CSC & Co
Chartered Accountants

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Auditor's Certificate on Annual Compliance Report on Corporate Governance

To the Shareholders of Unilever Nepal Limited
Basamadi-3, Hetauda, Makwanpur, Nepal

Dear Shareholders,

Background:
We, CSC & Co., Chartered Accountants, being the Statutory Auditors of Unilever Nepal Limited ("UNL" or "the Company") are issuing this certificate as required by the Company for annual submission to the Securities Board of Nepal (SEBON). The "Annual Compliance Report on Corporate Governance" prepared by Unilever Nepal Limited, contains details as stipulated in Clause 20(3) of the Corporate Governance Directives issued for Listed Institutions, 2074 for the year ended 32 Ashad 2082 (16 July 2025).

Management Responsibility:
The preparation of the Annual Compliance Report on Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of corporate good governance as stipulated in the aforesaid directives.

Auditor's Responsibility:
Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has prepared the Annual Compliance Report on Corporate Governance presenting the information as stipulated in the SEBON Directives on Corporate Governance of Listed Institutions, 2074.

We have complied with the relevant applicable requirements of the Nepal Standard on Quality Control (NSQC 1) requirements issued by the Institute of Chartered Accountants of Nepal in applying the procedures for examining the particulars stated in the Report. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.

We have examined (a) the minutes of the meetings of the board of directors of the Company (the "Board") and of committees of the Board, the annual general and extra-ordinary general meetings of the shareholders of the Company; (b) declarations made by the Board under relevant statutory / regulatory requirements; (c) relevant statutory registers maintained by the Company; and (d) such other documents and records of the Company as we deemed necessary, in connection with ascertaining compliance with the conditions of corporate governance by the Company, as prescribed under the Corporate Governance Directives issued for Listed Institutions, 2074.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion:
Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, in our opinion and to the best of our information and according to the explanations given to us, we certify that the aforesaid report fairly presents the information set out therein.

CSC & Co
Kathmandu
Chartered Accountants

Restriction on use:
The Certificate is issued to the Company solely for their consideration and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Disclaimer:
Such certification is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Bikesh Madhikarmi
Partner

Place: Kathmandu, Nepal
Date: 26th September 2025

UDIN: 251006CA01391JmKrL

Annual Compliance Report on Corporate Governance

According to the Directives Related to Corporate Governance for Listed Companies, 2074, under Rule 20(4)

NAME OF THE LISTED ORGANIZATION	UNILEVER NEPAL LIMITED
Address, email and website	Hetauda-3, Basamadi, Makwanpur Email: unl.shareholdersconnect@unilever.com Website: www.unilevernepal.com
Phone no.	01-4795963
Date of Submission of Report	6th October 2025

1. Details of Board of Directors

a) Name and date of appointment of the Chairman of the Board of Directors:

Mr. Yogesh Kumar Mishra and date of appointment is 1st January 2025) and Dr. Vivek Mittal was appointed as Director effective from 27th May 2025.

b) Details regarding share structure of the organization:

Per share NPR 100 per share

Shareholders	No of shares	% of Holding
Hindustan Unilever Limited	736,560	80.0%
Sibkrim Holdings Pvt. Ltd.(Now IJ Group Holdings Private Limited)	46,035	5.0%
General Public	138,105	15.0%
Total	**920,700**	**100.0%**

Public shareholders: - 1,576 till Ashad End 2082 (16th July 2025)

c) Details of Board of Directors:

S.N.	Name and address of directors	Representing Group	Share No. (Kitta)	Date of appointment	Date of taking oath of office and secrecy	Process of appointment of the directors
1.	Mr. Yogesh Kumar Mishra-Chairman BD Sawant Marg, Chakala, Andheri East, Mumbai	Nominee, Hindustan Unilever Limited		1st January 2025	27th January 2025	Nominated
2.	Mr. Subas Bajracharya Independent Director	Independent Director		16th January 2023	16th January 2023	Selected

S.N.	Name and address of directors	Representing Group	Share No. (Kitta)	Date of appointment	Date of taking oath of office and secrecy	Process of appointment of the directors
	Kupondole, Kathmandu,Nepal					
3.	Mr. Amlan Mukherjee 2nd and 3rd Floor, City Square Building, Baneswor, Kathmandu, Nepal	Managing Director, Unilever Nepal Limited		1st March 2024	12th March 2024	Nominated
4.	Mr. Ravi Bhakta Shrestha Director I.J. Plaza Durbar Marg Teendhara, Pathsala, Kathmandu, Nepal	Promoter Director, Unilever Nepal Limited	5210	17th July 2021	17th July 2021	Nominated – Joint Venture Partner from the inception
5.	Mr. Ravi Shankar A. Unilever House, BD Sawant Marg, Chakala, Andheri East, Mumbai	Nominee Hindustan Unilever Limited		10th February 2024	12th March 2024	Nominated
6.	Ms. Harman Dhillon Unilever House, BD Sawant Marg, Chakala, Andheri East, Mumbai.	Nominee Hindustan Unilever Limited		13th October 2023	13th October 2023	Nominated
7	Dr. Vivek Mittal Unilever House, BD Sawant Marg, Chakala, Andheri East, Mumbai	Nominee Hindustan Unilever Limited		27th May 2025	9th July 2025	Nominated
7.	Director representing Public - shareholders	NA	NA	Vacant		Election Halted due to pending case

Unilever Nepal Limited

CSC & Co. Kathmandu Chartered Accountants

d) Meeting of the Board of Directors

Details regarding the conduct of the meeting of the Board of Directors during the financials year 2081/82.

S.N.	Date of the meeting of the Board of Directors held in FY 81/82(2024-025)	Number of the directors present	Number of the directors signing the decision of the meeting with dissenting vote	Date of the meeting of the Board of Directors held in FY 2080/81(2023-2024)
1.	8 August 2024	6	-	10 August 2023
2.	25 September 2024	5	-	13 October 2023
3.	27 January 2025	5	-	31 January 2024
4.	3 March 2025	6	-	12 March 2024
5.	16th April 2025	6	-	1 April 2024
6.	9th July 2025	7	-	25 June 2024

If a meeting of the board of directors is adjourned without the required quorum

Description: No meeting has been adjourned due to unfulfilled quorum.

Other details related to the meeting of the board of directors:

Whether the director or alternate director were present/ absent in any of the meeting of the board of directors, (In case of any absence, the explanation for being absent along with the date of such meeting)	The quorum was fulfilled in each meeting of the Board of Directors.
Details of directors present at the meeting of the board of directors, the topics discussed, and the decisions made in this regard (Record of Minutes kept or not separately):	A written record of each meeting of the board of directors is kept and verified by the signatures of the directors present.
Maximum gap between two consecutive meetings of the Board of Directors (in days):	53 days
Annual General meeting of the Board of Directors held regarding the determination of allowance.	28th October 2024
Allowance per meeting of Board of Directors:	Sitting fees are paid at NPR 13,500/- per meeting. Sitting Fees are provided to Independent Director and Promoter Director (Sibkrim Holdings Pvt Ltd now IJ Group Holding Private Limited) only.
Meeting expenses of the Board of Directors for the FY 2081/082:	The total meeting fees paid during the year 2081/82 is NPR 364,500/-. Travel expenses for attending board meetings are borne by the Company whenever required.

2. Director's conduct and other details

Code of conduct of the concerned organization regarding the conduct of directors Yes/No:	Yes, Share Dealing Code of UNL and as per the recognized laws of Nepal.
Details related to directors from the same family:	No directors are from same family
Details of annual training and refresher program for Board of Directors.	

S.N.	Subject	Date	No. of participating Directors	Place where meeting was conducted
1.	BI Training	Between 16th July 2024 – 16th July 2025	7	Online

Have all the directors informed/ not informed the following in writing within fifteen days of being appointed or nominated as a director and if not, the details of the same:

- If any director or any member of his/her immediate family has entered or is about to enter into any type of contract with the organization:
  - No.
- Details of shares or debentures acquired by any director or any member of his/her immediate family in the main or subsidiary company of the organization:
  - No such shares or debentures acquired
- If any director is a substantial shareholder or director of any other organized organization, details of the same:
  - The details has been obtained and reported to the Company.

If any member of his/her immediate family is working as an officer or employee in the organization:

No member of the director's family/ immediate family is working as an officer or employee in the organization.

If any director is the director of a listed organization with the same nature of purpose, paid officer, executive head or employee, if he has worked as an employee, details of the same:	No.
If Directors are charged by regulatory bodies and other agencies.	No.

3. Details regarding the organization's risk management and internal control system:

A. Whether the Company has any committee for Risk Management or not. If not, Justify.

- Yes, the Company has a Risk Management Committee

B. Detail relating to Risk Management Committee:

Composition of the Committee (Name and Post of Chairman and Members):

Mr. Subhas Bajracharya, Chairman

Mr. Ravi Bhakta Shrestha, Member

Ms. Harman Dhillon, Member

Mr. Ravishankar A., Member

Dr. Vivek Mittal, Member

Committee Meeting (Numbers): 2

Task of the Committee (in brief):

To mitigate and manage the potential organizational and financial risk that may arise for any reason in the Company.

C. Whether the Company has Internal Control Procedure or not.

- Yes, Company has Internal Control Procedure Comprising of Code of Business Principles and Policies, Unilever Governance Code and Insider trading Code.

D. Whether the Company has established any Committee relating to Internal Control System or not, if not Justify.

- Internal Control System is maintained and regulated by internal auditors, Online Compliance Portal, Audit Committee, Risk Management Committee, Compliance Officer in accordance to Internal Control Procedures like Code of Business principles and Polices, Unilever Governance Code, Insider trading Code and national legislations.

E. Detail pertaining to the Committee of Internal Control System

Composition of the Committee (Founder and Name of the members): N/A

Committee Meeting (Numbers): 2

Internal Control System includes following activities:

- Operation, ,management of capital and risk assessment/mitigation of the company,
- Matter that a director, chairperson as well as chief executive officer shall not carry out, activities that give rise conflict of interest with the activities of the company,
- Matter that requires giving advance information to the company if a director, chairperson as well as chief executive officer involves any activities that give rise conflict of interest with the company,
- Control of corruption and financial irregularities,
- Implementation and compliance with the relevant laws,
- Mechanism for protecting whistle-blower etc.

F. Whether the Company has Financial Administration Regulation or not:

- Yes, Company has Global Financial Control Framework (GFCF) for Financial Administration of the Company

4. Information and information flow details:

a) Details of information and information flow published by the organization.

Subject	Medium	Date of publication
Notice of Annual General Meeting	National daily newspaper	7th October 2024

Decisions of the Annual General Meeting	Newspaper, Company's Website	28th October 2024
Notice of Special General Meeting	-	--
Annual Report	National daily newspaper, Company's Website, NEPSE Online Portal	7th October 2024
Quarterly report	National daily newspaper, Company's Website, NEPSE Online Portal	13 November 2024 7 February 2025 11 May 2025 14 August 2025
Sensitive information that affects the value of securities.	-	N/A
Others	-	N/A

b) Information related to non-disclosure of information or being prosecuted by the Securities Board:

- No such instances

c) Date of last annual and special general meeting:

- Annual General Meeting: 28th October 2024
- No special general meeting was conducted during the fiscal year 2080/81.

5. Details regarding organizational structure and personnel

a) Whether or not "Human Resource Manual" are in force that incorporates the points relating to employee structure, Staff composition, filling of vacant posts, career development, training, salary, allowances and other facilities, attendance and leave and code of ethics:

- The company has registered the Employee Bylaws at the Labour Office, Hetauda on 2081/02/22

b) Include the organizational structure:

Organization Structure attached separately

c) Details of names, educational qualifications and experience of employees at the higher management level

Name and position	Educational Qualification	Experience
Amlan Mukherjee (Managing Director)	Bachelor of Commerce + Business Management Executive program	30+ Years
Ayush Sharma (Chief Finance Officer and IT Manager)	Bachelor in Finance and Accountancy, MBA	8+ Years
Govinda Bahadur Shahi	MBA, LLB	12+ Years

Head- Legal & Corporate Affairs and Company Secretary		

d) Other employee related details

Whether the posts of employees are filled or not as per the structure.	Yes.
The procedure followed for filling the posts of new employees	Internal promotion and open competition
Number of management level employees	12
Total number of employees	236
Whether or not there is a succession plan for the employees.	Yes, there is a succession plan
The number of trainings given to the employees in the fiscal year 2081/82 and the number of employees involved.	3996.61 hours of training 236 employees involved
Employee training and tour expenses during the FY 2081/82	NPR 5.03 Lakhs
Percentage of employee expenses in total expenses.	10.48% (NPR 6,252 Lakhs/NPR 59,657 Lakhs)
Percentage of employee training costs in total employee expenses.	0.08% (NPR 5.03 Lakhs/ NPR 6,252 Lakhs)

Details about Accounts and Audit Relations of the organization

a) Accounting Related Details:

Whether or not the financial statements of the organization for the last year have been prepared as per NFRS, if not, the reason why	Yes. The financials are prepared based on NFRS
The date of approval of the latest financial statement by the board of directors.	23rd September 2025
Date of publication of fourth quarter financial statements.	14th August 2025
The date of completion of the final audit for FY 2081/82	23rd September 2025
The date of approval of the financial statements by the general meeting (last fiscal year 2080/81)	28th October 2024
Details regarding the internal audit of the organization. i. Conducting an internal audit or appointing an external expert	i. A separate Internal Audit is not conducted. However, Unilever Nepal follows Global Financial Control Framework (GFCF) and other Unilever international standards & guidelines whose evidence are monthly reviewed

ii. Details of external experts, if any iii. How often the internal audit is conducted.	by an independent consultant "B.K. Agrawal, Chartered Accountants." ii. Not Applicable iii. Monthly

b) Details about Audit committee

Name, position and qualification of Directors and members		
Name	**Position**	**Qualification**
Mr. Subhas Bajracharya	Chairman	Electrical Engineering graduated
Mr. Ravi Bhakta Shrestha	Member	BBA
Mr. Ravishankar A.	Member	Chartered Management Accountant, MBA
Ms. Harman Dhillon	Member	Master's degree in Business Administration
Dr. Vivek Mittal	Member	PhD., LL.B Degree, Post graduate degree in commerce (M.Com)

Date of meeting and number of present members			
S.N	**Date of the meeting**	**Number of Present members**	**Remarks**
1.	25 September 2024	3	
2.	27 January 2025	3	
3.	16 April 2025	3	
4.	9 July 2025	5	
Renumeration per meeting of NPR 13,500/ only (for the Independent Director and Promoter Director Sibrim Holding Private Limited, now I.J. Group Holdings Pvt. Ltd.)			
The date on which the audit committee submitted its report to the board of directors: ➢ The board of directors has been regularly informed about the decisions made by the audit committee meetings.			

6. Other details

Whether any loan, advance and cash in any other form has been received by the company from any banks and financial institutions having the personal interest of Directors and their close relatives.	No
Whether or not any person, firm, company employee, consultant or consultant with financial interest has used any property of the organization in any way except for the benefits or benefits received as the director, shareholder, employee, consultant, consultant of the company in accordance with the prevailing law	No

Whether the condition prescribed by the regulatory body while issuing the license have been compiled or not.	Yes
Whether the organization has followed the rules laid down by the regulatory or supervising authority during regular inspection.	No such instructions have been received so far.
If there is any case pending in the court against the organization or the director.	Case pertaining to director representing public shareholders and others.

Above report has been approved by the Board of Directors in its meeting held on 23rd September 2025.

Signed By:

Govinda Bahadur Shahi
Compliance Officer
Date: 26th September 2025

Auditors' Certification
As per our report of even date
For: CSC & Co. Chartered Accountants

Bikesh Madhikarmi

Partner

Date: 26th September 2025

UDIN: 251006CA01391JmKrL