

# Statement of Compliance with

## a) The Code of Corporate Governance for Insurers, 2016

## b) Listed Companies (Code of Corporate Governance) Regulations, 2019

### For the year ended December 31, 2022

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

The Company has complied with the requirements of the Code and the Regulations in the following manner:

1. The Company encourages representation of independent non-executive Directors and Directors representing minority interests on its Board of Directors. Total number of Directors are seven as per the following:

Male	Six
Female	One

At present the Board includes:

Category	Names
Independent Director	Mr. Hasan Reza ur Rahim
Independent Female Director	Mrs. Roohi Raees Khan
Non-Executive Directors	Mr. Iftikhar H. Shirazi
	Mr. Ali H. Shirazi
	Mr. Frahim Ali Khan
	Mr. M. Habib-ur-Rahman
Executive Director	Mr. Babar Mahmood Mirza

The Board comprises of seven (7) elected Directors and one-third works out to be 2.33. Presently, two (2) independent Directors were elected by the shareholders in terms of Section 166 of the Companies Act, 2017, which have requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently as per laws and regulations under which, hereby, fulfill the requirements; not warrant the appointment of a third independent Director. All independent Directors meet the criteria of independence as laid down under the Code.

2. The Directors have confirmed that none of them is serving as Director in more than seven listed companies, including this Company.
3. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of stock exchange, has been declared as a defaulter by a stock exchange.
4. No casual vacancy occurred on the Board during the year.
5. The Company has prepared Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company which includes Directors and employees along with its supporting policies and procedures.
6. 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 or amended has been maintained.
7. All powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations. Decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and the key officers, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. 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 (7) days before the meeting. The minutes of meeting were appropriately recorded and circulated. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
9. 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.
10. Four Directors have successfully completed Directors Training Program (DTP). Three Directors possess the minimum qualification and experience criteria for exemption of DTP as stipulated in the Code of Corporate Governance.
11. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of these Regulations.
12. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.

13. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
14. The Directors, CEO and other executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding.
15. The Company has complied with all the corporate and financial reporting requirements of the Code.
16. The Board has formed the following Management Committees:

**Underwriting, Reinsurance & Co-insurance Committee:**

Names	Category
Mr. Ali H. Shirazi	Chairman
Mr. Babar Mahmood Mirza	Member
Mr. Rashid Amin	Member
Syed Nasir Hussain	Member
Syed Irtiza Kazmi	Secretary

**Claims Settlement Committee:**

Names	Category
Mr. Frahim Ali H. Khan	Chairman
Mr. Babar Mahmood Mirza	Member
Mr. Muhammad Aasim Gul	Member
Mr. Muhammad Saeed	Member
Mr. Athar Maqsood Paracha	Secretary

**Risk Management & Compliance Committee:**

Names	Category
Mr. Babar Mahmood Mirza	Chairman
Mr. Muhammad Aasim Gul	Member
Mr. Rashid Amin	Member
Mr. Muhammad Saeed	Member
Mr. Athar Maqsood Paracha	Secretary

**Information Technology (IT) Committee:**

Names	Category
Mr. Babar Mahmood Mirza	Chairman
Mr. Rashid Amin	Member
Mr. Muhammad Saeed	Member
Mr. Abdul Razzaq Ghauri	Member
Mr. Wasim Ahmed	Secretary

17. The Board has formed the following Board Committees:

**Ethics, Human Resource & Remuneration Committee:**

Names	Category
Mrs. Roohi Raees Khan	Chairperson
Mr. Ali H. Shirazi	Member
Mr. Frahim Ali Khan	Member
Mr. Babar Mahmood Mirza	Member
Ms. Qudsia Naheed	Secretary

**Investment Committee:**

<b>Names</b>	<b>Category</b>
Mr. Ali H. Shirazi	Chairman
Mr. Frahim Ali Khan	Member
Mr. M. Habib-ur-Rahman	Member
Mr. Babar Mahmood Mirza	Member
Mr. Muhammad Aasim Gul	Member
Mr. Muhammad Afzal	Secretary

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

<b>Names</b>	<b>Category</b>
Mr. Hasan Reza ur Rahim	Chairman
Mr. Ali H. Shirazi	Member
Mr. Frahim Ali Khan	Member
Mr. Muhammad Afzal	Secretary
Mr. Saleem Mahmood Akhtar	Chief Internal Auditor

19. The meetings of the Committees, except Ethics, Human Resource and Remuneration Committee, were held at least once every quarter prior to the approval of interim and final results of the Company and as required by the Code. Three meetings of Ethics, Human Resource and Remuneration Committee were held during the year. The terms of references of the Committees have been formed, documented, and advised to the Committees for compliance.

20. The Board has set up an effective internal audit function, which is considered suitably qualified and experienced for this purpose and is conversant with the policies and procedures of the Company and the internal auditors are involved in the internal audit function on a regular basis.

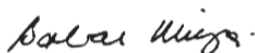
21. The CEO, CFO, Compliance Officer, and the Head of Internal Audit possess such qualification and experience as is required under the Code. The appointed Actuary of the Company also meets the conditions as laid down in the said Code. Moreover, the persons heading the underwriting, claims, reinsurance, risk management and grievance function 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):

<b>Names</b>	<b>Designation</b>
Mr. Babar Mahmood Mirza	Chief Executive Officer
Mr. Muhammad Aasim Gul	Chief Financial Officer
Mr. Rashid Amin	Compliance Officer
Prima Global Consulting	Actuary
Mr. Muhammad Afzal	Company Secretary
Mr. Saleem Mahmood Akhtar	Head of Internal Audit
Syed Irtiza Kazmi	Head of Underwriting and Risk Management
Mr. Muhammad Saeed	Head of Claims and Grievance
Syed Nasir Hussain	Head of Reinsurance

22. 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 a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accounts 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.
23. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
24. The actuary appointed by the Company has confirmed that he or his spouse and minor children do not hold shares of the Company.
25. The Board ensures that the appointed Actuary, complies with the requirements set out for him in the Code.
26. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the Code.
27. The Board ensures that the risk management system of the Company is in place as per the requirements of the Code.
28. The Company has set up a risk management function, which carries out its tasks as covered under the Code.
29. The Board ensures that as part of the risk management system, the Company gets itself rated from PACRA which is being used by its risk management function and the respective Committee as a risk monitoring tool. The rating assigned by PACRA on August 26, 2022 is 'AA+' with stable outlook.
30. The Board has set up a grievance function, which fully complies with the requirements of the Code.
31. The Company has not obtained any exemption(s) from the SECP in respect of the requirements of the Code.
32. The frequency of meetings of the committees were as per following:
 

a) Audit Committee	04 quarterly meetings
b) Ethics, HR and Remuneration Committee	03 meetings
c) Risk Management & Compliance Committee	04 quarterly meetings
33. The Company has a formal policy and transparent procedure for remuneration of Directors in accordance with the Act and these Regulations.
34. We confirm that all other material principles contained in the Code Regulations No. 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

For and on behalf of the Board of Directors



**Babar Mahmood Mirza**  
Chief Executive Officer



**Iftikhar H. Shirazi**  
Chairman

Lahore: March 27, 2023

# **INDEPENDENT AUDITOR'S REVIEW REPORT**

## **To the Members of Atlas Insurance Limited**

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

We have reviewed the enclosed Statement of Compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) and the Code of Corporate Governance for Insurers, 2016 (the Regulations), prepared by the Board of Directors of the Atlas Insurance Limited (the Company) for the year ended December 31, 2022, in accordance with the requirements of Regulation 36 of the Regulations and Provision (lxxvii) of the Code of Corporate Governance for Insurers, 2016.

The responsibility for compliance with the Code 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 Code and report if it does not and to highlight any non-compliance with the requirements of the Code. 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 Code.

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 Code as applicable to the Company for the year ended 31 December 2022.



**EY Ford Rhodes**  
Chartered Accountants  
Engagement Partner: Abdullah Fahad Masood  
Lahore: April 04, 2023  
UDIN: CR202210177zOZNKsS7T