



UNILEVER PAKISTAN FOODS LIMITED

Avari Plaza, Fatima Jinnah Road, Karachi - 75530

Notice of Annual General Meeting

Notice is hereby given that the 16th Annual General Meeting of Unilever Pakistan Foods Limited will be held at Pearl Continental Hotel, Club Road, Karachi, on Thursday, April 17, 2014, at 03:00 p.m. to transact the following business:

A. Ordinary Business

1. To receive, consider and adopt the Company's Financial Statements for the year ended 31 December 2013, together with the Reports of the Auditors and Directors thereon.
2. To approve and declare dividend (2013) on the Ordinary Shares of the Company. The Directors have recommended a final cash dividend of 422.80% (or Rs.42.28 per share) on the Ordinary Shares. Together with the first interim dividend of 760% (or Rs.76.00 per share) and second interim dividend of 447% (or Rs.44.70 per share) already paid, the total dividend for 2013 will thus amount to 1,629.80% (or Rs.162.98 per share).
3. To appoint Auditors for the ensuing year, and to fix their remuneration. Messrs A.F. Ferguson & Co., Chartered Accountants were appointed Auditors for 2013 at the last AGM. They have not offered themselves for re-appointment. The majority shareholder of the Company, Conopco Inc., USA, has proposed appointment of KPMG Taseer Hadi & Co., Chartered Accountants, for the year 2014, as the Auditors of the Company. It is proposed that M/s KPMG Taseer Hadi & Co., Chartered Accountants be elected as Auditors of the Company for 2014, at a remuneration to be negotiated by the CEO and CFO of the Company.
4. To elect Directors of the Company for a three years term. The Board of Directors in the meeting held on March 05, 2014, fixed the number of Directors at nine (9). The term of the office of the following nine (9) Directors will expire on April 19, 2014.
 1. Mr. Ehsan A. Malik
 2. Ms. Fariyha Subhani
 3. Mr. Ali Tariq
 4. Mian Zulfikar H. Mannoo
 5. Mian M. Adil Mannoo
 6. Mr. Kamal Monnoo
 7. Mr. Badaruddin F. Vellani
 8. Mr. Noman A. Lutfi
 9. Mr. Amar Naseer

B. Special Business

5. To approve the remuneration of Executive Directors including the Chief Executive.

6. To approve and adopt a new set of Articles of Association of the Company, for which purpose it is proposed that the following Resolution be passed as and by way of Special Resolution:

RESOLVED as and by way of Special Resolution **THAT** the regulations contained in the printed document submitted to this meeting, and for the purpose of identification subscribed by the Chairman hereof, be approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, all the existing Articles thereof.

Notice of the AGM together with the procedure for election of Directors and Statement as required by Section 160(1)(b) of the Companies Ordinance 1984 in respect of the special business to be considered at the meeting is being sent to the Members with Annual Report and Financial Statements 2013.

By Order of the Board

Karachi
March 24, 2014

Amar Naseer
Company Secretary

Notes:

1. The Individual Members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar, M/s Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details. Reference is also made to the Securities and Exchange Commission of Pakistan (SECP) Notifications SRO 779 (I) dated August 18, 2011, and SRO 831 (I) 2012 dated July 05, 2012, which mandates that the dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members.
2. Under the Law, Shareholders are entitled to receive their cash dividend directly in their bank accounts instead of receiving the dividend warrants physically. Shareholders having physical holding and desiring to avail this option may submit the prescribed Dividend Mandate Form, to the Company's Share Registrar. The Shareholders who hold shares in Central Depository Company may approach to submit the prescribed Dividend Mandate Form, to CDC for this option.
3. Share Transfer Books will be closed from April 11, 2014 to April 17, 2014 (both days inclusive) when no transfer of shares will be accepted for registration. Transfers in good order, received at the office of Company's Share Registrar M/s Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400 by the close of the Business on April 10, 2014 will be treated in time for the purpose of payment of Final Dividend to the transferees.
4. All Members / Shareholders are entitled to attend and vote at the meeting. A Member may appoint a proxy who need not be a Member of the Company.

5. Duly completed instrument of proxy, and the other authority under which it is signed, or a notarially certified copy thereof, must be lodged with the Company Secretary at the Company's Registered Office (1st Floor, Avari Plaza, Fatima Jinnah Road, Karachi) at least 48 hours before the time of the meeting.
6. Any change of address of Members should be immediately notified to the Company's Share Registrars, M/s Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400.

CDC Account Holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his / her identity by showing his / her original valid Computerised National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his / her original valid CNIC or original passport at the time of meeting.
- v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.

C. Election of Directors:

The number of Directors to be elected at the Annual General Meeting has been fixed by the Board of Directors, same as previous, at Nine (9) at its meeting held on March 05, 2014.

Any person who seeks to contest election for directorship of the Company shall file with the Company at its registered office:

- i) A Notice of his/her intention to offer himself for election 14 days before the date of the above said Annual General Meeting, in terms of Section 178(3) of the Companies Ordinance 1984;

- ii) Form 28 (consent to Act as Director) prescribed under the Companies Ordinance 1984;
- iii) He / she should also confirm that:
 - a) He / she is not ineligible to become a Director of the Company under any applicable Laws and Regulations (including Listing Regulations of Karachi / Lahore Stock Exchanges and Code of Corporate Governance).
 - b) Neither he / she nor his / her spouse is engaged in the business of brokerage or is a sponsor, director or officer of a corporate brokerage house.
 - c) He / she is not serving as a director in more than seven listed companies, including this Company. Provided that this limit shall not include the directorships in the listed subsidiaries of a listed holding company.
 - d) He / she is a registered taxpayer (except where he / she is a non-resident) and he / she has not defaulted in payment of any loan to a banking company, a development financial institution, or an non-banking financial institution or, being a member of a Stock Exchange, has been declared as a defaulter by that stock exchange.
- iv) Attested copy of valid CNIC and NTN.

Statement Under Section 160 (1) (b) of the Companies Ordinance, 1984

Statement in respect of Special Business and related Draft Resolution

This Statement sets out the material facts concerning the Special Business to be transacted at the 16th Annual General Meeting and the proposed Resolution related thereto:

A. Item 5 of the Agenda – Remuneration of Executive Directors and Chief Executive

The Chief Executive and the Executive Directors are also employees of Unilever Pakistan Limited and are providing services to the Company under the shared services arrangements between both the Companies.

For the year 2013: Rs.3.49 million to the Chief Executive, and Rs.2.17 million to the Executive Directors as remuneration for their services.

Estimated for the year 2014: Rs.3.68 million to the Chief Executive and Rs.1.96 million to the Executive Directors as remuneration for their services.

Estimated for January 2015 to March 2015: Rs.1.01 million to the Chief Executive and Rs.0.54 million to the Executive Directors as remuneration for the services.

Executive Directors and CEO are also entitled to use Company maintained Car.

Approval of the Members is required for remuneration for holding their respective offices of profit in respect of the CEO and Executive Directors. For this purpose it is proposed that, the following resolution be passed as an Ordinary Resolution:

“RESOLVED THAT approval be and is hereby granted for the holding of offices of profit in the Company by the Executive Directors and the Chief Executive, and the payment of remuneration to them for their respective periods of service in accordance with the shared service arrangements, their individual contracts and the rules of the Company; amounting in the aggregate to Rs.5.66 million approximately, actual for the year January-December 2013; Rs.5.64 million approximately estimated for January to December 2014 which includes variable pay for the year 2013; and Rs.1.55 million approximately estimated for January to March 2015.”

B. Item 6 of the Agenda – Alterations in the Articles of Association of the Company

The Board of Directors has recommended that the Company’s Articles of Association be substituted for, and to the exclusion, of all the existing Articles by a new set of Articles of Association. The new set of the Articles of Association updates the Company’s existing Articles of Association by taking into account several changes made in the Companies Ordinance, 1984. These alterations, *inter alia*, make references to the Central Depository Company of Pakistan Limited, reflect the statutory requirements for quorum of general meetings, authorise the issuance of powers of attorney to deal with various litigations and other matters in court, enable the Company to hold board meetings through audio and video conference facilities, specifies period within which the annual general meetings must be held, specifies the requirement for submission of quarterly accounts and holding of quarterly Board Meetings and clarifies the provision relating to the appointment, removal and remuneration of the Company Secretary. The other alterations made are to reflect the dissolution of the Corporate Law Authority and its substitution by the Securities and Exchange Commission of Pakistan.

A copy of the new set of Articles of Association is being circulated to the Shareholders / Members along with the Annual Report 2013 of the Company.

The resolution required for the above purpose is set forth at Agenda item No. 6 in the Notice convening the Annual General Meeting and that resolution will be proposed and passed as a Special Resolution.

Procedure for Election of Directors:

According to the Company’s Articles of Association, the Companies Ordinance 1984, and the Code of Corporate Governance, the following procedure is to be followed for nomination and election of Directors:

1. The election of nine (9) Directors will be for a term of three years, commencing from April 20, 2014.
2. The Directors shall be elected from persons who offer themselves for election and are not ineligible under Section 187 of the Companies Ordinance 1984.
3. Any person wishing to stand for election (including a retiring Director) is required to file with the Company (not later than 14 days before the election date), a notice of his intention to stand for election, along with duly completed and signed Form 28 giving his consent to act as Director of the Company if elected, and certify that he is not ineligible to become a Director and fulfills the requirements of Code of Corporate Governance.

4. The Company will file the candidates' consents with the Registrar of Companies and notify their names in the Press.
5. A person may withdraw his candidature any time before the election is held.
6. If the number of candidates equals the number of vacancies, no voting will take place and all the candidates will be deemed to have been elected.
7. In case of voting, a Member shall have votes equal to the number of shares held by him multiplied by nine (i.e. the number of Directors to be elected).
8. A Member may cast vote/s in favour of a single candidate or for as many of the candidates and in such proportion as the Member may choose.
9. The person receiving the highest number of votes will be declared elected, followed by the next highest, and so on, till all the vacancies are filled.