked on.

Road Safety

- "Driving after dark" and "Usage of 2/3 wheelers" improved significantly in the daily operation of Commercial and Technology. In the Commercial value chain, 2/3-Wheeler usage guidelines implemented and driving after dark has been reduced by 60%. In Technology, deep dark hour travel (11 pm to sunrise) per day has reduced by 70%. Overall, driving in the dark accidents has reduced by 44% compared to the year 2022.
- Various initiatives like - the safety of riders and different safety rules like 'No Licence-No Ride' and 'No Helmet-No Ride' etc. have been implemented. Safety speed limit for two-wheeler riders have been determined and communicated with all Distribution Houses.

Fire Safety

- Based on fire safety risk assessment, fire prevention related improvement areas were identified for all respective GP premises (administrative, warehouse, Switch & Data Centre). Necessary measures have already been implemented as per the identified areas.
- Firefighting, fire prevention, rescue and first aid training conducted by Bangladesh Fire Service and Civil Defence for 160 GP employees including emergency responders. In addition, employees were enrolled on Emergency preparedness awareness session throughout the year to enhance the basic knowledge of fire safety.

Work at Height

- To maintain the Work at Height Safety, 817 work hours of refresher training on Work at height was conducted for the Technology value chain and ensured only trained riggers were permitted to climb towers. During tower maintenance activity, solo and unsupervised work at height (above 2 meters) were completely prohibited. Personal protective equipment (PPE) has been standardised to eliminate the use of sub-standard PPE. In addition, all PPEs were monitored by the supervisors during on site work.

Cash Management

- SMS Alert for high cash in hand: alert generation for sales field force, when cash in hand upon exceeding certain amount. Safety toolbox talk is being carried out during daily morning briefing session.



5. Supply Chain Sustainability

Grameenphone aims to ensure that its Business Partners follow Grameenphone's standards for responsible business conduct as set out in the Supplier Conduct Principles (SCP). Compliance risks associated with Business Partners are identified, assessed, and properly managed throughout the lifecycle of the relationship. All non-exempt Grameenphone Business Partners (BPs) sign the Agreement on Responsible Business Conduct (ABC). The ABC legally obligates the Business Partner to abide by the Suppliers Conduct Principle (SCP), to be transparent, and to remedy any areas of nonconformance with the goal of continuous improvement. The ABC requires BPs to promote improvements in the relevant sub-tier supply chain and grants Grameenphone the right to monitor Business Partner performance across various domain areas, including Health and Safety, Environment, Human and Labour Rights, etc.

Key Highlights 2023

- All suppliers and partners of Grameenphone have endorsed the Supplier Conduct Principles (SCP) and Agreement on Responsible Business Conduct (ABC).
- Carried out 50 business partner inspections on medium-high risk suppliers which resulted in identification of improvement areas among the business partners.

- 525 major non-conformities, 763 minor non-conformities and 825 observations resulting from business partner inspection, were followed up and mitigated. 84% Non-conformance close out rate has been achieved out of the target of 80% at the end of Q4.
- Conducted 10,657 man-hours of capacity building to enhance the supply chains competence and capabilities.
- Supplier Fatality details:

Q4 ESG Report 2023: SCS	Q4 2023 (YTD)
Fatal accidents for First tier Suppliers involved in work/production for Grameenphone	2
Fatal accidents for Lower tiers Suppliers involved in work/production for Grameenphone	2
Work related fatal accidents (Total)	4

Our Mission

Create and maintain sustainable shareholders' value, safeguard stakeholders' interest and investor's trust by maintaining the highest standards of governance and business conduct.

Governance

Material topics



1. Corporate Governance

Grameenphone's principles and practices for corporate governance define a framework of rules and procedures for the way business is governed and controlled.

Ambitions

- Bringing the interests of all stakeholders to the fore through our empowered, diverse and inclusive Board.
- Building sustainable and responsible supply chains.
- Ensuring robust compliance and integrity practices.
- Engaging with stakeholders through various channels and earning trust through transparent communication.

Detailed information on corporate governance is provided in the "Corporate Governance in Grameenphone" section of the Annual Report on page 29.



2. Human Rights

As a part of Grameenphone's commitment to respect human rights, Human Rights Due Diligence was conducted in 2023 based on international standards and guiding principles governing Human Rights. Grameenphone is also undertaking continuous efforts towards awareness and competence building among employees working in critical areas where human rights are concerned.

Ambitions

As a part of the annual exercise, in 2024, the ambition is to conduct human rights due diligence, take bilateral discussions and create stronger awareness and understanding of Human Rights related issues across the organisation through the structured training process.



3. Data Privacy

Being the largest telecommunication service provider in the country with almost 85 million subscribers, data privacy is of utmost importance for GP. Privacy is one of the biggest concerns for both the data subjects and controllers in this age of machines and rapidly growing era of sophisticated technologies. Privacy awareness is also increasing significantly in a society in general. A privacy compliant culture in the organisation is, therefore, inevitable in enhancing the trust and confidence of everyone related to us.

Ambitions

We strive to build a strong and trusted culture in the organisation respecting the privacy and security of the personal information of our customers. We invest in knowledge, technology and services to ensure safe and secure connectivity for our customers and society. These topics are prioritised at all levels of the organisation, and we continuously train ourselves to understand new threats and concerns. It remains a priority for Grameenphone to strengthen the link between risks, controls, mitigating actions and strategic choices, and improve the privacy control framework.

Key Highlights 2023

Developed, introduced and maintained necessary processes and procedures for risk management, breach handling, internal controls, inventory management and reporting of issues related to the processing of personal data of our customers, employees, stakeholders, shareholders, business partners and others related to us. Reviewed internal privacy governing documents to align with the current contexts, applicable laws and regulations. Coordinated privacy awareness programme consisting of e-Learning campaigns and contextual training sessions. Also contributed significantly to the review of the proposed Data Protection Act.



4. Cyber Security

In an era marked by the proliferation of digital technologies and interconnected networks, the telecommunications sector has become a prime target for cyber adversaries seeking to exploit vulnerabilities, gain access to sensitive customer data and disrupt operations. Grameenphone, being the country's leading telecommunications provider, also recognises the critical importance of safeguarding customer data, protecting against cyber threats, and ensuring the availability of its network infrastructure.

Grameenphone's cyber security strategy is anchored in a proactive and multi-layered approach aimed at identifying, assessing, and mitigating cyber risks across the organisation. By leveraging industry best practices and cutting-edge technologies, we endeavour to maintain robust defences and resilience against evolving cyber threats.

Ambition

Grameenphone's ambition, encapsulated in the motto 'We always protect society and people in their digital life,' drives continuous improvement in security measures. Over the past year, we've leveraged industry-standard security systems to enhance existing controls, protecting our network, systems, and data assets against intruders. Moving forward, our commitment remains steadfast in staying ahead of the evolving cyber threat landscape and strengthening our cyber security capabilities.

Key Highlights 2023

- Continuous focus on fostering a security-first culture across the organisation including but not limited to various awareness programmes for employees as well as partners
- Continued investment to achieve increased capabilities and capacity for enhanced visibility of network
- Transformation of the security organisation and onboarding of renowned 'Managed Detection and Response' service provider to ensure continuous cyber threat monitoring and response
- Strategic planning and execution of a comprehensive insider threat programme to address internal security risks
- Strong focus on business continuity and crisis management to build organisation and technological resilience to adverse situations that will further mature over the next few years
- Deployment of robust logical access control solutions to prevent unauthorised access and ensure a secure digital environment
- Maintaining high standards of compliance and governance in cyber security, adhering to regulatory frameworks and industry standards
- Partnerships with industry peers, government agencies, and cyber security organisations to strengthen our collective ability against cyber threats

ESG Key Figures

ESG Metrics	Q1'2023	Q2'2023	Q3'2023	Q4'2023
People & Organisation				
Women in total workforce (%)	19.3%	19.39%	19.24%	19.8%
Women on the Board (%)	20%	20%	20%	20%
Women among new recruits (%)	36.4%	12.50%	25%	41%
Women in Extended Management positions (%)	10.9%	11.11%	10%	11.5%
Supply Chain Sustainability				
Capacity building of suppliers (man-hours)	2,124	4,749	7,113	10,657

ESG Metrics	Q1'2023	Q2'2023	Q3'2023	Q4'2023
Findings of Child Labour (below 15 years)	0	0	0	0
Percentage of Suppliers signed ABC	100%	100%	100%	100%
Direct Suppliers in scope for ABC	1,057	1,053	987	1,018
Sustainability inspections and audits carried out	0	0	0	50
Climate Change				
Total GHG emissions (thousand tonnes CO ₂ e) (Market based factors)	75.03	76.37	81.05	49.09
Direct GHG emissions/ Scope 1 (thousand tonnes CO ₂ e)	4.36	4.05	4.04	3.80
Indirect GHG emissions/ Scope 2 (thousand tonnes CO ₂ e)	70.67	72.32	77.01	45.29
Asia Scope 1+2 GHG emissions level in relevant year compared to emissions in base year 2019 (%)	36.20	138.63	147.12	89.11
Total energy use (GWh)	142.91	143.05	150.93	141.20
Number of solar base stations	1,167	1,125	1,094	1,070
Environment				
Municipal waste recycled (%)	100%	100%	100%	100%
Digital Inclusion				
Mobile Internet users (% of active data users)	54.3%	56.7%	57.9%	56.9%

Other Disclosure

Upcoming sustainability reporting standards but not yet effective

The financial statements of Grameenphone have been prepared following International Financial Reporting Standards (IFRS) and other applicable laws in Bangladesh. The Trustees of the International Financial Reporting Standards (IFRS) Foundation created the International Sustainability Standards Board (ISSB) to improve the global consistency and comparability of companies' sustainability disclosures. IFRS guides to disclose regarding new IFRSs those have been issued but are not yet effective; in the inspiration of such guidance below information is shared:

The ISSB issued its first two IFRS Sustainability Disclosure Standards, IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' and IFRS S2 'Climate-related Disclosures' on 26 Jun 2023.

IFRS S1 sets out overall requirements with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to the primary users of general purpose financial reports in making decisions relating to providing resources to the entity. Currently Grameenphone is disclosing Sustainability related risks and responses in the ERM section of the Annual Report (page 19).

IFRS S2 sets out the requirements for a company to disclose information about its climate-related risks and opportunities, while building on the requirements described in IFRS S1. Grameenphone's climate related target/ambition, commitment, activities and metrics are mentioned above in Environment, Social and Governance (ESG) report section.

IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after 1 January 2024, meaning stakeholders begin to see information in 2025 based on companies applying the Standards for their 2024 reporting cycle. Although all public and private companies can apply IFRS S1 and IFRS S2, the ISSB does not have the right to mandate the application of the Standards. Companies can voluntarily apply these Standards, and jurisdictional authorities can decide whether to require companies to apply them.

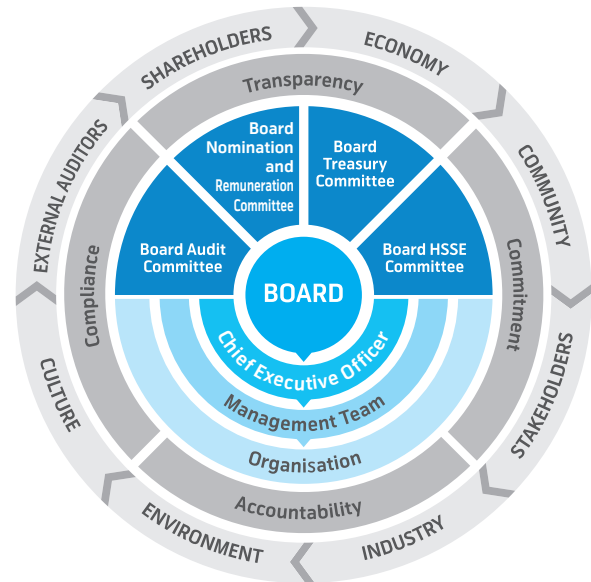
A key objective of the ISSB is to reduce the complexity associated with various sustainability disclosure frameworks and standards, to address the reporting burden for companies and to improve the efficiency of the reporting system through interoperability. The ISSB is working with jurisdictional representatives through the Jurisdictional Working Group and with organisations, including the European Commission, the European Financial Reporting Advisory Group (EFRAG) and the Global Reporting Initiative (GRI) to help achieve this objective. An important priority has been to establish interoperability between IFRS S1 and IFRS S2 and the European Sustainability Reporting Standards (ESRS), the GRI Standards and other major jurisdictional requirements.

Corporate Governance in Grameenphone

The Board of Directors (the Board) recognises the importance of good corporate governance. The Board is committed to ensuring the sustainability of the Company's business and operations by integrating good governance ethics and business integrity into the strategies and operations of the Company. The Board believes these practices are key to continue delivering long-term shareholders' value, safeguarding stakeholders' interest and maintaining investors' trust and confidence.

Corporate Governance Framework

As a technology-oriented business entity, Grameenphone emphasises transparency, accountability and compliance, which are the essence of corporate governance. Grameenphone's high standards of corporate governance play an important part towards the Company's continued growth and success. The Company's highest standards of corporate governance and business conduct help create and maintain sustainable shareholders' value, safeguard stakeholders' interests and maintain investors' trust and confidence. Ethical business practices go hand-in-hand with strong corporate governance, ethical business practices create trust with the public and ultimately create shareholders' value for the Company. The Company, at the same time expects acts of honesty and integrity from its Board of Directors, employees and suppliers.



Corporate Governance Report 2023

Grameenphone is listed on the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The Board is of the view that throughout the year ending 31 December 2023, the Company has complied with all the applicable conditions set out in the Corporate Governance Code 2018 ("the Code"), issued by the Bangladesh Securities and Exchange Commission (BSEC). The Board continues to monitor and review the Company's Corporate Governance practices and makes necessary changes at an appropriate time. At Grameenphone, our actions are always governed by our values and principles, which are reinforced at all levels within the Company to ensure sustainable success. The disclosures in this report set out our corporate governance framework, practices and policies for FY2023, with reference to the Code.

Board Matters

a) Board Composition

As of the date of this Annual Report, the Grameenphone Board is comprised of ten (10) Directors, with eight (8) Non-Executive Directors and two (2) Independent Directors. The Non-Executive Directors contribute diversified qualifications and experience to the Company by expressing their views in an independent, constructive and informed manner, and actively participating in Board and Committee meetings. The Directors provide independent judgement and advice on issues relating to the Company's strategies, policies, performance, accountability, resources, key appointments, standards of conduct, conflicts of interests and management processes, with the shareholders' interests being the utmost important factor. The Company has also received from each Independent Director a confirmation annually of his/her independence taking into account the independence guidelines set out in the BSEC Corporate Governance Code.

Board composition Composition		Board diversity Gender		Tenure of Non-Executive Director	
Non-Executive	80%	Male	80%	Up to 3 years	30%
Independent	20%	Female	20%	3-6 years	30%
				Over 6 years	40%

Our business is led by our Board of Directors. They bring years of experience with them. Their breadth of knowledge guides our decisions and actions. The profiles of the Board members are provided below:



Håkon Bruaset Kjøl

Non-Executive Director and Chair

Age: 52

Gender: Male

Nationality: Norwegian

Appointed: 14 September 2011

Re-elected: 19 April 2021

Committee Membership: None

Skills and experience

Mr. Håkon Bruaset Kjøl is a senior corporate and public affairs leader and has held global and regional leadership roles in the telecommunications sector across Europe and Asia.

Kjøl is the Chair of the Board of Grameenphone. He is currently the Senior Vice President, Head of Investment Management and Deputy Head of Asia for Telenor in Asia. In this role, he is responsible for Telenor's activities in Malaysia, Thailand, Bangladesh and Pakistan. Kjøl serves on the Board of Directors of several Telenor Group companies in Singapore, and CelcomDigi Berhad in Malaysia. He is also a non-executive Director of the internationally renowned architect and design company Snøhetta AS, headquartered in Oslo.

Kjøl holds a Master of Business Administration degree from BI Norwegian Business School in Oslo, where he also studied public relations. He has completed INSEAD's International Directors Programme (IDP47) and INSEAD's Certificate in Corporate Governance. He is an ordinary member and a Senior Accredited Board Director of the Singapore Institute of Directors.



M Shahjahan

Non-Executive Director

Age: 68

Gender: Male

Nationality: Bangladeshi

Appointed: 26 June 2006

Re-elected: 26 April 2022

Committee Membership:

Audit Committee, Treasury Committee and HSSE Committee

Skills and experience

Mr. M Shahjahan brings decades of experience in finance and operations in the development sector.

He serves as the Chair of the Grameenphone's Treasury Committee. Currently, he is performing as Executive Vice Chairman of Grameen Kalyan. Earlier he was the Managing Director of Grameen Telecom Trust. In addition, he was former Managing Director of Grameen Bank. His previous experience includes serving as the Deputy Managing Director, the General Manager and Head of the Accounts, Finance, Planning, Monitoring and Evaluation Division, Chief of the Audit Department, and the Zonal Manager of Grameen Bank. Mr. Shahjahan is a member of the Board of Directors of several Social Business companies that work in the fields of health, education, agriculture, welfare, renewable energy and telecommunications.

Mr. Shahjahan holds a Master's degree in Accounting and a Master's degree in Finance from the University of Dhaka. He was awarded ICAB Medal (Silver) for passing the 'C.A. Intermediate' examination at the earliest eligible chance.



Md. Ashraful Hassan

Non-Executive Director

Age: 63

Gender: Male

Nationality: Bangladeshi

Appointed: 20 January 2010

Re-elected: 19 April 2021

Committee Membership: NRC

Skills and experience

Mr. Md. Ashraful Hassan has extensive and diversified knowledge in various business and industrial sectors. He has profound knowledge in projects and business development, industry setup and management as well as wide exposure in the local and international market. He has extensive knowledge in the field of construction engineering.

Currently he is serving as Executive Vice Chairman of Grameen Telecom and is engaged in promoting and providing easy access to GSM cellular services in rural Bangladesh. Mr. Ashraf also serves as Executive Vice Chairman of Grameen Distribution Ltd., Grameen Shamogree, Grameen Knitwear Ltd., and Grameen Fabrics & Fashions Ltd. and CEO & Managing Director of Grameen Telecom Trust. He serves as a member of the Board of Directors of several enterprises in the fields of renewable energy, technology, education, health care, food & nutrition, construction, employment generation, and information & communication technology etc.

Mr. Ashraf holds a Bachelor of Science degree in Engineering from Khulna University of Engineering and Technology (KUET), Bangladesh.



Nurjahan Begum
Non-Executive Director

Age: 71

Gender: Female

Nationality: Bangladeshi

Appointed: 15 December 2021

Re-elected: 02 May 2023

Committee Membership: None

Skills and experience

Ms. Nurjahan Begum has extensive experience in SME and microcredit, human development, training and education, both locally and internationally.

She is currently working as Advisor to Professor Yunus. Additionally, she is serving several Grameen organisations as Chairperson, Director or Trustee. Ms. Nurjahan is one of the earliest associates of Nobel Laureate Professor Muhammad Yunus during the establishment of Grameen Bank. She has served as Acting Managing Director and Deputy Managing Director of Grameen Bank; the Principal of Grameen Bank Central Training Institute; Managing Director of Grameen Shakti and Grameen Shikkha; and a Director of Grameen Foundation, USA. Currently, she also serves as Director of Grameen Italia Foundation, Italy, Centre for Mass Education in Science (CMES), Bangladesh, and also on the Council of Advisors of DSK (Dushtha Shasthya Kendra), Bangladesh. She has been presented with many awards, including the Susan M. Davis Lifetime Achievement Award, the World Summit Millennium Development Goals Award, the Outstanding Contribution to Education Award at Ed Leadership 7th International Roundtable, and the Yunus Social Business Summit Award.

Ms. Nurjahan holds a Master of Arts degree in Bangla from the University of Chittagong.



Tone Ripel
Non-Executive Director

Age: 53

Gender: Female

Nationality: Norwegian

Appointed: 18 October 2020

Re-elected: 26 April 2022

Committee Membership: None

Skills and experience

Ms. Tone Ripel brings broad legal experience, corporate governance and business ethics, in addition to the Board of Directors experience in the telecom industry.

She currently holds the position of Attorney-at-Law in the Group Legal of Telenor ASA. She has been working in Telenor since 2013. She started her career as Higher Executive Officer, advisor and senior advisor in the Norwegian Competition Authority. In 1999, Tone joined Wiersholm Lawfirm in Norway as an Associated Attorney and Senior Attorney working primarily with corporate issues hereunder competition law, corruption issues and regulated markets, which included project management of high-profile investigations, crises management and contact with relevant authorities. She has served as Director of the Boards in Total Access Communications Public Company Limited (dtac), Thailand (until February 2023), Digi Telecommunications Sdn Bhd, Malaysia and Telenor Norge AS, Norway.

Tone holds a Master's degree in Law from University of Oslo.



Øivind Burdal
Non-Executive Director

Age: 54

Gender: Male

Nationality: Norwegian

Appointed: 18 May 2016

Re-elected: 02 May 2023

Committee Membership:
Audit Committee

Skills and experience

Mr. Øivind Burdal has deep knowledge of legal affairs with operational and management experience in Europe and Asia.

He joined the Legal Department of Telenor ASA in 2004 where he practiced and held managerial positions in several areas. In August 2017, he was appointed Vice President and Head of Group Legal Asia in Telenor ASA after having served as Senior Vice President and Head of Legal in Telenor Myanmar Limited since July 2015. After obtaining his law degree, he joined Thommessen Krefting Greve Lund, one of the major law firms in Norway, focusing on M&A and TMT.

Burdal obtained his Law degree (Cand. Jur.) from the University of Oslo, Norway, a degree in Business Administration (Bedriftsøkonom BI) from BI Norwegian Business School Oslo, Norway, and a Master's degree (LLM, Master of Corporate and Commercial Law) from London School of Economics and Political Science in London, England.

**Irfan Wahab Khan**

Non-Executive Director

Age: 54**Gender:** Male**Nationality:** British**Appointed:** 15 September 2023**Committee Membership:**

NRC, Health, Safety, Security and Environment Committee (HSSE)

Skills and experience

Mr. Irfan Wahab Khan has extensive Executive and Board experience within Telecoms, Technology Consulting and FinTech having served in the UK, USA, Norway, Philippines, Saudi, Pakistan, Thailand and Singapore.

He is Chair of the Grameenphone's HSSE Committee. Mr. Irfan is the SVP, Head of Portfolio Development at Telenor Asia. Prior to that, he served as Head of Emerging Asia cluster Telenor Group, Chair of Telenor Myanmar and CEO of Telenor Pakistan. Since joining Telenor in 2004, he has held a several executive positions across Telenor Group. He is presently Chair of Telenor Bank and Board member IMD Board Governance Community. Prior to Telenor, Mr. Irfan worked at Orange UK, T-Mobile USA, Telcodia Technologies and Ericsson.

Mr. Irfan holds a Master's degree in Mobile and Personal Communications from the University of Westminster, London, UK. He also holds qualifications in Financial Management from Harvard Business School, Executive Diploma in Marketing from London Business School and Advance Management from INSEAD and a Qualified Board Director from IMD. He is also a lifetime Alumni of INSEAD.

**Marius Gigernes**

Non-Executive Director

Age: 44**Gender:** Male**Nationality:** Norwegian**Appointed:** 22 February 2024**Committee Membership:** None**Skills and experience**

Mr. Marius Gigernes is a senior corporate and finance leader and has held leadership roles in the telecommunications sector across Europe and Asia.

He is currently Vice President and Head of Investment Management Team in Bangladesh and Pakistan. In this role, he is responsible for Telenor's activities in Bangladesh and Pakistan. Previously Gigernes served as a member of the Investment Management Malaysia and before that, he had several CFO roles in entities within Telenor Group across Europe and Asia.

Gigernes holds a Master of Business and Economics/Siviløkonom from BI Norwegian Business School. He also has courses from Harvard Business School and INSEAD. He has completed the Mandatory Accreditation Programme by Bursa, Malaysia.

**Dr. Salehuddin Ahmed**

Independent Director

Age: 75**Gender:** Male**Nationality:** Bangladeshi**Appointed:** 12 December 2018**Tenure:** 2nd Tenure**Committee Membership:**

Audit Committee

Skills and experience

Dr. Salehuddin Ahmed was a civil servant of the erstwhile Civil Service of Pakistan (CSP) with extensive experience in administration working with the Government of Bangladesh.

He is Chair of the Grameenphone's Audit Committee; a Professor at the BRAC Business School, BRAC University, Bangladesh; and a non-executive Independent Director of ASA International Group plc. He started his career as a lecturer in Economics at Dhaka University. Dr. Ahmed was appointed as the Governor of the Bangladesh Bank (Central Bank) in May 2005, for a term of four years up to 30 April 2009. He has also served in leadership roles with intergovernmental and micro-credit organisations in Bangladesh. Dr. Ahmed was awarded the Nawab Sir Salimullah Foundation Gold Medal for contributions in Economics. He also received the Distinguished Alumni Award from McMaster University, Canada.

Dr. Ahmed holds Master's degrees in Economics from Dhaka University and McMaster University and attained his Ph.D. in Economics from McMaster University, Canada in 1978.



Abdul-Muyeed Chowdhury
Independent Director

Age: 80

Gender: Male

Nationality: Bangladeshi

Appointed: 14 September 2020

Tenure: 2nd Tenure

Committee Membership: NRC

Skills and experience

Mr. Abdul-Muyeed Chowdhury was a civil servant belonging to the erstwhile Civil Service of Pakistan (CSP) cadre which he joined in October 1967. He has extensive experience in administration working with the Government of Bangladesh in field level assignments as Deputy Commissioner and Divisional Commissioner as well as at the policy level as Secretary in several ministries.

He served as an Adviser to the non-party Caretaker Government of Bangladesh in 2001 and held charge of five ministries.

He serves as Chair of the Grameenphone's Nomination and Remuneration Committee (NRC) and is currently serving as the Managing Director & CEO of Tiger Tours Limited. He has spent more than three decades in the civil service of Bangladesh, including as Secretary to the Government of Bangladesh in charge of various ministries, including holding leadership roles as Secretary of the Internal Resources Division (IRD) of the Ministry of Finance and ex-officio Chairman of the National Board of Revenue (NBR). Among other roles he headed the Jamuna Multipurpose Bridge Authority and served as ex-officio Secretary of the Jamuna Bridge Division. In this role, he successfully managed and completed the largest-ever development project of the country "The Jamuna Multipurpose Bridge". He was made a Fellow of the Institution of Civil Engineers (FICE), UK, for this accomplishment. He was the founder Chair of the SME Foundation and also Board Member of several other public institutions. Mr. Chowdhury is a nominated member of the Board of Directors of several listed companies, and Independent Director of four listed companies including Grameenphone.

Mr. Chowdhury holds a Bachelor of Arts Degree with honours in General History from Dhaka University and a Master of Arts (1st Class) in Modern History from the same University. He also attended a certificate course in Public Administration at the University of Tennessee, Knoxville, USA as a Fulbright Awardee.

b) Key Features of our Board

- All Board Members are Non-Executive Directors;
- Chair of the Board is Non-Executive Director;
- Separation of the roles of the Chair of the Board and the CEO;
- No Independent Directors have served more than six (6) years;
- Chair of the Audit Committee and Nomination and Remuneration Committee (NRC) are Independent Directors;

c) Role of the Board

The Directors of the Board are appointed by the Shareholders at the Annual General Meeting (AGM) and are accountable to the Shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate monitoring and control. The Board also ensures that Grameenphone Policies & Procedures and Codes of Conduct are understood, implemented and maintained at all levels and that the Company adheres to the generally accepted principles for good governance and effective control of Company activities.

d) Rules of Procedure for the Board

In addition to other regulatory guidelines, the Board has also adopted the 'Rules of Procedure for the Board of Directors' to ensure better governance in the work and administration of the Board. The Board is also guided by a Delegation of Authority that spells out the practices and processes for discharging its responsibilities.

e) Board Diversity

The Board recognises the importance of diversity in deliberations and decision-making and has established its efforts to establish a diverse Board. We believe that our Board has optimum knowledge, composure and technical understanding of the Company's business, which, combined with its diversity of culture and background, stands as the perfect platform to perform and deliver. Grameenphone Board has approved a policy namely "Local Guidelines Board Diversity" in this aspect.

f) Process and Criteria for Appointment of new Directors, Independent Director and Top-Level Executives

The Board is responsible for the appointment of New Directors and top-level executives. The Board delegates the screening and selection process to the Nomination and Remuneration Committee (NRC). Prior to any appointment of an Independent Director, NRC develops suitable selection criteria for potential candidates, screens and interviews them before they are formally appointed. This ensures that the Board composition reflects an appropriate mix having regard to skills, experience, expertise, diversity, and independence. External consultants can be engaged to assist with the selection process of Independent Director, if necessary. The NRC makes its recommendation to the Board for the appointment of new Directors and top-level executives.

g) Induction and Training of Board members

All new non-executive directors and independent directors are introduced to our Company culture through orientation sessions. The Management Team and senior management provide an overview of operations and familiarise the new non-executive directors and independent directors on matters related to our values and commitments. They are also introduced to the organisation structure, services, constitution, Board procedures, and matters reserved for the Board etc.

h) Board Meetings

The Articles of Association ("AoA") of the Company requires the Board to meet at least four (4) times in a year or when duly called in writing by any Board member. Board meetings for the upcoming financial year are scheduled in advance before the end of the current financial year to enable Directors to plan ahead and attend the meetings according to the respective meeting schedules. The notice of each Board Meeting is served in writing well ahead of the meeting. The notice contains the detailed statement of business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention. Grameenphone's AoA allows Board meetings to be held via audio and video conferencing to facilitate the decision-making process. The Board met nine (9) times during the year 2023 and attendance of the Board members in the meetings was as follows.

Board meeting and AGM Attendance of Directors during 2023													
Name of the Director	AGM 02 May 2023	Board meeting number									Held during the tenure	Attended	% of attendance
		1	2	3	4	5	6	7	8	9			
Mr. M Shahjahan***								×	×		9	7	78%
Mr. Md. Ashraful Hassan											9	9	100%
Mr. Håkon Bruaset Kjøhl***		×									9	8	89%
Mr. Øivind Burdal											9	9	100%
Dr. Salehuddin Ahmed											9	9	100%
Mr. Jørgen C. Arentz Rostrup*									—	—	7	7	100%
Mr. Abdul-Muyeed Chowdhury***				×							9	8	89%
Ms. Tone Ripel											9	9	100%
Ms. Nurjahan Begum											9	9	100%
Mr. Ole Bjørn Sjulstad**									—	—	7	7	100%
Mr. Irfan Wahab Khan	—	—	—	—	—	—	—	—			2	2	100%
Mr. Petter-Børre Furberg	—	—	—	—	—	—	—	—			2	2	100%

Attended in person Attended through video conference Attended through audio conference Leave of absence Was not a member

*Mr. Jørgen C. Arentz Rostrup retired from the Board on 30 September 2023

**Mr. Ole Bjørn Sjulstad retired from the Board on 14 September 2023

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

i) Board Activities

Among other things, the Board's Activities in 2023	
Strategy	Performance
<ul style="list-style-type: none"> Approved Grameenphone's annual strategy action plan and annual target Approved Grameenphone's capital investment 	<ul style="list-style-type: none"> Grameenphone's Performance - monthly and quarterly Audited Financial Statements for FY 2022 and Final Dividend

Risk and Internal Controls	Governance
<ul style="list-style-type: none"> Identified principal risks and ensured appropriate internal controls and mitigation measures and their implementation Reviewed the adequacy and integrity of the information provided by the Management and internal control systems Reviewed enterprise risks on quarterly basis Reviewed Business Security risks and mitigation activities 	<ul style="list-style-type: none"> Approved the appointment of Board members Established and identified succession plan for leadership Reviewed yearly report of Supply Chain Sustainability, Competition Compliance Programme, Internal HS&S Management, and Anti-Corruption Programme Approved Internal Audit Plan and Compliance Plan Review Internal Audit Reports Approved related party transactions Approved 2022 Short Term Incentive (STI) Achievement Reviewed the outcome of the BSEC Corporate Governance Code Compliance Audit Reviewed the update from Board Sub-Committees

j) The Chair and the Chief Executive Officer (CEO)

The Chair of the Board is a Non-Executive Director. The Chair and the CEO of Grameenphone are separate persons. The roles of the Chair and Chief Executive Officer are established, set out in writing and agreed upon by the Board to ensure transparency and better governance. To that end, Grameenphone has also adopted 'Rules of Procedure for Chief Executive Officer'. The Chair leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the CEO is the authoritative head for day-to-day management in the Company. He acts to reasonably ensure that Grameenphone operates its business as per the Articles of Association. Decisions are made by the Board and Shareholders, as well as according to Grameenphone policies and procedures and applicable regulatory laws and legislations.

k) Delegation of Authority

Responsibility or authority is assigned through the delegation of authority framework. The Board approves the Company's delegation of authority which ensures that delegated authority levels flow through the proper governance channels. The delegation of authority framework for the Company is continuously reviewed and updated as circumstances change to ensure relevance and applicability. Amendments to these documents are reviewed and approved by the Board.

l) Code of Conduct for the Board and CEO

In compliance with the requirement of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC), the Company has framed and adopted the Code of Conduct for the Chair of the Board, other Board members and the Chief Executive Officer of Grameenphone to support the Company's objectives, vision and values. The Code is available on the Company's website at www.grameenphone.com

m) Access to Information

The Board recognises that the decision-making process is highly dependent on the quality of information furnished. In furtherance to this, every Director has access to all information within the Company. Throughout their tenure in office, Directors are continually updated on the business, as well as the regulatory and industry specific environment in which the Company operates. These updates are transmitted to them by way of written briefs and meetings with Senior Executives, and where appropriate, external sources.

n) Succession planning for Top-Level Executive

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession of appointments of top-level executives. The Company strives to maintain an appropriate balance of skills and experience within the organisation.

o) Board and Top-Level-Executive Remuneration Policy

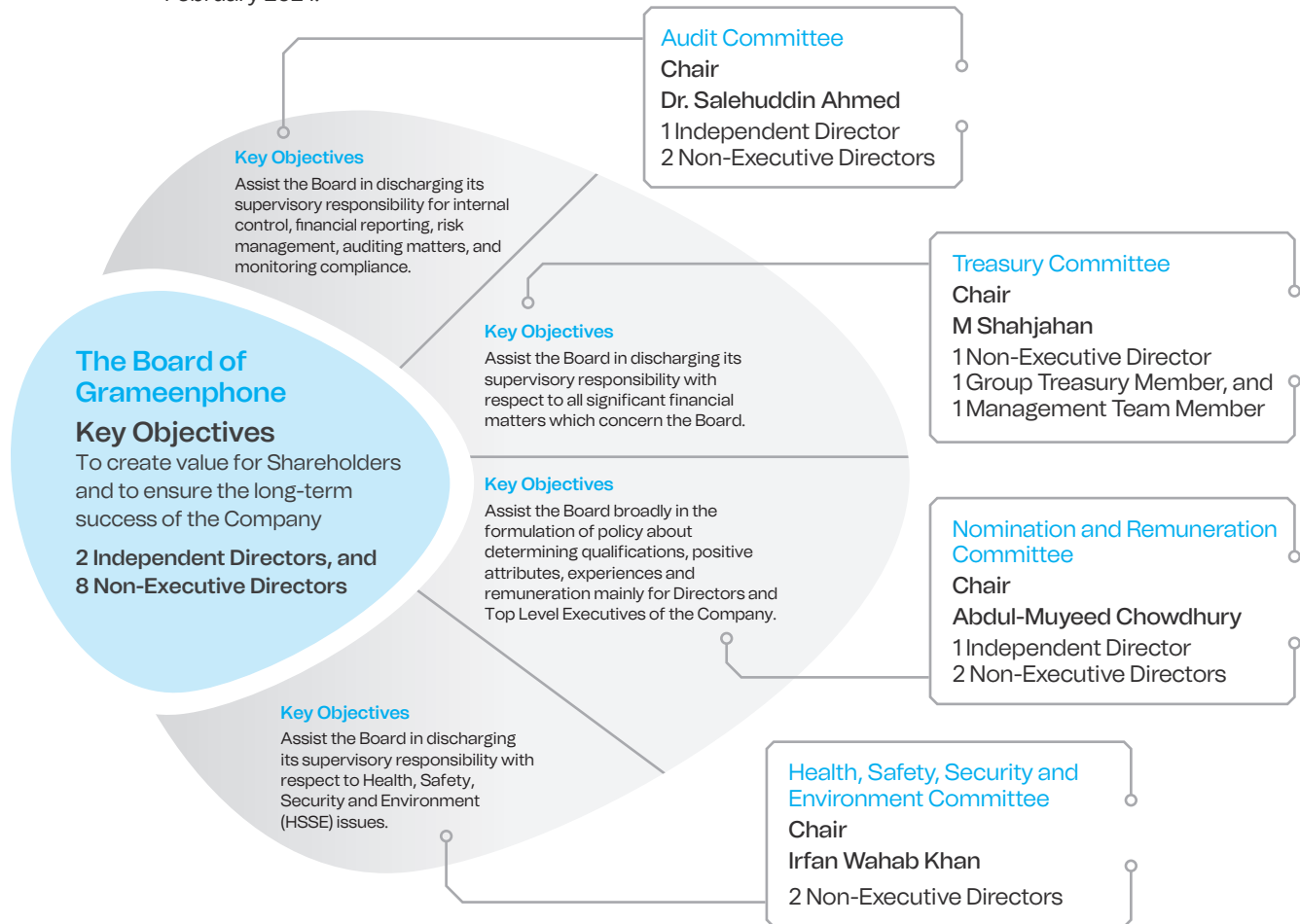
The objective of the Grameenphone's Top-Level Executive remuneration policy is to ensure that reward for Top Level Executive shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders in accordance with the Grameenphone behaviour.

No remuneration is given to the Directors of the Board. Directors receive attendance fees from the Company for every meeting attended. Rate of such attendance fees is determined by the Shareholders at the General Meeting.

p) Evaluation of the Board and the CEO

To establish and improve the operating effectiveness of the Board, the Board is required to carry out an annual evaluation of its overall performance relating to Board function, effectiveness and governance; Board Committees; conduct of Board meetings; and relationship with Management.

The evaluation process is led by the Chair of the Board and assisted by the Company Secretary. Each Director is required to complete a confidential pre-set questionnaire. The Nomination and Remuneration Committee has approved the criteria for evaluation of performance of the Board and the CEO. The Board evaluation was performed in January 2024 and the result was dealt by the Board at its Board Meeting on 05 February 2024.



Audit Committee Report 2023

Dear Shareholders,

This report provides an overview of how the Committee operated, an insight into the Committee's activities and an understanding of the Committee's role in assisting the Board objectively in discharging its statutory and other responsibilities relating to the Company's published financial information, as well as ensuring the effectiveness of its enterprise risk management, internal controls (including information technology controls), financial and accounting matters, compliance and related processes.

Composition and Meetings

The Audit Committee of Grameenphone is comprised of two (2) Non-Executive Directors and one (1) Independent Director. All members of the Audit Committee have relevant accounting or financial management expertise or experience. They also possess adequate qualifications as outlined in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). The Committee has direct access to the internal and external auditors. The Committee includes:

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

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

A total of six (6) meetings were held during 2023. Mr. Md. Ashraful Hassan (Nominated Director by Grameen Telecom) attended the meetings as a special invitee. A record of the Members' attendance at the Audit Committee meetings during 2023 is given below:

Committee members	Attendance	% (Percentage)	Committee member since
Dr. Salehuddin Ahmed	6/6	100%	12 December 2018
Mr. Shahjahan	5/6	83%	09 December 2009
Mr. Øivind Burdal	6/6	100%	30 January 2018

* Details of the Committee members' financial, accounting, and other experience and expertise are given in their biographies under 'Directors' Profile' on pages 30 to 32

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

Major Responsibilities of the Audit Committee

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

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

Major Activities of the Audit Committee during the reporting period

- Reviewed and recommended the annual audited Financial Statements for the year ended 31 December 2022.
- Reviewed the Managements' Discussion & Analysis 2022.
- Approved 2022 yearly report to the shareholders from the Audit Committee.
- Reviewed and recommended the quarterly Financial Statements for the year 2023.
- Reviewed and recommended the Compliance Plan 2023.
- Discussed Internal Audit reports and findings and guided on the completion of annual audit plan.
- Reviewed the process of Enterprise Risk Management (ERM) and the top risks of the Company.
- Monitored the implementation status of audit action plans and guided to ensure timely completion of action plans.
- Reviewed and recommended the Internal Audit Plan 2024.
- Reviewed and recommended related party transactions.
- Reviewed Management Letter issued by the External Auditors in their presence.
- Reviewed the performance of the statutory auditors and made recommendation to the Board on the appointment and remuneration of statutory auditors.
- Reviewed and received report on the matters as per the requirement from the Bangladesh Securities and Exchange Commission (BSEC).
- The Chair of the Audit Committee presented in the 26th AGM held on 02 May 2023.
- Reviewed other matters and incidents of significance as per the Audit Committee Charter.

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



Dr. Salehuddin Ahmed

Chair
Audit Committee

04 February 2024

Digital Inclusion is

now

Grameenphone's widest network heralds a future where the country's small-scale artisans can now dream of having their own virtual stores. Under the 'Internet er Duniya Shobar' (Digital inclusion for all) project, rural women from 2,000 unions nationwide are being empowered with the immense potentials of the online world.



Nomination and Remuneration Committee Report 2023

Dear Shareholders,

This report provides an insight into the Committee's activities during the year 2023 and a description of its roles, responsibilities and functions.

Composition and Meetings

The NRC of Grameenphone comprises of two (2) Non-Executive Directors and one (1) Independent Director. The Committee consists of:

1. Mr. Abdul-Muyeed Chowdhury, Chair
2. Mr. Irfan Wahab Khan, Member
3. Mr. Md. Ashraful Hassan, Member

The Independent Director, Mr. Abdul-Muyeed Chowdhury acts as Chair of the Committee. As per the regulatory guidelines, the Company Secretary, Mr. S M Imdadul Haque acts as Secretary to the Committee. The NRC ensures compliance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC).

A total of seven (7) meetings were held in 2023. Mr. M Shahjahan (Director Nominated by Grameen Telecom) attended the meetings by special invitation. A record of the Members' attendance at the NRC meetings during 2023 is given below:

Committee members	Attendance	% (Percentage)	Committee member since
Mr. Abdul-Muyeed Chowdhury	7/7	100%	14 September 2020
Mr. Irfan Wahab Khan	2/2	100%	15 September 2023
Mr. Md. Ashraful Hassan	7/7	100%	11 December 2018

* Details of the Committee members' experience and expertise are given in their biographies under 'Directors' Profile' on pages 30, 31 & 33

Permanent invitees to the meetings are the Chief Executive Officer (CEO), the Chief Human Resources Officer (CHRO), and the Company Secretary. Relevant Heads of divisions and other members of the Management team also attended the meetings on occasion, as required.

Major Responsibilities of NRC

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

- Recommend on Board's diversity policy, taking into consideration age, gender, experience, education and nationality.
- Formulate the criteria for determining the qualification of Directors.
- Identify persons who are qualified to become Directors and top-level executives and recommend their appointment and/or removal.
- Formulate the criteria for performance evaluation of Independent Directors and the Board Members.
- Recommend policy to the Board relating to the remuneration of the Directors, and top-level executives.
- Assess composition, reasonableness and sufficiency of the remuneration package(s) to attract, retain and motivate suitable Directors to run the Company successfully.
- Evaluate whether remuneration of Directors and top-level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.
- Annually review and recommend human resources and training policies of the Company.
- Recommend the remuneration policy of the Company, particularly regarding yearly increments; and
- Recommend the Code of Conduct for the Chair of the Board, other Board Members and the Chief Executive Officer (CEO) of the Company.

Nomination, Election and Selection of Directors

The NRC is responsible for ensuring that the procedure for appointing new Directors is transparent, unbiased and equitable. The Board places great emphasis on ensuring broader diversity in its membership based on age, gender, experience, ethnicity, educational background and nationality as well as on personal attributes to provide all round perspectives and insights for appropriate decision-making. The recruitment and selection process aims to ensure that candidates with the most suitable skills, knowledge, experiences, and personal values can be selected.

Evaluation of the Board

The NRC is responsible for ensuring the effectiveness of the Board. The Board is required to carry out an annual evaluation of its overall performance relating to Board function, effectiveness and governance; Board Committees; conduct of Board meetings; and relationship with Management. The evaluation process is led by the Chair of the Board and assisted by the Company Secretary. Each Director is required to complete a confidential pre-set questionnaire.

Top Level Executive Selection and Remuneration Policy

The performance of the Company depends upon the quality of its Directors and Top-Level Executives. The Company strives to attract, motivate, and retain highly skilled Directors and Executives. Recruitment standards support Grameenphone's reputation as an employer of choice.

Grameenphone's remuneration policy strives to attract highly motivated Top-Level Executives and retain them to add value to the Company's growth and development.

Remuneration for Board of Directors

No remuneration is given to the Directors of the Board. Directors receive attendance fees from the Company for every meeting attended. Rate of such attendance fees is determined by the Shareholders at the General Meeting.

Major Activities of the NRC during the reporting period were as follows:

- Reviewed succession planning for Top Management.
- Approved 2022 yearly report to the shareholders from the NRC Committee.
- Reviewed and recommended 2022 Short Term Incentive (STI) achievements for the Chief Executive Officer (CEO).
- Recommended appointment of Chief Information Officer (CIO), Chief Human Resources Officer (CHRO), Chief Risk Officer (CRO), and Head of Internal Audit and Investigation (HIA&I)
- Reviewed and recommended annual salary increment proposal for 2023.
- Reviewed and recommended salary adjustment for the CEO.
- Reviewed and recommended 2023 Long Term Incentive (LTI) allocation for the CEO.
- Recommended the appointment of new Nominated Non-Executive Directors to the Board.
- Recommended extension of tenure of Independent Director.
- Reviewed and recommended amendment of Grameenphone Workers Profit Participation Fund and Welfare Fund Trust Deed and Rules
- Recommended the nomination to Management Member to Grameenphone Workers Profit Participation Fund and Welfare Fund Board of Trustees.
- Recommended the nomination of a Management Member to Grameenphone Employees Gratuity Fund Board of Trustees.
- The Chair of the Committee presented in the 26th AGM held on 02 May 2023.

For and on behalf of the Nomination and Remuneration Committee of Grameenphone Ltd.



Abdul-Muyeed Chowdhury

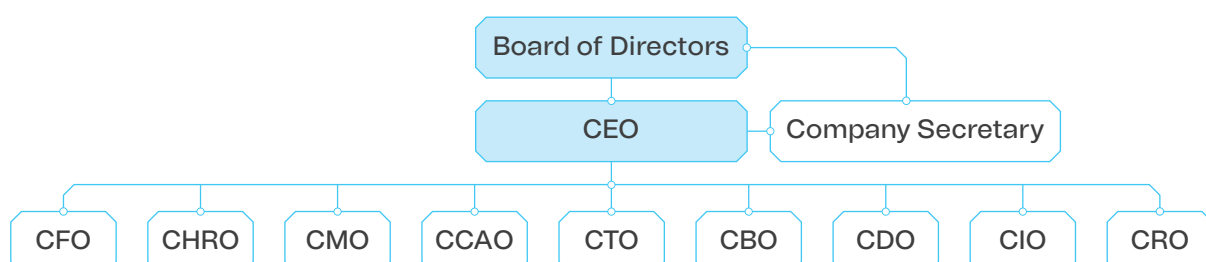
Chair

Nomination and Remuneration Committee

05 February 2024

Management Team

The Management Team is the Executive Committee of Grameenphone. Headed by the CEO, the Management Team is responsible for managing and running the affairs of the Company. All other key managers across the Company are members of the Management Team. The Management Team works to achieve the strategic goals and mission of the Company set by the Board of Directors. In discharging its assigned responsibilities, the Management Team meets on a weekly basis to monitor the business performance of the Company.



The key roles of the Management Team, headed by the Chief Executive Officer, include running the day-to-day business of the Company. Collectively, they inspire our teams and steer the success of our business. The profiles of the present Management Team members are provided below:



Yasir Azman
Chief Executive Officer

Age: 49
Gender: Male
Nationality: Bangladeshi
Appointed: 01 February 2020

Skills and experience

Azman has a proven track record as an all-rounded leader for driving organisational transformation, change management and business development.

Prior to his appointment as Chief Executive Officer (CEO) of Grameenphone, he served as Deputy Chief Executive Officer (DCEO) and Chief Marketing Officer (CMO) in the Company. Azman has worked with Telenor Group in India and Norway, serving as the Group Head of Distribution and eBusiness (2013-2015). He also led as EVP & Circle Business Head for Orissa and Karnataka circles (2010-2012). As CMO, Azman has led many transformation journeys in Grameenphone and played the key role in building a digital-centric and high-performance driven organisation. In recent years, as CEO of the Company, Azman has focused to modernise the organisation to become a future fit Telco Tech Company. He has also elevated the drive to create positive impact in society as a socially responsible corporate citizen.

Azman holds an MBA degree from the Institute of Business Administration, Dhaka University, and also attended several executive educational programmes with the London Business School and INSEAD, France.



Otto Magne Risbakk
Chief Financial Officer

Age: 62
Gender: Male
Nationality: Norwegian
Appointed: 15 January 2024

Skills and experience

Otto is a seasoned finance leader with more than 35 years of leadership experience, of which the last 16 years were within the Telecommunication industry.

Before joining Grameenphone as Chief Financial Officer (CFO), he held CFO positions in Digi Telecommunications in Malaysia and Telenor Denmark and also served many years as Head of Group M&A at the Telenor Group in Norway. Prior to joining Telenor, Otto held various Finance leadership positions in leading companies such as Norsk Hydro, Rieter Automotive, and Schlumberger Ltd. Otto brings with him vast experience as CFO in advanced industries and listed companies and his experience of working in 10 countries enriched him with an extensive exposure to global markets and strong cultural adaptability. He is also a proven leader known for driving agile teams, developing talents, and practising good governance in fast-paced and demanding environments.

Otto completed his Business Administration and Management from Université de Fribourg, Switzerland.



Syeda Tahya Hossain
Chief Human Resources Officer

Age: 50
Gender: Female
Nationality: Bangladeshi
Appointed: 10 September 2023

Skills and experience

Syeda Tahya Hossain brings with her 26 years of HR experience across multiple industries and companies, out of which 16 years have been in top management roles.

She possesses a depth of knowledge in transformation, CBA environment, HR operations, and leading diverse teams. She has experience in designing and executing people strategies to drive a high-performance culture and is passionate about big data and predictive analytics, championing data-driven decision-making. Over the span of her career, Tahya has worked in Perfetti Van Melle, BRAC Bangladesh, Citi N.A., Unilever, Nestle and some more reputed companies. She has served as a panelist for Humanitarian HR conferences organised by CHS Alliance and is also an Honorary Member of the General Body and a part of the Anti-Sexual Harassment Committee of the Sajida Foundation.

She holds a Bachelor of Commerce from Bangladesh and a Diploma in Computer Studies from the National Computer Centre in the U.K.

**Sajjad Hasib**

Chief Marketing Officer

Age: 45**Gender:** Male**Nationality:** Bangladeshi**Appointed:** 01 February 2020**Skills and experience**

As Chief Marketing Officer, Sajjad has successfully spearheaded several Digitalisation, AI integration, and Transformation initiatives aimed at modernising the Sales and Distribution, as well as Commercial operations of Grameenphone. As a dedicated commercial leader, Sajjad has a proven track record of driving growth through innovative, data-driven solutions, customer experience transformation, AI integration & incorporation in processes. Sajjad's growth mindset and effective marketing & business strategies have led the commercial division to be more modernised.

Sajjad's extensive experience in the commercial aspects of Grameenphone's business has been gained through his previous roles as head of the operation, sales, distribution, and circle leadership. In addition to this, Sajjad has also held the position of Circle Business Head in both Dhaka and Sylhet.

He started his career as a Distribution Officer at Citycell and has worked in various companies in Bangladesh and abroad before joining Grameenphone as an Area Sales Manager in 2006.

Sajjad has earned an MBA from the University of Bedfordshire in the UK and a bachelor's degree from North South University in Dhaka. Additionally, he has completed executive training programmes at London Business School and INSEAD Business School, further demonstrating his commitment to continuous learning and professional development.

**Hans Martin Henrichsen**

Chief Corporate Affairs Officer

Age: 66**Gender:** Male**Nationality:** Norwegian**Appointed:** 15 May 2022**Skills and experience**

Hans Martin comes with extensive International/Asian experience in building and maintaining Telenor's international business portfolio for more than 20 years.

Before joining Grameenphone, Hans Martin served as CCAO of Telenor Myanmar and played a critical role in running Telenor Myanmar's operation during the most challenging times. Previously he has also held the position as Telenor Group's Chief Country Representative in Bangladesh from 2014 to 2018. He also has work experience from several organisations in Norway, South East Asia and Africa. As the CCAO of Grameenphone, he is currently taking the lead in aligning his deep understanding of the business environment and regulatory dynamics to strategically attain the best results for the customers, shareholders and other stakeholders.

Hans Martin holds a business management degree from the Norwegian School of Economics (NHH) in Finance and International Management.

**Jai Prakash**

Chief Technology Officer

Age: 56**Gender:** Male**Nationality:** Indian**Appointed:** 01 April 2022**Skills and experience**

Jai has 25 years of extensive experience in the telecommunication industry. Prior to his appointment as Chief Technology Officer (CTO) of Grameenphone, Jai served as CTO of Telenor Myanmar from November 2014. Under his tenure, Telenor Myanmar has taken a frontrunner position in touch-free operations and realised the critical qualities of a truly digital telco. In Myanmar, he was responsible for all technology operations, including network and IT. As part of the startup team in Myanmar, Jai was instrumental in setting up and rolling out Telenor Myanmar's highly efficient data network. Before joining Telenor Myanmar, he served as Circle Technical Head for Bihar and Eastern Uttar Pradesh in Telenor India.

Jai holds a B.E. in Electronics and Telecommunication Engineering.



Dr. Asif Naimur Rashid
Chief Business Officer

Age: 47

Gender: Male

Nationality: Bangladeshi

Appointed: 16 April 2022

Skills and experience

Dr. Asif brings forward a dynamic approach to leadership with his adaptive and striving for excellence nature backed by the vast experience of more than two decades.

In his current role as the Chief Business Officer (CBO), Dr. Asif is leading the transformation of the changing business dynamics in the B2B market, strengthening the business context by combining it with strong technocommercial collaboration. Before joining Grameenphone, Dr. Asif served as Chief Information Officer (CIO) at Robi Axiata Ltd. and jointly held the position of the founding Managing Director of Red. Digital Ltd., a fully-owned ICT subsidiary of Robi. He is also known as an ICT, Digital Transformation leader in the Telenor fraternity and industry for his long run with Grameenphone, Telenor Myanmar, Telenor ASA and Siemens in various leadership roles in the past.

He holds a Doctoral degree in Artificial Intelligence from California Southern University, USA with summa cum laude, Master of Business Administration (Executive Management) from Royal Roads University, BC, Canada, Master of Engineering Studies (Telecommunications Engineering) from University of Technology Sydney, Australia, and a Bachelor of Science (Hon's) degree in Applied Physics & Electronics from Dhaka University, Bangladesh. He has attended INSEAD business school, MIT Sloane School of Management, Harvard Executive Education, National University of Singapore on leadership and digital transformation courses on numerous occasions and regularly speaks at national and international tech events on IoT, Cloud, 4IR, Digital Transformation and Disruptive Techs.



Solaiman Alam
Chief Digital Officer

Age: 45

Gender: Male

Nationality: Bangladeshi

Appointed: 22 April 2020

Skills and experience

Solaiman has 23 years of professional experience in the FMCG and telecom industry.

He served Grameenphone as Director Marketing, and later Head of Digital Division before being appointed Chief Digital Officer (CDO). Through his career, Solaiman has held various roles spanning digital channels and digital services, new business, marketing, product management, brand management, trade marketing and sales. He got his start in sales with British American Tobacco Bangladesh (2000-2005) before moving to Orascom Telecom Bangladesh, Banglalink. At Banglalink he played a vital role in establishing that company as one of the most recognised brands in the country and left as its Senior Director, Marketing.

Solaiman is a graduate from IBA, University of Dhaka, and has attended a host of courses and certifications from organisations like London Business School, INSEAD France, HFI, IDEO etc.



Niranjana Srinivasan
Chief Information Officer

Age: 42

Gender: Male

Nationality: Indian

Appointed: 01 September 2023

Skills and experience

Niranjana is an experienced leader with over 20 years of diverse experience in managing projects in the IT field across multiple countries and companies.

He has worked in companies such as Tech Mahindra Malaysia, Ooredoo Myanmar, and Telenor Myanmar. He specialises in MFS (Mobile Financial Services), Digital Apps and Services, and BSS (Business Support Systems), among others. His comprehensive expertise lies in technical solution architecture and conceptualisation for enterprise systems, aligning them with business goals to deliver technology-driven IT solutions. Additionally, he is a reputed leader with proven abilities in recruiting, training, and motivating teams to go above and beyond.

Niranjana has a B.Sc in Computer Technology from Bharathiar University, Coimbatore in Tamil Nadu, India.



Md. Arif Uddin
Chief Risk Officer

Age: 50

Gender: Male

Nationality: Bangladeshi

Appointed: 01 October 2023

Skills and experience

Md. Arif Uddin is a highly experienced leader with over 20 years of extensive leadership experience.

Having joined Grameenphone in 2002, he has held pivotal positions within our Finance division and played integral roles in various local and international projects. His international exposure includes working at Telenor HQs in Oslo, Norway. Throughout his career, Arif has demonstrated significant contributions beyond his functional responsibilities. Noteworthy achievements include establishing a robust Business Performance Management function and Enterprise Risk Management process, grooming emerging leaders in Finance, and modernising the Finance function. Arif's strategic mindset and proactive approach extend to resolving disputes through lawful amicable measures, elevating the risk management strategy to new heights.

Arif is a Certified Professional Accountant and a fellow member of the Institute of Financial Accountants, UK, and the Institute of Public Accountants, Australia.

Company Secretary

To ensure the effective assimilation and timely flow of information that is required by the Board and to maintain necessary liaison with internal organs as well as external agencies, the Board has appointed a Company Secretary. The Corporate Governance Code, issued by the Bangladesh Securities and Exchange Commission (BSEC), also requires a listed Company to appoint a Company Secretary. In pursuance of the same, the Board of Directors has appointed the Company Secretary and defined his roles & responsibilities. In Grameenphone, among other functions, the Company Secretary:

- Performs as the bridge between the Board, Management and Shareholders on strategic and statutory decisions and directions.
- Acts as a quality assurance agent in all information streams towards the Shareholders and the Board.
- Is responsible for ensuring that appropriate Board procedures are followed and advises the Board on Corporate Governance matters.
- Acts as the Disclosure Officer of the Company and monitors the compliance of the acts, rules, regulations, notifications, guidelines, orders/directives, etc. issued by BSEC or Stock Exchange(s) applicable to the conduct of the business activities of the Company to protect the interests of the investors and other stakeholders.



S M Imdadul Haque
Company Secretary

Age: 49

Gender: Male

Nationality: Bangladeshi

Appointed: 21 April 2017

Imdad has vast knowledge and expertise in the Company's Secretarial function, Corporate Governance, Compliance, Stakeholder Management, and Public Communications.

Imdad started his career in the Internal Audit function of Grameenphone in 2004. Then he moved to the Department of Company Secretary two years later. He had more than 17 years of experience in the Company Secretariat Function. Before joining Grameenphone, Imdad worked in KPMG Rahman Rahman Huq, Chartered Accountants (2002-2004) where he was also an articled student (November 1998-April 2002).

He holds a Master's degree in Commerce and attended various training programmes at different institutions and educational programme, including INSEAD. He also passed the "C.A. Intermediate" examination.

The Control Environment in Grameenphone

In implementing and ensuring good governance in Grameenphone, the Board and the Management Team ensure the following:

a) Financial Reporting

Grameenphone has strong financial reporting procedures. Financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh. All the financial

transactions are recorded in the Oracle Enterprise Resource Planning (ERP) systems. Financial reports extracted from the ERP are then used to produce the financial statements. These financial statements, once prepared, are reviewed initially by the Chief Accountant, CFO and CEO respectively and then by the Board Audit Committee quarterly. In each quarter/half-year/year, the external auditors review or audit the financial statements following relevant regulations/requirements. The annual audit is conducted by the external auditors, who are appointed by the Board of Directors followed by the Shareholders' approval in the Annual General Meeting. Details of Internal Control over Financial Reporting are described below.

b) Internal Control Over Financial Reporting (ICFR)

Grameenphone Management prioritises the establishment of an effective internal control environment throughout the organisation. Grameenphone has implemented necessary Internal Controls to provide reasonable assurance that Grameenphone's financial statements are free from material mis-statements and give a true and fair view of the transactions and financial position of the Company and that the financial statements are compliant with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Bangladesh Securities and Exchange Rules 2020, as well as relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh.

Grameenphone follows a risk-based approach to designing and implementing effective internal controls.

The management has also established an appropriate accountability structure with defined roles and responsibilities for control performers, control owners and process owners, with overall responsibility lying with the CEO and CFO.

Internal controls at Grameenphone are an essential part of the Company's corporate governance structure and are deeply integrated into the business processes affecting financial reporting. The internal control team periodically undertakes a change management process to review and enhance controls, thereby addressing any potential financial reporting risks. Throughout this process, all process and control owners are aligned to ensure that controls are executed effectively and in accordance with established standards.

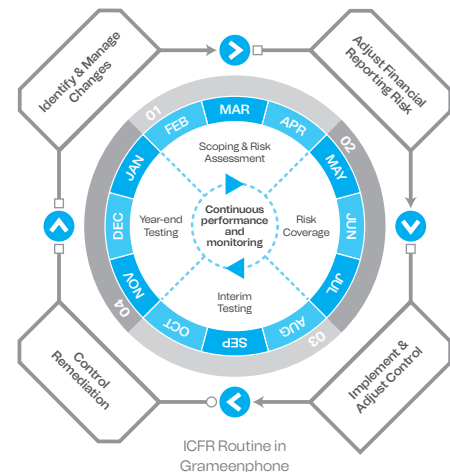
Operating effectiveness of controls is monitored throughout the year. Effectiveness of the controls are tested in two different phases, i.e., Interim Testing and Year-end Testing. An independent audit firm is engaged to test the effectiveness and adequacy of established controls. Grameenphone has a dedicated Internal Control Team, accountable for conducting activities related to internal controls over financial reporting. The ICFR team works independently under Chief Risk Officer (CRO), but closely with Internal Audit function, External Auditors, and the Telenor Group ICFR team to ensure risks are identified, reported and mitigated timely.

Inherent limitations exist within any system of internal control over financial reporting, regardless of its design quality, which may result in the inability to fully prevent or detect mis-statements. These limitations derive from the potential for controls to be circumvented or overridden, as well as the possibility of errors or fraudulent activities occurring without detection. Moreover, the effectiveness of internal controls may fluctuate over time due to evolving circumstances.

Management assessed the effectiveness of the Company's internal control over financial reporting engaging an independent audit firm, using the criteria established in the Internal Control - Integrated Framework (2013) issued by the COSO and concluded that the Company maintained effective internal control over financial reporting throughout the year ended 31 December 2023.

c) Financial Reviews

The purpose of the financial review is to monitor the financial performance and position of the Company versus its annual financial targets. The CEO and CFO review financial results on a monthly basis to ensure Grameenphone is on track to deliver its annual financial targets or to identify corrective action, if and when required.



d) Statutory Audit and Certification

Auditing of the Company is governed by the Companies Act, 1994, and the Bangladesh Securities and Exchange Commission Rules 2020, and conducted in accordance with International Standards on Auditing (ISA). As per these regulations, auditors are eventually appointed by Shareholders at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the AGM. The appropriate structure is in place as per Corporate Governance best practices to ensure their independence. Statutory auditors cannot be appointed for a consecutive period exceeding three years in compliance with the order of the Bangladesh Securities and Exchange Commission (BSEC). Statutory auditors are not engaged in non-audit services as this may compromise auditor independence unless otherwise required by the regulators.

e) Internal Audit and Investigation

Internal Audit supports the Company in achieving its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of its risk management, control and governance processes. The investigation unit ensures that internal investigations are conducted with predictability, confidentiality, fairness and confidence to clarify the factual circumstances and establish if there is any evidence of personal misconduct or violation of Grameenphone's Governing Documents and/or laws and regulations. To ensure the organisational independence of Internal Audit and Investigation, the Head of the function reports functionally to the Board and its Audit Committee and administratively to the Chief Executive Officer. Internal Audit and Investigation activities are governed by its Charter, which is approved by the Board. Grameenphone Internal Audit and Investigation is empowered to carry out its activities in all aspects of the Company and have unrestricted access to any relevant information. The Grameenphone Internal Audit department discharges its assurance and consulting activities through management of three distinct audit streams: Core Business, Governance and Third Parties, and IT & Cyber Security. A risk-based annual audit planning process is in place, which takes into consideration the strategic imperatives and major business risks surrounding Grameenphone, while considering pervasive audit needs. Grameenphone Internal Audit and Investigation also work closely with Telenor Group Internal Audit and Investigation in sharing knowledge and resources to ensure the achievement of deliverables and objectives.

f) Related Party Transactions

The Board Audit Committee reviews all the related party agreements and payments before submission to the Board of Directors for approval. Abiding by the laws, a Board Director, who has an interest in a transaction, discloses his interest in such transaction and abstains from deliberations and voting on the relevant resolution at the Board meetings. Details of significant related party transactions are disclosed in notes of the Financial Statements as per the requirements of IAS 24 Related Party Disclosures.

g) Dividend Distribution Policy

The Board of Directors has established a dividend policy, which forms the basis for the proposals on dividend payments that it makes to the Shareholders, taking into consideration the business performance of the Company and its strategic initiatives. The Board believes that it is in the best interest of Grameenphone to draw up a long-term and predictable dividend policy. The objective of the policy is to allow the Shareholders to make informed investment decisions. The Board has approved the following dividend policy:

"The dividend policy is to pay minimum 50% of the net profit after tax depending on the financial health and capital requirement of the Company with an aim to have a consistent growth in dividend pay-out. Grameenphone aims for as frequent dividend distribution as possible. Grameenphone can consider special dividend payments, such as interim dividend, subject to the Company's business performance and cash availability."

h) Enterprise Risk Management & Risk Mitigation

Risk Management at Grameenphone is concerned with earning competitive returns from the Company's various business initiatives at an acceptable risk level. It supports the Company's competitiveness by developing a culture, practice and structure that systematically recognises and addresses future opportunities whilst managing adverse effects (i.e., threats) by recognising risks and responding appropriately. The Company follows well defined risk management manuals and processes to mitigate enterprise-level risks. A separate risk function has been established under the Chief Risk Officer (CRO) to effectively capture and address enterprise risks. This aspect is discussed more elaborately in the 'Enterprise Risk Management' section of the Annual Report on page 17.

i) Compliance with Rules & Regulations of the Country

In Grameenphone, we believe that compliance is key towards a sustainable business. Therefore, being respectful to the laws of the land is a priority for us. Our strategies assure compliance with all legal and regulatory requirements and ensure good governance throughout the Company. Grameenphone is also subject to supervision from regulatory bodies that focus on transparency and require that Grameenphone provides accurate and periodic reporting of issues, events and certifications where necessary. In this context, Grameenphone regularly provides financial statements and required documents to the Bangladesh Securities and Exchange Commission (BSEC), Stock Exchanges, National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC&F), Bangladesh Telecommunication Regulatory Commission (BTRC), the Bangladesh Investment Development Authority (BIDA) and other relevant authorities.

j) Bangladesh Secretarial Standards (BSS)

Grameenphone conducts its Board meetings, records the minutes of the meetings, as well as maintains the 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).

k) Ethics and Behaviour

i. Ethics and Compliance Function

Maintaining the highest standards of ethical conduct across the Company's operations is the primary responsibility of the Ethics and Compliance Function. This function is responsible for managing and carrying out Grameenphone's Compliance Programme, which aims to prevent unlawful or unethical conduct, encourage ethical behaviour, and ensure an independent whistleblowing channel for employees to speak up. To make sure that internal and external requirements are met, the function manages an annual integrity risk assessment, of the implementation of corporate policies and manuals, including business partner management, the implementation and testing of internal controls, resolution of reported concerns, awareness initiatives, monitoring and functional reporting, and the implementation of improvement measures. The function works closely with every Grameenphone business and corporate function to make sure that every employee understands the value of ethical behaviour and complies with applicable legal and regulatory requirements. The Ethics and Compliance function contributes to the development of a culture that values accountability and integrity through targeted training and outreach initiatives. To maintain the impartiality and independence of the Ethics and Compliance function, the Head of Ethics and Compliance has direct reporting lines to the Board of Directors and the Chief Executive Officer.

ii. Code of Conduct

Grameenphone's Code of Conduct is the foundation of our business and a declaration of our dedication to integrity, transparency, and accountability. It serves as a guide for our actions and decision making to ensure they are in accordance with the highest ethical standards. In addition to outlining directives on matters like anti-corruption, business partner, competition, financial integrity, conflicts of interest, gift and hospitality, health and safety, human rights, discrimination, harassment, insider trading, confidentiality, privacy, and the environment, it also defines the Company's values and principles. It promotes four guiding principles:

1. We play by the rules.
2. We are accountable for our actions.
3. We are transparent and honest.
4. We speak up.

The four guiding principles aim to provide precise standards for our business conduct. As an important governance tool, the Code of Conduct works to safeguard employees and the Company from risk. Employees at Grameenphone are reminded of the Company's shared commitment to a zero-tolerance policy for corruption and the development of ethical business practices through mandatory annual training and acknowledgement of the Code of Conduct. Any Grameenphone employee can get assistance from the Ethics & Compliance function for navigating and resolving dilemmas or challenges that arise in the course of their daily work. A series of annual web-based "e-Learning" courses, managed by the Ethics and Compliance department, require 100% employee participation. Additionally, the function runs multiple live, dilemma-based awareness and training programmes to improve employees' comprehension of appropriate ethical issues and responses.

iii. Restrictions on dealings in Grameenphone Shares by Insiders

The Company has established a detailed policy relating to trading in Grameenphone shares by Directors, Employees and other Insiders. The securities laws also impose restrictions on similar transactions. Insiders are prohibited from trading in Grameenphone shares, while in possession of unpublished price sensitive information in relation to the Company during prescribed restricted trading periods.

iv. Business Partner Management Policy

Grameenphone Business Partners are expected to uphold the Company's standards and principles. The Company takes certain precautions before working with any Business Partner. Our Business Partner Management Policy guarantees that our business partners have the willingness and capacity to meet Grameenphone's requirements for supplier conduct and don't create unmanageable compliance risks. Grameenphone has taken a significant step forward in its commitment to responsible business practices through our Business Partner Management Policy and Manual. These documents reflect the latest regulations and industry standards and provide a comprehensive framework for ensuring that all of our business partners are fully compliant with ethical, legal, and regulatory requirements. The policy provides a framework for Grameenphone to monitor, evaluate and respond as required to ethical business practices by Business Partners. We hope to preserve our reputation and our dedication to ethical business operations by continuously adhering to these standards.

v. Supplier Conduct Principles

Grameenphone is committed to upholding the highest ethical standards in all of its relationships, including with suppliers. Our Supplier Conduct Principles (SCP), serve as a framework for our expectations and requirements toward our suppliers. Grameenphone's SCP is a set of ethical standards that outlines the expectations and responsibilities of both parties in areas such as human rights, environmental impact, health & safety, labour practices, business integrity, information security, and prohibited business practices. The purpose of the document is to ensure that the suppliers generate goods and services in an equitable, transparent, accountable, and sustainable manner. Additionally, it encourages cooperation, mutual respect, and trust between the Company and its suppliers. The Responsible Business Conduct Agreement, which each Grameenphone supplier signs, commits our suppliers to high standards of business ethics and binds them to the SCP. Respecting the SCP is essential to preserving our standing as a socially responsible Company and establishing enduring partnerships with our suppliers.

vi. Whistleblowing Policy

A whistleblowing mechanism allows employees to report illegal, unethical, or inappropriate behaviour within the organisation without fear of retaliation. Grameenphone's whistleblowing rights apply to all employees and suppliers, customers, and distributors. We maintain multiple channels through which employees can report their concerns, such as a dedicated hotline and an email address. Grameenphone does not tolerate retaliation of any kind against those who speak up in good faith.

Any employee can report a concern internally to their manager, their manager's manager or directly to the Ethics and Compliance Function. Grameenphone also has a web-based reporting channel, the "Integrity Hotline" which is operated by an international, independent company and designed to protect the privacy of individuals who report a concern, and individuals who are the subject of a reported concern. Where permitted by law, individuals may choose to remain anonymous. All reports are treated confidentially and appropriately investigated and concluded. Any person can report through any channel without fear of retaliation. Grameenphone governing documents also specify the procedures for investigating and addressing the reports, including the protection of the confidentiality of the whistleblower and timely resolution of reported concerns.

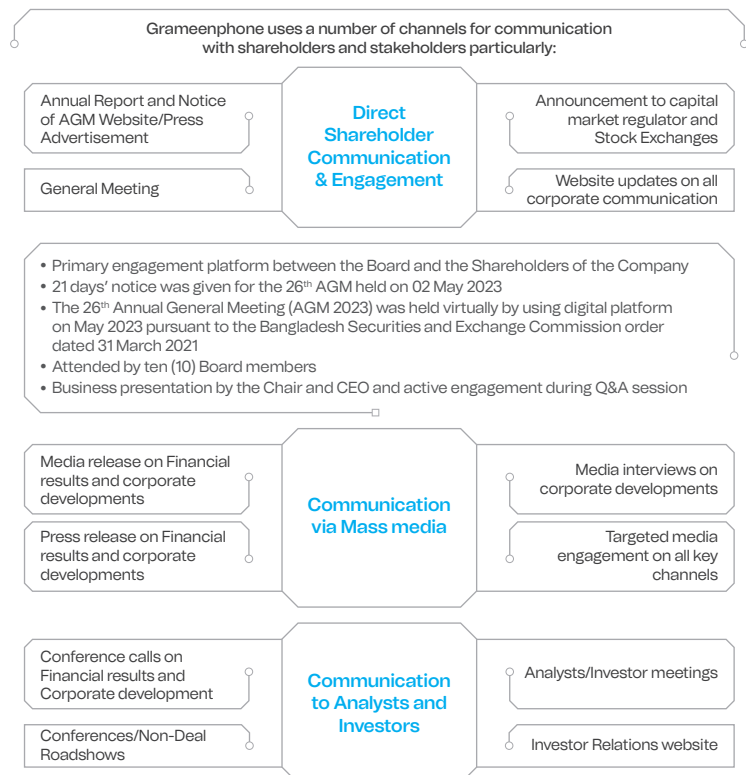
vii. Anti-Corruption Policy

The object of Grameenphone's Anti-Corruption Policy is to prevent unethical conduct and corruption inside the Company. Grameenphone's Anti-Corruption Policy is based on "zero tolerance" for unethical business practices. The Policy applies to the Board of Directors, management, all employees, and other individuals having the legal right to act on behalf of Grameenphone. The Company takes pride in the fact that it has effectively implemented an anti-corruption programme that reduces the likelihood of corruption and encourages ethical behaviour. An annual corruption risk assessment is carried out to protect Grameenphone from any corruption-related threats or possibilities. This risk assessment covers all the Company's operations, which helps to identify potential corruption risks, create effective mitigation strategies, and support monitoring and reporting. Implementing mitigation strategies is the responsibility of leaders and relevant management who are anchored with ownership and accountability. In addition, we observe International Anti-Corruption Day, prioritise anti-corruption training and awareness, and periodically train our employees in ethical leadership and business practices. By making these efforts, we hope to safeguard the interests of our stakeholders and make

sure that our Company upholds the greatest standards of accountability and honesty. Our dedication to advancing ethical conduct and the rule of law is demonstrated by the successful implementation of this programme, which we monitor and adjust as needed to ensure its continued efficacy.

I) Investor Relations (IR)

Grameenphone is one of the largest listed corporate entities in Bangladesh, and therefore places high importance on the investment community both within and outside of the country. To establish effective two-way communication between the financial markets and the Company, there is a dedicated Investor Relations function providing best-in-class practices in Grameenphone. The Investor Relations (IR) function aims to provide relevant and necessary information to the investment community and capital markets in order to enable them to make an informed judgement about the fair value of the Company's shares. IR acts as a bridge between the Management of the Company and its valued investors. As a specialised function, IR maintains close contact with global investors, analysts, market experts, capital markets, financial communities and financial journalists on a proactive basis. Through this, the relevant stakeholders are kept informed about the Company's financial results, regulatory landscape, shareholder returns, growth opportunities and strategic ambitions, while objectively sharing the associated risk and rewards.



This also reflects Grameenphone's commitment towards developing the capital market of the country by introducing global best practices and ensuring transparency, accountability, corporate governance, and compliance. Grameenphone's Investor Relations website is updated with the latest information. An email address and hotline number are listed for direct access to key persons. Notable events that IR conducted during the year 2023 were the release of quarterly earnings and frequent conference calls with the financial and capital markets community.

m) Shareholders

i. Communications with Shareholders

Grameenphone believes good Corporate Governance involves openness and trustful cooperation between all stakeholders involved in the Company, including the owners of the Company – the Shareholders. The Company values the importance of effective communication with our Shareholders and Investors. Information is communicated to the Shareholders regularly through several forums and publications. The Company has adopted a detailed policy on information disclosure and communication. In compliance with continuous disclosure requirements, the Company's policy is that Shareholders will be informed of all major developments that impact the business of the Company in a routine manner so that they are able to make informed decisions.

ii. Information Disclosure

In accordance with the disclosure requirements, the Company follows the following three main forms of information disclosure:

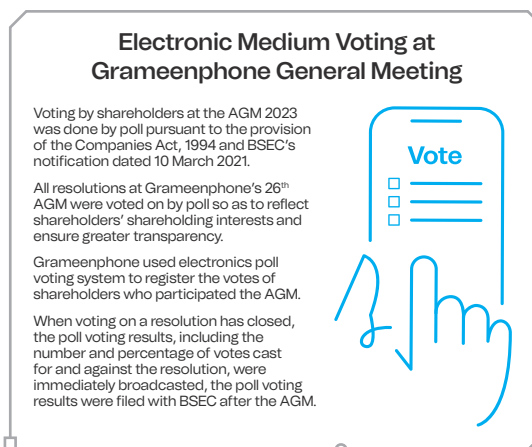
- Continuous disclosure – which is its core disclosure and primary method of informing the market and Shareholders;
- Periodic disclosure – in the form of quarterly and yearly reporting of financial results and other issues; and

- Event-based disclosure – as and when required, of administrative and corporate developments, usually through stock exchanges and press releases.

All information provided to BSEC and Stock Exchanges are immediately made available to the Shareholders and the market on the Company's Investor Relations section of the website: www.grameenphone.com

iii. Annual General Meeting (AGM)

The General Meeting of the Shareholders is the supreme governing forum in Grameenphone. The Company recognises the rights of Shareholders and the Shareholder interests are primarily ensured through Grameenphone's Annual General Meeting (AGM). The Company also encourages Shareholders' active participation in the AGM and other General Meetings. The AGM provides a useful forum for our Shareholders to engage directly with Grameenphone's Board of Directors and Management. The Board Members and Statutory Auditors attend the AGM to respond to Shareholders' queries on the results, or any other aspect of the Company.



Notices of the AGM, together with the annual reports, are generally issued to all Shareholders (including foreign shareholders) at least 21 days prior to the scheduled meeting. This provides ample time for shareholders to review the documents ahead of the meetings and appoint their proxies to attend the meetings if they wish.

According to the Bangladesh Securities and Exchange Commission notification dated 31 March 2021, the 26th Annual General Meeting (AGM 2023) was held virtually by using a digital platform on 02 May 2023.

To encourage the participation of Shareholders at its general meeting, The Company designed the virtual format of the 26th AGM to enhance, rather than constrain, shareholder access, participation and communication. For example, the online format allowed Shareholders to communicate with the Company in advance of and during the meeting so that they could ask any relevant questions or provide comments on performance or any other aspect of the Company. Shareholders were allowed to cast their votes on the Agenda items through the system. The Company will continue to explore leveraging technology to facilitate Shareholders' participation and enhance proceedings of General Meetings.

As part of Grameenphone's commitment towards more environmentally friendly and sustainable practices, Grameenphone makes its annual reports available online at the Grameenphone website. Printed copies of Grameenphone's annual reports are made available upon request.

iv. Website

All financial results and key performance indicators as well as other relevant financial and non-financial data are posted on the Investor Relations section of the Company's website: www.grameenphone.com

v. Redressing Investor Complaints/Queries

Whilst the Company aims to provide sufficient information to Shareholders and Investors about the Company and its activities, it also recognises that Shareholders may have specific complaints/queries relating to their shareholding. These queries may be directed at **+88 01711555888** or emailed to Grameenphone Share Office at shareoffice@grameenphone.com

Grameenphone believes in transparency and accountability to society as a whole through the establishment of an efficient and effective Corporate Governance regime. The Company also believes that Corporate Governance is a journey and not a destination and that it needs to be continuously developed, nurtured and adapted to meet not only the varying needs of a modern business house but also the aspirations of valued investors, stakeholders and society at large, as well.

Elevated Lifestyle is now

Grameenphone worked out a smart integrated connectivity to open up new possibilities for all. With future-ready IoT devices and the 'Alo' unified app, users can easily monitor their loved ones from anywhere. Additionally, the innovative 'gpfi' wireless home internet solution offers an immersive internet and entertainment experience in Bangladesh.



Directors' Report

For the Year ended 31 December 2023

This report has been prepared in compliance with Section 184 of the Companies Act 1994 and Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC) and BSEC notification dated 03 June 2018.

Grameenphone navigated 2023 by prioritising customer-centric digitalisation and a future-ready network, while adhering to regulatory requirements and upholding our commitment to high standards of corporate governance.

Empowering Digital Transformation

The year began with the lifting of the regulatory ban on SIM sales, allowing Grameenphone to resume its pivotal role in enabling the nation's digitalisation journey with cutting-edge solutions and pioneering initiatives, in tandem with national infrastructure development.

Future-Fit Organisation

Our modernisation journey has set the stage for a future ready Grameenphone to be a stronger enabler of a Smart Bangladesh. Through strategic partnerships, innovation, and collaboration, we have established a firm foundation for sustained growth and success, positioning ourselves to tackle emerging challenges and seize new opportunities.

Telco Tech Innovations

Embarking on a telco tech journey, Grameenphone has empowered the future with smart solutions. From the Alo intuitive app for IoT solutions to industry-first offerings like GP Prime and Tourist SIM, we have kept customers at the centre of every innovation. In 2023, 10.1% growth in 4G data users and 23% increase in data volume testify to our commitment towards excellence.

Resilient Investments Amid Challenges

Grameenphone invested BDT 33.1 billion in 2023, ensuring network expansion, covering 96.9% of the geography and reaching 99.6% of the population for a seamless customer experience. Our commitment to innovation is evident in the Company's advancements in 4G and 5G readiness, increased fibre connectivity and resilient network support during natural disasters.

Contributions to National Development

As the telecom sector's highest taxpayer for eight years in a row, contributing BDT 121.8 billion in 2023 and BDT 1,182.6 billion since the inception to the National Exchequer, Grameenphone affirms its role as a partner to Smart Bangladesh and a responsible corporate entity, actively contributing to Bangladesh's development and building a technologically advanced country.

Social Impact and Sustainability

The Company goes beyond connectivity, it is dedicated to empowering lives and creating a positive impact. With programmes like GP Academy and GP Accelerator, Grameenphone foster economic opportunities. Recognised by Bloomberg as Bangladesh's leading corporation for sustainable development initiatives, Grameenphone aims to reduce carbon emissions by 50% by 2030 and has deployed 1,200 solar panel-supported towers for sustainable connectivity.

Digital Literacy and Inclusivity

In collaboration with Telenor, UNICEF, and other partners, Grameenphone is committed to providing digital literacy support to children and marginalised groups. In 2023, we trained over 188 thousand people through various initiatives to promote inclusivity and internet safety.

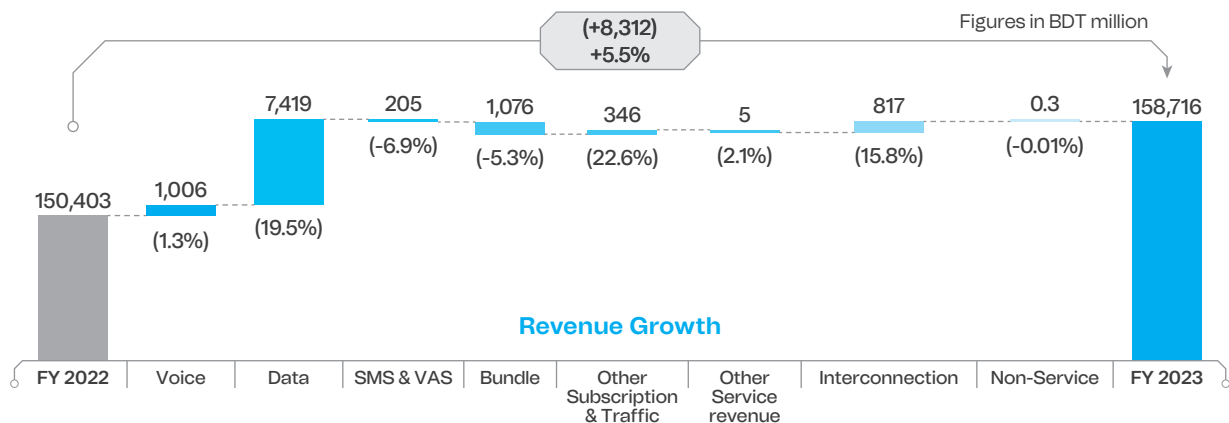
Disclosure/Statements according to the Provisions of the BSEC's Corporate Governance Code 2018

● Segment/Product Wise Performance

Across the country, Grameenphone provides its products and services to customers and evaluates its service revenue performance. Relevant disclosure is provided in the notes to the Financial Statements.

In 2023, Grameenphone posted BDT 158.7 billion total revenue with 5.5% growth compared to last year as an outcome of continuous network coverage expansion and spectrum deployment to improve the network experience along with customer-centric market activity.

During the year, Grameenphone continued to utilise its own, as well as third-party, digital channels to evolve and promote its data services by launching attractive packs for customers to provide better value along with an enhanced experience. This has resulted in a 19.5% growth in data revenue compared to last year.



From last year, voice only revenue increased by 1.3% while bundle revenue decreased by 5.3%. The de-growth in bundle revenue was primarily caused by the personalised offers in product portfolio to meet the evolving needs of our customers. 'SMS and VAS' includes Content services, SMS and MMS revenue. The de-growth came from SMS revenue which has continued to decrease due to higher OTT platform usage for short message communication.

'Other Subscription and Traffic' revenue includes outbound roaming services, connection fees and USSD revenue from mobile-financial services. The growth in other subscription and traffic revenue mainly came from higher connection fees as the second half of last year was impacted by the SIM ban.

'Other service revenue' segment mainly includes revenue from IoT and mobile financial services and 'Non-Service Revenue' segment includes customer equipment, i.e. sale of handsets, internet modems, vehicle tracking systems and telecom infrastructure sharing etc.

Revenue generating from incoming traffic which originate from outside the Grameenphone network, has been posted as interconnection revenue. Compared to last year, interconnection revenue increased by 15.8% in 2023 due to increase in application to person messaging (A2P) service.

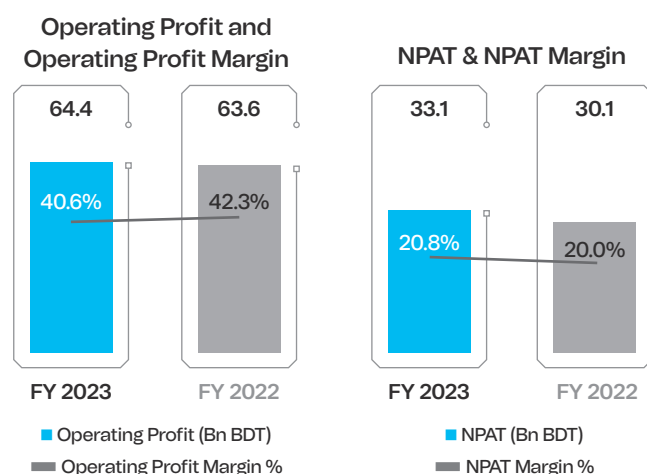
Grameenphone added 2.8 million subscribers in 2023 after SIM sale restrictions were withdrawn in the beginning of the year. At the end of year 2023, Grameenphone's total subscriber base reached at 82.0 million, a 3.6% growth from last year, including 57% active data users.

In 2023, Grameenphone continued its investment momentum with more than 2,100 fibreised sites, concluding the year with more than 40% fibreised sites, compared to 34% in the previous year. To improve the 4G network experience, Grameenphone deployed the 60 MHz spectrum in more than 2,300 sites, alongside re-farming and capacity expansion of the existing spectrum. Additionally, Grameenphone rolled out more than 1,600 new 4G sites during the year, taking the total number of 4G sites to more than 21,200, covering 97.9% of the population under the 4G network. At the same time, Grameenphone also focused on coverage expansion, resulting in more than 1,300 new coverage sites in 2023, covering 99.6% of the total population.

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

Operating expenses consist of material and traffic charges, salaries and personnel costs, operation and maintenance, energy costs, sales and marketing costs, revenue sharing, spectrum charges and licence fees, depreciation and amortisation expenses, and other expenses. In 2023, operating expenses were BDT 94.3 billion, an 8.6% increase compared to last year. The growth in operating expenses mainly resulted from higher depreciation and amortisation, energy costs, operation and maintenance, revenue sharing and other operating expenses. Operating profit for the year 2023 stood at BDT 64.4 billion, with a margin of 40.6%.

Net profit after tax for the year 2023 was BDT 33.1 billion with a margin of 20.8%. The BDT 3 billion increase in net profit after tax from last year resulted from higher profit before tax and lower tax expenses. Earnings Per Share (EPS) for the year 2023 stood at BDT 24.49 as compared to BDT 22.29 for the year 2022, a year-on-year increase of 9.9%.



● Significant Variance of Financial Statements

No significant variations have occurred between the quarterly and final financial performances of the Company during the year 2023 except for the following:

Total assets as at 31 December 2023 have increased by 8.28% compared to that of 31 December 2022 mainly due to an increase in cash and cash equivalents.

Total liabilities as at 31 December 2023 have decreased by 3.71% compared to that of 31 December 2022 mainly due to a decrease in current and deferred tax liabilities, loans and borrowings which is partially offset by increase in dividend payable.

Revenue has grown by 5.53% which is discussed in the “Review of Segment/Product Wise Performance” segment of this report.

Total expenses for the year 2023 have increased by 4.43% compared to that of the comparative year mainly due to an increase in depreciation and amortisation expense.

Net change in cash and cash equivalent for the year 2023 compared to that of the comparative year has increased by BDT 12.94 billion due to higher cash receipts from customers, lower payment of dividends, higher payment to suppliers, income tax, acquisition of fixed assets and lease liabilities.

Other variances from business operations are sufficiently disclosed in the relevant segments of this Annual Report.

● 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 the preparation of the Financial Statements and the accounting estimates are based on reasonable and prudent judgement;
- d) International Financial Reporting Standards (IFRSs) have been followed in the 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.

● 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 2023, attendance fees in connection with Board and Board Sub-Committee meetings were BDT 1,962,089 (2022: BDT 1,680,489). Foreign Directors do not receive attendance fees in connection with Board and Board Sub-Committee meetings.

● Minority Interest

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 the best interest of the Company.

● Risks & Concerns

Risk Management is embedded in Grameenphone’s strategic and operational framework. We believe that risk resilience is the key to achieving our strategic goals and securing a sustainable business environment. The Company’s Board and Management are fully committed to maintaining an effective risk management process to safeguard its assets and Shareholders’ interests.

Grameenphone’s robust risk management framework encompasses strategic, regulatory, financial, operational, technological, safety and climate risks. There is a structured risk management process in place for the timely identification, assessment and prioritisation of risks affecting the Company in the short term and in the foreseeable future. The process also suggests setting a mitigation strategy to adequately address the risks, to foster a reliable and secure business environment.

Detailed updates on the risk management process have been covered under the Enterprise Risk Management section of the Annual Report on page 17.

● Industry Outlook and Possible Future Developments

Bangladesh experienced macro-economic challenges in 2023 which impacted the Telecom sector along with other industries. The continuous decline of the forex reserve and devaluation of local currency put pressure on the economy for which the government took a conservative approach to imports. Consequently, telecom operators faced challenges in importing network equipment in the 2nd half of 2023. Nevertheless, telecom and ICT remain at the core of the government's vision and the sector saw growth through the year, though at a lower rate.

In 2023, the Bangladesh telecom sector reversed the slowdown in subscriber base seen in 2022. Mobile connections reached above 190.5 million at the end of December 2023 compared to 180.2 million connections at the end of December 2022. The same trend was observed for mobile data subscribers which reached 118.5 million at the end of December 2023 compared to 112.5 million at the end of 2022.

Throughout the year, Grameenphone, along with all the other mobile operators, has dedicated efforts towards improved network service quality and catering to higher data demand. Bangladesh Telecommunications Regulatory Commission (BTRC) has provided strong guidance, following up with MNOs on additional KPIs related to QoS as well as initiating several consultation processes on related policy and regulations. Consultations were also held with the industry on the data floor price and simplified customer journeys along with consultations and initiation to reform policies and regulatory issues such as the National Broadband Policy, 2G VAT and late fee amendment, OTT guidelines, Cyber Security Act, Data Protection Act, and NTTN licence amendment etc.

While the Telecom and ICT sector is a priority area for the Government, economic challenges are likely to remain in the near future contributing to an unpredictable regulatory and business environment. However, there is huge potential for the adoption of digital services at government and public levels. Going forward, innovation with affordability will play a key role in capitalising on the potential in this sector.

● Other statutory 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 in Annexure -V of this report on page 71.
- 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 2023 as per the relevant IFRS requirements.
- 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.
- 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.
- Management's Discussion and Analysis signed by the CEO is disclosed in Annexure-V of this report on page 69.
- The declaration by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) on Financial Statements 2023 to the Board as prescribed is annexed to this report as Annexure-IV on page 68.
- Grameenphone has recommended the final dividend for the year 2023. Grameenphone has not declared Bonus Share as an Interim and Final Dividend in 2023.
- During 2023, a total of 09 (nine) 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 66.
- Shareholding pattern of the Company as on 31 December 2023 is shown in Annexure-III of this report on page 67.

● Annual Results and Allocations

The Directors take pleasure in reporting the financial results of the Company for the year ended 31 December 2023 and recommended the appropriation as mentioned in the 'Appropriation of Profit' table below:

Figure in BDT million

	2023	2022
Profit available for Appropriation		
Profit/ (Loss) after tax	33,075	30,092
Other comprehensive income (loss), net of tax	232	(2)
Un-appropriated profit brought forward from previous year	24,853	28,521
Total Amount available for Appropriation	58,160	58,611
Appropriation		
Final Dividend Paid for Previous Year	(12,828)	(16,879)
Interim Dividend Paid for Current Year	-	(16,879)
Closing Retained Earnings at Year End (before Proposed Final Dividend)	45,332	24,853
Proposed Final Dividend for the Year (2023: 125% Cash and 2022: 95% cash)	(16,879)	(12,828)
Retained Earnings after Proposed Dividend	28,453	12,025

Dividend

For the year ended 31 December 2023, the Board of Directors of the Company are pleased to recommend a Final Cash Dividend @ 125% of the paid-up capital amounting to BDT 16,878,750,275 which is BDT 12.50 per share of BDT 10 each for the year 2023 out of the divisible profits of the Company and represents 51.03% of the Profit After Tax for the year 2023 for consideration and approval of the Shareholders for distribution.

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 2023 on page 46.

Corporate Governance Approach

Grameenphone is committed to maintaining high standards of corporate governance in the Company through a culture of accountability, transparency and well-understood policies and procedures. In line with the same, the Company has complied with the conditions as stipulated in the Corporate Governance Code issued by BSEC. In this connection, compliance status has been annexed to this report as Annexure-I on page 57. Furthermore, a certificate of compliance from M/S Suraiya Parveen & Associates, Chartered Secretaries, confirming compliance with conditions of the Corporate Governance Code, as stipulated under condition 9(i) of the BSEC Code is also annexed to this report as Annexure-VI on page 75.

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. M Shahjahan
2. Mr. Md. Ashraful Hassan
3. Mr. Håkon Bruaset Kjøl

As per the Corporate Governance Code 2018, after the extension of the tenure of Independent Director for a second term of three (3) years by the Board, the Shareholders will approve the said extension in the Annual General Meeting. Accordingly, Mr. Abdul Mueyed Chowdhury's extension is to be vetted and confirmed at the Company's ensuing 27th AGM.

Brief profiles of the Directors being proposed for re-appointment are given on pages 30 and 141 of the Annual Report, which fulfils condition 1(5)(xxiv) of the Corporate Governance Code of BSEC.

Acknowledgements & Looking Ahead

In essence, 2023 was a year defined by customer trust, network enhancements, and digital focus. Grameenphone eagerly embraces the future, staying at the forefront of industry trends, driving digital transformation, and contributing to a safe and sustainable future for Bangladesh.

As we reflect on our achievements, we draw inspiration from our resilient team, the trust of our customers, and the promising opportunities ahead. Committed to excellence, innovation, and socio-economic development, we strive for a thriving and inclusive digital future for Bangladesh.

The Board of Directors extends heartfelt gratitude to the Company's shareholders, investors, regulators, customers, and partners for their unwavering trust and support. They also express their appreciation to Grameenphone employees for their dedication and invaluable contributions throughout the year.

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



Petter-Børre Furberg

Chair

05 February 2024

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 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 2 (two) directors or one-fifth (1/5) of the total number of directors in the Company's Board, whichever is higher shall be independent directors	√		There are 2 (Two) IDs out of total 10 (Ten) Directors
1(2)(b)(i)	Independent director does not hold any shares in the Company or holds less than one percent (1%) shares of the total paid-up shares	√		The IDs have submitted declarations about their compliances
1(2)(b)(ii)	Independent director 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)	Independent director has not been an executive of the Company in the immediately preceding 2 (two) financial years	√		-do-
1(2)(b)(iv)	Independent director does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated companies	√		-do-
1(2)(b)(v)	Independent director is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	√		-do-
1(2)(b)(vi)	Independent director 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)	Independent director 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)	Independent director is not independent director in more than 5 (five) listed companies	√		-do-
1(2)(b)(ix)	Independent director has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution	√		-do-
1(2)(b)(x)	Independent director 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). Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the Company	√		a) Based on the NRC recommendation, the Board extended the tenure of Mr. Abdul- Mueyed Chowdhury as an Independent Director for a second term of three (3) years and the BSEC approved his said extension on 03 October 2023. The Shareholders will approve his extension in the upcoming 27 th AGM. b) Dr. Salahuddin is in his 2 nd term, and his extension was approved at the 25 th AGM
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		No such case in the reporting year
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	√		Based on the NRC recommendation, the Board extended the tenure of Mr. Abdul-Mueyed Chowdhury as an Independent Director for a second term of three (3) years and the BSEC approved his extension on 03 October 2023. The Shareholders will approve his extension in the upcoming 27 th AGM. The tenure of Dr. Salahuddin as an Independent Director was extended for a second term of three (3) years with the approval of BSEC and Shareholders
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)(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;	√		
1(3)(b)(iii)	Independent director shall be former or existing official of government or statutory or autonomous or regulatory body in the position not below 5 th 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)	Independent director shall be university teacher who has educational background in Economics or Commerce or Business Studies or Law	√		
1(3)(c)	Independent director shall have at least 10 (ten) years' experiences in any field mentioned in clause (b) of the Code	√		
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 CEO shall not hold the same position in another listed company	√		The CEO does not hold the same position in any other listed company

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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 directors. 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 CEO	√		The Board clearly defined the 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 55 of the Annual Report
1(5)(ii)	Segment-wise or product-wise performance	√		Included in the Directors' Report on Page 52 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 54 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 53 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 55 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 55 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 55 of the Annual Report
1(5)(viii)	Explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO)	√		Included in the Directors' Report on Page 55 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 54 of the Annual Report
1(5)(x)	Statement of remuneration paid to the directors including independent directors	√		Included in the Directors' Report on Page 54 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 54 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 54 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 54 of the Annual Report
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 54 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 54 of the Annual Report

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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 54 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 thereof shall be disclosed	√		Included in the Directors' Report on Page 54 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 55 of the Annual Report
1(5)(xix)	Key operating and financial data of at least preceding five (5) years shall be summarised	√		Included in the Directors' Report on Page 71 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	√		Included in the Directors' Report on Page 55 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 66 of the Annual Report
1(5)(xxiii)	Pattern of shareholding and name wise details			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties	√		Included in the Directors' Report on Page 67 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 67 of the Annual Report
1(5)(xxiii)(c)	Executives	√		Included in the Directors' Report on Page 67 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 67 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 30 of the Annual Report
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	√		Given on Page 30 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 141 of the Annual Report
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 69 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-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		-do-
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		-do-
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		-do-
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	√		-do-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board	√		Stated as Annexure -IV of the Directors' Report on Page 68 of the Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code shall be disclosed	√		The Certificate regarding compliance of the conditions is disclosed on page 75 of the Annual Report
1(5)(xxviii)	The Directors' Report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality	√		
1(6)	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)	√		Company conducts its Board meetings and record the minutes of the meetings as well as keep required books and records as per provisions of the Companies Act 1994 and Bangladesh Secretarial Standards (BSS) as adopted by ICSB
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	√		The Code of Conduct as recommended by the NRC and approved by the Board is available on the website of the Company
2	Governance of Board of Directors of Subsidiary company	Not applicable		Grameenphone does not have any subsidiary Company as on reporting date
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 CEO, CS, CFO and HIAC shall be filled by different individuals	Not applicable		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)	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	
3(2)	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)(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 68 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-
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		-do-
3(3)(b)	The 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 68 of the Annual Report
4(i)	There shall be an Audit Committee as a sub-committee of the Board	√		The Board formed the Audit Committee on 10 November 2008
4(ii)	There shall be a Nomination and Remuneration Committee as a sub-committee of the Board	√		The Board formed the NRC on 11 December 2018
5(1)(a)	The company shall have an Audit Committee	√		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)(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 pages 30 to 32 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
5(2)(d)	The Board shall appoint new Committee member to fill up the casual vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	None		No such case in the reporting year
5(2)(e)	The Company Secretary shall act as the secretary of the Committee	√		In practice

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least one (1) independent director	√		In practice
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 Chair for that particular meeting and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	√		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 26 th AGM held on 02 May 2023
5(4)(a)	The Audit Committee shall conduct at least four (4) meetings in a financial year	√		There were six (6) 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, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		-do-
5(5)(d)	Oversee hiring and performance of external auditors	√		-do-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		-do-
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		-do-
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		-do-
5(5)(h)	Review the adequacy of internal audit function	√		-do-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		-do-
5(5)(j)	Review statement of all related party transactions submitted by the management	√		-do-
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors	√		-do-
5(5)(l)	Oversee the determination of audit fees and evaluate the performance of external auditors	√		-do-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) 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 2023
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board	√		
5(6)(a)(ii)(a)	The Audit Committee shall 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

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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 36 of the Annual Report
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC)	√		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
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)(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)	At least two (2) members of the Committee shall be non- executive directors	√		NRC comprises of three (3) members. Two (2) members of NRC are non-executive directors and remaining one is Independent Director
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)	The Board shall fill the casual vacancy within one hundred eighty (180) days of such vacancy occurring in the Committee	None		No such case in the reporting year
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non- voting member	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)(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	None		No such case in the reporting year
6(3)(c)	The Chair 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 26 th AGM held on 02 May 2023

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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
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	√		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)(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	√		-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 the 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 39 of the Annual Report
7(1)	Statutory auditors not be engaged in the following services			
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-
7(1)(viii)	Audit or certification services on compliance of corporate governance	√		-do-
7(1)(ix)	Any other service that creates conflict of interest	√		-do-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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 26 th AGM held on 02 May 2023
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(1)	The company shall obtain a certificate from a practising 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 M/S Suraiya Parveen & Associates, Chartered Secretaries, Financial & Management Consultants and such Certificate is disclosed on page 75 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 56 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 2023

Name of Directors	Board Member Since	Number of meetings attended during 2023
Mr. M Shahjahan***	26 June 2006	7/9
Mr. Md. Ashrafur Hassan	20 January 2010	9/9
Mr. Håkon Bruaset Kjøl***	14 September 2011	8/9
Mr. Øivind Burdal	18 May 2016	9/9
Dr. Salehuddin Ahmed	12 December 2018	9/9
Mr. Jørgen C. Arentz Rostrup*	09 June 2020	7/7
Mr. Abdul-Muyeed Chowdhury***	14 September 2020	8/9
Ms. Tone Ripel	18 October 2020	9/9
Ms. Nurjahan Begum	15 December 2021	9/9
Mr. Ole Bjørn Sjulstad**	19 October 2022	7/7
Mr. Irfan Wahab Khan	15 September 2023	2/2
Mr. Petter-Børre Furberg	01 October 2023	2/2

*Mr. Jørgen C. Arentz Rostrup retired from the Board on 30 September 2023

**Mr. Ole Bjørn Sjulstad retired from the Board on 14 September 2023

***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 2023

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. Petter-Børre Furberg	Chair	-	-
Mr. Håkon Bruaset Kjøl	Board Member	-	-
Mr. Øivind Burdal	Board Member	-	-
Ms. Tone Ripel	Board Member	-	-
Mr. Irfan Wahab Khan	Board Member	-	-
Mr. M Shahjahan	Board Member	-	-
Mr. Md. Ashraful Hassan	Board Member	-	-
Ms. Nurjahan Begum	Board Member	-	-
Dr. Salehuddin Ahmed	Board Member	-	-
Mr. Abdul-Muyeed Chowdhury	Board Member	-	-
Mr. Yasir Azman	Chief Executive Officer	39,783	0.00%
Mr. Otto Magne Risbakk	Chief Financial Officer	-	-
Mr. S M Imdadul Haque	Company Secretary	500	0.00%
Mr. Adil Iftekhar	Head of Internal Audit	-	-
iii) Executives (as explained in the BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012) (The following list is prepared based on executive joining date)			
Mr. Stephanos Gulbraar Orestis	Head of Ethics and Compliance	-	-
Mr. Rune Hjelseng	Business Security Officer	-	-
Mr. Kaustubh Vats	Chief Procurement Officer	-	-
Mr. Jai Prakash	Chief Technology Officer	-	-
Mr. Hans Martin Hoegh Henriksen	Chief Corporate Affairs Officer	-	-
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 2023.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207 Admin/80 dated 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 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December 2023 and that to the best of our knowledge and belief;
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws; 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)



(Otto Magne Risbakk)

Chief Financial Officer (CFO)

05 February 2024

Annexure V

Management's Discussion and Analysis

Management's Discussion and Analysis is designed to provide you with a narrative explanation through the eyes of our leadership on how we performed and information about our financial condition and prospects. As the Management's Discussion and Analysis is intended to supplement and complement our financial statements, we recommend that you read this in conjunction with our financial statements for the year ended 31 December 2023.

The Financial and Economic Scenario of Bangladesh and the Globe

Despite a strong recovery from the COVID-19 pandemic, Bangladesh's post-pandemic recovery was disrupted in FY23 due to rising inflation, financial sector vulnerabilities, external pressure, energy shortage, declining exports and global economic uncertainty. While the government is taking reform measures to stabilise the economy, concerns remain over the country's dollar reserve and currency devaluation. The Central Bank reserve dropped by -25% last year, and slow remittance inflows, and an acute dollar shortage continue to hinder foreign payments. Although the real GDP growth for Bangladesh has declined from an initial projection of 7% to 6% in 2023, The International Monetary Fund (IMF) expects GDP growth to continue at 6% in 2024 which is slightly better than emerging and developing Asia of 4.8%. Globally, uncertainties will continue, which will effect growth. IMF has projected global growth to be 2.9% for 2024.

Moreover, the rapid expansion of digital services, such as e-commerce, online education, entertainment and telemedicine presents significant opportunities for telecom operators to diversify their revenue streams and cater to the changing needs of their customers. The government's focus on digitisation and the development of a digital economy provides a platform for telecom operators to invest in new technologies and expand their services. Though the telecoms market in Bangladesh may face challenges due to economic slowdown, it also presents many opportunities for growth and innovation. Telecom operators need to stay ahead of the curve by continuing to innovate and make the right investment while providing the right customer experience and delivering sustainable growth. By doing so, they can capitalise on the immense potential of the market and emerge as leaders in the industry.

*Source: BB, MF, 2023 reported

Overall Operating Performance in 2023

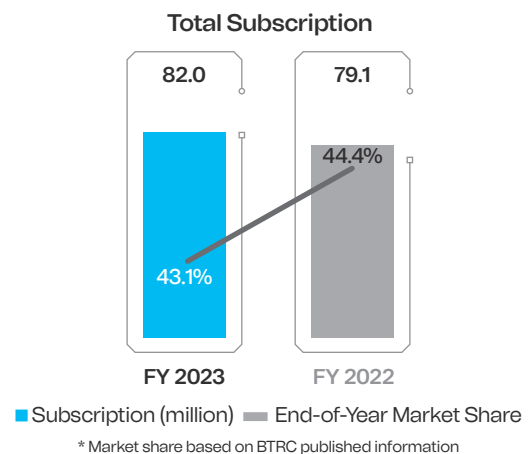
Grameenphone reported total revenue BDT 158.7 billion for the year 2023 (2022: BDT 150.4 billion), with a growth of 5.5% compared to last year. The operating profit increased by 1.3% in 2023 compared to last year. The growth in operating profit was mainly driven by growth in revenue which was partially offset by higher depreciation, energy cost, operation and maintenance and revenue sharing. Net profit after tax for the year 2023 stood at BDT 33.1 billion (2022: BDT 30.1 billion). Grameenphone added 2.8 million subscribers in 2023 after SIM sale restrictions were withdrawn in the beginning of the year 2023. At the end of 2023, Grameenphone's total subscriber base reached at 82 million, a 3.6% growth from last year.

As per BTRC published information, Grameenphone's subscription market share stood at 43.1% at the year-end, a 1.3% decrease from last year.

At the end of 2023, total number of internet users stood at 46.6 million which was 57% of the total subscriber base. Out of these internet users, 4G data users stood at 37.6 million, which was 10.1% higher compared to last year.

To facilitate the growing demand for data services, Grameenphone deployed 60MHz of spectrum over more than 2,300 sites across the country. With this spectrum, Grameenphone is positioned much better to strengthen customers data experience and quality services and cater to customers growing high-speed internet needs, contributing towards digital Bangladesh.

Grameenphone continuously maintained topline growth throughout the year amidst a challenging macroeconomic environment, through growth in data services, supported by continued investment in new spectrum deployment, spectrum re-farming, capacity expansion, and new coverage sites in 2023.



Customers and Average Revenue/Minutes per User (ARPU & AMPU)

ARPU of Grameenphone increased at BDT 161 in year 2023 (2022: BDT 149), mainly due to higher contribution from data and voice segment which was partly offset by lower contribution from bundle services. Reported AMPU 189 minutes for the year 2023 (2022: 196 minutes) with a decrease of 3.3%, mainly attributed to macroeconomic challenges and voice call shifting towards OTT platforms.

Revenue Performance

Grameenphone reported total revenue of BDT 158.7 billion for the year 2023 (2022: BDT 150.4 billion), with 5.5% Year-on-Year growth. The increase in total revenue mainly came from higher mobile communication revenue, which was driven by higher voice only and data only services, partly offset by lower bundle service revenue.

Considering the customer's growing needs and BTRC directives to limit the number of data-centric products to 40, Grameenphone introduced exclusive customer-centric data packs during the year. With continued drive through attractive data packs, data revenue grew by 19.5% compared to last year. As a result, data revenue contribution in mobile communication revenue increased to 29.1% compared to 25.6% of the previous year. The growth in data revenue is mainly contributed by usage growth and data user addition, partly offset by lower prices.

For the year 2023, revenue from voice only services increased by 1.3% while bundle service revenue decreased by 5.3%. Bundle service revenue performance was impacted by personalised offers in product portfolio to meet the evolving needs of our customers.

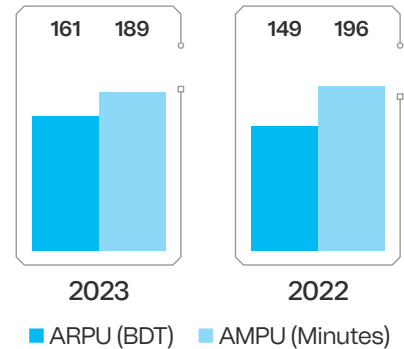
Interconnection revenue improved in 2023 with a 15.8% growth compared to previous year. Interconnect revenue growth mainly contributed by increase in application to person (A2P) messaging service.

Cost and Margin Review

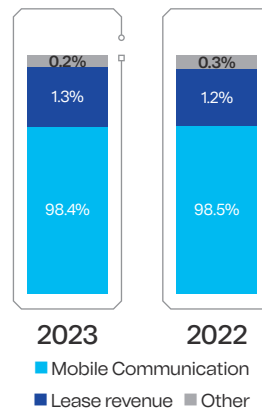
Grameenphone total operating expense in 2023 stood at BDT 94.3 billion (2022: BDT 86.8 billion) with 8.6% increase compared to previous year. The growth in operating expense resulted from higher depreciation and amortisation, energy cost, operation and maintenance, revenue sharing, and other operating expenses. Higher depreciation resulted from acquisition of new spectrum last year, new leased sites and Capex addition during the year. Higher energy cost driven by energy price hike and increased energy consumption. The growth in operation and maintenance cost and revenue sharing resulted from lower service maintenance fees last year due to negotiation outcome and higher revenue respectively.

Compared with last year, total revenue increased by BDT 8.3 billion and operating expenses increased by BDT 7.5 billion, which resulted in BDT 0.8 billion increase in operating profit with an operating profit margin of 40.6% (2022: 42.3%).

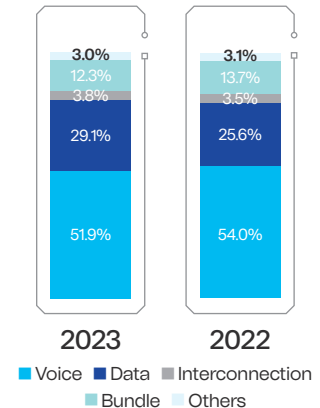
ARPU & AMPU



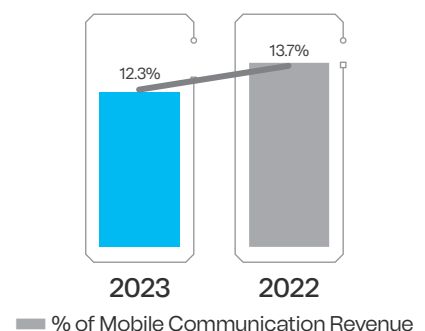
Revenue Composition



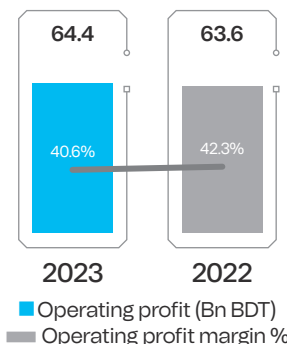
Mobile Communication Revenue Composition



Bundle Revenue Contribution



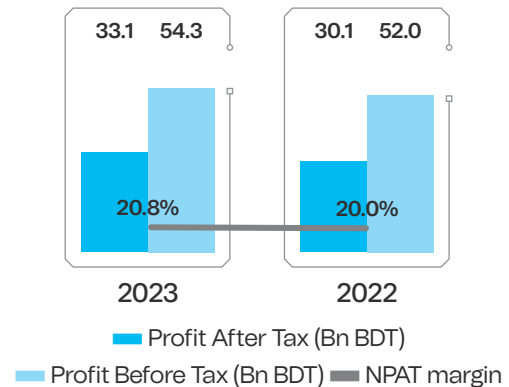
Operating Profit & Operating Profit Margin



Profit after Tax

Net profit after tax for the year 2023 was BDT 33.1 billion (2022: 30.1 billion) with a margin of 20.8%, which was 0.8% higher compared to the previous year. BDT 3 billion increase in net profit after tax resulted from higher profit before tax and lower tax expenses. The growth in profit before tax resulted from higher finance costs last year. The lower tax expense during the year resulted from positive one-off adjustments arising from the settlement of tax dispute and completion of tax assessment. The earnings per share (EPS) for the year 2023 stood at BDT 24.49 as compared to BDT 22.29 for the year 2022, a year-on-year increase of 9.9%.

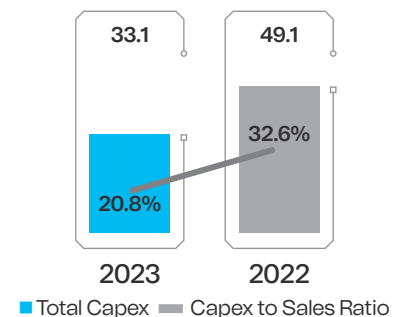
Profit After Tax & Profit Before Tax



Capital Expenditure (Capex) and Network Updates

In 2023, Grameenphone reported BDT 33.1 billion as capital expenditure (2022: BDT 49.1 billion) with a 'total capex to sales' ratio of 20.8% (2022: 32.6%). The majority of the investment in 2023 was related to spectrum deployment, 4G site rollout, capacity expansion, and coverage expansion to ensure improved voice and data experience for our customers. In 2023, Grameenphone rolled out 1,600 plus new 4G sites, bringing the total number of 4G sites to more than 21,200, covering 97.9% of the population under the 4G network. With 1,300 plus new coverage sites in 2023, Grameenphone's total site locations reached more than 21,400, covering 99.6% of the total population.

Total Capex (Bn BDT)



Comparative analysis of Financial Performance, Financial Position, and Cash Flows

Major areas of financial performance, financial position as well as cash flows [including effects of inflation (Table – 2)] against the immediate preceding five years are as follows:

Table – 1:

Reported numbers	2023	2022	2021	2020	2019	2018 Restated
Financial Performance (in million BDT)						
Revenue	158,716	150,403	143,066	139,606	143,656	132,832
Operating Profit	64,429	63,598	63,336	63,440	66,652	56,777
Profit Before Tax	54,324	51,990	60,821	62,801	63,899	54,848
Net Profit After Tax	33,075	30,092	34,129	37,187	34,517	33,363
Financial Position (in million BDT)						
Paid-up Capital	13,503	13,503	13,503	13,503	13,503	13,503
Shareholders' Equity	66,690	46,211	49,879	52,108	38,347	36,836
Total Assets	200,420	185,087	163,007	148,184	148,734	138,713
Total Liabilities	133,731	138,877	113,128	96,077	110,387	101,877
Current Assets	25,304	12,094	9,868	9,931	20,999	13,369
Current Liabilities	92,198	92,933	85,236	76,656	90,426	82,963
Non-current Assets	175,116	172,994	153,139	138,253	127,735	125,345
Non-current Liabilities	41,533	45,994	27,892	19,420	19,961	18,914
Cash Flows (in million BDT)						
Net Cash generated from Operating Activities	60,601	63,813	57,814	33,572	57,393	60,413
Net Cash used in Investing Activities	(23,597)	(21,571)	(18,786)	(11,217)	(14,263)	(30,200)
Net Cash used in Financing Activities	(23,805)	(41,983)	(38,878)	(33,517)	(35,308)	(36,699)
Financial Ratios						
Current Asset to Current Liability	0.27	0.13	0.12	0.13	0.23	0.16
Debt to Equity	0.80	1.23	0.75	0.42	0.62	0.50

Reported numbers	2023	2022	2021	2020	2019	2018 Restated
Operating Profit Margin	41%	42%	44%	45%	46%	43%
Net Profit Margin	21%	20%	24%	27%	24%	25%
Return on Equity	59%	63%	67%	82%	92%	98%
Return on Total Assets	17%	17%	22%	25%	24%	25%
Ordinary Shares Information						
Ordinary Shares Outstanding (in million)	1,350	1,350	1,350	1,350	1,350	1,350
Face Value per Share (BDT)	10	10	10	10	10	10
Cash Dividend on Paid-up Capital ¹	125%	220%	250%	275%	130%	280%
Dividend Pay out ¹	51.03%	98.72%	99%	100%	51%	113%
NAV per Share (BDT) ²	49.39	34.22	36.94	38.59	28.40	27.28
Net Operating Cash Flow per Share (BDT) ³	44.88	47.26	42.82	24.86	42.50	44.74
Earnings Per Share (BDT) ³	24.49	22.29	25.28	27.54	25.56	24.71

*Gain/loss on disposal of property, plant and equipment has been included in operating profit.

¹Including proposed dividend

²Based on BDT 10 equivalent ordinary share outstanding on 31 December

³Based on weighted average number of shares of BDT 10 each

Table – 2:

Inflation Adjusted numbers	2023	2022	2021	2020	2019	2018 Restated
Financial Performance (in million BDT)						
Revenue	114,406	118,692	121,595	125,228	136,193	132,832
Operating Profit	46,442	50,189	53,830	56,906	63,189	56,777
Profit Before Tax	39,158	41,028	51,693	56,333	60,579	54,848
Net Profit After Tax	23,841	23,747	29,007	33,357	32,724	33,363
Financial Position (in million BDT)						
Paid-up Capital	13,503	13,503	13,503	13,503	13,503	13,503
Shareholders' Equity	48,071	36,468	42,393	46,741	36,355	36,836
Total Assets	144,467	146,063	138,543	132,922	141,007	138,713
Total Liabilities	96,396	109,595	96,150	86,182	104,652	101,877
Current Assets	18,240	9,544	8,387	8,908	19,908	13,369
Current Liabilities	66,458	73,338	72,444	68,761	85,728	82,963
Non-current Assets	126,227	136,519	130,156	124,014	121,099	125,345
Non-current Liabilities	29,938	36,257	23,706	17,420	18,924	18,914
Cash Flows (in million BDT)						
Net Cash generated from Operating Activities	43,682	50,358	49,137	30,114	54,411	60,413
Net Cash used in Investing Activities	(17,009)	(17,023)	(15,966)	(10,062)	(13,522)	(30,200)
Net Cash used in Financing Activities	(17,159)	(33,131)	(33,043)	(30,065)	(33,474)	(36,699)
Inflation Rate	9.48%	7.70%	5.54%	5.69%	5.48%	5.78%

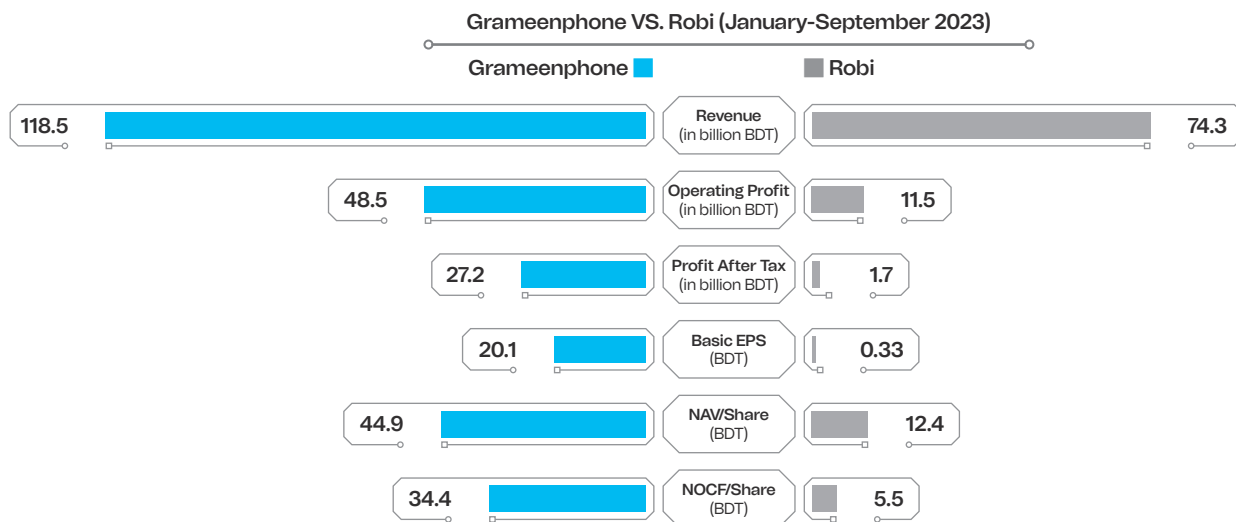
*Inflation Rate Source: Bangladesh Bureau of Statistics

*Since inflation rates are only available for fiscal years, they have been applied for the financial years

Comparison of Financial Performance, Financial Position, and Cash Flow with the peer industry scenario

Peer companies of Grameenphone in the telecommunication industry in Bangladesh include Robi Axiata Limited (Robi), Banglalink Digital Communications Limited and Teletalk Bangladesh Limited (Teletalk). Among these three companies, Robi Axiata Limited (Robi) has been enlisted with the Dhaka Stock Exchange and Chittagong Stock Exchange and thus enabling for a financial comparative benchmarking.

Following is the comparative peer review with Robi Axiata Limited based on its latest available 3rd Quarter/9 Months Un-audited Consolidated Financial Statements.



Accounting Policies and Estimation for Preparation of Financial Statements

The Financial Statements of Grameenphone have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh. Details of the accounting policies and estimation used for the preparation of the Financial Statements of the Company are disclosed in the notes 2 & 3 of the financial statements.

Changes in Accounting Policies and Estimation

The accounting policies applied are consistent with those applied in the previous financial year.

Risks and Concerns Related to the Financial Statements

Grameenphone has a structured process to identify Financial Statement risks and implement mitigating controls to ensure the Financial Statement gives a true and fair view of the events and transactions during the period.

The Company has an integrated process to review the risks arising from transactions, processes, and people, as well as from the external and regulatory environment. Every year, Financial Statements risks are reviewed, involving control and process owners, to identify risks effectively so that Financial Statements assertions are met. Grameenphone follows a risk-based approach where both standard and local risks are addressed. Standard Risks are risks common to all Telenor Business Units and Local Risks are Grameenphone specific risks that arise due to local business processes, people and the regulatory environment we operate in. Each risk is evaluated through a probability and impact matrix and categorised into a four-point rating scale (Very High, High, Medium and Low).

Adequate controls are designed for processes to mitigate the identified risks to an acceptable level. "Risk Assessment" is conducted annually to amend control description and strengthen control mechanism to ensure effective and efficient risk management framework. Risk mitigation status is being monitored through two control-testing methods i.e., self-assessment and direct testing, twice a year (Interim and Year-end). Details of the ICFR activity and presented in the Internal Control over Financial Reporting (ICFR) section of the Annual Report on page 45.

Future Plan of Grameenphone 2024

A sharper and transformative strategy, that maximises investment for top-line revenue and EBITDA growth with desired cash flow. Our ambition to be at the forefront of fulfilling evolving customer needs through telecommunications and beyond to stay relevant and win in a rapidly changing, technology-driven business environment. We will have a strong focus on customer experience, diversifying and innovating our service offerings with modernised and scalable Network & IT solutions embedding partnership at the core and building future-fit employees with uplifted leadership and culture. Grameenphone will continue to capitalise on the data revolution by providing a greater customer experience and providing users with greater benefits. We will continue investing in our technological capabilities, enabling us to bring minds and ideas together. Grameenphone has been a partner in Bangladesh's development journey for more than two decades and continuing the same going forward in realising the Bangladesh government's vision of becoming a Smart Bangladesh and a digitally connected society; connecting people is what matters most to us. As an enabler of these ambitions, we will focus on a sharper strategy, that maximises investment for top-line revenue, EBITDA growth, while maximising cash flow.

Our strategy is broken down into the following four key Value Drivers

- 1. Sustainability:** Sustainability is of the core of our strategy and operations. It focuses on our entire value chain and how we are practising sustainability across. We will continue to manage the business environment to enable growth while mitigating disputes and safeguarding from possible risk exposure from existing and emerging areas. We will also continue to take a socially responsible position through climate management programme, strengthening digital inclusion, Youth upskilling, and expanding online safety at the national level and across new/digital businesses.
- 2. Customer Experience:** We start and end with customers with an equal focus for consumer and business segments. We will stand on the backbone of providing network leadership through continuous modernisation in the core network to ensure a superior experience for our customers. We continuously understand and predict customer needs through insight and feedback gathering, build tailored solutions through hyper personalisation, develop seamless customer journey and resolving any customer issue proactively and efficiently.
- 3. Transformation:** We focus on building a competent, resilient, and forward-thinking resource pool that thrives in driving a technology-driven business led by strong leaders, robust organisational capability and enabling culture. In the dynamic technology landscape, our journey of Telco to Telco-Tech mostly relies on stepping up in IT capability. Our focus on IT will be on enhancing infrastructure, modernising applications and building strong analytics.
- 4. Growth:** Our primary focus is to maintain voice and grow our data business faster by embracing new products, services, digitisation and innovation and continue exploring core and beyond core services while maintaining premium pricing. We will encourage a culture of continuous learning and experimentation to develop and provide new technologies and solutions to meet the evolving needs of businesses and consumers. We aim to grow with our customers and with our ecosystem partners.

The key value drivers outlined above will be driven with a strong emphasis on developing a culture and mindset across the value chain that will establish safety as an integral part of the business.

Our effort is to make ourselves future ready while delivering strong results in both customer experience, contributing towards progressing Bangladesh and financials KPIs to meet the expectations of our shareholders, stakeholders and above all our customers. As we contend with a fragmented value chain governed by a dynamic regulatory regime also challenges that we encounter during an economic slowdown we remain proactive in addressing regulatory issues and delivering on our strategic ambitions through strong market execution – thereby enhancing the quality of life for our customers.



Yasir Azman

Chief Executive Officer

05 February 2024



Suraiya Parveen & Associates

(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

Report to the Shareholders of Grameenphone Ltd. on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Grameenphone Ltd. for the year ended on December 31, 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the Company is satisfactory.

Dhaka, Dated
05 February 2024



For Suraiya Parveen & Associates
Chartered Secretaries

Suraiya Parveen, FCS
Chief Executive Officer

Tech Innovation is now

Grameenphone visualises an age of innovation and transformation in every corner of this country. Offering the country's most extensive coverage with over 21,000 network towers, 2600MHz network technology, and 3500+ network engineers striving for innovations, Grameenphone aims for an unified tech-revolution across agriculture and other sectors in the days to come.



Financial Statements 2023

Independent Auditor’s Report	78
Statement of Financial Position	83
Statement of Profit or Loss and Other Comprehensive Income	84
Statement of Changes in Equity	85
Statement of Cash Flows	86
Notes to the Financial Statements	87-133



Independent Auditor's Report

To the Shareholders of Grameenphone Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Grameenphone Ltd. (the Company), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to note # 45 (a) to the financial statements, wherein the management has explained the status of demand notice, which was received from the Bangladesh Telecommunication Regulatory Commission (BTRC) in relation to the information system audit conducted by BTRC. Based on the audit on Grameenphone from 1997 (inception) to 2014, BTRC sent a demand notice dated 02 April 2019 for payment of BDT 125.80 billion (including BDT 40.86 billion related to NBR). As stated in the same note, Grameenphone filed a Title Suit before the learned District Court against the BTRC Demand. The Court has fixed the next date on 29 September 2024. Meantime on 17 October 2019, in an Appeal filed by Grameenphone, the Hon'ble High Court Division (HCD) passed an interim order of injunction restraining BTRC from taking any steps based on, or pursuant to, or for the realisation of or enforcement of the Audit Demand dated 02 April 2019 and also stayed the suspension of NOCs by BTRC. Challenging the said interim order of stay and injunction, BTRC moved to the Hon'ble Appellate Division (AD), and on 24 November 2019, the Hon'ble AD pronounced its Order that the interim order of stay and injunction dated 17 October 2019 passed by the Hon'ble HCD is maintained subject to the condition that Grameenphone shall pay BDT 20 billion to BTRC within a period of three months. In a Review Petition filed by Grameenphone, the Hon'ble AD directed Grameenphone to deposit BDT 10 billion by 24 February 2020 and again directed to deposit another BDT 10 billion by 31 May 2020. Accordingly, Grameenphone deposited BDT 20 billion in total which is included in 'Other non-current assets' as disclosed in note # 9 to the financial statements. The hearings of Review Petition and Appeal have not taken place yet at Hon'ble AD and HCD respectively which will take place as per accommodation of the courts. BTRC Audit Demand includes, inter alia, deductibility of VAT from BTRC payments and spectrum assignment fee regarding which a separate litigation was pending before the Hon'ble AD. On 10 January 2023, the Hon'ble AD pronounced verbal judgement in that litigation and published written judgement on 01 June 2023 based on which Grameenphone has paid the entire principal amount to BTRC on 14 June 2023 (which includes BDT 3.92 billion as part of BTRC Audit Demand). Grameenphone is currently engaged in a without prejudice reconciliation exercise with BTRC. Detailed disclosures about the demand notice and court cases thereto have been given in note # 45(a) to the audited financial statements for the year ended 31 December 2023.

Key Audit Matters

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

Risk	Our Response to the Risk
<p>1. Regulatory matters</p> <p>Referring to note # 45 to the financial statements, the Company is subject to a number of significant claims and litigations. The amounts of claims are significant and estimates of provisions or contingent liabilities are subject to significant management judgment.</p> <p>These claims and litigations matters were a key audit matter due to the amounts involved, potential consequences, and the inherent difficulty in assessing the outcome. The assessment of whether a liability should be recognised involves prudent judgment from management.</p>	<p>We understood the process of identifying claims, litigations, and contingent liabilities and identified key controls in the process. For selected controls, we have performed tests of controls. Moreover, we have gained an understanding of management's decision process to disclose contingent matters in the financial statements.</p> <p>Our procedures also included, among others:</p> <ul style="list-style-type: none"> • Discussed material legal cases with the Company's Legal Department; • Analysed responses received from the Legal Department / external Legal Counsel of the Company; • Reviewed and analysed management's detailed assessment of the probability of outcome substantiated by those legal opinions; • Read the minutes of meetings of the Board of Directors and the Board Audit Committee; • Analysed the disputes/ cases settled during the year and assessed the reasonableness of provision kept against the amounts settled. • Ascertained the steps taken by the Company so that any disputes/ cases are resolved at the earliest, thus minimising the risk of such disputes turning into claims/cases. • Analysed contingent liabilities and changes in provisions for claims and litigations; • Assessed the circumstances which contributed to the significant uncertainties in management estimate of provisions together with the impact of the outcome of each matter; and • Assessed disclosures in the financial statements of material contingencies nature and their measurement.
<p>See note # 45 to the financial statements.</p>	
<p>2. Revenue recognition</p> <p>Referring to note # 26 to the financial statements, Revenue of BDT 158.72 billion is recognised in the statement of profit or loss and other comprehensive income of Grameenphone Ltd. This material item is subject to considerable inherent risk due to the complexity of the systems necessary for properly recording and identifying revenue and the impact of ever-changing business, price and tariff models (including tariff structures, customer loyalty rewards, and bundled subscription-based products). Against this background, the proper application of the accounting standards is considered to be complex and to a certain extent based on estimates and assumptions made by management.</p>	<p>Because the high degree of complexity and estimates and assumptions give rise to an increased risk of accounting misstatements, we assessed the Company's processes and controls for recognising revenue as part of our audit.</p> <p>Our audit approach included testing of the controls and substantive audit procedures as below:</p> <ul style="list-style-type: none"> • Assessed the relevant systems supporting the accounting of revenue; • Tested sample controls relating to the recognition of revenue; • Assessed the invoicing and measurement systems up to entries in the general ledger on a sample basis; • Analysed and tested customer contracts, invoices and receipts on a sample basis;



Risk	Our Response to the Risk
	<ul style="list-style-type: none"> Conducted analytical procedures such as trend analysis, ratio analysis, and variance analysis on a sample basis; and Analysed the revenue charging model against the regulatory guidelines on a sample basis. We read and analysed the disclosures made in the financial statements.
See note # 26 to the financial statements.	
3. Uncertain tax positions	
<p>Referring to note # 45 (b) of the financial statements, the Company is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business that could eventually require payments of taxes and possible additional charges. The assessment of uncertainty and risk of one or more unfavourable outcomes involves prudent judgment from management.</p> <p>These uncertain tax positions were a key audit matter because of the amounts involved and because of the uncertainty in estimating the final outcome of these matters.</p> <p>The Company records provisions for uncertain liabilities, including tax contingencies, when it is more likely than not that a liability has been incurred, and the amount can be reliably estimated.</p>	<p>We took into consideration the complexity of accounting and tax issues, internal controls, and gained an understanding over the entity's accounting for taxes and management's process for assessing the effectiveness of internal controls over the significant income tax accounts and the related financial statement disclosures.</p> <p>Our procedures also included:</p> <ul style="list-style-type: none"> Obtained a listing of all ongoing tax litigations, each above BDT 200 million; Discussed with the management regarding tax matters, tax jurisdictions, and tax communications; Identified and tested relevant controls over tax accounts and financial statement disclosures; Obtained, read and analysed opinions by the Company from the tax consultants and external counsels of the Company as shared by the management; Verified account reconciliations and traced demand amounts, amounts paid under protest and considered recoverable and amounts charged off on a sample basis to the underlying supporting demand notices, invoices, bank payments and trial balance; Analysed the technical merits of each demand based on applicable tax provisions and considered settled tax positions in determining estimate of tax contingency made by the management and Obtained and read the disclosures made in the accompanying financial statements.
See note # 35 to the financial statements.	
4. IT systems and controls	
<p>The Company's key financial accounting and reporting processes are significantly dependent on the automated controls over the Company's information systems. As such, there are risks of gaps in the IT control environment, including automated accounting procedures. IT-dependent manual controls and controls preventing unauthorised access and unauthorised changes to systems and data could result in the financial accounting and reporting records being materially misstated.</p> <p>The IT systems and controls, as they impact the financial recording and reporting of transactions, is a key audit matter.</p>	<p>We performed audit procedures to assess IT systems and controls over financial reporting, which included the following:</p> <ul style="list-style-type: none"> Tested sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access, system change management and computer operations; Assessed the management's evaluation of access rights granted to applicants relevant to financial accounting and reporting systems, and tested resolution of a sample of exceptions and some IT General Controls as per ICFR guidelines;

Risk	Our Response to the Risk
	<ul style="list-style-type: none"> Assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights; and Tested sample of specific application controls for key financial reporting controls. In addition, we also reviewed IT Governance of the Company on a sample basis.

Other Information

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

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

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

When we read the annual report before finalisation, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

Dated, Dhaka

05 February 2024

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012

Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrolment # 0353
DVC: 2402050353AS766692

Grameenphone Ltd.

Statement of financial position

As at 31 December 2023

	Notes	2023 BDT (000)	2022 BDT (000)
Assets			
Non-current assets			
Property, plant and equipment	4	67,019,995	62,849,119
Intangible assets	5	4,396,001	4,023,092
Right-of-use assets	6	76,086,723	80,501,010
Contract cost	8	7,141,432	5,148,908
Other non-current assets	9	20,471,568	20,471,567
Total non-current assets		175,115,719	172,993,696
Current assets			
Inventories	10	591,449	1,088,393
Trade receivables and others	11	7,994,702	7,679,405
Cash and cash equivalents	12	16,718,338	3,325,922
Total current assets		25,304,489	12,093,720
Total assets		200,420,208	185,087,416
Equity and liabilities			
Shareholders' equity			
Share capital	14	13,503,000	13,503,000
Share premium	15	7,840,226	7,840,226
Capital reserve	16	14,446	14,446
Retained earnings		45,331,868	24,853,086
Total equity		66,689,540	46,210,758
Non-current liabilities			
Lease liabilities	6	40,212,825	41,046,666
Deferred tax liabilities	17	479,369	3,060,593
Employee benefits	18	384,470	1,340,324
Other non-current liabilities	19	456,235	496,323
Total non-current liabilities		41,532,899	45,943,906
Current liabilities			
Trade payables and others	20	29,619,417	27,275,330
Provisions	21	23,946,716	23,612,398
Lease liabilities	6	10,006,247	10,852,496
Loans and borrowings	22	3,119,599	5,037,394
Current tax liabilities	23	19,459,679	23,779,920
Other current liabilities	24	5,968,502	2,316,342
Unclaimed dividend	25	77,609	58,872
Total current liabilities		92,197,769	92,932,752
Total equity and liabilities		200,420,208	185,087,416

The annexed notes 1 to 46 form an integral part of these financial statements.


Director


Director


Chief Executive Officer


Company Secretary

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012



Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrolment # 0353
DVC: 2402050353AS766692

Dated: Dhaka, 05 February 2024

Grameenphone Ltd.

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2023

	Notes	2023 BDT (000)	2022 BDT (000)
Revenue	26	158,715,818	150,403,469
Cost of material and traffic charges	27	(9,961,041)	(10,088,492)
Salaries and personnel cost	28	(8,494,009)	(9,235,728)
Operation and maintenance	29	(6,272,385)	(4,252,580)
Sales, marketing and commissions	30	(15,428,172)	(15,278,933)
Revenue sharing and spectrum charges	31	(12,009,842)	(12,583,383)
Other operating (expenses)/income	32	(9,799,694)	(7,466,582)
Depreciation and amortisation	33	(32,321,703)	(27,899,584)
		(94,286,846)	(86,805,282)
Operating profit		64,428,972	63,598,187
Finance (expense)/income	34	(9,383,833)	(10,177,407)
Foreign exchange (loss)/gain		(721,266)	(1,430,677)
		(10,105,099)	(11,608,084)
Profit before tax		54,323,873	51,990,103
Income tax expense	35	(21,249,000)	(21,898,505)
Profit after tax		33,074,873	30,091,598
Other comprehensive income			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan	18	386,265	(3,164)
Related taxes		(154,506)	1,266
		231,759	(1,898)
Total comprehensive income for the year		33,306,632	30,089,700
Earnings per share			
Basic earnings per share (per value BDT 10 each in BDT)	36	24.49	22.29

The annexed notes 1 to 46 form an integral part of these financial statements.



Director



Director

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012



Abu Sayed Mohammed Nayeem, FCA
Partner

ICAB Enrolment # 0353

DVC: 2402050353AS766692



Chief Executive Officer



Company Secretary

Dated: Dhaka, 05 February 2024

Grameenphone Ltd.

Statement of changes in equity

For the year ended 31 December 2023

	Share capital BDT (000)	Share premium BDT (000)	Capital reserve BDT (000)	Retained earnings BDT (000)	Total BDT (000)
Balance as at 01 January 2022	13,503,000	7,840,226	14,446	28,520,886	49,878,558
Transactions with the equity holders:					
Final dividend for 2021	-	-	-	(16,878,750)	(16,878,750)
Interim dividend for 2022	-	-	-	(16,878,750)	(16,878,750)
Total comprehensive income for the year					
Profit for the year	-	-	-	30,091,598	30,091,598
Other comprehensive income/(loss)	-	-	-	(1,898)	(1,898)
Balance as at 31 December 2022	13,503,000	7,840,226	14,446	24,853,086	46,210,758
Balance as at 01 January 2023	13,503,000	7,840,226	14,446	24,853,086	46,210,758
Transactions with the equity holders:					
Final dividend for 2022	-	-	-	(12,827,850)	(12,827,850)
Interim dividend for 2023	-	-	-	-	-
Total comprehensive income for the year					
Profit for the year	-	-	-	33,074,873	33,074,873
Other comprehensive income/(loss)	-	-	-	231,759	231,759
Balance as at 31 December 2023	13,503,000	7,840,226	14,446	45,331,868	66,689,540

Grameenphone Ltd.

Statement of cash flows

For the year ended 31 December 2023

	2023	2022
	BDT (000)	BDT (000)
Cash flows from operating activities		
Cash receipts from customers	159,409,773	148,708,931
Payroll and other payments to employees	(9,152,891)	(10,266,672)
Payments to suppliers, contractors and others	(57,035,890)	(47,937,814)
Interest received	352,911	156,852
Interest paid	(4,668,117)	(2,762,520)
Income tax paid	(28,304,971)	(24,086,083)
	(98,808,958)	(84,896,237)
Net cash generated from operating activities	60,600,815	63,812,694
Cash flows from investing activities		
Payment for acquisition of property, plant and equipment, Right-of-use and intangible assets	(23,860,594)	(21,786,189)
Proceeds from sale of property, plant and equipment	263,706	214,929
Net cash used in investing activities	(23,596,888)	(21,571,260)
Cash flows from financing activities		
Payment of short-term bank loan	(2,321,927)	(462,606)
Payment of dividend	(9,093,155)	(33,584,032)
Transfer of unclaimed dividend to Capital Market Stabilisation Fund	(13,787)	(15,478)
Payment of lease liabilities	(12,376,119)	(7,920,920)
Net cash used in financing activities	(23,804,988)	(41,983,036)
Net change in cash and cash equivalents	13,198,939	258,398
Cash and cash equivalents as at 01 January	3,325,922	2,748,661
Effect of exchange rate fluctuations on cash held	193,477	318,863
Cash and cash equivalents as at 31 December (Note 12)	16,718,338	3,325,922

Grameenphone Ltd.

Notes to the financial statements

For the year ended 31 December 2023

1. Corporate information

Grameenphone Ltd. (hereinafter referred to as "Grameenphone"/"GP"/"the Company") is a public limited Company incorporated in Bangladesh in 1996 under the Companies Act 1994 and has its registered address at GPHOUSE, Bashundhara, Baridhara, Dhaka 1229. Grameenphone was initially registered as a private limited Company and subsequently converted into a public limited Company on 25 June 2007. During November 2009, Grameenphone listed its shares with both Dhaka and Chittagong Stock Exchanges. The immediate parent of Grameenphone is Telenor Mobile Communications AS and the ultimate parent is Telenor ASA; both the companies are incorporated in Norway.

The Company is primarily involved in providing mobile telecommunication services (voice, data and other related services), along with digital services in Bangladesh. The Company also provides international roaming services through international roaming agreements with various operators of different countries across the world.

2. Basis of preparation

These financial statements are individual financial statements of Grameenphone, and have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh. These individual financial statements present the financial position and performance of Grameenphone and its investment in Accenture Communications Infrastructure Solutions Ltd. (ACISL) being accounted for under the equity method in accordance with IAS 28 Investment in Associates and Joint Ventures.

In accordance with the requirements of IAS 36 Impairment of Assets, the carrying amount of investment in ACISL as at 31 October 2016 had been fully impaired and no further share of loss has been recognised in line with paragraph 39 of IAS 28 Investment in Associates and Joint Ventures. The assessment of recoverable amount from investment in associate remained unchanged as at 31 December 2023. Hence, for understanding of Grameenphone's stand-alone financial performance, a separate statement of profit or loss and other comprehensive income is not necessary.

These financial statements have been prepared on going concern basis. Unless otherwise specifically mentioned, historical cost principle has been followed for the purpose of these financial statements.

Authorisation for issue

These financial statements have been authorised for issue by the Board of Directors of the Company on 05 February 2024.

2.1 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the Company. The amounts in these financial statements have been rounded off to the nearest BDT in thousand (BDT'000) except otherwise indicated. As a result of these rounding off, in some instances the totals may not match the sum of individual balances.

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

1. The Company has recognised Right-of-use assets as per IFRS 16 which required management to make important judgements in determination of lease terms. For details, please see Note 3.7 to these financial statements.
2. The Company has significant influence over Accenture Communications Infrastructure Solutions Ltd. (ACISL).

Estimates and assumptions

Key estimates and assumptions used in preparation of these financial statements are:

1. Applicable tax rate for Income Year 2023 will be declared by Finance Act 2024. For the purpose of these financial statements, management has assumed that the existing corporate tax rate (40%) will be applicable for Income Year 2023 as well.
2. Appropriate financial and demographic assumptions have been used in consultation with a certified actuary to measure defined benefit obligation as at 31 December 2023.
3. Key assumptions about the likelihood and magnitude of outflow of resources have been used to recognise and measure provisions and contingencies.
4. Recoverable amount of Investment in Associate.
5. Significant uncertainty exists on the validity and outcome of the dispute with regard to the demand arisen out of BTRC Audit. Note 45 (a) discusses the issue in details.

3. Significant accounting policies

Accounting policies set out below have been applied consistently to all years presented in these financial statements. Comparative information has been rearranged wherever considered necessary to conform to the current year's presentation.

3.1 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- i) expected to be realised or intended to be sold or consumed in normal operating cycle, or
- ii) expected to be realised within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- i) expected to be settled in normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.2 Offsetting

The Company reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

Cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the entity and cash receipts and payments for items in which the turnover is quick, the amounts are large, and the maturities are short, are presented net in the statement of cash flows.

3.3 Cash dividend to the equity holders

The Company recognises a liability to pay cash dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments.

3.5 Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. Cost also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located and capitalised borrowing costs. The obligations for costs of dismantling and removing the item and restoring the site (generally called 'asset retirement obligation') are recognised and measured in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When major parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(b) Subsequent costs

The cost of replacing or upgradation of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day to day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(c) Depreciation

No depreciation is charged on land and capital work in progress (CWIP) as the land has unlimited useful life and CWIP has not yet been placed in service.

Depreciation on other items of property, plant and equipment is recognised on a straight-line basis over the estimated useful life of each item of property, plant and equipment. The range of estimated useful lives shown below depends on sub-category of the assets under the broad category. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Depreciation method, useful lives and residual values are reviewed at each year-end and adjusted if appropriate. The estimated useful lives of the items of property, plant and equipment for the current and comparative periods are as follows:

Own assets:

Building
 Base station - equipment
 Base station - tower, fibre optic network and related assets
 Transmission equipment
 Computers and other IT equipment
 Furniture and fixtures (including office equipment)
 Vehicles

2023 Years	2022 Years
10 -50	10 -50
3-10	3-10
7- 30	7- 30
5-10	5-10
3-4	3-4
3-5	3-5
4	4

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

(e) Capital work in progress

Capital work in progress consists of unfinished work at sites and capital inventory. Spare parts expected to be used for more than one year are treated as capital work in progress. In case of import of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Company.

(f) Capitalisation of borrowing costs

As per the requirements of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.6 Intangible assets**(a) Recognition and measurement**

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38 Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the profit or loss as incurred.

Development activities involve a plan or design for the production of new and substantially improved products and processes. Development expenditures, on an individual project, are recognised as an intangible asset when the Company can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

- f. its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Other development expenditures are recognised in profit or loss as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is placed in service. It is amortised over the period of expected future economic benefits. During the period of development, the asset is tested for impairment annually.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

(b) Subsequent costs

Subsequent costs are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognised in profit or loss as incurred.

(c) Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of intangible assets. The estimated useful lives are as follows:

	2023 Years	2022 Years
Software and others:		
Pulse Code Modulation (PCM)	5	5
Billing software	5	5
Other operational software	3-7	3-7
Network management software	7	7

Amortisation methods, useful lives and residual values are reviewed at each year-end and adjusted, if appropriate.

(d) Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss.

3.7 Leases

At inception of a contract, Grameenphone assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, Grameenphone assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- Grameenphone has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- Grameenphone has the right to direct the use of the asset. Grameenphone has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, Grameenphone has the right to direct the use of the asset if either:

- (i) Grameenphone has the right to operate the asset; or
- (ii) Grameenphone designed the asset in a way that predetermines how and for what purpose it will be used.

The policy is applied to contracts entered into, or changed, on or after 1 January 2019.

At inception or on the reassessment of a contract that contains a lease component, Grameenphone allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. As a practical expedient, fixed non-lease components embedded in the lease contract are not separated and recognised as part of lease liabilities and right-of-use assets.

Telecom licence and spectrum

Grameenphone has chosen to apply IFRS 16 on telecom licence and spectrum which was earlier accounted for under IAS 38 Intangible Assets.

Grameenphone as a lessee

Grameenphone recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is depreciated using the straight line methods from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The estimated useful lives of the items of the right of use asset for the current and comparative periods are as follows:

Right-of-use assets:

Fibre Optic Network (FON)
Spectrum-2008
Telecom licence and spectrum -2011
3G licence and spectrum
4G licence and spectrum

2023 Years	2022 Years
Upto 30	Upto 30
18	18
15	15
15	15
15	15

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Grameenphone's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index rate as the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that Grameenphone is reasonably certain to exercise, lease payments in an optional renewal period if Grameenphone is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Grameenphone is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Grameenphone's estimate of the amount expected to be payable under a residual value guarantee, or if Grameenphone changes its assessment of whether it will exercise purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right to use asset has been reduced to zero.

Grameenphone presents right of use assets and lease liabilities as separate captions in the statement of financial position.

Short-term leases and leases of low-value assets

Grameenphone has elected not to recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets for which the underlying asset is of BDT 400,000 or less. Grameenphone recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

Grameenphone determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Grameenphone applies judgement in evaluating whether it is reasonably certain to exercise an option not to terminate the lease and an option to renew a lease contract. Grameenphone considers all relevant factors before exercising any option. After the commencement date, Grameenphone reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the options (e.g. a change in business strategy).

Grameenphone considered the lease term for active leases at the date of initial application as maximum of 5 years or remaining non-cancellable period from 1 January 2019 by considering changes in technology, development in regulatory environment etc. Leases which would expire before 5 years from 1 January 2019, the lease term had been considered up to the expiry of lease. Leases which commenced on or after 1 January 2019, the lease term would be limited to either their non-cancellable period or 31 December 2023 whichever was later.

In 2020, due to the occurrence of significant event, Grameenphone reassessed its lease term as on 31 December 2020. As an outcome of this reassessment, lease term has been extended for 2 more years.

Consequently, remaining lease term for active leases as on 31 December 2020 will be as maximum of 5 years or remaining non-cancellable period from the same date. Leases which will expire before 5 years from 31 December 2020, the remaining lease term has been considered up to the expiry of lease.

Leases which commence on or after 31 December 2020, the lease term will be limited to either their non-cancellable period or 31 December 2025 whichever was later.

Grameenphone as a lessor

When Grameenphone acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, Grameenphone makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, Grameenphone considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, Grameenphone applies IFRS 15 to allocate the consideration in the contract.

Grameenphone recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

Sub lease

When Grameenphone is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which Grameenphone applies the exemption described in "Short-term leases and leases of low-value assets", then it classifies the sub-lease as an operating lease.

Grameenphone as an intermediate lessor accounts for the sublease as follows:

- (i) if the sublease is classified as an operating lease, Grameenphone continues to account for the lease liability and right-of-use asset on the head lease like any other lease; or
- (ii) if the sublease is classified as a finance lease, Grameenphone derecognises the right-of-use asset on the

head lease at the sublease commencement date and continues to account for the original lease liability in accordance with the lessee accounting model. Grameenphone, as the sublessor, recognises a net investment in the sublease.

3.8 Investment in associate

An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not to exercise control or joint control over those policies. Investment in associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the investor's share of net assets of the associate since the acquisition date. The statement of profit or loss and other comprehensive income reflects the investor's share of the results of operations of the associate. Any change in other comprehensive income (OCI) of the investee is presented as part of the investor's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the investor recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the investor and the associate are eliminated to the extent of the interest in the associate.

Share of profit/loss of associate is not recognised in Grameenphone's individual financial statements until it is realised through dividend. Dividend income is recognised when Grameenphone's right to receive payment is established.

3.9 Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on Grameenphone's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. Trade receivables are classified as Financial assets measured at amortised cost.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortised cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. Grameenphone measures loss allowances at an amount equal to ECL from trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, Grameenphone considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on Grameenphone's historical experience and informed credit assessment and including forward-looking information.

Grameenphone considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by Grameenphone to actions such as realising security (if any is held).

Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Grameenphone uses Lifetime Expected Credit Loss method for Trade receivables.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Impairment losses related to trade receivables and others, including contract assets, are presented separately in the notes to the financial statement.

3.10 Inventories

Inventories consisting of scratch cards, SIM cards, mobile handsets, data cards and other devices are valued at lower of cost and net realisable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying amount of inventories to the lower of cost and net realisable value. Net realisable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.11 Employee benefits

The Company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. Both of the plans are funded and are recognised/approved under Income Tax Ordinance 1984.

(a) Defined contribution plan (provident fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contribution to defined contribution plans are recognised as an employee benefit expense in profit or loss in the period during which related services are rendered by employees. Advance contributions are recognised as an asset to the extent that a cash refund or a reduction in future payment is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which employees render the services are discounted to the present value.

Grameenphone has a separate recognised provident fund scheme. All permanent employees of Grameenphone contribute 10% of their basic salary to the provident fund and the Company makes matching contributions.

The Company recognises contribution to defined contribution plan as an expense when an employee has rendered related services in exchange for such contribution. The legal and constructive obligation is limited to the amount Grameenphone agrees to contribute to the fund.

(b) Defined benefit plan (gratuity fund)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The Company's obligation is to provide the agreed benefits to current and former employees.

The net defined benefit liability (asset) in respect of a defined benefit plan is recognised in the statement of financial position. The net defined benefit liability (asset) is made up of:

- i) the present value of defined benefit obligation; less
- ii) the fair value of plan assets; adjusted for
- iii) any effect of limiting a net defined benefit asset to the asset ceiling.

Present value of defined benefit obligation is determined by professional actuary. Projected Unit Credit method is used to measure the present value of defined benefit obligations and related current and past service cost by using mutually compatible actuarial assumptions about demographic and financial variables.

Current service cost, past service cost and gain/loss on settlement and net interest on the net defined benefit liability (asset) are recognised in profit or loss. Service cost and gain/loss on settlement are classified as personnel expense and net interest on the net defined benefit liability (asset) is classified as financial expense.

Remeasurements of the net defined liability (asset) are recognised in other comprehensive income, comprising:

- i) actuarial gains and losses;
- ii) return on plan asset, excluding amounts included in net interest on the net defined benefit liability (asset); and
- iii) any change in the effect of the asset ceiling excluding amounts included in net interest on the net defined benefit liability (asset).

Relevant tax impacts of such remeasurements are also recognised under other comprehensive income.

(c) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount of annual leave encashment based on the latest basic salary.

3.12 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

(a) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rates used for the reporting periods are as follows:

Year	Tax rate
2023	40%
2022	40%

(b) Deferred tax

Deferred tax is recognised in compliance with IAS 12 Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and amounts used for taxation purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each year-end and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.13 Accruals, provisions and contingencies

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade payables and others.

(b) Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a

current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Asset Retirement Obligations (ARO)

Asset Retirement Obligations (ARO) are recognised when there is a legal or constructive obligation as a result of past event for dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is recognised as part of the cost of the related property, plant and equipment. The amount recognised is the estimated expected cost of decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The Company recognises ARO in respect of base station and office space. The periodic unwinding of the discount is recognised in profit or loss as a finance cost as it occurs.

(c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. We recognise any amount as an asset only if recovery of that amount is virtually certain.

Contingent liabilities and assets are not recognised in the statement of financial position of the Company. Significant contingencies are disclosed in the notes to the financial statements.

3.14 Revenue from contract with customers

Under IFRS 15, revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it satisfies a performance obligation by transferring control over goods or services to a customer.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Nature of goods and services

The following is a description of the principal activities from which the Company generates its revenue

(a) Subscription and traffic fees

Revenues from subscription fees are recognised over the subscription period while revenues from voice and non-voice services are recognised upon actual use. Consideration from the sale of prepaid cards to customers where services have not been rendered at the reporting date is deferred until actual usage or when the cards expire or airtime balances are forfeited.

(b) Connection fees

A connection fee received in the beginning is not considered a separate performance obligation as the connection or SIM card is not a distinct goods or service that is delivered initially. Connection fees that are charged and not allocated to the other elements of an arrangement are deferred and recognised over the periods in which the fees are expected to be earned. The earning period is the average expected lifetime of the customer i.e. four years.

(c) Commission income

The Company recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for other parties to provide goods or services. The Company's fee or commission might be the net amount of consideration that it retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

(d) Customer equipment

The Company recognises revenue when it satisfies a performance obligation by transferring a promised good (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset.

(e) Discounts

Discounts are often provided in the form of cash discounts or free products and services delivered by the Company or by external parties. Discounts are recognised on a systematic basis over the period the discount is earned. Cash discounts or free products and services given as part of sales transactions are recognised as a reduction of revenue. Free products or services provided that are not related to sales transactions are recognised as expenses. Discounts are recognised when they are earned and not when they are awarded i.e. at the same time when the underlying services are delivered to which those discounts relate.

(f) Multiple element arrangement

Multiple element arrangements or bundled offers are sales arrangements that require the Company to deliver more than one product and/or perform more than one service, often over an extended period of time. The characteristics of such arrangements mean that the Company must determine if the different elements in a package can be separated from one another - i.e. can be considered distinct performance obligations. The total contract price is then to be allocated to the distinct performance obligations, and revenue is to be recognised in accordance with satisfaction of the performance obligations.

The transaction price is allocated to separate performance obligations in a contract based on relative standalone selling prices. The requirement to allocate revenue on a relative stand-alone selling price basis may result in similar goods and services (e.g. a particular customer equipment or a particular service plan) being allocated different amounts of revenue depending on how the products and service plans are bundled into the arrangement.

Stand-alone selling price for the equipment would be list-price when sold by the Company on a stand-alone basis (not in a bundle). If the Company does not sell the equipment separately, the stand-alone selling price is to be estimated.

(g) Interest and dividend income

Interest income is accrued on a time proportion basis that reflects an effective yield on the financial asset. Dividend income from an investment is recognised when the Company's rights to receive payment is established (declared by the Annual General Meeting of the investee or otherwise).

Contract Costs

Contract costs are costs that are incremental to obtaining a contract with a customer or costs that are directly related to fulfilling a specified contract with a customer (fulfilment costs). Incremental costs of obtaining a contract with a customer is recognised as an asset if the expectation is that the costs will be recoverable except for incremental costs that would have been amortised in a year or less. These may be expensed as incurred.

Contract costs is capitalised as assets and amortised in a way that is consistent with the transfer of the related goods and services. Customer acquisition costs for Grameenphone includes SIM cost, different commissions and other directly attributable costs related to acquisition of customers.

Management expects that customer acquisition cost are recoverable. In the comparative period, such costs were capitalised but to the extent of connection revenue earned. These costs are amortised over the average expected lifetime of the customer i.e. four years.

Determination of agent and principal

The determination of whether the Company is acting as a principal or as an agent in a transaction is based on an evaluation of the substance of the transaction, the responsibility for providing the goods or services, setting prices, form of consideration and exposure to credit risk. When another party is involved in providing goods or services to a customer, the entity shall determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the entity is a principal) or to arrange for the other party to provide those goods or services (i.e. the entity is an agent). Where the Company

acts as a principal, the revenues are recognised on a gross basis. This requires revenue to comprise the gross value of the transaction billed to the customers, after trade discounts, with any related expenses charged as operating costs. Where the Company acts as an agent, the expenses are offset against the revenues and the resulting net revenues represent the margins or commissions earned for providing services in the capacity of an agent.

Licence fees payable to Bangladesh Telecommunication Regulatory Commission (BTRC) that are calculated on the basis of revenue share arrangements are not offset against the revenues. Instead, they are recognised as operating costs because the Company is considered to be the primary obligor.

Customer loyalty programme

Nature and timing of satisfaction of performance obligations

Customers who purchase GP's products or services and fulfil certain conditions enter the Company's customer loyalty programme and earn points. The points are redeemable against any future purchases of the Company's or third party's products or services at customers' discretion. The loyalty points accumulate on cumulative basis and expire after two years where remaining days of current year will be counted as one year. Further, all the accumulated points expire when a subscriber stops using MyGP App for a consecutive period of three months. However, no loyalty point are awarded when a subscriber stops using MyGP App for a consecutive period of one month.

Revenue recognition

GP segregates the monetary value equivalent of the loyalty points as unearned revenue. At subsequent redemption of the loyalty points, nature wise revenue is recognised i.e. where such points are used by customers. Where customer chooses to avail third party goods or services then accounting is done after analysing agent principal relationship. For expired loyalty points, revenue is recognised at expiry.

3.15 Foreign currency transactions

The financial statements are presented in BDT, which is Company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into BDT at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss as per IAS 21 The Effects of Changes in Foreign Exchange Rates.

3.16 Earnings per share

The Company presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods.

3.17 Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

4 Property, plant and equipment

31 December 2023

Name of assets	Cost					Depreciation				Carrying amount
	As at 01 January 2023	Additions during the year	Disposals/ Adjustments during the year	As at 31 December 2023	As at 01 January 2023	Charged during the year	Disposals/ Adjustments during the year	As at 31 December 2023	As at 31 December 2023	
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Land (Note 4.1)	1,228,584	9,106	(124)	1,237,566	-	-	-	-	-	1,237,566
Building	4,102,681	14,100	-	4,116,781	2,399,320	179,146	-	2,578,466	1,538,315	1,538,315
Base station	145,555,209	14,526,247	(3,711,206)	156,370,250	98,343,017	10,672,227	(3,471,743)	105,543,501	50,826,749	50,826,749
Transmission equipment	24,148,186	2,271,120	(25,672)	26,393,634	19,646,286	1,600,193	(25,667)	21,220,812	5,172,822	5,172,822
Computers and other IT equipment	9,960,087	1,609,623	(82,839)	11,486,871	6,949,016	1,013,939	(82,382)	7,880,573	3,606,298	3,606,298
Furniture and fixtures (including office equipment)	2,872,750	170,617	(28,237)	3,015,130	2,684,253	100,608	(26,139)	2,758,722	256,408	256,408
Vehicles	715,233	11,563	(154,972)	571,824	391,103	78,036	(107,975)	361,164	210,660	210,660
Capital work in progress (Note 4.2)	188,582,730	18,612,376	(4,003,050)	203,192,056	130,412,995	13,644,149	(3,713,906)	140,343,238	62,848,818	62,848,818
	4,679,384	18,242,267	(18,750,474)	4,171,177	-	-	-	-	-	4,171,177
	193,262,114	36,854,643	(22,753,524)	207,363,233	130,412,995	13,644,149	(3,713,906)	140,343,238	67,019,995	67,019,995

31 December 2022

Name of assets	Cost					Depreciation				Carrying amount
	As at 01 January 2022	Additions during the year	Disposals/ Adjustments during the year	As at 31 December 2022	As at 01 January 2022	Charged during the year	Disposals/ Adjustments during the year	As at 31 December 2022	As at 31 December 2022	
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Land (Note 4.1)	1,069,921	159,025	(362)	1,228,584	-	-	-	-	-	1,228,584
Building	4,064,482	38,199	-	4,102,681	2,219,937	179,383	-	2,399,320	1,703,361	1,703,361
Base station	134,197,356	13,760,730	(2,402,877)	145,555,209	90,441,309	10,197,864	(2,296,156)	98,343,017	47,212,192	47,212,192
Transmission equipment	21,542,040	2,606,210	(64)	24,148,186	18,094,570	1,551,780	(64)	19,646,286	4,501,900	4,501,900
Computers and other IT equipment	8,332,855	1,739,326	(112,094)	9,960,087	5,987,571	1,072,231	(110,786)	6,949,016	3,011,071	3,011,071
Furniture and fixtures (including office equipment)	2,885,809	92,011	(105,070)	2,872,750	2,677,076	110,086	(102,909)	2,684,253	188,497	188,497
Vehicles	893,196	51,881	(229,844)	715,233	464,644	99,053	(172,594)	391,103	324,130	324,130
Capital work in progress (Note 4.2)	172,985,659	18,447,382	(2,850,311)	188,582,730	119,885,107	13,210,397	(2,682,509)	130,412,995	58,169,735	58,169,735
	7,287,398	15,911,389	(18,519,403)	4,679,384	-	-	-	-	-	4,679,384
	180,273,057	34,358,771	(21,369,714)	193,262,114	119,885,107	13,210,397	(2,682,509)	130,412,995	62,849,119	62,849,119

4.1 Land

Land represents freehold land acquired for office premises and base stations.

4.2 Capital work in progress (CWIP)

This represents primarily the cost of network equipment under construction and capital inventory.

The amount of CWIP completed and transferred during the year to the corresponding items of property, plant and equipment was as follows:

Name of assets	2023	2022
	BDT (000)	BDT (000)
Land (Note 4.1)	9,106	159,025
Building	14,100	38,199
Base station	14,526,247	13,760,730
Transmission equipment	2,271,120	2,606,210
Computers and other IT equipment	1,609,623	1,739,326
Furniture and fixtures	170,617	92,011
Vehicles	11,563	51,881
	18,612,376	18,447,382

4.2.1 Capital work in progress - components

Capital work in progress as at 31 December 2023 included capital inventory of BDT 2,794,779,260 (2022: BDT 3,384,084,289) and work-in-progress of BDT 1,376,396,034 (2022: BDT 1,295,298,443).

Name of assets	Cost			Amortisation			Carrying amount
	As at 01 January 2023	Additions during the year	Disposals/ Adjustments the year	As at 31 December 2023	Charged during the year	Disposals/ Adjustments the year	As at 31 December 2023
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Software and others (Note 5.1)	15,653,902	2,548,870	(74,333)	18,128,439	1,313,221	(31,566)	4,168,506
Capital work in progress (Note 5.2)	15,653,902	2,548,870	(74,333)	18,128,439	1,313,221	(31,566)	4,168,506
	1,047,468	1,728,898	(2,548,871)	227,495	-	-	227,495
	16,701,370	4,277,768	(2,623,204)	18,355,934	1,313,221	(31,566)	4,396,001

31 December 2022

Name of assets	Cost			Amortisation			Carrying amount
	As at 01 January 2022	Additions during the year	Disposals/ Adjustments the year	As at 31 December 2022	Charged during the year	Disposals/ Adjustments the year	As at 31 December 2022
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Software and others (Note 5.1)	14,266,259	1,387,643	-	15,653,902	1,036,131	-	2,975,624
Capital work in progress (Note 5.2)	14,266,259	1,387,643	-	15,653,902	1,036,131	-	2,975,624
	1,008,184	1,426,927	(1,387,643)	1,047,468	-	-	1,047,468
	15,274,443	2,814,570	(1,387,643)	16,701,370	1,036,131	-	4,023,092

5.1 Software and others

Software includes business software and network management software. Business software includes mainly billing software, oracle financial software, data mining software, campaign automation software, DNS Software, Huawei GGSN SW, Charging System Upgrade etc.

5.2 Capital work in progress (CWIP)

CWIP includes cost of software in process of installation/implementation and also software under testing phase awaiting users' acceptance.

6 Leases

A. Leases as lessee

Grameenphone leases land, rooftop, office & residential spaces, warehouse, tower infrastructure facilities and fibre optical network. Telecom licences and spectrums have also been chosen to consider as lease after implementation of IFRS 16. Information about leases for which Grameenphone is a lessee is presented below.

(i) Right-of-use assets

31 December 2023

Name of assets	Cost			Amortisation			Carrying amount
	As at 01 January 2023	Addition during the year	Disposal/ adjustment during the year	As at 31 December 2023	Charged during the year	Disposal/ adjustment during the year	As at 31 December 2023
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Fibre Optic Network	14,273,341	2,613,327	(59,374)	16,827,294	1,926,247	(15,922)	6,870,280
Telecom licence, annual licence renewal fees and spectrum	104,713,107	2,723,200	-	107,436,307	10,003,796	-	46,832,972
Base transceiver station - Green Field	1,887,021	71,041	(71,660)	1,886,402	337,352	(35,169)	658,487
Base transceiver station - Roof Top	4,452,528	363,900	(188,715)	4,627,713	804,997	(147,520)	1,367,760
Infrastructure sharing site	23,655,024	7,255,543	-	30,910,567	4,076,404	-	20,128,345
Office/residential space	816,120	72,924	(237,481)	651,563	215,537	(208,730)	228,879
	149,797,141	13,099,935	(557,230)	162,339,846	17,364,333	(407,341)	76,086,723

31 December 2022

Name of assets	Cost			Amortisation			Carrying amount
	As at 01 January 2022	Addition during the year	Disposal/ adjustment during the year	As at 31 December 2022	Charged during the year	Disposal/ adjustment during the year	As at 31 December 2022
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Fibre Optic Network	11,377,496	2,895,845	-	14,273,341	786,467	-	6,226,652
Telecom licence, annual licence renewal fees and spectrum	86,161,920	18,551,187	-	104,713,107	8,589,943	-	54,113,568
Base transceiver station - Green Field	1,866,112	57,312	(36,403)	1,887,021	324,812	(6,861)	961,289
Base transceiver station - Roof Top	4,226,254	384,078	(157,804)	4,452,528	759,894	(109,355)	1,850,052
Infrastructure sharing site	14,065,842	9,589,182	-	23,655,024	2,989,227	-	16,949,206
Office/residential space	780,888	241,713	(206,481)	816,120	202,712	(185,388)	400,243
	118,478,512	31,719,317	(400,688)	149,797,141	13,653,055	(301,604)	80,501,010

Right-of-use assets addition

Right-of-use assets addition for the year ended 31 December 2023 is BDT 13,099,935,000. BDT 2,751,704,000 has been paid at the time of acquisition and has been classified as part of investing activities in the Statement of Cash Flows. The remaining amount of BDT 10,348,231,000 will be paid when falls due and is classified as part of financing activities.

BDT 2,723,200,000 has been capitalised for 2G licence under Telecom licence, annual licence renewal fees and spectrum, arising from change in estimated total cash outflow related to regulatory disputes.

Telecom licence, annual licence renewal fees and spectrum

The tenure of Mobile Cellular Licence and 14.6 MHz of spectrum acquired in 1996 expired on 10 November 2011. The tenure of this 2G licence and spectrum was renewed for another 15 years on 7 August 2012 effective from 11 November 2011. This 2G licence and spectrum was recognised in accordance with IAS 38 Intangible Assets and was measured at the cash equivalent price being the present value of the instalments. The difference between total payment and the cash equivalent price is recognised as finance cost over the period of payment.

Total cost of telecom licence and spectrum also includes cost of 7.4 MHz of spectrum acquired in 2008 for 18 years.

In 2013, Grameenphone, acquired 3G licence and related 10 MHz of spectrum for 15 years effective from 12 September 2013.

Grameenphone acquired 5 MHz spectrum in 1800 MHz band for 15 years at the spectrum auction held by Bangladesh Telecommunications Regulatory Commission (BTRC) on 19 February 2018 and an approval for converting existing 22 MHz 2G spectrum to technology neutral spectrum for 8.75 years. Grameenphone also obtained 4G/LTE Cellular Mobile Phone Services Operator Licence effective from 19 February 2018 from BTRC.

From 1 January 2019, Grameenphone has chosen to apply IFRS 16 on telecom licence and spectrum which was earlier accounted for under IAS 38 Intangible Assets.

In 2021, Grameenphone acquired 0.4 MHz in 1800 MHz band and 10MHz in 2100 MHz band effective from 9 April 2021 to 10 November 2026.

On 31 March 2022, Bangladesh Telecommunication Regulatory Commission (BTRC) conducted a Radio Frequency Auction for 100 MHz in 2.3 GHz band comprised of 10 blocks of 10 MHz each and 120 MHz in 2.6 GHz band comprised of 12 blocks of 10 MHz each to existing telecom operators. GP participated in that auction and secured 60 MHz spectrum from 2.6 GHz band effective from 1 November 2022 to 18 February 2033. This spectrum has been capitalised from the effective date at BDT 17,366,817,380. Additionally, BDT 1,129,596,000 has been capitalised for 2G licence arising from change in estimated total cash outflow related to regulatory disputes.

(ii) Lease liabilities

	2023 BDT (000)	2022 BDT (000)
Lease liabilities - non-current portion	40,212,825	41,046,666
Lease liabilities - current portion	10,006,247	10,852,496
	50,219,072	51,899,162
(iii) Amounts recognised in profit or loss		
Interest on lease liabilities	4,706,978	3,254,319
Expense relating to variable lease payments and short term leases not included in measurement of lease liabilities:		
Revenue sharing and spectrum charges	12,009,842	12,583,383
Fuel and energy costs	1,408,921	833,409
Connectivity cost	273,631	-
Short term lease	19,722	12,751
	18,419,094	16,683,862
(iv) Amounts recognised in statement of cash flows		
Total cash outflow for right-of-use assets	18,745,760	12,638,098
Total cash outflow for right-of-use assets (VAT portion)	1,846,194	471,903
Total cash outflow for variable lease payment and short term leases	14,541,690	11,967,405

7 Investment in associate

Grameenphone disposed of 51% of its stake in its only subsidiary, Grameenphone IT Ltd. now known as ACISL on 1 September 2013 and retains significant influence over ACISL with its remaining 49% stake.

In accordance with the requirements of IAS 36 Impairment of Assets, the carrying amount of investment in ACISL as at 31 October 2016 was re-assessed for impairment considering the financial performance of ACISL for the period to 31 October 2016 and estimated the recoverable amount from the investment. Based on the assessment, the carrying amount of investment in ACISL (BDT 486,828,493) has been fully impaired. The assessment of recoverable amount from investment in associate remained unchanged as at 31 December 2023 and 31 December 2022.

8 Contract cost

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Opening balance	5,148,908	6,035,958
Additions during the year	4,889,322	1,819,493
Amortisation during the year	(2,896,798)	(2,706,543)
	7,141,432	5,148,908

This includes deferred customer acquisition cost mainly in the form of SIM cost, different commissions and other directly attributable costs related to acquisition of customers.

9 Other non-current assets

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Appeal deposits	455,484	455,483
Deposit to BTRC (Note 9.1)	20,000,000	20,000,000
Security deposits for utility services and other investments	16,084	16,084
	20,471,568	20,471,567

9.1 Deposit to BTRC

Deposit of BDT 20,000,000,000 to BTRC was made 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 these financial statements.

10 Inventories

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Handset, data card and other devices	71,228	109,503
SIM card	507,641	935,483
Scratch card	12,580	43,407
	591,449	1,088,393

10.1 Movement of inventories

	Handset, data card and other device BDT (000)	SIM card BDT (000)	Scratch card BDT (000)
Balance as at 1 January 2022 (Gross)	57,095	229,828	36,189
Purchase	378,890	934,828	218,987
Issue	(296,193)	(201,196)	(209,828)
	139,792	963,460	45,348
Adjustment/write-off	(30,289)	(27,977)	(1,941)
Balance as at 31 December 2022 (Net)	109,503	935,483	43,407
Balance as at 1 January 2023 (Gross)	139,792	963,460	45,348
Purchase	12,563	679,357	216,066
Issue	(56,756)	(1,080,893)	(205,270)
	95,599	561,924	56,144
Adjustment/write-off	(24,371)	(54,283)	(43,564)
Balance as at 31 December 2023 (Net)	71,228	507,641	12,580

10.2 Number of inventories

	As at 31 December 2023 Units	As at 31 December 2022 Units
Handset, data card and other device	45,205	63,886
SIM card	10,200,595	21,114,580
Scratch card	409,290,929	345,478,965

10.3 SIM card

SIM cards include SIMs for new connections and replacement SIMs. Both new connection and replacement SIM attract SIM tax. Value added tax (VAT) and supplementary duty (SD) imposed on SIM cards are popularly known as SIM tax.

11 Trade receivables and others

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Trade receivables		
Trade receivables, gross	8,518,797	7,767,126
Impairment loss allowance	(2,734,796)	(1,800,342)
	5,784,001	5,966,784
Other receivables		
Receivables from employees	24,162	27,349
Other non-interest-bearing receivables	2,011,504	1,443,430
Impairment loss allowance	(161,695)	(116,481)
	1,873,971	1,354,298
Other non-financial assets		
Prepaid expenses	336,730	358,323
	336,730	358,323
Total trade receivables and others	7,994,702	7,679,405

12 Cash and cash equivalents

Cash in hand	50,775	179,783
Cash at bank	16,667,563	3,146,139
	16,718,338	3,325,922

12.1 Restricted cash balance

Cash at bank as at reporting date includes BDT 43,552,054 (2022: BDT 43,146,456) equivalent to unused Mobicash points in customer wallet and is therefore treated as restricted cash balance.

Additionally, Cash at bank as at reporting date includes BDT 3,848,514,216 (2022: BDT 146,342,686) equivalent to dividend payable amount, BDT 77,581,936 (2022: BDT 58,822,799) equivalent to dividend unclaimed amount (principal portion), BDT 27,205 (2022: BDT 49,305) equivalent to dividend unclaimed on IPO suspense amount (principal portion), BDT 1,672,327 (2022: BDT 1,672,327) equivalent to unclaimed IPO subscription amount (principal portion) and BDT Nil (2022: 1,242,254) equivalent to accrued interest on unclaimed dividend and IPO subscription amount.

13 Net asset value per share

Net Asset (BDT)	66,689,540,000	46,210,758,000
Weighted average number of ordinary shares outstanding during the year	1,350,300,022	1,350,300,022
Net asset value per share (par value BDT 10 each) (BDT)	49.39	34.22

14 Share capital

Authorised:		
4,000,000,000 ordinary shares of BDT 10 each	40,000,000	40,000,000
	40,000,000	40,000,000
Issued, subscribed, called up and paid up:		
1,350,300,022 ordinary shares of BDT 10 each	13,503,000	13,503,000
	13,503,000	13,503,000

The Company was initially registered with ordinary shares of BDT 43.00 each. These shares were subsequently converted into BDT 10 shares through a 43:1 split at the 16th EGM (held on 15 July 2008) and 1:10 reverse split at the 19th EGM (held on 2 July 2009)

There has been no change in share capital during the current and comparative year.

14.1 Shareholding position

a) Percentage of shareholdings

Name of shareholders	% of holding		Value of shares (BDT)		Date of issue/ Transfer of Shares
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022	
Telenor Mobile Communications AS, Norway	55.8%	55.8%	7,534,081,540	7,534,081,540	10 October 1996 24 September 1997 25 August 1998 7 December 1998 19 April 2004 21 October 2004 21 December 2004 31 May 2007 15 July 2008 02 July 2009 31 October 2019
Grameen Telecom, Bangladesh	34.2%	34.2%	4,617,664,090	4,617,664,090	10 October 1996 24 September 1997 25 August 1998 7 December 1998 19 April 2004 21 October 2004 27 November 2004 31 May 2007 15 July 2008 02 July 2009
Grameen Kalyan, Bangladesh	0.0%	0.0%	220	220	31 May 2007 15 July 2008 02 July 2009
Grameen Shakti, Bangladesh	0.0%	0.0%	220	220	31 May 2007 15 July 2008 02 July 2009
General public, Grameenphone employees and institutional	10.0%	10.0%	1,351,254,150	1,351,254,150	28 October 2009 28 October 2019
	100%	100%	13,503,000,220	13,503,000,220	

215 shares of Telenor Asia Pte Ltd., Singapore are presented under institutional shareholders as per regulatory direction.

b) Classification of shareholders by range of number of shares held

Shareholding range	No. of shareholders		No. of shares	
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022
1-500	30,497	29,122	4,794,153	4,667,015
501-5,000	6,351	5,943	10,605,964	9,642,823
5,001-10,000	646	594	4,749,215	4,381,950
10,001-20,000	349	312	5,016,248	4,496,209
20,001-30,000	133	129	3,369,488	3,251,744
30,001-40,000	79	74	2,777,101	2,610,393
40,001-50,000	43	42	2,004,368	1,930,061
50,001-100,000	104	94	7,465,975	6,738,098
100,001-1,000,000	130	122	37,939,389	36,480,965
1,000,001-1,000,000,000	22	21	1,271,578,121	1,276,100,764
	38,354	36,453	1,350,300,022	1,350,300,022

15 Share premium

Total amount of BDT 8,384,003,437 was received in the years 1997 and 2009 as share premium in respect of shares issued to shareholders. Net issue cost of BDT 543,777,495 was set off against share premium as per IAS 32 Financial Instruments: Presentation.

16 Capital reserve

In 1999, Grameenphone issued 5,086,779 preference shares of BDT 45.84 each, which were converted into ordinary shares of BDT 43.00 each in 2004. The balance BDT 2.84 per share was transferred to capital reserve account. The conversion was in accordance with provisions of Articles of Association of Grameenphone. This amount is not distributable as dividend as per the Companies Act 1994.

17 Deferred tax liabilities

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS 12 Income Taxes. Related deferred tax (expense)/income have been disclosed in Note 35. The components of deferred tax assets and liabilities are given below:

As at 31 December 2023

Property, plant and equipment (excluding land and CWIP (Note 4))
Difference for vehicle (Note 17.1)

Right of use assets (Note 6)
Trade receivables (Note 11)
Lease liabilities including current portion (Note 6)
Other current liabilities (profit sharing plan)
Employee benefit plans including obligation under voluntary retirement scheme (funded)
Recoverable income tax on certain aged trading liability
Net taxable temporary difference
Net deferred tax liability @40% tax rate (Note 3.12)

Carrying amount BDT (000)	Tax base BDT (000)	Taxable/(deductible) temporary difference BDT (000)
61,611,252 (59,691)	44,115,366	17,495,886 (59,691)
		17,436,195
76,086,723	35,927,958	40,158,765
(2,896,491)		(2,896,491)
(51,621,260)		(51,621,260)
(271,619)		(271,619)
(755,352)		(755,352)
(851,816)		(851,816)
		1,198,422
		479,369

As at 31 December 2022

Property, plant and equipment (excluding land and CWIP (Note 4))
Difference for vehicle (Note 17.1)

Right of use assets (Note 6)
Trade receivables (Note 11)
Lease liabilities including current portion (Note 6)
Other current liabilities (profit sharing plan)
Employee benefit plans including obligation under voluntary retirement scheme (funded)
Recoverable income tax on certain aged trading liability
Net taxable temporary difference
Net deferred tax liability @40% tax rate (Note 3.12)

56,941,151 (83,096)	36,552,828 -	20,388,323 (83,096)
		20,305,227
80,501,010	34,260,547	46,240,463
(1,916,823)	-	(1,916,823)
(54,610,679)	-	(54,610,679)
(259,951)	-	(259,951)
(1,853,190)	-	(1,853,190)
(253,564)	-	(253,564)
		7,651,483
		3,060,593

17.1 Difference for vehicle

This represents the permanent difference related to sedan cars, not plying for hire, owned by Grameenphone. As per the provisions of Income Tax Act 2023, depreciation on such cars is allowed only up to certain limit of cost (currently BDT 3 million per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.

17.2 Actuarial gain/loss from re-measurement of defined benefit obligations

Deferred tax liabilities as at 31 December 2023 includes net deferred tax asset of BDT 153,787,902 (2022: BDT 507,796,688) for actuarial gain/loss from re-measurement of defined benefit obligations corresponding impact of which has been recognised under other comprehensive income.

18 Employee benefits

Amounts recognised in the statement of financial position

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Defined benefit obligation	(4,173,750)	(4,758,953)
Fair value of plan assets	3,789,280	3,418,629
Net defined benefit obligation	(384,470)	(1,340,324)

Change in benefit obligation

Benefit obligation at end of prior year	(4,758,953)	(5,536,139)
Service cost	(324,065)	(336,903)
Interest expense	(355,608)	(322,758)
Benefit payments from plan assets	488,514	1,264,745
Remeasurements due to change in demographic assumptions	(150,210)	-
Remeasurements due to change in financial assumptions	1,060,004	475,906
Remeasurements due to experience adjustments	(133,432)	(303,804)
Defined benefit obligation at end of year	(4,173,750)	(4,758,953)

Change in fair value of plan assets

Fair value of plan assets at end of prior year	3,418,629	4,200,054
Interest income	259,262	229,941
Employer contributions	990,000	428,644
Benefit payments from plan assets	(488,514)	(1,264,745)
Remeasurements for return on assets (excluding interest income)	(390,097)	(175,265)
Fair value of plan assets at end of year	3,789,280	3,418,629

Fair value of plan assets

Cash and cash equivalents	1,068,018	296,909
Debt instruments	2,721,262	3,121,720
Total	3,789,280	3,418,629

Components of Defined Benefit Cost (DBO)

Service cost	324,065	336,903
Interest expense on DBO	355,608	322,758
Interest (income) on plan assets	(259,262)	(229,941)
Defined benefit cost included in profit or loss	420,411	429,720

Remeasurements (recognised in other comprehensive income (OCI))

Due to change in demographic assumptions	150,210	-
Due to change in financial assumptions	(1,060,004)	(475,906)
Due to change in experience adjustments	133,432	303,804
(Return) on plan assets (excl. interest income)	390,097	175,265
Total remeasurements in OCI	(386,265)	3,163

Total defined benefit cost recognised in profit or loss and OCI

	34,146	432,883
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Net defined benefit liability (asset) reconciliation

Opening balance of net defined benefit liability (asset)	1,340,324	1,336,085
Defined benefit cost included in profit or loss	420,411	429,720
Total remeasurements included in OCI	(386,265)	3,163
Employer contributions	(990,000)	(428,644)
Net defined benefit liability (asset) as of end of year	384,470	1,340,324

Expected cash flows for following year

Expected employer contributions

Expected total benefit payments

Year 1

Year 2

Year 3

Year 4

Year 5

Next 5 years

Significant actuarial assumptions

Discount rate in %

Future salary growth in %

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Expected employer contributions	400,413	660,409
Expected total benefit payments		
Year 1	400,413	660,409
Year 2	280,402	578,831
Year 3	308,716	591,287
Year 4	349,548	610,055
Year 5	376,463	613,043
Next 5 years	2,933,170	3,195,298
Discount rate in %	8.0%	6.4%
Future salary growth in %	8.5%	8.5%

Sensitivity analysis

A change of 50 basis points in following significant assumptions would have increased/ (decreased) defined benefit obligation of the Company by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

	As at 31 December 2023		As at 31 December 2022	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Discount rate in %	(289,437)	65,692	(240,527)	42,025
Future salary growth in %	58,908	(284,653)	29,849	(230,298)

Significant characteristics of plan

Plan sponsor : Grameenphone Ltd.

Nature of benefits : Final salary defined benefit plan

Risks associated with the plan : Plan sponsor bears all the risks associated with the plan

Vesting criteria : 5 year of continuous service

Applicable salary : Last drawn monthly basic salary

Maximum limit of benefit paid : No upper limit on benefit

Basis of gratuity : Accrued benefit

Normal retirement age : 60 years

Benefit calculation : - Past service of 5 years to 5.5 years: 1 month applicable basic salary for each completed years of service

- Up to 10 years: 1.5 month applicable basic salary for each completed years of service

- More than 10 years: 2 month applicable basic salary for each completed years of service

19 Other non-current liabilities

Asset retirement obligations (Note 19.1)

Other non-current liabilities

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Asset retirement obligations (Note 19.1)	311,652	377,541
Other non-current liabilities	144,583	118,782
	456,235	496,323
Opening balance	377,541	349,735
Provision made during the year	34,259	31,477
	411,800	381,212
Provision released during the year	(99,323)	(3,460)
Paid during the year	(825)	(211)
Closing balance	311,652	377,541

19.1 Asset retirement obligations (ARO)

Opening balance

Provision made during the year

Provision released during the year

Paid during the year

Closing balance

Grameenphone recognises Asset Retirement Obligations (ARO) in respect of base stations and office space for any constructive and/or legal obligations for dismantling, removal or restoration incurred by the Company as a consequence of installing or constructing the sites. ARO is measured at the present value of expected cash outflows required to settle such obligations. Unwinding of the discount is charged as finance expense in the profit or loss.

20 Trade payables and others

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Financial liabilities		
Trade payables including liability for capital expenditure	12,422,859	12,797,402
Accrued expenses	7,461,992	7,066,699
Indirect taxes	2,870,929	2,301,216
	22,755,780	22,165,317
Other non-financial liabilities		
Deferred connection revenue	635,073	48,467
Unearned revenue	6,228,564	5,061,546
	6,863,637	5,110,013
Total trade payables and others	29,619,417	27,275,330

21 Provisions

A provision is a liability of uncertain timing or amount. Grameenphone takes provision for those items for which it has obtained related goods or service but vendor is formally yet to bill it. The amount concerning provision is almost certain to both parties and uncertainties exist regarding the timing of billing by vendor. Provisions includes provision for regulatory disputes, BTRC revenue share, annual operating licence fee, office running, other operational expenses and capital expenditure.

Grameenphone took provision for regulatory disputes based on the outcome of the court proceedings. This is also reflected in Note 34.

Grameenphone has a number of disputes, in addition to the issues mentioned in Note 45, which have been duly evaluated and addressed in accordance with relevant International Financial Reporting Standards (IFRSs) considering the opinion of the relevant experts where applicable.

22 Loans and borrowings

This includes short-term bank loan of BDT 3,119,599,369 (2022: BDT 5,037,394,374).

23 Current tax liabilities

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Movement of current tax liabilities is shown as below:		
Opening balance	23,779,920	25,603,868
Provision made during the year including transactions for other comprehensive income	30,581,416	23,114,162
	54,361,336	48,718,030
Paid during the year (incl. tax deducted at source)	(28,304,971)	(24,086,083)
Provision released during the year	(6,596,686)	(852,027)
Closing balance	19,459,679	23,779,920

24 Other current liabilities

Accruals for profit sharing plan	271,619	259,951
Payable for bills pay receipts	28,815	42,041
Security deposits from subscribers and channel partners	592,063	588,241
Dividend payable	3,848,514	146,343
Others	1,227,491	1,279,766
	5,968,502	2,316,342

25 Unclaimed dividend

This includes dividend unclaimed amount of BDT 77,581,936 (2022: BDT 58,822,799) and dividend unclaimed on IPO suspense amount of BDT 27,355 (2022: BDT 49,455).

Bangladesh Securities and Exchange Commission (BSEC) issued a Directive dated 14 January 2021, official gazette of the Bangladesh Securities and Exchange Commission (Capital Market Stabilisation Rules Fund) Rules dated 27 June 2021 and BSEC Notification dated 19 July 2021 whereby listed companies are instructed to transfer unclaimed/undistributed/unsettled cash dividend and non-refundable public subscription money for a period of 3 years old from the date of declaration or approval or record date, as the case may be to "Capital Market Stabilisation Fund".

In compliance with the said instruction Grameenphone transferred the principal amount of unclaimed/undistributed/unsettled cash dividend of BDT 13,787,427 (2022: BDT 15,478,019) to the fund this year. Furthermore, Grameenphone transferred net interest received on unclaimed dividend and IPO subscription amount of BDT 1,123,196 (2022: BDT 1,727,572) to the Capital Market Stabilisation Fund.

26 Revenue

The following is an analysis of revenue for the year:

Revenue from contract with customers (Note 26.1)

Lease revenues

26.1 Disaggregation of revenue from contract with customers

Type of goods/ services

Revenue from mobile communication (Note 26.2)

Revenue from customer equipment (Note 26.3)

Other revenues (Note 26.4)

Type of subscription

Prepaid

Contract

Other

Type of customer

Consumer

Business

	2023 BDT (000)	2022 BDT (000)
	156,723,918	148,606,377
	1,991,900	1,797,092
	158,715,818	150,403,469
	156,331,347	148,179,973
	306,887	294,585
	85,684	131,819
	156,723,918	148,606,377
	147,994,228	141,309,171
	8,337,119	6,870,802
	392,571	426,404
	156,723,918	148,606,377
	138,182,324	131,686,851
	18,541,594	16,919,526
	156,723,918	148,606,377

26.2 Revenue from mobile communication

This includes revenue from voice and non-voice traffic, subscription and connection fee and interconnection revenue.

26.3 Revenue from customer equipment

This mainly includes revenue from sale of mobile handsets/devices and data cards.

26.4 Other revenues

This mainly includes revenue from commission and other income.

27 Cost of material and traffic charges

	2023 BDT (000)	2022 BDT (000)
Traffic charges	8,301,391	8,479,917
Cost of materials and services	1,659,650	1,608,575
	9,961,041	10,088,492

Traffic charges mainly include national and international interconnection cost.

Cost of materials and services includes cost of SIM card, scratch card, devices and contents.

28 Salaries and personnel cost

28.1 Salaries and personnel cost includes salaries, bonuses, different employment benefits including provident, gratuity, profit sharing (WPPF), employee share programme for employees, long term incentive programme for key personnel, training and other related costs. Additionally, gratuity expense includes BDT 403,286,952 (2022: BDT 1,734,735,620) for restructuring expense during the year and BDT 1,535,269,469 (2022: BDT 2,981,167,737) has been transferred during the year. The WPPF expense for the year is BDT 2,716,193,800 (2022: BDT 2,599,505,214) and BDT 2,532,052,399 (2022: BDT 2,815,162,953) has been transferred during the year.

28.2 Number of employees

Total number of employees having annual salary of BDT 36,000 or above each was 1,277 as at 31 December 2023 and 1,315 as at 31 December 2022.

29 Operation and maintenance

Service maintenance fee
Vehicle maintenance expense
Other operation and maintenance

2023 BDT (000)	2022 BDT (000)
2,989,680	1,378,709
321,054	281,681
2,961,651	2,592,190
6,272,385	4,252,580

Service maintenance fee includes costs related to operation and maintenance of serviceability of mobile communication network. During the prior year Grameenphone released BDT 1,778,564,322 as a result of negotiation outcome with supplier under this category.

30 Sales, marketing and commissions

Sales, marketing and representation costs (Note 30.1)
Advertisement expenses
Promotional expenses (Note 30.2)
Commissions

2023 BDT (000)	2022 BDT (000)
648,181	592,458
1,249,320	1,158,880
548,149	279,300
12,982,522	13,248,295
15,428,172	15,278,933

30.1 Sales, marketing and representation costs include costs related to trade marketing and subscriber acquisition.

30.2 Promotional expenses have been assessed as per definition of Income Tax ordinance 1984 and presented accordingly.

31 Revenue sharing and spectrum charges

Grameenphone shares 5.5% of its revenue as 'revenue sharing' and 1.0% of its revenue as 'contribution to social obligation fund' with BTRC as per licensing conditions. Licensing conditions also require Grameenphone to pay quarterly spectrum charges.

32 Other operating expenses/(income)

Consultancy and professional services (Note 32.1)
Statutory audit fees
Rental expense for property, plant and equipment
Fuel and energy costs
Impairment loss on trade receivables (Note 32.2)
Rental and other income
(Gain)/loss on disposal of assets
Others (Note 32.3)

2023 BDT (000)	2022 BDT (000)
649,620	868,261
3,000	3,000
217,429	217,532
6,313,609	4,705,804
1,279,844	278,145
(6,314)	(8,700)
150,391	(4,160)
1,192,115	1,406,700
9,799,694	7,466,582

32.1 Consultancy and professional services

This includes fees for accounting and legal services, technical and business consultancy, costs related to settlement of contract and other professional services.

32.2 Impairment loss on trade and other receivables

Allowance for impairment of trade and other receivables during the year (Note 39.1.3)
Recovery of impaired trade receivables during the year

2023	2022
BDT (000)	BDT (000)
1,345,596	305,590
(65,752)	(27,445)
1,279,844	278,145

Allowance for impairment has been made as per policy of the Company mentioned in Note 3.9

32.3 Others

This includes office supplies, printing and postage, travelling, subscriptions, meeting, insurance etc.

33 Depreciation and amortisation

Property, plant and equipment
Intangible assets
Right-of-use assets

2023	2022
BDT (000)	BDT (000)
13,644,149	13,210,398
1,313,221	1,036,131
17,364,333	13,653,055
32,321,703	27,899,584

34 Finance expense/(income)

Interest income
Interest expense
Net interest cost on defined benefit obligation
Interest expenses on lease liabilities
Other finance expenses (Note 34.1)

(352,911)	(156,852)
668,820	456,720
96,346	92,816
4,706,978	3,254,319
4,264,600	6,530,404
9,383,833	10,177,407

34.1 This includes provision for regulatory disputes.

35 Income tax expense

Current tax expense
Income tax expense for the year
Adjustments/provision released during the year

30,581,416	23,114,162
(6,596,686)	(852,027)
23,984,730	22,262,135

Deferred tax expense/(income)
Deferred tax income relating to origination and reversal of temporary differences

(2,735,730)	(363,630)
21,249,000	21,898,505

35.1 Reconciliation of effective tax rate

Profit before tax
Tax using the Company's tax rate
Tax effect of:
Provision for non-deductible expenses
Adjustments / provision released during the year
Permanent difference as per Income Tax Ordinance 1984

2023	2023	2022	2022
Percentage	BDT (000)	Percentage	BDT (000)
	54,323,873		51,990,103
40.00%	21,729,549	40.00%	20,796,041
11.26%	6,116,137	3.75%	1,951,783
-12.14%	(6,596,686)	-1.64%	(852,027)
0.00%	-	0.01%	2,709
39.12%	21,249,000	42.12%	21,898,506

36 Earnings per share

Profit for the year (in BDT)
 Weighted average number of shares (Note 36.1)
 Basic earnings per share (in BDT)

2023 BDT	2022 BDT
33,074,873,000	30,091,598,000
1,350,300,022	1,350,300,022
24.49	22.29

36.1 Weighted average number of ordinary shares

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.

36.2 Diluted earnings per share

No diluted earnings per share is required to be calculated for the years presented as Grameenphone has no dilutive potential ordinary shares.

37 Reconciliation of net operating cash flow

Profit after tax
 Income tax expense
 Profit before tax
Adjustment for:
 Depreciation & amortisation
 (Gain)/loss on sale of fixed assets
 Finance expense/(income), net
 Other adjustments
Changes in:
 Inventories
 Trade receivables and others
 Trade payables and others
 Provisions
 Other current liabilities
 Cash generated from operating activities
 Interest received
 Interest paid
 Income tax paid
Net cash generated from operating activities

2023 BDT (000)	2022 BDT (000)
33,074,873	30,091,598
21,249,000	21,898,505
54,323,873	51,990,103
32,321,703	27,899,584
150,391	(4,160)
9,383,833	10,177,407
(5,127,169)	(5,215,589)
91,052,631	84,847,345
496,944	(828,163)
(368,735)	(764,362)
1,562,933	1,559,027
527,230	6,934,933
(50,011)	(1,244,335)
93,220,992	90,504,445
352,911	156,852
(4,668,117)	(2,762,520)
(28,304,971)	(24,086,083)
60,600,815	63,812,694

38 Net operating cash flow per share

Net operating cash flow (BDT)
 Weighted average number of ordinary shares
 outstanding during the period
 Net operating cash flow per share (par value BDT 10 each) (BDT)

2023 BDT (000)	2022 BDT (000)
60,600,815,000	63,812,694,000
1,350,300,022	1,350,300,022
44.88	47.26

39 Financial risk management

Company's financial risk management is governed by Treasury Policy as approved by the Board of Directors. Company's principal financial assets include trade receivables and others, cash and short-term deposits that arise directly from its operations. Company's financial liabilities mainly include trade payables and others, finance lease obligation and loans and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company is exposed to credit risk, liquidity risk and market risk in relation to its financial instruments.

39.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company's exposure to credit risk primarily relates to trade receivables and balances with banks including short and long term deposits.

Customer credit risk, where appropriate, is assessed by using qualitative and quantitative criteria. Outstanding trade receivables are regularly monitored and appropriate impairment charge is considered as per Company's policy.

Credit risk relating to balances with banks is managed by treasury department in accordance with Company's policy. Minimising counterparty risk is given more importance to yield on investment in making investment decisions. Counterparty limits are reviewed and approved by the Board of Directors.

39.1.1 Company's maximum exposure to credit risk for the components of the statement of financial position is represented by the carrying amounts as illustrated below:

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Trade receivables (Note 11)	5,784,001	5,966,784
Other receivables (Note 11)	1,873,971	1,354,298
Cash at bank (Note 12)	16,667,563	3,146,139
	24,325,535	10,467,221

39.1.2 Trade receivables, gross

This included interconnection receivables of BDT 2,775,347,000 as at 31 December 2023 (2022: BDT 3,123,568,000). The ageing of gross interconnection receivables as at the statement of financial position date was:

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Not past due	770,930	1,114,347
0-30 days past due	33,731	22,512
31-60 days past due	19,911	128,987
61-90 days past due	20,479	23,485
91-180 days past due	61,451	170,898
181-365 days past due	101,843	69,616
over 365 days past due	1,767,002	1,593,723
	2,775,347	3,123,568

Other trade receivables (other than receivable from interconnection) as at 31 December 2023 was BDT 5,743,450,000 (2022: BDT 4,643,558,000). The ageing of other trade receivables as at the statement of financial position date was:

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Not past due	1,194,518	1,770,758
0-30 days past due	1,897,052	1,236,559
31-60 days past due	576,770	304,794
61-90 days past due	165,001	259,801
91-180 days past due	1,278,325	481,495
181-365 days past due	263,819	267,664
over 365 days past due	367,965	322,487
	5,743,450	4,643,558

Total not past due trade receivables (gross) as at 31 December 2023 includes receivables of BDT 661,928,907 (2022: BDT 715,693,580) from customers against whom receivables of BDT 1,768,332,057 (2022: BDT 1,574,521,447) became over 365 days past due and provision for bad debt of BDT 1,487,207,122 (2022: BDT 1,465,091,913) has been taken against those customers. However, as per BTRC guidelines we are obligated to provide services to the inter connection service providers.

39.1.3 Movements in the allowance for impairment of trade and other receivables during the year was as follows:

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Opening balance	1,916,823	1,812,789
Net remeasurement of loss allowance	1,345,596	305,590
	3,262,419	2,118,379
Amounts written off	(365,928)	(201,556)
Closing balance	2,896,491	1,916,823

39.1.4 Security against trade receivables

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Good and secured	592,063	588,241
Good with personal security/unsecured	5,191,938	5,378,543
Impaired	2,734,796	1,800,342
Gross trade receivables	8,518,797	7,767,126
Impairment loss allowance	(2,734,796)	(1,800,342)
Trade receivables, net	5,784,001	5,966,784

39.1.5 The maximum exposure to credit risk for trade receivables as at the statement of financial position date by geographic regions was:

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Domestic	5,280,705	5,337,197
Asia	26,776	20,839
Europe	472,916	604,193
Australia	221	175
America	3,311	4,318
Africa	72	62
	5,784,001	5,966,784

39.2 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. The Company forecasts its cash flow requirements and ensures that it has sufficient cash and cash equivalents and loan facilities to cover expected needs for liquidity during the next 12 months. The Company maintains a balanced maturity profile of debt obligations and in general minimises current excess cash.

The table below gives the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at 31 December 2023

	Carrying amount	Maturity date	Nominal Interest rate	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	BDT (000)			BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Lease liabilities (including current portion)	50,219,072	Multiple	7.1% -15%	65,798,398	7,014,699	7,198,723	13,653,605	20,578,061	17,353,310
Loans and borrowings - short-term	3,119,599	Multiple	7%-8.5%	3,119,599	2,616,998	502,601.33	-	-	-
Trade payables and others	12,422,859	December 2023	N/A	12,422,859	7,828,295	4,594,564	-	-	-
Trade payables including liability for capital expenditure	7,461,992	December 2023	N/A	7,461,992	4,234,443	3,227,549	-	-	-
Accrued expenses	5,968,502	December 2023	N/A	5,968,502	234,366	5,734,136	-	-	-
Other current liabilities	77,609	December 2023	N/A	77,609	-	77,609	-	-	-
Unclaimed dividend	79,269,633			94,848,959	21,928,801	21,335,182	13,653,605	20,578,061	17,353,310

As at 31 December 2022

	Carrying amount	Maturity date	Nominal Interest rate	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	BDT (000)			BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Lease liabilities (including current portion)	51,899,162	Multiple	7.1% -15%	68,010,244	8,591,714	6,220,802	11,879,972	24,021,036	17,296,720
Loans and borrowings - short-term	5,037,394	Multiple	2%-3.25%	5,037,394	5,037,394	-	-	-	-
Trade payables and others	12,797,402	December 2022	N/A	12,797,402	5,223,599	7,573,803	-	-	-
Trade payables including liability for capital expenditure	7,066,699	December 2022	N/A	7,066,699	4,400,503	2,666,196	-	-	-
Accrued expenses	2,316,342	December 2022	N/A	2,316,342	480,433	1,835,909	-	-	-
Other current liabilities	58,872	December 2022	N/A	58,872	-	58,872	-	-	-
Unclaimed dividend	79,175,871			95,286,953	23,733,643	18,355,582	11,879,972	24,021,036	17,296,720

39.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

a) Currency risk

Foreign currency risk is the risk of changes in the fair value or future cash flows of an exposure due to changes in foreign exchange rates. The Company's exposure to foreign currency risk relates primarily to the Company's operating activities (consultancy, roaming revenue and expense) and financing activities (borrowing in foreign currency). The Company is mainly exposed to changes in USD and NOK rates. The Company's exposure to foreign currency changes for other currencies is not material.

i) Exposure to currency risk

The Company's exposure to monetary assets and liabilities denominated in foreign currencies was as follows (BDT in thousand):

	As at 31 December 2023					As at 31 December 2022				
	USD	NOK	EUR	SGD	JPY	USD	NOK	EUR	SGD	JPY
Foreign currency denominated assets										
Receivables from Telenor entities	908,485	-	-	-	-	985,718	-	-	-	-
Receivables	29,430	-	-	-	-	38,096	-	-	-	-
Cash at bank	3,694,009	-	-	-	-	2,096,732	-	-	-	-
	4,631,924	-	-	-	-	3,120,546	-	-	-	-
Foreign currency denominated liabilities										
Loans and borrowings	(3,119,599)	-	-	-	-	-	-	-	-	-
Payables to others Telenor entities*	(1,803,029)	(4,653,927)	-	(1,660,454)	-	(1,434,389)	(6,399,671)	(978)	(1,856,098)	-
Trade payables and others	(311,135)	-	(31,182)	-	(974)	(193,674)	-	(28,251)	-	(783)
	(5,233,764)	(4,653,927)	(31,182)	(1,660,454)	(974)	(1,628,063)	(6,399,671)	(29,229)	(1,856,098)	(783)
Net exposure	(601,840)	(4,653,927)	(31,182)	(1,660,454)	(974)	1,492,484	(6,399,671)	(29,229)	(1,856,098)	(783)

* Payable to other Telenor entities represents payable for business service costs, consultancy fees etc. which are included mainly in trade payables and others.
The following significant exchange rates have been applied:

	Exchange rate as at	
	31 December 2023	31 December 2022
	BDT	BDT
US Dollar (USD)	109.65	103.17
Norwegian Kroner (NOK)	10.76	10.43
EURO (EUR)	121.46	110.04
Singaporean Dollar (SGD)	83.11	76.80
Japanese Yen (JPY)	0.77	0.78

Market risk (contd.)**ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures**

A change of 10 basis points (bp) in foreign currencies would have increased/(decreased) equity and profit or loss of the Company by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

	Profit or (loss)		Equity	
	10 bp increase	10 bp decrease	10 bp increase	10 bp decrease
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
31 December 2023				
Expenditures denominated in USD	(60,184)	60,184	(60,184)	60,184
Expenditures denominated in NOK	(465,393)	465,393	(465,393)	465,393
Expenditures denominated in EURO	(3,118)	3,118	(3,118)	3,118
Expenditures denominated in SGD	(166,045)	166,045	(166,045)	166,045
Expenditures denominated in JPY	(97)	97	(97)	97
Exchange rate sensitivity	(694,838)	694,838	(694,838)	694,838
31 December 2022				
Expenditures denominated in USD	149,248	(149,248)	149,248	(149,248)
Expenditures denominated in NOK	(639,967)	639,967	(639,967)	639,967
Expenditures denominated in EURO	(2,923)	2,923	(2,923)	2,923
Expenditures denominated in SGD	(185,610)	185,610	(185,610)	185,610
Expenditures denominated in JPY	(78)	78	(78)	78
Exchange rate sensitivity	(679,330)	679,330	(679,330)	679,330

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Exposure to fair value movement relates to fixed rate instruments subject to fair value accounting and exposure to cash flow fluctuation relates to variable rate instruments. The Company is primarily exposed to cash flow fluctuation arising from variable rate borrowings. The objective of interest rate risk management for Grameenphone is to reduce financial cost and ensure predictability.

Profile

As at 31 December 2023, the interest rate profile of the Company's interest bearing financial instruments was:

	Carrying amount	
	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Floating rate instruments		
Financial liabilities		
Loans and borrowings	3,119,599	5,037,394

Fair value of financial assets and liabilities of the Company together with carrying amount shown in the statement of financial position were as follows:

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Financial assets		
Financial assets at amortised cost		
Trade receivables	5,784,001	5,966,784
Other receivables	1,873,971	1,354,298
Financial liabilities		
Other financial liabilities		
Lease liabilities	50,219,072	51,899,162
Trade payables and others (except other non-financial liabilities)	22,755,780	22,165,317
Loans and borrowings - short-term	3,119,599	5,037,394
Other current liabilities	5,968,502	2,316,342
Unclaimed dividend	77,609	58,872

* The Company has not disclosed the fair values for financial instruments because their carrying amounts are a reasonable approximation of fair value.

Interest rates used to determine amortised cost

The interest rates used to discount estimated cash flows, when applicable, were as follows:

	2023	2022
Lease liabilities	9.60%	9.83%
Liability for spectrum acquisition	9.06%	9.05%
Loans and borrowings	8.0%	4.49%

* Fair value of such instruments is not likely to be significantly different from the carrying amounts of such instruments.

40 Capital management

For the purpose of Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of Company's capital management is to support long-term strategic ambitions of the Company.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend, return capital to shareholders, issue new shares or obtain long-term debt. Company has capital structure and dividend policy approved by its Board of Directors.

There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current year.

No changes have been made in the objectives, policies or processes for managing capital during the year ended 31 December 2023.

41 Related party disclosures

During the year ended 31 December 2023, the Company entered into a number of transactions with related parties in the normal course of business. The names of the significant related parties, nature of these transactions [expenditures/(revenue)/, receivables/(payables) and dividend payments] and amounts are set out below in accordance with the provisions of IAS 24 Related Party Disclosures. Nature of relationship and significance of the amounts have been considered in providing this disclosure.

41.1 Key management personnel compensation

	2023 BDT (000)	2022 BDT (000)
Short term employee benefits	1,067,052	859,854
Post employment benefits	298,885	113,830
Other long term benefits	51,770	24,784
	1,417,707	998,468

Key management personnel compensation includes benefits for employees of the rank of Deputy Director and above. No remuneration is given to the Board of Directors apart from attendance fees in connection with Board and Board Sub-Committee meetings. During the year 2023, attendance fees in connection with Board and Board Sub-Committee meetings are BDT 1,962,089 (2022: BDT 1,680,489).

41.2 Debts due from and due to key management personnel

BDT 15,700,000 (2022: BDT 20,700,000) was due from and BDT 5,406,404 (2022: BDT 5,406,404) due to key management personnel of the Company.

41.3 Other related party transactions during the year

Name of related parties	Nature	Nature of transactions	Transaction for the year ended		Receivables/(payables) as at	
			2023 BDT (000)	2022 BDT (000)	31 December 2023 BDT (000)	31 December 2022 BDT (000)
Telenor Mobile Communications AS	Shareholder	Dividend payment	2,593,126	18,835,204	(3,848,514)	-
Telenor Asia Pte. Ltd.	Shareholder	Dividend payment	2	5	-	-
		Consultancy, professional and technical support service fee	95,767	-	1,341	6,638
		Commission expense	-	212,593	(96,842)	-
Grameen Telecom	Shareholder	Connection revenue	187,377	-	(200)	(200)
		Dividend payment	-	11,544,160	5	5
Grameen Kalyan	Shareholder	Dividend payment	3,509,425	0.6	-	-
Grameen Shakti	Shareholder	Dividend payment	0.2	0.6	-	-
			0.2	0.6	-	-

		Transaction for the year ended		Receivables/(payables) as at	
		2023	2022	31 December 2023	31 December 2022
		BDT (000)	BDT (000)	BDT (000)	BDT (000)
Name of related parties		Nature of transactions			
Accenture Communications Infrastructure Solutions Ltd.	Associate	-	-	5,084	5,084
		-	-	(6,360)	(6,360)
Telenor ASA	Telenor group entity	196,605	(1,204,842)	98,148	95,276
		132,685	174,291	(1,960,950)	(3,557,041)
Telenor Linx (earlier name "Telenor Global Services AS" & Telenor Digital AS)	Telenor group entity	(2,398,693)	(1,129,804)	6,748	6,748
		152,053	239,031	(402,815)	(614,739)
Telenor Global Shared Services AS	Telenor group entity	69,645	190,724	691,101	781,461
Telenor Go Pte Ltd.	Telenor group entity			(1,776,648)	(1,567,834)
Telenor Procurement Company	Telenor group entity	617,120	636,554	(308,891)	(286,845)
		108,442	124,130	6,198	4,912
Telenor Norge AS	Telenor group entity	(64)	(68)	(2,419,768)	(2,447,438)
		2	11	65	45
		332,138	204,789	1,012	(987)
				195	195
				(1,216,880)	(1,254,718)

		Transaction for the year ended		Receivables/(payables) as at	
		2023	2022	31 December 2023	31 December 2022
Name of related parties		BDT (000)	BDT (000)	BDT (000)	BDT (000)
Telenor Sweden	Telenor group entity	(38)	(46)	105	3,564
		(0.4)	5	4	(6)
				428	
Telenor Denmark	Telenor group entity	(488)	(415)	431	1,778
		(8)	8	123	(65)
		-	-	283	96
Telenor Pakistan	Telenor group entity	(0.6)	(0)	(36)	312
		8.2	8	(52)	(193)
		-	616	(1,909)	(1,664)
True Corporation	Telenor group entity	(869)	(1,111)	953	833
		62	185	203	368
		608		(33)	(312)
Celcom DiGi Telecommunications Sdn Bhd	Telenor group entity	(454)	(1,049)	-	8,121
				(69)	281
		458	(189)	82	(146)
Grameen Distribution	Related to Grameen Telecom through Grameen Telecom Trust	147	(661)	-	(2,196)
		-	-	-	
		63	113	-	-
Grameen Communication	Related to Grameen Telecom	-	114	-	-

Nature of transactions

Roaming revenue net of discount
Roaming cost net of discount
Consultancy, professional and technical support service fee
Roaming revenue net of discount
Roaming cost net of discount
Consultancy, professional and technical support service fee
Roaming revenue net of discount
Roaming cost net of discount
Consultancy Fees
Roaming revenue net of discount
Roaming cost net of discount
Consultancy, professional and technical support service fee
Roaming revenue net of discount
Roaming cost net of discount
Consultancy, professional and technical support service fee
Cost of products
Purchase of handsets
Software solution and maintenance

Name of related parties	Nature	Nature of transactions	Transaction for the year ended		Receivables/(payables) as at	
			2023	2022	31 December 2023	31 December 2022
			BDT (000)	BDT (000)	BDT (000)	BDT (000)
Telenor Consult AS	Telenor group entity	Consultancy and professional service fee including compensation of key management personnel where relevant	-	-	(1,849)	(1,849)
Telenor Southeast Asia Investment Limited	Telenor group entity	Consultancy, professional and technical support service fee	-	-	(188,221)	(177,099)
Telenor Connexion AB	Telenor group entity	Roaming cost net of discount	-	-	(35)	(35)
Grameen Solutions Limited	Related to Grameen Telecom	Consultancy, professional and technical support service fee	-	-	-	(882)
Telenor Asia (ROH) Ltd	Telenor group entity	Technical support service fee	-	-	(26)	(26)
		Consultancy and professional service fee	-	-	720	720

41.3.1 In 2022, Grameenphone released BDT 1,778,564,322 as a result of negotiation outcome with Telenor ASA.

41.4 Transactions with post-employment benefit plans, Workers' Profit Participation Fund and Workers' Welfare Fund

No other transaction incurred with defined benefit plan other than those disclosed in Note 18. During the year, BDT 529,928,758 (2022: BDT 529,386,879) was transferred to defined contribution plan, BDT 2,019,646,114 (2022: BDT 2,232,913,098) was transferred to Workers' Profit Participation Fund and BDT 252,455,764 (2022: 279,114,137) was transferred to Workers' Welfare Fund.

42 Expense/expenditure and (revenue) in foreign currency during the year

	2023 BDT (000)	2022 BDT (000)
CIF value of imports		
Telecommunication equipment	10,913,973	10,150,480
Expenditure in foreign currency		
Consultancy fee	357,901	(1,011,227)
Consultancy fee - expatriate	54,205	190,724
Other fee (travel and training)	8,140	7,553
Online advertisement, membership and others	306,090	305,216
Technical know how	1,457,367	1,307,850
International roaming cost net of discount	49,129	35,799
Foreign earnings		
Revenue net of discount from roaming partners	(66,980)	(60,912)

43 Short-term credit facilities available as at 31 December 2023

The Company enjoys composite working capital facilities including both funded and non-funded facilities from 15 banks (2022: 11 banks). The non-funded facilities include Letters of Credit (LC), Shipping Guarantee, Letters of Guarantee and Foreign Exchange Forward Contracts. The funded facilities include overdraft facility and short-term loan. Import loans, though funded in nature, have been incorporated under non-funded facilities given that they are availed solely for the purpose of settlement of LC. The aggregate amount of arranged composite working capital facilities is BDT 55,258 million (2022: BDT 45,554 million) of which non-funded limit is BDT 26,286 million (2022: BDT 23,286 million) and funded limit is BDT 55,258 million (2022: BDT 29,678 million). The limits maintained with some banks are omnibus in nature.

As per the approval of the Board of Directors of Grameenphone, the total amount of short-term funded facilities is limited to BDT 60,000 million (2022: BDT 30,000 million).

Security against short term credit facilities

The short-term credit facilities are unsecured and backed by standard charge documents as per terms and conditions set by respective banks and financial institutions.

44 Commitments

	As at 31 December 2023 BDT (000)	As at 31 December 2022 BDT (000)
Capital commitment (open purchase order) for Property, plant and equipment	7,285,045	9,741,565
Capital commitment (open purchase order) for intangible assets	655,801	851,300

45 Contingencies

The Company is currently involved in a number of legal proceedings, including inquiries from, or discussions with, governmental authorities that are incidental to its operations. However, save as disclosed below, the Company is not currently involved in any legal proceedings which may have a significant effect on the financial position or profitability of the Company but for which any provision has not been recognised in these financial statements.

(a) BTRC audit

During 2011, Bangladesh Telecommunication Regulatory Commission (BTRC) carried out an information system audit of Grameenphone for the period from 1997-2011 through BTRC's appointed auditor and issued a demand notice to Grameenphone on 03 October 2011 claiming an amount of BDT 30,341,108,581 as outstanding dues on various categories. During and after the audit, Grameenphone clarified to both BTRC and their auditors, that those observations were framed on incorrect basis. Thereafter, Grameenphone disagreed to the claim and responded to the letter requesting BTRC to withdraw the notice. Subsequently, Grameenphone filed a Title Suit before the learned District Court, Dhaka challenging the BTRC demand. In an Appeal arising out of the Title Suit, the Hon'ble High Court Division (HCD) passed an order of status quo on the

demand, which is valid till disposal of the matter at the Hon'ble HCD. However, on 30 September 2018, BTRC filed an application for summary dismissal of the said Title Suit without going into the merit. The hearing of the application has not taken place yet and the next date has been fixed on 03 April 2024.

It is to be noted here that in a separate Writ Petition filed by another audit firm challenging the auditor appointment process of BTRC, the appointment of the said auditor was declared illegal by the Hon'ble HCD in 2011 for non-compliance with the relevant procurement laws which was later on upheld by the Hon'ble Appellate Division (AD) in 2013.

In 2015, BTRC appointed a new auditor through a fresh appointment process to conduct an information system audit on Grameenphone since inception i.e., 1997 to 2014. Despite numerous interactions with BTRC and full cooperation to the BTRC appointed auditors, Grameenphone's concerns regarding the audit findings were not addressed by BTRC.

On 02 April 2019, Grameenphone received a demand (Audit Demand) of BDT 125,799,476,135 from BTRC for payment of BDT 84,940,104,730 (including interest of BDT 61,943,079,371 till December 2017) to BTRC and BDT 40,859,371,405 to National Board of Revenue (NBR) within 10 (ten) working days. Pointing out the errors in the methodologies, procedure and substance of the audit exercise, Grameenphone disputed the whole Audit Demand and on 16 April 2019 replied requesting BTRC to withdraw the demand and to engage in discussions with a view to find an amicable resolution. Thereafter, Grameenphone served a notice of arbitration upon BTRC and sent another letter to the Secretary, Ministry of Posts and Telecommunication seeking his support in resolving the matter through arbitration process.

On 04 July 2019, without participating in the arbitration proceedings, BTRC directed International Internet Gateway operators to reduce Grameenphone's internet bandwidth capacity which was subsequently withdrawn on 17 July 2019 considering the impact on subscribers. However, On 22 July 2019, BTRC imposed operational restrictions (Restrictions) through stopping issuance of No Objection Certificates (NOCs) and approvals on products and services and equipment import. In this context, on 30 July 2019, Grameenphone moved with Arbitration applications before the Hon'ble HCD for appointment of BTRC's arbitrator and also for interim relief against the said Restrictions which were subsequently rejected by the Hon'ble HCD on 21 October 2019.

In the meantime, on 14 August 2019, a proposal letter was sent to BTRC for withdrawal of earlier demand based on 2011 audit and discontinuation of the Title Suit in relation to the 2011 audit in order to remove any perceived roadblock for BTRC to participate in arbitration on the current audit demand. The letter remains unanswered.

On 26 August 2019, Grameenphone filed a Title Suit against the Audit Demand before the learned District Court, and on 28 August 2019, Grameenphone moved an application for injunction praying stay on the Restrictions and restraintment on BTRC to realise or enforce the Audit Demand. The said application was rejected against which, on 17 September 2019, Grameenphone filed an appeal before the Hon'ble HCD. In the meantime, on 05 September 2019, BTRC issued a show cause notice to Grameenphone as to why Grameenphone's 2G & 3G licences should not be cancelled. Grameenphone responded timely to the show cause notice.

In parallel, Grameenphone had been continuing engagement with the authorities with a view to find a transparent and amicable resolution. On 18 September 2019, the then Finance Minister in the presence of the then Minister of Post and Telecommunication, NBR Chairman, BTRC Chairman and representatives of Grameenphone, got involved to pursue a constructive path towards resolving the issue. There, it was expressed that BTRC would withdraw the show cause notice and impositions immediately and that Grameenphone would suspend its legal efforts to facilitate an amicable solution. Despite these constructive efforts, BTRC did not lift any of the operational restrictions or the show cause notice.

On 17 October 2019, in the appeal filed earlier by Grameenphone, the Hon'ble HCD passed an interim order of injunction restraining BTRC to realise or enforce the Audit Demand and stayed the operation of the BTRC Restrictions.

Challenging the said order of Hon'ble HCD, BTRC moved to the Hon'ble AD and on 24 November 2019, the Hon'ble AD held that the order of Hon'ble HCD is maintained subject to payment of BDT 20,000,000,000 to BTRC within 03 (three) months; in default the order of Hon'ble HCD shall stand vacated.

On 20 February 2020, in a Review Petition filed by Grameenphone, the Hon'ble AD verbally directed Grameenphone to deposit BDT 10,000,000,000 within 24 February 2020 which Grameenphone complied and booked the deposit as non-current receivables as disclosed in Note 9 to these financial statements. On

24 February 2020, the court further directed Grameenphone to deposit the remaining BDT 10,000,000,000 by 31 May 2020 in default the order of Hon'ble HCD shall stand vacated and BTRC to allow Grameenphone to carry on its business without any hindrance. On 19 May 2020, Grameenphone further deposited BDT 10,000,000,000 and filed a compliance application, for which Grameenphone followed the same accounting treatment.

The hearings of Review Petition and Appeal have not taken place yet at Hon'ble AD and HCD respectively which will take place as per accommodation of the courts. The injunction allowed by the Hon'ble AD continues to remain in force.

The original Title Suit is pending at the learned District Court. BTRC and its Auditor appeared in the suit earlier. On 16 May 2022, BTRC submitted its reply which was accepted by the Court on 27 July 2022. As per Grameenphone's assessment, BTRC has not responded to Grameenphone's arguments in substance and hence, Grameenphone's position on the Audit Demand remains unchanged. The Court has fixed the next date on 29 September 2024. In the ordinary course, on that date the parties will have to inform the Court on their positions about statutory Mediation as provided by the Code of Civil Procedure, 1908. Meanwhile, as part of the initiative to find a transparent process towards an amicable solution, currently Grameenphone is continuing dialogue with BTRC to explore the statutory Mediation. In the meantime, the Post and Telecommunication Division has issued a letter guiding BTRC that necessary step for mediation can be taken provided there is a direction/order from the learned Court.

Despite Grameenphone disagreeing with the Audit Demand as a basis for the audit claim, Grameenphone has consistently tried to engage with the authorities to find a transparent process towards an amicable solution based on the merits of the audit findings. Although in 2019 BTRC declined to refer the matter to arbitration and in October 2019, BTRC did not follow up on pursuing the constructive path towards a solution initiated in the 18 September 2019 meeting, Grameenphone will continue engagement for a transparent amicable solution based on merit while continuing to represent in the legal proceedings.

Grameenphone has performed a detailed assessment of the BTRC and NBR demands and obtained legal advice for each of the various matters/demands and assessed as unjustified from Grameenphone's position. Overall, the BTRC Audit Demand is comprised of claims against 26 line items of which 22 line items are related to BTRC payments (BDT 22,997,025,359 as principal amount and BDT 61,943,079,371 as interest amount). Out of the said 22 line items, necessary provision has been made following relevant International Financial Reporting Standards (IFRSs) based on the verbal judgement of Hon'ble AD as disclosed in Note 45(c).

Out of the said 22 line items, one of the claim heads is relating to deductibility of VAT from BTRC payments in connection with 2G licence renewal, spectrum assignment fee and other payments. In 2012, Grameenphone and other mobile operators disputed the matter through judicial proceedings and ultimately, on 10 January 2023, the Hon'ble AD pronounced verbal judgement and published written judgement on 01 June 2023 based on which Grameenphone has paid the entire principal amount to BTRC on 14 June 2023 (which includes BDT 3,921,993,618 as part of BTRC Audit Demand) without prejudice to its right to pursue Review Petitions (RPs) and without conceding any factual or legal issue in accordance with the said judgment. While making the said payment, Grameenphone also reserved the right to adjust against its future payment obligations subject to the outcome of the RPs. Subsequently, Grameenphone has also filed RPs before the Hon'ble AD challenging the said judgement. Grameenphone is currently engaged in a without prejudice reconciliation exercise with BTRC. Besides, necessary provision has also been made following relevant IFRSs based on the written AD judgement. In this regard necessary steps will be taken at appropriate stage in the original Title Suit against the recent BTRC audit claim.

The other 4 (four) line items (with a total amount of BDT 40,859,371,405) are unauthorised and erroneously claimed by BTRC and are related to already resolved matter or where NBR has no claim against Grameenphone or matters pending in ongoing formal resolution processes (sub-judice) with the NBR. In the NBR matters, Grameenphone had already made the relevant provisions. Moreover, Grameenphone and Large Taxpayer Unit (LTU-Tax) signed agreements on 18 June 2023 and settled all income tax disputes for the assessment years from 2007-2008 to 2019-2020 through Alternative Dispute Resolution (ADR) process and accordingly, obtained a tax clearance certificate from LTU-Tax for the same period on 22 June 2023. With this settlement of disputes, Grameenphone considers that the NBR claims under the BTRC audit demands related to corporate tax have been resolved.

Pointing out the errors in the substance, methodologies and procedures of the audit exercise Grameenphone disputed the whole Audit Demand. The errors in the audit-findings, the unprecedented long period covered by the audit (more than 20 years backwards), the inclusion of already settled/resolved items, the erroneous claim on behalf of third parties, the inclusion of sub-judice items create significant

uncertainty about the validity of the demand and outcome of the dispute. Grameenphone through its current assessment concluded that there is no such obligation against the audit claims towards BTRC except as disclosed herein above.

(b) SIM tax on replacement SIMs

Large Taxpayers' Unit (LTU)-VAT through a letter dated 16 May 2012 claimed BDT 15,804,391,570 including interests of BDT 5,454,810,667 for all replacement SIMs issued during the period from July 2007 to December 2011 alleging that Grameenphone evaded SIM tax by selling new connections in the name of replacement SIMs. The said demand was based on extrapolating the outcome of only five randomly purchased SIMs by LTU-VAT. Grameenphone challenged the demand before the Hon'ble HCD and on 6 June 2013, the court disposed of the case directing the LTU-VAT to decide the matter within 120 days and make no demand in the meantime. Subsequently, a SIM Replacement Review Committee (SRRC) was constituted and in January 2014 LTU-VAT finalised their observations without changing their earlier position significantly

The mobile operators expressed their dissatisfaction over the findings and the way LTU-VAT members of the SRRC disregarded the spirit of the 'Terms of Reference' and agreed methodology as endorsed by BTRC in carrying out the review.

Thereafter, the LTU-VAT issued an order dated 18 May 2015 purporting to dispose of the show cause notice and finalise the demand at BDT 10,232,331,083. The revised demand includes substantially all replacements done by Grameenphone between July 2007 and December 2011.

At this juncture, Grameenphone filed an appeal before the Customs, Excise & VAT Appellate Tribunal (CEVT) against the demand. Even though Grameenphone believes that the claim against it is not likely to be legally enforceable, 10% of the disputed amount was deposited at the time of appeal due to statutory requirement. Since the claim is not likely to be legally enforceable, any payment related to this claim is likely to be recoverable after the resolution of this issue. Grameenphone considered the deposit as a contingent asset under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

On 5 June 2017, the CEVT dismissed the Appeals filed by Grameenphone and other mobile operators. Subsequently, on 19 July 2017, Grameenphone filed a VAT Appeal before the Hon'ble HCD challenging the same and the court passed an order of stay which is still subsisting. The appeal has been fixed for hearing along with other operators' appeals and will be heard as per accommodation of the Hon'ble HCD.

Further, for the period July 2012 to June 2015, without conducting any investigation and based on the assumption that Grameenphone evaded SIM tax by selling new connections in the name of replacement SIMs, LTU-VAT issued the final demand for BDT 3,789,537,820. On 20 February 2018, Grameenphone filed appeal before the CEVT against the demand upon depositing 10% of the demanded amount due to statutory requirement and considered the deposit as a contingent asset under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. On 23 March 2019 the CEVT dismissed the Appeal challenging which Grameenphone filed a VAT Appeal before the Hon'ble HCD and the court passed an order of stay which is still subsisting. The appeal has been fixed for hearing and will be heard as per accommodation of the Hon'ble HCD.

Subsequently, during November 2017, the LTU-VAT issued a separate show-cause notice for the similar issue covering the period from January 2012 to June 2012 for an amount of BDT 823,342,916. As per the then law LTU-VAT cannot claim any amount beyond 5 years, hence the claim is time barred. Grameenphone replied to the show cause notice accordingly. Subsequently the hearing before the LTU-VAT Commissioner took place on 31 January 2019 following which LTU-VAT has not concluded on the demand yet although the statutory limitation to conclude such demand was 120 days from issuance of the show-cause i.e., 23 November 2017.

Out of this NBR claim, BDT 10,232,331,083 are also part of BTRC audit claim dated 02 April 2019 as discussed in Note 45(a) above.

(c) Interest on SIM Tax during 24 August 2006 to 27 March 2007

National Board of Revenue (NBR) through a General Order (GO) dated 9 June 2005 fixed Tariff Value determining SIM Tax at BDT 2,172.20 per SIM Card. Challenging the legality of such imposition of SIM Tax, one subscriber filed a Writ Petition before the Hon'ble HCD and the Hon'ble HCD on 25 June 2005 by an interim order stayed the operation of the GO. Accordingly, the mobile operators including Grameenphone could not collect SIM Tax from the customers since the collection of SIM Tax was suspended. Subsequently, on 24 August 2006 Hon'ble HCD declared the imposition of SIM Tax as illegal challenging which NBR filed a Civil Petition before the Hon'ble AD and the court initially stayed the judgment of the Hon'ble HCD on 27 March 2007 and finally on 1 August 2012, reversed the judgment of Hon'ble HCD declaring the imposition of SIM Tax

as legal. NBR issued a demand notice after the judgment of the Hon'ble AD and BDT 3,480,971,703 was paid by GP on 12 September 2012 on protest.

On 9 May 2016, LTU-VAT issued a show cause notice to Grameenphone for interest amounting BDT 4,525,263,202 for the delay in payment of SIM Tax on sale of SIM during the period from August, 2006 to March, 2007 for a period of 65 months, i.e. the period between 1 April 2007 and the day before the date of the payment made by Grameenphone, i.e. 11 September 2012 during which the matter was pending before the Hon'ble AD for disposal. Subsequently, NBR issued a demand notice on 22 June 2016 for the same amount which was challenged by Grameenphone through filing an appeal before the Hon'ble CEVT. Even though Grameenphone believes that the claim against Grameenphone is not likely to be legally enforceable, 10% of the disputed amount was deposited for filing the appeal due to statutory requirement. Since the claim is not likely to be legally enforceable, any payment related to this claim is likely to be recoverable after the resolution of this issue. Grameenphone has considered the deposit as a contingent asset under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. On 11 April 2018, CEVT dismissed the Appeal challenging which Grameenphone filed a VAT Appeal before the Hon'ble HCD and on 10 July 2018 the court passed an order of stay which is still subsisting.

As per direction of the Hon'ble HCD, Grameenphone has submitted the relevant documents. The Hon'ble HCD fixed the appeal for hearing which will be heard as per accommodation of the court.

In January 2019, International Financial Reporting Interpretations Committee (IFRIC) published Committee's agenda decisions addressing accounting treatment for the deposits relating to indirect taxes. After a thorough analysis, the appeal deposit of 10% has been reinstated to long term receivables by crediting profit or loss account.

(d) Interest for delayed payment of Guaranteed Annual Rent to Bangladesh Railway

There was a dispute regarding payment of VAT (whether inclusive or exclusive) on the Guaranteed Annual Rent (GAR) paid to Bangladesh Railway (BR) to use its Fibre Optic Network (FON) under an Agreement dated 17 September 1997. Grameenphone made payment to BR after deduction of VAT from the GAR following inclusive method. In 2008, BR requested Grameenphone to pay the amounts deducted as VAT otherwise threatened to disconnect the FON connection. Grameenphone filed a Writ Petition before the Hon'ble HCD and HCD disposed of the Writ Petition directing Grameenphone to pay VAT following exclusive method i.e. to be grossed up on top of GAR which was later on upheld by the Hon'ble AD. BR issued a demand letter of BDT 319,670,457. Grameenphone paid the demanded amount on 10 January 2018 without prejudice to its right to file Review Petition before the Hon'ble AD and subject to adjustment, if any, as per the decision of the Review Petition. However, after assessment, Grameenphone decided not to pursue for Review Petition against the decision of the AD.

On 27 February 2018, BR made an additional demand of BDT 1,316,513,243 as interest for delayed payment of deducted GAR referring to the provisions of the agreement between Grameenphone and BR. Grameenphone believes that interest should not apply during the period when the matter was sub-judice and BR's demand for principal amount was stayed by the Order of the Court. Moreover, Grameenphone's position is that it did not default in making the installment payments, and the demand for interest is not a public demand as it arises from a commercial contract. Pursuant to the said demand letter, on 24 May 2018, Grameenphone sent a letter to BR for resolution of the dispute amicably by stating its legal position. Thereafter, BR refused the proposal for amicable resolution on 29 July 2018.

Thereafter, a Certificate Case was filed by BR under Public Demands Recovery Act 1913 against Grameenphone, claiming the said amount. On 05 November 2020, Grameenphone filed a petition denying the claim. On 22 February 2021, BR submitted its response against the same. On 19 November 2023 Grameenphone sought adjournment in the pending Certificate Case due to the pendency of the related proceedings before the Hon'ble HCD, which was allowed and the next date has been fixed on 28 January 2024.

In the meantime, on 24 December 2020, as per agreement Grameenphone served an Arbitration notice upon BR for Arbitration proceedings regarding the claim and accordingly requested BR to appoint arbitrator on their behalf. Subsequently, on 24 January 2021 BR in reply requested Grameenphone to withdraw the Arbitration notice without appointing any arbitrator on their behalf. Against this backdrop, on 7 March 2021 Grameenphone filed two applications before the Hon'ble HCD - one is an injunction application under section 7KA of the Arbitration Act 2001 seeking stay on the proceedings of the Certificate Case and another is an application under section 12 of the Arbitration Act 2001 for appointment of BR's arbitrator. On 14 March 2021, the Hon'ble HCD admitted both the applications and issued Rule (show cause). The arbitration applications are now pending for hearing before the Hon'ble HCD and hearing will take place as per accommodation of the Court.

(e) Dispute on benefits related to profit participation fund

Some former employees of Grameenphone have filed individual cases at Labour Court claiming benefits related to profit participation fund. Grameenphone is defending these cases at the Labour Court. Before any substantive hearing, Grameenphone is filing maintainability applications seeking dismissals of the cases. Further steps will be taken in due course of time based on the outcome.

46 Other disclosures**46.1 Segment information**

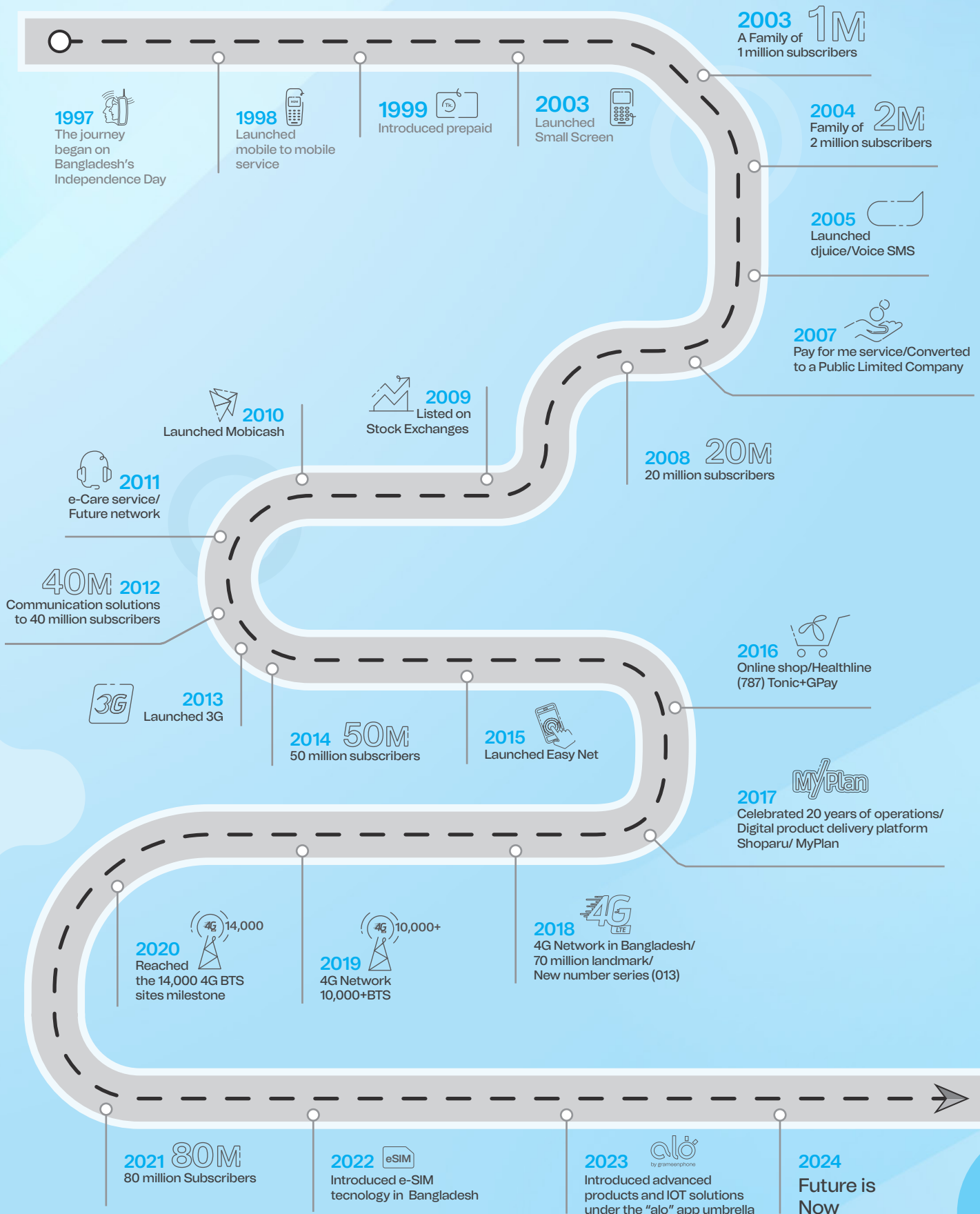
Grameenphone essentially provides similar products and services to customers across the country and its products and services essentially have similar risk profile. Grameenphone's business is not organised in product or geographical components and its operating result is reviewed as a whole by its management. Hence, segment information is not relevant.

46.2 Events after the reporting period

The Board of Directors of Grameenphone Ltd. at its 252nd meeting held on 5 February 2024 recommended a final cash dividend amounting to BDT 16,878,750,275 being 125% of the paid-up capital (i.e. BDT 12.50 per share) for the year 2023. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company.

OUR JOURNEY

Empowering Society
& Connecting Customers
to a Digital Future



OUR RECOGNITION 2023

Grameenphone is recognised each year for operational and brand excellence. These awards push us to never relent in our pursuit of service to the community we serve, and to our stakeholders who hold us in esteem. As a Company we are collectively geared towards upholding the highest levels of governance in our day-to-day operations because what we do and how we do it deeply impact the people who rely on us every day. In 2023, we were recognised on multiple fronts and we take each of these accolades to heart and renew our commitment to continue to be the best we can be.

Best Presented Annual Report Award



Received Gold Award in 'Best Corporate Award 2022' from ICMAB (Institute of Cost and Management Accountants)



Received Silver Award for Best Presented Annual Report 2022 by ICAB (The Institute of Chartered Accountants of Bangladesh)

Other Awards

Received "Bangladesh Sustainability Excellence Awards 2023" presented by The Daily Star and CSR Window Bangladesh.

Honoured as the Highest Taxpayer in the Telecommunication Sector of Bangladesh by the National Board of Revenue (NBR) for the financial year 2022-23.

Received the top award in the 'Best Telecom Brand' and as 4th Most Loved Brand' for the year 2023, presented by Bangladesh Brand Forum in partnership with nSearch Ltd., and in association with The Daily Star.

Received the Asia's Best Employer Brands 2023 award for employer brand initiatives and campaigns from Employer Branding Institute-India.

Grameenphone brand honoured with 8 awards in different categories at the 12th 'Commward' in 2023 organised by the Bangladesh Brand Forum.

Grameenphone and its two partner agencies (Grey Advertising Ltd. and Mindshare Ltd.), won 25 'Digital Marketing Awards', the highest, organised by the Bangladesh Brand Forum.



Useful Information for Shareholders

1. General

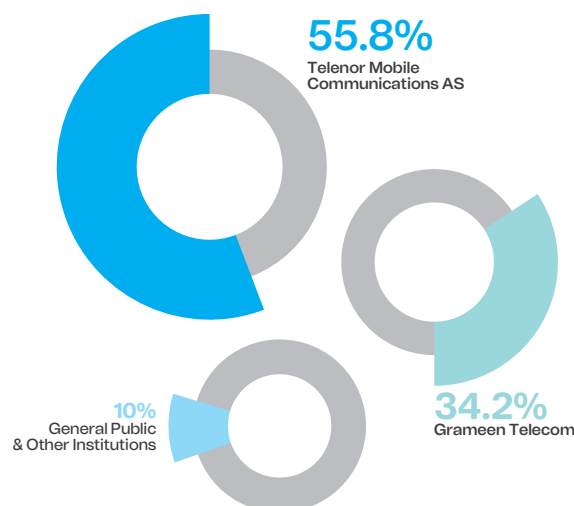
Authorised Capital	: BDT 40,000,000,000
Issued and Fully Paid-up Capital	: BDT 13,503,000,220
Class of Shares	: Ordinary Shares of BDT 10.00 each
Voting Rights	: One vote per Ordinary Share

2. Stock Exchange Listing

The Ordinary Shares of the Company are listed on the Dhaka and Chittagong Stock Exchanges. Company trading code is [GP].

3. Shareholding Structure

The shareholding structure comprises of mainly two sponsor shareholders, namely, Telenor Mobile Communications AS (55.80%) and Grameen Telecom (34.20%). The rest 10.00% shareholding includes General Public (2.53%), Foreign (1.58%) and other institutions (5.89%), as of 31 December 2023.



4. Top Twenty Shareholders as on 31 December 2023

Sl. No.	Name of Shareholders	Number of Ordinary Shares Held	Percentage
1	Telenor Mobile Communications AS	753,408,154	55.80
2	Grameen Telecom	461,766,409	34.20
3	Government of Norway	11,590,535	0.86
4	Grameen Bank Borrower's Investment Trust	11,037,221	0.82
5	A.K. Khan & Company Ltd.	8,564,553	0.63
6	ICB Unit Fund	3,227,798	0.24
7	BRAC Bank Limited	3,104,921	0.23
8	Bangladesh Fund	2,700,000	0.20
9	BBH A/C Matthews Asia Dividend Fund	2,212,126	0.16
10	Delta Life Insurance Co. Ltd.	1,982,895	0.15
11	ICB Bond	1,959,895	0.14
12	SSBT A/c Wellington Management Funds (Ireland) Public Limited Company- Wellington Global Impact Fund	1,938,847	0.14
13	Grameen One: Scheme Two	1,400,000	0.10
14	1 st Bangladesh Fixed Income Fund	1,270,442	0.09
15	BBH A/C Japan Trustee Services Bank Ltd. As Trustee of SMTB Global Impact Mother Fund	1,258,552	0.09
16	United Commercial Bank Limited	1,048,947	0.08
17	BBS-United Commercial Bank Limited- BB Scheme	1,048,916	0.08
18	Investment Corporation of Bangladesh	1,032,273	0.08
19	DBL Securities Ltd.	1,025,637	0.08
20	Pubali Bank Limited	940,000	0.07
	Total	1,272,518,121	94.24

5. Dividend

For the Year	Dividend Rate	Dividend Per Share (BDT)	Par Value Per Share (BDT)	Dividend Type
2023	125% (Proposed Final Dividend)	12.50	10.00	Cash
2022	95% (Final Dividend)	9.50	10.00	Cash
	125% (Interim Dividend)	12.50	10.00	Cash
2021	125% (Final Dividend)	12.50	10.00	Cash
	125% (Interim Dividend)	12.50	10.00	Cash
2020	145% (Final Dividend)	14.50	10.00	Cash
	130% (Interim Dividend)	13.00	10.00	Cash
2019	40% (Final Dividend)	4.00	10.00	Cash
	90% (Interim Dividend)	9.00	10.00	Cash
2018	155% (Final Dividend)	15.50	10.00	Cash
	125% (Interim Dividend)	12.50	10.00	Cash

6. Unclaimed/ Unpaid Dividend

The dividend declared at an Annual General Meeting (AGM) is required to be paid within 30 days from the date of declaration. Interim Dividend is required to be paid within 30 days from the Record Date. As per the Directive of Bangladesh Securities and Exchange Commission (BSEC), when a company declares dividend but has not been paid within 30 days or claimed by the shareholders within 1 year from the date of the declaration or Record Date, the company shall, after elapse of 1 (one) year from date of declaration or approval or record date, transfer the total amount of dividend, which remain unpaid or unclaimed including accrued interest (after adjustment of bank charge, if any), to a special account naming "Unpaid Dividend Account", to be opened by the company on that behalf in any scheduled bank.

Further, any money transferred to the "Unpaid Dividend Account" of a company in pursuance of the above BSEC Directive, which remains unpaid or unclaimed for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be along with interest accrued (after adjustment of bank charge, if any), if any, thereon, such amount need to be transferred to the Capital Market Stabilisation Fund (CMSF) as directed or prescribed by the BSEC.

If any shareholder claims his/her cash dividend after the transfer of such dividend to the Fund, within 15 days of receiving such claim, the company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the Manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the BSEC.

The year-wise summary of unclaimed/unpaid dividend as on 31 December 2023

SI	Financial Year	Dividend Type	Rate of Dividend	Date of Declaration of the Dividend and Record Date as the case may be	Unclaimed/Unpaid Dividend as on 31 December 2023 (BDT'000)
1	2022	Final	95%	02 May 2023	3,859,335
		Interim	125%	10 August 2022	25,098
2	2021	Final	125%	26 April 2022	16,643
		Interim	125%	9 August 2021	12,448
3	2020	Final	145%	19 April 2021	12,572
4	GP IPO Suspense Account	Final Dividend 2020 to Final Dividend 2021			33
Total					3,926,129

The year-wise summary of unclaimed/ unpaid dividend which was sent to the Capital Market Stabilisation Fund (CMSF)

Sl	Financial Year	Dividend Type	Rate of Dividend	Date of Declaration of the Dividend and Record Date as the case may be	Unclaimed Dividend (BDT'000)	Shareholders' claim settled by CMSF (BDT'000)	Unclaimed/Unpaid Dividend as on 31 December 2022 (BDT'000)	Remarks
					A	B	A-B=C	
1	2020	Interim	130%	5-Aug-20	10,269	11	10,258	Transferred to CMSF account on 17 September 2023
2	2019	Final	40%	21-Apr-20	3,496	25	3,471	Transferred to CMSF account on 28 May 2023
		Interim	90%	4-Aug-19	6,575	142	6,433	Transferred to CMSF account on 04 September 2022
3	2018	Final	155%	23-Apr-19	8,886	184	8,702	Transferred to CMSF account on 22 May 2022
		Interim	125%	5-Aug-18	7,533	106	7,427	Transferred to CMSF account on 29 August 2021
4	2017	Final	100%	19-Apr-18	3,618	82	3,536	
		Interim	105%	2-Aug-17	4,877	66	4,811	
5	2016	Final	90%	20-Apr-17	6,758	54	6,704	Transferred to CMSF account on 22 May 2022
					1		1	
		Interim	85%	8-Aug-16	3,753	49	3,704	Transferred to CMSF account on 29 August 2021
					2		2	Transferred to CMSF account on 22 May 2022
6	2015	Final	60%	19-Apr-16	3,843	28	3,815	Transferred to CMSF account on 29 August 2021
		Interim	80%	29-Jul-15	5,238	14	5,224	
7	2014	Final	65%	21-Apr-15	4,446	17	4,429	
		Interim	95%	5-Aug-14	6,235	34	6,201	
8	2013	Final	50%	9-Apr-14	6,274	5	6,269	
		Interim	90%	29-Jul-13	3,766	1	3,765	
9	2012	Final	50%	10-Apr-13	2,803	5	2,798	
		Interim	90%	31-Jul-12	5,119	7	5,112	
10	2011	Final	65%	10-Apr-12	6,188	5	6,183	
		Interim	140%	28-Jul-11	13,292	10	13,282	
11	2010	Final	85%	19-Apr-11	9,231	6	9,225	
		Interim	35%	2-Nov-10	8,070	22	8,048	
12	2009	Final	60%	8-Jun-10	13,200	5	13,195	
13	GP IPO Suspend Account	Final Dividend 2009 to Interim Dividend 2018			159		159	
		Final Dividend 2018			13		13	Transferred to CMSF account on 22 May 2022
		Interim & Final Dividend 2019			11		11	Transferred to CMSF account on 30 May 2023
		Interim Dividend 2020			11		11	Transferred to CMSF account on 18 September 2023

7. Credit Rating

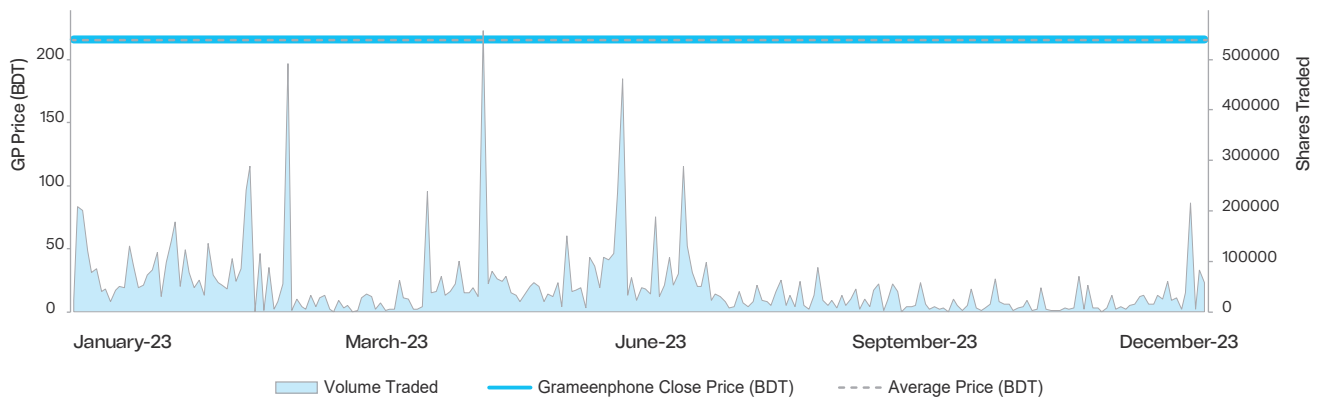
The Company's credit rating was reaffirmed by Credit Rating Information and Services Limited (CRISL) on 05 March 2024 and is valid up to 04 March 2025.

Long Term	Short Term
AAA	ST-1

8. Associate Company

Name of the Company	Holding	Activity
Accenture Communications Infrastructure Solutions Ltd. (Formerly known as Grameenphone IT Ltd.)	49%	IT Company

9. Grameenphone Share Performance at Stock Exchanges



10. Financial Calendar 2024



* Please note that these dates are provisional and subject to change, please check www.grameenphone.com/about/investor-relations for latest updates

11. Company Website

Anyone can get information regarding the Company's activities, products and services or can view the Annual Report 2023 at www.grameenphone.com

12. Investor Relations

Institutional investors, security analysts and other members of the professional financial community requiring additional financial information, please contact at **+8801755552271** or visit the Investor Relations section of the Company website: www.grameenphone.com

13. Shareholder Services

If you have any queries relating to your shareholding and dividend, please contact at **+8801711555888** or mail to Grameenphone Share Office at shareoffice@grameenphone.com

Grameenphone Ltd.

Registered Office and Share Office: GPHouse, Bashundhara, Baridhara, Dhaka-1229

Notice of the 27th Annual General Meeting Virtual Shareholder Meeting

Notice is hereby given that the 27th Annual General Meeting (AGM) of Grameenphone Ltd. will be held on **Thursday, 02 May 2024 at 10:30 am (Dhaka Time)**. The AGM will be held virtually by using digital platform through the following link <https://agmbd.live/GP2024> to transact the following businesses:

AGENDA

1. Consideration and adoption of the Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2023 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended 31 December 2023 as recommended by the Board of Directors.
3. Election/Re-election of Directors and Extension of tenure of Independent Director.
4. Appointment of Statutory Auditors and fixation of their remuneration.

By order of the Board of Directors

Sd/-

S M Imdadul Haque

Company Secretary

08 April 2024

Notes:

- The Members whose names appeared on the Members/Depository Register as on the **"Record Date"** i.e. **29 February 2024** are eligible to participate in the **27th Annual General Meeting (AGM)** and receive dividend.
- Pursuant to the Bangladesh Securities and Exchange Commission's Directive No. BSEC/ICAD/SRIC/2024/318/87 dated 27 March 2024, the AGM will be a virtual meeting of the Members, which will be conducted via live webcast by through the use of a digital platform.
- The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their **16-digit Beneficial Owner (BO) ID** number and other credential as proof of their identity by visiting the link <https://agmbd.live/GP2024>
- The detailed procedures to participate in the virtual meeting and Frequently Asked Questions (FAQs) have been published on the Investor Relations section of the Company's website at: www.grameenphone.com
- We encourage the Members to log in to the system before the meeting start time of 10:30 am (Dhaka time) on 02 May 2024. Please allow ample time to login and establish your connectivity. The webcast will start at 10:30 am (Dhaka Time). Please contact **+8801711555888** for any technical difficulties in accessing the virtual meeting.
- A Corporate Member intending to appoint its authorised representative to attend and vote at the AGM is requested to send the Company an authorisation letter along with a duly certified copy of the Board Resolution authorising its representative to attend and vote on its behalf at the Meeting. The said authorisation letter must be received at the Grameenphone Share Office no later than 72 hours prior to the start of the AGM.
- A Member who is entitled to attend and vote at the AGM may appoint a Proxy to attend and vote on his/her behalf. The **"Proxy Form"**, duly completed, signed and stamped at **BDT 100** must be received at the Grameenphone Share Office no later than 72 hours prior to the start of the AGM.
- Pursuant to the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/208/ Admin/81 dated 20 June 2018, the soft copy of the Annual Report 2023 is being sent to Members at the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The Members are requested to update their email addresses through their respective Depository Participant (DP). The digital version and soft copy of the Annual Report 2023 will also be available on the Investor Relations section of the Company's website at: www.grameenphone.com

EXPLANATORY NOTES:

1. Election/Re-election of Directors and Extension of tenure of Independent Director. [Agenda - 3]

The following Directors of the Board will retire at the Company's ensuing 27th Annual General Meeting (AGM). However, they are eligible for re-appointment:

1. Mr. Håkon Bruaset Kjøl
2. Mr. M Shahjahan
3. Mr. Md. Ashraful Hassan

As per the Corporate Governance Code 2018, based on the recommendation of the Nomination and Remuneration Committee, the Board approved the extension of tenure of Mr. Abdul-Muyeed Chowdhury as an Independent Director of Grameenphone Ltd. for a second term of three (3) years. Accordingly, Mr. Abdul-Muyeed Chowdhury's extension of tenure is required to be vetted and confirmed at the Company's ensuing 27th AGM.

As per the conditions 1(5)(xxiv) of the Corporate Governance Code of Bangladesh Securities and Exchange Commission, brief profiles of the proposed Directors are given on page 30 of the Annual Report. The companies (other than Grameenphone Ltd.) in which the above Directors hold directorship and committee membership are given below.

Sl. No	Name of Directors	Directorship	Member of Board Committees	Other Business Occupation
1	Mr. Håkon Bruaset Kjøl	CelcomDigi Berhad, Malaysia Telenor Asia Pte Ltd., Singapore Telenor South Asia Investment Pte. Ltd., Singapore Telenor South East Asia Investment Pte. Ltd., Singapore Telenor Asia (IHQ) Limited, Thailand Snøhetta, Norway	CelcomDigi Berhad, Malaysia Governance and Risk Management	SVP, Head of Investment Management and Deputy Head of Asia, Telenor Asia, Singapore
2	Mr. M Shahjahan	Grameen Distribution Ltd. Grameen Shikkha Grameen Shakti Grameen Kalyan Grameen Telecom Grameen Healthcare Services Ltd. Grameen Krishi Foundation Grameen Fisheries & Livestock Foundation Grameen Shakti Samajik Byabosha Ltd. Grameen Fabrics & Fashions Ltd. Grameen Capital Management Ltd. Yunus Centre Grameen Samogree Samadhan Service Ltd. Grameen Employment Services Ltd. Grameen Italia Member of Board of Trustee Grameen Telecom Trust Grameen Healthcare Trust Yunus Family Trust Professor Muhammad Yunus Trust	Grameen Shikkha Finance, Audit and Regulatory Affairs Committee	Executive Vice Chairman of Grameen Kalyan

Sl. No	Name of Directors	Directorship	Member of Board Committees	Other Business Occupation
3	Mr. Md. Ashraful Hassan	Grameen Shakti Grameen Kalyan Grameen Telecom Grameen Shamogree Grameen Knitwear Ltd. Grameen Solutions Ltd. Shamadhan Services Ltd. Grameen Distribution Ltd. Grameen Veolia Water Ltd. Grameen Danone Foods Ltd. Grameen Fabrics and Fashions Ltd. Grameen Health Care Services Ltd. Grameen Employment Services Ltd. Grameen Shakti Samajik Byabosa Ltd. Grameen Shangdu Microcredit co., Ltd. Ononyo Construction & Developments Ltd. Samajik Health Science Institute and Research Centre Ltd. Member of Board of Trust Grameen Telecom Trust 3 ZERO Trust Kalyan Trust	None	Executive Vice Chairman of Grameen Telecom
4	Mr. Abdul-Muyeed Chowdhury	Advanced Chemical Industries Limited ACI Formulations Ltd. MJL Bangladesh PLC Omera Fuels Ltd. Omera Petroleum Ltd. Omera Cylinders Ltd. Summit Alliance Port Limited National Housing Finance and Investments Limited Desh Garments Ltd.	ACI Formulations Ltd. Audit Committee and Nomination and Remuneration Committee MJLB PLC Nomination and Remuneration Committee Audit Committee Omera Petroleum Ltd. EC Summit Alliance Port Limited Audit Committee National Housing Finance and Investments Limited Audit Committee & EC	Managing Director & CEO Tiger Tours Limited

2. Appointment of Statutory Auditors and fixation of their remuneration. [Agenda - 4]

As per the Companies Act 1994 and the Articles of Association of Grameenphone, the statutory auditors of the Company, ACNABIN, 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 (3) consecutive years as statutory auditors of the same Company. ACNABIN, Chartered Accountants has been the statutory auditors of the Company since 2021. In compliance with the BSEC order, we are required to appoint new statutory auditors for the Company. A Qasem & Co., 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 2024 and continuation till the next AGM at a fee of BDT 3.3 million plus VAT as against the existing fee of BDT 3 million plus VAT for onward approval by the Shareholders at the Company's ensuing 27th AGM.

Live Webcast
<https://agmbd.live/GP2024>

Disclaimer

This report contains statements regarding the future in connection with Grameenphone's growth initiatives. All statements regarding the future are subject to inherent risks and uncertainties, and many factors may lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

How to access information on Grameenphone

Grameenphone Produces a range of publications, which are available to download at www.grameenphone.com

Keep up to date with us



Follow us on Facebook
facebook.com/Grameenphone



Visit our LinkedIn Company profile
linkedin.com/company/grameenphone-ltd



Follow us on Twitter
twitter.com/grameenphone



Visit our YouTube channel
youtube.com/user/grameenphone

Read our reports at
www.grameenphone.com



Here you will find downloadable PDFs of:

- Annual Report 2023
- Proxy Form
- Notice of 27th AGM
- Frequently Asked Questions (FAQs) on Virtual Shareholder Meeting



now

Future is now



We care about our planet

Grameenphone wants to make a difference in minimising the challenges concerning climate change. Reducing consumption of resources and controlling the overall impact on the environment is our prime goal. To decrease the amount of paper we use, we have limited the scope of our printed annual report within regulatory requirements. Grameenphone's website features information about the Company and current initiatives taken by us towards establishing a sustainable environment

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