



Corporate Governance Statement

Welcome to a journey of transparency, responsibility, and excellence. The Board of Directors proudly unveils the Corporate Governance Report, aligning with the esteemed principles outlined in the Bangladesh Securities and Exchange Commission Notification on Corporate Governance, dated June 3, 2018 (the “Corporate Governance Code”). As stewards of integrity, we navigate the intricate landscape of corporate governance, offering a comprehensive overview for the year culminating on December 31, 2023. Embrace a narrative of ethical leadership and sustainable practices as we unveil the essence of our commitment to governance excellence.

LafargeHolcim Bangladesh Limited: Upholding Governance Excellence

Corporate Governance is at the heart of LafargeHolcim Bangladesh Limited's (the "Company") ethos since its inception. The Company asserts that robust Corporate Governance stems from applying optimal management practices, strict legal compliance, and upholding the highest standards of transparency and business ethics. The Company places immense emphasis on core values: employee empowerment, integrity, safety, transparent decision-making, fair dealings, environmental responsibility, and accountability to stakeholders.

With a history spanning over 27 years, the Company has consistently sustained itself with the utmost professionalism. Core principles form the foundation of its two-tier governance model, featuring the Board of

Directors and Board Committees at the apex, and the operational management structure. The Board and its Committees actively guide, support, and complement the management team's initiatives. This collaborative approach ensures accountability, the pursuit of set objectives, and value creation for all stakeholders.

The Company's governance is a meticulous three-tier pursuit involving Shareowners, the Board of Directors, and the Management Team, each with distinctly delineated areas of governance. This structure epitomizes a balanced 'corporate democracy,' highlighting LafargeHolcim Bangladesh's commitment to robust and ethical corporate governance practices.

Shareholders

The Board is composed of shareholders chosen during a meeting. They appoint directors, select auditors, approve financial statements, and ensure accountability for business conduct, with reports presented at the Annual General Meeting (AGM).

Board of Directors

The Board and its sub-committees adhere to specific responsibilities outlined in accordance with the law and the Company's Articles of Association. They delegate authorities, establish investment and business strategies, and oversee Executive Management based on their charter.

Management Team

The Executive Committee concentrates on day-to-day business affairs, ensuring strict compliance with local laws and associated rules. Operating strictly within mandated areas, they are accountable to the Board of Directors, who, in turn, report to shareholders. The Company's approach integrates shared stewardship and governance, aligning with global practices and corporate culture. This holistic strategy reinforces accountability, transparency, and strategic management within a comprehensive framework.

Corporate Governance Overview

A. Board Composition: Size And Composition Of The Board

The Company, under the vigilant oversight of the Board of Directors, is adeptly managed by eminent individuals committed to upholding robust Corporate Governance standards. This distinguished Board articulates corporate objectives, providing strategic guidance and autonomy to Management, fostering sustainable profitable growth. Emphasizing accountability, the Board aims for enduring, stakeholder-driven growth while establishing and ensuring compliance with corporate behavior standards and regulations.

Key Corporate Governance Code Mandates:

- I. Ensuring effective representation of Independent Directors on Boards, aligning with core competencies for each Company.
- II. Mandating a minimum of one-fifth (1/5) of the total Board directors to be Independent Directors.

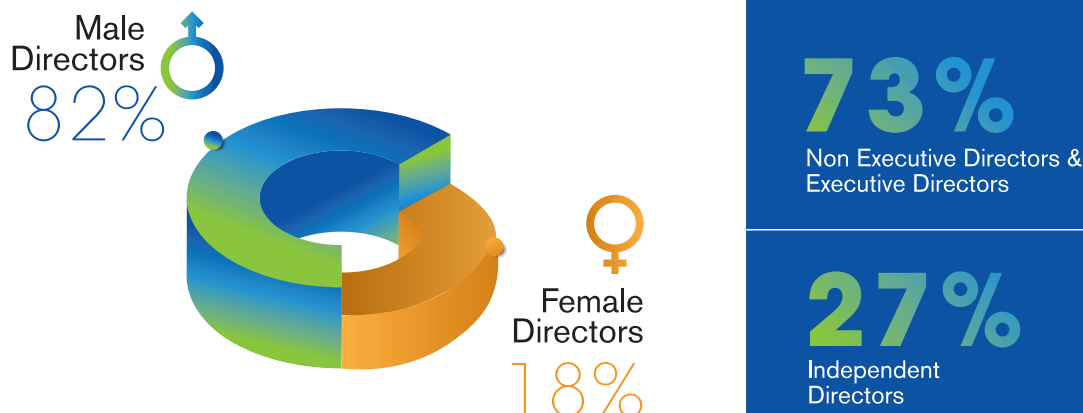
Snapshot of Board Composition as of December 31, 2023:

- Total Directors: 11
- Non-Executive Chairman: 1
- Independent Directors: 3
- Non-Executive Directors: 6
- Executive Director: 1 (Chief Executive Officer)

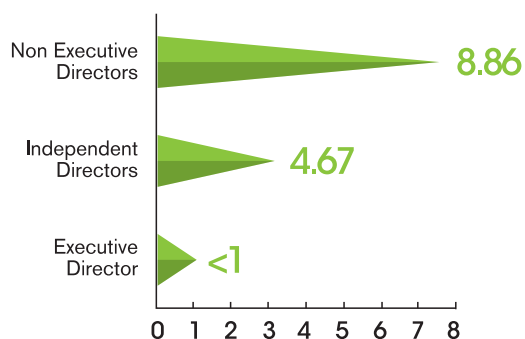
An Independent Director assumes the chair in each Board committee, overseeing critical functions such as the Audit Committee, and Nomination and Remuneration Committee.

The Board of Directors stands as the cornerstone, constantly nurturing and upholding the principles of good governance. Functioning as the highest governing body, it operates within the framework defined by the approved Memorandum & Articles of Association, as mandated by the shareholders.

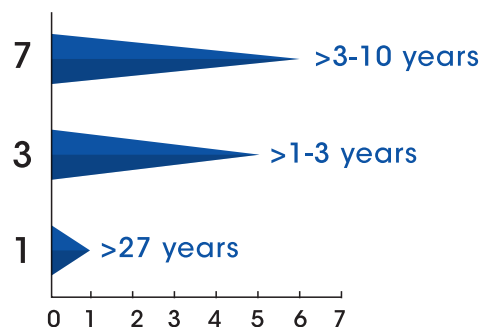
Size and Composition of the Board



Average Tenure (in years)



Tenure of Directors



Navigating the Role of the Board of Directors

Establishing Ethical Foundations: The Board of Directors acts as a trustee, dedicated to creating and preserving a corporate culture rooted in high ethical standards for the Management.

Guiding Strategy and Operations: In actively steering strategic direction, the Board closely monitors operational performance, ensuring the effective implementation of robust policies and procedures.

Fiduciary Commitment to Value: The Board embraces its fiduciary responsibility, aligning the Company's goals with shareholder value and fostering sustainable growth.

Risk Management and Compliance Oversight: Through specialized Committees, the Board assesses identified risks, ensuring integrity in accounting systems, financial reporting, internal controls, and compliance with relevant laws.

Strategic Decision-Making and Financial Oversight: The Board evaluates and approves financial results, annual statements, corporate strategies, business plans, and budgets. It establishes objectives, oversees

implementation, and manages significant capital expenditure.

Comprehensive Performance Monitoring: Proactively monitoring overall operations and HSE performance, the Board addresses various focal points, guiding Management toward enhanced accountability.

Establishing Corporate Standards and Transparency: Shaping corporate identity, the Board sets standards for corporate behavior and ensures transparency in all dealings.

Informed Decision-Making through Rigorous Agendas: Board Meetings feature meticulously prepared agendas, supported by pertinent information, documents, and presentations, fostering informed decision-making.

Compliance Reporting and Shareholder Communication: In adherence to corporate governance standards and legal requirements, the Board shares its Report with Shareholders, an integral part of the Annual Report 2023.

C. Responsibilities of the Board Leadership

i. Chairman of The Board of Directors

Leadership and Integrity: The Chairman leads the Board, fostering integrity and cultivating a harmonious culture for the Company's long-term benefit and Shareholder well-being.

Effective Governance: Providing leadership and governance, the Chairman presides over meetings, ensuring timely discussions on key issues for effective Company governance.

Relationships and Communication: Promoting effective relationships and open communication, the Chairman creates an environment for constructive debates, both within and outside the Boardroom.

Implementation of Strategies: Ensuring strategies and policies agreed upon by the Board are effectively executed by the Chief Executive Officer.

Board Meetings and Agendas: In consultation with the Chief Executive Officer and Company Secretary, the Chairman sets the Board meeting schedule and agenda, addressing crucial Company issues and Director concerns.

Corporate Governance Standards: Establishing robust corporate governance practices, the Chairman upholds the highest standards of integrity, probity, and corporate governance, especially at the Board level.

Collaboration with Committees: As a member of the Nomination and Remuneration Committee, the Chairman plans the Board's composition, directs inductions, develops Succession plans, leads the Board evaluation process, and engages with individual directors for constructive feedback and advice.

ii. Independent Directors

The Independent Directors play a crucial role in ensuring the Board's effectiveness and maintaining high-quality governance within the organization.

Board Composition and Appointment Process: In adherence to the notification, there are three (3) Independent Directors on the Company's Board. They are appointed by the Board and approved by Shareholders during the Annual General Meeting (AGM).

Term and Qualification Criteria: Independent Directors serve a 3-year term, extendable for 1 (one) term only. They are (i) not be subject to retirement by rotation, (ii) not serve as Independent Directors in more than 5 (five) listed companies, and (iii) meet the criteria requirements of clause 1(2)(b) and clause 1(3) of the Corporate Governance Code.

iii. Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

Appointment and Compliance: In accordance with clause 3 of the Corporate Governance Code, the Board of Directors has appointed the CEO and CFO of the Company.

CEO's Executive Oversight: The CEO, serving as an Executive Director, oversees overall operational control and responsibilities for the day-to-day workings, aligning with the Articles of Association.

CFO's Financial Management: The CFO manages the Finance Department and reports to the CEO, holding no executive position in any other company simultaneously.

Strategic Direction and Policy: They provide strategic direction, establish policy guidelines, and ensure the implementation of decisions made by the Board of Directors and its various Committees, all operating under the superintendence, direction, and control of the Board of Directors.

Defined Roles and Responsibilities: The Board of Directors has clearly defined their roles, responsibilities, and duties.

CFO's Participation: The CFO actively attends the meetings of the Board of Directors.

iv. Company Secretary (CS) and Head of Internal Audit & Compliance (HIAC)

In accordance with clause 3 of the Corporate Governance Code, the Board of Directors has appointed a CS and HIAC for the Company.

CS's Qualifications and Reporting Structure: The CS possesses the prescribed qualifications to fulfill the duties as a secretary under the Bangladesh Companies Act, 1994 (the "Act"). Functionally, the CS is responsible to the Chairman of the Board of Directors and administratively to the CEO.

Established Internal Audit Function: The Company has an established internal audit function that functionally reports to the Audit Committee, providing reasonable assurance that its key organizational and procedural controls are effective.

HIAC's Oversight and Responsibilities: The HIAC oversees and is responsible for the internal audit and compliance activities of the Company and its subsidiary companies. Additionally, the HIAC reports administratively to the CFO of the Company on the day-to-day activities of the internal audit function.

Executive Positions and Defined Roles: Both the CS and the HIAC do not hold any executive position in any other company simultaneously. The Board of Directors has clearly defined their respective roles, responsibilities, and duties.

Active Participation in Board Meetings: They actively attend the meetings of the Board of Directors.

Profiles and Remuneration

I. Director Profiles

The Board comprises highly esteemed professionals from diverse fields, collectively contributing a wealth of skills and experiences that significantly enhance the quality of the decision-making process. Detailed Director Profiles are provided in this Annual Report.

Distinctive Features of the Company Board:

- The Board is a blend of diverse knowledge, culture and nationality,
- Members of the Board are non-executive directors,
- Chairman and CEO of the Company are separate individuals,
- The Independent Directors and their competencies are precisely as per the Corporate Governance Codes prescribed by Bangladesh Securities and Exchange Commission (BSEC),
- None of the Independent Directors is more than six years at the Board,

- The Board Committees are headed by Independent Directors,
- Roles and responsibilities of the Chairman, Directors and CEO are clearly demarcated,
- Members of Management do not indulge in Board matters,
- Roles and functions of the Board and Management are clearly delineated,
- Thus the Company Board is capable to deliver the utmost 'collective wisdom' to the Company

II. Remuneration of Directors

As per the Articles, Independent and Non-Executive Directors receive no sitting fees or remuneration. The CEO, an Executive Director, receives compensation according to the terms and conditions of his employment contract. The Company facilitates travel arrangements for Directors attending Board meetings.

Board Meetings in 2023

In 2023, the Board conducted five (5) meetings, with four (4) held virtually and one (1) held physically. Meeting minutes are diligently recorded, and the Company maintains necessary books and registers in accordance with the Bangladesh Secretarial Standards (BSS) adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB), ensuring alignment with this Code's conditions.

Board Committees

Nurturing Excellence

In a commitment to enhance the seamless flow of information, promote effective governance, and streamline decision-making processes, the Board has established two (2) distinct sub-committees: the Audit Committee and the Nomination and Remuneration Committee. These Committees serve as pivotal pillars, facilitating the Board in efficiently fulfilling its responsibilities. Their paramount objective is to thoroughly review and assess specific areas, providing valuable advice and recommendations to the Board. Each Committee operates harmoniously within the framework of its meticulously approved terms of reference (ToR). The Board assumes the responsibility of appointing distinguished members and the Chairman of each Committee. The minutely recorded proceedings of Committee meetings are carefully presented for comprehensive review at the subsequent Board meeting of our esteemed Company, reflecting a commitment to transparency and excellence.

Board of Directors

Audit Committee	Nomination and Remuneration Committee
Formed in accordance to condition 5 of BSEC Corporate Governance Code.	Formed in accordance to Condition 6 of BSEC Corporate Governance Code.
Comprises 3 Non-Executive Directors.	Assists the Board in formulation of the nomination criteria & policy for determining qualifications, positive attributes, experiences and independence of directors and Top Level Executives (TLE) as well as policy for formal process of considering remuneration of directors, TLE.
Chairman is an Independent Director.	

Audit Committee	Nomination and Remuneration Committee
The CFO, CEO, HIAC and representative of statutory Auditors are Invitees to the meetings.	Comprises 1 Independent Director and 2 Non-Executive Directors.
Company Secretary is the Secretary of the Committee.	Chairman is an Independent Director
All Members are 'Financially Literate' & able to analyze and interpret financial statements to effectively discharge their duties and responsibilities.	Company Secretary is the Secretary of the Committee.

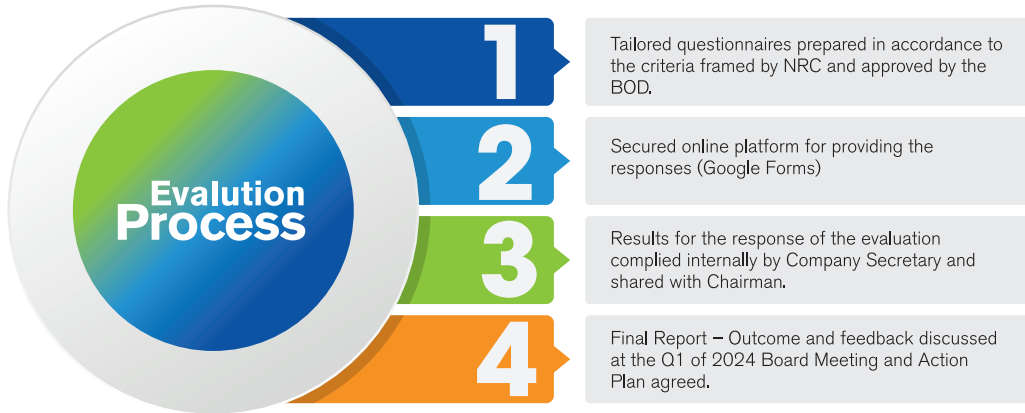
The Annual Report includes the composition of the Audit Committee, details of members' participation in Committee meetings, and a report on the activities conducted by the Audit Committee as annexed III.

In compliance with clause 6(5)(c) of the Notification, the Annual Report also encompasses the Nomination and Remuneration Policy, along with the evaluation criteria and activities of the NRC throughout the year as annexed IV.

Performance Evaluation of the Board

The effectiveness of the Board, Independent Directors, and Chairman is vital for the Company's success. Following the Corporate Governance Code, the Company conducts annual formal assessment of the Board's operations. This evaluation, integral to the corporate governance framework, relies on criteria endorsed by the Nomination and Remuneration Committee and approved by the Board. Meticulously crafted questionnaires are employed to pinpoint significant issues for the Board, Independent Directors, and the Chairman, with the aim of identifying areas for improvement, as outlined below:

Board as a Whole	Independent Directors	Chairman Of Board
Board Composition and Quality	Integrity	Overall Management of Meetings
Board Meetings and Procedures	Implementing best CG practices	Approachableness
Execution and performance of specific duties from the point of view of the members of the Board	Unbiased & ethical judgment	Ability in handling critical situations
Assessment of the Secretarial Department	Independent Judgment - Board Deliberations	Openness to discuss difficult issues
	Updated with business of the Company	Encouragement of critical interventions of Board Members
	Acting in the interest of the Company, Shareholders & Employees	
	Confidentiality	
	Adherence to Code of Conduct	
	Negative press	



Outcome of Performance Evaluation

This report summarizes the recent performance evaluation, analyzing Directors’ feedback and offering insights for the upcoming year.

Feedback Analysis: Presented to the Board, the report spurred a constructive dialogue, resulting in an action plan addressing identified areas of improvement.

Cohesive Board Dynamics: Highlighting cohesive operations, the Board engages effectively with diverse perspectives, showcasing strength in strategic decision-making.

Skills and Experience Balance: The positive review emphasizes a harmonious blend of skills, crucial for successful stakeholder goal delivery.

Dedication of Independent Directors: Acknowledging Independent Directors’ diligence and commitment, contributing significantly to the corporate ethos.

Constructive Boardroom Behavior: The report underscores predominantly constructive behavior, reflecting strong confidence in leadership and fostering effective collaboration.

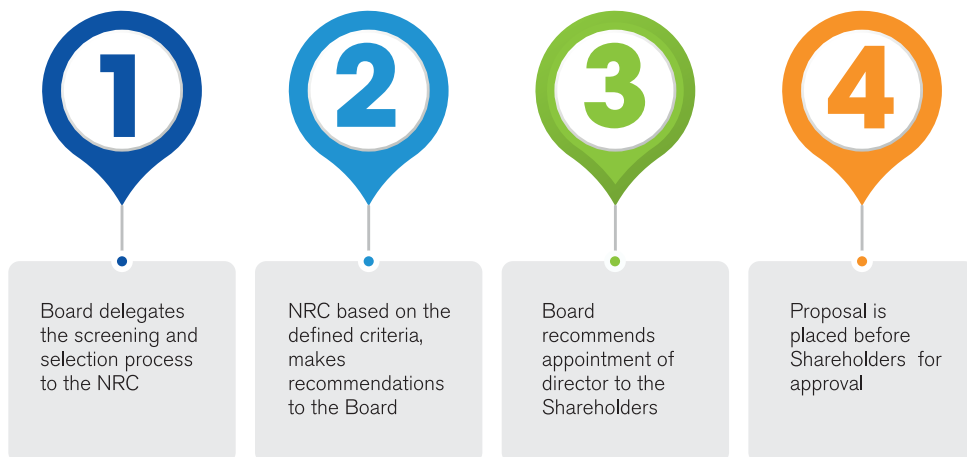
Effective Company Secretariat Department: The Company Secretariat Department’s efficient functioning supports governance and facilitates communication.

Performance evaluation outcomes affirm the Board’s strength, setting a foundation for continued success. The action plan guides upcoming strategic initiatives for sustained growth and excellence.

Succession Planning

Collaborating seamlessly, the Nomination and Remuneration Committee and Board ensure a strategic succession plan. The Company prioritizes a balanced mix of skills, fostering fresh perspectives while preserving continuity. Board members actively contribute diverse skills, bolstering the Company’s strategic advancements.

Selection and appointment of new directors



Leadership Team - Executive Committee

Executive Excellence: Guiding Principles and Compliance

1. Leadership's Strategic Navigation:

The Executive Committee, integral to our Leadership Team, adeptly operates within the strategic policies delineated by the Board of Directors. The commitment propels the achievement of overarching business objectives, fostered through meticulous reviews, cross-functional dialogues, and proactive resolutions in regular meetings.

2. Subsidiary Stewardship:

Managing subsidiaries, Lafarge Umiam Mining Private Limited and Lum Mawshun Minerals Private Limited (collectively "Subsidiary Companies"), meticulous adherence to Clause 2 of the Notification is paramount. Scrutiny of Subsidiary Companies' affairs is methodically documented during Board Meetings. Subsequent reviews and evaluations by the Audit Committee in both Audit Committee and Board of Directors meetings reinforce transparency and accountability.

3. Financial Transparency Assurance:

The Audit Committee's scrupulous evaluation of Subsidiary Companies' Financial Statements underscores our commitment to financial transparency and accountability. This thorough review, conducted in both Audit Committee and Board of Directors meetings, ensures the establishment of a resilient financial framework.

4. Exemplary Controls and Compliance:

Demonstrating an impeccable record, the Company remains untarnished by strictures or penalties from Stock Exchanges, the Bangladesh Securities and Exchange Commission, or any statutory authority over the past three years. This affirms our dedication to ethical practices and compliance in the dynamic landscape of capital markets.

Ethics, Integrity, and Compliance: A Commitment to Excellence

In the pursuit of ethical business practices, the Company upholds commitment to the Code of Business Conduct (COBC). The COBC, mandatory for all employees and Directors, emphasizes workplace integrity, ethical conduct, diversity, fairness, and respect. To reinforce adherence, the COBC is communicated through regular workshops, face-to-face training, and annual e-learning courses. An annual declaration of compliance from both employees and Board Members further underscores their dedication. The COBC is readily accessible on the Company's website: <https://www.lafargeholcim.com.bd/code-conduct>.

Promoting Fair Competition Practices

In 2023, the Company conducted extensive training sessions targeting sales, procurement, and relevant functions, concentrating on fair competition practices. Both physical and virtual sessions delved into aspects of competition law, risk management, and behavioral considerations. To supplement this, an innovative General Pricing approval tool was introduced, ensuring alignment with The Competition Act 2012 and Fair Competition Directive.

Comprehensive Compliance Initiatives: Upholding Ethical Excellence

Embracing Best Practices in Corporate Governance: The Company's Corporate Governance philosophy surpasses mere legal obligations, emphasizing the adoption of best practices. This holistic approach is meticulously crafted to nurture high business ethics, effective supervision, and increased value for stakeholders. The Company has a compliance monitoring tool "The 6 Packs" for assessment of overall compliance effectiveness emphasizing on training, communication, due diligence of the third parties, risk assessment, internal audit and internal control across the organization.

Trainings: Awareness sessions on compliance requirements

Adherence to the compliance with laws, regulations and internal policies are the key to operate within the Company. Regular trainings are arranged on the compliance requirements of the country regulations and internal policies which help the employees to remain vigilant to the compliance requirements.

Communications to promote Compliance

Periodic communication to the employees for adherence to the compliance requirements is another instrument of the Company to promote compliance with utmost priority across the organization.

Strategic Initiatives for Ethical Business Conduct: Mitigating Risks through Third Party Due Diligence (TPDD)-

Demonstrating a robust commitment to compliance, strategic initiatives such as TPDD aim to mitigate potential risks before any transaction with the associated external parties.

Compliance Risk Assessment: Proactive approach to mitigate compliance risks

The annual Compliance Risk Assessment (CRA) as part of the Enterprise Risk Management is conducted with the objective to assess and mitigate the potential compliance risks to the Company. The compliance risk mitigation actions are quarterly monitored to ensure effective implementation of the action on due course.

Effective Internal Control System: MCS Implementation

The established internal controls (Minimum Control Standards of Holcim Group) are tested on periodic basis to give an assurance on effectiveness of the Company's Internal Control System (ICS) and if any deficiency found in ICS are remediated with immediate effect. This serves a testament to the Company's dedication to ensure robust internal controls on its business processes, operations, and safeguarding of the properties.

Internal Audit: Ensuring Ongoing Compliance

The Company has full-fledged Internal Audit team as the third line of defense to address the potential risks that might exist in the Company's operations, business policies and procedures and internal controls. Internal Audit ensures alignment with local laws and internal Company policies. Implementation of the internal audit recommendations is monitored as part of the 6 Packs compliance reporting. This holistic and ongoing approach solidifies the Company's commitment to ethical conduct and excellence in compliance.

Compliance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standard (BFRS), and Laws:

The Directors confirm meticulous preparation of financial statements in accordance with Bangladesh Accounting Standards and relevant regulations. A detailed account of diverse accounting standards implementation is available in the Directors' Report and accompanying financial statement notes.

Bangladesh Secretarial Standards (BSS) Compliance:

The Board and General Meetings of the Company, along with the subsequent preparation of minutes and other essential pre-meeting tasks such as serving notices, creating agendas, and passing resolutions, adhere meticulously to the Bangladesh Secretarial Standards (BSS) set by the Institute of Chartered Secretaries of Bangladesh (ICSB). These compliance measures are explicitly detailed and referenced in the Certificate of Compliance appended to this report.

Vigil Mechanism / Integrity Line Whistle-Blowing

Upholding Corporate Governance Standards: In 2021, the Company introduced the Integrity Line, a comprehensive ethics advice and reporting system. The 'Integrity Kiosk,' a virtual and physical one-stop service, ensures streamlined access to compliance-related documents nationwide. Addressing reported violations of COBC, policies, directives, or other breaches, the Integrity Line prioritizes strict confidentiality, providing a discrimination-free platform for genuine concerns.

Preventing Insider Trading: The Company's proactive approach is evident in the Insider Dealing and Share Transaction Restrictions Policy. Governing Price-Sensitive Information, disclosure of Insider Information,

and trading of Company Securities, this policy prohibits the purchase or sale of Company shares by Directors and related individuals during closed Trading Windows. A robust prevention mechanism is thus ensured for insider trading.

Navigating Transparency: An Overview of Communication Practices

A. i. Financial Reporting: Upholding Accountability Adherence to Standards: The financial reporting system is the cornerstone of a robust information structure, meticulously following procedures to comply with International/Bangladesh Financial Reporting Standards (IFRS/BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, and other relevant financial legislations.

Strategic Oversight: The Audit Committee regularly scrutinizes financial statements. Statutory auditors conduct a comprehensive review, aligning with local financial reporting policies and Company procedures, culminating in a final review and approval by the Board.

ii. Stakeholder Communication: Bridging Connections

Diverse Engagement Channels: Effective communication with stakeholders and investors utilizes various channels, including dissemination on Stock Exchanges' online portals, Press Releases, Annual Reports, and curated information on the Company's website.

Timely Announcements: Unaudited quarterly results (both standalone and consolidated) are promptly announced within specific timelines, meeting Listing Regulations. Rapid dissemination to Stock Exchanges within two hours of the Board Meeting is followed by publication in prominent national dailies and online platforms.

iii. Annual Report and Accessibility: Empowering Shareholders

Holistic Information Access: Audited financial statements seamlessly integrate into the Annual Report, distributed to Members well within the statutory period preceding the Annual General Meeting.

Digital Facilitation: The Company's website (<https://www.lafargeholcim.com.bd/>) serves as a central hub for the Annual Report, quarterly/half-yearly results, audited financial statements, and press releases, facilitating effortless downloads for stakeholders.

iv. Stock Exchange Disclosures: Transparent Engagement

Regulatory Compliance: The Company diligently discloses necessary information for Stock

Exchanges, including material details affecting performance/operations or price sensitivity. All disclosures are electronically filed on Dhaka and Chittagong exchanges' online portals.

Board Determination: Materiality for disclosure to Stock Exchanges is a strategic decision made by the Board of Directors.

Centralized Repository: All Stock Exchange disclosures are consolidated and accessible on the Company's website through the dedicated link: (<https://www.lafargeholcim.com.bd/financial-reports>). This centralized repository enhances transparency and accessibility for stakeholders.

B. Prioritizing Employee Well-being: Comprehensive Health, Safety and Environment (HSE)

Dedicated to corporate best practices, our Company maintains meticulous HSE measures in line with local regulations, ensuring a secure work environment. Employee well-being is paramount, driving continuous improvement and strict adherence to HSE standards through active collaboration. The Company reaffirms this commitment by providing comprehensive life and hospitalization insurance coverage to all permanent employees, emphasizing their welfare and security.

C. Upholding Transparency and Security in Asset and Records Management

In its commitment to safeguarding investors' funds, the Board meticulously oversees the protection of Company records, documents, and assets. Prioritizing transparency and accountability throughout the asset life cycle, from acquisition to disposal, the Board ensures alignment with investors' interests. Rigorous safety and security measures, coupled with periodic checks and physical verification, guarantee the integrity of Company assets. A thorough verification process ensures the accuracy of the asset inventory against the physical situation. All assets receive proper insurance coverage from reputable Companies, safeguarding against fire and industrial risks. The systematic preservation of Company records ensures efficient and timely retrieval when needed.

D. Fostering Shareholder Returns through Strategic Dividend Practices

Amid strategic dividend practices, LafargeHolcim Bangladesh Limited prioritizes shareholder returns with a comprehensive approach.

Annual Dividend Exercises: A Board Commitment

The Board consistently reviews and evaluates the divisibility and payout of dividends on an annual basis. This commitment underscores the importance of prioritizing shareholders' entitlements.

Allocation Strategy: Guiding Fund Provisioning and Distribution

A well-defined allocation strategy serves as a guiding force, directing fund provisioning, appropriation, and distribution. This strategic approach takes into account business performance, long-term obligations, and various factors influencing effective fund management.

Long-Term Dividend Policy: A Commitment to Shareholder Benefit

The Board is dedicated to framing a long-term, predictable, and sustainable dividend policy. This commitment is aimed at ensuring the utmost benefit for shareholders, fostering stability and predictability.

Regulatory Adherence: Secure Handling of Declared and Unclaimed Dividends

Stringent adherence to regulatory guidelines ensures the secure handling of declared dividends, with a separate account for their storage. Additionally, unclaimed dividends receive meticulous treatment to maintain compliance.

Transparent Investment Environment for Shareholders

LafargeHolcim Bangladesh Limited, as a listed entity, upholds complete transparency. This status provides shareholders with a transparent investment environment, empowering them with well-informed choices.

Summary of Unclaimed Dividends: Insightful Disclosures

The Directors' Report and 'notes to the annual accounts' include a detailed summary of unclaimed dividends, offering valuable insights and information for stakeholders.

E. Efficient Cash Dividend Disbursement

- 1. Direct Payments for Timely Crediting:** Cash dividends efficiently credited directly to bank accounts within 15 days.
- 2. AGM Approval: 30-Day Disbursement Period:** Dividends disbursed within 30 days from shareholder approval at the AGM.
- 3. Interim Dividends: Board-Approved Flexibility:** Disbursement linked to Board approval for interim dividends, maintaining regulatory compliance.
- 4. Regulatory Adherence: BSEC, Bangladesh Bank Guidelines:** Strict adherence to BSEC, Bangladesh Bank, and other regulatory directives ensures process compliance.

F. Streamlining Unsettled Dividend Disbursement

- 1. Timely Disbursement for Recent Dividends:** Dividends unclaimed or unpaid for less than three years disbursed upon shareholder application within a set timeframe.
- 2. Adherence to Regulatory Guidance for Aged Dividends:** Settlement of dividends, exceeding three years, follows instructions from BSEC or relevant regulatory authorities, ensuring compliance and transparency.

Advocating Transparency and Accountability in Auditor Appointments

- i. Empowering Shareholders for Strategic Auditor Appointments: The Audit Committee recommends, and the Board approves, the Statutory Auditor's appointment shaped by shareholders at the Annual General Meeting, enhancing transparency through active shareholder involvement in determining remuneration.
- ii. Adhering to Compliance and Governance Standards: Adherence to regulatory guidelines, including the BSEC Notification on financial reporting and disclosure (dated June 20, 2018), and Dhaka Stock Exchange (Listing) Regulations, 2015 (dated June 30, 2015), limits statutory auditors to three consecutive years, reinforcing governance and compliance.
- iii. Ensuring Independence and Accuracy through Rigorous Oversight: Regular meetings between the Audit Committee and Statutory Auditors foster independent actions, nurturing a commitment to accountability. Financial statement reviews precede Board submission, emphasizing accuracy and reliability.
- iv. Meticulous Adherence to Stringent Auditing Standards: Financial Statements undergo meticulous scrutiny by M/s Nurul Faruk Hasan & Co., Chartered Accountants, maintaining unwavering adherence to stringent standards, ensuring a comprehensive and reliable financial overview, upholding transparency and accountability.

Executive Statement on Corporate Governance Compliance

Our commitment to robust corporate governance is demonstrated through our annual compliance. Certified by experienced professionals, including Chartered Accountants, Cost and Management Accountants, and Chartered Secretaries, the adherence to the Corporate Governance Code is shared with shareholders in our Annual Report. The esteemed M/s. Mohammad Sanullah & Associates, Chartered Secretaries & Management Consultants, issues this certification, a testament to our dedication to best practices (Annexed IX). The status of our compliance is transparently outlined in the attached checklist appended ensuring accountability and transparency in our corporate operations (Annexed X).

Commitment to the Excellence: Pioneering Effective Governance for Corporate Triumph

In the dynamic landscape of business, our Company stands as a beacon of effective governance, seamlessly unifying all functions and employees in the pursuit of corporate excellence. With a resolute commitment to transparency and accountability, we've crafted an unparalleled governance regime that ensures professional, effective, and responsible business management. Recognizing sound governance practices as a cornerstone, we guarantee transparency, ethical conduct, and legal compliance while upholding accountability. Our dedication to maintaining good corporate governance underscores our promise to consistently work in the best interests of shareholders and all stakeholder groups. Join us on the journey to triumph through commitment and pioneering governance.