

Statement of compliance with the Code of Corporate Governance for Insurers, 2016 & 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) for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with the best practices of the code and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (COCG 2019).

Premier Insurance Limited (the Company) has applied the principles contained in the Code in the following manner:

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

Category	Name
Independent Directors	Mrs. Rukhsana Saleem
Executive Directors	Mr. Salman Rafi
Non-Executive Directors	Mr. Sharik Bashir
	Mr. Khalid Bashir (Chairman)
	Mr. Ahsan Bashir
	Mr. Imran Maqbool
	Mr. Attaullah A. Rasheed

The independent director meets the criteria of independence as laid down under the Code.

The fraction has not been rounded up to one as the Board believes and understands that two (2) independent directors are sufficient and have requisite competencies, skills, knowledge and experience to fulfill their obligations as per requirements of the applicable law and regulations.

3. The directors have confirmed that none of them is serving as a director in more than seven listed companies, excluding the listed subsidiary of a listed holding company, including this company.
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 an NBFIs or, being a member of stock exchange, has been declared as a defaulter by a stock exchange.
5. No casual vacancy occurred on the Board during the year 2023.
6. The Company has prepared a "Statement of Ethics and Business Practices" as Code of Conduct, 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained by the company.

8. 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 and the Regulations. These include 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.
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 days before the meeting. The minutes of the meeting were appropriately recorded and circulated. The Board has complied with the requirement of the Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.
10. The Board of Directors have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and CCG Regulations, 2019.
11. 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.
12. All the directors have been provided appropriate material/guidelines on the orientation course as such they are fully aware of their duties and responsibilities. Two of the directors are certified under Directors' training program while other meet the criteria of eligibility having 15 years of experience on the Board of listed companies and 14 years of education as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019.
13. There was no change of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year. The Board had approved the remuneration of Chief Financial Officer, Company Secretary and the Head of Internal Audit Department.
14. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and CCG Regulations, 2019 and fully describes the salient matters required to be disclosed.
15. The Chief Financial Officer and the Chief Executive Officer duly endorsed the financial statements before the approval of the Board.
16. The director, 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.
17. The Company has complied with all the corporate and financial reporting requirements of the Code.
18. The Board has formed the following Management Committees:

Underwriting Committee:

Name of Member	Category
Mr. Attaullah A. Rasheed	Chairman
Mr. Afzal ur Rahman	Member
Mr. M. K. Baig	Member
Ms. Humera Jawaid	Member/Secretary

Claim Settlement Committee;

Name of Member	Category
Mr. Imran Maqbool	Chairman
Mr. Ahsan Bashir	Member
Mr. Nadeem Maqbool	Member
Mr. Hassan Mustafa	Member/Secretary

Reinsurance & Co-insurance Committee:

Name of Member	Category
Mr. Sharik Bashir	Chairman
Mr. Afzal ur Rahman	Member
Mr. Ali Muhammad	Member/Secretary

Risk Management & Compliance Committee;

Name of Member	Category
Mr. Nadeem Maqbool	Chairman
Mr. Sharik Bashir	Member
Mr. Amjed Bahadur Ali	Member
Ms. Niina Afridi	Secretary

19. The Board has formed the following Board Committees:

Ethic, Human Resource, Remuneration & Nomination Committee:

Name of Member	Category
Mr. Salman Rafi	Chairman
Mr. Sharik Bashir	Member
Mr. Nadeem Maqbool	Member
Mrs. Rukhsana Saleem	Member
Ms. Niina Afridi	Secretary

Investment Committee:

Name of Member	Category
Mr. Ahsan Bashir	Chairman
Mr. Nadeem Maqbool	Member
Mr. Imran Maqbool	Member
Mr. Attaullah A. Rasheed	Member
Mr. Amjed Bahadur Ali	Secretary

20. The Board has formed an Audit Committee. It comprises of three (3) members of whom one (1) is an independent director and two (2) are non-executive directors. The Chairman of the Committee is an Independent Director.

The composition of the Audit Committee is as follows:

Audit Committee:

Name of Member	Category
Mrs. Rukhsana Saleem	Chairman
Mr. Ahsan Bashir	Member
Mr. Imran Maqbool	Member
Mr. Rao Ali Zeeshan	Secretary

21. The meetings of the Committees, except Ethics, Human Resource, Remuneration & Nomination were held at least once in a half year, Audit Committee meetings were held once in every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of references of the Committees have been formed and advised to the Committees for compliance.
22. The Board has set up an effective internal audit department which comprises of suitably qualified and experience staff for the purpose and are conversant with the policies and procedures of the company and are involved in the internal audit function on full time basis.
23. 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. 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 o(2000):

Name of Person	Designation
Mr. Nadeem Maqbool	Chief Executive Officer
Mr. Amjed Bahadur Ali	Chief Financial Officer
Mr. Fariq M.K Rohilla	Company Secretary
Mr. Sharik Bashir	Executive Director
Ms. Niina Afridi	Compliance Officer
Mr. M. K. Baig	Head of Marketing
Mr. Afzal ur Rahman	Head of Operations
Mr. Rao Ali Zeeshan	Head of Internal Audit
Ms. Humera Jawaid	Acting Head of Underwriting
Mr. Ali Muhammad	Acting Head of Reinsurance
Mr. Hassan Mustafa	Head of Claims

24. 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 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.
25. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, the Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard.

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 the said rating agency, on August 25, 2023 is "A".
30. The Company has not obtained any exemption from the Securities and Exchange Commission of Pakistan in respect of any requirement of the Code.
31. The Board has set up a grievance function, which fully complies with the requirements of the Code.
32. We confirm that all requirements of regulations 3, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

By Order of the Board

Chairman

Chief Executive Officer

Karachi, Dated: March 21, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PREMIER INSURANCE LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE CODE OF CORPORATE GOVERNANCE FOR INSURERS, 2016 AND LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance for Insurers, 2016 (the Code) and Listed Companies (Code of Corporate Governance) Regulation, 2019 (the Regulations) prepared by the Board of Directors of **Premier Insurance Limited** for the year ended December 31, 2023 in accordance with the requirements of regulation 36 of the Regulations and provision lxxvi of the Code.

The responsibility for compliance with the Code and 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 Code and the Regulations, and report if it does not and to highlight any non-compliance with the requirements of the Code and 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 Code and 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 Code and Regulations as applicable to the Company for the year ended December 31, 2023.

KARACHI

DATED: MARCH 26, 2024

UDIN: CR202310067GeiLKhjTI



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.