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Independent Auditor's Review Report

To the members of Askari Life Assurance Company Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019 and Code of Corporate Governance for Insurers, 2016

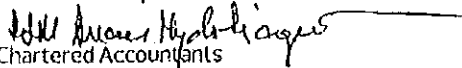
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Code of Corporate Governance for Insurers, 2016 (both herein referred to as 'the Regulations') prepared by the Board of Directors of Askari Life Assurance Company Limited ('the Company') for the year ended December 31, 2022 in accordance with the requirements of regulation 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and provisions of the Code of Corporate Governance for Insurers, 2016.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2022.


Chartered Accountants

Karachi

Dated: 22 March, 2023

UDIN: CR2022102422kh9cp7YC

THE POWER OF BEING UNDERSTOOD
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Statement of Compliance with the Code of Corporate Governance for Insurers, 2016 & Listed Companies (Code of Corporate Governance) Regulations, 2019 Year ended December 31, 2022

Askari Life Assurance Company Limited

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 and Listed Companies (Code of Corporate Governance) Regulations 2019, for the purpose of establishing a framework of good Governance, whereby the Company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The total number of directors are 7 as per the following.-
 - a. Male: 6
 - b. Female: 1
2. The Company encourages representation of independent non-executive Directors and Directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Directors	Ayesha Rafique Tariq Hameed
Executive Director	Jehanzeb Zafar- CEO
Non-Executive Directors	Lt. Gen. Naveed Mukhtar (Retd.) Air Vice Marshal Muhammad Athar Shams (Retd) Rizwan Ullah Khan Malik Riffat Mahmood Javed Yunus
Female Director	Ayesha Rafique

All the independent Directors meet the criteria of independence as laid down under the Code of Corporate Governance for Insurer, 2016 and Listed Companies (Code of Corporate Governance) Regulations 2019.

3. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.
4. A casual vacancy occurring on the Board on February 22, 2022 which was filled by the directors within 90 days thereof.
5. All the resident directors of the Company are registered as tax payers and none of them has defaulted in payment of any loan to a Banking Company, A Development Financial Institution (DFI) or Non-Banking Financial Institution or, being a member of stock exchange, has been declared as a defaulter by stock exchange.
6. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with supporting policies and procedures.
7. The Board has developed a vision /mission statement, overall Corporate Strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved has been maintained.

8. All the powers of the Board have been duly exercised and decision on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive directors and the key officers, have been taken by the Board as empowered by the relevant provisions of the Act and Code of Corporate Governance 2019 regulations.
9. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers were circulated at least seven (07) days before the meeting. The minutes of the meeting were appropriately recorded and circulated. The Board has complied with the requirements of the act and regulations with respect to frequency, recording and circulating minutes of the Board meeting.
10. The Board has established a system of sound internal control, which is effectively implemented at all levels within the Company. The Company has adopted and complied with all the necessary aspects of internal controls given in the Code according to the provided timeline.
11. The Company has undertaken the process of orientation course for its Directors.
12. Two Board members have undertaken Directors' Training Program. More members are encouraged to carry out the program.
13. The Board has approved appointment of Company Secretary including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations, further no new appointment of Chief Financial Officer and Head of Internal Audit has made during the year 2022.
14. The Directors' report for this year has been prepared in compliance with the requirements of the Code of Corporate Governance for Insurers, 2016, Listed Companies Code of Corporate Governance 2019 and fully describes the salient matters required to be disclosed.
15. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
16. The financial statements of the Company were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
17. The Directors, Chief Executive Officer and others executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding.
18. The Company has complied with all the corporate and financial reporting requirements of the Code of Corporate Governance for Insurers, 2016.
19. The Board has formed the following Management Committees:

1) Underwriting & Reinsurance Committee:

Name of the Member	Category
Air Vice Marshal Muhammad Athar Shams, (Retd)	Chairman
Jehanzeb Zafar	Member
Azmatullah Sharif	Member
Sumair Sarwar	Member & Secretary

2) Claim Settlement Committee:

Name of the Member	Category
Rizwan Ullah Khan	Chairman
Jehanzeb Zafar	Member
Rehan Mobin	Member
Bushra Aftab	Member & Secretary

3) Risk Management & Compliance Committee

Name of the Member	Category
Air Vice Marshal Muhammad Athar Shams, (Retd)	Chairman
Tariq Hameed	Member
Jehanzeb Zafar	Member
Rehan Mobin	Member
Azmatullah Sharif	Member
Atif Shamim Syed	Member & Secretary

20. The Board has formed the following Board committees:

1) Ethics, Human Resource, Remuneration and Nominations Committee:

Name of the Member	Category
Ayesha Rafique	Chairperson
Rizwan Ullah Khan	Member
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Head of HR	Secretary

2) Investment Committee:

Name of the Member	Category
Malik Riffat Mahmood	Chairman
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Rehan Mobin	Member
Azmatullah Sharif	Member
Muhammad Nadeem Rajput	Secretary

21. The Board has also formed an Audit Committee. It comprises of three members, all of whom are non-executive Directors and the Chairman of the Committee is an independent Director. The composition of the Audit Committees as follows:

Audit Committee:	
Name of the Member	Category
Tariq Hameed	Chairman
Rizwan Ullah Khan	Member
Malik Riffat Mahmood	Member
Muhammad Nadeem Rajput	Secretary

22. Four meetings of the Investment Committee were held during the year 2022. The meeting of Audit Committee was held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code of Corporate Governance for Insurers, 2016. The terms of reference of the a fore said committees have been formed, documented and advised to the committee for compliance.

23. An effective internal Audit function is in place which is suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.

24. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under the Code of Corporate Governance for Insurers, 2016. The Appointed Actuary of the Company also meets the conditions as laid down in the said Code. Moreover,

the persons heading the underwriting, claim, reinsurance, risk management and grievance functions /departments possess qualification and experience of direct relevance to their respective functions, as required under section 12 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000);

Name of the Person	Designation
Mr. Jehanzeb Zafar	Chief Executive Officer
Mr. Rehan Mobin	Chief Financial Officer
Mr. Azmat Ullah Sharif	Chief Operating Officer/Actuary/Head of Risk Management
Mr. Atif Shamim Syed	Compliance Lead
Mr. Muhammad Nadeem Rajput	Company Secretary
Mr. Atif Shamim Syed -Acting Charge	Internal Audit
Mr. Sumair Sarwar	Head of Underwriting
Ms. Bushra Aftab	Head of Claims
Mr. Mohibul Haq	Head of Reinsurance
Mr. Azfar Khan	Head of Grievance

25. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors have confirmed that they have been given as at is factory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
26. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
27. The Appointed Actuary by the Company has confirmed that neither he nor his spouse and minor children hold shares of the Company.
28. The Board ensures that the Appointed Actuary complies with the requirements set out for him in the Code of Corporate Governance for Insurers, 2016.
29. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the Code of Corporate Governance for Insurers, 2016.
30. The Board ensures that the Risk management system of the Company is in place as per there quirement of the Code of Corporate Governance for Insurers, 2016.
31. The Company has set up a risk management function, which carries out its tasks as covered under the Code of Corporate Governance for Insurers, 2016.
32. The Board has developed a mechanism for the annual evaluation of the board's own performance, members of board and of its committees. The process of Board evaluation has been commenced during the year.
33. The Board ensures that as part of the risk management system, the Company gets rated from PACRA which is being used by its risk management function/department and the respective Committee as a risk monitoring tool. The rating assigned by the said rating agency is A (ifs) with stable outlook.
34. The Board has set up a grievance department/function as per there quirement of the Code of Corporate Governance for Insurers, 2016.

35. The Company has not obtained any exemptions from the Securities and Exchange Commission of Pakistan in respect of the requirements of the Code of Corporate Governance for Insurers, 2016.
36. We confirm that all other material principles contained in the Code of Corporate Governance for Insurers, 2016 have been complied with.
37. We confirm that all requirements of regulations 3,6,7,8,27,32,33 and 36 of the Code of Corporate Governance Regulations, 2019 have been complied with.
38. Regulation 6 (1) the Listed Companies (Code of Corporate Governance) Regulations, 2019, requires that "each listed company shall have at least two or one third members of the Board,
39. whichever is higher, as independent directors".
40. At time of the last election of Directors, the Company assessed its compliance with this Regulation. One third of the Company's total number of Directors results in a fractional number (2.33). The fraction has not been rounded up to one and therefore, the Board of Directors currently has 2 independent Directors. The Company considers that the existing composition of the Board of Directors brings in the relevant experience and valuable contributions to the Board

By order of the Board



Jehanzeb Zafar
Chief Executive Officer

Date: March 21, 2023