

# PROTECT, HEAL, NURTURE

reckitt®





# WELCOME

## OUR PURPOSE

We exist to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world.

## OUR FIGHT

We have a fight on our hands. A fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege.

## OUR COMPASS

Our compass guides us. We use it to navigate the way we need to behave as individuals, as teams, and as a company. Our culture builds on what has made us successful; and equips us for sustainable growth so that we may continue to protect, heal and nurture the generations to come.



# TABLE OF CONTENTS

## COMPANY OVERVIEW

2022 At a Glance	07
Corporate Profile	08
Chairperson's Statement	09
Managing Director's Statement	11
Notice of AGM	14
Who We Are	15
History of Reckitt Benckiser (Bangladesh) PLC	21
Organizational Chart	22
Awards and Accolades	23

## MANAGEMENT'S DISCUSSION & ANALYSIS

Industry Analysis	25
Management's Discussion & Analysis	27
KPIs & Financial Performance	31
Horizontal & Vertical Analysis of Statement of Financial Position and Statement of Profit and Loss Account	34
Value Added Statement	38
Contribution to National Exchequer (Including Duty)	40

## CORPORATE GOVERNANCE

Board of Directors	42
Management Committee	48
Corporate Governance Report	50
Attendance at Board Meetings	53
Pattern of Shareholding	54
Declaration by CEO and CFO	55
Certificate of Corporate Governance Compliance to the Shareholder	57





## CORPORATE GOVERNANCE

Status of Compliance on Corporate Governance Guidance by BSEC	58
Dividend Distribution Policy of Reckitt Benckiser Bangladesh PLC	65
Report of the Audit Committee	68
Report of Nomination and Remuneration Committee	70
Report of the Directors	74
Risk Management 2022	81
For Our Investors	88

## SUSTAINABILITY REPORTING

Corporate Social Responsibility	90
Integrated Reporting	95
Environment Related Initiatives	112

## FINANCIAL STATEMENTS

Auditor's Report	116
Statement of Financial Position	121
Statement of Profit and Loss and Other Comprehensive Income	122
Statement of Changes in Equity	123
Statement of Cash Flow	124
Notes to the Financial Statements	125
Proxy Form / Attendance Slip	171



A photograph of a modern, multi-story office building with a stone and brick facade. The building features large glass windows and a prominent sign on the upper corner that reads "RECKITT BENCKISER BANGLADESH". The sky is overcast. In the foreground, there are some green plants and a paved area.

## This Chapter Includes

2022 At a Glance

Corporate Profile

Chairperson's Statement

MD's Statement

Notice of AGM

Who We Are

History of Reckitt Benckiser (Bangladesh) PLC

Organizational Chart

Awards and Accolades

# COMPANY OVERVIEW



# 2022 AT A GLANCE

**Tk 496.94 Cr.**

Revenue

**18.92%**

Operating Profit Margin

**45.03%**

Gross Profit Ratio

**Tk 139.50**

Earnings Per Share

**Tk 98.00**

Dividend Per Share

**34.13x**

P/E Ratio

**Tk 176.80**

Net Asset Value Per Share

**Tk 271.66**

Net Operating Cash Flow Per Share

**70%**

Dividend Payout Ratio

**Tk 126 Cr.**

Contribution to National Exchequer

**Tk 4.46 Cr.**

Contribution to WPPF

**0.91x**

Return to Capital Employed

# CORPORATE PROFILE

## BOARD OF DIRECTORS

Rahul Mathur	Chairperson
Vishal Gupta	Managing Director
Nazimuddin Chowdhury	Independent Director
Istiaque Ahmad**	Independent Director
Pradeep Krishnamurthi	
Tanmay Gupta	
Sourav Mitra	
Rajesh Kumar Jha	
Sheikh Faezul Amin	

## CHIEF FINANCIAL OFFICER

Tanmay Gupta

## COMPANY SECRETARY

Mohammad Nazmul Arefin

## HEAD OF INTERNAL AUDIT & COMPLIANCE (HIAC)

Mrityunjoy Bose

## AUDIT COMMITTEE

Nazimuddin Chowdhury	Chairperson	(Independent Director)
Istiaque Ahmad**	Member	(Independent Director)
Rahul Mathur	Member	
Sourav Mitra	Member	
Pradeep Krishnamurthi	Member	
Mohammad Nazmul Arefin	Secretary	

## NRC COMMITTEE

Nazimuddin Chowdhury	Chairperson	(Independent Director)
Rahul Mathur	Member	
Pradeep Krishnamurthi	Member	
Sourav Mitra	Member	
Mohammad Nazmul Arefin	Secretary	

## SHARE COMMITTEE

Vishal Gupta	Chairperson
Tanmay Gupta	Member
Mohammad Nazmul Arefin	Secretary

## AUDITORS

A. Qasem & Co.  
(Chartered Accountants)

## BANKERS

Standard Chartered Bank  
The Hongkong & Shanghai Banking Corporation Ltd.

\*\* Bangladesh Securities and Exchange Commission's approval is pending



# CHAIRMAN'S STATEMENT



“

**Our performance during 2022 gives inspires confidence about our future performance. We are advancing our strategic priorities and building a sustainable, purpose-led culture.**

”

Dear Shareholders

It gives me immense pleasure to welcome you all to the 62nd Annual General Meeting of your Company. I am proud of the progress we made during what was a turbulent year for the global economy. The company's resilience and flexibility were much in evidence. We are successfully navigating both challenges arising from the turmoil of both international and country's economy due to the war between Russia-Ukraine as well as the headwinds faced by the economy on various fronts. Your company is not only moving forward as a resilient and purposeful company but also continues to build foundations for sustainable growth and future outperformance.

All of us at Reckitt Benckiser, are united in one passionate purpose- to continuously pursue a cleaner and healthier world for everyone and this pursuit of ours is most relevant today. In order to achieve this purpose of ours, we will fearlessly innovate across our Hygiene and Health business.

## Business Performance

Our revenue for the year stayed almost the same that is Tk. 497 crore, compared to last year. The growth in revenue is 0.55% compared to last year. This was due to the brands' volatility during the pandemic, such as Dettol Antiseptic Liquid which has seen slight decrease in the turnover. On the other hand, our hygiene products such as Harpic have done reasonably well.

Our operating profit margin for 2022 is 18.92% which is 4.42% lower than the previous year. This was due to economic turmoil that occurred because of the ongoing war between Russia-Ukraine, an unprecedented inflation in commodities as well as the depreciation of the Bangladeshi Taka against the US Dollar.

Even in the face of all challenges I am proud of how this company is reacting to this dramatically changing economy while maintaining sustainable performance with the help of all the stakeholders, i.e., our employees, our leadership team, our suppliers, our customers, etc. And the business has done well to deliver continuing growth in the year.

## Dividend

To equip ourselves against the ever-changing economy our directors have proposed a dividend of Tk. 98 per share. This year's payout ratio is 70% compared to 96% of previous year. Reckitt had maintained a high payout ratio of more than 90% over the years. This year due to the economic turmoil the company proposes to retain 30% of the profit.

## Talent and Culture

For Reckitt, Environment, Health and Safety is one of our key priorities. In our factory and depots, our EHS team closely monitors safety of our workforce. We remain focused on executing our strategic priorities, even in the face of the turmoil around the globe. Our workforce has shown itself to be adaptable and highly effective in very testing conditions. Our Purpose – to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world – is warmly endorsed by the workforce. Their resilience and commitment have brought exceptional progress critical to the combat the unprecedented changes of the economy. To be with our employees, we offered a range of support for employees, conscious that their wellbeing is paramount. This included local assistance programmes, partnering with mental-well being stakeholder to improve mental health and awareness of its importance among our employees.

Governance and risk management have also been important areas of focus for the Board over the last few years. We have continued to broaden and deepen our approach to managing safety and compliance risk.

## Sustainability Goals and Reckitt

We support UN's Sustainable Development Goals. We are investing significant energy and resources in our sustainability agenda. Sustainability is an integral part of our long-term sustainable growth business strategy and intrinsic to our identity as a responsible, purpose-led business that aims to make a

positive difference in the world. In relation to this agenda, your company has undertaken the project to upgrade the waste-water treatment plant at Reckitt Factory located at 58/59, Nasirabad Industrial Area, Chattogram-4209 to enforce environmental compliance.

## Accolades for Reckitt Benckiser

We always strive to be compliant to the code of Corporate Governance and the transparency and accountability requirement by the international and national accounting requirements. As a reward during the last year your company was awarded third prize from both ICAB (Institute of Chartered Accountants of Bangladesh and SAFA (South Asian Federation of Accountant) and second price from ICMAB (Institute of Cost and Management Accountants of Bangladesh) for Best Presented Annual Report for the year 2021. This value is imprinted with our mission statement, and we will continue to conserve it.

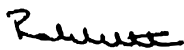
## Future Outlook

Looking ahead, we remain committed to our strategic priorities. We are sharpening our portfolio and

strengthening the organization to be able to compete and innovate more effectively. Ultimately, we aim to deliver consistently strong returns for shareholders by meeting stakeholder priorities, and we are well placed to achieve that ambition.

## Thanks

Finally, I would like to take this opportunity to thank all our honorable shareholders and all our business partners and other stakeholders for their continued support and all our employees for their hard work and commitment. I would also like to record my appreciation for my colleagues on the Board for their advice and guidance and the various regulatory bodies of Bangladesh Government for the co-operation extended to us.



Rahul Mathur

Chairperson



# MANAGING DIRECTOR'S STATEMENT



“

**We are seeking out new opportunities, leveraging our Purpose, Compass, Fight and Leadership Behaviours. And in 2022, we made stable performance on topline revenue against our ambitions.**

”

Dear Shareholders,

The year 2022 was very challenging for the company. We have experienced crisis in the supply chain due to the conflict between Russia and Ukraine which led to higher freight cost and unprecedented price increase of core raw material. Moreover, first time in Bangladesh we experienced huge supply shortage of foreign currency which triggered higher cost of our raw material. Despite all the challenges your company was able to maintain its revenue number.

## Our Product Portfolio

Your company is a proud presenter of health and hygiene products to the consumers of this country. We are always committed to provide quality products to our loyal consumers. In addition to your dependable product brands, we have introduced a few new brands to market, providing vaster solutions to our consumers.

## Highest Quality Hygiene

We have adapted and evolved our management and ways of working to align with our purpose. We have continued to ensure that positive and high energy is maintained to deliver planned

safety and quality products. Our vision is to “fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege”.

## Our People

Our People are one of our key resources to achieve our goals. Reckitt always prioritizes the health and safety of its direct and indirect employees. In addition, mental health well-being also came into thorough consideration, and we affiliated with our mental well-being partner to facilitate our employees to self-care and create awareness on the topic.

Our workplace has long been recognized as a place where people take responsibility for making things happen. That drive for delivery and innovation is now even more strongly combined with a sense of purpose. We are responsible for our impact in the world and we want to make a real, positive difference.

## Contribution to National Exchequer

As a public listed company, Reckitt faced 22.5% corporate income tax. For the year 2022 our income tax expense on profit before tax is taka 19.47 crore. This year our total contribution to Govt. revenue fund stood at Tk. 126 crore compared to Tk 130.6

crore of the previous year. Among this contribution 15% came from corporate tax, 27% from VAT and 48% from duty. Being a manufacturing company requires rigorous compliance to VAT law. During 2022 Reckitt had submitted Tk. 33.7 crore of VAT to the exchequer.

### Sustainable Development Goals

We support the United Nation's (UN) Sustainable Development Goals. A project of Tk. 15.89 crore is underway for Effluent Treatment Plant (ETP) to undergo the upgrade of wastewater treatment at Reckitt Factory located at 58/59, Nasirabad Industrial Area, Chattogram-4209 to enforce environmental compliance.

Through our corporate social responsibilities (CSR), environmental initiatives as well as our principal activities we aim for sustainability on this planet earth. Our Dettol Harpic Porichonno Bangladesh initiative touched lives for five (5) years now, when our goal is good health and well-being. This year for the first time in history Dettol-Harpic became the hygiene partner of "Amar Ekushey Book Fair" as holding the book fair among pandemic had its uncertainties. We have also received recognition from Bangladesh Scouts as Best Partner for the last three years, as we have been teaming with Bangladesh Scouts under multiple campaigns as hygiene partners.

We have also come up with Hygiene Curriculum under "Hygiene Academy" where this curriculum has three books for children aged 5-10 years which will be a part of the study curriculum in the primary schools. A pilot program had been run in four (4) schools in Comilla this year.

### External Recognition for Reckitt

During 2022, your company was able to earn three recognitions for the Annual Report 2022. Institute of Chartered Accountants of Bangladesh (ICAB) awarded Reckitt with third prize, Institute of Cost and Management Accountants of Bangladesh (ICMAB) awarded Reckitt second prize and last but not least, South Asian Federation of Accountants (SAFA) recognized Reckitt with third prize in the relevant category of Best Presented Annual Reports. These awards are a testimony to the high standards of financial reporting and corporate governance procedures practiced by your company. These practices and procedures are embedded on our values and conduct, and we will continue to safeguard it.

Finally, your company was also bestowed with Gold Award and two Bronze Awards in Creative Use of Media, Campaign for Women and PR campaign for Dettol campaign and Dettol-Harpic Boi Mela PR campaign. These were initiated by a flagship program of Bangladesh Brand Forum, known as COMMWARD.

### Reporting 2022

Consistent with the expectations we have been setting out for the last few years, we presented our Annual Report 2022 with integrated approach which incorporates sustainability reporting, risk management reporting and additional disclosures for corporate governance to ensure that we can engage with our stakeholders to a greater extent. Sustainability reporting includes our environmental initiative for the year 2022 and integrated

reporting. We compared the integrated reporting (IR) framework with our own business model and reported on the six main capitals of the IR as part of our detailed value creation process. Annual Report along with our audited financial statements for the year 2022 is available in our website at <https://www.reckitt.com/about-us/Reckitt-bangladesh/>.

### Looking forward

The economy is seeing unrest due to the ongoing war. There is inflation, value of taka depreciating against dollar, setbacks in the global supply-chain demand which are resulting in higher costs of materials and services. In this situation we aim to be flexible, and our innovation, growth and productivity shall continue to make us resilient in the face of these challenges. All our values are embedded with sustainability goals, which is the target to achieve a cleaner and healthier planet.

### Appreciation

I would like to sincerely thank our shareholders for trusting us and having confidence in our work. I appreciate my fellow Board members during a very demanding year for their diligence and support and focus on our work throughout the year. I also thank the Reckitt management team for the timeliness, quality, and rigor of their reporting. Finally, we are very thankful to our loyal consumers who have indebted us with their trust, and in response we strive to provide trustworthy purpose-led products.



**Vishal Gupta**  
Managing Director

### সরাসরি সম্প্রচার / Live Streaming

### আলোচ্যসূচী / Agenda

**Agenda-01**

To confirm the Minutes of the 60th Annual General Meeting held on 22nd June 2021.

**Vote**

I am in favor of passing this proposal

I am not in favor of passing this proposal

Vote	Vote(%)	Vote	Vote(%)
4051467	100.000	0	0.000

**শেয়ারহোল্ডারগণের মোট উপস্থিতি**  
Total Attendance of Shareholders

**উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা**  
Total Shares of Attended Shareholders

**প্রশ্ন এবং মন্তব্য / Questions and Comments**

সরাসরি সম্প্রচার / Live Streaming

শেয়ারহোল্ডারগণের মোট উপস্থিতি  
Total Attendance of Shareholders

উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা  
Total Shares of Attended Shareholders

সরাসরি সম্প্রচার / Live Streaming

শেয়ারহোল্ডারগণের মোট উপস্থিতি  
Total Attendance of Shareholders

উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা  
Total Shares of Attended Shareholders

সরাসরি সম্প্রচার / Live Streaming

শেয়ারহোল্ডারগণের মোট উপস্থিতি  
Total Attendance of Shareholders

উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা  
Total Shares of Attended Shareholders

সরাসরি সম্প্রচার / Live Streaming

শেয়ারহোল্ডারগণের মোট উপস্থিতি  
Total Attendance of Shareholders

উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা  
Total Shares of Attended Shareholders

সরাসরি সম্প্রচার / Live Streaming

শেয়ারহোল্ডারগণের মোট উপস্থিতি  
Total Attendance of Shareholders

উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা  
Total Shares of Attended Shareholders

সরাসরি সম্প্রচার / Live Streaming

শেয়ারহোল্ডারগণের মোট উপস্থিতি  
Total Attendance of Shareholders

উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা  
Total Shares of Attended Shareholders





**Our Purpose:** we exist to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world.

**Our Fight:** we have a fight on our hands. A fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege.

Reckitt Benckiser (Bangladesh) PLC  
Corporate Office: The Glass House, 9th & 10th Floors, Plot-2,  
Block- SE (B), 38 Gulshan Avenue, Dhaka-1212  
Registered Office: 58/59, Nasirabad I/A, Chittagong-4209

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the **62nd Annual General Meeting** of Reckitt Benckiser (Bangladesh) PLC will be held using **Digital Platform** (in pursuance with BSEC Order SEC/SRMIC/94-231/25, and SEC/SRMIC/94-231/91 dated 08 July 2020 and 31 March 2021 respectively) on Thursday, 30th March, 2023 at 2.30 P.M. to transact the following business:

### **AGENDA**

1. To confirm the Minutes of the 61st Annual General Meeting held on 27th April 2022.
2. To receive and adopt the Audited Financial Statements as on and for the year ended 31 December 2022 together with the Auditors' and Directors' Report thereon.
3. To approve Dividend as recommended by the Board.
4. To elect Directors.
5. To appoint Auditors for the year 2023 and to fix their remuneration.
6. To appoint Compliance Auditor for the year 2023 and to fix their remuneration.

By order of the Board

**Mohammad Nazmul Arefin**  
Company Secretary

**Dhaka, Dated: 15th March 2023**

### **Notes:**

1. 13th March 2023 was the RECORD DATE. Shareholders whose name appeared in the Shares Register of the Company or in the Depository Register on that date will be eligible to join the AGM and receive dividend.
2. The necessary Digital Link for Joining in the audio visual meeting to be published in due course. The entire log in process along with link will be also available in Company's website <https://www.reckitt.com/about-us/reckitt-bangladesh/> on due time. The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM, members can start log into the specific link from 2.30 P.M. on 29th March 2023.
3. Pursuant to BSEC Order no. SEC/SRMIC/94-231/25, and SEC/SRMIC/94-231/91 dated 08 July 2020 and 31 March 2021 respectively, soft copy of the annual report 2022 will be sent to members through email addresses as available with the Company.

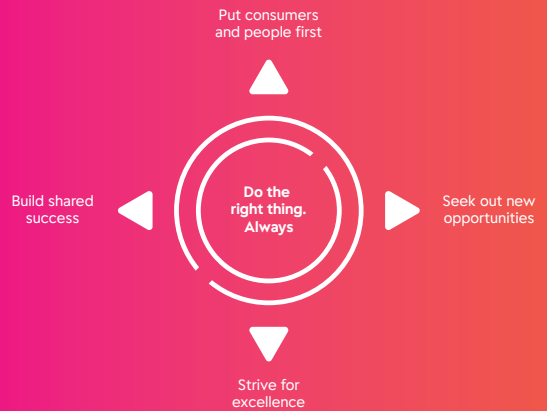
For any further clarification members may write to the following email addresses:  
nazmul.arefin@reckitt.com; anisur.rahman2@reckitt.com

# WHO WE ARE

## WHY WE DO IT

### OUR COMPASS

Our compass sets out the new values and behaviors for our business. At its heart is the goal of always doing the right thing with clear principles around putting consumers and people first, seeking out new opportunities, striving for excellence and building a culture of shared success. Our compass will guide us to sustainable growth in the future.



### OUR LEADERSHIP BEHAVIOURS

In order to deliver on our ambitions around Purpose and our business strategy, our culture enables our people to have the Freedom to Succeed and operate at their best. Our culture is embedded in our Leadership Behaviours. These behaviours set out our expectations for how every one of us at Reckitt behaves. They are deeply embedded inside our company and are the basis for how we evaluate our leaders going forward in line with our desired culture. Reckitt leaders Own, Create, Deliver and Care.

#### OWN

- Live our purpose, fight and compass
- Know our business cold
- Make decisions

#### CARE

- Actively listen, learn and include
- Speak direct with respect
- Act to unleash potential

#### CREATE

- Spot opportunities
- Innovate, iterate and scale
- Relentlessly build better

#### DELIVER

- Focus on what matters
- Move boldly and at pace
- Join forces to win bigger



# WHO WE ARE (continued)

## HOW WE DO IT

### OUR KEY RESOURCES

#### Our people and culture

We employ outstanding people who work in a unique culture that harnesses their passion and allows them to make a real difference.

#### Our key brands

We have a portfolio of leading brands that offer faster growth and higher margins.

#### Our knowledge and skills

We have deep consumer understanding, quality and innovation capabilities and an agile organization, which gets products to markets fast.

#### Our stakeholders

We develop strong, trusted relationships with our customers, consumers, suppliers and communities. We access and develop networks and partnerships that extend our impact.

#### Our infrastructure

Our business is underpinned by strong manufacturing sites, centres of excellence and logistics centres.

#### Our financial strength

Shareholders' equity, debt and retained profit give us the financial resources to implement our strategy.

## A VIRTUOUS CIRCLE OF GROWTH

Overarching our core business model, we seek to deliver continuous productivity improvements, allowing for further investment in the business – to our brands, capabilities and growth opportunities. In doing so, Reckitt creates a virtuous circle of growth.



## RECKITT'S STRATEGIC PRIORITIES

- Rejuvenate Reckitt to deliver shareholder value
- Restore organic top line growth
- Achieve sustainable increased medium-term earnings growth
- Maintain disciplined capital allocation

## STRATEGIC IMPERATIVES

-  **GROW BRANDS & INNOVATE**
-  **DRIVE SUPERIOR EXECUTION**
-  **INVEST IN CAPABILITIES**
-  **INCREASE PRODUCTIVITY**
-  **EMBED SUSTAINABILITY**
-  **ACTIVELY MANAGE THE PORTFOLIO**

### Grow brands and innovate

Investing firmly behind our brands to drive equity and improve the product offering for consumers. We continue to invest strongly in demand generation – through both Brand Equity Investment (BEI). We are developing a credible purpose for all our major brands which is in turn informing each brand’s personality values, its behaviour and its sustainability strategy.

### Drive superior execution

Investing in capability centres for commercial excellence – sales outperformance and marketing excellence.

### Invest in capabilities

Investments in centralised areas such as supply chain, innovation and digital to strengthen the core of our business.

### Increase productivity

Embedding programmes to enhance effectiveness and efficiency in the company and to fund investment. Our productivity capabilities are now firmly embedded within the business, and our teams are increasingly approaching productivity as a business-as-usual activity. Productivity increasingly goes hand in hand with our efforts in sustainability.

### Embed sustainability

Incorporating sustainability throughout our value chain and across our business.

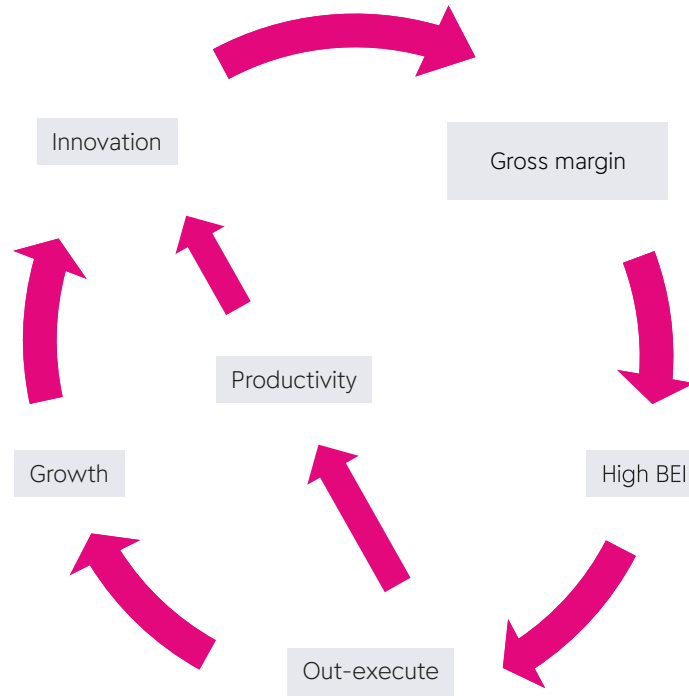
### Actively manage the portfolio

Moving the company to higher growth and addressing structural challenges.



# WHO WE ARE (continued)

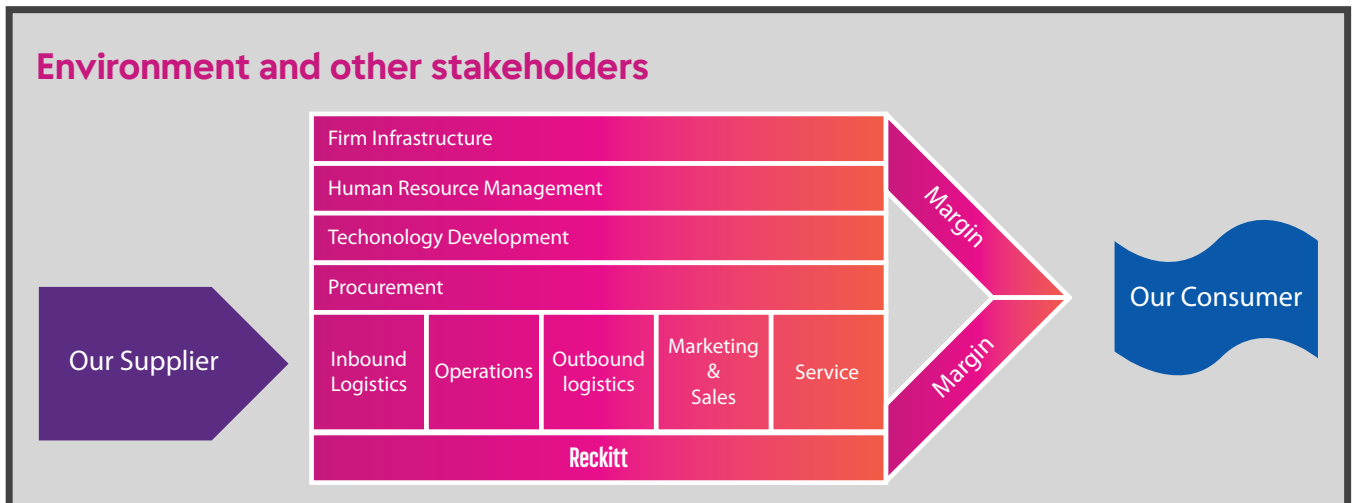
## Our Earnings Model



BEI = Brand Equity Investment

## Our Value Chain Model

We maximize our impact through our purpose-led brands, the way we do business across our value chain, and the partnerships and social investments. Through our value chain we are taking quality input from our environment and providing superior solutions by efficient and high value management of the value chain.

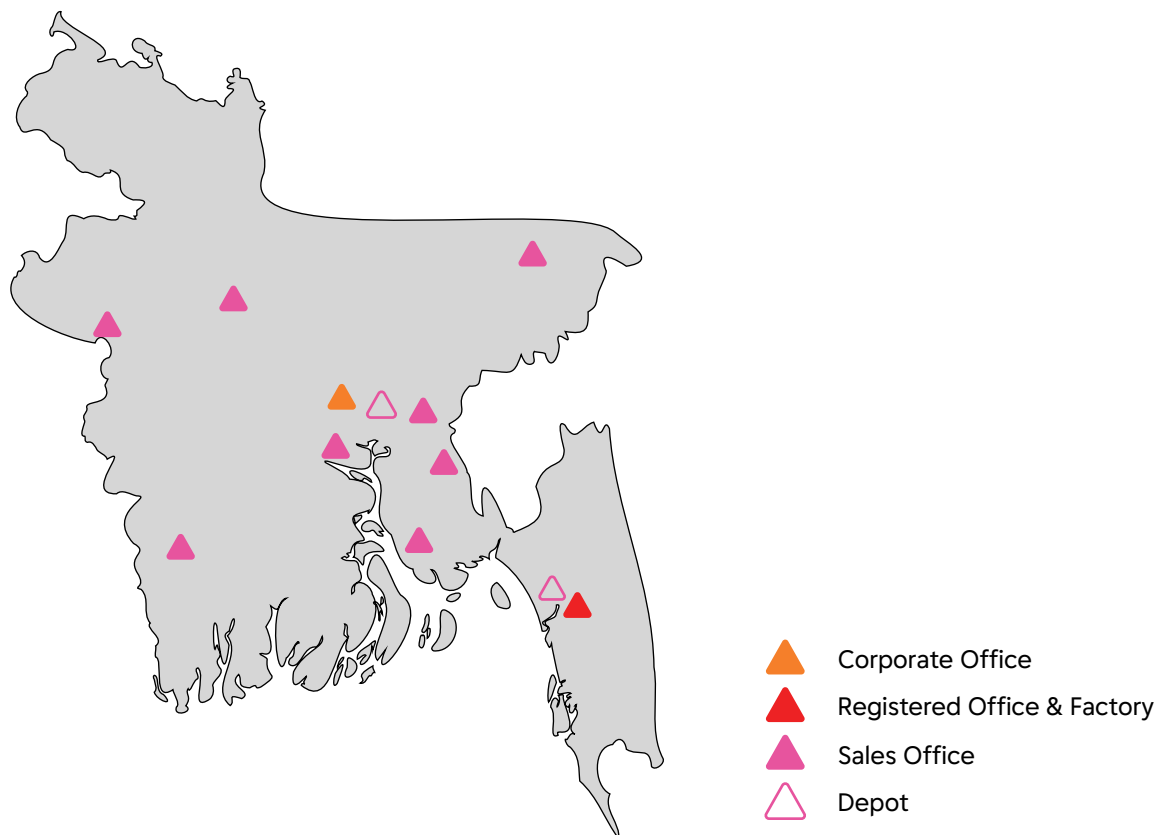


Value-chain model

# WHO WE ARE (continued)

## Our operational environment in Bangladesh

Reckitt Benckiser (Bangladesh) PLC operates in Bangladesh with registered office and factory in Chittagong and two depots, located at Chittagong and Dhaka, corporate office in Dhaka and eight (8) sales office all over the country.



## WHO WE ARE (continued)

# CULTURE AND VALUES

Our culture and values define the way that Reckitt does business. Our Code of Conduct reinforces our principles of business conduct and is communicated to all employees each year with mandatory training. Our values underpin our Code of Conduct and were further enhanced in early 2020 with our renewed purpose, fight and compass. Our Code of Conduct sets out the level of conduct expected from all Reckitt employees, contractors, outsourced personnel and joint ventures and the Board of Directors, as accountable, ethical and compliant owners of our business unit. Below is described our top policies on Code of Conduct.

## OUR POLICIES

### Anti-bribery and corruption

Our policy is that all Reckitt companies, employees and contractors must comply with the anti-bribery, anti-corruption and competition laws of all countries in which they operate. Directors and managers must ensure that the employees and contractors they supervise are aware of and comply with this policy. All employees and contractors must certify annually that they have complied with our Code of Conduct and the Audit Committee reviews internal audit findings in relation to this.

### Employee policies

Reckitt's Code of Conduct governs standards of conduct in relation to our employees, as well as our stakeholders. In addition, Reckitt has policies committing to equal opportunities at work and to providing a safe and healthy working environment. Health and safety performance is monitored, enabling us to investigate any incidents and take any necessary action. We have a Speak Up policy and process, allowing any employee or third party to confidentially report a violation of the Code of Conduct, local law or regulation, or unethical behaviour.

### Human rights

Our Human Rights and Responsible Business Policy is based on the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. We also follow the UN Guiding Principles on Business and Human Rights and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and local law.

### Product safety policy

The purpose of this policy is to assure our stakeholders of the safety of our products by describing our approach to Safety Assurance for products of Reckitt. We have a responsibility to develop products that are as safe and nourishing as they can be; to monitor their in-use safety and listen to feedback from users, and if things change, to react quickly and effectively to mitigate harm.

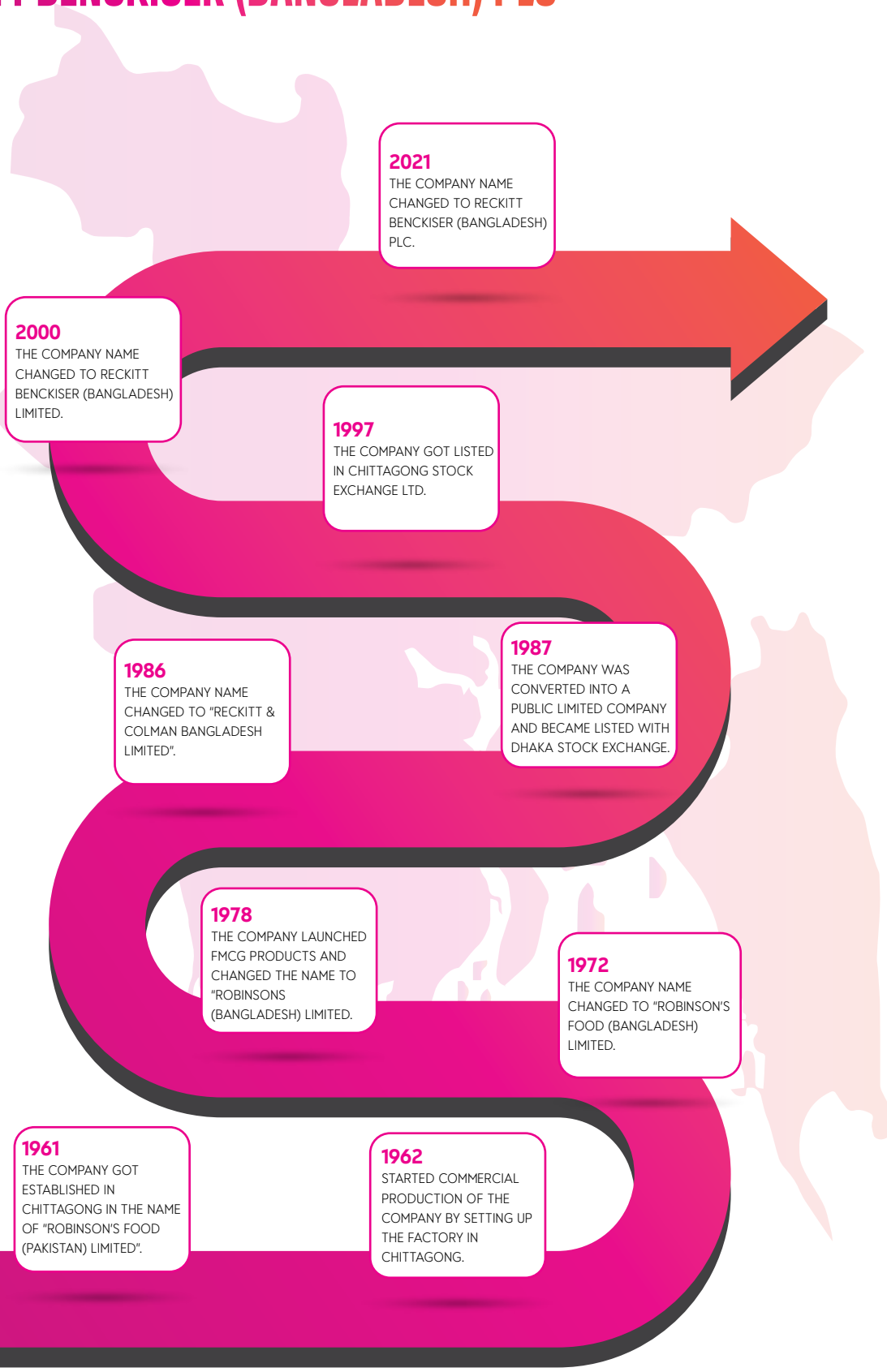
### Responsible sourcing policy

This commits us to ensuring that natural raw materials in our products are produced in a manner that meets or goes beyond applicable laws and regulations, respects human rights, safeguards health and safety, protects the environment and generally supports sustainable development.

### Environmental policy

This sets out our objectives for reducing our environmental impacts. It requires us to comply with relevant legislation, consider environmental issues in key decisions, and engage with multiple stakeholders for better environmental performance.

# HISTORY OF RECKITT BENCKISER (BANGLADESH) PLC



**2000**  
THE COMPANY NAME CHANGED TO RECKITT BENCKISER (BANGLADESH) LIMITED.

**2021**  
THE COMPANY NAME CHANGED TO RECKITT BENCKISER (BANGLADESH) PLC.

**1997**  
THE COMPANY GOT LISTED IN CHITTAGONG STOCK EXCHANGE LTD.

**1986**  
THE COMPANY NAME CHANGED TO "RECKITT & COLMAN BANGLADESH LIMITED".

**1987**  
THE COMPANY WAS CONVERTED INTO A PUBLIC LIMITED COMPANY AND BECAME LISTED WITH DHAKA STOCK EXCHANGE.

**1978**  
THE COMPANY LAUNCHED FMCG PRODUCTS AND CHANGED THE NAME TO "ROBINSONS (BANGLADESH) LIMITED".

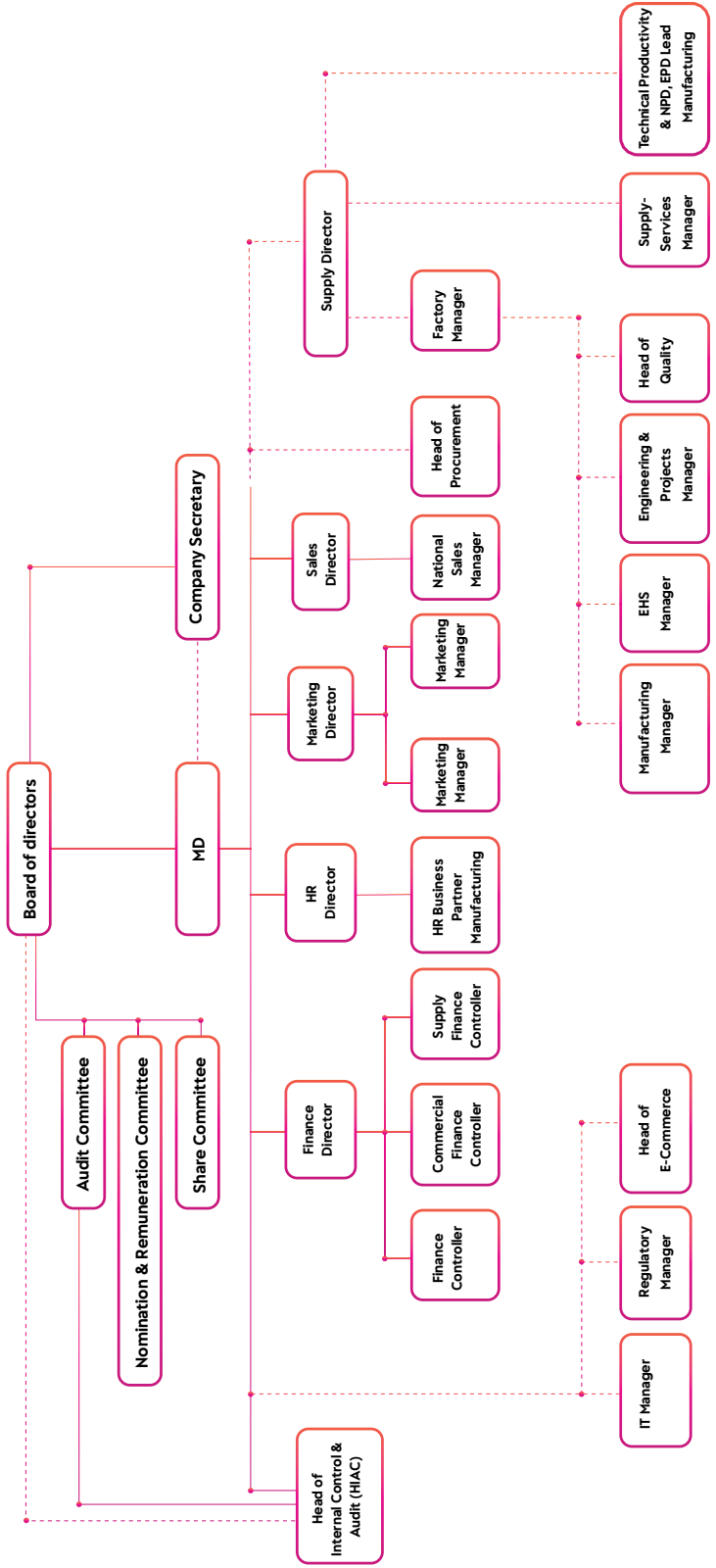
**1972**  
THE COMPANY NAME CHANGED TO "ROBINSON'S FOOD (BANGLADESH) LIMITED".

**1961**  
THE COMPANY GOT ESTABLISHED IN CHITTAGONG IN THE NAME OF "ROBINSON'S FOOD (PAKISTAN) LIMITED".

**1962**  
STARTED COMMERCIAL PRODUCTION OF THE COMPANY BY SETTING UP THE FACTORY IN CHITTAGONG.



# RECKITT BENCKISER (BANGLADESH) PLC ORGANIZATIONAL CHART



# AWARDS AND ACCOLADES



Reckitt receiving 3<sup>rd</sup> prize from ICAB for Annual Report 2021



Reckitt receiving 2<sup>nd</sup> prize from ICAB for Annual Report 2021



Bangladesh Scouts awards Reckitt best partner award for 2020, 2021 & 2022

## This Chapter Includes

Industry Analysis

Management's Discussion & Analysis

KPIs & Financial Performance

Horizontal & Vertical Analysis of Statement of  
Financial Position and Statement of Profit and  
Loss Account

Value Added Statement

Contribution to National

Exchequer (Including Duty)



reckitt

# MANAGEMENT'S DISCUSSION & ANALYSIS

# INDUSTRY ANALYSIS

## FIRST PART

	Current scenario	Our role
<p><b>1. Political</b></p> <p>A stable environment in the economy encourages growth. On top of this, this industry is strictly regulated by the Government authorities</p>	<p>After the first quarter of the year lockdown due to the pandemic had been revoked and market went back to its usual pace. However during the second half, economy saw the impact of the conflict between Russia and Ukrain. Bank put control on opening letter of credit, as country's foreign currency reserve went significantly down.</p>	<p>We continued to deliver our health and hygiene products to our customers and consumers by relying on the strengthened relationship with our suppliers</p>
<p><b>2. Economic</b></p> <p>Economic factors have a direct or indirect impact on a company. These factors include economic growth, exchange rates, inflation rates, interest rates, disposable income of consumers and unemployment rates.</p>	<p>Compared to the previous year country's GDP is projected to increase by 0.3% (GDP growth rate of 2021 was 6.9%; source: ADB);</p> <p>Country's inflation had been 7.7% (source: Bangladesh Bank) whereas taka value depreciated against dollar value, resulting in 20%+ inflation on import.</p>	<p>We projected some disruption due to global supply turmoil and barrier on import by the Government. However we continued to mitigate the risks through flexibility and business continuity planning.</p>
<p><b>3. Social</b></p> <p>Social factors include demographic characteristics, norms, and values of the people in the economy</p>	<p>As the situation of pandemic had subsided demand for health products which were sensitive to the demand created by pandemic saw lesser need by the market.</p>	<p>We focused on the correct product portfolio suitable for the consumers of both health and hygiene products. Also we continue to engage with certain demography for consciousness on health and hygiene through our various awareness programs.</p>
<p><b>4. Technological</b></p> <p>Technological factors are those, which affect the business in an industry.</p>	<p>Government of Bangladesh is planning to take advantage of digitization; Government had been introducing new systems with digital solutions for areas in VAT, custom and payment to national exchequer. Also the consumers are eager to purchase goods on e-commerce platform.</p>	<p>We continue to deliver our consumers online solutions in this increasingly used platform of today's world.</p>
<p><b>5. Environmental</b></p> <p>These factors represent ecological factors or environmental factors affected by the industry</p>	<p>Climate change is an alarming factor for Bangladesh as when the country is a sub-tropical country with a monsoon climate. Deforestation and urbanization have led to this issue. If not taken right way forward, Bangladesh may lose land for its habitants due to global warming.</p>	<p>Our purpose relentlessly pursues a cleaner, healthier world. That extends far beyond personal hygiene and health, we need urgent action to build a cleaner, healthier planet. We are ambitious for carbon neutrality and striving to reach to our goal to be energy efficient.</p>
<p><b>6. Legal</b></p> <p>This factor includes specific regulations that affect the specific industry</p>	<p>NBR is heavily discouraging to be tax/VAT non-compliant.</p> <p>Our industry for health and hygiene products are heavily regulated. While this may increase economies of scale for new players in the industry, this ensures product safety &amp; quality.</p>	<p>While maintaining to be a legally compliant entity, we are always determined to reach our consumers with their very trusted products, underpinned by our belief that access to the highest quality hygiene is a right not a privilege and that hygiene is the foundation of health.</p>

# INDUSTRY ANALYSIS

## SECOND PART

### Porter's Five Forces Model

	Industry Overview	For Reckitt
Competitive Rivalry	Demand for health products somewhat subsided as COVID crisis had lessened. However during the era of pandemic the industry saw higher level of competition.	With lesser demand, company continued to deliver hygiene products which were less sensitive to the pandemic situation.
Bargaining Power of Suppliers	As the war between Russia and Ukrain outbroke, there was a disruption in supply chain, and we have seen high inflation. This resulted in high bargaining power of suppliers.	During the supply disruption period, Reckitt reacted flexibly to the needs of the company and followed its contingency plans in order to smoothly run the business and provide the goods to the customers.
Threat of New Entrants	Demand for health products somewhat subsided as COVID crisis had lessened. The threat of new entrants in the industry with complicated structure of manufacturing is relatively low. However if the market is in demand, the industry will see new entrants.	Reckitt is a globally established multinational corporation that provides premium quality products to its brand loyal customers.
Bargaining Power of Customers	Due to the rise of competition, alternates are easily available to the consumer and customers. As a result, the bargaining power of the consumer and customers is high.	Reckitt believes in innovating and providing variety of products to its customers.
Threat of Substitutes	The shift in the human nature regarding health and hygiene has increased the consumption of health and hygiene in products. The chances for Health & Hygiene products to become obsolete and replaced by any kind of substitute is very low.	Many of the Health & Hygiene products are the core needs of our day to day lives.



# MANAGEMENT'S DISCUSSION & ANALYSIS

According to the clause no. 5 (XXV) of notification no. BSEC/CMRRCD/2006 158/207/Admin/80 dated June 3, 2018, detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements are as follows:

## Accounting policies and estimation:

We followed International Financial Reporting Standards (IFRSs) and the Companies Act, 1994 in preparation of financial statements. These financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, the Company also complied with the requirements of following laws and regulations from various Government bodies:

1. Bangladesh Securities and Exchange Rules 1987;
2. The Income Tax ordinance, 1984; and
3. The Value Added Tax and Supplementary Duty Act, 2012;

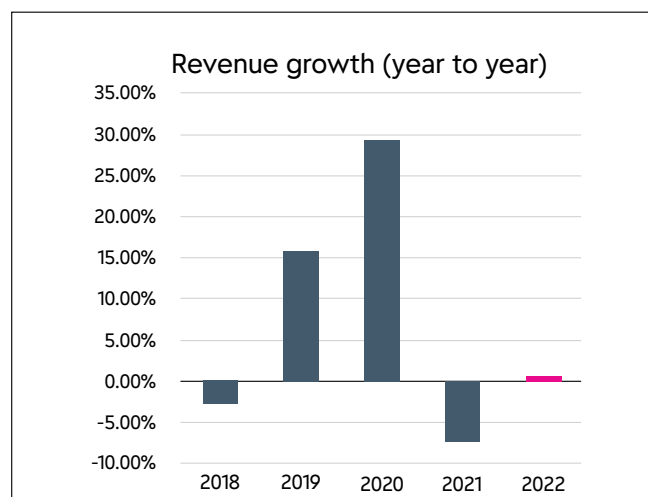
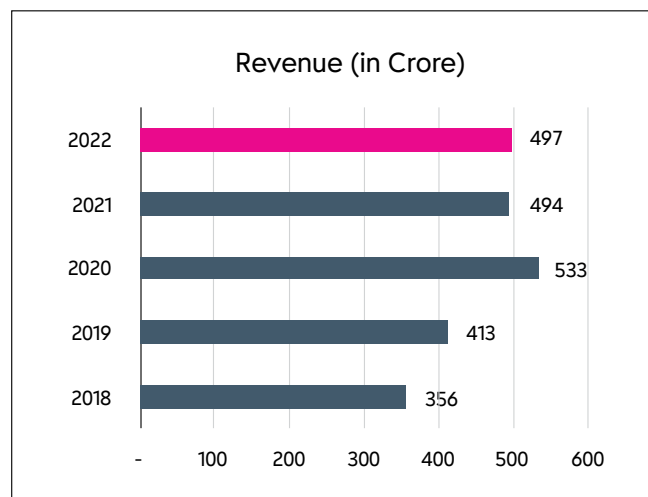
In preparing financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in note 2.5:

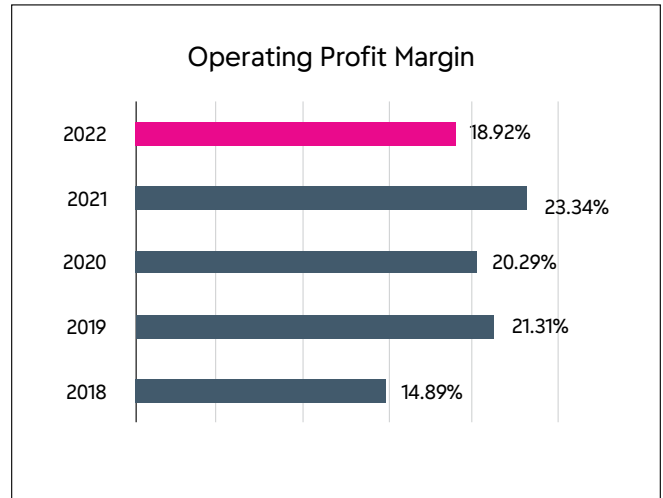
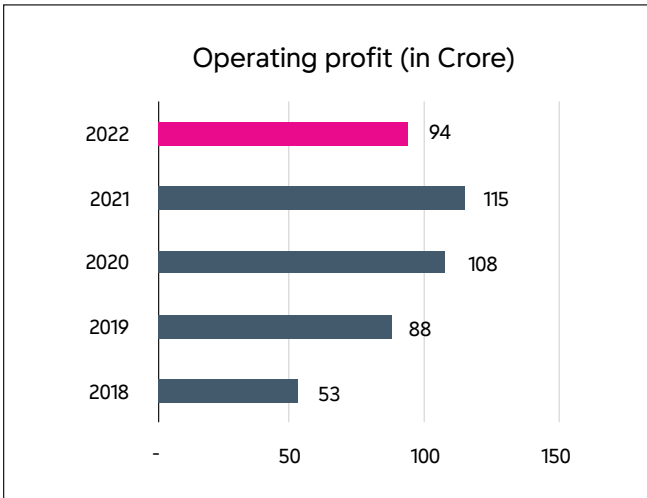
## Changes in accounting policies and estimation and its effect:

For the year 2022, there were no major changes in the accounting policies.

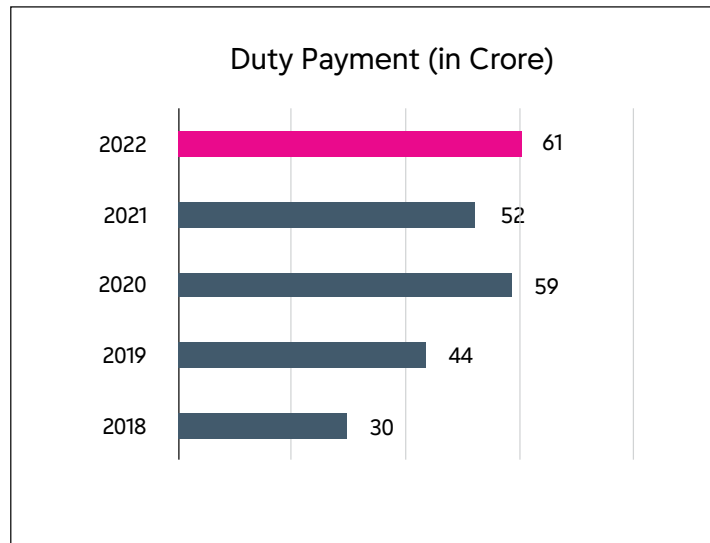
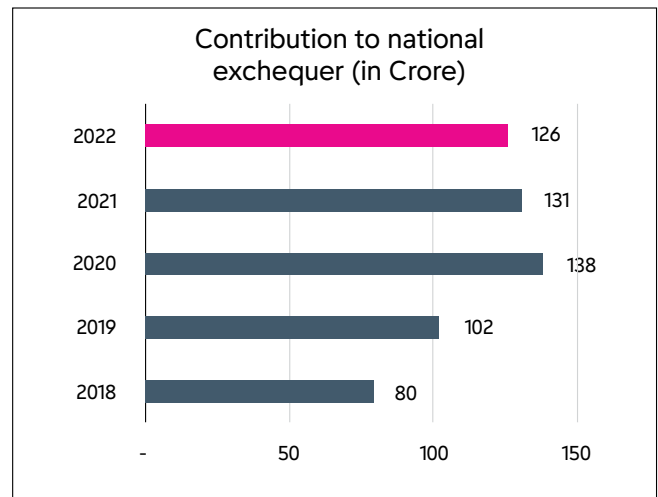
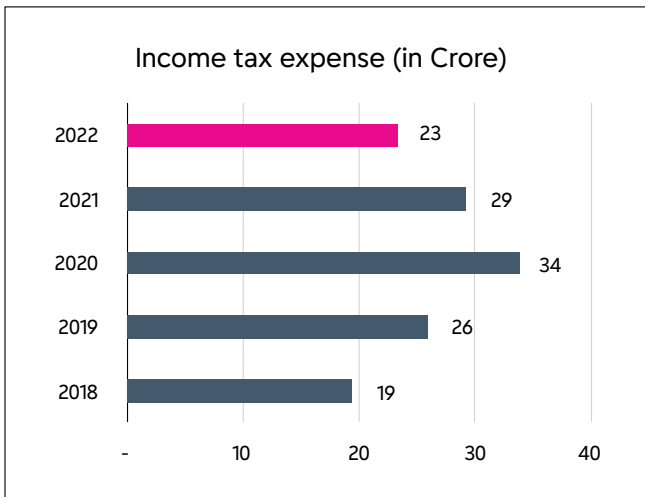
## Comparative analysis of financial performance:

During the year 2022, your Company reached a turnover of Tk. 497 Crore, which is almost the same as that of the previous year (0.55% revenue growth). The reason can be inflicted upon the high trend of purchasing of health and hygiene products during the pandemic has normalized during 2022.

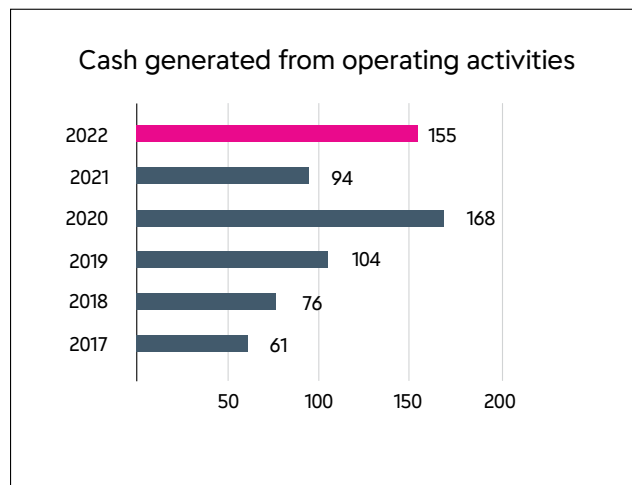
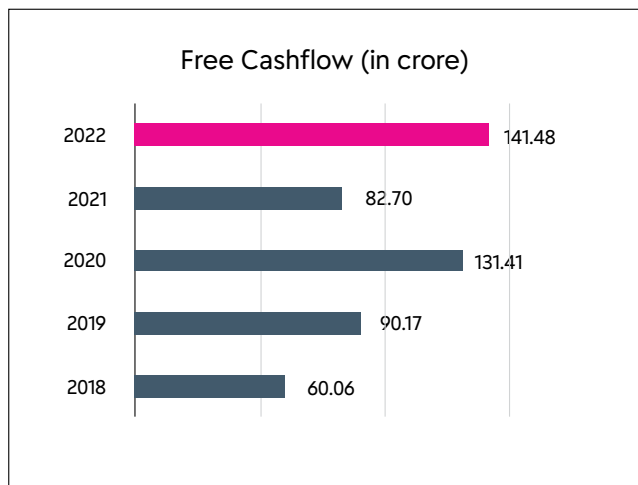




Operating profit margin for the year is 18.92%. Income tax for the year is Tk. 23 crore and contribution to national exchequer by you company during 2022 is Tk. 126 crore. Among this duty payment made by the company is Tk. 61 crore.



Your Company has a healthy free cash flow, that is the cash available for the company to repay creditors and pay out dividends to investors. For the year 2022 company had free cashflow of Tk. 142 crore to use in its operational activities. For the year 2022 cash generated from operating activities stood at tk. 155 crore which is 64% higher than that of the previous year. This development can be accounted to company's priority at maintaining efficient working capital.



## Materiality Assessment

Materiality is one of the prime indicators of risk. Process of materiality evaluation is driven by a combination of the purpose of the transaction or account itself and the nature or balance of the transaction or account. It is a key element in deciding the risk category that should be applied to an individual transaction or account. Reckitt assesses materiality drivers and percentages annually. Through this materiality assessment we come up with risk level categories, such as, high risk, medium risk and low risk for the individual account. The risk classification is based on materiality, judgement, and risk of error.

## Economic scenario of the globe

Global economy is facing higher than expected inflation, a result of the ongoing war between Russia and Ukraine. Inflation is expected to be 8.8% in 2022 compared to 4.7% in 2021. GDP growth rate slowed down to 3.2% in 2022 from 6% in 2021 (source: IMF). Cost of living has gone high. Governments are changing stances towards national expenditure, and fiscal policy to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance.

## Economic scenario of the country

Bangladesh's GDP growth rate is projected to be 7.2% in 2022 and in 2021 it was 6.9% (source: ADB). Inflation rate for Bangladesh is expected is 7.7% in December 2022 as compared to 5.54% of December 2021 (source: Bangladesh Bank). This portrays the result of the ongoing war between Russia and Ukraine. Bangladesh faced exchange rate volatility and value of taka lowering against dollar. Country's foreign currency reserve saw a decreasing trend as a result Bangladesh Bank put a barrier on import. Government is now taking stance towards to control inflation and stabilize exchange rate.

## Economy and Reckitt

Being an import-based manufacturing entity, the company faced obstacles during the last quarter of the year. However, through various planning and superior execution your company was able to smoothen the supply chain crisis on the input area. Your Company had planned ahead and executed supply of product in the market and will continue to do so in a sustainable manner.

## Risks and concerns

When the situation has normalized from the pandemic induced economic conditions, global and country's economy faced unexpected inflation and exchange rate volatility. Your company have faced challenges such as supply chain disruption, price increase in raw material import, demand shifting from health products as pandemic had subsided. In the medium to long term, we expect a larger focus on hygiene products from consumers, public institutions, and governments alike. Your company will continue to navigate all these challenges and relentlessly pursue a cleaner and healthier world by providing innovative solutions. We will fight to make access to highest quality hygiene, wellness and nourishment a right and not a privilege.

## Industry Outlook

Demand for health products somewhat subsided as Covid crisis had lessened. However, during the era of pandemic the industry saw higher level of competition. Due to the conflict between Russian and Ukraine there was a disruption in supply chain. Moreover, bank put control on opening letter of credit as the country's foreign currency reserve went significantly down.

## Future Outlook

For the upcoming period, it is expected that Government will take further stance to contain inflation and volatile exchange rate, as inflation is expected to continue to rise, and GDP growth rate is expected to be lower than 2022. It is expected that there will be increase in letter of credit margin on luxury items. All these shall impact supply chains across the country with higher costs and higher demand on raw materials.

But your Company aspires for progressive results through right planning and superior execution and maintaining highest quality products for our consumers and other stakeholders. We will continue to maintain our relationships with our trusted third parties to contribute through our social initiatives. We take our environmental impact at our heart and through our environmental initiatives we will continue to strive for a better healthier planet.

For Reckitt Benckiser (Bangladesh) PLC



**Vishal Gupta**

Managing Director



# FINANCIAL PERFORMANCE

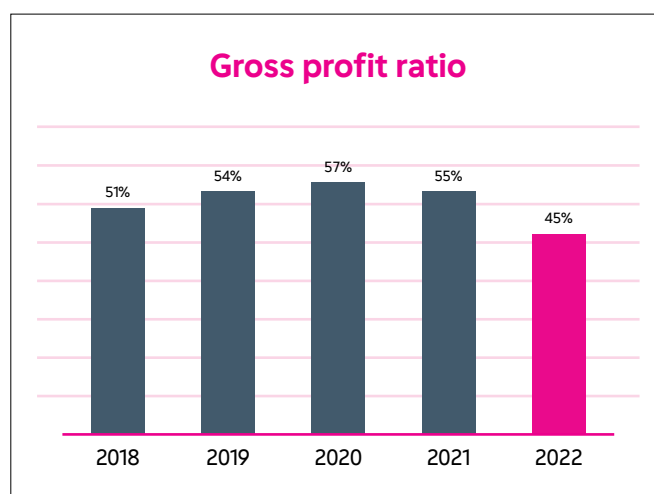
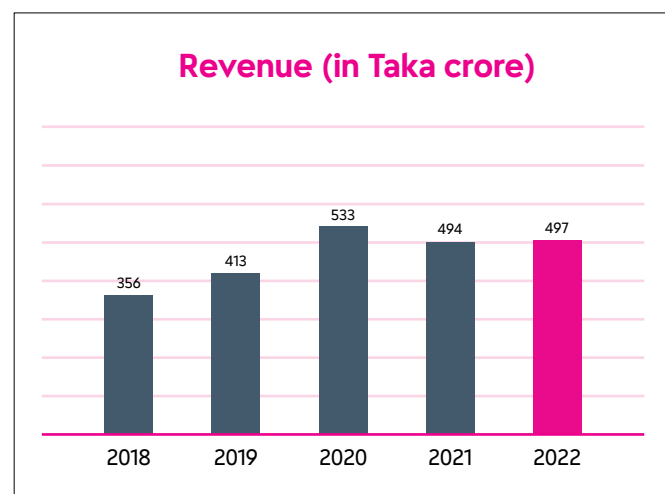
FINANCIAL RESULTS	Amount in Thousand				
	2018	2019	2020	2021	2022
Revenue	3,561,899	4,126,150	5,333,884	4,942,046	<b>4,969,365</b>
Profit before Taxation	525,645	879,563	1,077,842	1,101,501	<b>892,861</b>
Taxation	193,872	260,302	338,954	293,380	<b>233,721</b>
Profit after Taxation <small>(including other comprehensive income/items)</small>	325,301	619,036	738,888	808,122	<b>659,140</b>
Dividend	330,750	590,625	661,500	779,625	<b>463,050</b>

## BALANCE SHEET SUMMARY

Property, Plant & equipment(Including CWIP)	348,712	470,887	548,079	571,184	<b>577,880</b>
Right-of-use assets (ROU)	64,786	38,458	177,140	155,426	<b>167,880</b>
Deferred Tax Asset	15,190	12,625	28,760	10,885	<b>0</b>
Net Current Assets	52,310	303,114	374,414	434,527	<b>245,103</b>
Non-current liabilities	(95,320)	(151,119)	(320,673)	(223,967)	<b>(155,472)</b>
Net Assets	385,678	673,964	807,720	948,056	<b>835,390</b>
Share Capital	47,250	47,250	47,250	47,250	<b>47,250</b>
General Reserves & Retained earnings	338,428	626,714	760,470	900,806	<b>788,140</b>
Shareholders' Funds	385,678	673,964	807,720	948,056	<b>835,390</b>

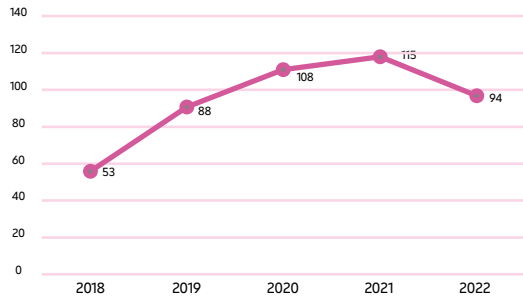
## STATISTICS

Net assets per share (Taka)	81.63	142.64	170.95	200.65	<b>176.80</b>
Net operating cash flow per share (Taka)	129.22	176.55	290.57	134.90	<b>271.66</b>
Earning per share (Taka)	70.22	131.06	156.38	171.03	<b>139.50</b>
Dividend per share (Taka)	70.00	125.00	140.00	165.00	<b>98.00</b>
Dividend payout ratio	100%	95%	90%	96%	<b>70%</b>
Dividend yield (%)	3.26%	3.91%	3.46%	2.88%	<b>2.06%</b>
Profit before Taxation as % of sales	14.76	21.32	20.21	22.29	<b>17.97</b>
Return on Capital Employed (%)	1.09	1.07	0.97	0.95	<b>0.91</b>
Current Ratio (Times)	1.04	1.19	1.18	1.23	<b>1.10</b>
Quick Ratio (Times)	0.81	0.91	0.88	0.92	<b>0.86</b>
Debt equity ratio (times)	3.70	2.54	3.02	2.23	<b>3.07</b>
Debt ratio (times)	0.79	0.72	0.75	0.69	<b>0.75</b>
Interest coverage ratio (times)	N/A	407.2	98.29	99.66	<b>68.5</b>

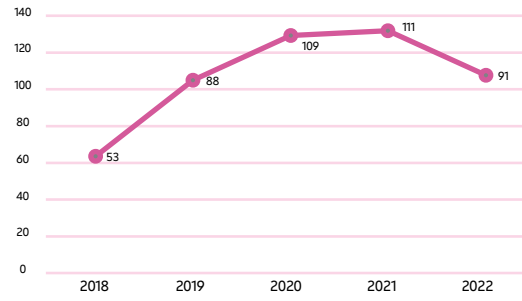




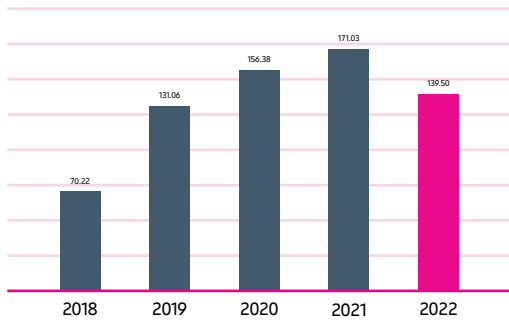
### Operating profit (in Taka crore)



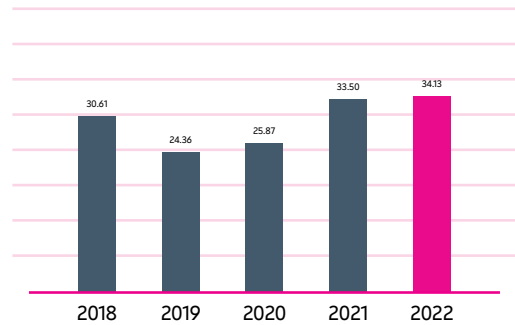
### EBIT (in Taka Crore)



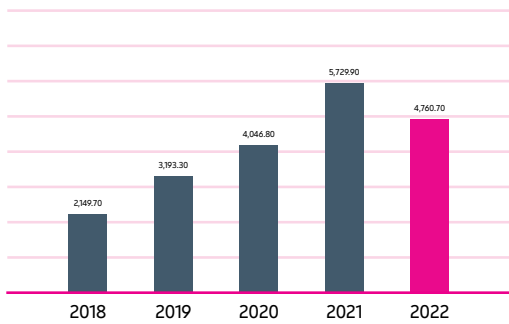
### Earning per share (Taka)



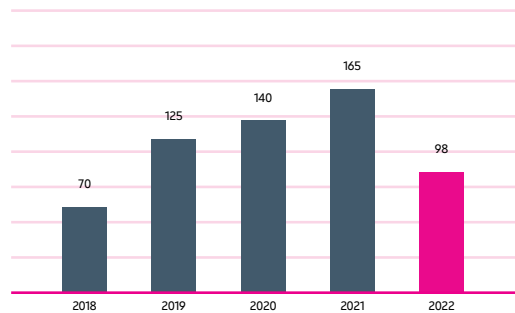
### P/E Ratio (on year end share price)



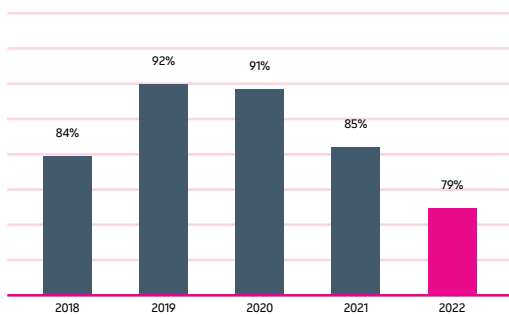
### Market Price (at year end)



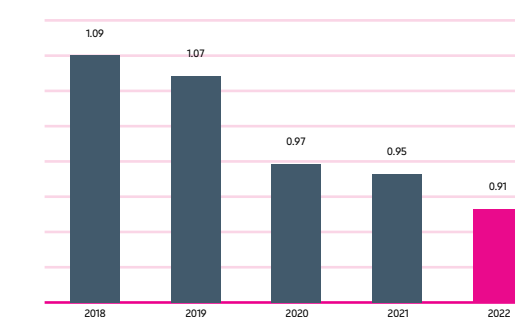
### Dividend per share (Taka)

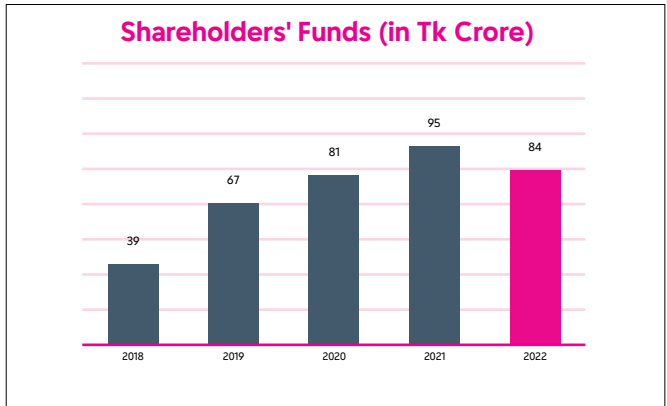
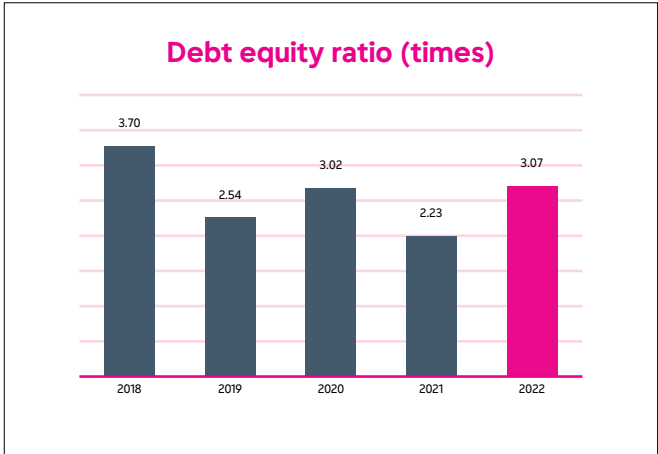
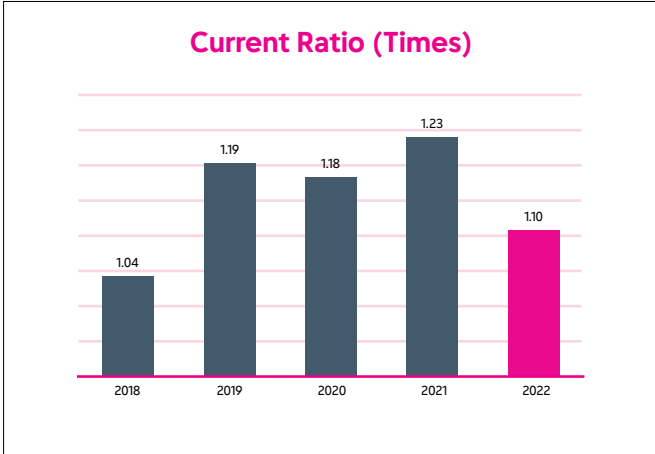
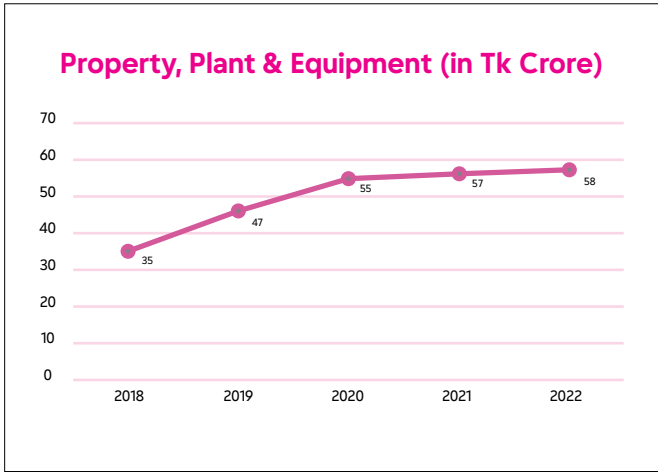
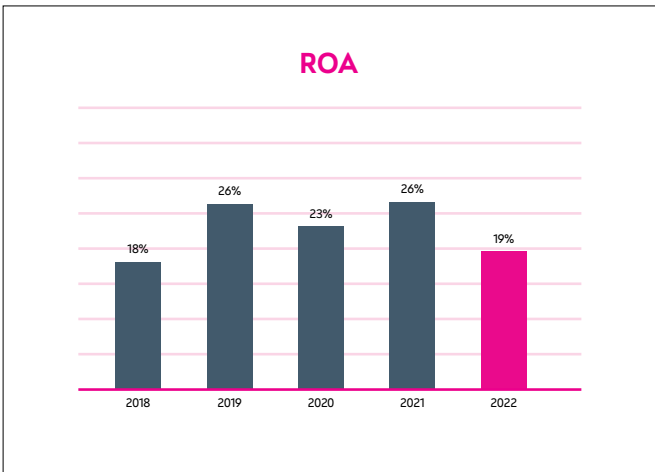


### ROE



### Return on Capital Employed (times)





# HORIZONTAL ANALYSIS

## For Statement of Financial Position

	2018	2019	2020	2021	2022
<b>Assets</b>					
Property, plant and equipment	100.00%	135.04%	157.17%	163.80%	165.72%
Right-of-use assets (ROU)	100.00%	59.36%	273.43%	239.91%	259.13%
Deferred tax assets	100.00%	83.11%	189.33%	71.66%	0.00%
<b>Non-current assets</b>	<b>100.00%</b>	<b>121.76%</b>	<b>175.88%</b>	<b>172.04%</b>	<b>173.96%</b>
Inventories	100.00%	149.81%	206.43%	194.21%	192.63%
Trade and other receivables	100.00%	51.74%	30.05%	81.31%	70.95%
Advances, deposits and prepayments	100.00%	55.48%	159.12%	95.59%	66.22%
Cash and cash equivalents	100.00%	141.21%	188.35%	171.50%	208.26%
<b>Current assets</b>	<b>100.00%</b>	<b>134.63%</b>	<b>181.57%</b>	<b>168.29%</b>	<b>191.54%</b>
<b>Total assets</b>	<b>100.00%</b>	<b>131.59%</b>	<b>180.22%</b>	<b>169.18%</b>	<b>187.38%</b>
<b>Equity</b>					
Share capital	100.00%	100.00%	100.00%	100.00%	100.00%
Retained earnings	100.00%	185.18%	224.71%	266.17%	232.88%
<b>Total equity</b>	<b>100.00%</b>	<b>174.75%</b>	<b>209.43%</b>	<b>245.82%</b>	<b>216.60%</b>
<b>Liabilities</b>					
Employee benefits	100.00%	145.17%	179.76%	73.88%	3.53%
Lease liabilities	-	100.00%	1171.90%	1205.06%	1180.41%
Deferred tax Liability					100.00%
<b>Non-current liabilities</b>	<b>100.00%</b>	<b>158.54%</b>	<b>336.42%</b>	<b>234.96%</b>	<b>163.11%</b>
Trade and other payables	100.00%	113.73%	156.28%	139.99%	183.71%
Employee benefits	100.00%	246.28%	836.70%	738.30%	821.54%
Lease liabilities	-	100.00%	112.26%	62.17%	227.68%
Current tax liabilities	100.00%	137.74%	168.08%	143.30%	110.04%
Unclaimed dividend	100.00%	12.99%	127.68%	43.96%	105.99%
<b>Current liabilities</b>	<b>100.00%</b>	<b>117.16%</b>	<b>160.58%</b>	<b>142.27%</b>	<b>180.65%</b>
<b>Total liabilities</b>	<b>100.00%</b>	<b>119.92%</b>	<b>172.33%</b>	<b>148.46%</b>	<b>179.48%</b>
<b>Total equity and liabilities</b>	<b>100.00%</b>	<b>131.59%</b>	<b>180.22%</b>	<b>169.18%</b>	<b>187.38%</b>

\*Base year 2018, except for lease liabilities, for which it is 2019

# HORIZONTAL ANALYSIS

## For Statement of Profit or Loss and Other Comprehensive Income

	2018	2019	2020	2021	2022
Revenue	100.00%	115.84%	149.75%	138.75%	139.51%
Cost of sales	100.00%	106.98%	132.02%	127.87%	155.61%
<b>Gross profit</b>	<b>100.00%</b>	<b>124.45%</b>	<b>166.98%</b>	<b>149.32%</b>	<b>123.87%</b>
Other income	100.00%	25.51%	14.61%	64.68%	63.01%
Operating expenses	100.00%	107.02%	151.11%	120.78%	101.52%
Impairment loss reversal on trade receivables	100.00%	78.82%	16.10%	-6.78%	-2.68%
<b>Operating profit</b>	<b>100.00%</b>	<b>165.74%</b>	<b>203.99%</b>	<b>217.38%</b>	<b>177.22%</b>
Finance income	100.00%	216.76%	283.09%	67.68%	49.30%
Finance costs	-	100.00%	511.62%	515.60%	610.84%
<b>Profit before contribution to WPPF</b>	<b>100.00%</b>	<b>167.33%</b>	<b>205.05%</b>	<b>209.55%</b>	<b>169.86%</b>
Contribution to WPPF	100.00%	167.33%	205.05%	209.55%	169.86%
<b>Profit before tax</b>	<b>100.00%</b>	<b>167.33%</b>	<b>205.05%</b>	<b>209.55%</b>	<b>169.86%</b>
Income tax expense	100.00%	134.26%	174.83%	151.33%	120.55%
<b>Profit for the year</b>	<b>100.00%</b>	<b>186.65%</b>	<b>222.71%</b>	<b>243.58%</b>	<b>198.67%</b>
Other comprehensive income					
Remeasurement of defined benefit liability	100.00%	3.48%	224.14%	93.97%	-116.92%
Related tax	100.00%	3.48%	224.14%	84.58%	-105.23%
<b>Other comprehensive income/ (loss) for the year, net of tax</b>	<b>100.00%</b>	<b>3.48%</b>	<b>224.14%</b>	<b>97.11%</b>	<b>-120.81%</b>
<b>Total comprehensive income for the year</b>	<b>100.00%</b>	<b>190.30%</b>	<b>222.68%</b>	<b>246.49%</b>	<b>205.03%</b>
EPS	100.00%	186.64%	222.70%	243.56%	198.66%

\*Base year is 2018

# VERTICAL ANALYSIS

## For Statement of Financial Position

	2018	2019	2020	2021	2022
<b>Assets</b>					
Property, plant and equipment	19.24%	19.75%	16.78%	18.63%	17.02%
Right-of-use assets (ROU)	3.57%	1.61%	5.42%	5.07%	4.94%
Deferred tax assets	0.84%	0.53%	0.88%	0.36%	0.00%
<b>Non-current assets</b>	<b>23.65%</b>	<b>21.89%</b>	<b>23.08%</b>	<b>24.05%</b>	<b>21.96%</b>
Inventories	16.62%	18.92%	19.03%	19.07%	17.08%
Trade and other receivables	4.68%	1.84%	0.78%	2.25%	1.77%
Advances, deposits and prepayments	2.64%	1.11%	2.33%	1.49%	0.93%
Cash and cash equivalents	52.41%	56.24%	54.78%	53.13%	58.25%
<b>Current assets</b>	<b>76.35%</b>	<b>78.11%</b>	<b>76.92%</b>	<b>75.95%</b>	<b>78.04%</b>
<b>Total assets</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Equity</b>					
Share capital	2.61%	1.98%	1.45%	1.54%	1.39%
Retained earnings	18.67%	26.28%	23.28%	29.38%	23.21%
<b>Total equity</b>	<b>21.28%</b>	<b>28.26%</b>	<b>24.73%</b>	<b>30.92%</b>	<b>24.60%</b>
<b>Liabilities</b>					
Employee benefits	5.26%	5.80%	5.25%	2.30%	0.10%
Lease liabilities	0.00%	0.53%	4.57%	5.01%	4.43%
Deferred tax Liability					0.05%
<b>Non-current liabilities</b>	<b>5.26%</b>	<b>6.34%</b>	<b>9.82%</b>	<b>7.30%</b>	<b>4.58%</b>
Trade and other payables	65.66%	56.75%	56.94%	54.33%	64.38%
Employee benefits	0.21%	0.39%	0.96%	0.91%	0.91%
Lease liabilities	0.00%	0.68%	0.56%	0.33%	1.09%
Current tax liabilities	7.21%	7.55%	6.72%	6.11%	4.23%
Unclaimed dividend	0.38%	0.04%	0.27%	0.10%	0.22%
<b>Current liabilities</b>	<b>73.46%</b>	<b>65.40%</b>	<b>65.45%</b>	<b>61.77%</b>	<b>70.82%</b>
<b>Total liabilities</b>	<b>78.72%</b>	<b>71.74%</b>	<b>75.27%</b>	<b>69.08%</b>	<b>75.40%</b>
<b>Total equity and liabilities</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

\*This analysis is based on total asset/total equity and liabilities



# VERTICAL ANALYSIS

## For Statement of Profit or Loss and Other Comprehensive Income

	2018	2019	2020	2021	2022
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of sales	-49.29%	-45.52%	-43.45%	-45.42%	-54.97%
<b>Gross profit</b>	<b>50.71%</b>	<b>54.48%</b>	<b>56.55%</b>	<b>54.58%</b>	<b>45.03%</b>
Other income	0.11%	0.02%	0.01%	0.05%	0.05%
Operating expenses	-35.94%	-33.21%	-36.27%	-31.29%	-26.15%
Impairment loss reversal on trade receivables	0.02%	0.01%	0.00%	0.00%	0.00%
<b>Operating profit</b>	<b>14.89%</b>	<b>21.31%</b>	<b>20.29%</b>	<b>23.34%</b>	<b>18.92%</b>
Finance income	0.60%	1.12%	1.14%	0.29%	0.21%
Finance costs	0.00%	-0.05%	-0.21%	-0.23%	-0.27%
<b>Profit before contribution to WPPF</b>	<b>15.50%</b>	<b>22.38%</b>	<b>21.22%</b>	<b>23.40%</b>	<b>18.87%</b>
Contribution to WPPF	-0.74%	-1.07%	-1.01%	-1.11%	-0.90%
<b>Profit before tax</b>	<b>14.76%</b>	<b>21.32%</b>	<b>20.21%</b>	<b>22.29%</b>	<b>17.97%</b>
Income tax expense	-5.44%	-6.31%	-6.35%	-5.94%	-4.70%
<b>Profit for the year</b>	<b>9.31%</b>	<b>15.01%</b>	<b>13.85%</b>	<b>16.35%</b>	<b>13.26%</b>
Other comprehensive income	0.00%	0.00%	0.00%	0.00%	0.00%
Remeasurement of defined benefit liability	-0.24%	-0.01%	-0.36%	-0.16%	0.20%
Related tax	0.06%	0.00%	0.09%	0.04%	-0.05%
<b>Other comprehensive income/ (loss) for the year, net of tax</b>	<b>-0.18%</b>	<b>-0.01%</b>	<b>-0.27%</b>	<b>-0.13%</b>	<b>0.16%</b>
<b>Total comprehensive income for the year</b>	<b>9.13%</b>	<b>15.00%</b>	<b>13.58%</b>	<b>16.22%</b>	<b>13.42%</b>
EPS	0.0000020%	0.0000032%	0.0000029%	0.0000035%	0.0000028%

\*This analysis is based on revenue

# VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 December 2022

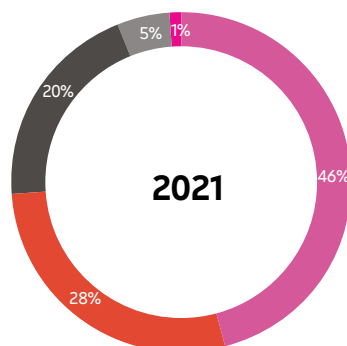
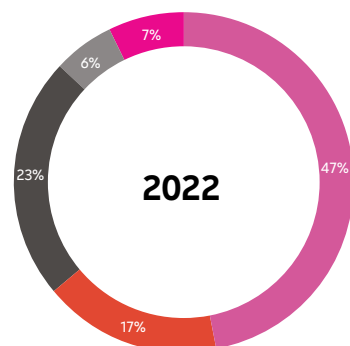
Value added is the extra value created over and above the original value. There are several types of Value Added metrics:

- Gross Value Added
- Economic Value Added
- Market Value Added

## Gross Value Added

Gross Value Added helps to measure the contribution to an economy of an individual company.

	2022		2021	
	Tk	%	Tk	%
<b>Value added</b>				
Net Revenue	4,969,364,802		4,942,046,045	
Cost of materials and service	(3,154,489,716)		(2,959,753,146)	
	<b>1,814,875,086</b>		<b>1,982,292,899</b>	
Indirect tax with revenue	877,596,148		828,679,386	
Other Income/ (expenses)	2,428,159		2,492,240	
Finance Income	10,554,502		14,490,193	
<b>Available for distribution</b>	<b>2,705,453,895</b>	<b>100%</b>	<b>2,827,954,718</b>	<b>100%</b>
<b>Distribution</b>				
Government	1,261,477,643	47%	1,306,009,094	46%
Shareholders	463,050,000	17%	779,625,000	28%
Employees	613,250,859	23%	566,772,248	20%
	<b>2,337,778,502</b>	<b>86%</b>	<b>2,652,406,342</b>	<b>94%</b>
<b>Value reinvested and retained</b>				
Depreciation	171,585,786	6%	147,051,861	5%
Retained Profit	196,089,607	7%	28,496,515	1%
	<b>367,675,393</b>	<b>14%</b>	<b>175,548,376</b>	<b>6%</b>
	<b>2,705,453,895</b>	<b>100%</b>	<b>2,827,954,718</b>	<b>100%</b>



- Government
- Shareholders
- Employees
- Depreciation
- Retained Profit

## Economic Value Added

Economic Value Added (EVA) can be defined as the incremental difference between a company's rate of return and its cost of capital. EVA is used to measure the value that a company generates from the funds invested in it.

$$EVA = NOPAT - (\text{Invested Capital} * WACC)$$

Where,

NOPAT: Net Operating Profit After Tax is the profit generated by a company through its operations, after adjusting for taxes but before adjusting for financing costs and noncash costs.

Invested Capital: Capital Employed is the amount of cash that is invested in the business.

WACC (Weighted Average Cost of Capital) is the minimum rate of return expected by the provider of capital- the investors in the business.

	2022	2021
Operating Profit	940,175,910	1,153,250,912
Tax	(233,720,971)	(293,379,967)
<b>NOPAT</b>	<b>706,454,939</b>	<b>859,870,945</b>
Total Asset	3,395,895,248	3,066,040,010
Current Liability	2,405,032,478	1,894,017,067
<b>Capital Employed</b>	<b>990,862,770</b>	<b>1,172,022,943</b>
Economic Value added		
NOPAT	706,454,939	859,870,945
Capital Employed	990,862,770	1,172,022,943
Cost of Equity	13%	23%
Capital Charge	126,266,566	267,416,858
<b>Value added</b>	<b>580,188,374</b>	<b>592,454,087</b>

## Market Value Added Statement

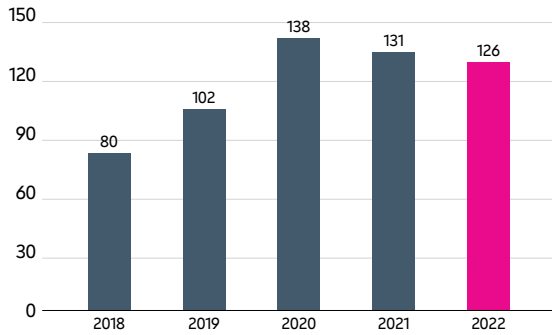
Market value added statement reflects market's perception on the company's performance through share price of the company. A high value addition indicates high value created for its investors on one hand, on the other hand it also means investors have high confidence in the company's performance.

	For the year ended 31-Dec-22	For the year ended 31-Dec-21
Market value of shares outstanding	22,494,307,500	27,073,777,500
Book value of shares outstanding	47,250,000	47,250,000
<b>Market value added</b>	<b>22,447,057,500</b>	<b>27,026,527,500</b>

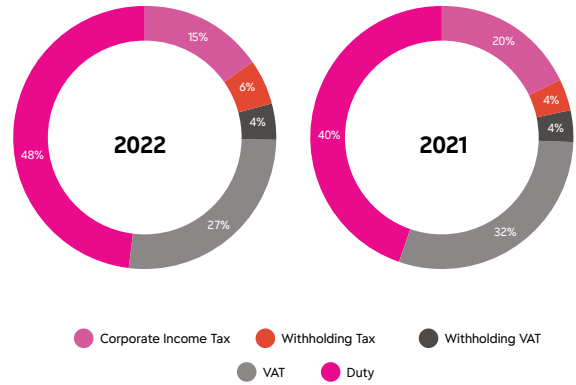
# CONTRIBUTION TO NATIONAL EXCHEQUER

	2018	2019	2020	2021	2022
Corporate Income Tax	105,093,880	159,389,326	241,385,538	253,078,465	194,686,798
Withholding tax	42,630,905	48,966,144	69,243,466	52,961,897	72,173,821
Withholding VAT	57,260,908	46,194,861	80,427,146	55,346,476	52,617,205
VAT	293,850,000	327,794,117	400,392,927	420,830,620	336,891,919
Duty including import VAT	297,737,502	436,140,273	589,742,612	523,791,636	605,107,900
Contribution to national exchequer	796,573,196	1,018,484,721	1,381,191,689	1,306,009,094	1,261,477,643
Contribution to national exchequer (in Crore)	80	102	138	131	126

Contribution to national exchequer (in Crore)



Contribution to national exchequer





## This Chapter Includes

Board of Directors

Management Committee

Corporate Governance Report

Attendance at Board Meetings

Pattern of Shareholding

Declaration by CEO and CFO

Certificate of Corporate Governance Compliance to the Shareholder

Status of Compliance on Corporate Governance Guidance by BSEC

Dividend Distribution Policy of Reckitt Benckiser Bangladesh PLC

Report of the Audit Committee

Report of Nomination and Remuneration Committee

Report of the Directors

Risk Management 2022

For Our Investors

# CORPORATE GOVERNANCE





# BOARD OF DIRECTORS

*From left to right*

**1. NAZIMUDDIN CHOWDHURY**  
INDEPENDENT DIRECTOR

**2. RAHUL MATHUR**  
CHAIRPERSON

**3. RAJESH KUMAR JHA**  
DIRECTOR

**4. PRADEEP KRISHNAMURTHI**  
DIRECTOR

**5. SOURAV MITRA**  
DIRECTOR



# BOARD OF DIRECTORS (Continued)

*From left to right*

**6. VISHAL GUPTA**  
MANAGING DIRECTOR

**7. TANMAY GUPTA**  
DIRECTOR & CHIEF FINANCIAL OFFICER

**8. SHEIKH FAEZUL AMIN**  
GOVERNMENT NOMINATED DIRECTOR

**9. MOHAMMAD NAZMUL AREFIN**  
COMPANY SECRETARY

# BOARD OF DIRECTORS



## RAHUL MATHUR

CHAIRPERSON

**B A N**

Nationality: Indian

Date of Appointment in BoD: April 15, 2019

- Fellow Chartered Certified Accountant (FCCA), Bachelor Degree of Engineering (BE) in Mechanical

He has 24 Years of experience in the Industry. Prior to joining Reckitt, he has been associated with prominent organisations such as Electrolux and Airtel. He joined Reckitt Benckiser in 2008. In Reckitt Benckiser he has performed various roles like Commercial Controller, Regional Supply Controller, Area Financial Controller, Finance Director - Footwear Europe, Finance Director - Thailand, Philippines & Indo-China. During his tenure in RB, he has driven margin improvements, championed complex ERP projects etc. Currently, he is the Regional Finance Director of South Asia.



## VISHAL GUPTA

MANAGING DIRECTOR

**B S M**

Nationality: Indian

Date of Appointment in BoD: May 1, 2016

- Master of Business Administration in Management from University of Delhi, India
- Bachelor of Mechanical Engineering from the Institute of Technology Delhi, India

He began his career with Reckitt Benckiser India in 1995. He has worked in various assignments across India, Indonesia, United Kingdom and Philippines. He brings with him a wide ranged experience at Reckitt Benckiser from June 1995 to April 2016 in different roles holding in various positions like General Manager, Marketing Director, Sales Director, Marketing/Brand Manager, Regional Sales Manager and so on in different country like Philippines, United Kingdom, Indonesia and India. During his career with Reckitt, he had fostered strong partnership with customers, step-changed the GTM model, created a robust product portfolio and drove digital marketing initiatives that grew the business significantly which was much faster than the market.



## NAZIMUDDIN CHOWDHURY

INDEPENDENT DIRECTOR

**B A N**

Nationality: Bangladeshi

Date of Appointment in BoD: August 9, 2018

- Post Graduation Degree in Financial Management

He has held several important positions like Chief Account Officer (Ministry of Commerce, health, Agriculture and energy), Director Finance (Bangladesh railway), Deputy Secretary, Joint Secretary, Additional Secretary and lastly retired from Secretary, Ministry of Energy and Mineral resource. He has taken part in several trainings & conference both in local and abroad on audit and business communication.

# BOARD OF DIRECTORS (continued)



## PRADEEP KRISHNAMURTHI

**B A N****DIRECTOR**

Nationality: Indian

Date of Appointment in BoD: April 15, 2019

- Bachelor of Mechanical Engineering from Delhi College of Engineering

He has over 28 years of experience in industry. He has worked with large organisations such as Maruti Suzuki India Limited and Hindustan Unilever prior to joining Reckitt Benckiser in 2011. He has done various roles in Reckitt Benckiser like Supply Director (India), Manufacturing Director-Indonesia and has a stellar record of driving efficiency in the manufacturing setup and executing very large and complex supply projects on time and within budget. Currently, he is the Regional Supply Director of South Asia. He brings with him an in depth expertise on supply chain and project management.



## SOURAV MITRA

**B A N****DIRECTOR**

Nationality: Indian

Date of Appointment in BoD: October 30, 2016

- Chartered Accountant from Institute of Chartered Accountants of India

He has almost 23 years of finance management experience in various multinationals and in diverse industries such as consumer durables, engineering, FMCG etc. He also has rich global experience of working with diverse teams in various geographies such as Africa, South East Asia, India etc. He has made significant improvement to several different RB businesses during a rich 12 year association with the group. His vision is to step change the capability of the finance function to become able partners in the organization's growth.



## TANMAY GUPTA

**B S M****DIRECTOR & CHIEF FINANCIAL OFFICER**

Nationality: Indian

Date of Appointment in BoD: July 28, 2021

- Chartered Accountant from ICAI-India B.Com (Hons) from Delhi University

He has more than ten years of professional experience in Corporate Finance across roles in Commercial Supply, Projects & specialist roles with increasing degrees of responsibility & accountability. Strive to continuously improve earnings model for the companies I work for & build sustainable businesses. Seeking in future to leverage my operational knowledge while designing & implement strategy.

# BOARD OF DIRECTORS (continued)



## RAJESH KUMAR JHA

DIRECTOR

**B**

Nationality: Indian

Date of Appointment in BoD: December 29, 2022

- "Law Degree, University of Delhi
- Masters in History, University of Delhi "

"He enrolled as a practicing lawyer in 1999 and worked with very well-known Senior Advocate, Late Mr. P. N. Lekhi. Thereafter he joined Bhasin & Co. (of Mr Lalit Bhasin), a renowned corporate & litigation Law firm having several multinationals and domestic clients and engaged in many international and domestic transaction. During his stint as a practicing lawyer, he handled many well known cases before several High Courts and Supreme Court of India.

He has extensive experience on Corporate Legal strategy, Policy & planning, Litigation & Contract management, Compliances etc. and have handled jurisdictions such as South Asia, ASEAN, Africa, Middle East & Turkey He has handled several high value acquisitions and corporate restructuring including setting up of joint ventures. He specializes in Corporate Law, Intellectual Property Rights, Tax, Drug Law, risk mitigation, Corporate governance etc. He has won many accolades/awards such as best M&A lawyers, General counsel of the year, in India."



## SHEIKH FAEZUL AMIN

GOVERNMENT NOMINATED DIRECTOR

**B**

Nationality: Bangladeshi

Date of Appointment in BoD: April 27, 2022

- "Bachelors Degree of Engineering (BE) in Mechanical from BUET

"He is an Additional Secretary and wing Chief of planning wing of Ministry of Industries. He is also Director of CUFL, BCIC.

Prior to this he has experience as Additional Secretary(Development) of Power Division, MPEMR as well as member of SREDA (Sustainable & Renewable Energy Development Authority), which works for the promotion and development of sustainable energy, comparison of renewable energy, energy efficiency and energy conversion. He was Chairman of DESCO and Electricity Generation Company of Bangladesh Ltd. (EGCB) and Director of Ashuganj Power Station Company Limited. "



## MOHAMMAD NAZMUL AREFIN

COMPANY SECRETARY

**B A S N**

Nationality: Bangladeshi

Date of Appointment in BoD: 2012

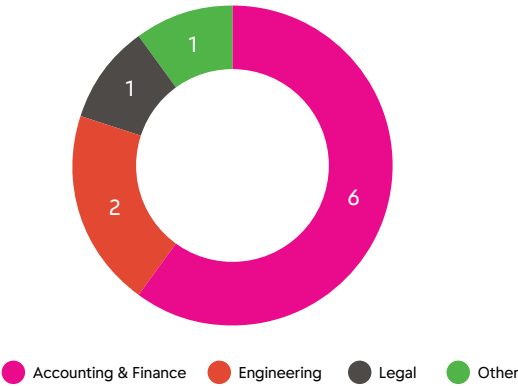
- Bachelors in Management. MBA major in Finance

He has more than 24 years of experience in professional environment as well as industry. He started his career in 1999 in Monico Limited and then to Bangladesh edible oils and then in 2002 he joined in Reckitt Benckiser (Bangladesh) Limited. He has performed various roles including management accountant, Supply controller, commercial controller, Finance controller and company secretary. All these assignment were enriched with newer challenges and experience in finance partnership into business growth, compliance, controls were some of other attributes demonstrated by him during his ongoing career with RB.

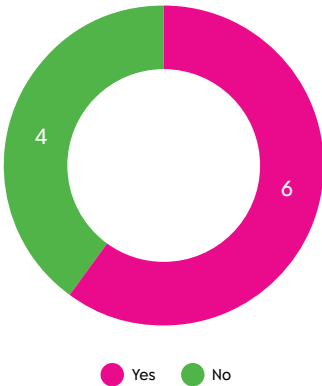
# BOARD OF DIRECTORS (continued)

## Board Members' Skills Review

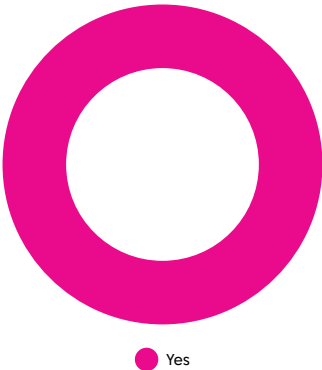
Professional Background of BOD Members



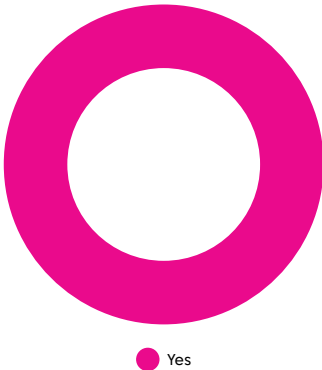
Financial Expertise



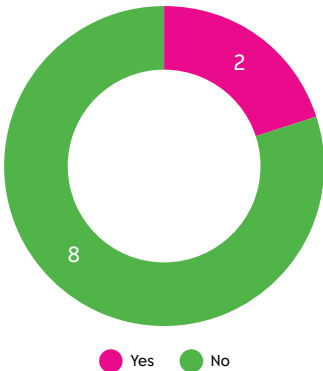
Leadership



Strategy



Engineering Expertise



\*\* Total Number of BoD ad Company secretary is ten (10)





# MANAGEMENT COMMITTEE

**1. NUSRAT JAHAN**  
MARKETING DIRECTOR

**2. BISHWAJIT DAS**  
SALES DIRECTOR

**3. VISHAL GUPTA**  
MANAGING DIRECTOR

**4. TANMAY GUPTA**  
DIRECTOR & CHIEF FINANCIAL OFFICER

**5. MOHAMMED ZIA UDDIN**  
SUPPLY DIRECTOR

# MANAGEMENT COMMITTEE



## MOHAMMED ZIA UDDIN

SUPPLY DIRECTOR

Nationality: Bangladeshi

Date of Joining Reckitt: June 2017

- Bachelor of Science in Chemical Engineering, BUET
- Master's in Business Administration (EMBA), IBA, Dhaka University
- Certified Supply Chain Manager (CSCM) from ISCEA, USA

Mr. Mohammed Zia Uddin has over 18 years of experience in integrated supply chain -Manufacturing, Planning, Sourcing, Logistics & warehousing. He joined Reckitt in June 2017 as Supply Services Manager, BD and he has been looking after planning, logistics & warehousing. He relocated new Dhaka warehouse without sacrificing service which was rated green and appraised by internal & external stake holders. He contributed immensely establishing SQRC culture in warehouses. He has been instrumental in supporting business during COVID-19 pandemic/global supply chain disruptions.



## NUSRAT JAHAN

MARKETING DIRECTOR

Nationality: Bangladeshi

Date of Joining Reckitt: October 2019

- Bachelor of Business Administration (BBA) - Marketing - Independent University Bangladesh.
- Masters of Business Administration (MBA) - American International University of Bangladesh.

Nusrat was Head of Marketing at Hemas Consumer Brands Bangladesh, the giant Sri Lankan Conglomerate operating in Bangladesh mainly with their FMCG wings. Before joining Hemas, Nusrat held the role of Marketing Manager at GSK Consumer Health Care Bangladesh Ltd and was responsible for the entire nutrition business with their flagship brand Horlick. Nusrat started her career as a Brand Assistant at Unilever Bangladesh Limited and gained 7 years+ experience while managing leading brands and categories like Pond's, Fair & Lovely, Vaseline, Sunsilk and many more.



## BISHWAJIT DAS

SALES DIRECTOR

Nationality: Bangladeshi

Date of Joining Reckitt: January 2008

- Masters of Business Administration (MBA) - IBA, Dhaka University

Mr. Bishwajit Kumar Das joined Reckitt as Regional Sales Manager in 2008 and subsequently played the role of National Sales Manager and Head of Sales in different tenure. Prior to join Reckitt, Mr. Das worked in another two Multinational Organizations Coca-Cola and Robi Axiata in-home, Thailand and Vietnam in different projects and senior positions. Currently, He is serving as Sales Director for Bangladesh business.

# CORPORATE GOVERNANCE REPORT 2022

## Procedure for the appointment of Directors

The Board is led by a Chairperson and the Managing Director leads the management team. The roles performed by the Chairman and Managing Director are mutually exclusive. The company fully complies with the regulations issued by the authorities regarding the appointment of Directors. We are in full compliance with BSEC notifications and the Companies Act. Directors are subject to retirement in accordance with the Companies Act, 1994. At least one-third of the Directors are required to retire by rotation at every AGM. A director can be appointed for a tenure up to three years, can be re-appointed for another term of up to three more years. Independent Directors can also be appointed for two consecutive tenures of three years each. The company complies with all the relevant rules and regulations of the respective regulatory bodies in relation to directors' nomination, removal, and casual vacancy.

## Constitution of the Board of Directors

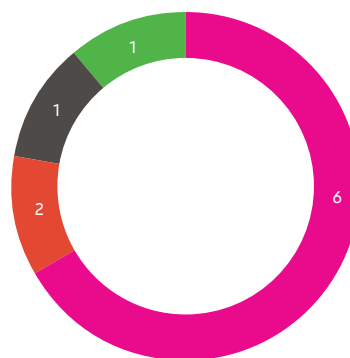
The Board of Directors of Reckitt consists of a Chairperson, a Managing Director and among the other seven Directors on the Board, there are seven Non-executive Directors and two of them are Independent Directors who are also senior officials or ex-officials of the Bangladesh Government and corporate leaders. The role of the Company Secretary is entrusted to Governance.

## Training and Development of the Board of Directors

The Board understands the significance of continuously developing or enhancing the required knowledge and skills of the Directors for the fulfillment of their duties effectively. The newly appointed Directors of the Board take appropriate time to acquaint themselves with the policies, work ethics, business strategies, corporate functions, audit and compliance of the company. Managing Directors and other Senior Management take significant part in the orientation of the new director(s). The Company Secretary also make available information regarding disclosure obligations of the Directors and furnish to the board.

## Professional Background of Board of Directors

### Professional Background of BOD members and company secretary



Accounting & Finance Engineering Legal Other

## Independence of Independent Directors

In compliance with the guideline, two (2) Directors out of the total nine (9) Directors are independent, having no share or interest in Reckitt. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

## Responsibilities of the Chairperson-

- Leading the board and taking responsibility for the Board's overall effectiveness in directing the company.
- Chairing the board and setting board agendas.
- Ensuring an appropriate balance is maintained between the interests of shareholders and other stakeholders.
- Exercising control over quality, adequacy and timelines of the flow of information between management and the board.
- Engaging the Board in assessing and improving its performance.
- Promoting the highest standards of corporate governance;
- Ensuring the long-term sustainability of the company.

## Roles & Responsibilities of Independent Directors

- Provide Independent judgement to bear the board's Deliberations on issues such as strategy, performance, resources, risk management, etc.
- Evaluating the performance of the board of the company with an objective view.
- Scrutinize, monitor, and report management's performance regarding goals and objectives agreed in the board meetings.
- Protect the interests of all stakeholders.
- Verify the integrity of financial information and ensure financial controls and systems of risk management are in operation.
- In situations of conflict between management and shareholder's interest, aim towards the solutions which are in the best interest of the company.
- Attend BOD's meetings and board committees meeting being a member.
- Report matters concerning unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- Not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
- Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.

## Responsibilities of the Company Secretary

- Advisor to the Board of Directors and perform the Statutory function mentioned in the Company's Act 1994, Security and Exchange Rule 1987, BSEC Code 2018 and other listing regulations and acts.
- Responsible to ensure Corporate good governance of the Company.
- Finalize notice to organize Board Meetings and Shareholders meetings.
- Assist the Chairman of Board and its committees to conduct the meetings, facilitate the governance and Board Management.
- Maintain the necessary liaison with the relevant offices of the Government, regulatory authorities and other stakeholders on matters of corporate interest in a transparent manner and act as a bridge between the Board, management and shareholders to facilitate good governance in the Company.
- Drive policy compliance awareness among Company employees.
- Perform the duties as per the Power of Attorney of the Company and liaison with external regulators, auditors, lawyers and other relevant authorities for court affairs.
- Compliance with acts, rules, regulations, notifications, guidelines, orders/directives, etc., as issued by the BSEC or Stock Exchange(s) applicable to the conduct of business activities of the Company.
- Disclosure of the Company's Price Sensitive Information (PSI) and other capital market-related issues.
- Prepare the Company's Annual Report, holding, managing and administering Board and Committee meetings and annual meetings of shareholders
- Monitor changes in relevant legislation and the regulatory environment and take appropriate actions.
- Filing statutory returns to regulatory bodies, such as RJSC, Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Stock Exchanges and Central Depository System, etc.
- Engagement with stakeholders for public affairs of the Company
- Ensure that appropriate Board procedures are followed, as per Bangladesh Secretarial Standards (BSS), as adopted by ICSB and other guidelines and best practices and advise the Board on such matters.

## Annual appraisal of the Board

Factor	Attributes	Type of the attribute		
		Primary	intermediary	advanced
Roles and Responsibilities	Understanding of nature and role of directors' position and ensuring both company and shareholders' interest			X
Leadership and Initiative	Heading Board Sub Committees		X	
Personal Attributes	Non-partisan appraisal of issues			X
	Commitment to role & fiduciary responsibilities as a board member	X		
	Attendance and active participation			X

Based on the above criteria the NRC committee has expressed their satisfaction for the below:

Directors performed their role in ensuring both company and share holders' interest.

Non-Executive Directors have provided with sufficient information and awareness regarding the Company's vision/purpose/strategy and adequate information about the industry.

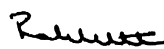
## External Assurance

Your company has obtained the following external assurance on the following in the reporting period under consideration:

SI	Particulars	Assurance
1	Financial Statements Audit Report	A. Qasem & Co.
2	Corporate Governance Certification	Rahman Anis & Co.
3	Provident Fund Financial Audit	Ahmed Mashuque & Co.
4	Gratuity fund valuation	Willis Tower Watson
5	Independent Scrutinizer of 62nd AGM	M/S Mohammad Sanaullah & Associates
6	ISO 14001 and ISO 45001	Intertek

## Ethical Conduct

Employees of the company are responsible to complete compliance training annually, which is designed to ensure the code of conduct is embedded with the employees. In addition to the compliance training our policies are shared with our third parties, to ensure that our trusted suppliers and third parties are also in harmony with our procedures to conduct any business. This helps us to be responsible in the society and build shared success.



**Rahul Mathur**  
Chairperson

## Internal Control Environment of Reckitt

It is also the responsibility of the Board of Directors to ensure there are effective systems of internal control and risk management and that these are continually monitored and reviewed. On this regard Managing Director and Finance Director reviews the internal control of the company annually and takes measures to manage risk. In addition, our audit committee reviews the assurance reports and management report (if any), issued by external assurance providers and take measures as necessary.

# ATTENDANCE AT BOARD MEETINGS

## Number of Meeting held during the year ended 31 December 2022:

Sl. No.	No. of Meeting	Notice Date	Meeting Date	Attendance of Members	Leave of absence
1	1 <sup>st</sup> Meeting	03 <sup>rd</sup> March 2022	10 <sup>th</sup> March 2022	8	1
2	2 <sup>nd</sup> Meeting	18 <sup>th</sup> April 2022	27 <sup>th</sup> April 2022	9	
3	3 <sup>rd</sup> Meeting	24 <sup>th</sup> July 2022	31 <sup>st</sup> July 2022	8	1
4	4 <sup>th</sup> Meeting	20 <sup>th</sup> October 2022	27 <sup>th</sup> October 2022	8	
5	5 <sup>th</sup> Meeting	21 <sup>st</sup> December 2022	29 <sup>th</sup> December 2022	7	

## Attendance of the Board of Directors:

S/L	Name of Directors	Number of meetings held whilst a board member	Meetings attended	Remarks
1	Mr. Rahul Mathur (Chairperson)	5	5	Mr. Mohammed Zia Uddin attended 5 meetings of the Board as alternate Director of Mr. Rahul Mathur
2	Mr. Vishal Gupta	5	5	
3	Mr. Sourav Mitra	5	5	
4	Mr. Tanmay Gupta	5	5	
5	Mr. Sheikh Faezul Amin	4	4	Appointed on 27 April 2022
6	Mr. C.Q.K. Mustaq Ahmed (Independent Director)	4	4	
7	Mr. Nazimuddin Chowdhury (Independent Director)	5	5	
8	Mr. Pradeep Krishnamurthi	5	5	Leave granted and Mr. Bishwajit Kumar Das attended 5 meetings of the Board as alternate Director of Mr. Pradeep Krishnamurthi
9	Ms. Afreen Huda	3	2	Leave granted and resigned on 31 July 2022
10	Mr. Md. Golam Yahia	1	-	Leave granted and ceased on 27 April 2022



# PATTERN OF SHAREHOLDING

AS AT 31 DECEMBER 2022

Shareholders' Category	No. of Shareholders	No. of Shares held
a) Parent / Subsidiary / Associated Companies and other related parties Reckitt Benckiser Limited, United Kingdom - Parent Company	1	3,919,918
b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children,	Nil	Nil
c) Top five Executives	Nil	Nil
d) Shareholders holding 10% or more voting interest Reckitt Benckiser Limited, United Kingdom	1	3,919,918



# DECLARATION BY CEO AND CFO

The Board of Directors  
Reckitt Benckiser (Bangladesh) PLC  
The Glass House  
9th and 10th Floors  
Block-SE(B), 38 Gulshan  
Avenue, Dhaka-1212

Date: February 16, 2023

**Subject: Declaration on Financial Statements for the year ended on 31 December 2022**

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

1. The Financial Statements of Reckitt Benckiser (Bangladesh) PLC for the year ended on 31 December 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

# DECLARATION BY CEO AND CFO (continued)


In this regard, we also certify that:

- i.** We have reviewed the financial statements for the year ended on 31 December 2022 and that to the best of our knowledge and belief:
  - a.** these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b.** these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii.** There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



**Vishal Gupta**  
Managing Director/CEO



**Tanmay Gupta**  
Finance Director/CFO





**Report to the Shareholders of Reckitt Benckiser (Bangladesh) PLC on  
Compliance on the Corporate Governance Code**  
[Certificate as per condition No. 1(5) (xxvii) of BSEC Corporate Governance Code]

We have examined the compliance status to the Corporate Governance Code by **Reckitt Benckiser (Bangladesh) PLC** for the year ended on December 31, 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 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:

- (a) 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;
- (b) 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;
- (c) 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
- (d) The Governance of the company is satisfactory.

**Date: February 16, 2023**  
**Place: Dhaka, Bangladesh**



  
**Rahman Anis & Co.**  
**Chartered Accountants**

# STATUS OF COMPLIANCE WITH CONDITIONS IMPOSED BY THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION:

Status of compliance Reckitt Benckiser (Bangladesh) PLC for the year ended 31st December 2022 with conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 is presented below:

## (Report under Condition No. 9.00)

Condition No.	Title	Compliance status (Put tick mark in the appropriate column)		Remarks (if any)	
		Complied	Not complied		
1	<b>Board of Directors</b>				
1. (1)	<b>Board's Size</b> The number of Board Directors should not be less than 5 (five) and more than 20 (twenty).	✓		9 (Nine) Board members including 2 (two) Independent Directors	
1. (2)	<b>Independent Directors</b>				
	(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are two independent directors in the Board
	(b)	Purpose of Clause "Independent Director":			
	(b) (i)	Who either does not hold any share or holds less than 1% shares to the total paid-up shares of the company;			As declared by the independent directors, they have complied with these requirements. Moreover as per records of CDBL and offline share register of the company, they are not holding any shares in the Company.
	(b) (ii)	Who is not a sponsor of the company and is not connected with the companies any sponsor or director or nominee 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 share of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company.	✓		
	(b) (iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years.	✓		
	(b) (iv)	Who does not have any other relationship whether pecuniary or otherwise, with the company or its subsidiary/ associated companies.	✓		
	(b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		
	(b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	✓		
	(b) (vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	✓		
	(b) (viii)	Who shall not be an independent director in more than 5 (five) listed companies.	✓		
	(b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI).	✓		
	(b) (x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		
	(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
(d)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days.	✓			
(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) term only.	✓			

Condition No.	Title	Compliance status (Put tick mark in the appropriate column)		Remarks (if any)	
		Complied	Not complied		
1.(3)	<b>Qualification of Independent Director (ID)</b>				
	(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
	(b)	Independent director shall have following qualifications:			
	(b i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	None		
	(b ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	None		
	(b iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		
	(b iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	None		
	(b v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	None		
	(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
(d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	None			
1.(4)	<b>Chairman of the Board and Chief Executive Officer</b>				
	(a)	The positions of the Chairman of the Board and the Managing Director (MD) and/or the Chief Executive Officer of the companies shall be filled by different individuals.	✓		Chairperson of the Board and CEO are different individuals and Chairperson is elected from amongst the non-executive Directors
	(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		As declared by Managing Director, he is not holding the same position on another listed company
	(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
	(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
	(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1.(5)	<b>The Directors' Report to Shareholders</b>				
	(i)	Industry outlook and possible future development in the industry.	✓		
	(ii)	Segment-wise or product-wise performance.	✓		
	(iii)	Risks and concerns.	✓		
	(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
	(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	None		
	(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	✓		Explanation given in the note number 25 of the Financial Statements
	(vii)	Utilization of proceeds from public issues, rights issues and / or through any other instruments.	N/A		
	(viii)	An explanation if the financial result deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	N/A		
	(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	None		
	(x)	Remuneration to directors including independent directors.	None		No remuneration is to be paid to its non-whole time Directors
	(xi)	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.	✓		
	(xii)	Proper books of account of the issuer company have been maintained.	✓		
(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 judgment.	✓			



Condition No.	Title	Compliance status (Put tick mark in the appropriate column)		Remarks (if any)
		Complied	Not complied	
(xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		
(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
(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	✓		
(xvii)	There are no significant doubts 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 should be disclosed.	None		
(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	✓		
(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	N/A		Dividend has been recommended for the year ended 31 December 2022
(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	N/A		No bonus share or stock dividend has been declared as interim dividend during the year
(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
(xxiii)	<b>The pattern of shareholdings and name wise details disclosing the aggregate number of shares:</b>			
(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	✓		
(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	✓		
(xxi) c)	Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit).	✓		
(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		
(xxiv)	<b>Appointment/Reappointment of Directors:</b>			
(xxiv) a)	A brief resume of the director.	✓		
(xxiv) b)	Nature of his/her expertise in specific functional areas.			
(xxiv) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓		
(xxv) a)	accounting policies and estimation for preparation of financial statements;	✓		
(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;	✓		
(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;	✓		
(xxv) d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	N/A		
(xxv) e)	briefly explain the financial and economic scenario of the country and the globe;			
(xxv) f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
(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	✓		
(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1.(6)	Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:</b>			
(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		

Condition No.	Title	Compliance status (Put tick mark in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	<b>Governance of Board of Directors of Subsidiary Company</b>			
2.	(a) Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	N/A		
	(b) At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	N/A		
	(c) The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	N/A		
	(d) The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	N/A		
	(e) The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A		
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
(1)	<b>Appointment:</b>			
(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	None		
(2)	Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
(3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):</b>			
(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
(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;	✓		
(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following subcommittees: (i) Audit Committee; and (ii) Nomination and Remuneration Committee.	✓		
	<b>Audit Committee</b>			
(1)	<b>Responsibility to the Board of Directors</b>			
(a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
(b)	The Audit Committee shall assist the Board of Directors 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.	✓		
(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
(2)	<b>Constitution of the Audit Committee</b>			
(a)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	None		
(e)	The company secretary shall act as the secretary of the Committee.	✓		
(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5				

Condition No.	Title	Compliance status (Put tick mark in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	(3) <b>Chairman of the Audit Committee</b>			
	(a) The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
	(b) In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
	(c) Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
	(4) <b>Meeting of the Audit Committee</b>			
	(a) The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
	(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.	✓		
	(5) <b>Role of Audit Committee</b>			
	(a) Oversee the financial reporting process.	✓		
	(b) Monitor choice of accounting policies and principles.	✓		
	(c) Monitor Internal Control Risk management process.	✓		
	(d) Oversee hiring and performance of external auditors	✓		
	(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;	✓		
	(f) Review along with the management, the annual financial statements before submission to the board for approval.	✓		
	(g) Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓		
	(h) Review the adequacy of internal audit function.	✓		
	(i) review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
	(j) Review statement of significant related party transactions submitted by the management.	✓		
	(k) Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	✓		
	(l) oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
	(m) oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	N/A		
5	(6) <b>Reporting of the Audit Committee</b>			
	(a) <b>Reporting to the Board of Directors</b>			
	(i) The Audit Committee shall report on its activities to the Board of Directors.	✓		
	(ii) <b>The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:</b>			
	(ii) (a) Report on conflicts of interests.	None		
	(ii) (b) Suspected or presumed fraud or irregularity or material defect in the internal control system.	None		
	(ii) (c) Suspected infringement of laws, including securities related laws, rules and regulations.	None		
	(ii) (d) Any other matter which shall be disclosed to the Board of Directors immediately.	None		
	(b) Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	None		
	(7) Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
	<b>Nomination and Remuneration Committee (NRC)</b>			
	(1) <b>Responsibility to the Board of Directors</b>			
	(a) The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
	(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;	✓		
	(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).	✓		
	(2) <b>Constitution of the NRC</b>			
	(a) The Committee shall comprise of at least three members including an independent director;	✓		

Condition No.	Title	Compliance status (Put tick mark in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6	(b)	All members of the Committee shall be non-executive directors;	✓	
	(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	
	(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	
	(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓	
	(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	None	
	(g)	The company secretary shall act as the secretary of the Committee;	✓	
	(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	
	(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	
	(3)	<b>Chairperson of the NRC</b>		
	(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	
	(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	
	(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	✓	
	(4)	<b>Meeting of the NRC</b>		
	(a)	The NRC shall conduct at least one meeting in a financial year;		
	(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓	
	(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	
	(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.	✓	
	(5)	<b>Role of the NRC</b>		
	(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	
	(b)	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>		
	(i)	<b>formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:</b>		
	(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	
	(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	
	(c)	remuneration to directors, 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;	✓	
	(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	
	(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;	✓	
	(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓	
	(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓	
(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
(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.	✓		
7.	<b>External /Statutory Auditors</b>			
	(1)	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:</b>		
	(i)	Appraisal or valuation services or fairness opinions.	✓	
	(ii)	Financial information systems design and implementation.	✓	
	(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓	
	(iv)	Broker-dealer services.	✓	
	(v)	Actuarial services.	✓	
	(vi)	Internal audit services.	✓	
	(vii)	Any other service that the Audit Committee determines.	✓	
	(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓	
(ix)	any other service that creates conflict of interest.	✓		

Condition No.	Title	Compliance status (Put tick mark 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.	✓		
	(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.	✓		
8.	<b>Maintaining a website by the Company:-</b>			
	(1) The company shall have an official website linked with the website of the stock exchange.	✓		
	(2) The company shall keep the website functional from the date of listing.	✓		
	(3) The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	<b>Reporting and Compliance of Corporate Governance</b>			
	(1) The company shall obtain a certificate from a practicing Professional Accountant/ Secretary (Chartered Accountant/ Cost and Management Accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		
	(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.	✓		
	(3) The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	✓		

Dated: Dhaka, February 16, 2023

For and on behalf of the Board of Directors



Nazimuddin Chowdhury  
Independent Director



# DIVIDEND DISTRIBUTION POLICY OF RECKITT BENCKISER (BANGLADESH) PLC

## Objective:

The objective of this policy is to lay down the criteria to be considered by the Board of Directors of the Company before recommending dividend to its shareholders for a financial year. The policy is framed in compliance with the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2021-386/03- dated on January 14, 2021.

## CRITERIA TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND:

The Board will consider the following factors before recommending dividend:

### Financial Criteria:

- Financial performance of the Company for the year for which dividend is recommended
- Requirements for capex financing
- Working capital financing plan
- Dividend payout trends (the dividend payout ratio will be calculated as a percentage of dividend (including dividend tax) recommended for the year to the net profit for that year)
- Tax Implications if any, on distribution of dividends
- Cost of raising funds from alternate sources of capital
- Corporate actions including mergers/demergers, acquisitions and additional investments including expansion plans and investment in subsidiaries/ associates of the Company
- Such other factors and/or material events which the Company's Board may consider

### External Factors:

- Shareholder expectations including individual shareholders
- Macro-economic environment
- Industry dividend pay out rate

### Statutory and Regulatory Compliance:

- The company shall declare dividend only after ensuring compliance with the regulatory guidelines on dividend declaration e.g. in line with the directives of the Finance Act 0 and or by fulfilling other restrictions, if there is any, from the regulators like; Bangladesh Bank and Bangladesh Securities Exchange Commission (BSEC) etc.
- As per IFRS: IAS 1:137(a):- An entity shall disclose in the notes the amount of dividends proposed or declared before the financial statements were authorized for issue but not recognized as a distribution to owners during the period, and the related amount per share.
- IAS 10:12:- If an entity declares dividends to holders of equity instruments (as defined in IAS 32 Financial Instruments: Presentation) after the reporting



period, the entity shall not recognize those dividends as a liability at the end of the reporting.

- IAS 10:13:- If dividends are declared after the reporting period but before the financial statements are authorized for issue, the dividends are not recognized as a liability at the end of the reporting period because no obligation exists at that time. Such dividends are disclosed in the notes in accordance with IAS 1 presentation of Financial Statements.

**As per Schedule-XI of the Companies Act 1994: Part-I-Balance sheet A. Horizontal Form:** Dividends stated to be in respect of the period covered by the financial statements and that are proposed or declared after the balance sheet date but before approval of the financial statements should be either adjusted or disclosed.

**Notes (h) of general instruction for preparation of balance sheet:** Assets and liabilities should be adjusted for events occurring after the balance sheet date that provide additional evidence to assist with the estimation of amounts relating to conditions existing at the balance sheet date or that indicate that going concern assumption in relation to the whole or part of the enterprise is not appropriate. Assets and liabilities should not be adjusted for, but disclosure should be made of, those events occurring after the balance sheet date that do not affect the condition of assets or liabilities at the balance sheet date but are of such importance that non-disclosure would affect the ability of the users of the financial statements to make proper evaluation and decision.

**As per section 184 (1) of the Companies Act 1994:-** There shall be attached to every balance sheet laid before a company in general meeting a report by its Board of Directors, with respect to-

- a. the state of the company's affairs.
- b. the amount, if any, which the Board proposes to carry to any reserve in such balance sheet;
- c. the amount, if any, which the Board recommends should be paid by way of dividend;
- d. material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the balance sheet related and the date of the report.

**The procedures to remit the dividends as per the Guidelines for foreign exchange transactions issued by Bangladesh Bank are as follows:**

The company may apply for remittance of dividends (both final and interim) through authorized dealer bank (AD) to the non-resident shareholders through application in the prescribed form (Appendix 5/60) in triplicate duly certified by the company's Auditors and supported by the required documents:

Each company will apply for dividend remittances through one nominated AD whose name should be communicated beforehand

to the Foreign Exchange Investment Department, Bangladesh Bank, Head Office, Dhaka. Any change in the nominated AD bank should likewise be notified to the Bangladesh Bank well in advance.

While allowing remittance of dividend the ADs should satisfy themselves that profit shown in the Balance Sheet and Profit & Loss Account has arisen out of the normal trading/business activities of the company or out of past accumulated reserves which were remittable. In arriving at the profit out of which dividend has been declared and applied for remittance, ADs should in particular verify to ensure that all previous losses/tax liabilities, if any, have been fully adjusted against current year's net profit or against general/revenue reserve. Also, any cash subsidy granted by Govt. to the company should be deducted from profit in arriving at the divisible profit, unless allowed otherwise by the Bangladesh Bank. Remittance of dividend should be approved in Taka first and be effected after converting the Taka into equivalent foreign exchange at the rate ruling on the date of remittance.

**Income Tax deduction at source on Dividends:** Based on the DTA agreement between the Government of the Peoples Republic of Bangladesh and country in which dividend to be distributed, the prescribe rate of tax deduction at source on dividend for the corporate shareholder are to be deducted. A certificate from NBR to be obtained required regarding applicability of reduced tax rate on dividend U/S 56 of ITO 1984.

## CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of the Company may not recommend any dividend if the eligibility criteria for recommendation of dividend has not been met by the Company, including any regulatory restriction placed on the Company on declaration of dividend or if the Board strongly believes the need to conserve capital for growth or other exigencies which will be spelt.

## DIVIDEND DISTRIBUTION:

- Company shall pay of the dividend (cash/stock) to the shareholders within 30 days of declaration or approval or record date as the case may be.
- Company shall pay off the cash dividend to the bank account of the entitled shareholder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN) or through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible through BEFTN.
- Dividend of the margin client of stockbroker or merchant banker shall pay of to the Consolidated Customer's Bank Account (CCBA) of the stockbroker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.

- In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system and for the member who have not been converted in Dematerialization (DEMAT) shares, shall issue cash dividend warrant and shall send it by post to the shareholder.
- Company shall credit the stock dividend to the BO account or issue bonus share certificate of the entitled shareholder.
- Company shall follow the directives/circulars in force of the securities regulator, related to dividend distribution from time to time

## UTILIZATION OF RETAINED EARNINGS:

The Company would utilize the retained earnings of the Company in a manner which is beneficial to the interest of the Company and its stakeholders, including, but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth / expansion and strategic plans or such other purpose the Board may deem fit from time to time in the interest of the Company and its stakeholders.

## PAREMETERS FOR VARIOUS CLASSES OF SHARES:

Currently, the Company does not have any other class of shares (including shares with differential voting rights/preference shares) other than equity shares. In the absence of any other class of shares and/or share with differential voting rights, the entire distributable profit for the purpose of declaration of dividend is considered for the equity shareholders.

## CONFLICT IN POLICY:

In the event of a conflict between this policy and extant regulations, the regulations shall prevail.

## AMMENDMENTS/MODIFICATIONS:

To the extent any change/amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law. Such amended policy shall be placed before the board for noting and necessary ratification.

## REVIEW OF POLICY:

The board of directors of the Company may review the policy, if the Board proposes to declare dividend on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's website and in the Annual Report.

## DISCLOSURE OF POLICY:

The policy will be available on the Company's Website and will also be disclosed in the Company's Annual Report.



# REPORT OF THE AUDIT COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2022

**Audit Committee of Reckitt Benckiser (Bangladesh) PLC, a sub-committee of the Board of Directors, supports 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 control monitoring system within the business.**

## **Composition of the Audit Committee:**

The Audit Committee, appointed by and responsible to the Board of Directors, comprises 5 non-executive directors as members of the audit committee and the Company Secretary as the Secretary of the Audit Committee, out of them, two members are independent Directors, and the Committee is chaired by one of the independent Director Mr. Nazimuddin Chowdhury.

As required all members of the audit committee are 'financially literate' and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. More than one member has fifteen years plus experience with thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting of the company.

## **Role of the Audit Committee:**

The Audit Committee's role flows directly from the Board and the Committee reports regularly to the Board on its activities. The Committee's main responsibilities consist of:

- Oversee the financial reporting process and reviewing 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;
- Monitor choice of accounting policies and principles and reviewing the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the Codes of Conduct;
- Monitoring and reviewing the arrangements for ensuring the objectivity and effectiveness of the external and internal audit functions;
- Reviewing the effectiveness of internal audit function including performance, structure, adequacy of resources, and compliance with professional standards, regulatory and financial reporting requirements, statement of all related party transactions, examining audit findings and material weaknesses and monitoring implementation of audit action plans;
- Recommending to the Board the appointment, reappointment or removal of the external auditors;
- Performing other activities as and when requested by the board of directors.

### Meetings and Attendance of Audit Committee:

During the year of 2022, a total of 4 (Four) meetings were held. The attendance of the members are as follows:

#### Number of Meeting held during the year ended 31st December 2021:

Sl. No.	No. of Meeting	Notice Date	Meeting Date	Attendance of Members	Leave of absence
1	1 <sup>st</sup> Meeting	March 03, 2022	March 10, 2022	5	
2	2 <sup>nd</sup> Meeting	April 18, 2022	April 27, 2022	5	
3	3 <sup>rd</sup> Meeting	July 24, 2022	July 31, 2022	4	1
4	4 <sup>th</sup> Meeting	October 20, 2022	October 27, 2022	4	1

#### Attendance of the members:

Sl. No.	Name of Members	Designation	Number of Meeting	Meetings attended	Remarks
1	Mr. C.Q.K. Mustaq Ahmed	Chairperson (Independent director)	4	4	Second tenure expired on 28 October 2022
2	Mr. Nazimuddin Chowdhury	Chairperson (Independent Director)	4	4	Newly appointed as Chairperson w.e.f. 29 October 2022
3	Mr. Rahul Mathur	Member	4	3	
4	Mr. Pradeep Krishnamurthi	Member	4	3	
5	Mr. Sourav Mitra	Member	4	4	
6.	Mr. Mohammad Nazmul Arefin (Secretary)	Secretary	4	4	

On behalf of the Audit Committee



**Nazimuddin Chowdhury**

Chairperson  
Audit Committee

Dated: 16 February 2023

### Major activities of the Audit Committee carried out during the year:

- Reviewed the quarterly, half yearly, and annual financial statements for the year ended 31 December 2022 along with receiving the statutory audit report and raising necessary questions on statutory auditors in case of doubts;
- Approved the internal audit plan for 2022, monitored progress and effected revisions when necessary;
- Discussed internal audit reports and findings in detail with members of the management and monitored the status of implementation of audit action plans and provided guidance to ensure timely completion of action plans;
- The committee reviewed the effectiveness of the internal financial controls, procedures and reviewed external audit report.
- Considered and made recommendation to the Board on the appointment and remuneration of external auditors;
- Review of financial and accounting matters as reported by the Chief Financial Officer on the financial performance and accounting treatment of the company;
- Reviewed and received report on the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC);
- Conducted a meeting with the statutory auditors for review of the annual financial statements;
- Reviewed the Management's Discussion and Analysis;
- Reviewed statement of all related party transactions submitted by the management;
- Reviewed Management Letters issued by statutory auditor's;
- Reviewed current year audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit and evaluate the performance of external auditors.

There are no significant breaches of control which is came to notice of the audit committee while reviewed. Therefore, the committee is of the opinion that adequate controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and that the financial position of the company is adequately managed.

# REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC) OF RECKITT BENCKISER (BANGLADESH) PLC

## FOR THE YEAR ENDED 31 DECEMBER 2022

As a sub-committee of the Board, the responsibility of Nomination and Remuneration Committee (NRC) is to assist the Board of the company in formulation of the nomination and remuneration policy and criteria of director (executive/non-Executive/independent) and top-level executives of the company. The Board has adopted a nomination and remuneration criteria and policy of NRC in 2019.

### COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE (NRC):

The Nomination and Remuneration Committee (NRC) comprises 4 (Four) non-executive directors as member of the NRC and the committee is chaired by one of the independent director Mr. Nazimuddin Chowdhury.

During the financial year some changes was happened in the committee. Mr. Nazimuddin Chowdhury, Independent Director of the company Joined as Chairperson of NRC on 27 October 2022 (w.e.f. 29 October 2022) and Mr. Sourav Mitra, non-executive directors of the company also joined as new member of NRC on 31 July 2022. On the other hand, Ms. Afreen Huda, non-voting member of NRC ceased on 31 July 2022 and Mr. C.Q.K. Mustaq Ahmed, Independent Director & Chairperson of NRC has completed his second tenure as Independent Director on 28 October 2022.

Now, Nomination and Remuneration Committee (NRC) comprises with the following four members:

- |                                     |               |
|-------------------------------------|---------------|
| <b>1. Mr. Nazimuddin Chowdhury</b>  | - Chairperson |
| <b>2. Mr. Rahul Mathur</b>          | - Member      |
| <b>3. Mr. Pradeep Krishnamurthi</b> | - Member      |
| <b>4. Mr. Sourav Mitra</b>          | - Member      |

As per regulatory guideline, the Company Secretary, Mr. Mohammad Nazmul Arefin acts as Secretary to the Committee.

### MEETING AND ATTENDANCE OF NOMINATION AND REMUNERATION COMMITTEE (NRC):

Nomination and Remuneration committee meeting and attendance during the year ended 31 December 2022 are as follows.

Meeting held during the year ended 31 December 2022:

Sl. No.	No. of Meeting	Notice Date	Meeting Date	Attendance of Members	Leave of absence
1	1 <sup>st</sup> Meeting	April 18, 2022	April 27, 2022	3	
2	2 <sup>nd</sup> Meeting	July 24, 2022	July 31, 2022	3	
3	3 <sup>rd</sup> Meeting	October 20, 2022	October 27, 2022	3	
4	4 <sup>th</sup> Meeting	December 21, 2022	December 29, 2022	2	2

**Attendance of the members:**

Sl. No.	Name of members	Number of Meeting	Meetings attended	Remarks
1	Mr. C.Q.K. Mustaq Ahmed	4	3	Second tenure expired on 28 October 2022
2	Mr. Rahul Mathur	4	3	
3	Mr. Pradeep Krishnamurthi	4	2	
4	Ms. Afreen Huda (Non-Voting member)	1	1	Resigned on 31 July 2022
5	Mr. Nazimuddin Chowdhury	4	1	Newly joined as Chairperson w.e.f. 29 October 2022
6	Mr. Sourav Mitra	4	2	Newly joined as member on 31 July 2022
7	Mr. Mohammad Nazmul Arefin (Secretary)	4	4	

**TERMS OF REFERENCE/ROLE OF NOMINATION AND REMUNERATION COMMITTEE (NRC):**

- NRC shall be independent and responsible or accountable to the Board and to the Shareholders;
- NRC shall oversee, among others, the following matters and make report with recommendation to the Board:
  - formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
    - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;
    - the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - 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;
  - devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
  - 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;
  - formulating the criteria for evaluation of performance of independent directors and the Board; and
  - identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and developing, recommending and reviewing annually the Company's human resources and training policies.

**CRITERIA OR POLICY FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS:**

Matters to be dealt with perused and recommended to the Board by the Nomination and Remuneration Committee. The following matters shall be dealt with by the Committee:-

- (a) Qualifications of the directors: The Committee shall consider the following attributes/criteria whilst recommending to the Board the candidature for appointment as Director:
  - Age, Qualification, expertise and experience of the Directors in their respective fields;
  - Personal, Professional or business standing;
  - The considerations shall include achieving an appropriate level of diversity having regard to factors such as integrity, race, gender, age, nationality, cultural and educational background and industry or related experience.
- (b) Positive Attributes and Independence: The Committee shall meet potential candidates to assess their level of competence, experience and their personal and other positive attributes before making its recommendation to the Board. For the purpose of assessing the attributes and independence of the candidate, the Committee shall, interlaid, take into consideration whether the candidate demonstrates:
  - high standards of ethical behavior;
  - positive disposition, good interpersonal and communication skills;
  - ability to think independently without being influenced by extraneous circumstances or consideration;
  - capability to act with reasonable care, in good faith and in the best interests of the Company and its stakeholders;



**CRITERIA OR POLICY FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS: (Contd.)**

- ability to devote time and attention for the business and governance of the Company;
  - refrain from situations that may have a direct or indirect conflict of interest with those of the Company; and
  - to abide by the Company's Code of Business Conduct.
- (c) Size and composition of the Board: The committee will be reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management. The committee will also ensure that the Board is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company. The Committee is to assist the Board in ensuring the Board nomination process considers diversity relating to gender, thought, experience, knowledge and perspectives.
- (d) Recruitment of Directors: Review the criteria set by Reckitt Benckiser Group Plc. in determining qualifications for key management positions and recommend candidates upon evaluating them against the Reckitt Leadership characteristics and values. The committee will procure the company's Job description and assess the proposed candidates to ensure that the right candidate is being appointed for the position in line with Reckitt Benckiser Group Plc.'s Talent Acquisition framework of Qualification, Experience, Agility, and Culture fit.
- (e) Succession plans: The Committee will review identified successors for Board and top level executive positions to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.
- (f) Evaluation of performance: The Committee will be responsible for the following:
- Review performance criteria as prescribed or determined by Reckitt Benckiser Group Plc for the Directors/ Key Management Positions and Senior Positions and recommend to the Board.
  - Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company to ensure that the Board is well equipped with expertise to perform their role in ensuring both company and share holders' interest.
  - Ensure that Non-Executive Directors are provided with sufficient information and awareness regarding the Company's vision/purpose/strategy and adequate information about the industry so that they are equipped to carry out their legal responsibilities and duties.
- (g) Remuneration framework and policies: The Committee is responsible for reviewing and reporting to the Board on:

- Remuneration of General Manager/CEO: Whether the salary reviewed is in line with the prescribed pay matrix philosophy put forward by Reckitt Benckiser Group Plc / Region and get inputs if there are any discrepancies. In case of discrepancies, the differences will have to be in gross violation either regarding salary components considered or calculation methodology;
- Individual and total remuneration of non-executive Directors and the chairperson (if nonexecutive), including any additional fees payable for membership of Board committees;
- The remuneration of top level executive: Whether the salary reviewed is in line with the prescribed pay matrix philosophy put forward by Reckitt Benckiser Group Plc / Region. The committee will periodically review salaries of the positions mentioned that include base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts to ensure that Reckitt Benckiser (Bangladesh) PLC is market competitive in terms of:
  - a. attracting and motivating talent to pursue the Company's long-term growth;
  - b. demonstrating a clear relationship between executive compensation and performance;
  - c. being reasonable and fair, in terms of best governance practices and legal requirements; and
  - d. balancing between fixed and incentive pay to reflect short and long-term performance objectives as appropriate or advised by Reckitt Benckiser Group Plc. for the Company and its goals.

**ACTIVITIES OF THE NRC FOR THE YEAR ENDED 31 DECEMBER 2022:**

- Review the existing code of conduct for the members of the Board of Directors the company;
- Recommend a new code of conduct for Chairperson, Directors and Top-level executive of the company;
- Reviewed and recommend appointing of Directors and Top-level executive of the company;
- Evaluated the performance of Independent Directors and the Board of the company so as to ensure proper discharge of responsibility by the Board of Directors in the best interest of the company;
- The committee identified the needs of the company for employment at different levels and making evaluation the performance and review of the Human resources and training policies of the company. The committee reviewed all required documents including a) detail organogram; b) existing published Human resource policies (with effect from May 2015); c) Job description of the leadership positions of the company. The committee also reviewed the selection, transfer or replacement and promotion criteria of all existing employees of the company. All the criteria and process are in line with the guideline of Reckitt Benckiser Group Plc;

**ACTIVITIES OF THE NRC FOR THE YEAR ENDED 31 DECEMBER 2022:**

*(Contd.)*

- The committee reviewed the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management. The committee also reviewed the size and composition of the Top-level executives as per the requirement of the business volume of the company. The committee ensured that the Board and top-level executives are structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company; and
- The committee reviewed the recruitment and removal of executive and independent directors and the top-level executives of the company as per the criteria set by Reckitt Benckiser Group Plc. in determining qualifications for key management positions and recommend candidates upon evaluating them against the Reckitt Leadership characteristics and values. The committee procured the company's Job description and assessed the proposed candidates to ensure that the right candidate is being appointed for the right position in line with Reckitt Benckiser Group Plc 's Talent Acquisition framework of Qualification, Experience, Agility, and Culture.

On Behalf of the NRC Committee



**Nazimuddin Chowdhury**

Chairperson of NRC

Dated: 16 February 2023



# REPORT OF THE DIRECTORS

The Directors of the Company are pleased to present the audited financial statements of the Company for the year ended 31 December 2022 and report that:

## PRINCIPAL ACTIVITIES

Our culture is our foundation. Our logo, which reflects our purpose, fight, compass and behavior. Our leadership behaviors are making an impact. Employees are encouraged to own, create, deliver and care. We are inspired by our purposeful brands, and our efforts for a healthier planet and a fairer society.

During 2022, there were no major changes in the principal activity of the Company. Reckitt continued manufacturing and marketing of Household, Toiletries and Pharmaceutical products. Your company also continued to invest in major brands to drive business growth.

According to the instruction of Companies Act (section Ka of 11Ka, second Amendment) 2020, we had approached to Register of Joint Stock Company (RJSC) to change the name from Reckitt Benckiser Bangladesh Limited to Reckitt Benckiser Bangladesh PLC and accordingly on it had been approved by RJSC on September 2021 and by NBR on March 2022.

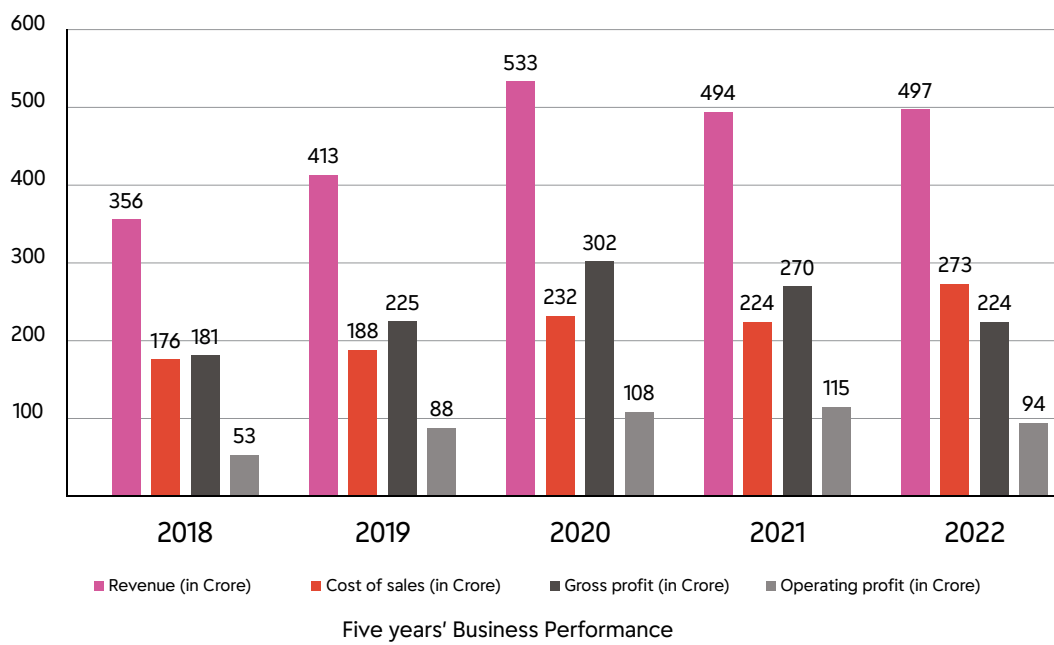
## ECONOMIC HIGHLIGHT

During 2022, world and country's economy have seen dramatic changes throughout the year. We have seen unprecedented inflation, taka value depreciated against dollar, country's foreign currency reserve saw a significant reduction. This resulted in imposition of barrier in import through letter of credit. Daily necessity's price has increased significantly.

## BUSINESS HIGHLIGHTS

During 2022, your company's maintained steady performance throughout the year even with the challenges of the volatile economy. Your company worked hard and proactively to preserve the profitability in the face of the growing impediments of the economy. The resulting turnover at the end of the year has seen slight increase compared to last year





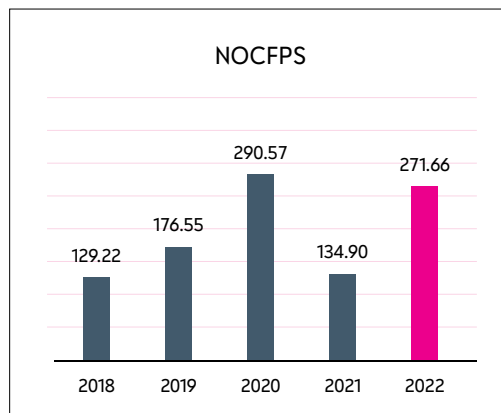
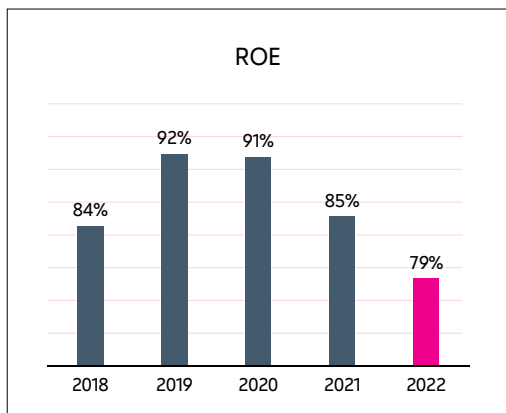
**COST OF GOOD SOLD, GROSS PROFIT MARGIN, NET PROFIT MARGIN**

This year gross profit margin was adversely impacted due to around 20% plus inflation. As a result, cost of goods sold has been increased by 21.69% compared to last year. However, to combat the inflation we had taken price adjustment in the topline and managed to arrest the decrease of gross profit by 17.04% and net profit by 18.44%.

**NET ASSET, LIABILITY AND EQUITY AND NET OPERATING CASHFLOW**

Despite huge pressure on COGS, we maintained 79%+ ROE for the year.

Doing better negotiation with our suppliers and buyers we have increased our Net Operating Cash flow per share increased from Tk. 134.90 to Tk. 271.66 per share.



**SEGMENT WISE PERFORMANCE**

The company has two reportable segments based on two strategic business divisions i.e. Household & toiletries and Pharmaceuticals. These divisions offer different products and are managed separately because they require different technology and marketing strategies. These are:

Reportable segments	Operations
Household and toiletries	Manufacturing and trading of hygiene and home care products.
Pharmaceuticals	Manufacturing of health care products.

These two reportable segments are the strategic business units of the company and are managed separately based on the Company's management and internal reporting structure. For pharmaceutical products approval is acquired from the Directorate General of Drug Administration. For the year 2022, 2.96% of the total turnover came from pharmaceutical products compared to 4% of the preceding year, as Dettol antiseptic liquid did not do well like last year when to combat against the pandemic Dettol antiseptic liquid used to be consumed.



Detail information reportable for each segment has been demonstrated in note no. 14 of the Notes to the Financial Statements.

In operation, company also monitor its business in two categories – health and hygiene. The composition of turnover on the two categories are 62% and 38% for health and hygiene respectively for the year 2022.

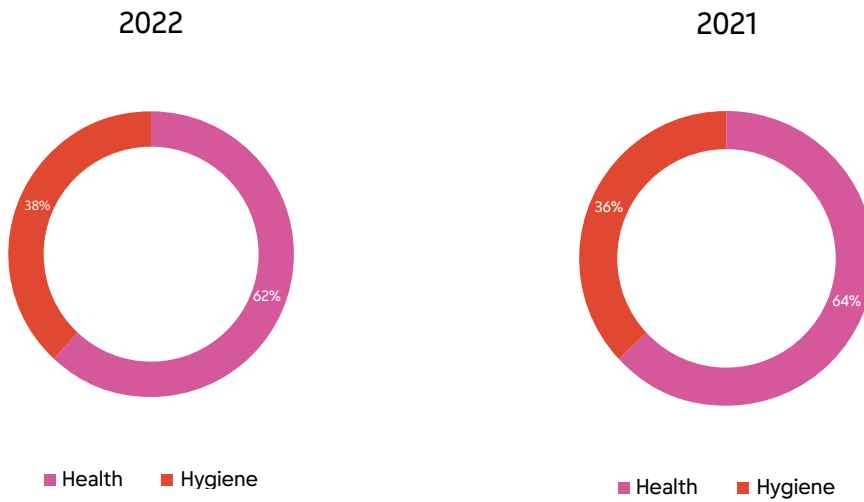


Figure: composition of health and hygiene on turnover



Figure: composition of health and hygiene on operating profit

## RELATED PARTY TRANSACTIONS

During the year the company made transaction with related parties which includes key management personnel, parent's entity and inter group entities. These are mainly for salaries & benefits, dividend and technical services fees, royalty, import of finished goods and support services.

The detail statement on transaction, nature and amount are presented in note no. 25 of the Notes to the Financial Statements.

## EXTRAORDINARY GAIN OR LOSS

During the year 2022 there was no significant extraordinary gain or losses incurred to the business.

## SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL PERFORMANCE

During the year quarterly revenue was steady. But cost of sales in quarter 2 and 3 was higher compared to other two quarters mainly for extraordinary hit in our key raw material price led by Russia-Ukrain war. On the other hand to deliver profit we had cut down our operating expense mainly in the marketing spend. Result is that, we have achieved quarter on quarter progressive EPS.

Amount in Thousand Taka	Total	Q4	Q3	Q2	Q1
Revenue	4,969,365	1,200,488	1,257,159	1,236,836	1,274,882
Cost of sales	2,731,871	639,302	750,385	692,532	649,652
Operating and other expenses	1,344,633	254,164	259,383	336,734	494,352
Tax expenses	233,721	75,584	59,141	59,078	39,918
Profit for the year	659,140	231,438	188,250	148,492	90,960
<b>Basic earnings per share (Taka)</b>	<b>139.50</b>	<b>48.98</b>	<b>39.84</b>	<b>31.43</b>	<b>19.25</b>

## SUMMARY OF FINANCIALS

We are pleased to present the following summarized financials of the Company before you:

Particulars	2022	2021
	Taka	Taka
<b>Profit before taxation (including other comprehensive income/items)</b>	<b>900,680,328</b>	<b>1,095,216,232</b>
Less: Taxation	(233,720,971)	(293,379,967)
<b>Profit after taxation (including other comprehensive income/items)</b>	<b>666,959,357</b>	<b>801,836,265</b>
Add: Un-appropriated profit from previous year	900,806,113	760,469,848
<b>Profit available for appropriation</b>	<b>1,567,765,470</b>	<b>1,562,306,113</b>
Less: Final cash dividend paid @ Tk.165 (i.e. 1650%) per share for 2021	(779,625,000)	(661,500,000)
<b>Total profit available for appropriation</b>	<b>788,140,470</b>	<b>900,806,113</b>
<b>Appropriation:</b>		
Proposed Final dividend	(463,050,000)	(779,625,000)
<b>Un-appropriated profit *</b>	<b>325,090,470</b>	<b>121,181,113</b>

\*after recognition of dividend in the period of appropriation

## DIVIDEND

The Board is pleased to recommend final cash dividend of Tk.98/= (980%) per share amounting to Tk.463.05 million for the year 2022, (2021: Tk.165 per share i.e. amounting to Tk.779.625 Million), this is fully out of the profit from current year of 2022.

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 2022 on page 65-67.

## EARNINGS PER SHARE

The earnings per share numbers are provided on pages 122, 136 & 160.



## SUSTAINABILITY

We continued our sustainability effort towards the environment and society. Trust originates from our safe and effective brands and is reinforced by our attention to wider issues that matter to consumers and society as a whole. Our sustainability commitments, on climate change, plastics, the economy and human rights, resonate strongly with our consumers and customers. But our sustainability agenda is not just limited to satisfying consumers. Rather, broader considerations inform and infuse our approach, such as the increasing connection between a healthy planet and healthy lives for us all. Our aim is to generate business growth through the positive impact we have on the world. Our progress rests on three main pillars: purpose-led brands, combating climate change for a healthier world and enabling a fairer, more diverse and inclusive society.

We are passionate to help people feel better as we believe, wellness and nourishment is a right and not a privilege. We continue to contribute through our existing program Dettol Harpic Porichchhonno Bangladesh (DHPB). DHPB has been playing the pivotal role through partnering with likeminded stakeholders for the last 5 years.

Additionally in 2022, we have partnered with Amar Ekushey Boimela as hygiene partner for COVID protection to provide hygiene support to 3.4 million people. DHPB also partnered with Scout for their campaign "3rd National Disaster Management Scout Camp". In addition to this we have come up with hygiene curriculum for children aging 5 to 10 years under the national campaign "Clean City, Clean Village".

### ENVIRONMENT, HEALTH AND SAFETY

Our strategy is all about creating positive impact. We want to be a regenerative business that adds value to society and the environment. We're combating climate change with ambitious plans to reduce our own carbon footprint, by reducing energy use, reducing water usage and reducing waste generation. We're taking steps to improve the environmental performance of our products, factories and suppliers. And all of these activities support the planet. By sourcing raw materials, ingredients and packaging responsibly we protect communities and the ecosystems in which they operate. By respecting colleagues, contractors and suppliers we are encouraging fairness across the value chain. By producing safer, sustainable products, reducing waste, and maximizing recycling and reuse, we enable and promote circular economic principles.

### External Recognition and Accomplishments

During the year 2022 your company received several external recognitions on different grounds from various national and international institutions. It is the recognition to our high performing, driven and inspired employees. During the year the following accolades were achieved:

- Third prize from ICAB for Best Presented Annual Report 2021
- Third prize from SAFA for Best Presented Annual Report 2021
- Second prize from ICMA for Best Corporate Award 2021
- Best Partner/Associate Award from Bangladesh Scouts for the years 2020-22
- Our brands received multiple accolades from COMMWARD by Bangladesh Brand Forum for 2021

## CORPORATE GOVERNANCE

We would like to confirm that:

- a. 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.
- b. Proper books of account of the issuer company have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d. 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.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. 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;
- g. There are no significant doubts upon the Company's ability to continue as a going concern.
- h. Significant deviations from last year's operating results of the Company have been highlighted in the report and reasons thereof have been explained.
- i. Key operating and financial data of preceding five years have been provided on page 31-33.
- j. During the year six Board meetings were held and the attendance by each director is given on page 53.
- k. The pattern of shareholding is provided on pages 54 & 146.
- l. A management discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with brief discussion of changes in the financial statements, is provided on page 27-30.
- m. Declaration or certification by the CEO and the CFO to the Board as required under condition no. 3(3) of Corporate Governance Code; is provided on page 55-56.
- n. In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Compliance of conditions of Corporate Governance Code as required under condition no. 9 " is provided on page 57-64.
- o. During the year the company did not pay any remuneration to its non whole time Directors including Independent Director. Only meeting attendance fees, however, at approved scales were paid to selective non whole time directors.

## DIRECTORS

Following were members of the Board of Directors of the Company during 2022:

1. Mr. Rahul Mathur	Chairperson
2. Mr. Vishal Gupta	Managing Director
3. Mr. Sourav Mitra	Director
4. Mr. Pradeep Krishnamurthi	Director
5. Mr. Nazimuddin Chowdhury	Independent Director
6. Mr. Tanmay Gupta	Director & CFO
7. Mr. Sheikh Faezul Amin	Government Nominated Director (Appointed on 27 April 2022)
8. Mr. Rajesh Kumar Jha	Director (appointed on 29 December 2022)

Mr. Sheikh Faezul Amin has been appointed as Government nominated director in place of Md. Golam Yahia with effect from 27 April 2022 and require to the approval in the 62nd Annual General Meeting.

Mr. Rajesh Kumar Jha has been appointed as Nominated Director of Reckitt Benckiser Limited, UK in place of Ms. Afreen Huda with effect from 29 December 2022 and require to the approval in the 62nd Annual General Meeting.

Mr. C.Q.K. Mustaq Ahmed, Independent Director has retired from his 2nd tenure period from the Board on 28 October 2022 and in place of him Mr. Istiaque Ahmad has been selected as Independent Director by the Board. To comply with the BSEC notification no. BSEC/CFD/ID/2021/17/Admin dated 13th January 2022 we have filed the application for appointment of Mr. Istiaque Ahmad before Bangladesh Securities and Exchange Commission (BSEC). We are still awaiting on the approval from BSEC on the appointment of the Independent Director.

The brief resume of directors, expertise, and directorship to other Company (If any) provided on page 44-46.

## ELECTION OF DIRECTORS

As per Article 118A of the Articles of Association of the Company, Mr. Sourav Mitra, Mr. Tanmay Gupta and Mr. Pradeep Krishnamurthi will retire from the Board of Directors and being eligible offer themselves for re-election.

The elections of new Directors are subject to approval in the 62<sup>nd</sup> Annual General Meeting.

## AUDITORS

The retiring auditors of the Company, A Qasem & Co., Chartered Accountants (Member firm of ECOVIS International) have expressed their willingness to continue in office and being eligible, offer themselves for reappointment, subject to shareholders' approval in the 62nd Annual General Meeting.



### CERTIFICATION UNDER COMPLIANCE OF CORPORATE GOVERNANCE CODE

During the year 2022, M/s. Rahman Anis & Co., Chartered accountants, have certified the Compliance of the Company under corporate Governance code of BSEC and expressed their willingness to continue in office offer themselves for reappointment, subject to shareholders' approval in the 62nd Annual General Meeting.

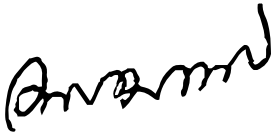
### INDEPENDENT SCRUTINIZER FOR THE AGM

The Board has appointed M/S MOHAMMAD SANAULLAH & ASSOCIATES, Chartered Secretaries, as Independent Scrutinizer for 62nd AGM of Reckitt Benckiser (Bangladesh) PLC.

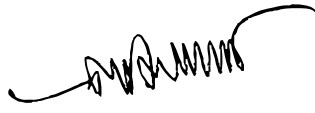
### ACKNOWLEDGEMENT

The Board of Directors reiterate their sincere appreciation and gratitude to all honorable shareholders, business partners, customers, suppliers and other stakeholders in the Company for their confidence and support.

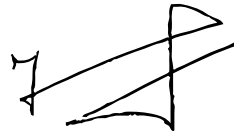
The Directors also take this opportunity to acknowledge with great appreciation the dedication and hard work of the employees which has been the driving force behind the sustained results of the Company.



Sheikh Faezul Amin  
Director



Nazimuddin Chowdhury  
Independent Director



Tanmay Gupta  
Director



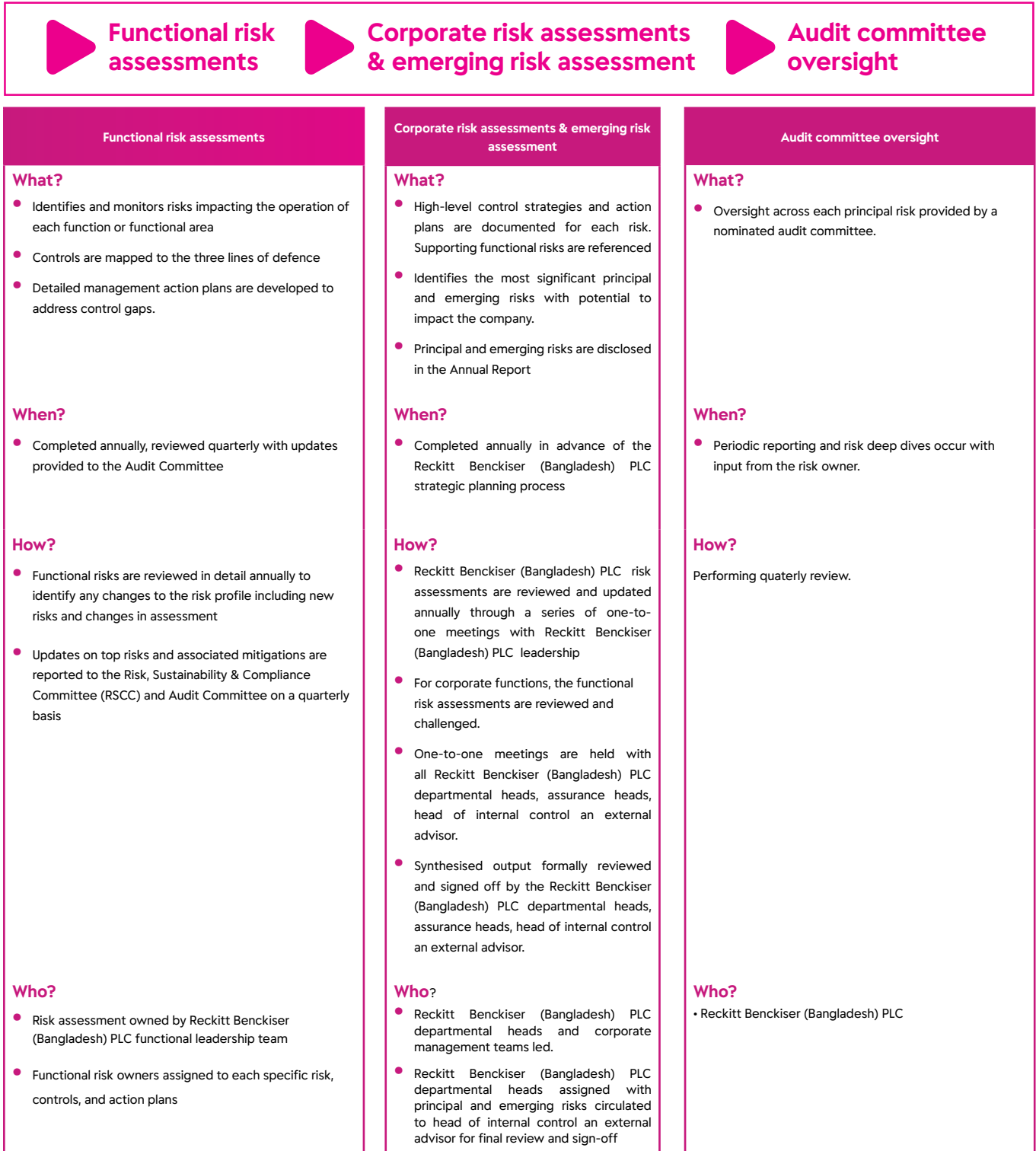
Vishal Gupta  
Managing Director



# RISK MANAGEMENT 2022

## OUR APPROACH TO INTEGRATED RISK MANAGEMENT AT RECKITT

Risk management occurs at different levels in Reckitt with identification and assessment performed at the functional, corporate and Board levels to provide both a 'top-down' and 'bottom-up' three-dimensional view of risk and is implemented as follows:



# OUR APPROACH TO PRINCIPAL AND EMERGING RISK ASSESSMENT

The company principal and emerging risk assessment is an integral part of the integrated risk management framework above, identifying the principal and emerging risks with the greatest potential to impact the company. The assessment is completed annually in advance of Reckitt Benckiser (Bangladesh) PLC and corporate strategic planning process as follows:

## Identification of risks

- Identifies the most significant principal and emerging risks with potential to impact the company.
- One-to-one meetings are held with all departmental heads, assurance heads, head of internal control and external advisor.
- Identifies sources of risk, key drivers and areas of impact
- Completed annually in advance of the Global Business Unit strategic planning process

## Control strategy

- Control strategy is reviewed to establish if it is appropriate and operating as intended
- Where we identify control gaps, what more do we need to do? Assessment of net risk and prioritisation
- Considering the controls, we have in place to manage each risk:
  - What is the probability that the risk will materialise?
  - If it did, what would the likely impact be?
  - How comfortable are we with how the risk is being managed?
  - Is the risk within an acceptable level of appetite?
- Assessment identifies those risks and controls where management should focus its effort
- The decision to act will be based on which risks are no longer acceptable

## Management action:

- Having identified areas of highest risk that require attention, action plans are developed by management to:
  - address any control gaps identified
  - improve the effectiveness of existing controls, thereby reducing the probability and impact to an acceptable level
- Departmental heads assigned, with principal and emerging risks circulated to the head of internal control and external advisor for final review, sign-off and ongoing monitoring
- Principal and emerging risks are disclosed in the Annual Report

# OUR PRINCIPAL AND EMERGING RISKS

AS AT 31 DECEMBER 2022

1	<b>War between Russia and Ukraine:</b>	The war had significant impact in the global as well as country's economy and to the business which in turn affects our ability to supply our product to meet the demand of our customers and maintain profitability.
2	<b>COVID-19:</b>	New variants of COVID-19 may cause significant disruption to core business processes in key markets, impacting our ability to meet customer and consumer demand and protect our employees.
3	<b>Supply Disruption:</b>	Disruption to the continuity of supply as a result of inability to procure critical ingredients and/or reliance on single factories that supply key markets without actively qualified contingencies in place.
4	<b>Employee Health &amp; Safety:</b>	Work accidents leading to death, injury or illness of Reckitt employees wherever they are working and other workers on Reckitt premises or premises under Reckitt Benckiser (Bangladesh) PLC supervision, in case of outsourced operations.
5	<b>Sustainability:</b>	Failure to address existing and emerging environmental and social risks and opportunities, and changing societal expectations of businesses in addressing these, creates underlying risk to business resilience and growth, risking stranded assets or missed growth opportunities.
6	<b>Adherence to Product Quality Standards:</b>	Non-compliance with applicable quality regulations, guidelines and internal/external standards across the product lifecycle governing how we produce and supply product.
7	<b>People:</b>	Failure to achieve strategic objectives because of significant management churn and inability to attract and retain top talent.



# OUR PRINCIPAL AND EMERGING RISKS (continued)

## War between Russia and Ukraine

<p><b>Risk movement:</b> Increasing</p> 	<p><b>Oversight accountability:</b></p> <p>Executive ownership resides directly with the Executive Members of the Board of Directors, with each Function responsible for their respective deliverables. Board oversight is provided by the Audit Committee.</p>
---	---

**Potential impact:**

During 2022 the company faced impact of this war. High inflation rate, volatile exchange rate, drastic price increase in the import of raw materials, barrier to open letter of credit by the Government to name a few. This caused increase of cost of goods sold for the company and may potentially impact supply chain of the company.

**Mitigation Progress:**

Top management and functional heads assessed company-wide risks. Essential business functions, roles and critical processes were identified and contingency plans were developed and executed.

**Current control strategy:**

Company is maintaining its relationship with its consumers, banks and other stakeholders. executing the plan in a superior manner to face the existing challenges and risks.

**Future Outlook**

This war would continue to have its impact during 2023. Government would monitor its policies to contain inflation and induce economic growth. For 2023 your company would strictly monitor its plans and strategies to overcome this risk and make changes as necessary while executing the plan for sustainable growth of the company.

## COVID-19

<p><b>Risk movement:</b> Decreasing</p> 	<p><b>Oversight accountability:</b></p> <p>Executive ownership resides directly with the Executive Members of the Board of Directors, with each Function responsible for their respective deliverables. Board oversight is provided by the Audit Committee.</p>
---	---

**Potential impact:**

The impact of this risk has declined as heavy vaccination programs took place and number of new cases is very low. Thus economy of the country is starting to gain its pace. However, outbreak of new variants may cause disruption to the business.

**Mitigation Progress:**

Top management and functional heads assessed company-wide risks. Essential business functions, roles and critical processes were identified and contingency plans were developed and executed.

**Current control strategy:**

Return to work protocols have been established to ensure both compliance with local government requirements as well as respect for each individual's personal situation as offices are being opened and economy is expanding its stride once again. Additional safety measures have been introduced across our sites and are supported with a set of global procedures. We continue to support our employees through regular updates and dedicated resources online.


**Future Outlook**


Our Company-wide and local COVID-19 response procedures are continually reviewed to ensure they are appropriate and reflect any further developments.

# OUR PRINCIPAL AND EMERGING RISKS (continued)

## SUPPLY DISRUPTION:

## EMPLOYEE HEALTH & SAFETY

<p><b>Risk movement:</b> Increasing</p> 	<p><b>Oversight accountability:</b></p> <p>Executive ownership resides directly with the Head of Supply Services. Board oversight is provided by the main Board.</p>
---	--

<p><b>Risk movement:</b> Decreasing</p> 	<p><b>Oversight accountability:</b></p> <p>Executive ownership resides directly with our EHS department overseen by Executive Directors of the Board.</p>
---	---

**Potential impact:**

Disruption could result in supply shortages and importation barrier issues, leading to loss of sales and market share.

**Mitigation Progress:**

End-to-end structures and accountabilities implemented; forecasting is under way to drive proactivity and better balance supply and demand. This will help to strengthen the resilience of our supply chain through investments in upstream supply resilience; adequate manufacturing capacity; robust products; manufacturing processes and holistic packaging design.

**Current control strategy:**

Broader strategy under development but examples include category management reorganization. Procurement, manufacturing and supply services have defined manufacturing and quality control processes to ensure products are safe and meet all regulatory and legal requirements. Direct procurement

e.g. improved relationships with suppliers to drive mutual efficiencies is done. Continuous improvement is a part of the supply chain strategy.

**Future Outlook:**

Lean manufacturing practices is being embedded in operation and the culture of the company. A business continuity program commenced to strengthen existing business continuity arrangements for products, sites and functions, including ongoing delivery of ingredient planning across specific brands and markets alongside qualification of secondary manufacturing sites. These will allow us to increase the resilience of our supply chain and provide more robust business continuity processes throughout the portfolio.

**Potential impact**

Impacts are wide ranging and variable in materiality; they may include loss of life, debilitating injury, ongoing damage to brand/ employer reputation, reduced operational efficiency from factory closure or significant supply disruption, impaired financial performance from lost sales, fines or remediation cost and possible criminal liability for senior management.

**Mitigation progress**

Extensive programme to embed heightened employee health and safety (EH&S) culture across the company through rigorous auditing, culture days/surveys and training initiatives.

**Current control strategy**


Policy and enhanced EH&S standards are in place and reinforced through an audit compliance programme (including self-assessment, site visits, assurance of improvement actions, KPI tracking and culture surveys) by a second line of defence compliance team within Supply, and ongoing EH&S training across all sites including commercial offices.

**Future Outlook**

We will continue to roll out the program of culture surveys and safety days to increase awareness.

# OUR PRINCIPAL AND EMERGING RISKS (continued)

## SUSTAINABILITY

<p><b>Risk movement:</b> No change</p> 	<p><b>Oversight accountability:</b></p> <p>Executive ownership resides directly with the CEO.</p>
--	---

**Potential impact**

Failure to increase the sustainability of our environmental and social footprint may lead to increased scrutiny from consumers, customers, NGOs and investors. The impacts of this are broad in range and include reputational damage; adverse public perception; resource inefficiency; loss of market share as consumers shift towards 'greener' products; omission from established sustainability indices impacting future investment; and potential regulatory penalties. Climate change has the potential to significantly disrupt Reckitt's operations through an increased number of extreme weather events, water crises and ecosystem loss.

**Mitigation progress**

We have focused on continuing to deliver and strengthen our processes, programmes and controls alongside our external stakeholder relationships, through partnerships with NGOs, academia, and critical opinion formers. A holistic packaging strategy is in development, supporting both e-commerce and traditional retail channels with levels of packaging use.


**Current control strategy**

We are progressively embedding plans and resources to deliver an environmental strategy in the supply chain in support of climate change and water efficiency, with capex plans, environment project identification, local and global capabilities and capacity to support environmental performance improvement.

**Future Outlook**

Internal and external initiatives, along with greater transparency on non-financial sustainability indicators, will help to drive increased awareness of our sustainability agenda across our global network.

## ADHERENCE TO PRODUCT QUALITY STANDARDS

<p><b>Risk movement:</b> No change</p> 	<p><b>Oversight accountability:</b></p> <p>Executive ownership resides directly with the Department of Quality.</p>
--	---

**Potential impact**

Impacts are wide ranging and may include a consumer safety incident, regulatory failures, loss of sales (including product recall) and adverse reputational impact, a supply disruption or factory closure, or potential civil/criminal actions against individuals. The risk is heightened by the increasing scrutiny, complexity, frequency and stringent audit requirements enforced on our factories by regulators.

**Mitigation progress**

We have made significant investment in ensuring the upmost quality of our products and compliance with all applicable regulations and standards. These measures include assurance programmes covering predictive quality, culture of quality, technology enabled fail-safe controls, quality audit programmes across manufacturing sites and supplier facilities, and transformation of our consumer relations function.

**Current control strategy**


Reckitt's Quality standards have been defined, communicated and embedded within our standard operating procedures. A quality audit programme to assess compliance with Reckitt's Quality standards across manufacturing sites has been established and is being delivered against. COVID-19 impact assessments have been performed to identify risks to programme delivery and agreed timescales.

**Future Outlook**

We continue to look for opportunities to optimise our quality assurance processes and the use of quality data to drive continuous improvement across the product lifecycle.

# OUR PRINCIPAL AND EMERGING RISKS (continued)

## PEOPLE

<p><b>Risk movement:</b> Decreasing</p> 	<p><b>Oversight accountability:</b> Executive ownership resides directly with the Human Resource Director</p>
---	---

### Potential impact

The risk of fatigue arising from a period of sustained business change.

### Mitigation progress

Non-stop support from HR and the leadership teams to each employee have led to continuation of work while maintaining safety protocols in both office and home.

### Current control strategy

Talent identification, mapping and calibration have been undertaken for management positions. We offer a suite of tools to help Reckitt employees get the most out of their careers at Reckitt, from learning and development, the annual performance review process that focus on how managers can inspire, empower and engage their teams. Initiative for employee well-being at Reckitt during the pandemic has also taken place. Reckitt established its gratuity fund for its employees during 2021. Values and code of conduct is communicated through mandatory annual training program.

### Future Outlook

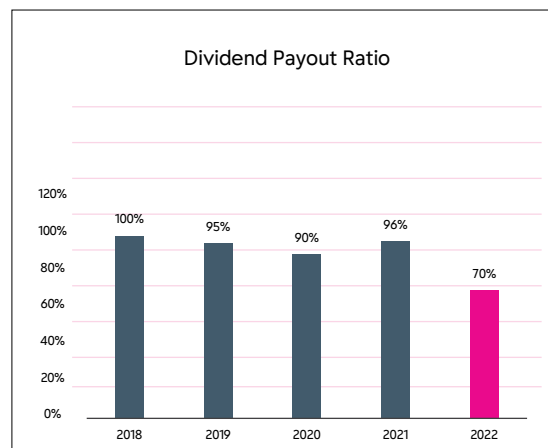
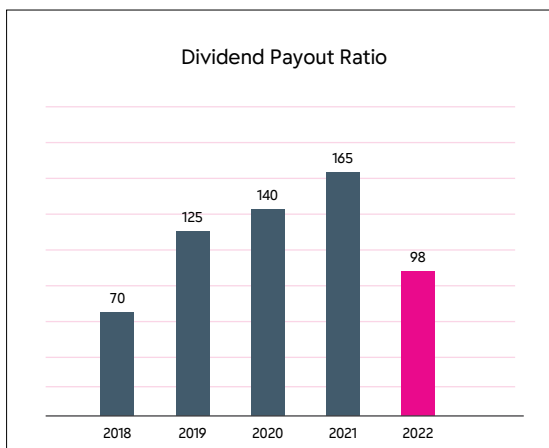
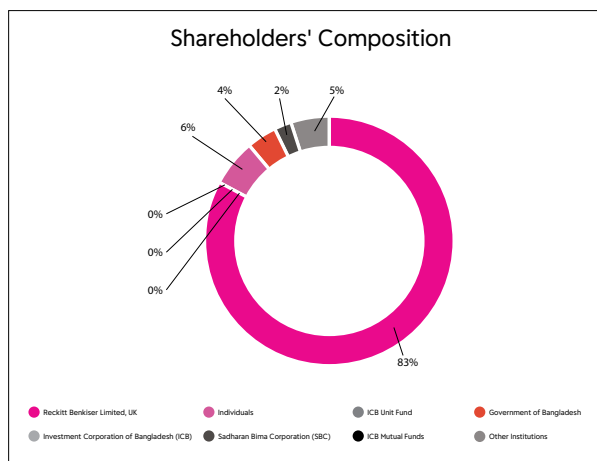
We will continue to focus on unleashing the potential of our people, performance and purpose by attracting the best talent, developing our people and enabling culture change, to shape and drive the future workplace to deliver sustainable outperformance.



# FOR OUR INVESTORS

## General Information

In Taka	2022	2021
130,000 ordinary shares of Taka 10 each fully paid up in cash	<b>1,300,000</b>	1,300,000
20,000 ordinary shares of Taka 10 each fully paid up in other than cash	<b>200,000</b>	200,000
4,575,000 ordinary shares of Taka 10 each fully paid bonus share	<b>45,750,000</b>	45,750,000
In issue at 31 December - fully paid	<b>47,250,000</b>	47,250,000
<b>Authorised</b>		
25,000,000 ordinary shares of Taka 10 each	<b>250,000,000</b>	250,000,000



## Share Performance 2022

Month	Dhaka Stock Exchange			Chittagong Stock Exchange		
	High (BDT)	Low (BDT)	Close (BDT)	High (BDT)	Low (BDT)	Close (BDT)
January	6,000	5,609	5,840	5997	5588	5850
February	5,976	5,788	5,853	6176	5711	5771
March	5,784	5,358	5,388	5771	5385	5385
April	5,388	4,871	4,871	5385	4999.8	4999.8
May	5,037	4,673	4,695	4999.8	4670	4670
June	4,922	4,707	4,868	4850	4670	4850
July	4,887	4,743	4,796	4900	4725	4725
August	4,897	4,794	4,892	4949	4725	4949
September	4,997	4,812	4,830	4949	4949	4949
October	4,812	4,760	4,760	4949	4949	4949
November	4,760	4,760	4,760	4949	4949	4949
December	4,766	4,760	4,760	4949	4744	4744

## Company Website

Our website link: <https://www.reckitt.com/about-us/Reckitt-bangladesh/> provides the Board with an additional method of communicating to shareholders. The company's 2022 Annual Report and Notice of the 2022 AGM are available to view at the website. The website also contains up-to-date information for shareholders to view throughout the year, including:

- financial results
- report of the director's
- dividend payment dates and amounts
- the Annual Report and Notice of AGM
- share capital information
- price sensitive information

## Shareholder Services

If you have any queries relating to your shareholding, please contact us:

**Md. Anisur Rahman,**  
**Contact Number: +8801777759121,**  
**Telephone Number: +88 (02) 222290770**  
**Ext-121,**  
 or write an email to the Share Office :  
**[anisur.rahman2@reckitt.com](mailto:anisur.rahman2@reckitt.com)**





# CORPORATE SOCIAL RESPONSIBILITY

# CORPORATE SOCIAL RESPONSIBILITY

## A Fight For A Healthy Life

### A Fight For A Healthy Life

#### OUR PURPOSE:

We have a fight on our hands. A fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege.

In pursuit of improving health & hygiene behaviors, Dettol and Harpic have been working relentlessly for the last five years. Study shows, "87% of respondents are more conscious of harmful germs and bacteria because of the COVID outbreak". Sustaining the behavior post Covid-19 is the real challenge. Keeping the challenge in mind, Dettol and Harpic invested more to hygiene awareness building through different online & offline activities. Considering impactful activities drive, this year has been considered one of the most prosperous years of Bangladesh's purpose history. Keeping partnership as a vehicle of our purpose-driven initiative, Reckitt partnered with Govt. agencies and private sectors hence becoming the hygiene partner of the national biggest book fair ceremony in Bangladesh. Reckitt also became the hygiene partner of the prestigious president camp organized by Bangladesh Scouts. In addition to that, it partnered with Bangladesh Primary Education Department and conducted teachers' orientation under "Dettol Hygiene Academy". Here are the briefs about some of the fantastic activities which brands have carried out so far

### Dettol Protected Amar Ekushey Book Fair

"Amar Ekushey Book Fair" is the national book fair of Bangladesh which is arranged by Bangla Academy every year in February in the Bangla academy premises inside Dhaka University. This year, due to rising of Covid-19 cases, it was uncertain to take place. Then, Dettol and Harpic took the challenge of hygiene and became the hygiene partner of this prestigious and very emotional event. We put in place a number of measures to ensure the safety and security of visitors to this year's Ekushey Book Fair.





As a hygiene partner, hand hygiene, toilet hygiene to community hygiene were our focus for taken care of. Dettol Harpic provided all hygiene solutions for those areas during this one month of the book fair campaign. From hand sanitization to clean toilet, as a hygiene partner, it provided hygiene support to 3.4 million people. There were "COVID-19 Protection" booths at entry gates and a hygiene stall to promote our good hygiene practice through hygiene curriculums. There were more than 40 toilets and 24 hand washing stations, all these were maintained by Harpic. Harpic ensured airport standard toilet for the book fair visitors. The entire activity got huge appreciation among the people of all walks of life. Our purpose brands believe that hygiene is right not privilege. This book fair partnership and its contribution created huge buzz across all media. More than, 20 national television channels including 31 newspapers covered the initiative. For mass awareness there were banners, festoons, and placards at different areas of the fair.

### Dettol protected "President Scouts Camp":

This year Bangladesh Scouts arranged the "3rd National Disaster Management Scout Camp" in Mithamoin, Bangladesh. Mithamoin is known as the birthplace of honorable Bangladesh president Mr. Abdul Hamid. That's why this camp was also called "President Scouts Camp". 1500 participants from Nepal, India, and Bangladesh attended this special camp. Being the trusted partner of Bangladesh Scouts, Dettol and Harpic were the only hygiene partners of this prestigious camp. More than 15,000 people were impacted through Dettol and Harpic hygiene awareness activities. To ensure personal hygiene, all participants along with SSF (Special Security Force) of presidents and distinguished guests & participants were given Dettol Hand Sanitizer, Dettol soap & hand wash. All the camp toilets were maintained by Harpic. The Dettol school awareness campaign was carried out in 6 schools. To maintain hygiene during schooling, we provided hygiene solutions to the schools. Apart from many hygiene awareness activities participants, students and mass people participated in the "Dettol Harpic Cleanliness Pledge". It was a 5-day long campaign that was inaugurated by Honorable Bangladesh president Mr. Abdul Hamid himself.



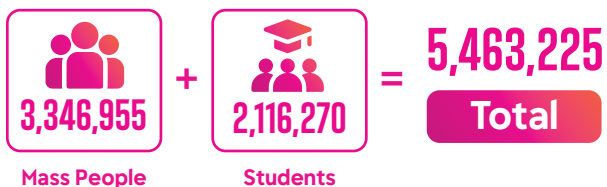
### Dettol Harpic Hygiene Academy:

As part of the national campaign "Clean City, Clean Village", Bangladesh Govt. initiated hygiene awareness activities to raise awareness among students in all the educational institutions. To contribute to this noble cause, Dettol Harpic came up with Hygiene Curriculum under "Hygiene Academy" for children aged between 5 to 10 years. The hygiene curriculum has 50 hygiene lessons split into in 3 books. The books were developed focusing on educating 'Hygiene behaviors' to primary school students in a fun-filled and interactive way. The intention of this initiative is to make this hygiene curriculum a part of the national curriculum for primary schools. The way students are learning Bangla, English, Math and other subjects, students will also read and learn hygiene from the very beginning of their schooling. We believe, learning hygiene lessons exclusively from schools will create positive impact to make Bangladesh a healthier nation. Also, learning hygiene from school and its practice is critical for preventing the spread of infectious diseases and helping children lead long, healthy lives. It also prevents students from missing school, resulting in better learning outcomes. For families, good hygiene means avoiding illness and spending less on health care. A pilot activity with this hygiene curriculum was carried out in 4 schools in Comilla. 3,000 students were participated in this curriculum activity. Teachers were given training on hygiene curriculum teachers guide. To assess its effectiveness an assessment study was conducted. The report says, a significant number of changes found related to hygiene and its knowledge, awareness and practice. Hand wash practice has increased to a certain level along with toilet & surrounding cleanliness.



## IN THE LAST 5 YEARS

We Have Reached



Impact Created on



### Pledge for cleanliness

In partnership with Bangladesh Scouts under the "Pledge For Cleanliness" campaign, we urged people to keep their surrounding clean along with maintaining hand & toilet hygiene. Bangladesh Scouts members (students between grade 6 to grade 12) were associated with this activity. We carried out this activity in Gopalganj. Students of 5 secondary and primary schools were directly engaged with activity. About 8,411 people pledged for a clean & hygienic Bangladesh. The activity had two sides. One side covered the school hygiene awareness campaign and the other side had cleanliness pledge collection from the mass people. The school hygiene activity was an integrated activity covering hygiene awareness brief, toilet cleanup, classroom cleanup, school ground cleanup followed by hygiene oath taking. As a team we promoted the need for cleanliness among the younger generation in order to have a healthy future. About five hundred teenagers from the Bangladesh Scouts participated in this awareness programme at five key locations of Gopalganj. We also raised awareness about road safety and mosquito-borne diseases. This cleanliness activity of Gopalganj part is the last part of the "Pledge for cleanliness" campaign which started back in 2019 in Dhaka & Chandpur. We reached four lac people directly with hygiene messages and about forty thousand people signed on pledge board then.



# JOURNEY AT A GLANCE

**2017**

## First year of a historic journey

- Mega launching
- 65 District cleanup
- Campaign theme song launch
- Partnership with Dhaka North City corporation and Eid campaign conduction
- World toilet day awareness drama

**2018**

## A year of creating world record

- First ever TV program on hygiene
- Guinness book of world record creation on community hygiene
- Largest online cleanliness challenge
- Global Hand wash day celebration

**2019**

## A year of Pledge for cleanliness

- Launching pledge to a child campaign
- Partnership with Bangladesh Scouts and pledge collection on cleanliness
- Cricket field cleanliness campaign in line with Cricket World Cup
- 20 Episodes TV program on hygiene awareness
- Dengue awareness campaign at school & outdoor

**2020**

## Covid-19 & testing year of hygiene practice

- Hygiene partner at Camporee Scouts camp
- Pledge for cleanliness campaign in Chandpur
- Covid-19 awareness program across all media
- Goodness & wellness for all
- Largest hand wash challenge campaign on digital platforms

**2021**

## Fight for hygiene continues

- Covid-19 awareness campaign on digital platforms
- Safe Mother, Safe Tomorrow campaign with BRAC
- Back to School with BRAC and Bangladesh Scouts
- World Toilet Day Celebration

**2022**

## Year of turn around

- Hygiene partner at the national book fair campaign
- Hygiene partner at the National Disaster camp (President camp of Bangladesh Scouts)
- Hygiene Academy pilot launch among 3000 students
- Hygiene Academy impact assessment study conduction
- Pledge for Cleanliness campaign in Gopalganj





# **INTEGRATED REPORTING**



# INTEGRATED REPORTING

**OUR BUSINESS MODEL  
HOW WE CREATE VALUE**

We are the company behind some of the world's most recognisable and trusted consumer brands in hygiene, health and nutrition.

## OUR PURPOSE

We exist to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world.

## OUR ASSETS

### Our people and culture (Human Capital)

We employ outstanding people who are focused on execution. They work in a unique culture, with a strong sense of shared ownership, that harnesses their passion and allows them to make a real difference.

### Our brands (Intellectual Capital)

We have a portfolio of leading brands, offering attractive growth prospects and margins, and sustainable competitive advantages.

### Our knowledge and skills (Intellectual Capital)

We have deep consumer understanding and an agile organisation, which gets the right products into the hands of consumers quickly.

### Our partnerships (Social and Relationship Capital)

We develop strong, trusted relationships with our customers, consumers, suppliers, communities

and other partners to allow us to extend our impact.

### Our infrastructure (Manufacturing Capital)

Our business is underpinned by strong manufacturing sites, centres of excellence and logistics centres and as well as digital infrastructure.

### Our financial strength (Financial Capital)

Shareholders' equity, debt and retained profit give us the financial resources to implement our strategy.

## WHERE WE PLAY

### BUSINESS STRUCTURE

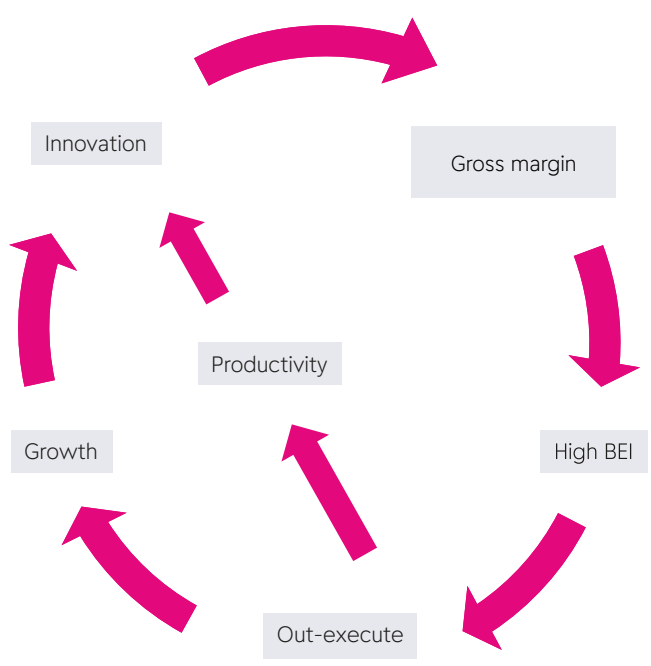


# OUR FIGHT

We have a fight on our hands. A fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege.

## HOW WE WIN

### EARNINGS MODEL



BEI = Brand Equity Investment

## VALUE WE CREATE

Earnings Per Share

**Tk. 139.50**

Contribution to National Exchequer

**Tk. 126Cr.**

Reached

**5,463,225**

people through Dettol Hapric Porichhonno Bangladesh

**17.1%**

Reduction of GHG gas over 2021

**3.7%**

Energy Saving over 2021

Net Operating Cash Flow Per Share

**Tk. 271.66**

Contribution to WPPF

**Tk. 4.46Cr.**

**Best partner award**

for 2020, 2021, 2022 from Bangladesh Scouts

**10.2%**

Water saving over 2021

# OUR PEOPLE & CULTURE

In our culture, we always put our people and consumers first and design sustainable activities around it. Our people work together unitedly with the purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world. We also ensure whatever we are doing to achieve our purpose, we are doing this right, always.

## Code of Conduct

To do things the right way, we are always aware of letting people know about the code of conduct in which they should operate. Each year we assign some mandatory compliance training modules to all the people working in Reckitt Benckiser (Bangladesh) PLC. By completing these trainings, they become up-to-date regarding the latest policies and procedures we are following in all our markets alike. Through code of conduct, we ensure that we care for our consumers, for each of the individuals working at Reckitt, at the same time, properly performing our duties to keep the environment healthy, ensuring ethical and legal compliance.

For our business's most prized and critical areas, we also have defined SOPs for smooth-running of the processes. These structured procedures are always followed to complete the processes for ensuring proper compliance.

## Employees' Mental Well-being Partner

We have provided Employee Assistance Program (EAP) service to all our employees in partnership with Psychological Health and Wellness Clinic (PHWC). As a company, we not only care for our employees but also for their near and dear ones. The EAP services also extended to our employees' spouses and dependent children.

PHWC provided 24/7/365 solution-based tele-counseling service to our employees, which focused on the development of their beneficiaries by raising their confidence and supporting them to become self-motivated and self-reliant.

All services of the Employee Assistance Program have been kept completely confidential, and Reckitt did not receive any individual information or identity.

## Performance Management System

To ensure a transparent process, we ensure our employees are fairly rated after reviewing their SMART goals through myRB. Our performance management system tracks the performance of employees in a manner that is consistent and measurable. The system relies on a combination of technologies and methodologies to ensure people across the organization are aligned with – and contributing to – the strategic objectives of the business. This process ends fruitfully with year-end career discussions with line managers aligning Performance Development Plans on myRB.



**Employee Assistance Program (EAP)**  
Your Own Confidential Space  
In partnership with  
**Psychological Health and Wellness Clinic**

**24/7 Tele-counseling**  
Call anytime. Share any problem with professional mental health counselors.  
No time limit. No call limit. Totally **free** of charge. You can give missed calls to get an instant call-back.

**Book 1-to-1 dedicated series of counselling sessions**  
Dedicated counsellor for your case. Separate case file. Up to 10 sessions **free** of charge per year.

**Everything totally confidential**  
Reckitt to receive **NO** individual information or identity at all.

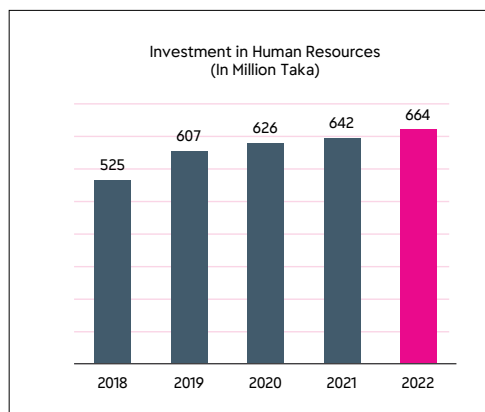
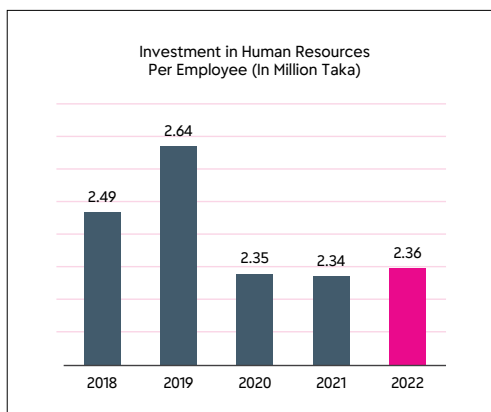
PHWC 

Guided by our Compass we have lived our purpose and made great strides to win our fight. Our performance demonstrates the power of our leading, trusted brands to solve real problems – for consumers and for society. Company appreciates the dedication and focus our employees continue to show. In addition to individual performance management company looks at the performance of the business as a whole and rewards its employees for delivering those outstanding results. So, it is cycle of positivity, that our employees strives to achieve the goals in collaboration with the stakeholders and delivers return to the company and its investors. In consequence company rewards its employees for delivering outstanding results.

### Human Resource Accounting (HRA)

Human Resource Accounting is the activity of knowing the investment amount for employees towards their recruitment, training them, payment of salaries & other benefits paid and in return knowing its contribution to the organization's profitability. Below is the indices of contribution by human resource to the profitability of the company on historical cost basis. At Reckitt investment in human resource includes salaries and benefits, payment to pension funds, recruitment and training expenditure.

*Amount in Million TK	2018	2019	2020	2021	2022
Operating Profit per Employee	2.51	3.82	4.07	4.21	3.35
Operating Expenditure per Employee	(6.07)	(5.96)	(7.27)	(5.64)	(4.63)
Revenue per Employee	16.88	17.94	20.05	18.04	17.68
Profit Before Tax per Employee	2.49	3.82	4.05	4.02	3.18
Profit After Tax per Employee	1.57	2.69	2.78	2.95	2.35
Number of Employees	211	230	266	274	281
Investment in Human Resources	525	607	626	642	664
Investment in Human Resources per Employee	2.49	2.64	2.35	2.34	2.36



# RECOGNIZING OUR EMPLOYEES

## Exemplary Performer Award:

To honor the exemplary performances of Reckitt Bangladesh employees, we've awarded exemplary performance awards to the individuals who have shown relentless efforts to ensure business continuity.

- All the department heads were asked to submit the nominations with justifications/ key highlights to HR within a given time frame after discussing with the line managers from respective functions.
- Nominations were received by HR and then it was reviewed.
- Finally, in a confidential meeting between concerned person from HR and Managing Director, winners from all the functions were selected based on the significant activities they have performed till that time of the year.
- The selected winners received medals and certificates in presence of a large audience.

This award program has made a lot of positive impacts on the people because they felt valued and they realised that company appreciates all their efforts. By this award program, we expressed our mutual appreciation for each other as well.

This program also bought a lot of positives from the employer branding perspective as well.





# WE DO NOT ONLY WORK HARD, BUT CELEBRATE HARDER



## Reckitt Day Out:

With the theme of Relax, Rejuvenate, Roar, we organized a Day Out for our people that also included some team building activities and games. The main purpose behind organizing this was to ensure stronger team binding and ensuring people feel re-energized and refreshed.

This activity boosted the morale and energy level of our people, and they also had that scope of spending some relaxing time away from the everyday work.

## Reckitt Chattogram Family Day:

Individuals' families are the driving forces behind their success. That's why we always value and appreciate our employees' family members. Keeping this in mind, for the Chattogram employees of Reckitt, we organized a Family Day where our people were invited with their families. The event involved a lot of team building activities to strengthen our teams. It also had some activities for the family members that visited the event, especially for the children. All our employees and their family members enjoyed this day to the fullest and our people felt more valued having families around them.





## Reckitt Titans Meet | Bat, Ball, Bake:

This program was organized with an exceptional combination of Cricket Tournament & Baking Competition on the same day.

All Reckitt HO based employees were invited to participate in both the competitions. For the Cricket Tournament, we divided all HO Employees into four Teams that played against each other that was decided by a fair draw and finally one team became champion.



Side by side, we had Baking Competition on the same day where our people made some beautiful looking, at the same time, delicious cakes and the judges panel tasted the cakes and selected the winners.



This activity also re-energized our employees. After this event, they felt relaxed and came back to office with more enthusiasm the next day.

This year, no doubt we have faced a lot of challenges. But through all these activities, we have created the sense of ownership among our employees, we drove our activities in a sustainable way so that both our employees and their family members feel valued and rejuvenated. Our people are our main strength. And it is our responsibility to ensure that our workplace & culture is the perfect one to bring the best out of them so that they can grow themselves further, as well as the business continuity is ensured.

# OUR TEAM



**#FreedomToSucceed**

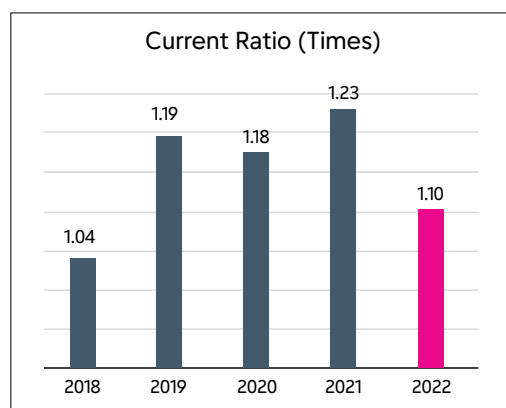
# OUR FINANCIAL STRENGTH

Shareholders' equity, debt and retained profit give us the financial resources to implement our strategy.

One of the reasons Reckitt was able to deliver during 2022 was our financial structure.

## Balance Sheet & Cashflow

We have free cashflow of Tk. 141.67 crore at the end of the year 2022. This became 71% higher than last year through efficient working capital management. Our working capital is aligned with the high trend line of our revenue. Our inventory turnover in days decreased while accounts payable turnover and accounts receivable turnover in days stayed almost the same as previous year. Our current ratio reflects a comparably high liquid position. We aim to maintain this stance to combat any emergency.



(Amount in Tk. Crore)=

	2018	2019	2020	2021	2022
Current Asset	138.36	186.28	249.01	232.85	265.01
Current Liabilities	(133.13)	(155.97)	(211.57)	(189.40)	(240.50)
<b>Working Capital</b>	<b>5.23</b>	<b>30.31</b>	<b>37.44</b>	<b>43.45</b>	<b>24.51</b>

(Amount in Tk. Crore)

	2018	2019	2020	2021	2022
Operating Cash flow	75.83	104.26	168.36	94.14	155.04
Capex Sped	(15.77)	(14.09)	(36.95)	(11.44)	(13.56)
<b>Free Cashflow (in crore)</b>	<b>60.06</b>	<b>90.17</b>	<b>131.41</b>	<b>82.70</b>	<b>141.48</b>

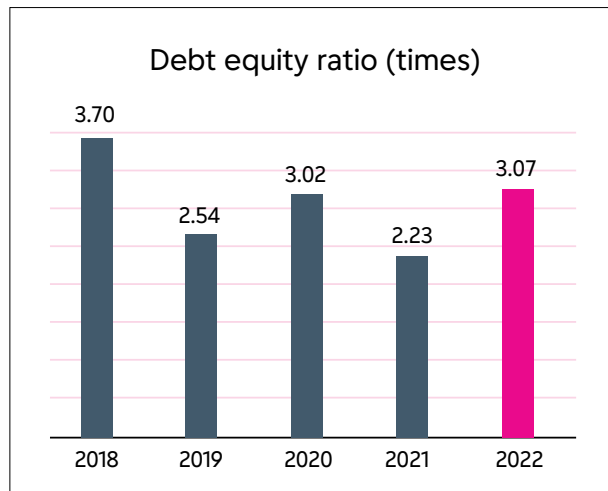
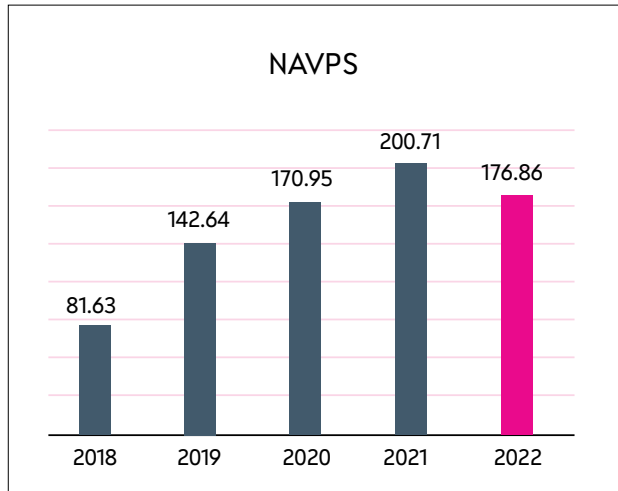
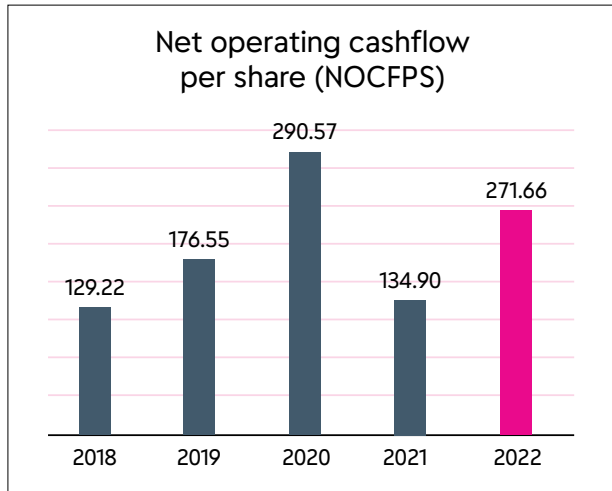


## Working capital analysis

	2018	2019	2020	2021	2022
<b>Inventory Turnover in Days</b>					
Opening Inventory	130,441,911	301,129,697	451,118,392	621,618,191	584,823,587
Closing Inventory	301,129,697	451,118,392	621,618,191	584,823,587	580,077,952
Average Inventory	215,785,804	376,124,045	536,368,292	603,220,889	582,450,770
Cost of Sales	1,755,638,024	1,878,203,439	2,317,707,737	2,244,863,313	2,731,870,761
Average Inventory	215,785,804	376,124,045	536,368,292	603,220,889	582,450,770
Inventory Turnover Ratio	8	5	4	4	5
Days in a year	365	365	365	365	365
<b>Turnover Days</b>	45	73	84	98	78
<b>Accounts Payable Turnover in Days</b>					
Opening payable (trade & other)	1,043,948,883	1,190,014,485	1,353,377,352	1,837,611,035	1,665,931,472
Closing Payable	1,190,014,485	1,353,377,352	1,837,611,035	1,665,931,472	2,186,139,227
Average payable	1,116,981,684	1,271,695,919	1,595,494,194	1,751,771,254	1,926,035,350
Purchase	1,148,608,963	1,360,149,211	1,755,306,464	1,551,950,834	2,185,264,672
Average Payable	1,116,981,684	1,271,695,919	1,595,494,194	1,751,771,254	1,926,035,350
Accounts payable turnover ratio	1.30	1.07	1.10	0.89	1.13
Days in a year	365	365	365	365	365
Accounts payable turnover in days	355	341	332	412	322
<b>Accounts Receivable Turnover in Days</b>					
Opening receivable	130,441,911	84,863,618	43,905,926	25,500,945	69,006,591
Closing receivable	84,863,618	43,905,926	25,500,945	69,006,591	60,207,313
Average receivable	107,652,765	64,384,772	34,703,436	47,253,768	64,606,952
Revenue	3,893,024,596	4,126,150,222	533,883,576	4,942,046,045	4,969,364,802
Average receivable	107,652,765	64,384,772	34,703,436	47,253,768	64,606,952
Accounts receivable turnover ratio	36	63	15	105	76
Days in a year	365	365	365	365	365
Accounts receivable turnover in days	10	6	25	3	5

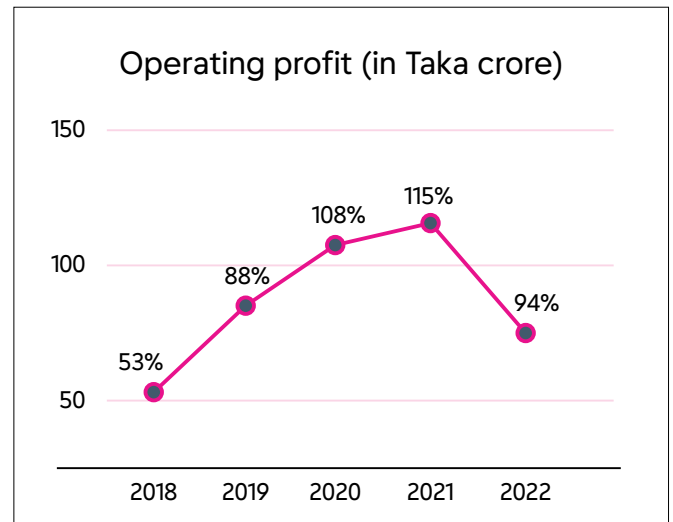
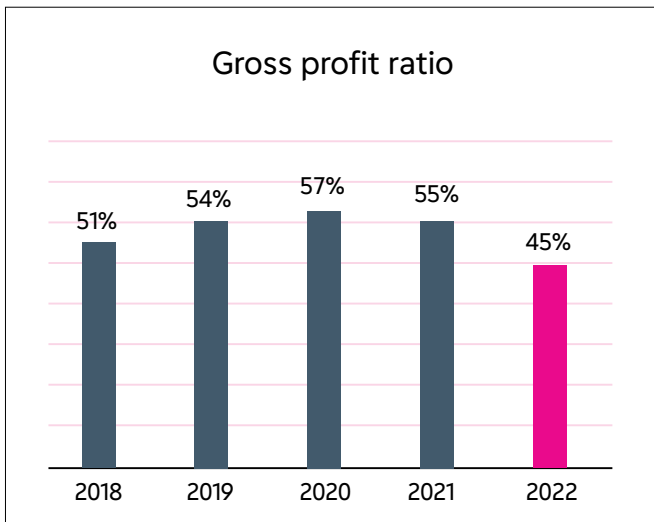
Overall, our net operating cashflow per share has increased by 101% than last year and this year it is Tk. 271.66, indicating a stronger financial structure. On the other hand, net asset value per share decreased to Tk. 176.8 this year.

Our debt equity ratio increased from 2.23x to 3.07x. The liabilities of Reckitt comprises of trade payable, employee benefits, lease liability, income tax payable and unclaimed dividend. Reckitt does not hold any external debt on its balance sheet.



## Outcome in Profit and Loss Account

While our revenue was stable throughout the last two years, gross profit ratio had decreased to 45%. The reason can be attributed to inflation and volatile exchange rate. As a result, company saw similar decrease in operating profit to Tk. 94 crore. Reckitt will continue to invest in the right portfolio of products in response to consumer demand. In alignment of this, smooth production flow is a priority for the upcoming year.



# OUR INFRASTRUCTURE

**We are taking care of consumers health by giving easy access to our leading brands throughout the country.**

We are producing and marketing our all-premium leading brands for changing lifestyle of our consumer and growing revenue and gross margins. Our business is dedicated to providing high-quality, innovative, science based products for our consumers. The business has built a wide-range of portfolio that includes world class brands such as Dettol, Harpic, Lizol, Trix, Mr. Brasso, Veet etc. Our brands enhancing healthier lives of people and happier home through basic solutions of personal hygiene and household cleaning. We always target to gain market share introducing new products, create new consumers and to meet increased market demand we also go for new investment with modern technology, develop product quality with continuous research to retain a sustainable growth.

## Our History

Reckitt Benckiser (Bangladesh) PLC, a prevalent FMCG (Fast moving consumer goods) manufacturing and marketing company in the country is one of the most reliable names in the FMCG business sector of Bangladesh. The company was established in Chittagong in 1960 with the name of "Robinson's Foods (Pakistan) Ltd". Commercial production of the company was started in 1962 by setting up a new factory in the location of 58/59 Nasirabad Industrial Area, Chittagong-4209. After liberation in 1971, the company name has been changed to "Robinson's Food (Bangladesh) Limited" in 1972. In 1978 the company has launched new FMCG products in the market and changed company name to "Robinsons (Bangladesh) Limited". In 1986 further company name has been changed as "Reckitt & Colman Bangladesh Limited". In 2000 the company name changed to Reckitt Benckiser (Bangladesh) Limited as the parent company merged with a Dutch company 'Benckiser'.

In 1987 the company was converted into a Public Limited Company and there after became Publicly Listed Company by listed with Dhaka and Chittagong Stock Exchange Ltd. Since establishment, the company is committed to provide high quality products to the consumers and always taking care of consumer's safety and values. Reckitt Benckiser (Bangladesh) PLC is an ISO 14001, 45001 certified company and committed to Human safety and minimizing environmental pollutions by enabling people to do more for their Healthier Lives and Happier Homes. Reckitt Benckiser Chittagong Factory is the only manufacturing facility of Reckitt Benckiser Bangladesh PLC which is in Nasirabad industrial area, Chittagong. This is the oldest amongst the manufacturing facilities of Reckitt Benckiser Group PLC. The total factory area is 16,310 Sq Meters where as the plant area is 9,786 Sq Meters

## Putting health, safety and wellbeing at the heart of our business

We understand the importance to apply consistent and recognizable health and safety standards. We have globally recognized safety certification, ISO 45001 in our manufacturing unit Reckitt Chittagong Factory because we believe it complements our existing health and safety internal audit programs and governance processes. We are proud of the standards we set and the care we take over the health, safety and wellbeing of all the stakeholders of our company.

## We are responsible for quality

Reckitt Benckiser (Bangladesh) PLC are a subsidiary of Reckitt Benckiser group plc., a UK-based Multinational Company and is one of the most trusted and reputed manufacturing companies in health, hygiene and home category products with some power brands in Bangladesh. Reckitt Benckiser, Chittagong Factory is one of the most modern factories in Bangladesh. The factory uses the latest technology in compliance with the 'Current Good Manufacturing Practices' standards like WHO, ISO, BSTQM etc. for the manufacture of Pharmaceutical, Cosmetics and Surface Hygiene products. It has well established Quality Management System for controlling end to end process steps of material Storage & issue, Dispensing, Manufacturing, Packaging and Distribution processes. There is a central Quality Control Lab, a microbiology lab and production unit wise IPC test facilities. The labs are equipped with GLP compliant machineries and computerized testing equipment are 21 CFR part 11 FDA compliant with audit trail system. With quality at the core, the site is capable to deliver outstanding products for our consumers and meaningful value for our business.



# OUR KEY BRANDS

**Our brands provide people with access to the highest quality hygiene, wellness and nourishment a right and not a privilege.**

Our brands create opportunities in people's lives, through better health, hygiene and nutrition. They meet growing consumer demands, all the more so during the pandemic. In doing so, they have an authentic social impact, fighting at the front lines to give our consumers a better life. We don't just sell products, we design solutions that meet fundamental human needs. New innovations bring greater efficacy for consumers and greater impacts for society. We are developing our brands, our business, our supply networks and channels to consumers to maximize our positive impact on society within the growth of our business. We create impact through our brands and how we work, with an emphasis on purpose-led brands, a healthier planet and a fairer society. Our brands are trusted by people all over the world, and

we work hard to earn that trust. Consumers today know a lot more about how the world works and that affects their choices. With better information, they expect more from us and our brands. Our brands are at the heart of the social and environmental impact we create, and we focus on enabling a healthier planet and fairer society. In doing so, we help to deliver the UN's Sustainable Development Goals. Most importantly, we create social impact in the lives of people we serve, our consumers, their families and their communities.



## CREATING A WORLD WHERE EVERYONE HAS ACCESS TO A HYGIENICALLY CLEAN TOILET

1 in 3 people don't have access to a toilet & many people around the world struggle with the facilities they do have. We will help people to embrace improved sanitation and continue to deliver superior solutions that perfectly clean & maintain all areas of your toilet & bathroom.



## BUILDING HEALTHY HABITS IN HOMES, SCHOOLS AND COMMUNITIES

For more than a century, Lizol has been protecting families from illness-causing germs. We believe there is nothing more important than keeping our loved ones safe and healthy. For Lizol, just as it is for parents, protection is an instinctive act of love: an unconditional combination of strength and heart.



## REMOVE HAIR YOUR WAY

Whether dealing with a stain on clothes or on the carpet, Veet provides amazing, effective and safe stain removal.



## KEEPING YOU AND YOUR LOVED ONES HEALTHY

Dettol helps families all over the world fight germs and bacteria. From the products we make to the education we provide, our expertise in disinfection, hygiene and first aid makes a difference.



## BUILDING HEALTHY HABITS IN HOMES, SCHOOLS AND COMMUNITIES

Whether dealing with a stain on clothes or on the carpet, Vanish provides amazing, effective and safe stain removal.



## PROTECTING YOUR FAMILY AND HOME FROM PESTS

Mortein has been protecting people and their homes against insects since long ago. It has evolved from an insecticidal powder into a wide range of products, including sprays, baits and plug-ins.



## AIR WICK. BRINGING AUTHENTIC FRAGRANCES INSPIRED BY NATURE TO YOU

Dettol helps families all over the world fight germs and bacteria. From the products we make to the education we provide, our expertise in disinfection, hygiene and first aid makes a difference.



## FASTEST AND SHINIEST CLEAN, THAT MAKES YOUR DISHWASHING EXPERIENCE FUN

Trix dishwashing liquid gives you the fastest and shiniest scratch-free clean. Its power-rich thick foam quickly works through the toughest of grease stains and unseen food residue bringing your dishes to their incredible best; fresh, shiny and sparkling clean.



## AN ALL-ROUND HOUSEHOLD CLEANER THAT KEEPS YOUR GLASS SURFACES LOOKING LIKE NEW

To keep your windows, appliances and glass surfaces tip-top. Mr. Brasso is a must-have among your household cleaning products. Its new powerful formula effortlessly removes hard water stains, accumulated dirt and other tough stains, while also kills 99.9% germs.



## PROTECTING EVERY STEP FOR GENERATIONS

With a heritage that spans over a century, Cherry Blossom is known for having always been a part of the family. We have loyal customers who have used our products on their school shoes and are now teaching their grandchildren how to clean, care and protect their shoes.

# OUR KNOWLEDGE AND SKILLS

**We have deep consumer understanding, quality and an agile organization, which gets products to market fast.**

Our knowledge and resources can scale up their ideas. Together, we can have a lasting impact in areas that really matter to people's lives. Our leadership teams have extensive business knowledge and many years of experience in the relevant fields. The team was observed to have a good mix of skills, sector-relevant experience, knowledge as a whole was deemed appropriate. The members worked well together to achieve objectives, with a sufficient degree of support and challenge provided by the Board of Directors. With their help and guidance swift and flexible steps are taken to respond to environmental urgencies. Here people are nurtured to earn expertise on specific field.

## Innovation

Innovation at Reckitt is delivering purpose-driven, sustainable products that protect, heal and nurture, to make a meaningful difference to people's lives. We earn the continuing loyalty and trust of our consumers with differentiated products that offer superior solutions to meet their evolving needs. We want to make a difference to the world through our brands.

# OUR STAKEHOLDERS

**Our strategy meets the needs and the concerns of our stakeholders. Our strategy delivers our purpose and our fight to make access to the highest quality hygiene, wellness and nourishment a right, not a privilege.**

Our stakeholder relationships extend our ability to deliver on our purpose. Listening to and working with consumers, customers, partners and colleagues throughout our business brings greater opportunities. Our identified stakeholders are our consumers, customers, suppliers, trusted third party resources and our employees.

## Consumer

Our target is to reach our consumers with the best product. Our purpose-led brands are well known and trusted by consumers. They rightly expect safe, effective and sustainable products, delivered at a fair price. New innovations bring greater efficacy for consumers and greater impacts for society. We are developing our brands, our business, our supply networks and channels to consumers to maximize our positive impact on society within the growth of our business.

## Suppliers and trusted third parties

We seek to encourage sustainable practice across the supply chain. To do that, we make sure we source responsibly, and we collaborate with key suppliers and manufacturers to advance our purpose. We join forces to build shared success with suppliers and other third parties. Our partners share our purpose and values. Through them, we build lasting solutions with real social impact. We seek to encourage sustainable practice across the supply chain. To do that, we make sure we source responsibly, and we collaborate with key suppliers.

## Engaging with consumers and trusted third parties

The pandemic posed unique challenges for global supply chains, which rely on steady supplies from numerous suppliers and shipping companies.

As part of CSR, we work towards our social causes. During 2022 we worked for multiple causes, however notable programs are programs are Dettol being "Hygiene partner of National Book Fair" and Dettol-Harpic being "Hygiene partner of President Scout Camp organized by Bangladesh Scouts". In the national book fair, Dettol took the challenge and put measures to ensure safety of the visitors. In the President's Scout Camp, 1500 foreign participants came to join the cause of "National Disaster Management" where, Dettol Harpic ensured personal hygiene of all participants.

## Customers:

We aim to foster stronger customer relationships. Our customers' knowledge brings consumer understandings to reinforce our product portfolio. We work with our customers to build and meet joint goals and to enable greater social and environmental impact. Teamwork with our customers enables combined activity that supports both our own purpose and our collective ambitions.

## Engaging with Customers:

Our customers are the retail specialists, and they know what their consumers want. They have insights that can spur product growth. Depending on the profile of the customer, we coordinate our largest relationships globally, regionally or nationally. At the operational level, we have substantially expanded our customer facing teams to provide multi-disciplinary support to our major customers. We aim to grow mutually beneficial long-term relationships by building structural partnerships.

## Our shareholders

Our investors, as owners of the business are a critical stakeholder group and are the providers of the financial capital that underpins our business and allows us to successfully execute our strategy. In

return for this, they expect to earn good financial returns. These can be in the form of dividends, capital appreciation or interest. Open, effective communication combined with performance builds trust and confidence in our company.

## Engaging with our shareholders

We engage with our investors by regularly updating our website, timely publication of price sensitive information and audited or unaudited quarterly accounts. Whilst we arrange Annual General Meeting (AGM) in the premises of our registered office, during the pandemic we had arranged our AGMs online. Our investors were open and welcoming to the idea of virtual AGM while we fostered our relationship with them through these exclusive events. More information for our shareholders is available on page 88.

## Our People

Our success as a business is founded on our strong, distinctive culture. We want all colleagues to have a sense of belonging and take personal pride in what they do. Our approach is anchored by our purpose: the relentless pursuit of a cleaner, healthier world. The behaviors we share are guided by our compass; doing the right thing, always, is fundamental for everyone here. Our Freedom to Succeed employee value proposition aims to instill, promote, reinforce, and reward the positive behaviors and attributes that make that real. Our focus is on maintaining an open, positive, inclusive culture by promoting continuing dialogue across the company.

## Engaging with People:

We have EAP (Employee Assistance Program) service in partnership with Psychological Health and Wellness Clinic to address all employees of Reckitt for various engaging workshops to improve mental health and the awareness of its importance. To recognize and appreciate our people for the Compass Values that they demonstrate in their everyday work, we had also organized a recognition program "Exemplary Performance Award". In this program each head of functions nominated driven and achieving employees and after final scrutiny winners were selected for the award. The awarding system created positive impact within the motivated and energetic employees. Company also held multiple events such as "Family Day", "Day Out" and "Bat, Ball, Bake" to interact with our employees in a deeper level and build trust between employees, teams and functions.









**ENVIRONMENT  
RELATED  
INITIATIVES**



# SUSTAINABLE DEVELOPMENT GOALS

In 2015, UN Member States adopted the 17 Sustainable Development Goals as part of the 2030 Agenda for Sustainable Development.

At Reckitt, we want to do all we can to help meet this challenge. We recognize the importance and interdependence of all the Global Goals. We have identified three SDGs (please see below) where we believe our impact is most significant. We are committing management time and resources to make tangible progress in each. The challenges and commitments highlighted by the SDGs are



## THE SUSTAINABLE DEVELOPMENT GOALS



interrelated. We examine these interconnectivities and favor projects and initiatives that advance the SDG agenda as a whole, ahead of those that simply target specific SDGs.

We are clear too that advancing the sustainability agenda makes commercial sense for us. Achieving the goals supports a thriving society which benefits us all. At a specific level, our commitment to reducing the amount of energy we use or carbon we generate in our facilities or through the footprints of our products, their ingredients, packaging, use and disposal, helps tackle the impacts of climate change and support sustainable consumption. Across the board, through our brands and our business, we are improving our effectiveness by pursuing responsible practices that incorporate the SDG agenda. In doing so, we are playing our part in delivering the SDGs.



### SDG 3: Good health and wellbeing

This goal is closely aligned with our purpose and as the Business Avenger for SDG3, we are championing swifter progress in the private sector. Our brands play a role in promoting health and wellbeing. They include Dettol, Harpic, as well as Lizol and Mortein products.



### SDG 5: Gender equality

Promoting gender equality is in our employment policies and in our social impact programmes. Our employment policies drive gender equality in our teams.



### SDG 6: Clean water and sanitation

Our Dettol and Harpic are closely associated with programmes emphasizing the importance of good sanitation and hygiene. We have launched many programs by ourselves as well as with our valuable stakeholders, such as Brac, Bangladesh Scouts to aware people of both city and rural area on hygiene and health (please see the section on Corporate Social Responsibility).



## Effluent Treatment Plant Project

A budget of Tk. 15.89 crore was approved by the Board of Directors for ETP project undertaken at the factory premises. Through the completion of this project we are ambitious to meet many goals of the SDG.

## Setting and Meeting Ambitious Goals

Reckitt's purpose is to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world. Our environmental sustainability goals frame our ambition to make the greatest positive impact we can on the planet. It is essential that we can visibly demonstrate not only our commitments to being better citizens but also our progress. Reckitt Chittagong Factory has set a number of challenging sustainability goals and we measure our performance with clear performance metrics.

## 2022 HIGHLIGHTS

**17.1%**

REDUCTION OF GHG GAS OVER 2021  
79.8% REDUCTION OVER 2015

**3.7%**

ENERGY SAVING OVER 2021  
69% ENERGY SAVING OVER 2015

**10.2%**

WATER SAVING OVER 2021  
26.3% WATER SAVING OVER 2015

## 10.2% Reduction in water use vs 2021 26.3% Reduction in water use vs 2015

The water we use are vital measures in our overall sustainability. That's why we're looking hard at how to use less water, be more efficient with what we do use, and recycle the water we harvest on our sites.

We operate under a Group certification for ISO 14001. The site has a water management plan in place and is reviewed every 3 years as a minimum. We've made wonderful progress on reusing and recycling water. We believe small initiatives can save a lot.

We saved ten times more than the target during 2022:

- Reuse the ETP treated water
- Auto closing water tap to save water.
- Environmental Behavior observation
- Via Regular monitoring

The goals we focus through these are SDG 6, SDG12, SDG 13 & SDG 14



Reuse of ETP water

## 3.7% Reduction in energy use vs 2021 69% Reduction in energy use vs 2015

Our energy monitoring and reporting system helps us continually improve how we use energy across our site. We're encouraged that we've succeeded in cutting carbon emissions directly under our control, which come mainly from our manufacturing operation. Initiatives like Improving energy efficiency, switching renewables and proper monitoring are helping towards achieving target on GHG and energy saving:

Three times Energy saving:

- Automated the air curtains
- Using Natural light to save energy.
- Closely monitoring temperature of HVAC system & Air system
- Insulating all heating part of machine
- Replacing new lights and equipment with energy efficient light.
- Continuous monitoring system

The goals we focus through these are SDG 7, SDG12 & SDG 13



Tree Distribution

## Environment Week Celebration 2022

During 2022 we have celebrated Environment week from 5<sup>th</sup> to 8<sup>th</sup> of June. Reckitt had done the following activities with a view to observe this day:

- 400+ Trees were distributed
- Environmental oath was taken
- Quiz competition was arranged for all the employees
- Idea generation competition was arranged for all workforce
- Prize giving ceremony was organized for 19 winners

Reckitt had also sponsored CUDS national environmental debate competition 2022, where the slogan was "Only one earth". twenty two (22) universities from across the country participated in three (3) day long program.

We know our greatest impact is through the difference we make on people's lives and the environment. The most pressing challenges in overcoming pollution will not be met in isolation but by working together. We understand the necessity of engaging our people, training them and encouraging them to do the right thing, always.

## Sustainability Corner

At Reckitt Chittagong, we believe everything matters. Pulling out small but impactful initiatives is what we are focusing on. We have introduced Sustainability corner to visualize our initiatives. We have started to use ETP outlet water in alternative ways rather than throwing out to environment. Like we say, even a small tree can make a big impact.

We are excited to be playing our part in saving our mother earth.



Environment Week Program Briefing



Sustainability Corner

## This Chapter Includes

Auditor's Report

Statement of Financial Position

Statement of Profit and Loss and Other Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flow

Notes to the Financial Statements

Annual Report Exploration Index

Proxy Form / Attendance Slip

# FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR'S REPORT

## To the shareholders of Reckitt Benckiser (Bangladesh) PLC Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Reckitt Benckiser (Bangladesh) PLC (the Company), which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) 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.

### Key Audit Matters

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

For each matter below our description of how our audit addressed the matter is provided in that context.

1. Revenue recognition See note 2.8 (B) and 15 to the financial statements	
Description of key audit matters	How the matters were addressed in our audit
<p>Revenue recognition has significant and wide influence on financial statements.</p> <p>Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Revenue from the sale of goods is recognised when the company has delivered products to customers at the shipping point and control has passed.</p> <p>During the year ended December 31, 2022, the Company has recognised sales of BDT 4,969 million (net). The sales of the Company are derived from a large number of distributors which locate over the country with relatively small amount of transactions. As a result, to obtain sufficient audit evidence, magnitude audit work and resources are required.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>1) We read the Company's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customers'.</li> <li>2) We understood, evaluated and validated the key controls related to the Company's sales process and tested the operating effectiveness of key controls over sales.</li> <li>3) We performed substantive testing on revenue recorded throughout the year using sampling techniques to ensure appropriateness of recording revenue by examining the relevant supporting documents including sales invoices, VAT Challans and truck challans. We also confirmed certain customers' receivable balance at the statement of financial position date, selected on sample basis by considering the amounts outstanding with those customers.</li> </ol>

**Main Office:** Gulshan Pink City, Level 7 Plot # 15, Road #103, Gulshan, Dhaka-1212, Bangladesh ☎ +880-2-8881824-6 ✉ aqasem@aqcbd.com

**Chattogram Office:** Faruk Mahal (3rd Floor), Plot # 93, Agrabad C/A, Chittagong-4100, Bangladesh ☎ +880-31-715656, 718066 ✉ aqasemcto@aqcbd.com

**Tax & Company Affairs Office:** Ivory Krishnachura (5th Floor), 3/1-E, Purana Palatan, Dhaka-1000, Bangladesh ☎ +880-2-9551103, 9584925 ✉ aqasemtax@aqcbd.com







<p>As it is industry practice, the Company enters into numerous types of commercial arrangements with customers to offer product promotions and discounts. Revenue is measured net off estimated trade spends i.e. rebates and discounts earned on the Company's sales by customers or other parties that purchase the entity's goods.</p> <p>We focused on the proper cut off of sales to the Company customers due to the fact that the documents of confirming the acceptance of the products were provided by numerous customers based in different locations. There is a risk of differences between the timing of acceptance of the products by the Company customers and when revenue was recorded. Accordingly, there could be potential misstatements that these revenue transactions are not recognised in the proper reporting periods.</p> <p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<p>4) We have assessed the completeness and occurrence of trade spend by obtaining supporting documentation or calculation and reviewing the underlying assumptions of estimates approval of same by the management.</p> <p>5) We selected samples of sales transactions made pre and post year end, agreed the date of transfer of control for the selected sample by testing underlying documents and</p> <p>6) We have tested sales return transactions recorded throughout the year using sampling techniques to ensure the appropriateness of recording sales return by examining the related supporting documents.</p>
---	--

**2. Existence and valuation of inventories**  
**See note 2.8(G) and 5 to the financial statements**

Description of key audit matters	How the matters were addressed in our audit
<p>Inventories represent about 17% of the total assets of the Company, inventories are thus a material item to the financial statements.</p> <p>Inventories are valued at the lower of cost or net realisable values. As such, management is required to make judgements in determining whether inventories are being appropriately valued, and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the company at the reporting date and the complexities involved in the accounting and presentation thereof, Inventories has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>1) We read the Company's revenue recognition policy and assessed its compliance in terms of IAS 2 'Inventories'.</li> <li>2) We understood, evaluated and validated the key controls related to the Company's inventory process and tested the operating effectiveness of key controls over inventories.</li> <li>3) We observed the process of management's year-end inventory count and perform test counts.</li> <li>4) We verified a sample of inventory items to ensure that costs have been appropriately recorded.</li> <li>5) We tested on a sample basis the net realisable value by comparing costs to recent selling prices and assessed the reasonableness of any resulting write down of inventory items.</li> <li>6) We assessed whether appropriate provisions have been recognised for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories.</li> <li>7) We performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period.</li> </ol>





## Other Information

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

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

#### A. Qasem & Co.

Chartered Accountants

RJSC Registration No.: 2-PC7202

**Mohammad Motaleb Hossain FCA**

Partner

Enrolment Number: 0950

DVC: 2302160950AS366355

Dhaka, 16 February 2023



# Reckitt Benckiser (Bangladesh) PLC

## Statement of financial position

<i>In Taka</i>	Note	31 December 2022	31 December 2021
<b>Assets</b>			
Property, plant and equipment	3	577,879,851	571,184,280
Right-of-use assets (ROU)	4(A)(i)	167,880,361	155,426,295
Deferred tax assets	22(D)	-	10,885,455
<b>Non-current assets</b>		<b>745,760,212</b>	<b>737,496,030</b>
Inventories	5	580,077,952	584,823,587
Trade and other receivables	6	60,207,313	69,006,591
Advances, deposits and prepayments	7	31,620,751	45,647,488
Cash and cash equivalents	8	1,978,229,020	1,629,066,314
<b>Current assets</b>		<b>2,650,135,036</b>	<b>2,328,543,980</b>
<b>Total assets</b>		<b>3,395,895,248</b>	<b>3,066,040,010</b>
<b>Equity</b>			
Share capital	9	47,250,000	47,250,000
Retained earnings		788,140,470	900,806,113
<b>Total equity</b>		<b>835,390,470</b>	<b>948,056,113</b>
<b>Liabilities</b>			
Employee benefits	10	3,365,064	70,417,764
Lease liabilities	4(A)(ii)	150,407,504	153,549,066
Deferred tax Liability	22(D)	1,699,732	-
<b>Non-current liabilities</b>		<b>155,472,300</b>	<b>223,966,830</b>
Trade and other payables	11	2,186,139,227	1,665,931,472
Employee benefits	10	30,890,000	27,760,000
Lease liabilities	4(A)(ii)	36,940,131	10,086,980
Current tax liabilities	12	143,751,375	187,205,959
Unclaimed dividend	13	7,311,745	3,032,656
<b>Current liabilities</b>		<b>2,405,032,478</b>	<b>1,894,017,067</b>
<b>Total liabilities</b>		<b>2,560,504,778</b>	<b>2,117,983,897</b>
<b>Total equity and liabilities</b>		<b>3,395,895,248</b>	<b>3,066,040,010</b>

The annexed notes are an integral part of these financial statements.

As per our report of same date.

### A. Qasem & Co.

Chartered Accountants  
RJSC Registration No.: 2-PC7202



Sheikh Faezul Amin  
Director



Tanmay Gupta  
Director & Chief Financial Officer



Mohammad Motaleb Hossain FCA  
Partner  
Enrolment Number: 0950



Vishal Gupta  
Managing Director



Md. Nazmul Arefin  
Company Secretary

DVC: 2302160950AS366355

Dhaka, 16 February 2023

## Reckitt Benckiser (Bangladesh) PLC

### Statement of profit or loss and other comprehensive income

For the year ended 31 December

	Note	2022	2021
<i>In Taka</i>			
Revenue	15	4,969,364,802	4,942,046,045
Cost of sales	16	(2,731,870,761)	(2,244,863,313)
<b>Gross profit</b>		<b>2,237,494,041</b>	<b>2,697,182,732</b>
Other income	17	2,428,159	2,492,240
Operating expenses	18	(1,299,727,566)	(1,546,376,638)
Impairment (loss)/gain reversal on trade receivables	6(A)(i)	(18,724)	(47,422)
<b>Operating profit</b>		<b>940,175,910</b>	<b>1,153,250,912</b>
Finance income	19	10,554,502	14,490,193
Finance costs	20	(13,226,805)	(11,164,549)
<b>Profit before contribution to WPPF</b>		<b>937,503,607</b>	<b>1,156,576,556</b>
Contribution to WPPF	21	(44,643,029)	(55,075,074)
<b>Profit before tax</b>		<b>892,860,578</b>	<b>1,101,501,482</b>
Income tax expense	22(A)	(233,720,971)	(293,379,967)
<b>Profit for the year</b>		<b>659,139,607</b>	<b>808,121,515</b>
<b>Other comprehensive income</b>			
Remeasurement gain/(loss) of defined benefit plan	10(A)	10,090,000	(8,110,000)
Related tax	22(D)	(2,270,250)	1,824,750
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>7,819,750</b>	<b>(6,285,250)</b>
<b>Total comprehensive income for the year</b>		<b>666,959,357</b>	<b>801,836,265</b>
<b>Earnings per share</b>			
Basic earnings per share (Taka)	23(A)	139.50	171.03


The annexed notes are an integral part of these financial statements.

As per our report of same date.

**A. Qasem & Co.**  
Chartered Accountants  
RJSC Registration No.: 2-PC7202

  
**Sheikh Faezul Amin**  
Director

  
**Tanmay Gupta**  
Director & Chief Financial Officer

  
**Mohammad Motaleb Hossain FCA**  
Partner  
Enrolment Number: 0950

  
**Vishal Gupta**  
Managing Director

  
**Md. Nazmul Arefin**  
Company Secretary

DVC: 2302160950AS366355

Dhaka, 16 February 2023

# Reckitt Benckiser (Bangladesh) PLC

## Statement of changes in equity

For the year ended 31 December 2022

<i>In Taka</i>	<b>Note</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Balance at 1 January 2021</b>		47,250,000	760,469,848	807,719,848
Total comprehensive income for the year				
Profit for the year 2021		-	808,121,515	808,121,515
Other comprehensive income/(loss) for the year		-	(6,285,250)	(6,285,250)
Total comprehensive income for the year		-	801,836,265	801,836,265
Transactions with owners of the Company				
Contributions and distributions				
Final dividend for the year 2020	9(C)	-	(661,500,000)	(661,500,000)
Total transactions with owners of the Company		-	(661,500,000)	(661,500,000)
Balance at 31 December 2021		47,250,000	900,806,113	948,056,113
<b>Balance at 1 January 2022</b>		<b>47,250,000</b>	<b>900,806,113</b>	<b>948,056,113</b>
Total comprehensive income for the year				
Profit for the year 2022		-	659,139,607	659,139,607
Other comprehensive income/(loss) for the year		-	7,819,750	7,819,750
Total comprehensive income for the year		-	666,959,357	666,959,357
Transactions with owners of the Company				
Contributions and distributions				
Final dividend for the year 2021	9(C)	-	(779,625,000)	(779,625,000)
Total transactions with owners of the Company		-	(779,625,000)	(779,625,000)
Balance at 31 December 2022		47,250,000	788,140,470	835,390,470

The annexed notes are an integral part of these financial statements.



## Reckitt Benckiser (Bangladesh) PLC

### Statement of cash flows

For the year ended 31 December

<i>In Taka</i>	Note	2022	2021
<b>Cash flows from operating activities</b>			
Receipts from customers		5,944,305,812	5,480,460,199
Payment to suppliers, employees and others		(4,393,858,070)	(4,349,857,089)
Payment for technical services fee/royalty	11(B)(ii)	-	(187,182,000)
Cash generated from operating activities		1,550,447,742	943,421,110
Income tax paid	12	(266,860,619)	(306,040,361)
<b>Net cash from operating activities</b>	28	<b>1,283,587,123</b>	<b>637,380,749</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(135,633,308)	(114,391,180)
Proceeds from sale of property, plant and equipment		4,191,723	2,217,767
Income from investment during the year		8,996,252	15,191,776
<b>Net cash used in investing activities</b>		<b>(122,445,333)</b>	<b>(96,981,637)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	13	(775,345,911)	(669,287,754)
Payment of lease liabilities	4(A)	(36,633,173)	(31,128,636)
<b>Net cash used in financing activities</b>		<b>(811,979,084)</b>	<b>(700,416,390)</b>
<b>Net increase in cash and cash equivalents</b>		<b>349,162,706</b>	<b>(160,017,278)</b>
Cash and cash equivalents at 1 January		1,629,066,314	1,789,083,592
Effect of exchange rate changes in cash and cash equivalents		-	-
<b>Cash and cash equivalents at 31 December</b>		<b>1,978,229,020</b>	<b>1,629,066,314</b>

The annexed notes are an integral part of these financial statements.

# Reckitt Benckiser (Bangladesh) PLC

## Notes to the financial statements

### 1. Reporting entity

Reckitt Benckiser (Bangladesh) PLC ("the Company") was incorporated on 15 April 1961 in erstwhile East Pakistan (became independent in 1971 as Bangladesh) under the Companies Act 1913 (as amended in 1994) as "Robinson's Foods (Pakistan) Limited". The name of the Company was changed to "Robinson's Foods (Bangladesh) Limited" under a special resolution on 24 August 1972. In 20 March 1986 in an extra-ordinary general meeting the name of the Company was again changed to Reckitt & Colman Bangladesh Limited. Finally, after the merger with Benckiser, in accordance with parent company, the name of the Company was again changed to Reckitt Benckiser (Bangladesh) Limited, under an extra-ordinary general meeting held on 9 November 2000. It is a public limited company and its shares are listed on Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

Reckitt Benckiser (Bangladesh) Limited is now incorporated as Reckitt Benckiser (Bangladesh) PLC which had been granted by RJSC based on the application submitted on 29th September 2021.

The address of the Company's registered office is 58/59 Nasirabad Industrial Area, Chittagong and the corporate office is The Glass House, 9th & 10th floor, Plot # 02, Block # SE (B), 38, Gulshan Avenue, Dhaka-1212.

The Company is engaged in manufacturing and marketing of household, toiletries and pharmaceuticals products.

### 2. Basis of preparation and significant accounting policies

#### 2.1 Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable rules and regulations. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

#### 2.2 Components of the financial statements

The financial statements comprise of the following:

- i. Statement of Financial Position, as at 31 December 2022
- ii. Statement of Profit and Loss and Other Comprehensive Income, for the year ended 31 December 2022
- iii. Statement of changes in equity, for the year ended 31 December 2022
- iv. Statement of cash flows, for the year ended 31 December 2022
- v. Notes to the financial statements

## Notes to the financial statements (continued)

### 2.3 Date of authorisation

This financial statements is authorised for issue by the Company's board of directors on 16 February 2023.

### 2.4 Functional and presentational currency

These financial statements are presented in Taka/Tk./BDT, which is the Company's functional currency. All amounts have been rounded to the nearest taka, unless otherwise indicated.

### 2.5 Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Lease term: whether the Company is reasonably certain to exercise extension options.
- Provision for inventory obsolescence and impairment loss reversal on trade receivable
- Gratuity
- Useful life of depreciable assets

#### B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 15 and Note 24 – revenue recognition: estimate of expected returns;
- Note 10 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 22(D) – recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
- Note 05 – provision for inventory obsolescence;
- Note 12 – current tax liabilities; and
- Note 2.8 (H) – useful life of property, plant and equipment.
- Note 6 (A)- Impairment loss/gain on trade receivable.

### 2.6 Basis of measurement

The financial statements of the Company have been prepared on historical cost basis except for net defined benefit (asset)/ liability for which the measurement basis is the fair value of plan assets less the present value of the defined benefit obligation, as explained in Note 2.8(C).

### 2.7 Going concern

The financial statements of the Company are prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern.

### 2.8 Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

	<b>Page ref.</b>
A. Foreign currency	127
B. Revenue recognition	128
C. Employee benefits	128-129
D. Finance income	129
E. Income tax	129-130
F. Share capital	130
G. Inventories	130
H. Property, plant and equipment	130-131
I. Asset under construction	131
J. Financial instruments	131-134
K. Impairment	134-135
L. Provisions	135
M. Leases	135-136
N. Contingencies	136
O. Earnings per share	136
P. Related party disclosure	137
Q. Segment reporting	137
R. Reporting period	137
S. Events after the reporting date	137

#### A. Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year which is adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Foreign currency differences arising on retranslation are recognised in the profit or loss.

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### B. Revenue recognition

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, the Company follows the five-step model as below :

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods is considered as transfer when (or as) the customer obtains control of that goods. Then the Company recognises the net revenue from sale of goods in its financial statements.

Net Revenue is defined as the amount invoiced to external customers during the year and comprises, as required by IFRS 15, gross sales net of trade spend, customer allowances for credit notes, returns and consumer coupons. The methodology and assumptions used to estimate credit notes, returns and consumer coupons are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Value-added tax and other sales taxes are also excluded from revenue.

#### C. Employee benefits

##### I. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### II. Defined contribution plans (provident fund)

The Company operates a recognised provident fund in which employees contribute 10% of their basic salary and the company also contributes same. The Company has no legal or constructive obligation to pay further amounts. Obligations for contributions to the recognised provident fund are recognised in profit or loss in the period during which related services are rendered by employees.

##### III. Defined benefit plans (gratuity)

The company operates a funded gratuity scheme which has been approved by the National Board of Revenue as a recognized gratuity fund with effect from 04 April 2021. Employee are entitled to gratuity benefit after completion of five years of service with the company. The company expense related to gratuity is estimated on a yearly basis and the amount is transferred to the fund and charge to expense of the company.



## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### C. Employee benefits (continued)

##### iii. Defined benefit plans (gratuity) (continued)

The calculation of defined benefit obligation was performed this year by a qualified actuarial firm using the Projected Unit Credit (PUC) method to assess the Plan's liabilities. All actuarial gains and losses are recognized immediately in the retained earnings through an account known as the Other Comprehensive Income and Expenses. The actuarial calculations was performed according to IAS 19 - Employee benefits. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset) taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

#### IV. Workers' Profit Participation Fund

Workers' Profit Participation Fund (the "WPPF") also qualifies as defined contribution plan. The Company is required to provide 5% of net profit before tax after charging such expense in accordance with Bangladesh Labour Act 2006 (amended in 2013), if any.

#### D. Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss using the effective interest method.

#### E. Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

##### I. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Provision for current tax expenses has been made on the basis of Income Tax Ordinance 1984 (as amended up to date). Currently, the applicable tax rate is 22.5% on taxable profit.

##### II. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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 taxes levied by the same tax authority.

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### E. Income tax (continued)

##### ii. Deferred tax (continued)

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### F. Share capital

Only ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Paid up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings.

#### G. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the above and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost to completion and selling expenses.

Inventory in transit represents the cost incurred for the items that were not received up to the date of statement of financial position.

#### H. Property, plant and equipment

##### I. Recognition and measurement

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

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 assets 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.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

##### II. Subsequent costs

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

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### H. Property, plant and equipment (continued)

##### III. Depreciation

Items of property, plant and equipment are depreciated from the month they are available for use while no depreciation is charged for the month in which an asset is disposed off.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. 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. Land is not depreciated except for leasehold land.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Particulars of Property, plant and equipment	Estimated Useful Life
Leasehold land	The lower of 50 years or the life of the lease
Buildings	5-45 years
Plant and machinery	3-8 years
Furniture, fixtures and equipment	1-5 years
Computers	3 years
Vehicles	4-5 years

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

Property, plant and equipment with a cost of minimum BDT 50,000 are capitalized. Property, plant and equipment with a cost price below BDT 50,000 are fully depreciated in the year of acquisition and charged in the administrative expenses.

##### I. Asset under construction

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use. Capital work-in-progress is recorded at cost to the extent of expenditure incurred to date of statement of financial position. The amount of capital work-in-progress is transferred to appropriate asset category and depreciated when the asset is completed and commissioned.

##### J. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### J. Financial instruments (continued)

##### I. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

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

##### II. Classification and subsequent measurement

###### Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 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:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 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. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### J. Financial instruments (continued)

##### ii. Classification and subsequent measurement (continued)

#### Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

#### Financial assets – Subsequent measurement and gains and losses

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
<b>Financial assets at amortised cost</b>	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.
<b>Debt investments at FVOCI</b>	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.
<b>Equity investments at FVOCI</b>	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.

*Financial assets includes cash and cash equivalents, trade and other receivables, investment.*



## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### J. Financial instruments (continued)

##### ii. Classification and subsequent measurement (continued)

#### (a) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all cash deposits with maturities of three months or less 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.

#### (b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

#### Financial liability

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include trade and other payables etc.

#### (a) Trade and other payables

The Company recognises a trade and inter-company payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

#### K. Impairment

##### i. Non-derivative financial assets

The Company recognises loss allowances for Expected Credit Loss (ECL) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

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

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### K. Impairment (continued)

##### ii. Measurement of ECLs

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

#### L. 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 date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

#### M. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

##### i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

#### M. Leases (continued)

##### i. As a lessee (continued)

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

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

##### ii. Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### N. Contingencies

##### i. Contingent liability

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 entity.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met.

##### ii. Contingent asset

Contingent asset is a possible asset that arises from past events 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 entity.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

#### O. 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 with the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue. 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.

Related disclosure of earnings per share has been provided in Note 23.

## Notes to the financial statements (continued)

### 2.8 Significant accounting policies (continued)

---

#### **P. Related party disclosure**

As per International Accounting Standard (IAS) 24: "Related Party Disclosures", parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related disclosures have been provided in note 25.

#### **Q. Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, whose operating results are reviewed regularly by the Company's management committee (being the chief operating decision maker) to make decisions about resources allocated to each segment and assesses its performance, and for which discrete financial information is available.

#### **R. Reporting period**

The financial period of the Company covers 12 months period from 1 January to 31 December.

#### **S. Events after the reporting date**

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Material events after the reporting date that are not adjusting events are disclosed in the Note 35.

## Notes to the financial statements (continued)

### 2.9 Status of Compliance to Accounting Standards

The following accounting standards have been applied in preparing this financial statements

Standard Title	Standard No.	Status
Presentation of Financial Statements	IAS 1	Applied
Inventories	IAS 2	Applied
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Applied
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant, and Equipment	IAS 16	Applied
Employee Benefits	IAS 19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	Not applicable
The Effects of Changes in Foreign Exchange Rates	IAS 21	Applied
Borrowing Costs	IAS 23	Not applicable
Related Party Disclosures	IAS 24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS 26	Not applicable
Separate Financial Statements	IAS 27	Not applicable
Investments in Associates and Joint Ventures	IAS 28	Not applicable
Financial Reporting in Hyperinflationary Economies	IAS 29	Not applicable
Earnings per Share	IAS 33	Applied
Interim Financial Reporting	IAS 34	Applied
Impairment of Assets	IAS 36	Applied
Provisions, Contingent Liabilities, and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	Not applicable
Investment Property	IAS 40	Not applicable
Agriculture	IAS 41	Not applicable
Share-based Payment	IFRS 2	Not applicable
Business Combinations	IFRS 3	Not applicable
Insurance Contracts	IFRS 4	Not applicable
Non-current Assets Held for Sale and Discontinue Operations	IFRS 5	Not applicable
Exploration and Evaluation of Mineral Resources	IFRS 6	Not applicable
Financial Instruments: Disclosures	IFRS 7	Applied
Operating Segments	IFRS 8	Applied
Financial Instruments	IFRS 9	Applied
Consolidated Financial Statements	IFRS 10	Not applicable
Joint Arrangements	IFRS 11	Not applicable
Disclosure of Interests in Other Entities	IFRS 12	Not applicable
Fair Value Measurement	IFRS 13	Applied
Revenue from Contracts with Customers	IFRS 15	Applied
Leases	IFRS 16	Applied



## Notes to the financial statements (continued)

### 3. Property, plant and equipment See accounting policy in Note 2.8(H)

In Taka	2022	2021
<b>i. Cost</b>		
Balance at 1 January	1,118,773,375	996,078,866
Additions	162,989,205	230,666,849
Transfers/capitalised	(21,561,514)	(100,790,102)
Disposal/adjustment	(40,249,845)	(7,182,238)
<b>Balance at 31 December</b>	<b>1,219,951,220</b>	<b>1,118,773,375</b>
<b>ii. Accumulated depreciation</b>		
Balance at 1 January	547,589,095	447,999,881
Depreciation for the year	130,968,511	106,765,392
Impairment Loss	1,881,804	3,030
Disposal/adjustment	(38,368,041)	(7,179,208)
<b>Balance at 31 December</b>	<b>642,071,369</b>	<b>547,589,095</b>
<b>Carrying amounts (i-ii)</b>	<b>577,879,851</b>	<b>571,184,280</b>

A Reconciliation of carrying amounts is provided in the following note.

### Notes to the financial statements (continued)

#### 3. Property, plant and equipment (continued)

##### A. Reconciliation of Carrying Amount

<i>In Taka</i>	Leasehold land	Buildings	Plant and machinery	Furniture fixtures and equipment	Computers	Vehicles	Under construction	Total
<b>Cost</b>								
Balance at 1 January 2020	209,490	269,497,899	345,301,113	209,811,853	35,390,391	56,766,941	79,101,179	996,078,866
Additions	-	16,914,660	47,326,055	35,967,642	6,822,632	5,409,508	118,226,352	230,666,849
Transfers/capitalised	-	-	-	-	-	-	(100,790,102)	(100,790,102)
Disposal/adjustment	-	-	(1,165,493)	(558,567)	(312,801)	(5,145,377)	-	(7,182,238)
<b>Balance at 31 December 2021</b>	<b>209,490</b>	<b>286,412,559</b>	<b>391,461,675</b>	<b>245,220,928</b>	<b>41,900,222</b>	<b>57,031,072</b>	<b>96,537,429</b>	<b>1,118,773,375</b>
<b>Balance at 1 January 2021</b>	<b>209,490</b>	<b>286,412,559</b>	<b>391,461,675</b>	<b>245,220,928</b>	<b>41,900,222</b>	<b>57,031,072</b>	<b>96,537,429</b>	<b>1,118,773,375</b>
Additions	-	18,386,298	93,850,335	32,972,973	1,866,530	15,913,069	-	162,989,205
Transfers/capitalised	-	-	-	-	-	-	(21,561,514)	(21,561,514)
Disposal/adjustment	-	(448,589)	(18,179,243)	(5,871,197)	(5,605,785)	(10,145,032)	-	(40,249,845)
<b>Balance at 31 December 2022</b>	<b>209,490</b>	<b>304,350,268</b>	<b>467,132,767</b>	<b>272,322,704</b>	<b>38,160,967</b>	<b>62,799,109</b>	<b>74,975,915</b>	<b>1,219,951,220</b>
<b>Accumulated depreciation</b>								
Balance at 1 January 2020	209,490	115,509,999	162,256,392	92,883,960	20,398,285	56,741,755	-	447,999,881
Depreciation for the year	-	20,370,906	45,137,730	32,207,075	8,236,070	813,611	-	106,765,392
Impairment Loss	-	-	6	14	10	3,000	-	3,030
Disposal/adjustment	-	-	(1,165,487)	(558,553)	(312,791)	(5,142,377)	-	(7,179,208)
<b>Balance at 31 December 2021</b>	<b>209,490</b>	<b>135,880,905</b>	<b>206,228,641</b>	<b>124,532,496</b>	<b>28,321,574</b>	<b>52,415,989</b>	<b>-</b>	<b>547,589,095</b>
Balance at 1 January 2021	209,490	135,880,905	206,228,641	124,532,496	28,321,574	52,415,989	-	547,589,095
Adjusted balance at 1 January 2021	-	-	-	-	-	-	-	-
Depreciation for the year	-	23,164,656	62,303,535	34,878,743	8,454,845	2,166,733	-	130,968,511
Impairment Loss	-	2	1,830,374	25,539	21,889	4,000	-	1,881,804
Disposal/adjustment	-	(448,587)	(16,348,869)	(5,845,658)	(5,583,896)	(10,141,032)	-	(38,368,041)
<b>Balance at 31 December 2022</b>	<b>209,490</b>	<b>158,596,976</b>	<b>254,013,681</b>	<b>153,591,120</b>	<b>31,214,412</b>	<b>44,445,690</b>	<b>-</b>	<b>642,071,369</b>
<b>Carrying amounts</b>								
At 31 December 2021	-	150,531,654	185,233,034	120,688,432	13,578,648	4,615,083	96,537,429	571,184,280
<b>At 31 December 2022</b>	<b>-</b>	<b>145,753,292</b>	<b>213,119,086</b>	<b>118,731,584</b>	<b>6,946,555</b>	<b>18,353,419</b>	<b>74,975,915</b>	<b>577,879,851</b>

##### B. Allocation of depreciation and Impairment losses

<i>In Taka</i>	2022			2021		
	Impairment on PPE	Depreciation on RoU Assets	Depreciation on PPE	Total Depreciation	Total Depreciation	
Cost of sales	1,830,376	1,233,315	117,393,002	118,626,317	118,626,317	97,639,417
Selling and distribution expenses	4,000	25,142,276	3,705,774	28,848,050	28,848,050	22,940,527
Administrative expenses	47,428	14,241,682	9,869,737	24,111,419	24,111,419	26,474,947
	<b>1,881,804</b>	<b>40,617,273</b>	<b>130,968,513</b>	<b>171,585,786</b>	<b>171,585,786</b>	<b>147,054,891</b>

## Notes to the financial statements (continued)

### 3. Property, plant and equipment (continued)

#### C. Under construction

See accounting policy in Note 2.8(I)

<i>In Taka</i>	Furniture fixtures and equipment	Buildings	Plant and machinery	Computers	Total
<b>Cost</b>					
Balance at 1 January 2020	26,708,112	45,332	52,347,735	149,200	79,250,379
Additions	23,368,629	24,176,496	70,681,227		118,226,352
Transfers/capitalised	(35,967,642)	(17,496,405)	(47,326,055)	(149,200)	(100,939,302)
<b>Balance at 31 December 2021</b>	<b>14,109,099</b>	<b>6,725,423</b>	<b>75,702,907</b>	<b>-</b>	<b>96,537,429</b>
Balance at 1 January 2021	<b>14,109,099</b>	<b>6,725,423</b>	<b>75,702,907</b>	<b>-</b>	<b>96,537,429</b>
Additions	<b>81,179,563</b>	<b>19,805,508</b>	<b>13,081,653</b>	<b>-</b>	<b>114,066,724</b>
Transfers/capitalised	<b>(32,972,973)</b>	<b>(18,386,298)</b>	<b>(84,268,967)</b>	<b>-</b>	<b>(135,628,238)</b>
<b>Balance at 31 December 2022</b>	<b>62,315,689</b>	<b>8,144,633</b>	<b>4,515,593</b>	<b>-</b>	<b>74,975,915</b>

#### 4. Leases

See accounting policy in Note 2.8(M)

##### A. Leases as lessee (IFRS 16)

The Company leases distribution centers and head-office. The leases for distribution centers run for a period of 2 - 3 years and head office for a period of 10 years, with an option to renew the lease after that date.

The Company leases sales offices with contract terms of one year. These leases are short-term and leases of low-value items. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Company is a lessee is presented below.

##### i. Right-of-use assets (ROU)

<i>In Taka</i>	2022	2021
Balance at 1 January	243,596,945	225,024,630
Accumulated Depreciation	(81,749,687)	(88,170,651)
Additions to right-of-use assets	53,071,342	18,572,315
Disposal/adjustment	(47,038,239)	-
<b>Balance at 31 December</b>	<b>167,880,361</b>	<b>155,426,295</b>

## Notes to the financial statements (continued)

### 4. Leases (continued)

#### A. Leases as lessee (IFRS 16) (continued)

##### i. Right-of-use assets (ROU) (continued)

#### Reconciliation of carrying amount

<i>In Taka</i>	Corporate Office	Depot	Other	Total
<b>Cost</b>				
Balance at 1 January 2021	169,873,170	50,796,631	4,354,829	225,024,630
Additions		17,889,428	682,887	18,572,315
Balance at 31 December 2021	169,873,170	68,686,059	5,037,716	243,596,945
Balance at 1 January 2022	<b>169,873,170</b>	<b>68,686,059</b>	<b>5,037,716</b>	<b>243,596,945</b>
Additions		53,071,342	-	53,071,342
Disposal/adjustment		(47,038,239)		(47,038,239)
<b>Balance at 31 December 2022</b>	<b>169,873,170</b>	<b>74,719,162</b>	<b>5,037,716</b>	<b>249,630,048</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2021	15,571,707	31,926,831	385,644	47,884,182
Depreciation for the year	18,870,361	19,981,944	1,434,165	40,286,470
Balance at 31 December 2021	34,442,068	51,908,775	1,819,809	88,170,651
Balance at 1 January 2022	<b>34,442,068</b>	<b>51,908,775</b>	<b>1,819,809</b>	<b>88,170,651</b>
Depreciation for the year	14,241,684	25,142,276	1,233,315	40,617,275
Disposal/adjustment		(47,038,239)		(47,038,239)
<b>Balance at 31 December 2022</b>	<b>48,683,752</b>	<b>30,012,812</b>	<b>3,053,124</b>	<b>81,749,687</b>
<b>Carrying amounts</b>				
At 31 December 2021	135,431,102	16,777,285	3,217,907	155,426,295
<b>At 31 December 2022</b>	<b>121,189,418</b>	<b>44,706,351</b>	<b>1,984,592</b>	<b>167,880,361</b>

##### ii. Lease Liability

<i>In Taka</i>	2022	2021
Current portion of lease liabilities	36,940,131	10,086,980
Non-current portion of lease liabilities	150,407,504	153,549,066
	<b>187,347,635</b>	<b>163,636,046</b>

##### iii. Amounts recognised in profit or loss

<i>In Taka</i>	2022	2021
Leases under IFRS 16		
Interest on lease liabilities	13,226,805	11,164,549
	<b>13,226,805</b>	<b>11,164,549</b>

## Notes to the financial statements (continued)

### 4. Leases (continued)

#### A. Leases as lessee (IFRS 16) (continued)

##### iv. Amounts recognised in statement of cash flows

In Taka	2022	2021
<b>Total cash outflow for leases</b>	<b>36,633,173</b>	<b>31,128,636</b>

##### v. Extension options

Some property leases contain extension options exercisable by the Company. However, There is no extension option for Head-office lease. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

#### B. Leases as lessor

The Company does not provide any lease facility to other entity.

### 5. Inventories

See accounting policy in Note 2.8(G)

In Taka	Note	2022	2021
Raw and packing materials	5(a)	282,729,714	274,310,109
Provision for inventory obsolescence		(7,336,528)	(1,679,244)
<b>Net raw and packing materials</b>		<b>275,393,186</b>	<b>272,630,865</b>
Finished goods		240,649,529	285,657,047
Provision for inventory obsolescence		(5,238,328)	(7,302,093)
<b>Net finished goods</b>	5(B)	<b>235,411,201</b>	<b>278,354,954</b>
Work-in-progress		2,191,345	1,207,236
Inventory in transit	5(C)	67,082,221	32,630,532
		69,273,566	33,837,768
		580,077,952	584,823,587

#### A. Raw and packing materials

Raw materials	225,342,608	214,627,862
Packing materials	57,387,106	59,682,247
	282,729,714	274,310,109

#### B. Finished goods

##### i. Operational allocation of finished goods

Manufacturing unit	130,033,912	186,293,149
Trading unit	105,377,289	92,061,805
	235,411,201	278,354,954



**Notes to the financial statements** (continued)**5. Inventories** (continued)**B. Finished goods** (continued)**ii. Business line-wise allocation of finished goods**

Business line	Unit of measurement	2022		2021	
		Quantity Unit	Amount Taka	Quantity Unit	Amount Taka
Household and toiletries	Metric Ton	91	104,149,286	647	171,124,422
	Thousand Litre	82	118,959,742	707	75,947,034
	Million No.	1	2,751,392	6	2,050,926
			<b>225,860,420</b>		<b>249,122,382</b>
Pharmaceuticals	Thousand Litre	5	9,550,781	106	29,232,572
	Million No.				
			<b>9,550,781</b>		<b>29,232,572</b>
			<b>235,411,201</b>		<b>278,354,954</b>

**C. Inventory in transit**

<i>In Taka</i>	2022	2021
Raw and packing materials	9,246,328	16,649,677
Finished goods	57,835,893	15,980,855
	<b>67,082,221</b>	<b>32,630,532</b>

**6. Trade and other receivables**

<i>In Taka</i>	Note	2022	2021
Trade receivables	6(A)	57,672,823	67,710,035
Other receivables	6(B)	2,534,490	1,296,556
		<b>60,207,313</b>	<b>69,006,591</b>

**A. Trade receivables**

Trade receivables		57,917,245	67,935,733
Allowance for impairment of trade receivables	6(A)(i)	(244,422)	(225,698)
		<b>57,672,823</b>	<b>67,710,035</b>

**i. Allowance for impairment of trade receivables**

Balance at 1 January	225,698	178,276
Provision made during the year	18,724	47,422
Balance at 31 December	<b>244,422</b>	<b>225,698</b>

**B. Other receivables**

Inter-company receivables	6(B)(i)	-	438,556
Interest receivables		2,416,250	858,000
Forfeited amount receivable from Provident Fund		118,240	
		<b>2,534,490</b>	<b>1,296,556</b>

**i. Inter-company receivables**

Reckitt Benckiser Corporate Services Limited, UK	-	438,556
	-	438,556

## Notes to the financial statements (continued)

### 7. Advances, deposits and prepayments

<i>In Taka</i>		2022	2021
<b>Advances</b>			
Advance to suppliers		7,693,959	4,775,606
Advance to employees		2,292,075	1,976,763
		<b>9,986,034</b>	<b>6,752,369</b>
<b>Deposits</b>			
Security deposit		7,646,295	8,187,269
		<b>7,646,295</b>	<b>8,187,269</b>
<b>Prepayments</b>			
Prepaid insurance		2,412,539	2,412,216
Prepaid government fees		862,629	2,587,856
Prepaid rent		10,713,255	25,707,778
		<b>13,988,422</b>	<b>30,707,850</b>
		<b>31,620,751</b>	<b>45,647,488</b>

### 8. Cash and cash equivalents

<i>In Taka</i>	<i>Note</i>	2022	2021
Cash in hand		-	50,000
Cash at bank	8(A)	1,978,229,020	1,629,016,314
		<b>1,978,229,020</b>	<b>1,629,066,314</b>

#### A. Cash at bank

Hong Kong and Shanghai Banking Corporation Limited	554,312,707	57,920,847
Standard Chartered Bank	523,916,313	221,095,467
Short term deposits*	900,000,000	1,350,000,000
	<b>1,978,229,020</b>	<b>1,629,016,314</b>

\*As at 31 December 2022, the company had two short term deposits with HSBC with maturity of less than three months.

## Notes to the financial statements (continued)

### 9. Share capital

See accounting policy in Note 2.8(F)

<i>In Taka</i>	2022	2021
130,000 ordinary shares of Taka 10 each fully paid up in cash	1,300,000	1,300,000
20,000 ordinary shares of Taka 10 each fully paid up in other than cash	200,000	200,000
4,575,000 ordinary shares of Taka 10 each fully paid bonus share	45,750,000	45,750,000
<b>In issue at 31 December - fully paid</b>	<b>47,250,000</b>	<b>47,250,000</b>
<b>Authorised</b>		
25,000,000 ordinary shares of Taka 10 each	250,000,000	250,000,000

### A. Position of shareholding

<i>Name of the shareholders</i>	At 31 December 2022			At 31 December 2021	
	Number of shares	Face value	Percentage of holding	Face value	Percentage of holding
	Unit	Taka	%	Taka	%
<b>Parent company</b>					
Reckitt Benckiser Limited, UK	3,919,918	39,199,180	82.96	39,199,180	82.96
<b>Bangladeshi shareholders:</b>					
ICB Unit Fund	3,700	37,000	0.08	38,700	0.08
Investment Corporation of Bangladesh (ICB)	15,774	157,740	0.33	157,740	0.33
ICB Mutual Funds	50	500	0.00	500	0.00
Individuals	281,051	2,810,510	5.95	2,915,330	6.17
Government of Bangladesh	178,339	1,783,390	3.77	1,783,390	3.77
Sadharan Bima Corporation (SBC)	79,059	790,590	1.67	790,590	1.67
Other institutions	247,109	2,471,090	5.23	2,364,570	5.00
	<b>4,725,000</b>	<b>47,250,000</b>	<b>100.00</b>	<b>47,250,000</b>	<b>100.00</b>

### B. Classification of shareholders by holdings

<i>Holdings</i>	At 31 December 2022		At 31 December 2021	
	Number of holders	Percentage of holdings	Number of holders	Percentage of holdings
Less than 500 shares	2,352	2.10	1,881	1.96
500 to 5,000 shares	73	2.14	85	2.43
5,001 to 10,000 shares	5	0.82	4	0.57
10,001 to 20,000 shares	6	1.87	6	1.97
20,001 to 30,000 shares	1	0.56	1	0.56
30,001 to 40,000 shares	-	-	-	-
40,001 to 50,000 shares	-	-	-	-
50,001 to 100,000 shares	2	3.00	2	3.00
100,001 to 1,000,000 shares	2	6.55	2	6.55
Over 1,000,000 shares	1	82.96	1	82.96
	<b>2,442</b>	<b>100.00</b>	<b>1,982</b>	<b>100.00</b>

### C. Dividends

#### Dividend Approved

The following final dividends were approved by the Company for the year.

<i>In Taka</i>	2022	2021
BDT 165 per qualifying ordinary share (2021: BDT 140)	779,625,000	661,500,000
	<b>779,625,000</b>	<b>661,500,000</b>

#### Proposed dividend

After the reporting date, the following final dividends were proposed by the board of directors. The dividends have not been recognised as liabilities and there are no tax consequences. See Note 35.

<i>In Taka</i>	2022	2021
BDT 98 per qualifying ordinary share (2021: BDT 165)	463,050,000	779,625,000
	<b>463,050,000</b>	<b>779,625,000</b>

## Notes to the financial statements (continued)

### 10. Employee benefits

See accounting policy in Note 2.8(C)

The Company introduced planned asset in the defined benefit scheme during 2022. Gratuity fund is administered by a Board of Trustees and Company contributions are invested separately from company assets. The Company is contributing to the fund as prescribed by actuarial valuation report.

In Taka	2022	2021
Fair value of plan assets	205,866,413	134,123,713
Defined benefit obligation	(240,121,477)	(98,177,764)
<b>Net Defined benefit (obligation)/asset</b>	<b>(34,255,064)</b>	<b>35,945,949</b>

#### A. Movement in net defined benefit asset and liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components.

In Taka	Defined benefit obligation		Fair value of plan assets		Net defined (asset)/liability	
	2022	2021	2022	2021	2022	2021
Balance at 1 January	232,301,477	202,810,000	134,123,713		98,177,764	202,810,000
<b>Included in profit or loss</b>						
Current service cost	30,290,000	28,440,000	-	-	30,290,000	28,440,000
Past service costs			-	-	-	-
Interest cost/(income)	15,790,000	19,030,000	9,670,000	4,450,000	6,120,000	14,580,000
	46,080,000	47,470,000	9,670,000	4,450,000	36,410,000	43,020,000
<b>Included in OCI</b>						
Actuarial (gain)/loss arising from:						
Return on plan assets	-	-	(9,800,000)	(4,320,000)	9,800,000	4,320,000
Financial assumption	-	-	-	-	-	-
Experience adjustment	(19,890,000)	3,790,000	-	-	(19,890,000)	3,790,000
	(19,890,000)	3,790,000	(9,800,000)	(4,320,000)	(10,090,000)	8,110,000
<b>Other</b>						
Contribution paid by the employer			89,962,700	150,100,000	(89,962,700)	(150,100,000)
Benefits paid	(18,370,000)	(21,768,523)	(18,090,000)	(16,106,287)	(280,000)	(5,662,236)
	(18,370,000)	(21,768,523)	71,872,700	133,993,713	(90,242,700)	(155,762,236)
<b>Balance at 31 December</b>	<b>240,121,477</b>	<b>232,301,477</b>	<b>205,866,413</b>	<b>134,123,713</b>	<b>34,255,064</b>	<b>98,177,764</b>
<b>In Taka</b>					<b>2022</b>	<b>2021</b>
Current portion					30,890,000	27,760,000
Non Current portion					3,365,064	70,417,764
					<b>34,255,064</b>	<b>98,177,764</b>

#### B. Fair Value of Plan Asset

Plan asset is comprised of the following

	2022	2021
Cash and Cash Equivalents	-	133,993,713
Debt Instrument	205,866,413	130,000
<b>Total</b>	<b>205,866,413</b>	<b>134,123,713</b>

## Notes to the financial statements (continued)

### 10. Employee benefits (continued)

#### C. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	2022	2021
<b>Financial assumptions:</b>		
Discount rate	8.00%	7.40%
Salary escalation rate	8.50%	8.50%
<b>Demographic assumptions:</b>		
Withdrawal rate	20%- 10%	20%- 10%

Assumptions regarding future mortality have been used based on published statistics and mortality tables. As there is no published mortality table in Bangladesh and hence the Indian Assured Life Mortality rate (2006-08) ultimate based on the mortality experience of assured lives in India is being used as a reasonable approximation. The current longevities underlying the values of the defined obligations at the reporting date was adopted from Indian Life Mortality table.

#### D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 December 2022		31 December 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	15,340,000	(13,700,000)	15,340,000	(13,700,000)
Future salary growth (1% movement)	15,040,000	(13,690,000)	15,040,000	(13,690,000)

Although the analysis does not take of full distribution of cash flows expected under the plan, it does provide an approximation of sensitivity of the assumptions shown.

#### E. Significant characteristics of plan

Plan sponsor	: Reckitt Benckiser (Bangladesh) PLC
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 years; not applicable in case of death or disability, while in service; more than 6 months service is considered as a complete year of 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	
Service up to ten years	: 1 x Salary x (Number of completed years of service)
Service beyond ten years	: 1.50 x Salary x (Number of completed years of service)

## Notes to the financial statements (continued)

### 11. Trade and other payables

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Trade payables	11(A)	397,645,541	232,354,722
Other payables	11(B)	1,788,493,686	1,433,576,750
		<b>2,186,139,227</b>	<b>1,665,931,472</b>

#### A. Trade payables

Inter-company trade payables	11(A)(i)	20,541,270	33,804,717
Third party trade payables		377,104,271	198,550,005
		<b>397,645,541</b>	<b>232,354,722</b>

##### i. Inter-company trade payables

Reckitt Benckiser (India) Ltd.		20,541,270	32,059,138
Reckitt Benckiser Chartres, France		-	1,745,579
		<b>20,541,270</b>	<b>33,804,717</b>

#### B. Other payables

Third party other payables	11(B)(i)	934,086,421	856,253,344
Inter-company other payables	11(B)(ii)	854,407,265	577,323,406
		<b>1,788,493,686</b>	<b>1,433,576,750</b>

##### i. Third party other payables

Payable for employee remuneration and other expenses		647,557,335	718,684,593
Advance from customers		55,506,563	30,451,717
Advance from third parties		1,099,996	1,099,996
Withholding tax and VAT payables		110,596,147	47,521,935
Worker's profit participation fund	11(B)(i)(a)	44,643,029	11,961,390
Payable for capital expenditure		3,345,351	4,571,020
Return provision		71,338,000	41,962,693
		<b>934,086,421</b>	<b>856,253,344</b>

##### a. Worker's profit participation fund

<i>In taka</i>	<b>2022</b>	<b>2021</b>
Opening payable	11,961,390	53,892,105
Charge for the year	44,643,029	55,075,074
Payment during the year	(11,961,390)	(97,005,789)
Closing payable	<b>44,643,029</b>	<b>11,961,390</b>



**Notes to the financial statements** (continued)**11. Trade and other payables** (continued)**B. Other payables** (continued)**ii. Inter-company other payables**

<i>In Taka</i>	<i>Note</i>	<b>2022</b>	<b>2021</b>
<b>Payable for royalties</b>			
Reckitt Benckiser Health Limited, UK	11(B)(ii)(b)	<b>588,618,824</b>	402,929,750
Reckitt Benckiser (ENA) B.V., Netherlands	11(B)(ii)(c)	<b>265,788,441</b>	174,393,657
		<b>854,407,265</b>	577,323,406
		<b>854,407,265</b>	577,323,406

**b. Payable for royalties - Reckitt Benckiser Health Limited, UK**

Balance at 1 January		<b>402,929,750</b>	372,183,839
Charge for the year		<b>185,689,074</b>	187,812,966
		<b>588,618,824</b>	559,996,805
Paid to Reckitt Benckiser Health Limited, UK		-	(95,343,200)
Write back of unapproved portion of royalty		-	(37,888,055)
AIT on royalty		-	(23,835,800)
<b>Balance at 31 December</b>		<b>588,618,824</b>	402,929,750

**c. Payable for royalties - Reckitt Benckiser (ENA) B.V., Netherlands**

Balance at 1 January		<b>174,393,657</b>	158,693,336
Charge for the year		<b>91,394,784</b>	88,705,955
		<b>265,788,441</b>	247,399,291
Paid to Reckitt Benckiser (ENA) B.V., Netherlands		-	(54,402,400)
Write back of unapproved portion of royalty		-	(5,002,634)
AIT on royalty		-	(13,600,600)
<b>Balance at 31 December</b>		<b>265,788,441</b>	174,393,657

**iii. Royalty Expense charged during the year**

Reckitt Benckiser Health Limited, UK		<b>185,689,074</b>	149,924,911
Reckitt Benckiser (ENA) B.V., Netherlands		<b>91,394,784</b>	83,703,321
		<b>277,083,859</b>	233,628,231

## Notes to the financial statements (continued)

### 12. Current tax liabilities

<i>In Taka</i>	Note	2022	2021
Balance at 1 January		187,205,959	219,565,704
Provision made during the year	22(A)	223,406,035	273,680,616
		<b>410,611,994</b>	<b>493,246,320</b>
Payment made under sections 64 and 74		(194,686,798)	(253,078,465)
Withholding tax		(72,173,821)	(52,961,896)
Payment made during the year		(266,860,619)	(306,040,361)
Balance at 31 December		<b>143,751,375</b>	<b>187,205,959</b>

### 13. Unclaimed dividend

<i>In Taka</i>		2022	2021
Balance at 1 January	13(a)	3,032,656	8,808,241
Dividend declared for 2021		779,625,000	661,500,000
Add back during the year		2,403,252	2,012,170
		<b>785,060,908</b>	<b>672,320,411</b>
Paid during the year		(777,749,163)	(669,287,754)
Closing as at 31 December		<b>7,311,745</b>	<b>3,032,656</b>

#### A. Unclaimed dividend

<i>In taka</i>	2022	2021
Final 2021	3,347,108	-
Final 2020	2,192,806	-
Final 2019	1,771,831	1,849,181
Final 2018	-	1,158,378
Final 2017	-	4,378
2017 Interim	-	3,506
2016 Final	-	3,188
2016 1st Interim	-	3,400
2015 2nd Interim	-	1,275
2015 1st Interim	-	4,250
2014 Final	-	1,275
2014 1st Interim	-	2,475
2012 Final	-	1,350
	<b>7,311,745</b>	<b>3,032,656</b>

#### B. Dividend paid during the year

<i>In taka</i>	2022	2021
Reckitt Benckiser Limited, UK	646,786,470	548,788,520
<b>Foreign shareholders</b>	<b>646,786,470</b>	<b>548,788,520</b>
ICB Unit Fund	610,500	541,800
Investment Corporation of Bangladesh (ICB)	2,602,710	2,208,360
Mutual Funds	140,250	1,360,800
Individuals	45,743,049	42,886,620
Government of Bangladesh	29,425,935	24,967,460
Sadharan Bima Corporation (SBC)	12,995,235	11,026,260
Institutions	37,973,743	29,720,180
<b>Bangladeshi shareholders</b>	<b>129,491,422</b>	<b>112,711,480</b>
<b>Dividend paid in the year</b>	<b>776,277,892</b>	<b>661,500,000</b>

**Notes to the financial statements** (continued)**13. Unclaimed dividend** (continued)

<i>In taka</i>	<b>2022</b>	<b>2021</b>
<b>C. Payment during the year from unclaimed dividend</b>		
Capital Market stabilization fund 2011-2017 & 2018	<b>1,196,279</b>	7,264,127
2019 Final	<b>108,528</b>	167,238
2018 Final	<b>109,225</b>	130,186
2017 Final	<b>57,239</b>	73,279
2017 Interim	-	39,738
2016 Final	-	19,125
2016 Interim	-	7,616
2015 2nd Interim	-	20,400
2015 Interim	-	4,250
2014 2nd Interim	-	16,720
2014 1st Interim	-	29,057
2013 Final	-	3,600
2011 Final	-	1,080
2011 Interim	-	11,340
	<b>1,471,271</b>	7,787,754
<b>Payment during the year</b>	<b>777,749,163</b>	669,287,754

14. Operating segments

A. Basis for segmentation

The Company has following two strategic divisions, which are its reportable segments. These divisions offer different products and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Household and toiletries	Manufacturing and trading of hygiene and home care products.
Pharmaceuticals	Manufacturing and Trading of health care products.

These two reportable segments are the strategic business units of the company and are managed separately based on the Company's management and internal reporting structure. For each of the strategic business units, the management committee reviews internal management report on at least a monthly basis. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Company's Management Committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

B. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

2022 <i>In Taka</i>	Reportable segments		Total
	Household and toiletries	Pharmaceuticals	
Revenue	4,822,271,604	147,093,198	4,969,364,802
Cost of sales	(2,651,007,386)	(80,863,375)	(2,731,870,761)
<b>Gross profit</b>	<b>2,171,264,218</b>	<b>66,229,824</b>	<b>2,237,494,041</b>
<b>Operating expenses</b>			
Administrative expenses	(297,900,152)	(9,086,814)	(306,986,966)
Marketing expenses	(350,969,483)	(10,705,582)	(361,675,065)
Selling and distribution expenses	(343,503,819)	(10,477,858)	(353,981,677)
Impairment loss reversal on trade receivables	(18,169)	(554)	(18,724)
	(992,391,623)	(30,270,808)	(1,022,662,431)
<b>Profit from operation</b>	<b>1,178,872,594</b>	<b>35,959,016</b>	<b>1,214,831,610</b>

2021 <i>In Taka</i>	Reportable segments		Total
	Household and toiletries	Pharmaceuticals	
Revenue	4,739,397,307	202,648,738	4,942,046,045
Cost of sales	(2,152,812,630)	(92,050,684)	(2,244,863,313)
<b>Gross profit</b>	<b>2,586,584,678</b>	<b>110,598,054</b>	<b>2,697,182,732</b>
<b>Operating expenses</b>			
Administrative expenses	(260,849,750)	(11,153,501)	(272,003,251)
Marketing expenses	(671,622,372)	(28,717,454)	(700,339,826)
Selling and distribution expenses	(326,447,000)	(13,958,330)	(340,405,330)
Impairment loss reversal on trade receivables	(45,477)	(1,945)	(47,422)
	(1,258,964,599)	(53,831,230)	(1,312,795,829)
<b>Profit from operation</b>	<b>1,327,620,079</b>	<b>56,766,824</b>	<b>1,384,386,903</b>

**Notes to the financial statements** (continued)**14. Operating segments** (continued)**C. Reconciliation of information on reportable segments to IFRS measures**

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>i. Revenues</b>			
Total revenue for reportable segments	14(B)	<b>4,969,364,802</b>	4,942,046,045
<b>Total revenue</b>		<b>4,969,364,802</b>	4,942,046,045
<b>ii. Profit before tax</b>			
Total profit before tax for reportable segments	14(B)	<b>1,214,831,610</b>	1,384,386,903
Amount not related to reported segments	14(C)(iii)	<b>(321,971,032)</b>	(282,885,421)
<b>Total profit before tax</b>		<b>892,860,578</b>	1,101,501,482
<b>iii. Amount not related to reportable segments</b>			
Other income	17	<b>2,428,159</b>	2,492,240
Royalty/Technical services fee	18	<b>(277,083,859)</b>	(233,628,231)
Finance income	19	<b>10,554,502</b>	14,490,193
Finance costs	20	<b>(13,226,805)</b>	(11,164,549)
Contribution to Workers' Profit Participation Fund	21	<b>(44,643,029)</b>	(55,075,074)
		<b>(321,971,032)</b>	(282,885,421)

Considering the current size and operations of the Company, segmental assets and liabilities are not considered to be critical for regular review by the management.

Accordingly no disclosure is made regarding the segmental assets and liabilities.

## Notes to the financial statements (continued)

### 15. Revenue

See accounting policy in Note 2.8(B)

<i>In Taka</i>	<i>Note</i>	2022	2021
Revenue including VAT		5,846,960,950	5,770,725,431
VAT		(877,596,148)	(828,679,386)
	15(A)	4,969,364,802	4,942,046,045

### A. Disaggregation of revenue

<i>In Taka</i>	Unit of measurement	2022		2021	
		Quantity	Amount	Quantity	Amount
Household and toiletries	Cases	2,404,074	4,822,271,604	2,763,490	4,739,397,307
Pharmaceuticals	Cases	51,475	147,093,198	152,369	202,648,738
		2,455,549	4,969,364,802	2,915,858	4,942,046,045

### 16. Cost of sales

<i>In Taka</i>	<i>Note</i>	2022	2021
<b>Manufacturing unit</b>			
Opening balance of raw and packing materials		272,630,865	307,870,473
Purchases during the year		1,973,357,352	1,551,950,835
Closing balance of raw and packing materials	5	(275,393,186)	(272,630,865)
<b>Materials consumed</b>		<b>1,970,595,031</b>	<b>1,587,190,443</b>
Salaries, wages and welfare expenses		213,526,810	210,277,614
Outsourced manpower		33,323,792	33,329,529
Product testing and laboratory expenses		1,003,269	4,578,564
Exchange (gain)/loss		47,339,887	4,571,835
Travelling and conveyance		6,331,060	16,157,934
Power, fuel and utilities		18,192,144	21,890,306
Vehicle expenses		239,774	964,550
Repairs, maintenance and others		46,166,951	45,406,458
Rent, rates and taxes		5,289,961	5,377,412
Printing, stationery and office supplies		362,323	1,178,247
Insurance		4,254,296	4,434,794
Office expenses		3,950,676	4,402,610
Safety, health and environment		11,293,956	18,749,515
Staff recruitment, training and development expenses		652,068	2,793,400
Legal and professional charges		1,460,169	421,841
Communication, postage, courier		1,000,268	1,118,030
Depreciation	3(B)	118,626,317	97,639,417
<b>Manufacturing overhead</b>		<b>513,013,721</b>	<b>473,292,057</b>
Opening stock of work-in-progress		1,207,236	2,181,380
Closing stock of work-in-progress	5	(2,191,345)	(1,207,236)
		(984,109)	974,144
<b>Cost of production</b>		<b>2,482,624,643</b>	<b>2,061,456,644</b>
Opening stock of own manufactured finished goods		186,293,149	190,603,013
Closing stock of own manufactured finished goods	5(B)(i)	(130,033,912)	(186,293,149)
		56,259,237	4,309,865
<b>Cost of sales - manufacturing unit</b>		<b>2,538,883,881</b>	<b>2,065,766,509</b>
<b>Trading unit</b>			
Opening stock of finished goods		92,061,805	99,758,551
Purchase of finished goods	16(A)	206,302,364	171,400,059
Closing stock of finished goods	5(B)(i)	(105,377,289)	(92,061,805)
<b>Cost of sales - trading unit</b>		<b>192,986,880</b>	<b>179,096,805</b>
<b>Total cost of sales</b>		<b>2,731,870,761</b>	<b>2,244,863,313</b>



## Notes to the financial statements (continued)

### 16. Cost of sales (continued)

In Taka	Opening Stock			Purchase			Closing Stock			Cost of Sales - Trading Unit		
	Unit of measurement	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	
Household and toiletries	Metric Ton	93.63	65,109,891	60	155,782,563	32	77,333,380	122.12	143,559,074	22.08	43,679,946	
	Thousand Litre	18.10	22,496,530	14	46,475,933	10.12	25,292,517	1.30	3,696,934			
	Million No.	0.39	2,404,458	2	4,043,868	1	2,751,392					
Pharmaceuticals	Million No.	5.95	2,050,926	-	-		-	5.95	2,050,926			
<b>Total for the year 2022</b>			<b>92,061,805</b>		<b>206,302,364</b>		<b>105,377,289</b>		<b>192,986,880</b>			
Household and toiletries	Metric Ton	93.63	82,305,109	206.91	131,435,676	97.76	65,109,891	202.77	148,630,894	49.81	24,677,524	
	Thousand Litre	18.10	15,347,656	70.10	31,826,398	38.40	22,496,530	0.40	2,480,001			
	Million No.	-	-	0.80	4,884,459							
Pharmaceuticals	Million No.	5.95	2,105,786	7.95	3,253,526	2.58	2,050,926	11.32	3,308,386			
<b>Total for the year 2021</b>			<b>99,758,551</b>		<b>171,400,059</b>		<b>92,061,805</b>		<b>179,096,805</b>			

In Taka	Opening stock			Purchase			Closing stock			Consumption		
	Unit of measurement	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	
Various raw material	Metric Ton	1,164.78	213,323,208	12,069.26	1,439,491,885	1,017.29	221,660,664	12,216.75	1,431,154,429			
Blow moulding and injection	Thousand Pcs	5,807.28	22,018,305	59,253.04	273,704,930	3,476.11	21,747,674	61,584.22	273,975,561			
Boxes solid board and corrugated	Thousand Pcs	5,683.04	13,124,617	60,345.61	169,594,852	6,832.96	15,998,871	59,195.69	166,720,598			
Others		13,258.18	24,164,735	55,870.65	90,565,685	13,130.67	15,985,976	55,998.15	98,744,444			
<b>Total for the year 2022</b>			<b>272,630,865</b>		<b>1,973,357,352</b>		<b>275,393,185</b>		<b>1,970,595,031</b>			
Various raw material	Metric Ton	2,362.59	263,409,772	11,600.30	1,003,401,656	1,164.78	213,323,208	12,798.10	1,053,488,220			
Blow moulding and injection	Thousand Pcs	3,611.59	11,018,396	53,109.00	271,939,662	5,807.28	22,018,305	50,913.30	260,939,753			
Boxes solid board and corrugated	Thousand Pcs	5,631.06	9,869,753	63,238.07	176,675,804	5,683.04	13,124,617	63,186.09	173,420,940			
Others		13,594.27	23,572,552	77,051.47	99,933,713	13,258.18	24,164,735	77,387.57	99,341,530			
<b>Total for the year 2021</b>			<b>307,870,473</b>		<b>1,551,950,835</b>		<b>272,630,865</b>		<b>1,587,190,443</b>			

In Taka	2022		2021	
	Amount	%	Amount	%
Raw materials	1,431,154,429	73%	1,053,488,220	66%
Packing materials	539,440,602	27%	533,702,223	34%
	1,970,595,031	100%	1,587,190,443	100%
Local materials consumed	552,125,791	28%	552,795,408	35%
Imported materials consumed	1,418,469,240	72%	1,034,395,035	65%
	1,970,595,031	100%	1,587,190,443	100%

## Notes to the financial statements (continued)

### 17. Other income

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Profit/(loss) on sale of property, plant and equipment		<b>2,309,919</b>	2,214,737
Other income-Forfeited amount PF Fund		<b>118,240</b>	277,503
		<b>2,428,159</b>	2,492,240

### 18. Operating expenses

<i>In Taka</i>		<b>2022</b>	<b>2021</b>
Selling and distribution expenses	18(A)	<b>356,799,170</b>	340,405,330
Administrative expenses	18(B)	<b>304,169,473</b>	272,003,251
Royalties/Technical services fees	11(B)(iii)	<b>277,083,859</b>	233,628,231
Marketing expenses	18(C)	<b>361,675,065</b>	700,339,826
		<b>1,299,727,566</b>	1,546,376,638

#### A. Selling and distribution expenses

Salaries, wages and welfare expenses		<b>189,689,569</b>	181,230,676
Outsourced manpower		<b>3,789,013</b>	17,169,192
Carriage outwards		<b>63,225,821</b>	59,164,437
Depot expenses		<b>29,945,279</b>	19,807,828
Entertainment			
Vehicle expenses		<b>7,166,162</b>	6,687,525
Printing and stationery		<b>311,157</b>	450,010
Conveyance, staff meal, travel accommodation		<b>24,632,278</b>	23,773,258
Sales office rent and expenses		<b>2,500,895</b>	2,422,622
Insurance		<b>2,685,241</b>	2,318,087
Depreciation	3(B)	<b>28,848,050</b>	22,940,527
Staff recruitment, training and development expenses		<b>157,663</b>	103,011
Repairs and maintenance		<b>16,667</b>	58,202
Communication, postage, courier		<b>2,973,851</b>	3,675,479
Safety, health and environment		<b>159,830</b>	273,915
Others		<b>697,695</b>	330,560
		<b>356,799,170</b>	340,405,330

#### B. Administrative expenses

Salaries, wages and welfare expenses		<b>210,034,480</b>	184,392,281
Outsourced manpower		<b>11,952,433</b>	13,033,379
Non-executive directors fee		<b>573,331</b>	775,011
Communication, postage, courier		<b>3,876,125</b>	4,403,003
Vehicle expenses		<b>720,749</b>	962,098
Conveyance, staff meal, travel accommodation		<b>3,354,574</b>	2,281,975
Corporate office expenses		<b>19,643,413</b>	15,055,272
Repairs and maintenance		<b>1,505,170</b>	2,692,063
Legal and professional charges	18(B)(i)	<b>12,523,813</b>	12,244,095
Printing, publication and stationery		<b>3,833,243</b>	3,444,212
Subscriptions		<b>437,300</b>	201,800
Staff recruitment, training and development expenses		<b>1,187,605</b>	162,850
Entertainment		<b>119,791</b>	113,471
AGM expenses		<b>292,667</b>	325,000
Bank charges		<b>1,666,388</b>	513,516
Insurance		<b>366,169</b>	226,732
Depreciation	3(B)	<b>24,111,419</b>	26,474,947
Corporate Social Responsibility		<b>6,771,028</b>	2,922,265
Safety, health and environment		<b>839,104</b>	1,698,635
Others		<b>360,671</b>	80,645
		<b>304,169,473</b>	272,003,251

**Notes to the financial statements** (continued)**18. Net operating expenses** (continued)**B. Administrative expenses** (continued)**i. Legal and professional charges**

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Audit fee		1,327,562	1,150,000
Tax services		490,553	1,040,732
Legal consultancy		7,157,116	3,190,026
Other consulting fees		3,548,582	6,863,337
		<b>12,523,813</b>	<b>12,244,095</b>

**C. Marketing expenses**

<i>In Taka</i>	<b>2022</b>	<b>2021</b>
Media and trade marketing	280,983,207	636,196,623
Consumer marketing	71,611,378	55,688,751
Market research	9,080,480	8,454,452
	<b>361,675,065</b>	<b>700,339,826</b>

**19. Finance income**

<i>In Taka</i>	<b>2022</b>	<b>2021</b>
Interest income	10,554,502	14,490,193
	<b>10,554,502</b>	<b>14,490,193</b>

**20. Finance costs**

<i>In Taka</i>	<b>2022</b>	<b>2021</b>
Interest expense on lease liabilities	13,226,805	11,164,549
	<b>13,226,805</b>	<b>11,164,549</b>

**21. Contribution to WPPF**

<i>In Taka</i>	<b>2022</b>	<b>2021</b>
Profit before contribution to WPPF	937,503,607	1,156,576,556
Applicable contribution rate	5%	5%
	<b>44,643,029</b>	<b>55,075,074</b>

The Company contributes 5% of the profit before tax after charging such expense as contribution to WPPF. See Note 2.8(C)(iv)

## Notes to the financial statements (continued)

### 22. Income tax expense

See accounting policy in Note 2.8(E)

#### A. Amounts recognised in profit or loss

<i>In Taka</i>	Note	2022	2021
<b>Current tax expense</b>			
Current year		223,406,035	273,680,616
		<b>223,406,035</b>	<b>273,680,616</b>
<b>Deferred tax (income)/expense</b>			
Origination/(reversal) of temporary differences	22(D)	10,314,936	19,699,351
		<b>10,314,936</b>	<b>19,699,351</b>
<b>Tax expense on continuing operations</b>		<b>233,720,971</b>	<b>293,379,967</b>

#### B. Amounts recognised in OCI

<i>In Taka</i>	2022			2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement of defined benefit plan	10,090,000	(2,270,250)	7,819,750	(8,110,000)	1,824,750	(6,285,250)
	<b>10,090,000</b>	<b>(2,270,250)</b>	<b>7,819,750</b>	<b>(8,110,000)</b>	<b>1,824,750</b>	<b>(6,285,250)</b>

#### C. Reconciliation of effective tax rate

<i>In Taka</i>	2022	2021
Profit before tax	892,860,578	1,101,501,482
Tax using the Company's tax rate	22.50% 200,893,630	22.50% 247,837,833
Factors affecting the tax charge for current period:		
Excess/(deficit) of accounting depreciation over fiscal depreciation	0.73% 6,487,640	0.45% 4,911,157
Excess/(deficit) of rental payment over expenses under IFRS-16	0.43% 3,872,454	0.21% 2,260,636
Provision release for earlier year tax rate adjustment	-3.10% (27,689,850)	-3.54% (39,000,000)
Provision for stock obsolescence and Impairment (loss)/gain reversal on trade receivables	0.09% 804,329	-0.29% (3,237,295)
Permanent difference as per Income Tax Ordinance 1984	0.79% 7,083,040	1.25% 13,736,972
Excess of gratuity provision over payment of gratuity	-1.60% (14,319,608)	0.43% 4,781,582
Excess of technical services fee over payment of technical services fee/royalty	5.18% 46,274,398	3.85% 42,389,731
Excess of accounting profit over fiscal tax profit on property, plant and equipment	0.00% -	0.00% -
Allowable deductible employee benefits and other expenses	0.00%	0.00%
Movement of temporary differences: as above	1.16% 10,314,936	1.79% 19,699,351
	<b>26.18% 233,720,971</b>	<b>26.63% 293,379,967</b>

**Notes to the financial statements** (continued)**22. Income tax expense** (continued)**D. Movement in deferred tax balances**

2022	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Balance as at 31 December		
				Net	Deferred tax assets	Deferred tax liabilities
<i>In Taka</i>						
Property, plant and equipment	(15,123,319)	(1,548,277)	-	(16,671,596)	-	(16,671,596)
Employee benefits	22,089,997	(12,112,358)	(2,270,250)	7,707,389	7,707,389	-
Trade and other receivables	50,782	4,213	-	54,995	54,995	-
Inventories	2,020,801	808,542	-	2,829,343	2,829,343	-
RoU assets- Impact of IFRS 16	(34,970,916)	(2,802,165)	-	(37,773,081)	-	(37,773,081)
Lease liabilities- Impact of IFRS 16	36,818,109	5,335,109	-	42,153,218	42,153,218	-
Net deferred tax	10,885,454	(10,314,936)	(2,270,250)	(1,699,732)	52,744,945	(54,444,677)
<b>2021</b>						
<i>In Taka</i>						
Property, plant and equipment		10,317,066	-	(15,123,319)	-	(15,123,319)
	(25,440,385)					
Employee benefits	50,702,500	(30,437,253)	1,824,750	22,089,997	22,089,997	-
Trade and other receivables	44,569	6,213	-	50,782	50,782	-
Inventories	5,854,185	(3,833,384)	-	2,020,801	2,020,801	-
RoU assets- Impact of IFRS 16	(44,285,114)	9,314,198	-	(34,970,916)	-	(34,970,916)
Lease liabilities- Impact of IFRS 16	41,884,301	(5,066,191)	-	36,818,110	36,818,110	-
Net deferred tax assets (liabilities)	28,760,056	(19,699,351)	1,824,750	10,885,455	60,979,690	(50,094,235)

**23. Earnings per share****A. Basic earnings per share**

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

**i. Profit attributable to ordinary shareholders (basic)**

<i>In Taka</i>	Note	2022	2021
Net profit after tax for the year, attributable to the owners of the company		659,139,607	808,121,515
Profit/(loss) attributable to ordinary shareholders		659,139,607	808,121,515

**ii. Weighted-average number of ordinary shares (basic)**

Issued ordinary shares at 31 December	9(A)	4,725,000	4,725,000
Weighted-average number of ordinary shares at 31 December		4,725,000	4,725,000
Basic earnings per share (EPS)		139.50	171.03

Weighted average number of ordinary shares was not changed during the current and prior year.

**B. Diluted earnings per share**

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during these years.

## Notes to the financial statements (continued)

### 24. Financial instruments - Fair values and risk management

#### A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Further, for the current year the fair value disclosure of lease liabilities is also not required.

In Taka	Note	Fair value-					Carrying amount			Total
		instruments	FVTPL – others	FVOCI – debt instruments	FVOCI – equity instruments	amortised cost	Financial assets at	Other financial liabilities		
<b>31 December 2022</b>										
<b>Financial assets not measured at fair value</b>										
Trade and other receivables	6	-	-	-	-	60,207,313	-	-	-	60,207,313
Cash and cash equivalents	8	-	-	-	-	1,978,229,020	-	-	-	1,978,229,020
		-	-	-	-	<b>2,038,436,333</b>	-	-	-	<b>2,038,436,333</b>
<b>Financial liabilities not measured at fair value</b>										
Trade and other payables	11	-	-	-	-	-	-	-	(2,186,139,227)	(2,186,139,227)
		-	-	-	-	-	-	-	(2,186,139,227)	(2,186,139,227)
<b>31 December 2021</b>										
<b>Financial assets not measured at fair value</b>										
Trade and other receivables	6	-	-	-	-	69,006,591	-	-	-	69,006,591
Cash and cash equivalents	8	-	-	-	-	1,629,066,314	-	-	-	1,629,066,314
		-	-	-	-	<b>1,698,072,904</b>	-	-	-	<b>1,698,072,904</b>
<b>Financial liabilities not measured at fair value</b>										
Trade and other payables	11	-	-	-	-	-	-	-	(1,665,931,472)	(1,665,931,472)
		-	-	-	-	-	-	-	(1,665,931,472)	(1,665,931,472)

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, and trade and other payables because their carrying amounts are a reasonable approximation of fair values.



**Notes to the financial statements** (continued)**24. Financial instruments - Fair values and risk management** (continued)**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Risk management framework ((see (B)(i));
- Credit risk (see (B)(ii));
- Liquidity risk (see (B)(iii)); and
- Market risk (see (B)(iv)).

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**ii. Credit risk**

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, aging profile etc. Trade and other receivables are mainly related to the interest receivables and other fees.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**(a) Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Trade and other receivables	6	<b>60,207,313</b>	69,006,591
Cash and cash equivalents	8	<b>1,978,229,020</b>	1,629,066,314
		<b>2,038,436,333</b>	1,698,072,904

## Notes to the financial statements (continued)

### 24. Financial instruments - Fair values and risk management (continued)

#### B. Financial risk management (continued)

##### (a.1) Trade and other receivables

The exposure to credit risk for Trade and other receivables at the end of the reporting year by external and intercompany was:

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Trade receivables	6	57,917,245	67,935,733
Interest receivables	6(B)	2,416,250	858,000
Inter-company receivables	6(B)(i)	-	438,556
		<b>60,333,495</b>	<b>69,232,289</b>

##### The aging of trade receivables at 31 December

Past due 1-30 days	57,927,909	66,391,962
Past due 31-60 days	181,434	1,543,771
Past due 61-90 days	-	-
Past due 91-180 days	-	-
Past due over 180 days	-	-
	<b>58,109,343</b>	<b>67,935,733</b>

##### The aging of interest receivables at 31 December

Past due 1-30 days	2,416,250	858,000
Past due 31-60 days	-	-
Past due 61-90 days	-	-
Past due 91-180 days	-	-
Past due over 180 days	-	-
	<b>2,416,250</b>	<b>858,000</b>

##### The aging of inter-company receivables at 31 December

Past due 1-30 days	-	-
Past due 31-60 days	-	438,556
Past due 61-90 days	-	-
Past due 91-180 days	-	-
Past due over 180 days	-	-
	-	<b>438,556</b>

##### (a.2) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents at the end of the reporting year was:

<i>In Taka</i>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Cash in hand	8	-	50,000
Cash at bank	8(A)	1,978,229,020	1,629,016,314
		<b>1,978,229,020</b>	<b>1,629,066,314</b>

Cash at bank are held with HSBC and SCB which are rated ST-1 & AAA based on ratings by Credit Rating Agency of Bangladesh (CRAB) and Credit Rating Information and Services Limited (CRISL) respectively.

**Notes to the financial statements** (continued)  
**24. Financial instruments - Fair values and risk management** (continued)  
 B. Financial risk management (continued)

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains sufficient cash and cash equivalents to meet expected operational expenses for periods which the Company thinks appropriate. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters. Moreover, the Company may also get support from the parent in the form of shareholder's loan/capital contribution to ensure payment of obligation in the event that there is insufficient cash to make the required payment.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

In Taka	Note	Carrying amount	Total	Contractual cash flows				
				6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
<b>31 December 2022</b>								
<b>Non-derivative financial liabilities</b>								
Third party trade payables	11(A)	377,104,271	(377,104,271)	(377,104,271)	-	-	-	-
Inter-company trade payables	11(A)	20,541,270	(20,541,270)	(20,541,270)	-	-	-	-
Third party other payables	11(B)	934,086,421	(934,086,421)	(931,053,765)	(3,032,656)	-	-	-
Inter-company other payables	11(B)	854,407,265	(854,407,265)	(854,407,265)	-	-	-	-
Lease liabilities	4(i)	187,347,635	(187,347,635)	(19,246,711)	(17,693,420)	(36,259,001)	(61,681,795)	(52,466,708)
		<b>2,373,486,862</b>	<b>(2,373,486,862)</b>	<b>(1,347,946,017)</b>	<b>(875,133,341)</b>	<b>(36,259,001)</b>	<b>(61,681,795)</b>	<b>(52,466,708)</b>
<b>31 December 2021</b>								
<b>Non-derivative financial liabilities</b>								
Third party trade payables	11(A)	198,550,005	(198,550,005)	(198,550,005)	-	-	-	-
Inter-company trade payables	11(A)	33,804,717	(33,804,717)	(33,804,717)	-	-	-	-
Third party other payables	11(B)	856,253,344	(856,253,344)	(853,220,687)	(3,032,656)	-	-	-
Inter-company other payables	11(B)	577,323,406	(577,323,406)	(577,323,406)	-	-	-	-
Lease liabilities	4(i)	163,636,046	(163,636,046)	(4,394,762)	(5,692,218)	(12,050,101)	(25,374,946)	(116,124,020)
		<b>1,829,567,518</b>	<b>(1,829,567,518)</b>	<b>(1,089,970,171)</b>	<b>(586,048,281)</b>	<b>(12,050,101)</b>	<b>(25,374,946)</b>	<b>(116,124,020)</b>

## Notes to the financial statements (continued)

### 24. Financial instruments - Fair values and risk management (continued)

#### B. Financial risk management (continued)

##### iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### (a) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings incurred in foreign currencies. The Company's foreign currency transactions are denominated in USD, EUR and GBP.

##### (b) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

	31 December 2022				31 December 2021			
	BDT	USD	EUR	GBP	BDT	USD	EUR	GBP
<b>Foreign currency denominated assets</b>								
Receivables due from related parties	-	-	-	-	438,556	5,106	-	-
<b>Total assets</b>	-	-	-	-	438,556	5,106	-	-
<b>Foreign currency denominated liabilities</b>								
Trade payables due to related parties	(21,026,203)	(203,603)	-	-	(33,804,717)	(378,902)	(17,862)	-
<b>Total liabilities</b>	(21,026,203)	(203,603)	-	-	(33,804,717)	(378,902)	(17,862)	-
<b>Net exposure</b>	(21,026,203)	(203,603)	-	-	(33,366,161)	(373,796)	(17,862)	-

##### (c) The following significant exchange rates have been applied during the year

	2022	2021
<b>Average rate</b>		
USD	93.24	85.07
EUR	98.28	100.58
GBP	115.30	117.04
<b>Year end spot rate</b>		
USD	103.27	85.89
EUR	110.48	97.73
GBP	124.78	116.23

##### (d) Market risk-interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. All payables of the company are interest free. Therefore no interest rate risk arises for the company as at 31 December 2022.

## Notes to the financial statements (continued)

### 25. Related parties

#### A. Parent and ultimate controlling party

reckitt Benckiser Limited, UK has 82.96% shareholding of the Company. As a result, the parent and ultimate controlling party of the Company is Reckitt Benckiser Limited, UK.

#### B. Transactions with key management personnel

##### i. Key management personnel compensation

Key management personnel compensation comprised the following.

In Taka	2022		2021	
	Managing Director	Directors and management	Managing Director	Directors and management
Remuneration, bonus and other benefits	55,509,625	380,698,067	40,503,025	311,170,820
Housing rental	-	76,874,148	-	72,753,122
Leave passage	-	13,286,328	-	10,289,451
Medical	-	17,877,284	-	16,396,529
<b>Short-term employee benefits</b>	<b>55,509,625</b>	<b>488,735,828</b>	40,503,025	410,609,923
Gratuity provision	-	37,331,903	-	42,078,374
Provident fund	-	19,529,048	-	18,200,764
Post-employment benefits	-	56,860,951	-	60,279,138
	<b>55,509,625</b>	<b>545,596,778</b>	40,503,025	470,889,061
Number	1	202	1	201

Compensation for Reckitt's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined benefit plan and provident fund. These expenses are included in operating expenses.

Managing director and certain managers are provided with Company's car, subject to certain limit.

#### C. Other related party transactions

In Taka	Nature of Relationship Note	Transaction values for the year ended 31 December		Balance outstanding as at 31 December	
		2022	2021	2022	2021
<b>Parent of the Company</b>					
<b>Dividend paid</b>					
Reckitt Benckiser Limited, UK	13(B) Reckitt Benckiser Parent Company	646,786,470	548,788,520	-	-
<b>Fellow subsidiaries of the Company</b>					
<b>Import of raw materials and finished goods</b>					
Reckitt Benckiser (India) Ltd.	Reckitt Benckiser Group Company	47,712,105	51,749,225	20,541,270	30,787,257
Reckitt Benckiser Health Ltd., UK	Reckitt Benckiser Group Company	1,719,003	549,264	-	-
Reckitt Benckiser (India) Private Ltd.	Reckitt Benckiser Group Company	-	1,271,881	-	1,271,881
Reckitt Benckiser Bahrain WLL	Reckitt Benckiser Group Company	3,609,411	2,910,139	-	-
Reckitt Benckiser Chartres, France	Reckitt Benckiser Group Company	3,300,654	3,629,654	-	1,745,579
<b>Royalties</b>					
Reckitt Benckiser Health Limited, UK	Reckitt Benckiser Group Company	185,689,074	187,812,966	588,618,824	402,929,750
Reckitt Benckiser (ENA) B.V., Netherlands	Reckitt Benckiser Group Company	91,394,784	88,705,955	265,788,441	174,393,657
<b>Systems support services</b>					
Reckitt Benckiser Corporate Services Limited, UK	Reckitt Benckiser Group Company	1,768,300	1,292,073	-	438,556

#### D. Significant contract where the Company is party and wherein Directors have interest

No such transactions/contact has occurred during the year.

## Notes to the financial statements (continued)

### 26. Net asset value per share

<i>In Taka</i>	2022	2021
Net Asset	<b>835,390,470</b>	948,056,113
Weighted average number of ordinary shares outstanding during the year	<b>4,725,000</b>	4,725,000
<b>Net asset value per share</b>	<b>176.80</b>	200.65

### 27. Net operating cash flow per share

<i>In Taka</i>	2022	2021
Net operating cash flow	<b>1,283,587,123</b>	637,380,749
Weighted average number of ordinary shares outstanding during the year	<b>4,725,000</b>	4,725,000
<b>Net operating cash flow per share</b>	<b>271.66</b>	134.90

### 28. Reconciliation of net operating cash flow

<i>In Taka</i>	Note	2022	2021
Profit before tax		<b>892,860,578</b>	1,101,501,481
Adjustment for:			
- Depreciation	3(C)	<b>173,467,590</b>	147,054,891
- (Gain)/Loss on sale of property, plant and equipment	17	<b>(2,428,159)</b>	(2,492,240)
- Impairment loss reversal on trade receivables	6	<b>18,724</b>	47,422
- Finance costs	20	<b>13,226,805</b>	11,164,549
- Finance income	19	<b>(10,554,502)</b>	(14,490,193)
		<b>1,066,591,036</b>	1,242,785,910
Changes in:			
- Inventories		<b>4,745,635</b>	36,794,604
- Trade and other receivables		<b>8,799,279</b>	(43,505,645)
- Advances, deposits and prepayments		<b>14,026,737</b>	30,339,830
- Trade and other payables		<b>520,207,755</b>	(224,144,641)
- Employee benefits		<b>(63,922,700)</b>	(98,848,949)
<b>Cash generated from operating activities</b>		<b>1,550,447,742</b>	943,421,110
Income tax paid	12	<b>(266,860,619)</b>	(306,040,361)
<b>Net cash generated by operating activities</b>		<b>1,283,587,123</b>	637,380,749



## Notes to the financial statements (continued)

### 29. Commitments

At 31 December, there were some outstanding purchase orders for the company for capital expenditures.

#### A. Capital expenditure commitment

<i>In Taka</i>	2022	2021
Financial expenditures - outstanding purchase orders	123,143,415	4,341,373
	123,143,415	4,341,373

### 30. Contingent liabilities

There are contingent liabilities of Taka 39,495,729 (2021: Taka 31,178,534) on account of bank guarantees, acceptance trust receipt under letter of credit and Taka 603,297,693 (2021: Taka 378,464,641) on account of ordinary letter of credit issued by Standard Chartered Bank and HSBC in favour of the Company.

Out of Taka 39,495,729, Taka 31,519,979 for shipping guarantees (2021: Taka 22,844,525) and Taka 7,975,750 for guarantees (2021: Taka 8,334,008) on behalf of Reckitt Benckiser (Bangladesh) PLC.

Import bills/bills receivable Taka 140,067,712 (2021: Taka 10,303,112) have been issued by SCB and HSBC on behalf of Reckitt Benckiser (Bangladesh) PLC.

<i>In Taka</i>	2022	2021
Guarantees issued by the Company's scheduled bankers to third parties on counter - indemnities given by the Company	7,975,750	8,334,008
Irrevocable letter of credit opened by the scheduled banks net of on account payment	-	-
	7,975,750	8,334,008

### 31. Number of employees

The company employed 281 (2021: 274) permanent employees and a varying number of casual and temporary employees as required. All permanent employees receive total remuneration in excess of Taka 36,000 per annum.

## Notes to the financial statements (continued)

### 32. Remittance made in foreign currency (FC)

Currency	2022		2021	
	FC	Taka	FC	Taka
Reckitt Benckiser Health Limited,Uk (GBP)	-	-	816,994	95,343,200
Reckitt Benckiser (ENA) B.V., The Netherland (GBP)	-	-	466,173	54,402,400
Reckitt Benckiser Limited,UK (GBP)	<b>4,729,124</b>	<b>582,107,823</b>	4,200,984	493,909,668
Mobisy Technologies Private Limited (USD)	<b>22,055</b>	<b>2,069,532</b>		
Willis Tower Wattson India Private Limited (USD)	<b>1,800</b>	<b>156,150</b>	1,600	135,920
<b>Total</b>	<b>4,752,979</b>	<b>584,333,505</b>	5,485,751	643,791,188

### 33. Receipt in foreign currency (FC)

Currency	Nature of receipt	2022		2021	
		FC	Taka	FC	Taka
Reckitt Benckiser Corporate Services Ltd. (USD)	System Support Service	<b>19,504</b>	1,768,300	20,399	1,718,623
Reckitt Benckiser Corporate Services Ltd. (GBP)	System Support Service	-	-	4,715	549,296
<b>Total</b>		<b>19,504</b>	1,768,300	25,114	2,267,919

### 34. Production capacity

Line of business	Unit of measurement	Installed capacity	Production
		for the year 2022	for the year 2022
Household & toiletries	Thousand Litre	<b>37,306</b>	<b>14,959</b>
	Metric Ton	<b>16,316</b>	<b>6,642</b>
Pharmaceuticals	Thousand Litre	<b>1,806</b>	<b>462</b>
	<b>Total</b>	<b>Thousand Litre</b>	<b>15,420</b>
	<b>Metric Ton</b>	<b>16,316</b>	<b>6,642</b>

## Notes to the financial statements (continued)

---

### 35. Events after the reporting date

For the year 2022, the Board of Directors recommended a final dividend of Taka 98 per share amounting to Taka 463,050,000 at the board meeting held on 16 February 2023.

Above recommended dividend represents 70.25% of net profit after tax of the Company for the income year ended 31 December 2022. As a result, the Company shall not be attracted any tax liability as per section 16G of Income Tax Ordinance, 1984.

There is no any other significant events after balance sheet date that may affect financial statements of the Company for the year ended 31 December 2022.

### 36. Recent World Crisis & Forex rate fluctuation

Company has faced higher freight cost and the unprecedented price increase of core raw material due to the disruption in world supply chain because of ongoing war between Ukraine Russia.

Moreover, in the second half of the year due to higher foreign exchange rate, price of raw material further increased which also adversely impacted COGS for the year.

### 37. Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; the Company has not early adopted the new or amended standards in preparing these financial statements. However, this has no financial impact on the financial position of the Company during the year.

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

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Non-current Liabilities with Covenants (Amendments to IAS 1)

### 38. Comparative information

To enable comparison, certain relevant balances concerning to the previous year have been rearranged and reclassified whenever considered necessary to correspond to current year's presentation.

**RECKITT BENCKISER (BANGLADESH) PLC**

Registered Office: 58/59 Nasirabad Industrial Area, Chittagong - 4209

Corporate Office: The Glass House, 9th & 10th Floors, Plot-2, Block- SE (B), 38 Gulshan Avenue, Dhaka-1212

**PROXY FORM**

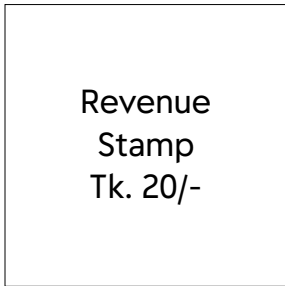
I/we, the undersigned being a Member of the above named Company appoint

Mr./Mrs./Miss \_\_\_\_\_  
of \_\_\_\_\_ (Folio

no./BO ID no. \_\_\_\_\_) as my / our proxy to vote and act for me/us, and on my/our behalf,  
at the 62nd Annual General Meeting of the Company to be held using Digital Platform (in pursuance with BSEC  
order SEC/SRMIC/94-231/25, and SEC/SRMIC/94-231/91 dated 08 July 2020 and 31 March 2021 respectively) on  
Thursday, 30th March, 2023 at 2.30 P.M. and at any adjournment thereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
Signature of the Proxy



\_\_\_\_\_  
Signature of the Shareholder (s)

\_\_\_\_\_  
Name of the Shareholder (s)

\_\_\_\_\_  
Signature of the Witness

Folio no. /BO ID no. \_\_\_\_\_

**Note:**

According to the Articles of Association of the Company, Proxy can only be given to a person who is a Member (shareholder) of the Company, The Proxy Form, duly stamped, must reach the Registered Office / Corporate Office of the Company not less than 72 hours before the time fixed for the meeting.

**However, based on the pandemic scenario and reference to the BSEC order SEC/SRMIC/94-231/25, and SEC/SRMIC/94-231/91 dated 08 July 2020 and 31 March 2021 respectively and as guidance by the BSEC, would request to send the scan copy of fully completed proxy form to the email addresses:**

[nazmul.arefin@reckitt.com](mailto:nazmul.arefin@reckitt.com); [anisur.rahman2@reckitt.com](mailto:anisur.rahman2@reckitt.com).

**RECKITT BENCKISER (BANGLADESH) PLC**

Registered Office: 58/59 Nasirabad Industrial Area, Chittagong - 4209

Corporate Office: The Glass House, 9th & 10th Floors, Plot-2, Block- SE (B), 38 Gulshan Avenue, Dhaka-1212

**ATTENDANCE SLIP**

**"Not applicable, as AGM will be conducted through digital platform"**



reckitt





# COMPANY OFFICES

## REGISTERED OFFICE

58/59 Nasirabad Industrial Area  
Chittagong - 4209  
Bangladesh

## CORPORATE OFFICE

The Glass House,  
9th and 10th Floors, Block-SE (B),  
38 Gulshan Avenue, Dhaka-1212,  
Bangladesh.

## FACTORY

58/59 Nasirabad Industrial Area  
Chittagong - 4209  
Bangladesh

## NARAYANGONJ DEPOT

R.S Plot No-415 & 455, Moza-Khadun,  
Tarabo Pourasava, Ward No. 5,  
Rupgonj, Rupshi-1460,  
Narayanganj

## CHITTAGONG DEPOT

Ruby Gate, 1123 Nasirabad Industrial  
Area, P.s-Baizid, Chittagong

## SALES OFFICE, KHULNA

Plot No:30,  
Muigunni Main Road  
Sonadanga, Khulna

## SALES OFFICE, BOGRA

House No.17, Nishindara  
Upashahar Housing State  
Main Road, Bogra

## SALES OFFICE, BARISHAL

803, Rosarium  
West College Avenue  
C&B Road, Word 21,  
Barisal

## SALES OFFICE, RAJSHAHI

House No.483  
Block B, Sector 1  
Upashahar Housing Estate  
Rajshahi

## SALES OFFICE, COMILLA

Shaplin, House No - 6,  
Block - K, Section - 1,  
Housing Estate, Comilla

## SALES OFFICE, SYLHET

House No -77, Nobarrun R/A  
Sonarpara, Shibgonj  
Sylhet

## SALES OFFICE, NARAYANGONJ

Lutfu Tower (9th Floor)  
Chasharamore,  
Narayanganj

## SALES OFFICE, GAZIPUR

House No. 126/2,  
Lalmatia, Uttar Sayabithy  
Joydevpur, Gazipur