
CHARTER OF THE BOARD OF DIRECTORS OF UNILEVER GHANA PLC.

September, 2021

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1 Introduction

The Board Charter sets out the role, composition and responsibilities of the Board of Directors (the Board) of Unilever Ghana Plc. (hereinafter referred to as the Company)

The conduct of the Board is also governed by the provisions of the Companies Act 2019 (Act 992), the Constitution of the Company, the Subsidiary Governance of Unilever document and also located at Inside.Unilever (website), the Securities and Exchange Commission Code of Corporate Governance for public companies in Ghana.

2 Purpose

The Board has two broad governance purposes, compliance and performance:

i. **COMPLIANCE: Drive compliance with the policy and legal requirements for the corporate existence of the organization**

a. Legal

1. Monitor the Constitution of the Company
2. Comply with Directors responsibilities
3. Comply with laws and applicable regulations

b. Accountability

1. Monitor financials
2. Compliance audits

ii. **PERFORMANCE: Assist the Company to perform to its highest potential**

a. Strategy and policy

1. Review Company Vision/Mission and ensure it is embedded into the Company's operations
2. Approve strategic plan and monitor regularly

b. Accountability

1. Overall performance of the Company
2. Board evaluation, succession planning
3. Report outcomes to stakeholders
4. Supports the CEO/Management to fulfil the responsibilities delegated by the Board and ensure proper accountability

c. Public Relations

1. Represent and participate

2. Keep stakeholders informed
3. Project a strong and positive image
4. Promote the vision
5. Facilitate cohesion
6. Protect the interests of stakeholders
7. Speak with one voice regarding Board decisions except where dissension has been expressly communicated

d. Risk management

1. Ensure up-to-date and effective risk profile and management strategy
2. Monitor critical business risks and mitigating actions

3 Authority and Responsibilities

The Board is authorised to carry out the following functions by virtue of the provisions of the Companies Act 2019 (Act 992), the Constitution of the Company, the Subsidiary Governance of Unilever document and also located at Inside.Unilever (website), the Securities and Exchange Commission Code of Corporate Governance for public companies in Ghana.

The responsibilities of the Board shall include the following;

- a. With respect to operations of the company;
 - i. to define and document the company's mission, strategy, goals, objectives and plans
 - ii. to determine and document the company's corporate governance practices, its risk management framework, its risk tolerance and its ethical standards
 - iii. to appoint Board Committees with the appropriate balance of skills, experience, independence and knowledge to meet the requirements of this Code
 - iv. to appoint the chief executive officer and other senior officers and hold them, particularly the chief executive officer, to account, to set and monitor objectives and performance indicators and to provide checks and balances to the chief executive officer's authority
 - v. to set documented policies and procedures that implement the business strategy, risk management framework and ethical standards
 - vi. to set internal controls that are documented and designed to implement the policies and procedures which apply throughout the company including to employees, agents and others through whom services are delivered

- vii. to adopt the company's annual budget
 - viii. to ensure that accounting policies, record keeping, accounting and financial reporting systems are sufficient for the operation of the business and consistent with the requirements of the law
 - ix. to oversee and monitor the corporate management and operations, management accounts, major capital expenditures, acquisitions, divestitures investments and other major transactions and review corporate performance
 - x. to implement a management information system that enables the Board to monitor performance
 - xi. to develop and document appropriate staffing and remuneration policy
 - xii. to ensure that the financial resources available to the business not only meet the statutory or regulatory requirements but also are adequate with respect to the nature, size, and complexity of its business and will enable the company to meet its liabilities as they fall due
 - xiii. to ensure that the company has sufficient technological and other resources to carry out its operations; and
 - xiv. to review on a regular basis the business strategy, risk management, ethical standards, policies and procedures, internal controls, record keeping and accounting policies, management information, level of resources and compliance with laws, regulations, this Code, the code of ethics, rules and guidelines and to take such remedial action as may be required;
- b. with respect to shareholders and other stakeholders:
- i. to establish and implement a system that communicates properly with shareholders and provides necessary information to the shareholders;
 - ii. to protect the rights of all shareholders;
 - iii. be accountable to shareholders and submit to their questioning
 - iv. to advance shareholders' interests by taking full and appropriate account of the interests of other stakeholders and the community more generally
 - v. to identify one independent non-executive director who shall be responsible for relations with minority shareholders. This non-executive director may request the audit committee to review a transaction to consider if it has an adverse effect on the interests of minority shareholders.

c. with respect to effective functioning of the Board itself:

- i. to monitor the effectiveness of the corporate governance practice under which it operates and propose revisions as may be required
- ii. to establish a transparent Board nominating process
- iii. to monitor the performance of the Board itself and its committees by means of a formal, documented evaluation no less frequently than annually
- iv. to establish its own procedures and manage conflicts of interest.

4 Appointment of Directors

There shall be a formal and transparent policy for the appointment of directors to the Board that shall be overseen by the nominating committee.

(2) The appointment and terms of office of each director shall be so arranged that no more than a third of the directors reach the end of their term of office in each year. This shall be achieved by altering the length of the fixed term contract of each director, on their appointment or re-election, so as to fit this pattern.

Multiple directorships

- i. All directors shall devote sufficient time to the performance of their role to discharge their responsibilities effectively
- ii. No person shall hold more than three directorships in any listed company at any one time.
- iii. Any director that is contemplating appointment to another company shall notify the chairman and Board secretary in advance of the appointment.

Re-election of directors

- i. All directors shall be required to submit themselves for re-election at regular intervals that shall be no shorter than three years and no longer than four years. Executive directors shall have a fixed service contract with a provision to renew subject to regular performance appraisal and shareholders' approval.
- ii. A director who has served more than nine years may be re-elected but shall no longer be an independent director.

Composition of the Board

- i. The Articles of Association provides for a maximum of Ten (10) Directors and a minimum of two (2) Directors.
- ii. The Board comprises of executive and non- executive Directors (independent)
 - a majority of the directors shall be non-executive directors;
 - a majority of non-executive directors shall be independent; and

- a minimum of two directors shall be independent non-executive directors, one of whom may be the Chairman of the Board.
- iii. Directors are free from any material interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interest of the Company and shall make appropriate disclosures of any such interest.
- iv. Directorship of the Board shall be disclosed in the annual report including whether a Director is independent or not independent.

5. **Board/CEO relationship**

- i. The Board has delegated authority for the operations and administration of the Company to the Chief Executive Officer (CEO)/Managing Director (MD)
- ii. The CEO/MD is responsible for:
 - a. Policy direction of the operations of the Company
 - b. The efficient and effective operation of the Company
 - c. Bringing material and other relevant matters to the attention of the Board in an accurate and timely manner.

6. **Responsibility of Management**

Management will ensure that all information relevant to the discharge of the Board's responsibilities is provided to the Board. Management will also ensure that matters of material concern that are relevant to the Board's terms of reference are brought to the attention of the Board promptly.

7. **Chairman Eligibility/Responsibilities**

- a) The Board will elect one of its Directors, except an Executive Director of the Company, as its Chairman.
- b) Where the Chairman of the Board is absent from a meeting, the Directors of the Board present at the meeting shall appoint one of the Directors of the Board who is a Non-Executive Director to preside over that meeting.
- c) The Chairman shall be responsible for articulating the Board's vision and strategy
- d) The Chairman be the principle channel of communication between the Board and the chief executive officer and initiate the evaluation of the Board's performance and lead the evaluation of the chief executive officer's performance

- d) The Chairman shall ensure that;
 - i. the Board meets regularly in accordance with the agreed schedule and otherwise as required;
 - ii. committees meet regularly;
 - iii. meetings are conducted in a proper manner with an agenda that is circulated in advance;
 - iv. directors, are encouraged to contribute within their respective capabilities in order to secure the maximum benefit for the company; and the Board exercises its responsibility to act as a check and balance to the decisions of the chief executive officer and other management staff;

8. **Remuneration for Directors of the Board**

The Company shall refund reasonable reimbursable expenses of Directors. The Company shall also pay such Directors Fees to the non-executive Directors as are recommended by the nominating and Remuneration Committee from time to time and approved by the Board and Shareholders in General Meeting.

9. **Frequency of Meetings**

The Board shall meet for a minimum of four times a year. Where necessary, ad-hoc meetings could be held in addition, upon request of the Chairman of the Board and any other three (3) Directors of the Board.

10 **Notice of Meetings**

- a) The Secretary shall send the notice of meeting to Directors at least two (2) weeks to the meeting. Convening a meeting within a shorter notice period or lack of notice shall not invalidate the proceeding of any meeting at which a quorum was formed.
- b) The Secretary shall circulate the agenda and discussion papers to the Directors not later than one week before the meeting.

11 **Quorum at Meetings**

A quorum for a meeting of the Board shall be two Directors, one of whom must be a non-executive Director.

12 **Resolutions and Minutes of Meetings**

- i. Resolutions are first put to the Board in draft form (as a board paper) and, once passed, are recorded in the Minutes.

- ii.. The Secretary shall keep minutes of the Board meetings and the draft minutes shall be circulated to all Directors prior to the next Board meeting after the Board Chairman has given preliminary approval. The minutes of the Board meetings shall be made available for approval at the next meeting of the Board. Approved minutes of meetings shall be signed by the Chairman and kept by the Secretary.
- iii. The Secretary shall follow up on actions decided at the meeting and management shall present a status of implementation or update of the actions during the next meeting.
- vi. Decision of the Board shall be reached ordinarily by concession. However where consensus could not be reached voting shall be adopted and the view supported by a simple majority of Directors shall be carried. Where there is a tie from the votes, the Chairman shall have the casting vote.

13 Appointment of sub-committees

The Board shall establish an audit committee and risk committee and a remuneration committee and a nominating committee. The Board may work through sub-committees and delegate any of its responsibilities that do not require approval of the Board as a whole, to a sub-committee.

Composition/Responsibilities of Sub-committees

The Audit and Risk Committee

Composition

The audit committee which shall consist of at least three directors. Independent non-executive directors shall constitute a majority on the committee. At least one of the independent non-executive members shall be a Chartered Accountant with recent and relevant financial experience. The Chairman of the committee shall be a Chartered Accountant and an independent non-executive director.

Duties

1. The Audit committee shall be responsible for overseeing the integrity of the accounting and financial reporting system and reporting to the Board on these matters.
2. The audit committee shall review the quarterly and year-end financial statements of the company, focusing particularly on:
 - i. accounting policies and practices;
 - ii. significant adjustments arising from the audit;

- iii. the going concern assumption; and
 - iv. compliance with the accounting standards of the Institute of Chartered Accountants (Ghana) and other legal requirements.
3. To review the risks facing the company, assess the importance of each area of risk to the company's strategy and objectives, consider and assess the effectiveness of risk mitigation measures; and make recommendations to the Board on its risk management strategy, taking account of the provisions of Code paragraph (7).
 4. To consider the appointment of the external auditor, the audit fee and, if such an event occurs, the resignation or dismissal of the external auditor;
 5. To satisfy itself that the external auditor is independent and properly qualified;
 6. To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved
 7. To review the adequacy, scope, functions, capacity, effectiveness and resources of the internal audit function, and ensure that it has the necessary authority to carry out its work;
 8. to review the adequacy of internal controls and of the degree of compliance with material policies, laws, the code of ethics and business practices of the company and to include the outcome of its review in a report on its activities in the company's annual report;
 9. to consider and report on any related party transactions that may arise within the company or group
 10. To meet the external auditors no less frequently than annually without the presence of executive Board member and take reasonable steps to ensure that they are properly informed, so that they can be vigilant and effective overseers of the financial reporting process and the company's internal controls;

The nominating and Remuneration committee

1. A nominating and Remuneration committee shall be responsible for the operation of the nominating and remuneration policy , for developing a succession plan for the CEO and other senior executive officers as determined by the Board and recommend the remuneration of the directors and such members of the senior management as the Board may determine in its terms of reference.
2. The nominating and Remuneration committee shall consist of no less than three members, a majority of the members of which (including its chairman) shall be independent non-executive directors.
3. The nominating and remuneration committee shall adopt a procedure to assess candidates thoroughly and fairly.

4. The nominating and remuneration committee shall consider for appointment only persons of caliber, who have the necessary skills and expertise to exercise independent judgement on issues that are necessary to promote the company's objectives and performance in its area of business.
5. The nominating and remuneration committee shall recommend an induction programme to the Board and a programme of training.
6. The nominating and remuneration committee shall review annually whether any further training shall be supplied to Board members and make recommendations accordingly.
7. The nominating and remuneration committee shall on an annual basis:
 - a. review the required mix, skills, expertise and gender balance required by the Board;
 - b. review the extent to which the elected directors meet the required mix, skills, expertise and gender balance;
 - c. review the need for training for directors and make recommendations;
 - d. review the extent to which elected directors reflect the broad shareholding structure; and
8. The nominating and remunerating committee shall give an account of its activities in the company's annual report and this account shall include its assessment of the compliance of the Board with Code paragraph as regards to composition.

16 **Training**

The Company via the Company Secretary shall provide suitable induction training for new Directors and appropriate training for existing Directors of the Board.

17 **Management Information**

- i. The Board shall be supplied with relevant, accurate and timely information to enable it to discharge its duties.
- ii. The Board shall also be informed of all relevant laws, regulations, codes and other mandatory and non-mandatory provisions that have a material impact on the operation of the company.
- iii. The chairman and Board secretary shall be responsible for supplying information to Board members on a timely basis that is sufficient to enable them to discharge their duties.

18 **Access to Independent Professional Advice**

Directors, both as a group and individually, are entitled to take independent professional advice, at the expense of Unilever, on matters relating to the proper discharge of their office. This does not extend to issues regarding their personal interests. The Company Secretary will arrange for such advice to be obtained.

19 Disclosure

The Board shall prepare and present a report to the Directors of the Company at the Annual General Meeting. Directorship of the Board and a description of its duties and activities during the year shall also be disclosed in the Company's Annual Report. The Chairman of the Board or any other nominated member shall be available at the Annual General Meeting to answer questions, which relate to the activities of the Board.

20 Review of Charter

The Board shall review, evaluate and where necessary update this Charter every year to ensure it remains consistent with the Board's objective and responsibilities. The Company Secretary shall ensure the annual review occurs.

21. Board Culture

The Board actively seeks to have an 'engaged culture' which is characterized by candour and willingness to challenge. The following provide evidence of an engaged Board culture

Agenda

- The Agenda of the Board limit presentation time and maximise discussion time
- There are lots of opportunities for informal interactions among Board Directors

Norms

- Board Directors are honest yet constructive
- Directors are ready to ask questions and willing to challenge
- Directors actively seek out other Directors' views and contributions.
- Directors spend appropriate time on important issues

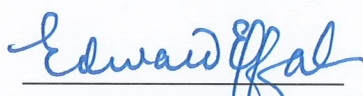
Values

- The Board serves the community by actively participating in governance
- The Board is responsible to various stakeholders
- Directors are personally accountable for what goes on in the Company
- The Board is responsible for maintaining the Company's stature in the sector
- Directors respect each other

22 **Code of Conduct and Ethics/Conflict of Interest Disclosures**

- a) In accordance with Section 153 of the Securities Industry Act 2016 (Act 929) , members of the Board of Directors "Insiders" as defined in that Act and, accordingly, shall not, while in possession of confidential or unpublished price sensitive information of or relating to the Company, utilise the information to buy or sell the Company's securities for the benefit of themselves or any other person or persons.
- b) In addition, each member shall, immediately after the first meeting in any financial year of the Company, submit a Certificate to the Company Secretary stating that he or she has read the Company's Share Dealing Code/Manual and shall abide by the provisions of the Code/Manual.
- c) Each member is expected to act with integrity at all times while a member of the Board and shall adhere to the rules set out in the Unilever Code of Business Principles. Consequently, all Directors will sign the Annual Certificate of Compliance with the Unilever Code of Business Principles and shall forward such signed Certificates to the Company Secretary for safekeeping.
- d) Generally, members of the Board of Directors shall disclose at the first meeting of the Board in each financial year, the Companies in which they are Directors and Companies in which they have shareholding interest of more than 0.1% in the case of a public quoted company and 5% in a private company.
- e) The Company Secretary shall trigger the process for annual Disclosure and Compliance sign-off.

Approved by the Board on September 28 2021 and Signed on its behalf by the Chairman


Chairman, Board of Directors

Mr. Edward Effah

Name

Date- 28 September, 2021
