

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of TPL Insurance Limited (the Company)

Review Report on the Statement of Compliance with Code of Corporate Governance

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 **TPL Insurance Limited** for the year ended **December 31, 2022** in accordance with the requirements of regulation 36 of the Regulations and provision xxvi 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.

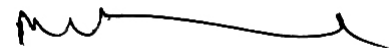
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent 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, 2022.

KARACHI

DATED: February 24, 2023

UDIN: CR202210067rbum7woxM



BDO EBRAHIM & CO.

CHARTERED ACCOUNTANTS

Engagement Partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants

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STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

FOR THE YEAR ENDED DECEMBER 31, 2022

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

TPL Insurance Limited (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 : 5
 - b. Female : 2
2. The Company encourages representation of Independent and Non-Executive Directors representing the minority's interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director(s)	Mr. Aqueel E. Merchant, Ms. Naila Kassim
Executive Director(s)	Mr. Muhammad Aminuddin (Chief Executive Officer)
Non-Executive Director(s)	Mr. Jameel Yusuf Mr. Muhammad Ali Jameel Rana Assad Amin
Nominated Director	Mr. Benjamin Brink, Ms. Ayla Majid

All Independent Directors meet the criteria of independence as laid down under the Codes.

3. The Directors have confirmed that none of them is serving as a director in more than seven listed companies, 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. The casual vacancies were duly filled up by the Directors as follows:

S. No.	Resigned	Dated	Appointment	Dated
1.	Mr. Andrew Borda	April 28, 2022	Mr. Aqueel E. Merchant	April 28, 2022
2.	Syed Nadir Shah	August 24, 2022	Ms. Ayla Majid	August 24, 2022

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 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 Act and the Codes.
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. The Board has complied with the requirement of the Companies Act, 2017 and the Codes with respect to frequency, recording and circulating minutes of meeting of the Board.
10. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and the Codes.
11. The Board has duly complied with the Directors' Training Program requirement and the criteria as prescribed in the 2019 Code.
12. 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 2016 Code.
13. An orientation of the Board of Directors was conducted to apprise them of their duties and responsibilities including the fiduciary duties as contained in the Companies Act, 2017.
14. The Board approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and condition of employment and complied with relevant requirements of the Codes.
15. The Directors' Report for this year has been prepared in compliance with the requirements of the 2016 Code and fully describes the salient matters required to be disclosed.
16. The Financial Statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
17. 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.
18. The Company has complied with all the corporate and financial reporting requirements of the 2016 Code.
19. The Board has formed the following Management Committees:

Underwriting Committee:

Name of the Member	Category
Aqueel E. Merchant	Chairman
Altaf Ahmed Siddiqi	Member
Syed Ali Hassan Zaidi	Member
Shumail Iqbal	Secretary

Claim Settlement Committee:

Name of the Member	Category
Benjamin Brink	Chairman
Tariq Ali Farooqui	Member
Yousuf Zohaib Ali	Member
Muhammad Kumail Mushtaq Ali	Member
Ayla Majid	Member
Owais Alam	Secretary

Reinsurance and Co-insurance Committee:

Name of the Member	Category
Aqueel E. Merchant	Chairman
Syed Ali Hassan Zaidi	Member
Altaf Ahmed Siddiqi	Member
Muhammad Aminuddin	Member
Shadab Khan	Secretary

Risk Management and Compliance Committee:

Name of the Member	Category
Ayla Majid	Chairperson
Syed Ali Hassan Zaidi	Member
Muhammad Aminuddin	Member
Kamran Rafique Shaikh	Member
Benjamin Brink	Member
Shadab Khan	Secretary

20. The Board has formed the following Board Committees:

Ethics, HR, Remuneration and Nomination Committee:

Name of the Member	Category
Naila Kassim	Chairperson
Mohammad Ali Jameel	Member
Rana Assad Amin	Member
Ayla Majid	Member
Nader Nawaz	Secretary

Compensation Committee

Name of the Member	Category
Mr. Aqueel E. Merchant	Chairman
Mr. Rana Assad Amin	Member
Mr. Nader Nawaz	Secretary

Investment Committee:

Name of the Member	Category
Mohammad Ali Jameel	Chairman
Rana Assad Amin	Member
Muhammad Aminuddin	Member
Benjamin Brink	Member
Yousuf Zohaib Ali	Secretary

21. The Board has formed an Audit Committee. It comprises of four members of whom one is an independent director, one is nominated director, and two are non-executive directors and with three member of the audit committee duly qualifying the requirement of being financially literate. The Chairman of the Committee is an independent director The composition of the Audit Committee is as follows:

Audit Committee:

Name of the Member	Category
Aqueel Merchant	Chairman
Rana Assad Amin	Member
Muhammad Ali Jameel	Member
Ayla Majid	Member
Hashim Sadiq Ali	Secretary

22. The meetings of the Committees, except Ethics, Human Resources and Remuneration Committee, were held at least once every quarter prior to approval of interim and final results of the insurer and as required by the 2016 Code.
23. The terms of references of the Committees have been formed, documented and advised to the Committees for Compliance.
24. The Board has set up an effective internal audit function which 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.
25. The Chief Executive Officer, Chief Financial Officer, Compliance Officer, Company Secretary and the Head of Internal Audit possess such qualification and experience as is required under the 2016 Code. Moreover, the persons heading the underwriting, claim, reinsurance and risk management 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 Person	Designation
Mr. Muhammad Aminuddin	Chief Executive Officer
Mr. Yousuf Zohaib Ali	Chief Financial Officer
Mr. Kamran Rafique Shaikh	Compliance Officer
Mr. Danish Qazi	Company Secretary
Hashim Sadiq Ali	Head of Internal Audit
Mr. Altaf Ahmed Siddiqui	Head of Underwriting
Mr. Ovais Alam	Head of Claims
Ms. Shadab Khan	Head of Reinsurance
Syed Ali Hassan Zaidi	Chief Operating Officer
Mr. Nader Nawaz	Head of Grievance Dept.

26. 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 programme 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 and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.
27. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Codes or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
28. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the 2016 Code.
29. The Board ensures that the risk management system of the Company is in place as per the requirements of the 2016 Code. The Company has set up a risk management function/ department, which carries out its tasks as covered under the 2016 Code.
30. The Company has been rated by PACRA and the rating assigned by the rating agency on May 7, 2022 is AA with stable outlook.
31. The Board has set up a grievance department/function, which fully complies with the requirements of the 2016 Code.
32. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the 2019 Code other material principles contained in the 2016 Code have been complied with.



By Order of the Board
Chairman

Date: 23 February 2023