

## Statement of Compliance with the Code of Corporate Governance for Insurers, 2016, & the Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended December 31, 2023

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

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

1. The total number of directors are eight (8) as per the following:
  - a) Male: Six (6)
  - b) Female: Two (2)
2. The Company ensures representation of independent non-executive directors and facilitates directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Name
Independent / Female Directors	Ms. Zehra Naqvi Ms. Faresa Ahsan
Chief Executive Officer and Director	Ali Nadim
Non-Executive Directors	Shamim Ahmad Khan (Chairman) Syed Hyder Ali Khurram Raza Bakhtayari Syed Yawar Ali Mohammad Kamal Syed

The number of elected/nominated directors on the Board are seven (7) whereas the Chief Executive is a "deemed director" under section 188(3) of the Companies Act, 2017.

The independent directors meet the criteria of independence as laid down under the Code. The Board has fixed the number of independent directors at two considering the required skills set and experience. Therefore, the fraction contained in calculating one-third for the independent directors on the Board of eight (8) directors (including the Chief Executive) has not been rounded-up.

Explanation under Regulation 6: The Board of the Company comprises of eight (8) Directors and the computation for the determination of the under Regulation 6 based on the one-third of the elected directors works out to be 2.67. The Company, currently, has two (2) Independent Directors on its Board duly elected by the shareholders in terms of Section 166 of the Act, who possess requisite competencies, skills, knowledge, and experience to hold office as independent directors, therefore, does not warrant the appointment of a third independent director.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies, where applicable).
4. 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 NBFIs or being a member of stock exchange, has been declared as a defaulter by a stock exchange.
5. During the year no casual vacancies arose on the Board.
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 its supporting policies and procedures.
7. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
8. All powers of the Board have been duly exercised and decisions 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 in accordance with the Companies Act, 2017 and the Regulations.



9. 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 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 (7) days before the meeting. The minutes of the meeting were appropriately recorded and circulated.
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.
11. At present, the Board is in compliance with the requirements of the time frame related to directors' training program as stipulated in the Regulations, and for those not requiring training exemptions are in place.
12. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Code and the Regulations.
13. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and the Regulations and fully describes the salient matters required to be disclosed.
14. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.
15. The directors, chief executive officer and other executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding.
16. The Company has complied with all the corporate and financial reporting requirements of the Code.
17. The Board has formed the following Management Committees:

UNDERWRITING & REINSURANCE COMMITTEE	
Name of the Member	Category
Mohammad Kamal Syed	Chairman
Syed Hyder Ali	Member
Zehra Naqvi	Member

CLAIM SETTLEMENT COMMITTEE	
Name of the Member	Category
Shamim Ahmad Khan	Chairman
Syed Yawar Ali	Member
Faresa Ahsan	Member

RISK MANAGEMENT AND COMPLIANCE COMMITTEE	
Name of the Member	Category
Shamim Ahmad Khan	Chairman
Zehra Naqvi	Member
Syed Yawar Ali	Member
Mohammad Kamal Syed	Member
Khurram Raza Bakhtayari	Member

18. The Board has formed the following Board Committees:

ETHICS, HUMAN RESOURCE, REMUNERATION & NOMINATION COMMITTEE	
Name of the Member	Category
Zehra Naqvi	Chairperson
Syed Hyder Ali	Member
Khurram Raza Bakhtayari	Member

INVESTMENT COMMITTEE	
Name of the Member	Category
Mohammad Kamal Syed	Chairman
Syed Yawar Ali	Member
Syed Hyder Ali	Member
Shujaat Siddiqui	Member
Abdul Haseeb	Member
Ali Nadim	Member

19. The Board has formed an Audit Committee. It comprises of four (4) members, of whom two (2) are independent directors (if applicable) and two (2) are non-executive directors. The chairperson of the Committee is an independent director. The composition of the Audit Committee is as follows:

AUDIT COMMITTEE	
Name of the Member	Category
Faresa Ahsan	Chairperson
Mohammad Kamal Syed	Member
Syed Yawar Ali	Member
Khurram Raza Bakhtayari	Member

20. The terms of references of the Committees have been formed and advised to the Committees for compliance. The frequency of meetings (quarterly / half yearly / yearly) of the Committees were as follows:

BOARD COMMITTEES	
Name of the Committee	Frequency
Ethics, Human Resource & Remuneration Committee & Nominations Committee	Half Yearly
Investment Committee	Quarterly
Audit Committee	Quarterly
Underwriting, Reinsurance & Coinsurance Committee	Quarterly
Claim Settlement Committee	Quarterly
Risk Management & Compliance Committee	Quarterly

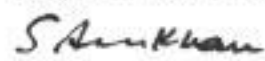
21. The Board has set up an effective internal audit function who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company and is involved in the internal audit function on a regular basis.
22. The Chief Executive Officer, Chief 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, customer service and grievance 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
Ali Nadim	Chief Executive Officer
Abdul Haseeb	Chief Financial Officer
Raiq Essani	Head of Actuarial and Reinsurance
Nadia Perveen Hussain	Company Secretary
Feroze Polani	Head of Internal Audit
Saleem Shah	Head of Underwriting
Mahnoor Masood	Head of Claims
Kashif Ahmed	Head of Customer Services and Grievance
Atif Usman	Head of Compliance
*Faisal Khan	Head of Risk

23. 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 Accountants of Pakistan (ICAP), and registered with Audit Oversight Board 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.
24. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the requirements stipulated in the Companies Act, 2017, the Regulations and any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
25. The appointed actuary of the Company has confirmed that he or his spouse and minor children do not hold shares of the Company.
26. The Board ensures that the appointed actuary complies with the requirements set out for him in the Code of Corporate Governance for Insurers, 2016.
27. 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.
28. The Board ensures that the risk management system of the Company is in place as per the requirement of the Code of Corporate Governance for Insurers, 2016.
29. 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.
30. 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 Insurer Financial Strength (IFS) rating assigned by the said rating agency PACRA, as per their notification dated June 26, 2023 is A++ (A plus) with stable outlook.
31. The Board has set up a grievance department / function, which fully complies with the requirements of the Code of Corporate Governance for Insurers, 2016.
32. Apart from seeking exemption from the requirement to attend a Director's Training Program (DTP) on behalf of two of its directors, the Company has not obtained any other exemptions from the Securities & Exchange Commission of Pakistan in respect of any of the requirements of the Code.
33. We confirm that all other material principles contained in the Code of Corporate Governance for Insurers, 2016 and mandatory requirements of regulation 3, 6, 7, 8, 27, 32, 33 and 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 have been complied.

By order of the Board

  
**Shamim Ahmad Khan**  
 Chairman  
 Dated: March 20, 2024

  
**Ali Nadim**  
 Chief Executive Officer  
 Dated: March 20, 2024

## Independent Auditor's Review Report

To the members of IGI Life Insurance 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

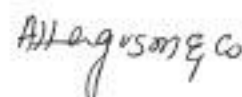
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Code of Corporate Governance for Insurers, 2016 (both herein referred to as 'the Regulations') prepared by the Board of Directors of IGI Life Insurance Limited ('the Company') for the year ended December 31, 2023 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, 2023.



**A.F. Ferguson & Co.**  
 Chartered Accountants  
 Karachi

Dated: April 2, 2024  
 UDIN: CR202310061pl3CangO7