



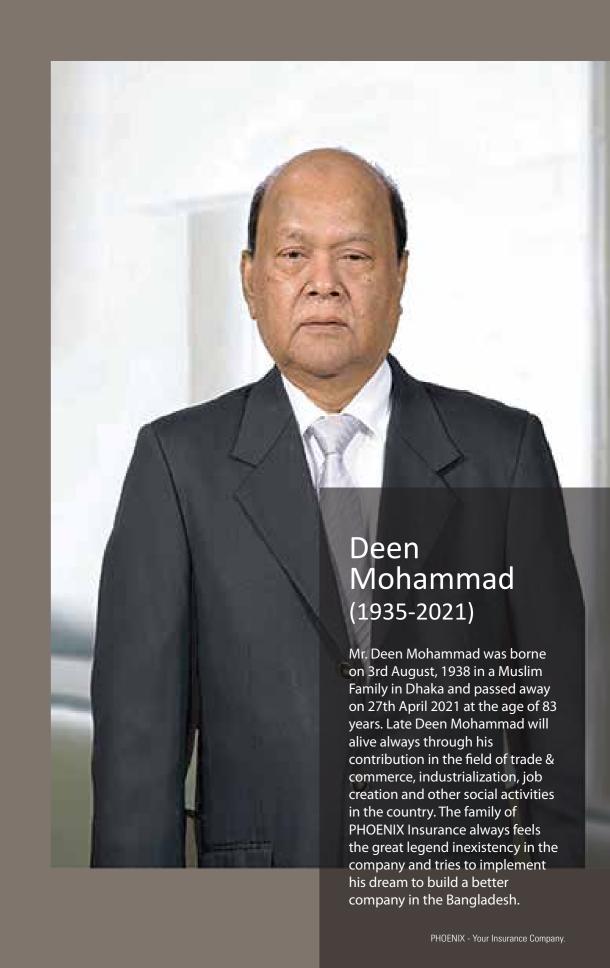
Our pride and respect

DEEN MOHAMMAD

Today, the growth of Bangladesh has enhanced, but not merely in one day. As days went by, it grew progressively. Behind all these, there was a lot of remarkable contribution of many legends. The Bright Star, Living Legend Industrialist; Mr. Deen Mohammad was one of them. He was pioneer of industry, financial market and lot of others in Bangladesh. He inspired the new young generation to make Bangladesh a modern industrial country. Mr. Deen Mohammad started his business career in 1960 and established Phoenix Group of Industries, which is associated with Phoenix Textile Mills Ltd., Phoenix Spinning Mills Ltd., Phoenix Fabrics Ltd. and Eastern Dyeing & Calendaring Works Ltd. and others. He was Chairman of the Phoenix Insurance Company Ltd., the founder Chairman of The City Bank Ltd., Phoenix Finance & Investment Ltd., and Phoenix Securities Limited. He has earned name and fame in Business Community for his honesty, integrity, dedication, hard work and high degree of sense of responsibility.

Deen Mohammad was charitable person never forgot the sufferings of the poor peoples and involvement with various social welfare activities. He was honored with Maulana Akram Khan Gold Medal and Jagadish Chandra Gold Medal. He was awarded Business Initiative Directions (BID) by a Spanish-based business firm.

Phoenix Family always remember the great Legend Mr. Deen Mohammad for his contribution.



Golden Moment of Phoenix Insurance









Badruddoza Mannan (1943-2020)

Mrs. Badruddoza Mannan was
Director of Phoenix Insurance
Company Ltd. She was also
Managing Director of Miraro
Carriers Ltd. and the Chairman
of Nautical Shipping. She
played pivotal role for the
development of the company.
She was wife of the Founder
Chairman of Phoenix Insurance
Company Limited, Late Major
General Abdul Mannan
Siddique (Retd.). She borne on
19th September 1943 and died
on 25th December, 2020.





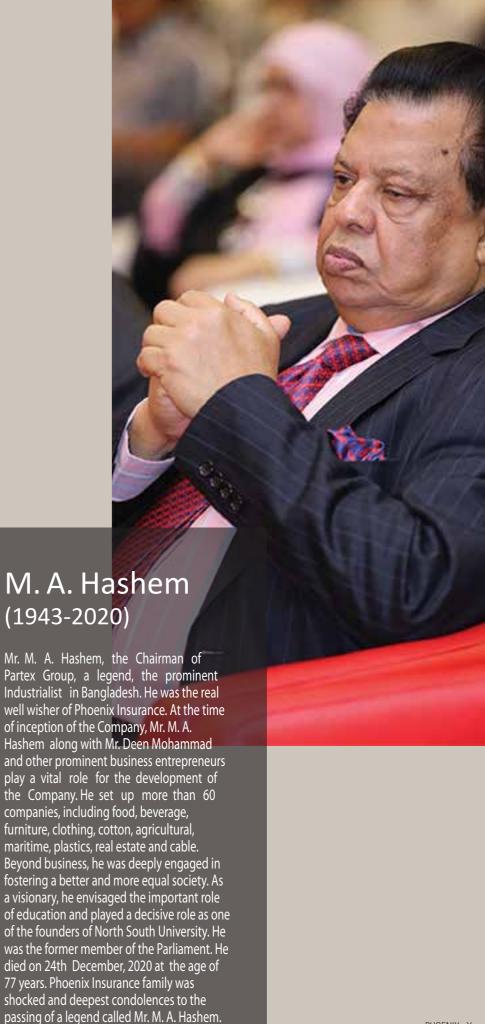
Khorshed Zahan Begum (1946-2020)

Mrs. Khorshed Zahan Begum was Director of Phoenix Insurance Company Ltd. She joined the Company as Director on 28th February, 2012 and played important role for the development of the company. She borne on 2nd February 1946 and died on 10th September, 2020.

Mobarak Ali (1939-2020)

Mr. Mobarak Ali a renowned business personality was former Director of Phoenix Insurance Company Ltd. & The City Bank Ltd. He was also director of the Phoenix Finance & Investment Ltd., Phoenix Securities Ltd. and Tiger Steel Re-Rolling Mills Ltd. He was born on 12 April 1939 in a Muslim Family in Chattagram and died on 24th September 2020. He was very important member of the Phoenix Insurance Company Ltd. and during his tenure his contribution was remarkable. Phoenix Insurance family always remembers him for his contribution for the development of the company.







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Letter of Transmittal

To All Shareholders Bangladesh Securities and Exchange Commission Registrar of Joint Stock Companies and Firms Dhaka Stock Exchange Limited Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended December 31, 2020

Dear Sir(s)

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements as at December 31, 2020 and compliance audit report for kind information and record.

Yours faithfully

Md. Rafiqur Rahman Company Secretary

Successful days of the Company

27 November, 1986

Obtained Certificate for 01 December, 1986

Registered with the 04 December, 1986

Prospectus issued for public floatation of shares 28 July, 1994

Listing with Dhaka Stock Exchange Ltd. 04 December, 1994

First trading of share on Dhaka Stock Exchange Ltd. 04 December, 1994

First dividend declared 21 April, 1990

01 July, 2003

Agreement sign with CDBL 27 December, 2004

Start of de-mate settlement 15 January, 2005





DSE & CSE implement the decisions of changing the share price value (face value) from Tk.100/- to Tk.10/- and market lot from 20 to 200 shares 13 January, 2011

Obtained permission from Controller of Insurance to increase Company's Authorized Share Capital from Tk.50.00 crore to Tk.100.00 crore 09 December, 2010

Obtained permission from SEC regarding changes of Company's Share Face Value & Lot Size 26 December, 2010

Share price of first trading

Taka 440.00

Glorious journey of Bangladesh and Phoenix Insurance present position We have celebrated 50 years anniversary of our Independence. The journey was glorious and we have tried to overcome all obstacles. The economy of the country was very small and requirements were high after liberation but our capable leader of the country had managed very carefully. At present, the economy of Bangladesh is a developing market economy. We are the world's fastest growing economies. In the decade since 2004, Bangladesh averaged GDP growth was 4.5%, that has been largely driven by its exports of readymade garments, remittances and the domestic agricultural sector. The country has pursued export-oriented industrialization, with its key export sectors include textiles, shipbuilding, fish and seafood, jute and leather goods. It has also developed self-sufficient industries in pharmaceuticals, steel and food processing.

Bangladesh's telecommunication industry has witnessed rapid growth over the years, receiving high investment from foreign companies. Bangladesh also has substantial reserves of natural gas and is Asia's seventh largest gas producer. Offshore exploration activities are increasing in its maritime territory in the Bay of Bengal. It also has large deposits of limestone. The government promotes the Digital Bangladesh scheme as part of its efforts to develop the country's growing information technology sector. Our financial markets have been increasing very rapidly. We are capable to handle the money market and risk coverage protection through our local Banks & Insurance companies. To commemorate Bangladesh's 50th year of independence, the country aspires to advance to a middle-income country as per United Nation's classification - a vision to be achieved in the near future.

In Bangladesh, there are 77 insurance companies (45 non-life and 32 life)

operating and successfully providing insurance services all areas. Phoenix Insurance is one of them and providing protection and security to the entrepreneurs, customers and securing their futures. So, the Private sector Insurance Companies are confident to make them most important in the global consumers and economy.

The PHOENIX Insurance recognizes the need to have an evolving business model for an ever-changing world. It has embarked upon a transformational journey, with an evolved identity, vision and purpose. At the core of this evolved vision is bringing sustainability to the front and center in all its actions and initiatives that will further create a balance of economic growth, environmental protection and social progress for Bangladesh. In the last 35 years journey, the Company has accepted to the customers & the stakeholders' satisfaction. That's why our slogan is **PHOENIX-Your Insurance** Company.

Greeting from Phoenix Insurance

Basis of the Annual Report

Detail information of Phoenix Insurance has been presented in the Annual Report-2020 to inform the entire picture of the company. The Annual Report-2020 has been prepared based on information of the period between 1st January 2020 and 31st December 2020. The Financial statement for the year ended 31st December 2020 and director's report was approved by the board of directors (Board) on 3rd June 2021 which have been presented in the report respectively. The annual report reflect operations of Phoenix Insurance and we have consistently followed the guidelines issued by the concerned authority. In explaining the Company's operations and financial performance, financial information has been extracted from the Audited Financial Statements for the year ended 31st December 2020 with relevant comparative information. The financial statements consistently comply with the requirements of:

- Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS),
- Relevant rules & regulations of IDRA and Insurance Act.;
- Companies Act 1994;
- Securities and Exchange Rules 1987 and Listing Rules 2015;
- The Income Tax Ordinance 1984;
- And other applicable laws and regulations of the land.

To report our corporate governance practices, we have followed the revised Corporate Governance Guidelines (CGG) issued by the Bangladesh Securities and Exchange Commission (BSEC).

Our integrated reporting process

Our integrated operations and emphasis on reporting the performance across each major segment of our value chain-that spans from risk coverage negotiation to customer satisfactionfacilitates our integrated reporting process and expands our ability to communicate our value creation plans, strategies and outcomes. Further, our integrated reporting process is monitored and evaluated under the direction of the Board Audit Committee, while internal and external audit teams cover key controls and accounting matters in the course of their audits, thus ensuring the best interests of the Company and its shareholders. Other levels of external assurance are obtained as and when required from the relevant Government authorities, regulators and professional bodies.

This report also highlights the Company's well-established governance framework, which represents the commitment of our employees to achieve business results with integrity through faster, stronger and simpler decision-making process and effective management systems, under the guidance of our Board of Directors.

The scope of our Annual Report comprises of activities that have been carried out within the geographical boundaries of Bangladesh, as we do not have operation or subsidiary in other countries but we do reinsurance of foreign companies of the various countries of the world.

The Management has tried to present a fair and brief analysis of our strategy, performance, governance and prospects.

In determining the content to be included in this report, we considered the issues that are material to maintain the commercial viability and social relevance required to achieve our vision in the long term.

Our material matters

Our material matters are those issues that could substantially affect our ability to create value over the short, medium and long-term, and represent a key part of our integrated reporting process. Responding to the economic effects of COVID-19 and managing the long-term sustainability of our business have become our primary focus areas and will remain a part of our key material matters.

The Chief Executive Officer and Chief Financial Officer of the Phoenix Insurance Company Limited have ensured the integrity of the disclosure contained in the Annual Report presented herewith that comprises the discussion and analysis in this annual report has been prepared in accordance with the guidelines of the BSEC and addresses all material issues and fairly presents the company's performance.

Best of my knowledge we have been presented all necessary information of the company for our shareholders to satisfy their investment.

Secretary &
Deputy Managing Director



"We would also like to request our valued stakeholders to go through the online version of this Annual Report published on our website www.phoenixinsurance.com as we promote paperless workplace to conserve the environment."

Rating Insurer Financial Strength

AA-

Financial Highlights 2020

Net Premium Revenue **337.87**

Total Investment **717.18**

Cash Dividend 48.41

Underwriting Result **87.35**

Claim Paid **174.79**

Profit After Tax **93.99**

Investment & Other Income **63.96**

Shareholder Equity **1577.35**

Total Assets Book Value 2334.29

Underwriting Premium **646.13**



Registered Office: 1/A Dilkusha C/A (1st Floor), Dhaka-1000, Bangladesh

NOTICE OF THE 35TH ANNUAL GENERAL MEETING

Notice is hereby given to all concern that the 35th Annual General Meeting (AGM) of Phoenix Insurance Company Limited will be held on Wednesday, 11th August 2021 at 2:30 p.m. virtually by using digital platform through the link stated in the notice to transact the following business and to adopt necessary resolutions:

AGENDA

- 1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31st December 2020 along with the Directors' Report and the Auditors' Report thereon.
- 2. To declare 15% Cash Dividend for the year ended on 31st December 2020.
- 3. To elect/re-elect of Directors.
- 4. To appoint/re-appoint Statutory Auditors for the year 2021 and to fix their remuneration.
- 5. To appoint Compliance Auditor for the year 2021 and to fix their remuneration.
- 6. To consider any other relevant business with the permission of the chair.

By order of the Board of Directors

Md. Raffqur Rahman

Company Secretary

Dated : Dhaka 08th July 2021

"July 2021

Notes:

- a) The shareholders whose name appeared in the Share/Depository Register of the Company as on the "Record Date" i.e. **30**th **June 2021** are eligible to participate in the 35th AGM and receive the dividend.
- b) A shareholder entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her behalf. The Proxy Form, duly filled, signed and stamped of BDT-20/- must be sent through e-mail to the Company at: share@phoenixinsurance.com.bd at least 48 hours before the time fixed for the AGM.
- c) The Shareholders can cast their vote through online (real time) or e-voting starting from 24 hours before the AGM and voting option will remain open till the closure of AGM.
- d) The AGM will be held virtually, which will be conducted via live webcast by using digital platform. The detailed procedures to attend in the meeting will be communicated to the shareholder's e-mail ID in due course and it will also be available in the Company's website at: www.phoenixinsurance.com.bd. The shareholders will be able to join the virtual AGM.
- e) For login to the system, the shareholders need to put their 16-digit Beneficiary Owner (BO) ID number and other credentials as proof of their identity to visiting the link: https://piclagm21.capmark.com.bd. The shareholders will be able to submit their questions/ comments electronically 24 hours before commencement of the AGM and during the AGM.
- f) The soft copy of Annual Report 2020 will be send to the e-mail address of the shareholders and also available in the Company's website at: www.phoenixinsurance.com.bd.
- g) The shareholders may contact to the Mobile No. 01715391503 for any IT related guidance to access in the virtual meeting and Mobile No. 01715400333 for share related issue.
- h) Shareholders are requested to join the meeting by Laptop/PC/Mobile/Tap.

Overview of Phoenix Insurance Co. Itd.

HISTORY OF THE PICL

Phoenix Insurance Company Limited (PICL) is one of the leading insurance companies of Bangladesh and was incorporated as a Public Limited Company on December 1, 1986. The Company head quarters located at Purbani Annex Building (1st Floor) 1/A, Dilkusha Commercial Area, Dhaka. The Company started its business operation in most parts of the country after obtaining certificate and being registered with the department of insurance on December 1, 1986.

Mr. Deen Mohammad, the Chairman of Phoenix Group in association with Maj. Gen.(Retd) Abdul Manna Siddigui, the founder Chairman formed the company along with some other distinguished entrepreneur's with a paid up capital of Tk.3.00 crore. Mr. Deen Mohammad, Chairman of Phoenix Group served the company as Chairman from the year 2000 to 2006 and thereafter, Mr. Mohammed Shoeb, an iconic figure was unanimously elected Chairman of the company on the 2ndof August 2006. Mr. Mohammed Shoeb played pivotal role in the developing the Insurance software system named (CIIS) in collaboration with IBCS PRIMAX using "state of the art" Oracle, Client-Server technology in Bangladesh that is being now followed by many renowned Insurance companies.

The Company offered public shares on July 28, 1994 and Company's Authorized Share Capital was raised from Tk.50.00 crore to Tk.100.00 crore on December 09, 2010. The face value of share was also changed from Tk.100.00 to Tk.10.00 and market lot size from 20 to 200 shares on January 13, 2011.

VALUES OF THE PICL

Phoenix Insurance Company Limited aims to deliver innovative customer solutions, through its wide-ranging line of products. The Management is dedicated in maintaining the highest standards of integrity and sound relationships in dealing with all stakeholders that include customer intermediaries, employees, shareholders and business partners. Our mission is to provide excellent insurance products and services to the growing needs of the national and international market. We offer a wide range of insurance services for individuals, small and medium enterprises. Furthermore, we also extend our services to global corporations.

The employees of Phoenix Insurance Co. Ltd. are dedicated to perform their best services for its valued customers and clients. They are trained with all the skills necessary for a truly outstanding customer service. The Company's focus on strengthening and expanding its global presence is reflected through the will and determination portrayed when it tapped the potential available in the Bangladeshi market. In every action, Phoenix Insurance Company Limited seeks to make a positive contribution toward community activities and is committed to perform in a socially responsible manner and ethical business etiquette. With technical expertise in the field of non-life insurance, Phoenix Insurance Company Ltd. offers unparalleled advice and personalized services in all spheres of general insurance service.

Overview of Phoenix Insurance Co. Ltd.

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FOCUSED ON VALUE SUSTAINMENT

We believe that sustainable growth for a company is important to achieve the target. To achieve the target a deep-rooted commitment and dedicated-proactive actions required where positive actions, choice freedom and fairness is expected. Our sustained focus on transformation has enabled us to reinforce our techno commercial capabilities, thus enabling us to contribute enhanced value in the hands of our stakeholders. We are confident that we will continue our growth in the future.

Phoenix Insurance is incorporated and listed in the Stock Exchanges with capable management team. We make best quality and regulatory-compliant service that meet the diverse choices of our customers through our integrated spans from 'risk coverage negotiation to customer satisfaction'. Since our inception 35 years ago, Phoenix Insurance is committed to the stakeholders in its sustainable journey. Our intention is to develop world-class leadership in the company.

SERVICES OF THE PICL

Phoenix Insurance is broadly involved in underwriting the risk coverage of all kinds of properties or assets such as: Fire, Accident, Motor, Marine (import & export), Burglary, Cash-in safe, cash in transit, Machinery Breakdown, Terrorism and Contractors All Risks, Erection All Risks, Aviation etc.

PICL's well-founded confidence lies in the large number of banking and financial sector clients. Some of PICL's high risk-value projects include risk-coverage provision to Power generation equipments and Industrial Risk projects and also specializes in insuring Engineering and domestic Airlines concerns. Alternatively, PICL serves Bangladesh's primary industry by providing coverage to the Textile, Chemical and other sectors.

PICL's customer-centric approach drives it forward in customer care. The Company's

financial strength allows the timely remuneration and settlement of the claims. A competent team of professionals works tirelessly to ensure comprehensive customer satisfaction in every moment.

ATTITUDE OF THE PICL

As a public listed Company, Phoenix Insurance is aware of the importance of standard integrity, along with maintaining community responsibilities. Responsibility is integral to our strategy, and we try to meet-up necessity where required around the country.



PICL DEALINGS OF THE AROUND THE COUNTRY

Phoenix Insurance is one of leading General Insurance Companies of Bangladesh. It has a network of 31 branches at all important places throughout Bangladesh, and it employs a full-time trusted and talented workforce of 276 employees, their service delivery ensures that this company remains a valued brand. Phoenix Insurance Company Ltd. is a stable company because of its' steady financial and operating performance, as well as its' consistent fundamentals. The Company's Claim Paying Ability Rating is AA-.

STRENGTH OF THE PICL

Since its establishment, Phoenix Insurance has insured the Bangladeshi customers successfully for 35 years and has progressed smoothly and steadily. At the end of 2020, the paid-up capital was raised at Tk.40.34 crores and Reserves Fund stood at Tk. 117.30 crores. The Investment figure of the company was Tk. 71.72 cores, and the total assets were calculated at Tk. 233.43 crores.



Chairman's Message

"We will continue to strive for sustainable growth while providing exceptional services to our clients"

Esteemed Shareholders,

I heartily welcome you all to this 35th Annual General Meeting of Phoenix Insurance Company Limited. I am really grateful to the Almighty Allah for being able to present this review on overall performance of the Company and the effective role played by the Board of Directors in achieving the desired objectives.

You know that overall position of the insurance market was very unsteady during the year 2020 due to the pandemic corona virus. Besides, insurance premium tariff rate was reduced and for these reasons, premium earning have been decreased. The details have been presented in the director's report and here I am presenting some key information.

"I do believe that Phoenix Insurance will continue it's success story thanks to our financial resources, capabilities, business network and expertise."

Mohammed Shoeb, Chairman

This year, Phoenix Insurance has flourished its profit in difficult economic conditions. We have cemented our position as an important market player and remain well poised for sustainable future growth. Our aim is to play an active role in the growth of Insurance industry by offering high quality products and services tailored to the needs of our esteemed customers while ensuring compliance with regulatory requirements.

In 2020, the positive results of Phoenix Insurance were in line with its growth over the last several years based on vision of the Board and the Management. Credit Rating of the company have maintained as Double A- (AA-), which was a testament to the good guidance of our Board and efforts put in by the Company. Gross Premium underwritten was Tk. 64.61 crore this year, which was decreased of 17% over the last year but the profit before taxes over the corresponding period have been increased for properly controlled the overall cost of the business earning expenses. The Company earned Tk.8.73 crore as underwritten profit and Investment & other Income at Tk.6.40 crore. Based on the performance, the Board has recommended to distribute @ 15% cash dividend for the year 2020.

The excellent guidance, collective contributions and efforts of our Board members allowed the Company to not only execute its overall strategy but also achieve its targets while maintaining high market value. The Board ensured implementation of best practices for corporate governance by maintaining high levels of professional and business conduct and implementing effective internal controls. We are also grateful to our clients and shareholders for their continued support, which has been the cornerstone of our success.

Dear Shareholders

In this 35 year's I am sure that you know we have performed our mission successfully. The Board do believe that Shareholders guidance is the key role for the success of the Company. We always tried to fix our target based on the needs of shareholders.

During the last few month's we lost a few important people who were the founder's of the company and legends of the country.

- 1. Deen Mohammad, Director and former Chairman, PICL
- 2. Badruddoza Mannan, Director, PICL
- 3. Khorshed Zahan Begum, Director, PICL
- 4. Mobarak Ali, Former Director, PICL
- 5. M. A Hashem, Chairman Partex Group, a real well-wisher of PICL

The family of Phoenix Insurance is very shocked for the demise of the above great personalities and we pray to the Almighty ALLAH for the salvation of their soul and eternal peace. We also grateful for their sincere effort and dedication to build this reputed company in Bangladesh. In-Sha-Allah we shall follow their guidelines always to maintain the reputation of the company.

Considering overall situation the Year 2020 was a challenge for our Company due to many reasons. The position shows that the Company is running average with a good reputation. However, it is assume that the coming year could not be suitable for the cause of second wave of COVID-19 Pandemic and others. We do believe that we will be able to handle customers through our excellent services and will prove best commitment to reach the target of 2021.

Finally, I would like to take this opportunity to express my sincere thanks and gratitude to the Govt. of Bangladesh, Insurance Development & Regulatory Authority, Bangladesh Securities and Exchange Commission, DSE, CSE, overseas re-insurers, different agencies, other Regulatory Bodies, Shareholders, Valued Clients and members of the Board for their continued support, guidance and cooperation. I would also like to record my thanks to the employees of the Insurance for their services.

With best regards

Mohammed Shoeb

Johann Dersele

Chairman

Message from

Managing Director & CEO

Bismillahir Rahmanir Rahim

Assalamu Alaikum

Dear Shareholders,

With the blessing of Allah, the Almighty, and the wise guidelines of the Board of Directors and convey sincere thanks for the unconditional support of our Stakeholder, customers, business partners to develop the Phoenix Insurance company Ltd. (PICL) as a trusted Company. To inform the company's operational and financial position of the year 2020, herewith presented sector wise information to the shareholders.

OPERATING ENVIRONMENT

The global economic growth was estimated contraction of 3.3% in 2020 when the world was hit by pandemic corona virus. The balance of trade in advanced economies is expected to deteriorate in 2020, since export growth is projected to be weaker than import growth. The COVID-19 pandemic has caused major disruptions in the global economy. Economic activity has



With a strong foothold in the industry, Phoenix Insurance has a proven track record of excellence and is firmly-rooted, in terms fo trust. As a value-driven company, we offer our customers leading-edge products and tailored solutions that cater to their individual needs. Our goal is to continually evolve with our customers and deliver solutions per excellence by setting high industry standards.

Md. Jamirul Islam MD & CEO

been hit by reduced personal interaction, owing both to official restrictions and private decisions; uncertainty about the post-pandemic economic landscape and policies has discouraged investment; disruptions to education have slowed human capital accumulation; and concerns about the viability of global value chains and the course of the pandemic have weighed on international trade and tourism. As with previous economic crises, the pandemic is expected to leave long-lasting adverse effects on global economic activity and per capita incomes.

The devastating human loss and economic impacts of the COVID-19 pandemic is a global catastrophe that is stretching society's capacity and resources. The pandemic has already claimed over 2.5 million lives and has caused economic destitution to many thousands of businesses. While small and medium businesses are stressed due to tepid consumer demand and disruptions in the global supply chain- in no small measure also because of US-China geopolitical tensions- Bangladesh's insurance industry is also hit because of the woefully low awareness around insurance and hence extremely low levels of insurance penetration. Insurance penetration in Bangladesh, with a population of around 165 mn people, is considered to be less than 1%, with insurance practically non-existent in the hinterlands.

What cultivated the deep uncertainty further was also the extent to which the Government would keep economies under lockdown.

Today, though large parts of the world are witnessing early stages of a vaccination, even as the fear factor has somewhat receded, new strains or mutations of the virus are already expected to have reached some countries around the world. In fact, the UK, coming out of the EU grouping on 31 December 2020, imposed fresh lockdowns in early January 2021 because of the new transmuted virus, thus

further subduing its economy.

The global insurance sector is paying out claims estimated at \$107 bn to customers, while also seeing the value of its global assets drop by \$96bn, together making it the industry's largest ever loss, as per a Lloyds report. In fact, the magnitude of the pandemic's financial and social impacts has exposed the shortcomings of society's preparedness for, and resilience to, systemic risks of this scale and nature, including the ability of some risk transfer products and structures to provide protection.

World insurance premiums rose 2.9 percent in 2019, slightly above the rate of growth from 2009 to 2018. Swiss Re estimates total global insurance premiums would fall 3 percent in 2020 due to the COVID-19 pandemic and forecasts 3 percent rebound growth in 2021, resulting in no growth over the forecast period, 2019 to 2021. Non-life insurance premiums will fare better: following 3.5 percent real growth in 2019, premiums are estimated to be flat in 2020 and to rebound with 3 percent growth in 2021. From 2019 to 2021, nonlife premiums are predicted to grow 2 percent.

Actually, the year 2020 was very challenging considering all other aspect. In order to align with our vision & mission and to stay in line with the market and business needs, business restructured its sales and marketing function by sharply aligning skill sets of people. This will help the business move from industry growth to aspiration growth.

INSURANCE OPERATIONS

We have given proper attention in time with professional manner but consequence of COVID pressure and restructured the premium rate; the gross premium income of the Company has been decreased. In the year 2020, the Company was able earn Tk. 64,61,30,830/- only as compared to Tk.78,05,75,160/- in 2019.

FINANCIAL RESULTS

The management has applied individual customer wise costing and follow the guidelines of IDRA, underwriting profit of the company have been calculated at Tk.8,73,48,438/- only. We have maintained our investment very carefully and as a result, investment & other income have been increased. During the year, the company's after tax profit became at Tk.9,39,87,074/- whereas last year the amount was Tk.9,30,03,269/- only. To build up the strength of the company, we have maintained all reserve and necessary provision accordingly.

CORPORATE RESPONSIBILITY

Phoenix Insurance is well aware about the Corporate Social Responsibility and is spending considerable amount of money for under privileged and poor people for their medical treatment and other form of assistance. In future, we have planned to contribute more for the development of the society and the country. Besides this, the Company also spent a big amount for the payment of group insurance premium of employees. In the year 2020, we have paid Tk.17,62,500/- for social responsibility.

Phoenix Insurance Company Ltd. also aware about development of the country and during the year we paid Tk. 6,12,12,448/-advance tax, VAT & Others and made tax provision of Tk. 2,96,48,907/-, which indicates the responsibility to contribute to the economic development of our country.

SERVICE EXCELLENCE

At PICL, we fully understand that our customers are at the core of our business and it is our duty to ensure that they receive the highest quality in products and services. At the same time, we will continue to improve our offering to our customers through our constant innovation in products, service, and technology. Our organization is well

positioned to adapt quickly to new business realities and leverage the subsequent opportunities to the benefit of our customers.

OUTLOOK

During 2020, PICL undertook a series of initiatives, which position the company well for the emerging economic background and the regulatory framework in which we operate. Our continued commitment to service, product, and innovation remains central to our business strategy. Aligned to our selective and prudent underwriting practices, I am confident that this strategy will return PICL to sustained profitability and shareholder value.

APPRECIATION

I would like to express my sincere gratitude to PICL's Board of Directors for their continued guidance and confidence in the company and its management. I would also like to take this opportunity to express my sincere thanks and gratitude to the Govt. of Peoples Republic of Bangladesh, Insurance Development & Regulatory Authority, Bangladesh Securities and Exchange Commission, DSE, CSE, overseas re-insurers, different agencies, other Regulatory Bodies, Shareholders for their continued support, guidance and cooperation.

Lastly, I take opportunity to thank the management team and employees for all their hard work. In addition to this, I thank PICL's clients and business partners for their confidence in PICL.

Thanking you

Md. Jamirul Islam

Managing Director & Chief Executive Officer

Strategic Review

36-37 - Important Information's - Vision, Mission, Strategic Objectives, Future Strategy - Core Values 40-41 - Code of Conduct, Whistle Blooming Mechanism - Our Principles, Culture - Ethics, Grievance Function 44-45 - Engagement with Stakeholders xceeding legal requirements - Organogram 48-51 - Company's Product & Services

Company's Information's

Phoenix Insurance Company Limited (PICL) is one of the leading First generation insurance companies of Bangladesh and was incorporated as a Public Limited Company on November 27, 1986. It obtained registration from former Chief Controller of Insurance, Government of Bangladesh on 4th December 1986. Phoenix Insurance Company obtains renewal license from the IDRA at 2011. The Company within the stipulations laid down by Insurance Act-2010 and directives as received from time to time from IDRA provides Non life Insurance Services. The Company carries its Insurance activities through 31 branches across the country. The details information of the company is as follows:

NAME OF THE COMPANY: Phoenix Insurance Company Limited

LEGAL SHAPE: Public Limited Company

CERTIFICATE OF INCORPORATION: C-17013/417 of 1986-1987 Dt. 27th November 1986

COMPANY'S **REGISTRATION NO.:** Controller of Insurance/ IDRA No. CR-7/86

CERTIFICATE OF COMMENCEMENT OF BUSINESS: Issue No. 3827-29 Dt. 1st December 1986

AUTHORIZED CAPITAL: Tk. 100.00 crore

PAID-UP CAPITAL: Tk.40.34.15.720.00 (31st December 2020)

SHAREHOLDING STRUCTURE:

Type of Shareholders	No. of shareholders	No. of shares	% of paid up capital
Sponsor/Director	15	1,52,50,243	38
General Public (Institutions)	159	51,92,867	13
General Public (Individuals)	3,505	1,98,98,462	49
Total	3,679	4,03,41,572	100

REGISTERED OFFICE:

Purbani Annex Building (1st Floor), 1/A, Dilkusha Commercial Area, Dhaka-1000, Bangladesh. G.P.O Box No.3647 Phone & Fax:

Phone: 223383609-12 (PABX) Fax: 880-2-9563576

Mail & Web-site:

mail@phoenixinsurance.com.bd

Web site: www.phoenixinsurance.com.bd.

NATURE OF BUSINESS: All kinds of Non-Life Insurance Business

LISTING STATUS: Listing Date

DSE:

4th December 1994

4th December 1994

CLOSING MARKET PRICE on 31 December, 2020



MARKET CATEGORY:

Category

TAX PAYER'S IDENTIFICATION NUMBER (TIN): 441630329224

VAT REGISTRATION NUMBER: 000000981-0202

CREDIT RATING INFORMATION:



AUDITORS:

Zoha Zaman Kabir Rashid & Co. **Chartered Accountants**

COMPLIANCE AUDITOR: T. Hussain & Co. **Chartered Accountants**

LEGAL ADVISORS: Barrister Margub Kabir Barrister Anwar Ahmad Chowdhury Advocate Rafiuddin Ahmed Advocate Hironmay Halder Hasan-Ur-Rashid Tutul, LL.B (RJSC matter)

TAX CONSULTANT: Mr. Khokan Chandra Baidya

CHAIRMAN OF THE COMPANY: Mohammed Shoeb

CHIEF EXECUTIVE OFFICER (CEO): Md. Jamirul Islam

COMPANY SECRETARY: Md. Rafigur Rahman

CHIEF FINANCIAL OFFICER (CFO): Md. Jahurul Islam

NUMBER OF EMPLOYEES:



NUMBER OF BRANCHES:



NUMBER OF SHAREHOLDERS:



PRINCIPAL BANKERS: The City Bank Limited Dutch Bangla Bank Ltd. Mercantile Bank Ltd.

MEMBERS:

Bangladesh Insurance Association Dhaka Chamber of Commerce & Industry Bangladesh Publicly Listed Companies

Vision

Our vision is to be an innovative, profitable; customer-oriented insurance enterprise with a national focus.

Mission

Our mission to provide unparallel insurance service, protect our policyholders' interest and contribute to the stability of national economy

Strategic Objectives

- a) Retain leadership position in the market
- b) Explore opportunities by introducing new products and diversifying current product portfolio
- c) Pursue continuous improvement and technological advancement
- d) Enhance corporate capabilities and motivation through skill enhancement, management development and reward programs

Future Strategy

- a) Key challenges in 2020 include competition and thin profit margins. To effectively manage these challenges, we continue to invest in technological solutions and enhance back-end operational efficiency.
- b) Our strategy for 2020 is designed to deliver sustainable, profitable growth in a changing and competitive business environment in order to maintain leading position in the industry. It builds on our strengths. It places customers and their needs at the center of our business.
- c) To take PICL to the greater height, we are focusing more closely on the markets and customers' segments where we have competitive edge, where we can offer superior value proposition to our customers.
- d) We continue to invest in our people and systems and processes to better understand our customers' needs, serve them in the way they require, increase collaboration and improve efficiency.
- e) To act the honesty and integrity of the dealings a transparent rule is maintained in the Company.

Core Values

A principle that guides an organization's internal conduct as well as its relationship with the external world. If there are no common values, there can be no image of the future. Core values are usually summarized the mission of statement of the Company. We are committed to chase the following values to guide our decisions and our behaviors.

Teamwork

we work together to meet our common goals and support the clients of the Company for their betterment in long run.

Respect

we respect every individual; we honor the rights and beliefs of our fellow associates, our customers, our shareholders and our community. We treat others with the highest degree of dignity, equality and trust.

Accountability

we accept our individual and team responsibilities and meet our commitments. We take responsibility for our performance in all of our decisions and actions. Responsibilities of our actions usually influence the lives of our fellow customers and employees of the Company.

ntegrity

we employ the highest ethical standards, demonstrating honesty and fairness in every action that we take.

Innovation

we are creative in delivering value to our fellow associates, customers, shareholders and community. We anticipate change and capitalize on the many opportunities that arise.

Commitment

we are committed to roll great service and other initiatives that impact lives both within and outside the Company.

Efficiency

we are devoted to increase the transparency within authorities, shareholders and simplification of rules and procedures for general public and business.

Customer oriented focus

we continuously seek to improve each customer's experience by listening and striving to exceed our commitments. To achieve premier customer service we must also exceed our customers' expectations, delight them, and be appreciative of their business and passionate about making them successful.

Community

we believe that share of development to the society means contribution of the country. We take the responsibility and at the same time contribute to the society, which have defined our existence.

Strategic measures

- Business model optimisation
- 2. Ensuring future viability
- 3. Organisation and co-operation







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Code of Conduct

Standard of Conduct

We conduct our operations with honesty, integrity and openness, and with respect for the human rights and interests of all stake holders including employees.

Obeying the Law

Company is committed to comply with all the legal requirements, laws and regulations of Bangladesh.

Employees

- a) Company is committed to create the working environment where there is mutual trust and respect and everyone feels the responsibility for the improved performance and reputation of the Company.
- It recruits, employs and rewards employees purely on merit and on the basis of the qualification, experience and abilities needed for the work to be performed.
- c) It is committed to provide safe, healthy and pleasant working environment to all employees. Company will not use any form of forced, compulsory or child labor.
- d) It is committed to work with employees to develop and enhance each individual's skills and capabilities, provide training to groom them on the basis of their Training Needs Assessment analysis.
- e) It respects the dignity of employees and the right of individual to express freely.
- f) Company maintains good communication link with employees through Company based information and consultation procedures.

Insure

It is committed to provide prompt and efficient services to its clients by properly insuring their risk, doing risk assessment and by issuing insurance policies to meet various requirements of the clients. It endeavors to provide peace of mind and security to its clients pursuing ethical and professional practices.

Shareholders

Company will conduct its operations in accordance with principles of good corporate governance. It will provide timely, regular and reliable information on its activities, structure, financial situation and performance to all the shareholders.

Business Partners

 a) Company is committed to establish mutually beneficial relations with its insured, reinsurers and business partners. b) In the business dealings, the Company expects its partners to adhere to business principles and ethical practices consistent with its own.

Community Involvement

Company strives to be a trusted corporate citizen and, as integral part of society, to fulfill its responsibilities to society and communities where it operates.

Public Activities

- a) Company will promote and defend its legitimate business interests.
- b) It will co-operate with the government and other organizations, both directly and through bodies such as Insurance Association of Bangladesh, in the development of proposed legislation and other regulations that may affect legitimate business interests.
- c) Company neither supports any political group or party nor contributes to the funds of any group whose activities are aimed at, directly or indirectly, to promote party interests.

The Environment

- a) Company is committed to making continuous improvement in the management of environmental impact and to the long term goal of developing a sustainable business.
- b) Company will work in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

Competition

Company and its employees will conduct their operations in accordance with the principles of fair competition and all applicable regulations without compromising on ethical practices.

Business Integrity

- a) Company does not give or receive, whether directly or indirectly, bribe or other improper advantages for business or financial gains. No employee may offer, give or receive any gift or payment, which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to the management.
- b) Its accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions transparently. No undisclosed or unrecorded account, fund or asset will be established or maintained

Use of Company assets

All employees should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation.

Confidentiality

Employees must maintain the confidentiality of the business information entrusted to them, except when disclosure is authorized. Business information includes information that might be harmful to the Company or its customers if disclosed. It also includes information that suppliers and customers have entrusted to the Company. The obligation to preserve confidential information continues even after employment ends.

Equal Employment opportunity

At Phoenix Insurance equal opportunities are given to all employees without any discrimination of the basis of age, race, ethnicity, religion and gender and these characteristics are not the bases of any employment decision.

Conflict of Interest

A confilict can arise when an employee takes actions or has interests that may make it difficult to perform his or her work for the Company, objectively and effectively. Confilicts of interest may also arise when an employee or members of his or her family, receives personal benefits as a result of his or her position at the Company.

- a) An employee has a prime responsibility to the company and is expected to avoid any activity that could interfere with that responsibility.
- b) The Company purchases equipment, material and service for various aspects of its operations. The employees are forbidden from holding any personal financial interest, directly or indirectly in any deal of supplying goods or services to the Company
- supplying goods or services to the Company.

 c) Employees should not engage in any outside business or activity that might interfere with their duties and responsibilities to the Company.
- d) Any conflict of interest should be reported to the respective line manager.

External Communication & Media Relations

At PICL all employees should report to the Marketing Department and take written approval for any contact with media or writing any type of article which represent or misrepresent the company position in any mean, Chairman, CEO, CFO and Company Secretary or employee nominated by CEO are authorized contact media.

Use of Personal Devices at Work

Employees are only allowed to use their personal devices such as cell phones and laptops for business purposes such as attending business call. Personal should only be attended when it's unavoidable.

Compliance-Monitoring-Reporting

- a) Compliance with these principles is an essential element in our business success. The Company's Board of Directors (the Board) is responsible for ensuring that these principles are communicated to, and understood and observed by, all employees.
- b) Responsibilities are properly delegated to the senior management. They are responsible for implementing these principles, if necessary through more detailed quidance tailored to local needs.
- c) Assurance of compliance is given and monitored each year. Compliance with the Code is subject to review by the Board and supported by the Audit Committee of the Board.
- Any breaches of the Code must be reported in accordance with the procedure specified by the management.
- e) The Board of the Company expects employees to bring to their attention, or to that of senior management, any breach or suspected breach of these principles.
- f) Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so.

Whistle Blowing Mechanism

Phoenix Insurance is committed to the highest standards of honesty, openness and accountability. It aims to ensure that it operates in a responsible manner, taking into account ethical business standards set out in Company's Code of Conduct. The Company encourages its employees to report immediately any non-compliance/wrongdoing that can harmful for the Company.

The Company has formulated a policy outlining the procedures to be followed in this regard. The objective of the policy to create avenues and provide channels for stakeholders to report any unethical or wrongdoing activity related to the Company (if any).

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Our Principles

- a) To act the honesty and integrity of the dealings a transparent rule is maintained in the Company.
- b) Put the customer at the center of all our actions.
- c) Utilize consumer insights, data and technology to serve customers and generate growth and attractive economic returns.
- d) Execute well considered decisions with precision and speed.
- e) Focus relentlessly on those few things that provide the greatest impact.
- f) Be a learning organization that leverages successes, learns from failures and continuously improves.
- g) Provide employees and agencies fulfilling work, personal growth and performance based rewards.
- h) Take an enterprise view of our people and processes and work as a single team to advance all state rather than our individual interests.

Our Culture

An organization's culture consists of the values, beliefs, attitudes and behaviors' that employees communicate on a daily basis in their work. The culture determines how employees describe where they work, how they understand the business and how they see themselves as part of the organization. It also comprises the interactions of the employees with the outside world and their future expectations. Every organization must have set guidelines for the employees to work accordingly.

In Phoenix Insurance, focus on mission, vision, values and strategic objective play a pivotal role to build a healthy culture in the Company. The "Code of Conduct" of the Company provides the basic structure and guidance to the employees in order to nourish a better culture in the Company. Pre-defined policies and procedures guide the employees and give them a sense of direction at the workplace and therefore every individual is clear about his/her role and responsibilities in the organization and fully equipped to accomplish the tasks effectively and efficiently.

Above all, Phoenix Insurance Company Ltd. carries a very healthy culture and its improving day by day to become effective and efficient to meet future challenges

Our Ethics

Organizational ethics are the principles and standards by which businesses operate. They are best demonstrated through acts of fairness, ingenuousness, trustworthiness, compassion, integrity, honor, honesty and responsibility. It reflects how an organization responds to internal or external incentives.

In Phoenix Insurance, the ethical values are kept at high level because generally it is among core requirements for an organization working in a society and specially while working as insurer on who people trust to a great extent.

The "Code of Conduct" of the Company is considered "Rule Book" for the organizational ethics which is adhering by all employees of the Company. Furthermore, a long working history of the organization carries certain standards which are implied in working environment of the Company and are practiced with full strength. These implied rules are as follows:

Trustworthiness – Honest in conduct

Integrity

Respect

Civility, Autonomy and

Responsibility

Fairness

- Accountability. Pursuit of

excellence

Impartiality and Equity



Grievance Function

The Company is well prepared to handle the complaints/grievances of insured, (if any), not only to adhere the applicable requirements of the "Code of Corporate Governance for Insurer" (the code) but also for a deep association with them as their insurer and protector. By resolving their complaints/grievances effectively and efficiently within a short span of time, the Company also creates an everlasting bondage with them.

Under the "Grievance Function", complaints/grievance of the policyholders is received by the designated staff in writing or over phone call of the Company. Afterwards, relevant staff resolves these complaints/grievances within the stipulated time and act according to the requirements of the Code. In order to make "Grievance Function" more effective and efficient, "Underwriting department" comprising senior management, oversees its activities on regular basis and provides the guidance and assistance accordingly.

Engagement with Stakeholders

The Company has wide range of stakeholders particularly shareholders and investors, customers, suppliers and service providers including reinsurers and reinsurance brokers, financial institutions, media, regulatory bodies, analysts and employees as well. The Company believes in effective communication with all stakeholders and generally adopts following communication procedures:

Shareholders and Investors

The Company convenes annual and extra ordinary general meetings in accordance with the requirement of Companies Act 1994. The Company's interim results and reports are placed on Company's website and are also notified to the Dhaka Stock Exchange for shareholders' information. Any other price sensitive information including dates of Board of Directors' meeting is also communicated to the Stock Exchanges on timely basis. The Company's website also has an "Investor Relations" section which contains all relevant information for the use of investors which is updated on timely basis. The Company will also brief the shareholders on Company's performance in the year 2020 in Annual General Meeting to be held on 11th August, 2021.

Customers

The Company's philosophy can be summed up as customer protection, their satisfaction and trust. The Company has proper sales team which meets with corporate clients on regular basis to obtain their feedback, which helps significantly in improvement of level of services provided to them. The Company has also phone call facility to provide better services to all its clients mainly focusing on retail segment of the market. The Company has strong presence on social media to engage with customers and visitors in an efficient manner. The Company's website also has complaint form for the customers to register their complains (if any) which are addressed appropriately.

Suppliers and Service providers

The Company corresponds with its major suppliers and services providers particularly reinsurers and reinsurance brokers on a regular basis and provides them relevant feedback and updates.

Financial Institutions

The Company works with major Banks and other financial institutions in partnership to provide better services to the customers and to increase Company's financial strength. The Company interacts with all partner institutions continuously to explore avenues of growth and investments. The collaboration with the banks is also focused on improvement in banking and insurance services provided by both the counter parties.

Media

The Company promotes its business activities by having strong presence in media. The Company ensures media presence while launching of its products, signing of major agreements with business partners and other organized promotional and social activities.

Regulatory bodies

The Company ensures compliance of all regulatory requirements and submits periodic reports to the regulators. The Company also interacts with various regulators through platform of the Insurance Association of Bangladesh and business representative bodies.

Analysts

The Company communicates with credit rating agencies on regular basis to secure the rating as required by the law. The Company also interacts with one of the oldest and most authoritative rating agency CRISEL for its rating. The Company also encourages business schools and research houses to conduct research on insurance sector and also disseminate their analysis through various publications.

Employees

Employees are prominent stakeholder of the Company and they work in the Company to earn their livelihood. The Company has extensive employee's engagement schemes in place. The employees' issues revolve around work life balance, training and development and rewards. The Company has in-house and outside training programs. The long term services of employees are acknowledged through awarding them with token of appreciation. In order to keep update the employees with respect of the Company's achievements, important events, memoriam of employees passed-away and brief on award winning employees of the Company, an in-house discussion was held on quarterly basis. All the departments were participating jointly and discuss fairly. This kind gathering keeps employees updated and connected with the Company. Furthermore, through annual employee's gatherings, the employees of the Company are keeping motivated and contended. These employees' engagements improve the level of dedication and hard work among them.

Implementing Governance Practices exceeding legal requirements

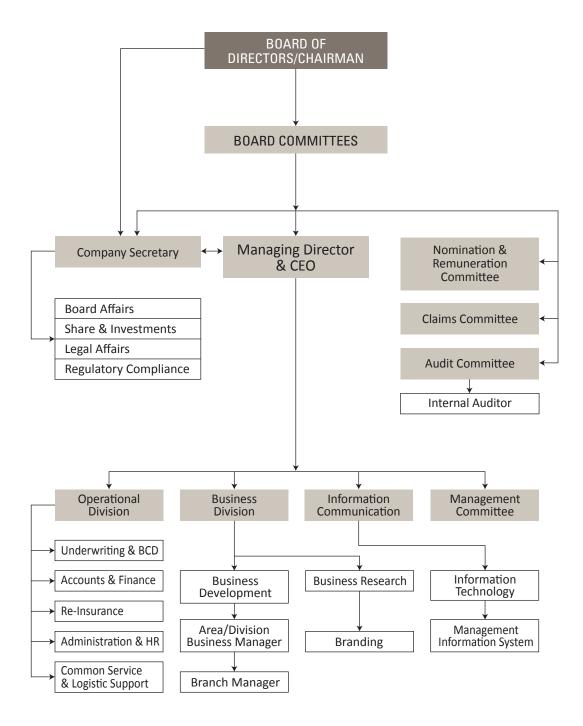
In Phoenix Insurance, the Compliance of applicable laws and regulations are aimed at not only to avoid financial losses in shape of penalties and reputation risk to the Company but It is also to give more efficient, effective and valuable performance to its stakeholders.

Being an Insurance Company, the responsibility with respect to abiding laws and regulations is become two fold as society in general and particularly being insurer put their trusts on the Company for covering their risks which threatens their valuable assets. Therefore, the Company is supposed to act with responsibility in respect of all laws and regulation so that it can play an efficient role when any loss arises to the people whose assets are under its insurance service coverage. In the Company, particularly the Compliance Officers and generally all the departmental heads are fully aware with the latest applicable laws and relevant regulations.

As best practice of good governance, the Company goes beyond the mandatory compliance with the Code of Corporate Governance in the following areas:

- a) The Board level has reviewed the Risk of the Company, which oversee the overall risk management of the Company.
- b) The compilation of the result of annual evaluation of Board's own performance is done through statutory auditors to ensure transparency and confidentiality of the process.
- c) The management committee has been formed to review the performance of the branch and head Operations and advise the Board accordingly

Organogram









Company's Products & Services

Service details

The record says we take a personal interest ... in what you value most

Phoenix Insurance Company Ltd., which plays the best role at general insurance sector in Bangladesh and beyond, offers you a varied list of services in accordance with the popular requirements at the insurance sector. The products and services of the Phoenix Insurance are as follows:

Fire Insurance:

A fire incident may cause severe property damage of an individual or organization. Consequently an individual may suffers serious financial hardship and an organization may become sick and could be unable to resume their business. Under this situation a Fire Insurance protection becomes meaningful to the insuring public. An insurance company ensures the property owner to protect them from the financial losses arising out of the unforeseen fire incident. A dwelling house, Shops, Offices, Wear house, Factories and various Manufacturing Industries and it' contents may be covered under Fire Insurance protection.

The following types of policies are issued under Fire department:

- 1. Standard Fire Insurance Policy
- 2. Fire and Allied Perils Policy
- 3. House Hold Policy
- 4. Industrial All Risks Policy
- 5. Power Plant Operational Package Insurance.

A standard Fire Insurance policy may be extended with the following allied perils on payment of additional premium.

- 1. Riot and Strike damage
- 2. Malicious damage
- 3. Earthquake fire and Shock damage
- 4. Explosion damage
- 5. Impact damage
- 6. Aircraft damage
- 7. Cyclone, Storm, Hurricane, Tornado, Flood and Inundation
- 8. Business Interruption or Loss of Profit.
- 9. Spontaneous Combustion
- 10. Land Slide or Rock Slide.

Marine Insurance:

The following types of Marine policies are normally issued under Marine insurance department:

TRAVEL INSURANCE

Marine Cargo Policy: Marine cargo policy provides financial protection from the losses/damages of imported goods caused by maritime perils during its transportation by ocean vessel/Lorry/Aircraft. It also provides coverage for the carriage of goods by Inland transport/vessels within the territorial limit of the country.

The following coverage's are given under marine insurance policy depending upon the extent of risks and the premium rates of them are different.

- 1. Institute Cargo Clause "C" (ICC'C')
- 2. Institute Cargo Clause "B" (ICC'B')
- 3. Institute Cargo Clause "A" (ICC'A')

On payment of additional premium the risks War and SRCC may also be covered.

Marine Hull Policy: Marine Hull policy provides the coverage for loss and damage to the hull and machinery of the ship.

The following types of Marine Hull Policies are issued on the basis of risks coverage

- 1. Comprehensive Risks
- 2. Total Loss only (TLO)

Motor Insurance:

Motor Insurance protects the insured from the cost and expenses of the damages of vehicle as well as their liability to third parties property damage, bodily injury or death due to an unexpected accident.

The following types of policies are issued under Motor department:

- 1. Comprehensive Risks Policy
- 2. Act Liability Policy

Comprehensive Risks Policy: This policy provides coverage for the vehicle's own damages and Third party's loss such as property damages and bodily injury or death.

Act liability Policy: This policy covers liability of the insured for Third party's property damages and bodily injury or death only arising out of the use of insured vehicles.

Engineering Insurance:

- (i) Machinery Breakdown Insurance (MBD)
- (ii) Contractors All Risks Insurance (CAR)
- (iii) Erection All Risks Insurance (EAR)
- (iv) Contractors Plant & Machinery Insurance (CPM)
- (v) Deterioration of Stock Insurance (DOS)
- (vi) Electronic Equipment Insurance (EEI)
- (vii) Boiler and Pressure Vessels Insurance (BPV)











The Contractors All Risks Insurance: It covers physical loss or damage to property, as well as third party liability related to work conducted on the construction site.

Erection All Risks: It offers comprehensive coverage for plant and machinery construction risks.

Machinery breakdown Insurance: It covers damage to the sudden physical loss/damage of machineries caused various reasons as covered by the policy.

Contractor's Plant and Machinery Insurance: It covers any loss or damage occurring at work, during maintenance operations and is limited to construction plant only.

Electronic Equipment Insurance: This insurance provides coverage for all electrical systems.

Deterioration of Stock Insurance: Loss is covered if it occurs due to sudden breakdown or physical loss of or damage to the Machinery.

Boiler and Pressure Vessel Insurance: Boiler explosion is covered.

Miscellaneous Insurance:

- (i) Cash in Transit Insurance
- (ii) Cash/Property in Premises
- (iii) Personal Accident Insurance
- (iv) Peoples Personal Accident Insurance
- (v) All Risks Insurance
- (vi) Public Liability Insurance
- (vii) Burglary Insurance policy
- (viii) Comprehensive General Liability Insurance
- (ix) Fidelity Guarantee Insurance
- (x) Safe Deposit Box (Bank Lockers)
- (xi) Hotel Owners All Risks Insurance
- (xii) Workmen's Compensation Insurance
- (xiii) Money Insurance Policy
- (xiv) Live stock Insurance

Miscellaneous insurance also included the following insurance coverage:

Cash on Counter/in Safe: The insured gets coverage if his/her cash is looted, robbed or stolen from the counter, drawers kept at the locked iron safe by burglary and house breaking through forcible entry and exit from the insured premises.

Personal Accident: It provides for payment of specified capital benefits following accidental death, bodily injury caused by an accident.

Peoples Personal Accident: It provides coverage for accidental death only.

Personal Air Travels: Coverage is given against accidental death at the time of travel by air.

Money Insurance Policy: This policy insures against physical loss of or physical damage to the insured property up to the amount(s) insured whilst in or upon the premises occurring during the period and for vehicle risk whilst in transit by a four wheel motorized vehicle, pavement risk and ATM risk whilst within the territorial limits.

Besides, other insurance facilities include under different categories such as cell phones, neon sign etc.

Aviation Insurance:

Aviation insurance covers the hull and liability hazards of both commercial airlines and private aircrafts.

Earthquake Insurance:

Coverage is for direct damage resulting from earthquake. Earthquake insurance coverage can be purchased with the standard fire policy by paying additional premium.

Riot and strike Damage Insurance:

Riot and damage insurance coverage for the damage of the property from riot and strike damage.

Riot and strike damage is defined by most state laws as a violent disturbance involving three or more persons from the point of same intention.

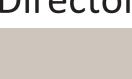
Overseas Mediclaim Insurance:

- (i) Business and Holiday (B&H)
- (ii) Corporate Frequent Travel (CFT)
- (iii) Employment & Studies (E&S)

Corporate Directory

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Board of Directors'

















AZIZ AL MAHMOOD

MANZOORUL HAQUE Director

: Mohammed Shoeb Chairman

Directors : Mazharul Haque

> Aziz Al Mahmood (Resigned on 03-06-2021) Sadia Anjum Siddiqui Manzoorul Haque Rokshana Begum

Sadaf Shamsad Haque Mohammed Haider Ali Dr. Sharmin Sultana (Nominated - Pakiza Textile Ltd.)

M. A. Majid

Independent Directors : Nabiha Yesmeen

Md. Faizur Rahman

Managing Director & CEO : Md. Jamirul Islam

Company Secretary : Md. Rafiqur Rahman











M. A. MAJID Director



DR. SHARMIN SULTANA Director (Nominated Pakiza Textle Ltd.)







MD. JAMIRUL ISLAM Managing Director & CEO

Directors' Profile

MOHAMMED SHOEB

Chairman

Mohammed Shoeb, (born on February 9, 1968) was unanimously elected Chairman of Phoenix Insurance Company Ltd. on the 2ndAugust 2006, a leading general insurance company with operations spanning most parts of the country. An iconic figure, Mr. Shoeb also holds several key positions on various regulatory and professional boards. In retrospect, the 54-years-old has showed remarkable efficiency in discharging responsibilities he has shouldered from the beginning till now.

Mr. Shoeb commenced as director of The City Bank Ltd from 1990 and holding the position as Chairman of the The City Bank Limited from 2016-2018. He also served as Vice-Chairman of the City Bank Ltd. for the period between 2001-2002. In the long journey with the City Bank Ltd. he was engaged in different Board committees of City Bank to share his knowledge. Prior to assuming the most desired office of the Chairman of Phoenix Insurance, he prepared himself through his hard work in the company as vice-chairman. His experiences gradually rose to an impressive level since; he has been serving as Vice-Chairman of Phoenix Finance, Phoenix Securities, Phoenix Group of Industries, and as a director of a good number of companies including Phoenix Spinning Mills, Phoenix

Textiles Mills, Rangdhanu Spinning Mills and Appollo Ispat Complex Ltd.

Mr. Shoeb has played a pivotal role in the developing of the online-three-tier, Insurance Software System named (CIIS) for Phoenix Insurance which has been developed in collaboration with IBCS Primax using "State-of-The-Art" Oracle, Client-Server technology and is being used today locally and over the Internet at many different private sector Insurance Companies of Bangladesh. Dynamic and forward-moving Mr. Shoeb is widely accredited with introducing IT-infrastructure in the companies he served. He facilitated the online banking service for the City Bank Ltd., and introduced international credit card 'Visa' for the banking industry.

Mohammed Shoeb, born and raised in the capital city of Dhaka, holds a bachelor's degree in Business Administration from University of Waterloo, UK. He obtained his earlier education from International School of Singapore and Green Herald International School in Dhaka. He is a permanent member of Dhaka Club Ltd. & Gulshan Club Ltd.

MAZHARUL HAQUE

Director

Mr. Mazharul Haque is an Entrepreneur and the proprietor of Eastern Foundry & Re-rolling Mills Ltd., Hotel Al-Hellal, Lubab Airscape and Lubab Men's Essentials. He is also a director of

Phoenix Securities Ltd. He is the eldest son of Late Mr. Helaluddin, the famous contractor and builder of the National Mosque Baitul Mokarram in Dhaka. Mr. Hague associated with so many social and charitable institutions in the country and travelled many countries of the world.

AZIZ AL MAHMOOD

Director

Director Mr. Aziz Al Mahmood joined the Board at the inception of the company i.e. 1986. He completed his graduation from the US International University, London, UK. Mr. Aziz joined Partex Star Group at an early age. With his inherent quality of leadership and pragmatic outlook, he became one of the Group's directors within a short time. Mr. Mahmood's diverse leadership qualities as Managing Director of Partex Star Group's key units have made quick turnarounds possible even under a competitive environment. He is Chairman of the IDLC. Mr. Aziz Al Mahmood is also actively engaged with number of social, philanthropic and charitable institutions. He resigned from the Board of Phoenix Insurance on 3rd June 2021

MANZOORUL HAQUE

Director

Manzoorul Haque, Director of Phoenix Insurance Company is well educated and also sponsors director of Phoenix

Directors'

Securities Limited. He is a young businessman and is independently managing the family business for the last 12 years. He is also involved with social and sports activities. Mr. Manzoorul travelled extensively for the promotion of Business in many countries in the world and participated with various Socio-Economic programmes at home and abroad.

MOHAMMED HAIDER ALI Director

Mr. Mohammed Haider Ali studied in the United States and obtained BBA in Management from the Pacific State University, Los Angles California. He lived and worked in the United States and returned to Bangladesh in 1993 and finally joined the family business that was started by his father.

MRS. ROKSHANA BEGUM Director

She is the most cherished woman of the entire Phoenix Family who has whole heartily supported Mr. Deen Mohammed during his good and bad times. She has the spiritual insight whose blessing is always sort for before the commencement any iourney. She is a major shareholder in Phoenix Securities and Phoenix Group of Industries.

SADIA ANJUM SIDDIQUI Director

She is the daughter of Mr. Abdul Mabood Siddiqui, Founder of Reddy

Siddigui & Company, a Chattered Accountancy Firm and Business Advisors in England. Sadia Siddiqui studied at the St. Martins School of Art & Design (in London). She holds a bachelor's degree in Textile Designing. She has worked as a Freelance graphics designer and Hand Printer of Silk Fabrics in London.

SADAF SHAMSAD HAQUE Director

Sadaf hague is a tech entrepreneur with an MBA. Educated in the US, she has over a decade of experience serving a transnational client base in several internet technologies. She is the founder of "phyner" a web design & development startup, CEO of "hostodian", a managed Cloud and VPS hosting service provider, and is currently ventured into developing a technology for the improvement of healthcare in the country.

M. A. MAJID

Director

Mr. M.A. Majid, son of Late Abdus Sattar, born in 01-01-1940, Director of Appollo Ispat Complex Limited, is an established business personality. He started business career in 1960 with trading business. He entered into Industries in 1962 and established himself firmly in the business arena in Bangladesh and he is pioneering in Industrialization of the country. Having vast experience in the field of

management of industry and finance, he became the founder Director of Phoenix Group of Industries which comprises of Phoenix Textile Mills Limited, Phoenix Spinning Mills Limited, Phoenix Fabrics Limited, Rangdhanu Spinning Mills Limited and Palash Spinning Mills Limited.

Mr. Majid actively participated in the formation of Phoenix Insurance Company Limited and also played vital role establishing Phoenix Finance & Investments Limited, one of the reputed Leasing Companies of the country, of which he was a founder Director. He is also the founder Managing Director of Phoenix Spinning Mills Limited.

DR. SHARMIN SULTANA Director

Dr. Sharmin Sultana, Nominee Director of Pakiza Textiles Ltd. elder daughter of renowned businessman Md. Rafigul Islam owner of Pakiza Group of Industries, She is an Eye specialist and completed her study from Bangladesh Medical College & Hospital, Dhaka. Dr. Sharmin Sultana also the Director of Pakiza Textiles Ltd.

MD. FAIZUR RAHMAN

Independent Director

Md. Faizur Rahman was appointed as Independent Director to the Phoenix Insurance Company Ltd on the 29th July 2019. He is the founder and Group Chairman of Noapara Group,

Directors'

Bangladesh. Noapara Group is a Bangladeshi owned company with a long history in the South East Asia realm. Right from the beginning, the company started with a strong focus on innovation under the leadership of Mr. Rahman the group has made significant progress by laying a strong foundation for ambitious growth through new ventures, alliances and acquisitions.

NABIHA YASMEEN

Independent Director Nabiha Yasmeen was appointed as Independent Director of the company on 29th July 2019. She completed Masters of Arts degree from University of Miami, Florida. USA. She associated with S.S. Steel Ltd. She has strong ability in marketing and developing products and initiating business. She also professional member BGMEA, BKMEA, BTMA and Dhaka Chamber of Commerce and Industry. She travelled extensively for the promotion of Business in many countries in the world and participated with various Socio-Economic programmes at home and abroad.

MD. JAMIRUL ISLAM

Managing Director & CEO

Mr. Md. Jamirul Islam was born on December 02. 1964 in a renowned family from Gorchi in Chattogram Rowzan. Mr. Islam started his career with Phoenix Insurance Co. Ltd. as a Probationary Officer in early 1st January 1987 after obtaining Masters Degree from Dhaka University. During his 31 years service career he worked in various branches of Phoenix Insurance Co. Ltd. and contributed excellent support for the development of the company. Mr. Islam has been awarded several times for tremendous business performance of the company. His desire for learning combined with his intelligence has amazingly created him forward-looking. He is punctual in his service and build up the confidence with the management and clients in the services rendered by him. In 2006, he promoted to the rank of Deputy Managing Director and became Additional Managing Director in 2010. He worked unremittingly to take the Insurance Company to its new height of excellence. In May 2011 he was elevated to the rank of Managing Director & CEO in recognition of his contribution to the Phoenix Insurance Company Ltd. by approval of the Insurance **Development & Regulatory Authority** (IDRA). In every aspect of his career by showing efficiency and determination he holds the most respective position in the insurance industry. His vast experience reflects on his great job that he had done all over the company, which found a prosperous future in this century of modernization. By this time

Bangladesh Insurance Association selected him as a member of Non-Life technical Sub-Committee to investigate into the alleged irregularities to bring discipline in the insurance market and avoid punitive action from Regulatory Authority. He is a member of the Bangladesh Insurance Executive Club. Mr. Islam has attended a good number of professional training courses, seminar, workshop etc. and also engaged with different social and cultural organizations. He likes to travel and regularly visit many countries. By this time he visited USA, Malaysia, Thailand, India, Singapore, Bahrain, Qatar, Dubai, Nepal, Bhutan etc. for professional & personal purpose. In retrospect, the 53 years old has showed remarkable efficiency in discharging responsibilities he has shouldered from the beginning to till now.

Management

Profile



MD. MANIRUL ISLAM Consultant



MD. RAFIQUR RAHMAN Deputy Managing Director & Company Secretary



MD. SHAFIKUR RAHMAN Executive Director Head of Branch Control & U/W





SUNIL KRISHNA SAHA General Manager & Head of Re-insurance Department



General Manager & Head of IT Department



MD. MIZANUR RAHMAN General Manager & Head of Claims Department



MD. JAHURUL ISLAM CFO & Asst. General Manager Head of Accounts Department



Management Profile

MD. MANIRUL ISLAM

Consultant Born: 1955

Mr. Md. Manirul Islam joined the Phoenix Insurance Company Ltd. on 25.03.2020 as Consultant of the Company. Before joining Phoenix Insurance Company Ltd. he was the Managing Director & CEO of the Pioneer Insurance Company Ltd. and Pragati Insurance Company Ltd. the second largest & fourth largest non-life insurance Company in Bangladesh in terms of Premium Income respectively. He commenced his thirty nine years of journey in the insurance industry in 1981, at Sadharan Bima Corporation (SBC), the only state owned non-life insurance company in Bangladesh.

Mr. Islam completed his B.Com (Hon's), M.Com (Accounting) from Dhaka University in 1976 and passed BIA Diploma from Bangladesh Insurance Academy in the year 1985. During his service in Sadharan Bima Corporation, he worked in various departments such as Underwriting, Claims, Accounts, Re-Insurance, Finance & Investment etc. and gathered extensive knowledge and experience. He worked as General Manager Finance, Re-Insurance, Underwriting, Claims and Dhaka Zonal Office and retired voluntarily on 30.09.2012 and joined Pragati Insurance Company Ltd. on 1st October, 2012.

During the service period he attended many insurance related seminars, symposiums and workshops. He participated in various professional training courses at home and abroad. Mr. Islam is now a renowned insurance personality in the country.

Apart from Insurance industry, Mr. Manirul Islam is well associated with various social organizations. He was a councilor of Bangladesh Football Federation (BFF). He was also a councilor and former Member of the Finance Committee of Bangladesh Cricket Board (BCB).

Mr. Islam was the member (nominated) of the Board of Directors:

- Mutual Trust Bank Ltd. (MTBL)
- National Housing Finance & Investment Ltd.
- IIDFC I td
- IIDFC Securities Ltd.
- KAY & QUE (Bangladesh) Ltd.

Former Member:

- Central Rating Committee- IDRA
- Fire Rating Sub-Committee- IDRA

- Misc. Rating Sub-Committee- IDRA
- PSB (Public Sector Business) Management Committee of Co-Insurance Scheme

MD. RAFIQUR RAHMAN

Deputy Managing Director & Secretary, Born: 1969

Professional Experience

Mr. Rafigur Rahman joined in the Phoenix Insurance Company Ltd. in 2007 as Company Secretary to the rank of DGM and at present he is holding the position of the Deputy Managing Director. Mr. Rahman looks after the responsibility of Board affairs, legal & Compliance and Common Service department of the company. Mr. Md. Rafigur Rahman started his career with YOUNGONE Group, DEPZ, Saver, Bangladesh in 1995. Thereafter, he served with Chemical Industries (listed company of DSE), Express Insurance Ltd. and Energypac Engineering Ltd. at Accounts & Finance Department and other various important capacities.

External Experience

During his service period, Mr. Rafigur Rahman attended a good number of training courses and seminar in relation to Accounts & Finance, Board, Company Law. Securities & Exchange Rules and etc. He also completed a training course on "International Financial Reporting Standards" from the Institute of Chartered Accountants in England and Wales (ICAEW). Mr. Rahman successfully completed Future CEO training Program from WSDA.

Educational Background

- Master of Commerce in Accounting, University of Dhaka, Bangladesh
- Chartered Accountant (Inter), ICAB
- Bachelor of Law (LL.B.)

MD. SHAFIKUR RAHMAN

Executive Director Head of Branch Control & **Underwriting Department**

Born: 1975

Professional Experience

Mr. Md. Shafikur Rahman started his career with Prime Insurance Co. Ltd. as Assistant Manager in 2000. After completion of MBA Mr. Shafikur Rahman joined the Phoenix Insurance Company Ltd. in 2006 as Manager. Mr. Rahman is holding the charge of head of the Branch Control and Underwriting Department since 2007. He is now holding the rank of Executive Director.

External Experience

He has participated in various professional training, seminar and workshop in the Bangladesh Insurance Academy. Bangladesh Insurance Association and various training Institutions. Mr. Rahman successfully completed Future CEO training Program from WSDA. Mr. Rahman has been awarded several years for his tremendous business performance of the company. He is associated with a good number of socio cultural organizations.

Educational Background

- B. Sc.(Hon's) & M.Sc. in Geography & Environment, University of Dhaka, Bangladesh
- MBA in Finance University of Darul Ihsan, Dhaka

S. M. JASHIM UDDIN AHAMMED

Senior General Manager Head of HR & Administration Department Born: 1961

Professional Experience Mr. S.M. Jashim Uddin Ahammed

Management

started his career with Grameen Bank (A Nobel prize winner organization) as a Probationary Officer (Admn) at Head Office in 1985. He held Grameen Bank more than 13 years in different important positions as Area Manager, Program Officer, Unit Chief of Training & Special Program Unit, Evaluation & Monitory Unit, Audit Unit, Inter branch accounts unit in different area & Zonal Offices & Assistant Project Director of Southern Agricultural Project (sister concern of Grameen Bank). In 2002 he joined Global Insurance Limited as Company Secretary & Head of Admn & HR, Common Services & PR department. During his 13 years service in Global Insurance Ltd. he contributed excellent support for the development of the Co. Prior of this he worked with Hamko Group as Head of Admn & Secretary MD & CEO Secretariat & performed various important responsibility. Mr. Ahammed joined the Phoenix Insurance Company Ltd. in 2016 as General Manager & Head of HR & Administration Department. At present he holds the position of Senior General Manager of the Company.

External Experience

He completed certificate course on Management & Marketing Sales Management and Salesmanship from Bangladesh Institute of Management(-BIM). Quantum Graduate Mr. Ahammed successfully completed Future CEO training Program from Workplace Skills Development Academy of Newzealand (WSDA) and as a result he got the position of Senior Faculty Member of WSDA

He awarded certificate for wining 1st United Nations General Knowledge competition, Co-ordinate 2(two) International Dialogue program in Grameen Bank where 23 countries delegates are participated, Organized & successfully completed Four Global Insurance Golf Cup Tournament at Army Golf Club, Two Global Insurance Table

Tennis Tournament under Bangladesh Table Tennis Federation, Arranged two seminars on (i) "The Role of Insurance, Fire service & Public awareness, for Preventing Fire Loss". (ii) Road safety awareness: Role of Insurance & Traffic Department, Mr. Ahmed is a quest speaker of CSD Club International, Step up foundation etc. He has edited many magazines, souvenir and periodicals. He participated in various professional training & courses namely Bangladesh Insurance Academy, DSE, BSEC, ICSB, British council, Grameen Trust, BIAC. Yoga Foundation. Tasauf Foundation. British American Language Institute Dhaka etc. He earned 34 years restless experience in HR, Admn & Secretarial dealing.

Educational Background

- B.A (Hon's), M.A (Islamic History & Culture) Stood 6th & 1st position respectively in order of merit. Rajshahi University, Bangladesh
- Bachelor of Law (LL.B.), Post Graduate Diploma in Personnel Management (PGDPM) from Bangladesh Institute of Management (BIM).

SUNIL KRISHNA SAHA

General Manager & Head of Re-insurance Department Born: 1950

Professional Experience

Mr. Sunil Krishna Saha served in Sadharan Bima Corporation about 38 years in the different capacities and retired as Assistant General Manager. During his service period in Sadharan Bima Corporation, he has participated extensive overseas Re-insurance program in U.K., Singapore and Srilanka. In the year 2009, Mr. Saha joined in the Phoenix Insurance Co. Ltd. as General Manager and looking after Company's Re-insurance affairs with Local and Overseas Re-Insurance Market

External Experience

Mr. Saha obtained Insurance Diploma from Bangladesh Insurance Academy in 2004. He also completed training course on Reinsurance, Underwriting & Claims from Tysers, London.

Educational Background

Master of Commerce in Accounting, University of Dhaka, Bangladesh

MD. MUSTAFA KAMAL

General Manager & Head of IT Department Born: 1971

Professional Experience

Mr. Md. Mustafa Kamal started his career with Phoenix Insurance Company Ltd. in the Underwriting Department as Junior Officer in mid 1997. Mr. Kamal holding the charge of IT Department since 2010 as Manager and promoted to the rank of the Senior Manager in 2011, AGM in 2012 there after he has been promoted to the rank of Deputy General Manager in 2016. Now he is holding the rank of General Manager.

External Experience

Mr. Kamal completed ORACLE8 with DEVELOPER2000 in 2000 and ORACLE9i DATABASE in 2005 from IBCS-PRIMAX Software (Bangladesh) Ltd. He is an OCP (Oracle certified professional) in DBA track. He has got the training on RHCE. Sun Solaris 10 & CCNA from reputed organization. He has also participated in various professional training in the Bangladesh Insurance Academy, Bangladesh Insurance Association and various training Institutions. He has also got some training from IBA (Institute of Business Administration), Dhaka University on SCP (Supply Chain Management) and HRMC (Human Resources Management Competencies). Mr. Kamal successfully completed Future CEO training Program from WSDA (Workplace Skills Development Academy), New Zealand.

Management

In 2018 Mr. Kamal attended at a training program on PICT (The Program on Information and Communication Technology in Emerging Economics) in Japan arrange by AOTS (The Association for Overseas Technical Cooperation and Sustainable Partnership) funded by Japanese Government. In 2019 he has attended in a Conference held in Kolkata, India on 'Technology Senate Bangla' jointly organized by CTO Forum Bangladesh and India. He is associated with a good number of socio cultural organizations.

Member

CTO Forum Bangladesh (Fellow Member) BAAS - Bangladesh AOTS Alumni DUAA – Dhaka University Alumni Association CLUB '89, DUZAA, DUAAB '89

Educational Background

- Bachelor of Science (Hon's) in Zoology, Dhaka University, Bangladesh
- Master of Science in Fisheries, Dhaka University, Bangladesh

MD. MIZANUR RAHMAN

General Manager & Head of Claims Department Born: 1966

Professional Experience

Mr. Md. Mizanur Rahman started his career with Phoenix Insurance Company Ltd. as Junior Officer in the Claims Department in early 1991. He was promoted to the rank of Manager in the year 2007 and took the charges of Claims Department. Now he is holding the rank of General Manager.

External Experience

He completed the Insurance Diploma (ABIA) from Bangladesh Insurance Academy in 1998 having secured first position and obtained Tyser Award from Tyser & Company, London. Mr. Rahman

also completed training course on Property Reinsurance Claims from Singapore College of Insurance, Singapore. He also participated insurance related various seminar. workshop and symposium.

Educational Background

- Bachelor of Science. Dhaka University, Bangladesh
- Bachelor of Law (LL.B.) Dhaka University, Bangladesh

MD. JAHURUL ISLAM

Chief Financial Officer & Assistant General Manager Born: 1955

Professional Experience

Mr. Md. Jahurul Islam started his career with Phoenix Insurance Co. Ltd. in the year of 1987 as Assistant Officer of Accounts Department. In recognition of 33 years service in the company he has got several promotion and now he is holding the rank of Assistant General Manager. Mr. Islam is holding the charge of head of the Finance and Accounts Department & CFO on 2019. He earned 33 years restless experience in the company's Finance and Accounts, Audit, Share dealing, Vat, Tax matter and Investment portfolio.

External Experience

During his service period, Mr. Jahurul Islam attended a good number of training courses, seminar & workshop in relation to Accounts & Finance. He also completed training course on "AML/CFT Focusing General Insurance Companies" from Bangladesh Bank Training Institute and "Accounting & Financial Management" course from Bangladesh Insurance Association. Also attended Orientation/Hands-on Training for "CFO" from Insurance Development & Regulatory Authority (IDRA).

Educational background

Bachelor of Science, Dhaka University, Bangladesh Chartered Accountancy Course Completed (Article ship), ICAB

MD. HABIBULLAH

Manager & Head of Internal Audit Department Born: 1962

Professional Experience

Mr. Md. Habibullah joined Phoenix Insurance Company Ltd. in 1992 with Internal Audit Department and holds the charges of the department in 1999. He is now holding the rank of Manager.

External Experience

Mr. Habibullah participated in various professional training such as "Internal Audit & Control Environment" under the Institute of Chartered Secretary's of Bangladesh (ICSB) and attend seminar of "Management of Health Insurance" under Bangladesh Insurance Academy. Mr. Habibullah has 29 years experience and successfully look after the department'

Educational Background

- Bachelor of Commerce (Hon's) in Accounting Rajshahi University, Bangladesh
- Master of Commerce in Accounting, Rajshahi University, Bangladesh
- Chartered Accountancy Course Completed

Branch Management

District	Branch Name & Address	Head of Branch	Contact No.
	Local Office 1/A, Dilkusha C/A (Ground Floor), Dhaka – 1000	Syed Shahadat Hossain Deputy Managing Director	02223383609 02223383577 01819- 213563
	Imamganj Branch 20, Imamganj (1st Floor), Dhaka.	Abdullah Wadud Chowdhury Senior Manager	57313422, 57310163 017140-35918
	Motijheel Branch Al-Helal Building 186, Motijheel Circular Road, Arambagh, Dhaka.	Syed Habibur Rahman General Manager	7195313, 7195314 01715-771414
	English Road Branch 10/3, English Road (2nd Floor), Dhaka.	Mohammad Ullah Assistant General Manager	57391111 01819-412342
	B. B. Avenue Branch 21, B.B. Avenue (3rd Floor), Dhaka.	Nahid Sultana Deputy General Manager	02223380563 02223385327 01842234474
Dhaka	Mouchak Branch Rupayan Karim Tower Level-10-C, 80 Kakrail, Dhaka	Syed Abdul Awal Deputy General Manager	48313636 01819-213565
	Bangshal Branch Gauchia Plaza (2nd Floor), 219/220, Nawabpur Road, Bangshal, Dhaka	Md. Shafiqul Alam Executive Director	0223380522, 9550522 01819-213567
	Kawran Bazar Branch Unique Trade Centre, (Level-11, Suite-4), 8, Panthapath, Kawran Bazar, Dhaka.	Syed Shahed Alam Assistant General Manager	48115754 01819- 223092
	New Market Branch Shirin Mansion (2nd Floor), 34, Mirpur Road, Dhaka.	Syed Akbar Ali Executive Director	48115754 01713-045536
	Islampur Branch Mona Complex (2nd Floor), 21, Armenian Street, Babu Bazar, Dhaka.	Md. Abdul Alim Assistant Manager	57392662, 01715282257
	Gulshan Branch Basati Horizon, 8/B (Level-8) House-21, Road-17, Banani C/A, Dhaka-1213	Md. Muktadur Rahman Senior Principal Officer	58811737, 58811767 01819213568
	Mirpur Branch 1/D, 9/35, (2nd Floor), Mirpur, Dhaka.	Dulal Chandra Karmaker Deputy Manager	58055694 01767709872

District	Branch Name & Address	Head of Branch	Contact No.
	Sadarghat Branch 32/Ka, F K Bhaban (4th Floor), Johnson Road, Roy Shaheb More, Sutrapur, Dhaka-1100.	A. R. Mohd. Rafiqul Islam Assistant General Manager	47116599, 47122304 01819-245751, 01911-317437
Dhaka	Chawk Bazar Branch 113/3, Nazim Uddin Road, (2nd Floor), Chawkbazar, Dhaka-1211	Md. Dalilur Rahman Manager	57300695, 01819 213570
	Narayanganj Branch Jakir Super Market, 145 (5th Floor) Bangabandhu Road, Narayanganj	Md. Abu Taher Majumder Senior General Manager	7634656, 7630482 01819-239732
Chattogram	Agrabad Branch Zonal Office, Chattogram Makkah Modina Trade Centre (4th Floor) 78, Agrabad C/A, Chattogram	A.G.M. Showkat Hossain Executive Director	031-711287, 031- 711258 031-2524931, 01711-863121 01971- 863121
	Khatunganj Branch 305, Khatunganj (1st Floor), Chattogram	Md. Omar Ferdous General Manager	031 630701 Fax :031 617836 01819 326680
Khulna	Khulna Branch Nizam Chamber (2nd Floor), 7, Old Jashore Road, Khulna	Sheikh Mahbubur Rahman Manager	0247722714 01716 717190 01715 032646
Jashore	Jashore Branch Dreamz Alauddin Tower 8, Gari Khana Road, Jashore	Shaikh Abdullah Al Miran Assistant Manager	0421 66087 01712-863541 01711018934
Kushtia	Kushtia Branch 55/1, Lovely Housing, (5th Floor), 5F-2, N. S. Road, Kushtia	Md. Anisur Rahman Assistant General Manager	071 61904 01715 018451
Bogura	Bogura Branch Marina Complex (3rd Floor), Temple Road, Satmatha, Bogura	Md. Tajul Islam Deputy Manager	051 63614 01711-937047
Rangpur	Rangpur Branch Asir Building (1st Floor), 90, Station Road, Rangpur.	Md. Abul Kashem Azad Assistant Manager	0521 65412 01715-065278
Rajshahi	Rajshahi Branch Moni Chattar, Shaheb Bazar, Rajshahi	S. M. Rasheduzzaman Assistant General Manager	0721 774543 01715-002386
Pabna	Pabna Branch Traffic Point (2nd Floor), Abdul Hamid Road, Pabna	S. M. Nurul Islam Deputy Manager	0731 65409 01712 930152

District	Branch Name & Address	Head of Branch	Contact No.
Dinajpur	Dinajpur Branch Basunia Patty, Dinajpur	Md. Asaduzzaman Masud Deputy Manager	0531 65468 01715 672334
Madaripur	Madaripur Branch Amin Super Market (1st Floor), Puran Bazar, Madaripur	Md. Obaidur Rahman Deputy Manager	0661 55493 01552 378077 01720-296439
Sylhet	Sylhet Branch Modhuban Super Market (3rd Floor), Sylhet	Alok Shyam Manager	0821 719778 01717 019434
Cumilla	Cumilla Branch 6, Chatipatty (2nd Floor), Rajganj, Cumilla	Md. Shah Alam Manager	081 68160 01765 016791
Mymensingh	Mymensingh Branch 24/1, Choto Bazar, Mymensingh	Pankaj Paul Senior Principal Officer	091 64028 01765016791
Barisal	Barisal Branch 45, Sadar Road, Barisal	Golam Naser Chowdhury Principal Officer	043164495 01942 540041
Chaumuhani	Chaumuhani Branch Shamsu Vila, (3rd Floor), Bank Road, Chaumuhani, Noakhali	Md. Monzural Hoque Bhuiyan Assistant General Manager	0321 51428 01819-184037



The Management has awarded the above employees for their extra ordinary performance to develop the company in various categories. On this occasion the Chairman, Directors and Managing Director were present.

PARTIAL VIEW OF BRANCH MANAGERS CONFERENCE -2020







The Chairman, Directors, Branch Managers & Senior Officers of the Company attended the conference.

Branch Network

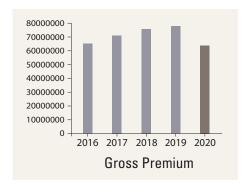


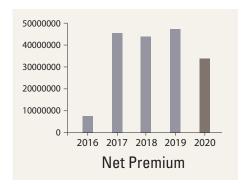
Financial Position

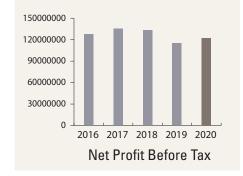
- Financial Graphs
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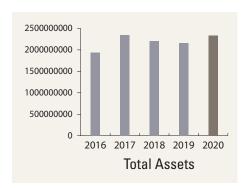
Financial

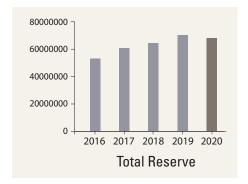
Graphs

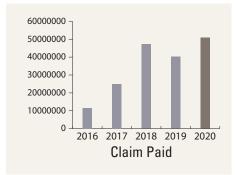














5 Years Financial Highlights

Particulars	2016	2017	2018	2019	2020
Paid-up Capital	40,34,15,720	40,34,15,720	403,415,720	403,415,720	403,415,720
Gross Premium	65,21,77,275	71,30,48,761	759,346,053	780,575,102	646,130,830
Net Premium	7,60,02,749	45,42,03,546	438,545,553	473,269,540	337,872,934
Net Claim	1,14,73,082	2,50,27,314	47,156,672	40,235,243	50,788,967
Investment & Other Income	7,37,99,371	11,02,02,521	69,112,259	40,598,683	63,958,957
Underwriting Profit	7,70,99,209	4,65,04,199	81,754,998	97,496,996	87,348,438
Net Profit before tax	12,78,53,449	13,51,96,077	133,265,471	115,269,990	121,885,772
Total Assets	194,36,06,074	234,42,04,793	2,211,567,976	2,157,020,135	2334,294,035
Total Reserves	52,97,41,011	60,48,48,910	642,495,250	703,543,526	682,660,092
Cash & Bank Balances	42,72,32,191	46,59,21,658	470,123,276	433,734,990	464,739,170
Investment	59,76,78,947	89,85,39,681	713,947,976	581,554,148	717,182,772
Book value per Share (Tk.10/- each)	34.64	39.85	37.01	34.88	39.10
Earning per Share (EPS) Tk.10/- each	2.44	2.78	2.56	2.31	2.33
Dividend(Cash)	15%	16%	12%	12%	15%
Shareholders' Equity (Tk.10/- each)	34.64	39.85	37.01	34.88	39.10
Number of Employees	307	300	290	281	276

Value Added

Statement: For the year ended 31st December 2020

The Value added statement provides a detailed account of total value addition and the distribution of the value created by the organization. Phoenix Insurance contributes to socio-economic developments by empowering employees through the payment of salaries and allowances and consistent dividend to the providers of capital by assisting the regulatory capacities through paying taxes and of course keeping in mind Company's continuous expansion and growth.

VALUE ADDED STATEMENT

For the year ended 31, December 2020

Figure in Million (BDT)

SI.	Value Added	20	20	20	19	Increased /	%
No.	Particulars	Amount	%	Amount	%	(Decreased) in 2020	,,,
01	Gross Premium	646.13	79.27	780.58	83.00	(134.45)	(17.22)
02	VAT, Stamp Duty & Source Taxes	36.40	4.47	50.71	5.39	(14.31)	(28.22)
03	Investment & Others Income	63.96	7.85	40.60	4.32	23.36	57.54
04	Re-Insurance Commission Earned	68.58	8.41	68.54	7.29	0.04	0.06
	Total Value Added during the year	815.07	100.00	940.43	100.00	(125.36)	(13.33)



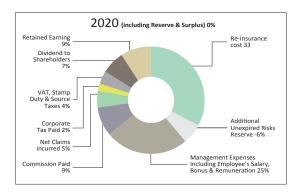
APPLICATION OF THE FUND

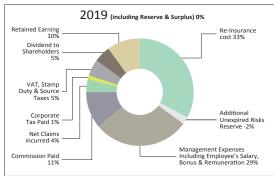
For the year ended 31, December 2020

Figure in Million (BDT)

	rigate in Million (227)						
SI.	Value Added Contribution to / Application of the Value Added	2020		2019		Increased / (Decreased)	%
No.	Particulars	Amount	%	Amount	%	in 2020	
A.	Employees & Others						
	Re- Insurance Cost	308.26	37.82	307.31	32.68	0.95	0.31
	Additional Unexpired Risks Reserve	(54.67)	(6.71)	13.72	1.46	(68.39)	(498.47)
	Management Expenses including Employee's Salary, Bonus &	228.92	28.09	272.41	28.97	(43.49)	(15.96)
	Remuneration						
	Commission	85.23	10.46	106.14	11.29	(20.91)	(19.70)
	Net Claims Incurred	50.79	6.23	40.24	4.28	10.55	26.22
	Sub Total	618.53	75.89	739.82	78.67	(121.29)	

SI. No.	Value Added Contribution to / Application of the Value Added	2020 2019 Increased / (Decreased)		2019		Increased /	%
110.	Particulars	Amount	%	Amount	%	in 2020	
B.	Government						
	Corporate Tax Paid	16.92	2.08	12.12	1.29	4.80	39.60
	VAT, Stamp Duty & Source Taxes	36.40	4.47	50.71	5.39	(14.31)	(28.22)
	Sub Total	53.32	6.54	62.83	6.68	(9.51)	
C.	Provider to Capital						
	Dividend to Shareholders	60.51	7.42	48.41	5.15	12.10	24.99
	Retained Earnings						
	(including Reserve & Surplus)	82.71	10.15	89.37	9.50	(6.66)	(7.45)
	Sub Total	143.22	17.57	137.78	14.65	5.44	
D.	Total Distribution & Growth (A+B+C)	815.07	100	940.43	100	(125.36)	(13.33)



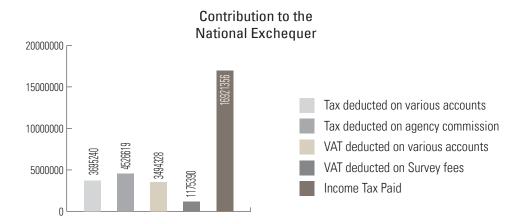


Contribution

To The National Exchequer

Phoenix Insurance Company Limited is well aware about the responsibilities of the national economic development and in this connection; the management feels happy to contribute to the National Exchequer regularly. The Company pays tax and vat on its own income and also deducts income tax and vat at sources from employees, clients & suppliers and the same amount is deposited to the National Exchequer in time. For the year 2020, the company has deposited Tk.2,98,12,933/- as tax, vat and income tax deducted at source from employees, clients and suppliers whereas it was Tk. 2,35,53,390/- only in 2019.

For the Year-2020	Amount in Tk
Tax deducted on various accounts	36,95,240
Tax deducted on agency commission	45,26,619
VAT deducted on various accounts	34,94,328
VAT deducted on Survey fees	11,75,390
Income Tax Paid	1,69,21,356
Total amount in Taka	2,98,12,933

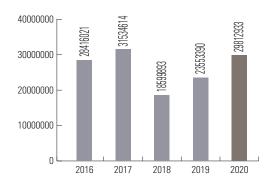


The year wise Contribution to the National Exchequer

Amount in Taka

2016	2017	2018	2019	2020
2,84,16,021/-	3,15,34,614/-	1,85,99,893/-	2,35,53,390/-	2,98,12,933/-

Contribution to the National Exchequer



Market Value Added Statement

Market Value Added (MVA) is a measurement of external performance that indicates how the market has evaluated the company's performance in terms of market value of shares compared to book value of shares. MVA is the difference between the market value of the equity of a company and the book value of the equity invested in the company. A positive MVA indicates that the company could add the value to the shareholders wealth but at present market value of our company shares is very lowest comparing last couple of years due to share market not performed properly. The following statement indicates the MVA at the year ended on 31st December 2019 and 2020.

Amount in Taka

	2020	2019
Marker value of shares outstanding	108,32,68,268	108,51,88,286/-
Book value of shares outstanding	40,34,15,720	40,34,15,720/-
Market value added	139,98,52,548	68,17,72,566/-

Stakeholders Information's

'6-77 - Necessary Information for Shareholder's

78-79 - Shareholding Structure

80 - Pattern of Individual Shareholding

81-82 - Access to reports & enquiries

Necessary Information for **Shareholder's**

Share Registrar Office : Phoenix Bhaban (4th Floor), 12 Dilkusha C/A, Dhaka-1000.

Registrar/Head Office : Purbani Annex Building, 1/A Dilkusha C/A (1st Floor),

Dhaka-1000, Bangladesh.

Tel: 880-02-223383609-12, Fax: 880-02-9563576

mail@Phoenixinsurance.com.bd

Web site: www.phoenixinsurance.com.bd.

Listing on Stock Exchanges : Phoenix Insurance Company Limited is listed in the Dhaka

Stock Exchanges

Listing Fees : The annual listing fee for the year 2020 has been paid to the

stock exchange within the prescribed time limit.

Stock Code : The stock code for trading in equity shares of DSE at

PHENIXINS and Company Code-25707.

Statutory Compliance : During the year the Company has complied with all applica-

ble provisions, filed all returns/forms and furnished all relevant information as required under the Companies Act, 1994 and allied laws and rules, the Bangladesh Securities and Exchange Commission Rules and Regulations and the

Listing Regulations.

Record Date : The register of Member and share transfer books of the

Company shall remain closed on Thursday, the 30th June

2021.

35th Annual General Meeting : Date : 11th August 2021

Time : 2:30 PM

Venue : Digital Platform

Website of the Company : A website of your Company has been developed which

allows the users to get the Company related information about its financial, history, types of insurance available with the Company. Half yearly and quarterly financial statements of the Company is available at http://www.phoenix-

insurance.com.bd

Dividend Mandate Option : As per Notification No.SEC/CMRRCD/2009-193/Admin-

/03-31 dated June 1, 2009, we give the shareholders opportunity to authorize the Company to directly credit into their bank account of the Cash dividend instead of issuing a dividend warrant. In this connection, please provide the

beneficial owner's (BO) account of the Shareholder.

Investors' grievances

As on date none of the investor or shareholder has filled any letter of complaint against any service provided by the Company to its shareholders'.

Legal proceedings

No case has ever been filed by shareholders' against the Company for non-receipt of share/refund.

General meetings and voting rights

Pursuant to section 81 of the Companies Act, 1994, PICL holds general meeting of shareholders at least once a year. Every shareholder has a right to attend the general meeting; the notice of such meeting is sent to all the shareholders at least fourteen days before the meeting and also advertised in English and Bangla newspaper having circulation in Bangladesh.

All shares issued by the Company carry equal voting rights. Generally, such a right is endowed to them by section 85(1). On a pool votes may be given either personally or by proxy.

Proxies

Pursuant to Section 85 of the Companies Act, 1994 and according to the MOA and AOA of the Company, every shareholder who is entitled to attend and vote at a general meeting, can appoint another person as his/her proxy to attend and vote instead of himself/ herself. Every notice calling a general meeting contains a statement that shareholder entitled to attend and vote is entitled to appoint a proxy who needs not to be a member. The instrument appointing proxy, duly signed by the shareholder appointing that proxy should be deposited with the Company not less than 48 (forty-eight) hours before the meeting.

Share price performance

Phoenix Insurance opened the year at Tk.27.70 on 1st day of January 2020 and the price of the share was high on 24th December 2020 at Tk.47.70. On 18 March 2020, the shares experienced an intra-day low at Tk. 18.30. The year-end share price was Tk. 44.70 only.

Company's

Shareholding Structure

Share Capital: Tk. 40,34,15,720/-

·	2020	2019
Authorized Capital:	Taka	Taka
100000000 ordinary shares of Tk.10 each	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid up:	402 415 720	402 415 720
40341572 ordinary shares of Tk.10 each	403,415,720	403,415,720

Composition of shareholdings as on 31st December 2020

	For the ye	ear 2020	For the year 2019		
Type of Shareholders % of paid up capital	Face Value	% of paid up capital	Face Value	% of paid up capital	
Group A- Sponsors/Directors 15250243 ordinary shares of Tk.10 each	152,502,430	37.80	186,622,570	46.26	
Group B- Others 25091329 ordinary shares of Tk.10 each	250,913,290	62.20	216,793,150	53.74	
	403,415,720	100.00	403,415,720	100.00	
Break up of others (Group-B):					
1) Employees	2,978,130	0.74	2,985,150	0.74	
2) Institutions	48,950,540	12.13	93,517,840	23.18	
3) General Public	198,984,620	49.33	120,290,160	29.82	

Shareholding Range of group basis as on 31st December 2020

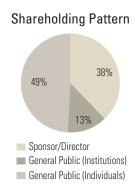
For the year 2020		For the year 2019				
Shareholding range	No. of shares	No. of share holders	% of paid up capital	No. of shares	No. of share holders	% of paid up capital
Group A						
200001-300000 shares 300001-400000 shares 400001-500000 shares 500001-1000000 shares Over 1000000 shares	302170 - 8347933 6600140	- 1 - 10 4	0.75 - 20.69 16.36	281250 302170 469731 8347933 9261173	1 1 1 10 6	0.70 0.75 1.16 20.69 22.96
Sub Total	15250243	15	37.80	18662257	19	46.26
Group B						
Less than 500 shares	251391	1690	0.62	241439	1682	0.60
500-5000 shares	2520087	1378	6.25	2108819	1216	5.23
5001-10000 shares	1932442	250	4.79	1292021	174	3.20
10001-20000 shares	2102563	144	5.21	1701081	117	4.22
20001-30000 shares	1359490	53	3.37	716306	28	1.77
30001-40000 shares	1147616	32	2.84	879565	25	2.18
40001-50000 shares	1442484	31	3.58	697249	16	1.73
50001-100000 shares	3712878	50	9.20	1346236	20	3.34
100001-1000000 shares	6614573	33	16.40	8682664	28	21.52
Over 1000000 shares	4007805	3	9.94	4013935	2	9.95
Sub Total	25091329	3664	62.20	21679315	3308	53.74
Grand Total (A+B)	40341572	3679	100.00	40341572	3327	100.00

Break up of share issued since inception:

Year	As per MOA & AOA	IP0	Bonus	Right	Total
1986	3000000				3000000
1994		3000000			3000000
2002			300000		300000
2003			315000		315000
2004			1653750		1653750
2005			2067180		2067180
2006			3100770		3100770
2007			2687340		2687340
2008			3547280		3547280
2009			4917830		4917830
2010			6147287		6147287
2011			1536821		1536821
2012			8068314		8068314
Total	3000000	3000000	34341572	-	40341572

Composition of shareholdings as on 31st December 2020

Type of Shareholders	No. of shareholders	No. of shares	Face value	% of paid up capital
Sponsor/Director	15	15,250,243	152,502,430	38
General Public (Institutions)	159	5,192,867	51,928,670	13
General Public (Individuals)	3505	1,9,898,462	198,984,620	49
Total	3679	40,341,572	403,415,720	100



The Pattern of Individual Shareholding of The Company

- 1.5 (xxiii) A report on the pattern of shareholdings of the Company as on 31st December 2020, are given below:
- (A) Shareholdings of Parent/Subsidiary/Associate companies and other related parties : Nil
- Shareholding of Directors, Chief Executive Officer (CEO), Company Secretary (CS), (B) Chief Financial Officer (CFO), Head of Internal Audit (IA) and their spouse and minor children are as below:

SI. No .	Name of Directors	No. of shares	Spouse/ children	Total Share	Percentage of holding
1	Mr. Deen Mohammad	1167859	1128561	2296420	5.69
2	Mst. Rokshana Begum	2067103	-	2067103	5.12
3	Mr. Aziz Al Mahmood	1817120	-	1817120	4.50
4	M/s. Pakiza Textiles Ltd. (Nominated by Mrs. Sharmin Sultana)	810090	941226	1751316	4.34
5	Mr. Mazharul Haque	807792	807267	1615059	4.00
6	Mr. Mohammed Shoeb	1548058	-	1548058	3.84
7	Mr. M. A. Majid	885337	-	885337	2.19
8	Mrs. Sadia Anjum Siddiqui	812272	-	812272	2.01
9	Ms. Sadaf Shamsad Haque	808871	-	808871	2.01
10	Mr. Manzoorul Haque	807000	-	807000	2.00
11	Mr. Mohammed Haider Ali	807000	-	807000	2.00
CEO	. CS, CFO & I/A				
1	Mr. Jamirul Islam (CEO)			287813	0.71
2	Mr. Jahurul Islam (CFO)			Nil	
3	Mr. Md. Rafiqur Rahman (C/S)			Nil	
4	Mr. Md. Habibullah (IA)			Nil	

(C) Shareholding of Executives: Nil

(D) Shareholders holding ten percent (10%) or more voting interest in the Company: Nil

Access to Reports and **Enquiries**

Annual Report

Annual report of the Company is available in the Share Department of the Company. Any requirements, Investors or Stakeholder can look after the annual report or printed copies obtained by writing to Company Secretary of the company or may be downloaded from the Company's website: www.phoenixinsurance.com.bd.

Quarterly reports

The Company publishes interim reports, at end of first, second and third quarters of the financial year. The interim reports can be accessed from the Company's website: www.phoenixinsurance. com.bd or printed copies obtained by writing to Company Secretary.

Shareholders' enquiries

Phoenix Insurance Company Ltd. has a separate Share Department to communicate with Shareholders, Stakeholders and investors may contact at any time to Share Department for any sort of information and query. To make the Annual General Meeting more participatory, arranging AGM in well-known place & convenient time allowing shareholders to speak in the AGM freely and making their valuable proposals and suggestions. Quarries relating to shareholders holdings or interest and payment of dividends or share certificates can be sent or shareholders might be communicated to the Share Department.

Besides, Phoenix Insurance Company Limited; we want to ensure that our Investors receive exemplary services. Investor gueries and complaints constitute an important voice for us.

Following are our guiding principles:

- Investors are treated fairly at all times;
- Complaints raised by Investors are dealt in a timely manner;
- Investors are informed of avenues to raise their queries and complaints.

MR. F. HAYDER ALI, Asstt. General Manager & in charge, Share Department being the Registrar is primarily responsible to resolve the investor's grievances. Shareholders' enquiries about their holding, dividends, share certificates and Income tax certificates etc. can be directed to the Share department at the following address:

Share Department

Phoenix Bhaban (4th Floor) 12 Dilkusha C/A, Dhaka-1000

Bangladesh

Phone: PABX # 223383609-12 Ext. 127

Direct # 9578329

E-mail: mail@phoenixinsurance.com.bd

Investors' Grievances

In case, investor's grievance is not addressed up to his/her satisfaction or within reasonable time, investors may also directly write to the following address of their query/complaint:

Company Secretary

Phoenix Insurance Company Limited 1st Floor, Purbani Annex Building 1/A Dilkusha, Dhaka-1000 Bangladesh.

Company has a designated email id: mail@phoenixinsurance.com.bd for handling investor grievances on which investor can make a complaint.

Corporate Governance

84-85 - Corporate Governance Strategy & Board Structure and affairs

86-88 - Chairman and Managing Director Responsibility

89-93 - Board Committees

94 - Phoenix's corporate governance framework

95-96 - Shareholders

Information about Corporate Governance

CORPORAE GOVERNANCE STRATEGY

Corporate governance developments and trends are changing rapidly and are based on enhanced regulation and evolving political parameters representing a comprehensive topic for the Board of Directors to deal with. A company's corporate governance does not only need to incorporate legal and regulatory requirements but also has to respond to increasing stakeholder expectations. Measuring a company's corporate governance based on environmental, social and governance (ESG) criteria gains in importance. The Board of Directors regularly assesses PHOENIX's corporate governance against regulatory developments, relevant best practice standards and new stakeholder demands. The Board of Directors closely monitors the company's activities and country wide corporate governance developments and considers relevant information. The Board of Directors adapts Phoenix's corporate governance where it deems it appropriate and beneficial for Phoenix Insurance, its shareholders and further stakeholders. The Board of Directors values feedback on Phoenix's corporate governance by its stakeholders and engages in a dialogue with its shareholders, proxy advisors and corporate governance consulting firms. The Board of Directors ensures that Phoenix's corporate governance takes into account all mentioned aspects and that the company's corporate governance is ready to respond to upcoming needs.

The Bangladesh Securities and Exchange Commission have issued certain further conditions, on 'comply' basis, in order to enhance corporate governance for the interest of investors and the capital market vide the Notification No.SEC/CMRRCD/2006-158/207/ Admin/80 dated 03 June 2018. The Board of Directors already advised the management to implement the instruction as per guidelines and the latest position of the compliances of the corporate governance structure and guidelines of the company have been presented in the annual report 2020 for the information of the Shareholders and other stakeholders.

BOARD STRUCTURE AND AFFAIRS Composition of the Board

The Board comprises of 13 directors of which 7 are Sponsor Directors, 4 are Public Directors and 2 are Independent Directors. 13 Non-Executive Directors and 1 is Executive Director who is the Chief Executive Officer (Managing Director) of the Company. Among the 13 Non-Executive Directors one is Chairman who elected from the Board Members. The composition of the Board complies with the requirements of the Code. Directors are talents, skills and quite experience to provide prudent quidance with respect to the operation of the Insurance business. Chairman and Managing Director of the Company are different body with separate functions and responsibilities. A list of Board of Directors is presented in the page no 54 of the Annual Report 2020.

Role of the Board

Generally, the Board of Director is appointed to act on behalf of the shareholders to run the day-to-day affairs of the business and must provide a report for the shareholders in the AGM about the performance of the company with the future plans and the strategy of the development of the Company.

The Board of Phoenix Insurance always takes initiative to ensure the company's prosperity by collectively directing the company's affairs regarding business and financial issues and deal with challenges relating to corporate governance, corporate social responsibility and corporate ethics. In the meeting, the directors review the company's overall situation, the strategy and policy, and to monitor the exercise of any delegated authority on the particular areas of the responsibility. The Board also reviews the goal of the company by taking in consideration the vision, mission and values. Set the strategy and structure based on present position and future opportunities, threats, weakness and risks relating to the company. The Board delegates the power of the management to monitor and evaluate the implementation of the policies, strategies and business plans. It also ensures that the internal controls are effective for the Company. The Board exercises the accountability to the shareholders and maintains the communications both to and from shareholders and relevant stakeholders are successful

Director's Freedom

All the Directors of the Company are Non-Executive Directors except Managing Director. The Board of Directors is independent about their works in the company. So, they can put their best judgment and advice relating to maintain the rules and regulations. Their vast knowledge and experience added the value of the company and to ensure to protect the risk factors of the company.

BOARD **MEETING**

The Directors meet from time to time to review the activities of the company and decide the tropics relating to policy and accordingly monitoring the progress of the company. The Company's Act and Articles of Association requires the Board Meeting and accordingly Phoenix Insurance conducting the Meeting in time. The aspects of Board meetings are discussed in details at the chapter for company meetings. During the year 2020, a total 9 Board Meetings were held. A detail of the Board Meeting and attendance in the meeting are given on the page 98 of this Annual Report.

INDEPENDENT **DIRECTORS**

To comply the requirements of the corporate governance guidelines of the BSEC, the Board of Directors were appointed 2 (two) Independent directors in the Board. All of them were qualified and experienced personality of their departments who were matching with the condition of the corporate governance guidelines of BSEC and they were playing their responsibility according to the guidelines of the regulatory authority.

Corporate Governance

CONFLICTS OF INTEREST

The Board of Directors of the Company subscribes to the highest standards of corporate governance. All directors of the Company have a duty to avoid conflicts of interest, and a responsibility to identify and disclose actual, potential or perceived conflicts between their personal, family, pecuniary or business interests along with their professional responsibilities to the Company.

Every director of the Company, if in any way, interested in any contract or arrangement to be entered by the Company, is required to disclose the nature of his/her concern or interest to the Board and bound not to take part in the discussion or vote on the matter.

The Chairman informs the Board of the existence of conflict (if any) and it is duly reflected in the minutes of the meeting. A general statement is given by each director annually disclosing the names of the companies, firms and businesses to which they are associated. The independent director also confirm every year through declaration that he fulfills the criteria of independence.

CHAIRMAN AND MANAGING DIRECTOR RESPONSIBILITY

Separate functions of the Chairman and Managing Director

The positions of the Chairman of the Board and the Managing Director (Chief Executive Officer) of the companies have filled by different individuals. The duties & responsibilities of the Chairman and Managing Directors of the Company are separated as mentioned in the Articles of Association (AOA) of the Company. The Chairman of the company shall be elected from among the directors of the company.

The Chairman is the Non-Executive Director and Managing Director is Executive Director. To follow the operational activities as well as performing responsibility of the chair, the Board of Directors issues the guidelines and responsibilities of the Chairman and the Chief Executive Officer/ Managing Director. The Chairman ensures to comply the policy of the company through the Board and the Managing Director confirmed to the Board about the implementation of the policy with the support of the management team.

Role of the Chairman

The Chairman has no engagement in the day-to-day affairs of the Company. The Chairman facilities the effective contribution of the non-executive Directors and ensures that constructive relations exist amongst the Directors. He signs the Board resolution and confirms the appointment of the Managing Directors including his salary and allowances with the discussion of the Board.

The Chairman's role includes managing the business of the board and to acting as such its facilitator and guide. These can include:

- Chairman provides leadership to the Board and preside the Board Meetings.
- Establishes a strong governance structure in which not only the effectiveness of the overall Board, but also of an individual member, increases.
- Creates an environment that promotes open communication, strong corporate relations that allow every individual member to express their view points and have constructive debates at Executive and Management level of the organization.
- To plan and manage the board and all board committee meetings:
- Exercise strict impartiality on every matter and ensures to act in accordance with the provisions of the Companies Act, Codes of the Corporate Governance and the Memorandum and Articles of Association of the Company.
- Ensures that the Company's policies and objectives set by the Board and in the best interest of the organization and encourage future development and sustainable long term growth.
- To determine composition and organization of the board;
- Conduct meetings with the Chief Executive Officer (CEO) to ensure that the objectives and strategies set by the Board are successfully implemented by the management.
- Makes sure that all the important issues and upcoming changes are thoroughly discussed in the Board Meetings and a way forward is established.
- Ensures that shareholders' and other stakeholders' views are taken into consideration and effective communication is establish between the stakeholders and the Board.
- To clarifying the board with its management and responsibilities.

Role of the **Managing Director**

The Managing Director is Executive Director of the Board. The Articles of Association of the Company and the guidelines of the IDRA refer his duties and responsibilities in the Company. Generally, he is responsible for running the business and implementing the Board strategy and policy. He looks after the day-to-day business and accountable to the Board for the financial and operational activities of the Company. He is responsible for operation service of the company and details are as follows:

- Responsible for leading the Company's long term strategies that maximize shareholders value.
- Provides leadership to the management to efficiently and effectively run the business processes in accordance with the plans and

Corporate Governance

policies approved by the Board. Furthermore, decides the course of actions needed to achieve the objectives set by the Board.

- Be a communication bridge between the Board and the Management and convene meetings with Chairman on the critical issues that need to be discussed with the Board.
- Ensures that the Management report promptly to the Board with reliable and accurate information which helps the Board take important decisions.
- Engage in effective communication with various stakeholders and establish strong relationship.
- Undertake all necessary acts for ordinary course of business which are in the interest of the Company.
- Have the authority or terminate any employee except the appointment, remuneration and terms and conditions of employment of Chief Financial Officer, Company Secretary and Head of Internal Audit which is determined by the Board and they shall be removed only after the approval of the Board.
- To ensure that the Company maintains the highest standards in conducting the business with regard to applicable laws and regulations.
- To monitor risk management to make sure that management is able to control and mitigate risks.
- Ensure that effective and efficient internal controls and established and followed by the management.
- To ensure and uphold positive image of the Company.

Role of the Company Secretary

A Company Secretary is the main key to the application of the best practice in the corporate governance, which is increasingly critical to an organization's reputation and its success. The corporate Governance Guidelines issued by the BSEC also requires a full-fledged Company Secretary as distinct from other mangers of the Company. The responsibility of the Company secretary is to ensure that the companies with its directors operate within the parameters of their roles, providing guidance to enable compliance with the relevant legislation. It is also his responsibility to communicate with shareholders and other third party stakeholders transacting with the company and confirm the compliance of disclosure, guideline, notification, directives or orders of BSEC/ Stock Exchanges. Under the direction of the Chairman, the Company Secretary's ensuring good information flows within the Board and its committees, between senior management and non-executive directors, as well as facilitating induction and assisting with professional development. All the directors should have access to the advice and services of the Company Secretary. He performs as the bridge between the Board, the Management and the shareholders about the strategic and statutory decisions and their directions too.

Appointment to the Board

The appointment of any new Directors is made with the consent and approval of the Board of Directors Meeting and such new Directors retires in the immediate next Annual General Meeting (AGM). It may also offer him/her-self for the re-appointment. Any new appointment to the Board requires information to the Insurance Development & Regulatory Authority, the BSEC and Stock Exchanges.

Regarding appointment of Sponsor or Public Director other than independent director, a notification was published on 21st May 2019. As per notification, eligible director holds minimum 2% shares of the company at least 6 months before the date of election under section 15A of Insurance Rules 1958.

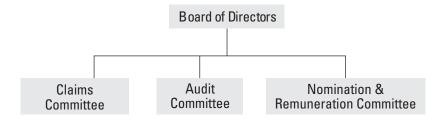
Under section 15B(3) of Insurance Rules 1958; the date, time, place and other particulars of election and the number of Director to be elected shall be circulated sixty days before such election by advertisement in at least two national daily newspapers.

According to the notification nomination in the prescribed form was invited from the eligible shareholders expressing his/her willingness to contest the election of Director from the public shareholders in the AGM. Elected Public Directors will be appointed for next term.

Under section 92 of Article of Association of the Company also refer the appointment of Public Shareholder Director. The Management of the Phoenix Insurance follows the above direction for appointing the public director in the company.

BOARD COMMITTEES

Phoenix Insurance Company has several committees under the Board. The Board appoints the members of the committees including the Chairman. After fulfillment the tenure of the committee, the members of committees have changed within the Board members. Every committee has separate scope of work and the Board must approve the terms of references. The Committees are independent and responsible to provide their expertise opinion to the Board. At present, the following Committees are performing their duties on behalf of the Board:



Corporate Governance

CLAIMS COMMITTEE

Claims or loss handling is the materialized utility of insurance; it is the actual "product" paid for. Claims filed by insured directly and the managements are classified the loss based on the documents & papers with their knowledge and experience. The surveyors of the Claim undertakes an investigation of each claim, usually in close cooperation with the insured, determines if coverage is available under the terms of the insurance contract, and if so, the reasonable monetary value of the claim, and thereafter with the advice/discussion of the Managing Director or claim committee the payment made successfully.

The Committee looks after the customer's claims settlement procedure with the support of surveyors report. The strengths of our claims settlement service lie in its promptness and efficiency. Claims settlement seeks to further enhance speed and improve customer satisfaction. In this respect, we always take initiatives to upgrade claims settlement processes and adopt the claims settlement system. Claims services' aim is to provide the best customer service experience in the industry.

Members of the Claims Committee

SI. No.	Name of the Members	Position in the Committee	Attendance
1.	Mr. Mohammed Shoeb	Chairman	2/2
2.	Mr. Deen Mohammad	Member	2/2
3.	Mr. Manzoorul Haque	Member	2/2
4.	Md. Jamirul Islam	Managing Director	2/2

Responsibility of the Claims Committee

- (i) The Board of Directors appointed all members of the Claims Committee who are directors of the company.
- (ii) All members of the Claims committee are quite knowledgeable about Claim procedures and have experienced of the company business underwriting management.
- (iii) The Board has empowered the committee to settle any amount of claim as per surveyor's recommendation.
- (iv) The Committee authorizes the Managing Director to settle the amount less then Tk.200.000/- on behalf of the Committee with the consent of the Chairman and the list of claim files including settled amount were presented in the Committee for the information as well as confirmation. The Chairman have empowered to settle claims amount within Tk.500,000/- and more than amount will be presented in the committee to speed up the settlement of Claims
- (v) During the year 2020 the Committee held 2 meeting and settled an amount of Tk.17,47,86,972/- against various class of insurer's claims

AUDIT COMMITTEE

The board of directors hereby resolves to establish an Audit Committee of the board and continues their operation as per terms of the reference adopted by the Board as well corporate governance guidelines of BSEC. The Board appointed the members of the committee, which are non-executive directors of the company. The Board authorizes the committee to follow up or investigate any activities within its terms of reference and accordingly recommended for reporting to the Board. The Audit Committee also look after the financial statements reflect true and fair view of the state of affairs and ensuring a good monitoring system within the business of the company. The Audit Committee is responsible to the Board of Directors for the activities.

Members of the **Audit Committee**

SL. No.	Name of the Members	Position in the Committee	Attendance
1.	Mr. Deen Mohammad	Member	3/3
2.	Mr. Mazharul Haque	Member	3/3
3.	Khorshed Zahan Begum	Member	2/3
4.	Sadia Anjum Siddiqui	Member	3/3
5.	Mr. Mohammed Haider Ali	Member	3/3

Constitution of the **Audit Committee**

- (i) The Audit Committee constituted by 5 (five) members.
- The Board of Directors appointed all members of the Audit (ii) Committee who are directors of the company.
- All members of the audit committee are quite knowledgeable about financially literate and have experienced of the accounting or related financial management.
- (iv) The members of the Committee were appointed for a period fix by the board one year and before expiry, the Board changed the members' among the Directors for continuing the performance of the activities of the committee. The Board of Directors may appoint any new committee members to fill up the vacancies immediately or changed the members as and when required to ensure continuity of the performance of work of the Audit Committee.
- (v) Most of the members were present in the meeting and after ensuring the quorum; the Audit Committee completed the meeting.
- The company secretary shall act as the secretary of the Committee. (vi)

Attendance at Audit **Committee Meetings**

The Chairman of the Board and the CEO/Managing Director may attend the meeting to the requirement of the committee. The Chief Financial Officer (CFO), head of internal audit and other concerned department head also attended the meeting at the requirements of the committee.

Corporate Governance

NOMINATION & REMUNERATION COMMITTEE (NRC)

Nomination and Remuneration Committee (NRC) looks after the management performance including the performance of each employee's in the company. The NRC have assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The Committee confirms the salary package, promotion, special increments, incentive bonus and other facilities. The Service Committee also enhances the pay scale of the employees time to time with the support of the management requirements. The Committee consists of 4 Non-executive Directors, one Independent Director who have appointed by the Board of the Company and the Managing Director too. At least, one meeting in a year held and confirms the facilities based on the performance of the company.

Members of the NRC

SI. No.	Name of the Members	Position in the Committee
1.	Mr. Mohammed Shoeb	Chairman
2.	Mr. Deen Mohammad	Member
3.	Mr. Mazharul Haque	Member
4.	Mr. Mohammed Haider Ali	Member
5.	Iram Ali	Member
6.	Md. Jamirul Islam	Managing Director

Constitution of the NRC

- 1. The Committee have constituted by five members including an independent director;
- 2. All members of the Committee are non-executive directors:
- 3. Members of the Committee have been nominated and appointed by the Board:
- 4. The Board is the full authority to remove and appoint any member of the Committee;
- 5. The company secretary act as the secretary of the Committee;
- 6. The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;
- 7. No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Directors fees or honorarium from the company.

Responsibility of the NRC

- The Committee is independent and responsible or accountable to the Board and to the shareholders:
- 2. The Committee has reviewed the following matters and time to time recommend to the Board accordingly:
 - Recommendation the pre qualifications for appointing an Independent Director in the Board in addition of the BSEC guidelines and Insurance Act and their remuneration etc.
 - (ii) Recommendation the remuneration and job responsibility of the top level executives of the company and its goals.
 - (iii) Recommendation to the Board the age, gender, experience, ethnicity, educational background and nationality for selecting the Independent Director or top executives.
 - (iv) To fixation the criteria for evaluating the performance of independent directors.
 - (v) Recommendation the needs for employees at different levels in the company and determine their selection, transfer or replacement and promotion criteria and
 - (vi) Reviewed annually the company's human resources and training policies.
- 3. The Committee has reviewed the nomination or selection and remuneration policy and the evaluation criteria and activities and details policy was presented in annual report.

Management team of the Company

The Company Management is supervised by the Managing Director who is responsible for the implement of the policy and procedures adopted by the Board. The Managing Director implements the internal control system, follow-up the day-to-day affairs of the management and also confirms the safety and security of the Company. The Senior Management ensures the improvement of the company with the compliance of statutory and the regulatory requirements too. With the support of management team, the Managing Director presents the Company's financial & business position in each Board Meeting for their understanding and guidance.

Management Committee

The Managing Director regularly sits with the high officials and department heads to discuss about any important issues before implementing the decisions. Besides this, the following meetings are being held under the chair of the Managing Director:

- Management Committee (MANCOM)
- Quarterly/half yearly Branch Performance Evaluation Meeting (ii)
- (iii) Annually Branch Managers Meeting

Corporate Governance

Appointment of **Chief Financial** Officer, Head of Internal Audit and Company Secretary attended in the **Board Meeting**

The Company has a Chief Financial Officer, a Head of Internal Audit and a Company Secretary. Their duties & responsibilities are separated and the Board of Directors of the Company determined their job responsibility clearly. The Managing Director monitors them regularly and time to time enhance their performance to manage the requirements of the regulatory authority.

The company secretary attends the meeting regularly and note down the matter of the meeting for preparing the minutes. He performs as the bridge between the Board, the Management and the shareholders about the strategic and statutory decisions and their directions too.

The Chief Financial Officer and head of Internal Audit attend the meetings of the Board and others committee meeting as and when required and presents the agenda item relating to their departments.

PHOENIX'S **CORPORATE** GOVERNANCE **FRAMEWORK**

Phoenix Insurance Co. Ltd. has continued this practices on good corporate governance at all levels. The Board is a policy and decision-making body for all issues and implements the decision with the support of Management. The main compulsion is evidence by the following practices:

- The number of Directors in the Board is 13 (thirteen) who are experience in the management, law and business.
- According to the Insurance Act and Corporate Guidelines of BSEC the Board Members set the Board of Directors team appropriately.
- Board of Directors and Management of the Company is independent 3) body.
- The position of the Chairman of the Board and the Managing Direc-4) tor of the company are different individuals.
- The Company has different Committee like as Nomination and Remuneration Committee, Claims Committee and Audit Committee to support the Board for taking decision on various important operational matters.
- The Management operates within the policies, rules and delegations 6) approved by the Board and compliance with other regulatory requirements.
- The Company put priority in submitting regularly periodical statements to Insurance Development & Regularity Authority and other regulatory bodies in time to enable the shareholder to make correct assessment of the Company's affairs and profitability.
- The Board also ensures the compliance of requirements of regulatory bodies such as Bangladesh Securities and Exchange Commission and Registrar of Joint Stock Companies and Firms.

- The Board is responsible for establishing an adequate and effective internal control system in the Company. Management monitors its internal control policies and develops the policies whenever it feels necessary.
- 10) Phoenix Insurance welcomes the dialogue with its shareholders & stakeholders during the time of Annual Meeting. Phoenix Insurance is of the opinion that it is part of good corporate governance to have procedures in place addressing shareholder gueries.

SHAREHOLDER

Phoenix Insurance Company Ltd. believes that the shareholders are not only the owners of the company but also real advisers of the Company. The shareholders extended their good cooperation and guidelines for the development of the company and the management ensures the interest and rights of the shareholders. The Management communicates their information through publication of various disclosures, the annual general meeting and website.

On being entered on the register of members, shareholders acquire the following specific rights on the company:

- Registration as member
- Certificate of shares (ii)
- (iii) Right to transfer shares according to articles
- (iv) Right to notices, attending meetings, speak, propose and vote in person or by proxy.
- To obtain copies of memorandum and articles
- (vi) To inspect registers maintained by company and to get extracts if required.
- (vii) To participate in the appointment at the General Meeting of
 - a) Directors
 - b) Auditors and
 - c) To fix their remunerations
- viii) To associate in the declaration of dividend and have right to receive the dividend within the stipulated time
- To obtain copy of the minutes of general meetings. ix)
- Right to receive-X)
 - a) Statutory report
 - b) Directors report
 - Auditors report with audited Balance Sheet and Profit & Loss Account before the meeting
- xi) To call a meeting

Corporate Governance

The rights of a shareholder are many and Phoenix Insurance Company Ltd. always provided them all information and support in time.

Phoenix Insurance Company Ltd. running their operation with applying transparency and accountability and maintain good corporate governance. To fulfill the long-term strategic goal of the stakeholders, the Phoenix Insurance will consider and take care for the interest of employees and will continue to maintain an excellent relationship with the customers and to maintain a proper compliance with all the applicable legal and regulatory requirements under which the company carries out its activities.

Disclosure & Compliance

- Directors attendance & Remuneration

99 - Related Party transaction 102 - Solvency Margin Analysis - Credit Rating Report

104-113 - Compliance Report of BSEC's Notification

- Certificate of Compliance Report

Disclosure

Re-election of Directors

Company's Articles of Association require that one-third director shall retire from the office by rotation each year except Managing Director and Independent Director of the Company. If they are eligible for the re-appointment, they could be re-elected by the shareholders in the next Annual General Meeting. The appointment of Independent Director in the Board will be presented to Annual General Meeting to approve by the shareholders in the Annual General Meeting (AGM).

Directors meeting & Attendance

During the year ended 31st December 2020 the total 9 (nine) meetings were held. In this year, all of the Directors serving in the Board attended more than 95% of the aggregate of the total number of meeting of the Board of Directors.

SI. No.	Name	Attend	Total Meeting
1	Mr. Mohammed Shoeb	9	9
2	Mr. Deen Mohammad	9	9
3	Mr. Aziz Al Mahmood	5	9
4	Mr. Mazharul Haque	9	9
5	Mrs. Badruddoza Mannan	8	9
6	Mrs. Sadia Anjum Siddiqui	9	9
7	Mr. Manzoorul Haque	9	9
8	Ms. Sadaf Shamsad Haque	9	9
9	Mrs. Rokshana Begum	9	9
10	Mr. Mohammed Haider Ali	9	9
11	Mrs. Khorshed Zahan Begum	6	9
12	Dr. Sharmin Sultana (Nominated from Pakiza Textiles Ltd.)	9	9
13	Mr. M. A. Majid	9	9
14	Iram Ali	2	2
15	Md. Faizur Rahman	3	9
16	Nabiha Yasmeen	3	9
	Total	117	137

Directors Remuneration

Board of Directors of the Company is non-executive director except Managing Director. They don't get any incentive or bonus for the performance of the Board. The non-executive directors get only meeting fees for attending the board and committee meetings at Tk.8,000/- re-fixed from 24th September 2019 according to the circular of the IDRA. Managing Director Remuneration package determine by the Board, which requires approval from the IDRA. As per corporate governance requirement we publish our non-executive director meeting fees in the annual report. During the year, the Meeting fees of the Directors were Tk.11,52,000/- and detail is presented in the page no 99 of the annual report.

SI. No.	Name of Directors	Board Meeting	Audit Committee	NRC Committee	Claim Committee	Total e Tk.
1	Mr. Mohammed Shoeb	72,000	24,000	8,000	16,000	1,20,000
2	Mr. Deen Mohammad	72,000	24,000	8,000	16,000	1,20,000
3	Mr. Aziz Al Mahmood	40,000	0	0	0	40,000
4	Mr. Mazharul Haque	72,000	24,000	8,000	0	1,04,000
5	Mrs. Badruddoza Mannan	64,000	0	0	0	64,000
6	Mrs. Sadia Anjum Siddiqui	72,000	24,000	0	0	96,000
7	Mr. Manzoorul Haque	72,000	0	0	16,000	88,000
8	Ms. Sadaf Shamsad Haque	72,000	0	0	0	72,000
9	Mrs. Rokshana Begum	72,000	0	0	0	72,000
10	Mr. Mohammed Haider Ali	72,000	24,000	8,000	0	1,04,000
11	Mrs. Khorshed Zahan Begum	48,000	16,000	0	0	64,000
12	Dr. Sharmin Sultana (Nominated from Pakiza Textiles Ltd.)	72,000	0	0	0	72,000
13	Mr. M. A. Majid	72,000	0	0	0	72,000
14	Iram Ali	16,000	0	0	0	16,000
15	Md. Faizur Rahman	24,000	0	0	0	24,000
16	Nabiha Yasmeen	24,000	0	0	0	24,000
	Total Taka	9,36,000	1,36,000	32,000	48,000	11,52,000

Fulfill of the minimum Share holding

According to the notification of BSEC the Directors jointly hold minimum 30% (thirty percent) shares of the paid-up capital of the company and each director other than Independent/Nominated Director(s) of the company's minimum holding should be 2% (two percent) shares. The Directors of the Company has jointly hold 38% paid up capital of the company and each sponsor Directors are holding more than 2% of the paid up capital. List of holding are stated in the page no 80 of the Annual Report.

Report on the compliance of the conditions of BSEC's notification

In accordance with the Securities and Exchange Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2019 to report on the compliance of certain conditions. The notification was issued to fulfill the good corporate governance practice in the listed companies for the interest of the investors' and the capital market. The company has followed the notifications in the company and the implementation status of the corporate governance is given on page no 104-114 of the Annual Report.

Related Party **Transactions**

The Company in normal course of business carried out a number of transactions with other entities that fall within the definition of related party transaction. Under the condition no 1.5(vi) of the corporate governance quidelines of the BSEC basis for the related party transactions a statement of all related party transactions should be disclosed in the annual report. In this connection detail transactions with related parties and balances of

Disclosure

them as on 31st December 2020 are presented below. The external auditor have checked the transaction and found that all transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Transactions were as follows.

Name of related party	Relationship	Nature of Transaction	Premium Earned
Appollo Ispat Complex Ltd.	Common Director	Insurance Business	23,13,205
Partex Group/Danish	Common Director	Insurance Business	146,74,481
Pakiza Cotton & Spinning Mills Ltd.	Common Director	Insurance Business	296,48,659
Phoenix Securities Limited	Common Director	Investment income	3,00,000
T . I A T I			400 00 045

Total Amount in Taka

469,36,345

Removal and Appointment of the Managing Director and Chief Executive Officer Insurance Act-2010 defined the appointment and removal of the Managing Director from his office of the Company. With the consent of Insurance Development & Regulatory Authority (IDRA) the board of directors may remove the Managing Director from his office and accordingly with prior approval of IDRA the board may appoint any qualified persons as a new Managing Director instead of the removed Managing Director. Mr. Md. Jamirul Islam, Chief Executive Officer & Managing Director appointed in the company with the approval of IDRA effective from 2nd May 2011 for next 3(three) years. Thereafter the Board has extended up to 2nd May 2021 with the consent of IDRA.

Disclosure on the Financial Performance of the Company

Phoenix Insurance Company always aware about the disclosure of the financial performance of the regulatory authority. In this connection the Company published the quarterly half yearly and annual reports in the daily newspaper or company's Website in time. The Management also informed the price sensitive information to the regulatory in time and accordingly published in the daily newspapers. The Company's Financial Statements have been prepared and published according to the International Accounting Standard (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) and Institute of Chartered Accountant of Bangladesh (ICAB) guidelines. Other operational information was also published on the basis of the related rules and regulations requirements.

Disclosure of the pattern of shareholding position of the Company

As per BSEC guidelines month wise share Capital and shareholding position of Directors and Sponsors including free float holding of the company submitted to the concerned authority regularly. The pattern of shareholding position of the company has been presented to the page no 80 of annual report where in the aggregate number of shares along with name wise details of the Parent/ Subsidiary/Associated Companies and other Related Parties Directors Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses with their minor children Executives and the holding of ten percent (10%) or more are stated.

Disclosure of the External/Statutory Auditors Engagement

M/s. Zoha Zaman Kabir Rashid & Co. Chartered Accountants the external auditors of the company was not engaged with the following services of the company:-

- (i) Appraisal or valuation services or fairness opinions.
- Financial information systems design and implementation. (ii)
- (iii) Book-keeping or other services related to the accounting records or financial statements.
- (iv) Broker-dealer services.
- Actuarial services.
- (vi) Internal audit services or special audit services.
- (viii) Any other service that the Audit Committee determines.
- (ix) Audit or certification services on compliance of corporate governance code of the Commission shall be disclosed in the Annual report.
- (x) Any other service that creates conflict of interest.
- No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of the audit assignment of the company.

M/s. Zoha Zaman Kabir Rashid & Co. Chartered Accountants was engaged only external/statutory audit services of the company.

Compliance

Solvency Margin Analysis

A.	Calculation of Total Assets of the company based on the
	Accounts of the year 2020:

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Total Assets as per Balance Sheet		2,334,294,035
Less:		
Amount due from others	357,621,753	
Furniture & Fixture	9,145,807	
Collection Control Accounts	143,158,576	
Agents Balance	3,249,853	513,175,989
Total Assets		1,821,118,046

B. Calculation of Total Liabilities of the Company based

Amount	in	7

on the accounts of the year 2020:	Amount in Taka
Amount due to others	34,932,558
Reserve for unexpired Risk	135,255,424
Premium Deposit	25,094,299
Reserve for Exceptional Losses	547,404,668
Sundry Creditors	65,304,189
Provision for Income Tax	304,275,799
Claims whether due or intimated	91,495,432
Reserve for CSR	2,777,526
Dividend Recommended	60,512,358
Fair value Reserve	394,820,153
Total Liabilities	1,661,872,406

C. Solvency Margin Available (A-B) Tk.

159,245,640

D. Calculation of Required Solvency Margin:

SI. No	Class of Business	Gross Premium (GP)	Net Premium (NP)	Factor	GP after application of factor (GPF)	20% of NP	20% of GPF	NP & GPF which is higher
01	Fire	320,109,583	91,559,486	0.70	224,076,708	18,311,897	44,815,342	44,815,342
02	Marine Cargo	175,771,871	127,871,379	0.60	105,463,123	25,574,276	21,092,625	25,574,276
03	Marine Hull	4,404,034	177,084	0.60	2,642,420	35,417	528,484	528,484
04	Motor	101,879,670	101,624,421	0.75	76,409,753	20,324,884	15,281,951	20,324,884
05	Misc	43,965,672	16,640,564	0.70	30,775,970	3,328,113	6,155,194	6,155,194
	Total	646 130 830	337 872 934					97 398 180

E.	Solvency Margin Available (AS)	159,245,640
F.	Required Solvency Margin (RS)	97,398,180
G.	AS/RS (times)	= 1.63
Н	Solvency Margin Ratio	1.63

Credit Rating Report – 2020

Phoenix Insurance Company Limited was rated by Credit Rating and Information Services Limited (CRISL) on the basis of Financial Statements as on 31st December 2020. The summary of the rating is presented below:

CPA Rating (Claim Paying Ability) Dated of Rating Outlook

AA-December 31, 2020 Stable

CRISL assigns AA- (pronounced as AA-). This has indicated very high claims paying ability. Protection factors are strong. Risk is modest but may vary slightly over time due to underwriting and/or economic condition. Good fundamentals such as good financial performance sound solvency position diversified ownership pattern with institutional shareholding experience management team diversified product line and extended branch network etc. The claim paying ability (CAP) rating in this category is adjudged to offer high claim paying ability having good protection factors.

CRISL also viewed the Company with 'stable' outlook for its steady financial and operating performance as well as its consistent fundamentals.

Last five years Claim Paying Ability Rating Status

2016	2017	2018	2019	2020
AA-	AA-	AA-	AA-	AA-

CPA Rating of the Company



Annexure-C

[As per condition No. 1(5)(xxvii)]

CORPORATE GOVERNANCE COMPLIANCE REPORT PHOENIX INSURANCE COMPANY LIMITED

Status of compliance with the conditions of Corporate Governance Code as imposed by Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of The Bangladesh Securities and Exchange Ordinance, 1969:

(Report under Condition No.9.00)

Condition		Compliance Status (Put ✓ in the appropriate column)		
No.	Title			Remarks (if any)
		Complied	Not Complied	
1.0	BOARD OF DIRECTORS			
1(1)	Board's Size:			
	The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty).	✓		The PICL Board is comprised of 13 Directors including 2 independent directors.
1.2	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		There are two Independent Directors in the Board of PICL. Recruitment of another independent director is under process
1(2)(b)(i)	The independent director does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		The Independent directors have declared their compliances.
1(2)(b)(ii)	The independent director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister,	✓		Do
	son-in-law and daughter-in-law shall be considered as family members.			
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		Do
1(2)(b)(iv)	The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	✓		Do
1(2)(b)(v)	Independent Directors are not the members or TREC holder, directors or officers of any stock exchange	✓		Do
1(2)(b)(vi)	Who is not the shareholder, directors excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		Do
1(2)(b)(vii)	The independent director is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	√		Do
1(2)(b)(viii)	The independent director shall not be an independent director in more than 5(five) listed companies.	✓		Do

1/2\/b\/:\/\	The independent director has not been convicted by a sound of		n _o
1(2)(b)(ix)	The independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI).	✓	Do
1(2)(b)(x)	The independent director has not been convicted for a criminal offence involving moral turpitude.	✓	Do
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the share holders in the Annual General-Meeting (AGM).	✓	Md. Faizur Rahman and Nabiha Yasmeen were duly approved by the Shareholders in AGM.
1(2)(d)	The post of independent director(s) can not remainvacant for more than 90 (ninety) days.	✓	2 independent directors are performing in the Board to fulfill the requirements.
1(2)(e)	The tenure of office of an independent director shall be for aperiod of 3 (three) years, which may be extended for 1 (one) termonly.	√	Independent directors have been continuing their position for the first term.
1.3	Qualification of Independent Director (ID)		
1(3)(a)	Independent Director shall be knowledgeable individual with integrity	✓	The qualification justify their abilities as such
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100 million or any listed company or a member of any national or international chamber of commerce or business association	✓	Md. Faizur Rahman is a business promoter of Noapara Group and Nabiha Yasmeen is also a business leaded associated with S.S. Steel Ltd having paid up capital more than Tk. 100 million.
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or company secretary or head of internal audit and compliance or head of legal service or a candidate with equivalent position of an unlisted company having minimum paid up capital of 100 million or of a listed company.	N/A	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th grade of the national pay scale (at least bachelor degree in economics or commerce or business or law)	N/A	
1(3)(b)(iv)	University teacher who has an educational background in economics or commerce or business studies or law.	N/A	
1(3)(b)(v)	Professional or who is or was an advocate practicing at least in the high court division of supreme court or a CA or CMA or CFA or CCA or CPA or CMA or CS or equivalent position.	N/A	
1(3)(c)	The Independent Director shall have at least 10 years of experience in any field mentioned in clause (b)	✓	Independent directors are former business and corporate leader with more than 10 years of experience.
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A	
1.4	Duality of Chairperson of the Board of Directors and Managing D	irector or Chief Ex	ecutive Officer
1(4)(a)	The Chairman of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) shall be different individuals.	✓	Chairman of Board and Managing Director are different individuals.
1(4)(b)	The MD and/or CEO of a listed company shall not hold the same in another listed company	√	The Managing Director does not hold the same position in any other listed company

1(4)(c)	The Chairman of the board shall be elected from among the non-executive Directors of the company	✓	The chairman is elected from among non-executive directors.
1(4)(d)	The board shall clearly define respective roles & responsibilities of chairperson and MD or CEO	√	The roles and responsibilities of the chairperson and MD are clearly defined.
1(4)(e)	In the absence of chairperson of the board, remaining members may elect one of themselves from non-executive directors as chairperson & the reason of absence shall be duly recorded in the minutes	√	In practice
1.5	The Director's Report to Shareholders		
1(5)(i)	Industry outlook and possible future developments in the industry	√	The Directors report complies with the guideline.
1(5)(ii)	Segment-wise or product-wise performance	√	The Directors report complies with the guideline.
1(5)(iii)	Risk and Concern including external & internal risk factors threat to sustainability & negative impact on environment, if any	√	The Directors report complies with the guideline.
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√	The Directors report complies with the guideline.
1(5)(v)	Discussion on continuity of any Extra-Ordinary gain orloss.	N/A	The Directors report complies with the guideline.
1(5)(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the Annual Report.	√	Directors report compliance with guidelines. A statement of all related party transactions are disclosed under notes to the financial statements no.33
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/orthrough any others instruments.	✓	No such issue made in 2020.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.	N/A	
1(5)(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shallexplain about the variance on their Annual Report.	N/A	
1(5)(x)	Remuneration to directors including independent directors.	√	Disclosed at annual report under disclosure and compliance caption and Notes no. 34
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes inequity.	✓	Discussed under Directors Report & Notes to the Financial Statements Note No. 2 & 3
1(5)(xii)	Proper books of accounts of the issuer company have been maintained.	✓	Do
1(5)(xiii)	Appropriate accounting policies have been consistentlyappliedin preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓	Do
1(5)(xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√	Do
1(5)(xv)	The system of internal control is sound indesign and has been effectively implemented and monitored.	√	Do

1(5)(xvi)	Minority shareholders have been protected	✓	Do
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓	Do
1(5)(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√	Discussed at Directors Report
1(5)(xix)	Key operating and financial data of at least preceding 5(five) years shall be summarized.	✓	Do
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall begiven.	N/A	The Board of PICL has recommended 15% cash dividend for the year.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	N/A	
1(5)(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓	9 board meeting held during the year and discussed under Directors Meeting Attendance 2020
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate n stated below) held by	number of shares (a	along with name wise details where
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	✓	
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	✓	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children hold shares are stated in annual report under the pattern of individual shareholding of the company and Notes to the Financial Statements Note No. 4
1(5)(xxiii)(c)	Executives.	√	Executives or managers do not hold any shares of the company.
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more votes' interest in the company (name wise details).	√	Stated in the annual report under the pattern of individual shareholding of the company and Notes to the Financial Statements no. 4.
1(5)(xxiv)	In case of appointment/re-appointment of a Director the comp shareholders	oany shall disclos	e the following information to the
1(5)(xxiv)(a)	a brief resume of the director;	√	Stated in the profile of directors in the annual report
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓	Do
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	Do
1(5)(xxv)	A management discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statement, among others focusing on:	✓	Stated in Directors Report
1(5)(xxv)(a)	Accounting policies & estimation for preparation of financial statements	√	Stated in Directors Report and Notes to the Financial Statements note no. 2 & 3

1(5)(xxv)(b)	Changes in accounting policies & estimation, if any clearly describing the effect on financial performance or results and financial position as well as cash flows in the absolute figures	\checkmark	Do
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows in the absolute figures	✓	Do
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓	Do
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	✓	Do
1(5) (xxv)(f)	Risks & concerns issued related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓	Do
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with jurisdiction thereof, i.e. actual position shall be explained to the shareholders in the next AGM	✓	Do
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the board as required under condition No:.3(3) shall be disclosed as per Annexure-A;	✓	Stated in annual report under CEO and CFO declaration
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of the code as required under condition No.9 shall be disclosed as per Annexure-B & Annexure-C	✓	The certificate regarding the compliance of conditions is disclosed in the annual report.
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with BSS as adopted by the Institute of Chartered Secretaries of Bangladesh	√	Company maintains a book for Board Meeting Minutes as per the provision of Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB)
1.7	Code of conduct for the chairperson, other Board members and C	hief Executive	Officer
1(7)(a)	The board shall lay down a code of conduct , based on the recommendation of the NRC at condition No.6 for the chairperson of the board, other board members & CEO of the company	√	A code of conduct set for chairmen of the Board, other members of the Board and Chief Executive Officer of the company based on the recommendation of the Nomination and Remuneration
			Committee (NRC)
1(7)(b)	The code of conduct as determined by the NRC shall be posted in the website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency		
1(7)(b) 2.00	website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with	ANY	Committee (NRC)
	website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	ANY N/A	Committee (NRC)
2.00	website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMP Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the		Committee (NRC)
2.00 2(a)	website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMP Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company. At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the	N/A	Committee (NRC) Till not posted in website RICL does not have any
2.00 2(a) 2(b)	website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMP Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company. At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company. The minutes of the Board meeting of the subsidiary company shall be	N/A N/A	Committee (NRC) Till not posted in website RICL does not have any

3.0	MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SEC		ANCIAL OFFICER (CFO), HEAD OF
3.1	Appointment		
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√	The Company has appointed MD, CFO, CS and Head of Internal Audit.
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals	✓	The MD, CFO, CS and Head of Internal Audit are four different individuals.
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓	In practice
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓	The roles, responsibilities and duties of MD, CFO, CS and HIAC are clearly defined which have been approved by the Board as per requirement of BSEC notification
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓	In Practice
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	✓	In Practice
	Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	
3.3	Duties of Managing Director or Chief executive Officer and Chief	Financial Officer	
3(3)(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements	✓	In Practice
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓	In Practice
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	✓	In Practice
3(3)(b)	The certification of the MD or CEO and CFO that no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	✓	In Practice
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the annual report	✓	Disclosed in Annual Report
4.0	BOARD OF DIRECTORS' COMMITTEE		
4(i)	The Board shall have an Audit Committee as a sub-committee of the Board	✓	In Practice
4(ii)	The Board shall have a Nomination & Remuneration Committee as a sub-committee of the Board	✓	In Practice
5.0	AUDIT COMMITTEE		
5.1	Responsibility to the Board of Directors		
5(1)(a)	Audit Committee shall be the sub-committee of the Board of Directors	✓	In Practice. TOR is available
5(1)(b)	The committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√	The audit committee duly discharged its responsibilities.
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√	In Practice

5.2	Constitution of the Audit Committee		
5(2)(a)	The Audit Committee shall be composed of at least three members	√	The Audit Committee is comprised of 4 (four) members
5(2)(b)	Board shall appoint members of Audit Committee from non-executive directors except chairperson including one independent director		The members of the Audit Committee are appointed by the Board who are Non-Executive Directors and excluding independent director.
5(2)(c)	All members of the audit committee should be financially literate and at least one member shall have accounting or related financial management experience and ten years of such experience.	✓	Based on the academic qualifications and professional experiences, the Board reviewed and considered that all the existing members of the Audit Committee are 'financially literate' and they have 'related financial management experience' as per codes of BSEC. The members have also given their declarations
5(2)(d)	When the terms of service of any committee member expires or there is any circumstances causing any committee member to be unable to hold before expiration of terms of service where number of Committee members falls short than the prescribed number the board shall fill the vacancy immediately or not later than 1 one month from the date of vacancy	✓	In Practice
5(2)(e)	The company secretary shall act as the secretary of the committee	✓	In Practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least one independent director	✓	In Practice
5.3	Chairperson of the Audit Committee		
5(3)(a)	Chairman of the Audit Committee shall be an Independent Director appointed by the Board	✓	Due to COVID-19 pandemic Board not yet appointed any Independent Director as Chairman. After the Death of Mr. Deen Mohammad on 27-04-2021 the Board has immediately selected Mrs. Sadia Anjum Siddiqu as Chairman of Audit Committee
5(3)(b)	In the absence of the chairperson of the audit committee remaining members may elect one of themselves as Chairperson for that particular meeting	✓	In Practice
5(3)(c)	Presence of Chairman of the Audit Committee in the Annual General Meeting	✓	In practice
5.4	Meeting of the Audit Committee		
5(4)(a)	Frequency of Meeting of the Audit Committee	√	In Practice
5(4)(b)	Quorum of the Audit Committee Meeting	✓	In Practice
5.5	Role of Audit Committee shall include the following		
5(5)(a)	Oversee the financial reportingprocess.	✓	In Practice
5(5)(b)	Monitor choice of accounting policies and principles.	✓	In Practice
5(5)(c)	Monitor internal audit and compliance process, approval of internal audit and compliance plan and review of these reports	✓	In Practice
5(5)(d)	Oversee hiring and performance of external auditors.	√	In Practice
5(5)(e)	Hold meeting with external auditors for review of annual financial statements before submission to the board	✓	In Practice
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval.	✓	In Practice

5(5)(g)	Review along with the management, the quarterly and halfyearly financial statements before submission to the board for approval.	√	In Practice
5(5)(h)	Review the adequacy of internal audit function.	1	In Practice
5(5)(i)	Review the Management's discussion and analysis before disclosing in the annual report	√	In Practice
5(5)(j)	Review statement of all related party transactions submitted by the management.	√	In Practice
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√	In Practice
5(5)(I)	Oversee the determination of audit fees and others for effective audit and evaluate performance of external auditors	✓	In Practice
5(5)(m)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/ Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis and annual basis.	✓	There was no IPO/RPO/Rights Issue in 2020 or in recent past.
5.6	Reporting of the Audit Committee		
5(6)(a)	Reporting to the Board of Directors		
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	√	In Practice
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Dire	ectors on the	followings, if any
5(6)(a)(ii)(a)	Report on conflicts ofinterests;		Such situation didn't occur.
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal audit & compliance process or in the financial statement	N/A	There was no such issue arise during the year
5(6)(a)(ii)(c)	Suspected infringement of laws, including securities related law, rules and regulations	N/A	Do
5(6)(a)(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately	N/A	Do
5(6)(b)	Reporting to the Authorities:		
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of the period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	N/A	Do
5(7)	Reporting to the Shareholders and General Investors:		
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1(ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company	N/A	Activity of AC has disclosed in the Annual Report
6.00	NOMINATION AND REMUNERATION COMMITTEE (NRC)		
6.1	Responsibility to the board of directors		
6(1)(a)	The company shall have a NRC as a sub-committee of the board	✓	Already in place. The TOR is available
6(1)(b)	NRC shall assist the board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors & top level executives as well as considering remuneration of directors, top level executive	√	The NRC duly discharged its responsibilities
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing	✓	In practice. The Terms of Reference is clearly set forth in writing covering all relevant areas as stated in the code
6.2	Constitution Of the NRC		
6(2)(a)	The committee shall comprise of at least 3 members including an independent director	✓	The Committee is comprised of 3 members including an Independent Director

6(2)(b)	All members of the committee shall be non-executive directors	✓	In Practice
6(2)(c)	Members of the committee shall be nominated and appointed by the board	✓	The NRC members are appointed by the Board
6(2)(d)	The board shall have authority to remove and appoint any member of the committee	✓	In Practice
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the committee or any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) of occurring such vacancy	N/A	Such situation didn't occurred during the year
6(2)(f)	The chairperson of the committee may appoint or co-opt any external expert or members of staff to committee who shall be non-voting member	✓	The Committee didn't appoint or co-opt any external expert or member
6(2)(g)	Company secretary shall act as the secretary of the committee	✓	In Practice
6(2)(h)	Quorum of the NRC shall not constitute without attendance of at least an independent director	✓	In Practice
6(2)(i)	No member of the NRC shall receive any remuneration other than Directors' fees or honorarium from the company	✓	In Practice
6.3	Chairperson of the NRC		
6(3)(a)	The board shall select one member of the NRC to be chairperson of the committee who shall be an independent director	In process	In process
6(3)(b)	In the absence of chairperson of NRC, the remaining members may elect one of themselves as chairman of the meeting.	✓	In Practice
6(3)(c)	The chairperson of NRC shall attend the AGM and in the absence of regular chairperson, any member from the NRC shall be selected to attend in AGM	✓	In Practice
6.4	Meeting of the NRC		
6(4)(a)	The NRC shall conduct at least one meeting in a financial year	✓	In Practice
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	✓	To be complied if needed
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must	✓	In Practice
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	√	In Practice
6.5	Role of the NRC		<u>'</u>
6(5)(a)	NRC shall be independent and responsible or accountable to the board and shareholders	✓	In Practice
6(5)(b)	NRC shall oversee among others, the following matters and make	report with recomn	nendation to the Board
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following-	✓	In Practice
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	✓	In Practice
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓	In Practice
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of company and its goals	✓	In Practice
6(5)(b)(ii)	A policy on boards diversity considering age, gender, experience, ethnicity, educational background & nationality	✓	In Practice
6(5)(b)(iii)	Identifying persons who are qualified to become directors and top level executive in accordance with the criteria laid down and recommend their appointment and removal to the board	To be complied	No such list as yet
6(5)(b)(iv)	Formulating the criteria for evaluation of independent directors and the board	✓	In Practice

6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement or promotion criteria	✓	In Practice
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	√	In Practice
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√	The criteria, policy and activities of NRC are disclosed in the Annual Report
7.0	EXTERNAL OR STATUTORY AUDITORS		
7(1)(i)	Non-engagement in Appraisal or valuation services or fairness opinions	✓	In Practice
7(1)(ii)	Non-engagement in designing and implementation of Financial Information System	✓	In Practice
7(1)(iii)	Non-engagement in Book-keeping or other services related to the accounting records or financial statements	✓	In Practice
7(1)(iv)	Non-engagement Broker-dealer services	✓	In Practice
7(1)(v)	Non-engagement in Actuarial services	√	In Practice
7(1)(vi)	Non-engagement in Internal audit or special audit services	1	In Practice
7(1)(vii)	Non-engagement in any other service determined by the Audit Committee	✓	In Practice
7(1)(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition: 9(1)	✓	In Practice
7(1)(ix)	Any other service that creates conflict of interest	√	In Practice
7(2)	No partner or employees and family members of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓	In Practice
7(3)	Representative of external or statutory auditors shall remain present in the shareholders meeting (AGM or EGM) to answer the queries of the shareholders	✓	In Practice
8.0	MAINTAINING WEBSITE BY THE COMPANY		
8(1)	The company shall have an official website linked with the websites of the stock exchange		Website link with stock exchange till not available
8(2)	The company shall keep the website functional from the date of listing	√	In Practice
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	✓	In Practice
9.0	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE		
9(1)	Obtaining Certificate from a professional accountant/ Secretary other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and disclose it in the Annual Report	√	The company obtained the certificate from M/s. Hussain & Co. Chartered Accountants regarding compliance of conditions of Corporate Governance of the Commission and such certificate is disclosed in the Annual Report
9(2)	The professional who will provide the certificate on compliance of the Corporate Governance Code shall be appointed by the shareholders in AGM	-	The compliance auditor T.Hussain & Co. Chartered Accountants is duly appointed by the shareholders at AGM
9(3)	The directors of the company shall state, in accordance with the annexure attached, in the directors' report whether the company has complied with these conditions	✓	Detailed status given at Annexure - C and published in the Report





Report to the Shareholders of Phoenix Insurance Company Limited on Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Phoenix Insurance Company Limited for the year ended on December 31, 2020. This Code relates to the Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place: Dhaka Dated: July 6, 2021

Mohammad Abu Kawsar, FCA Partner T. Hussain & Co. Chartered Accountants, DVC 2107061497CC460348

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Internal Control & Risk Management

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framework

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Internal Control

BACK GROUND

The Board of Directors acknowledges the importance for maintaining a sound system of internal control to safeguard the interests of stakeholders (including shareholders' investments) and the Company's assets. The Internal Control system was maintained in the company according to the guidelines of Corporate Disclosure and Corporate Governance. The Board of Directors reviews the system time to time and adopted in the company based on the company's activities.

FRAMEWORK

An internal control system comprises the whole set-up of systems and procedures established to provide reasonable assurance that the organizational objectives will be achieved. The management of the Company always keen in establishing and strengthening the control to safeguard the interest of all the stakeholders. The effectiveness of internal control rooted in the design of the system itself for which profound thinking is done covering all the necessary exposures to find out any related risk. The Board of Directors and management are responsible to establish and maintain an adequate and effective system of internal controls and procedures. The main objectives of internal control are as follows:

- 1. Orderly, effective and efficient conduct of business
- 2. Safeguard the assets and resources
- 3. Completeness, reliability and accuracy of accounting records and financial information
- 4. Timely preparation and reporting of financial information
- 5. Compliance with the applicable laws and regulations
- 6. Adherence to the Company's policies and plans

STRATEGY

Phoenix Insurance Company's operating activities of the daily business under an adopted plan and all of the coordinate methods adopted within a business to safeguard its assets. The Management regularly checks the accuracy and reliability of its accounting data and takes initiative to promote the operational efficiency and to encourage the adherence by prescribing the managerial policies. A system of internal control directly relate to the functions of the accounting and financial department. The Management is accountable for the implementation of the internal control culture and its principles.

In establishing and maintaining an effective system of internal control, Phoenix Insurance undertakes to assess regularly both the internal and external risks that it faces. The assessment also includes the identification and analysis of all the significant risks that an insurance company is exposed to and acts accordingly. An adequate Internal Control system requires the implementation of effective and efficient Control Activities at all levels of the entity. The Management of Phoenix Insurance Company Ltd makes up accordingly with the supervision and advice of the board of directors set up some strategies and recommendations too.

BOARD RESPONSIBILITY

The Board is responsible for the review of the adequacy and effectiveness of the Company's system of risk management and internal controls which includes financial operational and compliance controls. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly it can only provide reasonable and not absolute assurance against

material misstatement or loss. The risk management and control processes are implemented by the Management led by the Managing Director and Senior Management of the Company who collectively is responsible for good business practices and governance.

MANAGEMENT RESPONSIBILITY

The Management is responsible for implementing the framework policies and procedures on risk and internal control approved by the Board. The Risk Management Committee/ MANCOM continues to play a pivotal role in overseeing the implementation of the risk management framework periodically reviewing the risk management processes and ensuring that on-going measures taken were adequate to manage address or mitigate the identified risks and reporting the status to the Audit Committee.

RISK MANAGEMENT

The Board confirms that as an integral part of the system of internal control there is an ongoing group-wide risk management process for identifying evaluating and managing the significant risks faced by the company. Risk management is practiced within the company on an interactive basis.

Management from each business or department applies a risk/control self-assessment approach to identify the risks relating to their areas of supervision and control. These include the likelihood of these risks occurring; the consequences if they do occur and the actions being and/or to be taken to manage these risks to an acceptable level. The risk profiles and risk treatment measures determined from this process are documented in risk registers with each business or operations area having its respective risk register. The overall process is facilitated by the company's risk management department which is dedicated to the role of the company and regulatory authority

INTERNAL CONTROL SYSTEM ACTIVITIES

Company's internal control system consists of all the procedures methods and measures instituted by the Board of Directors and the executive management ensures that operational activities progress in a proper way. It is a set of continuous processes to provide reasonable assurance by the board of directors of the Phoenix Insurance Company Ltd. the Management and all personnel to look after the following measures:

- 1. The Management has adopted a steady policy for the financial reliability and the non-financial information.
- 2. The management has motivated the internal auditor of the company accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of governance risk management and control processes.
- 3. The Management set a structure and delegation of authorities with a job description for the prudent approach to the business management.
- 4. Effectiveness and efficiency of operations is maintained
- 5. An adequate control of risks is adopted.
- 6. A prudent approach to business.
- 7. Compliance with the laws and regulations and internal policies and procedures.
- 8. Protection of business assets.
- 9. Consistent of the financial reporting in time.

- Management comply the related laws and regulations;
- 2. The instructions and guidelines fixed by the Board of Directors and the Executive Management applied it accordingly;
- 3. The Company's internal processes are functioning correctly particularly those implicating the security of its assets;
- 4. The financial information of the Company is reliable;
- 5. The internal control system plays a key role in conducting and monitoring its various activities.
- 6. The financial data have reviewed by the board regularly and confirm the accuracy.
- 7. Board of Directors follows the adequacy of the system of risks control.
- 8. The board recognizes and acknowledges that independent competent and qualified internal auditors as well as internal control functions including the compliance and legal functions are working to provide the information about the operations and performance of the company.

The board of directors of Phoenix Insurance Co. Ltd. monitors the company's system of internal control and management confirms the system is functioning effectively. It supervises the efficiency of operations reliability of internal and external reporting and compliance with the applicable laws and regulations. Company's internal audit department looks after at every corner and put their observation to the senior management. Under the guidance of Audit Committee senior management and internal audit team of the Company visiting the branches regularly and doing the needful as advised by the Audit Committee. To develop the system of the Company with modern concept the senior management reviewed the existing policies time to time with the support of the Board and recommends their views in respect of accounting and financial information human resources business development and others.

During the year, in order to further strengthen the internal control framework, following steps have been taken:

- 1. Review the Money Laundering and Counter Financing of Terrorism Policy by the Board of Directors and initiating the implementation of the same accordingly in order to adhere the requirements of the relevant regulations of Bangladesh Bank and IDRA; and also review the KYC (know your customer) form to update the records of customers of the company.
- 2. Approval the policy of Business collection procedure by the Board of Directors as per the requirements of the IDRA to improve the quality of customer's service.
- 3. Implement the guidelines of COVID risk protection of the employees to saving the health hazard.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Company's internal control system. The Board has received assurance from the CEO and CFO that the Company's risk management and internal control system in all material aspects is operating adequately and effectively. For the financial year under review there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Company.

Internal Audit

Role of Internal Audit Department of the Company is imperative to evaluate the efficiency and effectiveness of Internal Control Framework. All significant and material findings of Internal Audit are directly reported to the Board and Audit Committee. The Board and Audit Committee actively monitor implementation of control framework to ensure that the identified risks are mitigated to safeguard the interest of the Company. In that manner, the Internal Audit performs an important part in monitoring and evaluating the internal control framework.

Above all, the Company is more focused on its internal control framework and allied environment in order to safeguard its assets and resources and to provide accurate financial reporting, strong documentary compliance and system assurance for the internal and external stakeholders.

Compliance

Framework

A Compliance framework outlines the regulatory compliance standard relevant to the organization and its business process. Regulatory Compliance is an organization's adherence to laws, rules, regulations, guidelines and specifications relevant to its business. Violations of these often result in penalties, and sometime may harm Company's reputation. Therefore, compliance of the relevant regulatory requirements plays a vital role in an organization and one of the pillars to build strong internal control framework.

The Company is working in a sector which is highly regulated. Insurance Development Regulatory Authority of the Bangladesh (IDRA) is the sole regulator provides the guidelines under which insurance sector is operating in Bangladesh. Along with BSEC, being listed corporate, the Company is required to adhere the regulations/rules/ guidelines of Bangladesh Stock Exchanges. In respect to the foreign exchange transactions/Investments and being a part of the financial sector of Bangladesh, the Company is also required to comply certain limited requirements of the State Bank of Bangladesh. In addition to above, compliance with the requirement of National Board of Revenue (NBR) in respect to Income Tax Ordinance and the relevant rules is also required. Compliance of all these laws and relevant rules is the foremost priority of the Company.

The Company has a well designed, implemented compliance frame work in order to adhere all the relevant laws, regulations, rules and guidelines. While formulating the policies and procedures with respect to each department/function, the specific compliance requirements have already been incorporated, therefore all the relevant compliance can be ensured while adhering departmental/functional policies and procedures.

The authorized employee of the company is responsible for the compliance function. Policies and Procedures of each department of the Company are amended and updated not only for effective, efficient and smooth operation of the Company but also to adhere the newly promulgated compliance requirements. The Compliance framework is a part and parcel of the Internal Control Frame work of the Company which main purpose is to ensure and remain compliant while achieving its target as well as in day to day operations of the Company.

The Company is strengthening the compliance framework on regular basis. The Company is positive in implementing more robust systems and procedures for effective and efficient operations to avoid any non-compliance which may harm the Company financially or may have an impact on its reputation.

Company's Risk Management

Risk is a multi-dimensional phenomenon and a constant feature of everyday life. Fires accidents thefts explosions natural calamities and terrorism are the more common types of risk the community faces.

The dimensions and effects of such loss events have since long assumed major significance for whole economies. The question of how to predict and prevent such risks is accordingly the subject of intensive discussion both in the political sphere and among the public at large.

The complex realities of modern economic life and the growing awareness of the public at large place increasing demand on companies to pursue appropriate and far-sighted policies about risk. The same applies to insurers in determining their underwriting policies. The rapid development of new technologies and the changing nature of production processes necessitate a constant analysis of risk profiles. Both entrepreneurs and insurers therefore face enormously increased need for analytical and advisory services.

PICL works closely with clients to identify various risk exposures and then provide specific insurance proposals. This helps in loss prevention and reducing the cost of protection. Our market-driven team of inspired and technically qualified insurance personnel comprises specialists in civil and mechanical engineering metallurgy electronics and other disciplines. They are on call for necessary professional advice at all times. Our linkages with overseas specialists are of major value to our clients.

Risk culture

PHOENIX Insurance and maintains a strong risk culture to promote risk awareness rigor and discipline across all its activities. This risk culture stands for the risk and control related values knowledge and behavior shared by all employees. Its principal components are summarized in a framework that builds on the Company Code of Conduct as well as on key risk management principles in the Company Risk Policy.

The risk culture framework serves to influence appropriate behavior in four key aspects which are assessed annually for all employees in the performance and compensation process:

- Leadership in providing clear vision and direction;
- Consideration of risk-relevant information in decision-making;
- Risk governance and accountability of risk takers as well as transparent flow of risk information:
- Embedding of risk management skills and competencies.

Phoenix Insurance risk culture provides the foundation for the efficient and effective application of its Company-wide risk management framework. Company Risk Management reinforces the risk culture by ensuring risk transparency and fostering open discussion and challenge in the Company's risk-taking and risk management processes.

Key risk takers across Phoenix Insurance are a particular focus in promoting good risk and control-related behaviors. The relevant positions are identified in a regular process and those who hold them are subject to additional behavioral objectives and assessments. Risk culture is directly linked to

Phoenix's performance management which is based not only on business results but also on behaviors. Phoenix Insurance's compensation framework aims to foster compliance and support sensible risk-taking. Phoenix Insurance also has a range of incentive program that reflect the long-term nature of its business by rewarding sustained performance rather than short-term results. This helps to align shareholder and employee interests.

Phoenix Insurance's compensation principles and framework are captured within the Company Compensation Policy. The Company's Finance and Risk Committee conducts a regular risk assessment for all changes to this policy.

In addition to insurance protection it is our practice to provide risk reduction advice to clients and assist them in developing preventive capabilities to avert mishaps and disasters.

Key risk management principles

PHOENIX Insurance risk management is based on the following fundamental principles. These apply consistently across all risk categories at company and legal entity level:

Controlled risk-taking – Financial strength and sustainable value creation are central to Phoenix Insurance's value proposition. The company thus operates within a clearly defined risk policy and risk control framework.

Clear accountability – Phoenix Insurance's operations are based on the principle of delegated and clearly defined authority. Individuals are accountable for the risks they take on and their incentives are aligned with Phoenix Insurance's overall business objectives.

Independent risk controlling – Dedicated units within Risk Management control all risk-taking activities. These are supported by Compliance and Company Internal Audit functions.

Transparency – Risk transparency knowledge sharing and responsiveness to change are integral to the risk control process. The central goal of risk transparency is to create a culture of mutual trust and reduce the likelihood of surprises in the source and potential magnitude of losses.

Risks of Insurance Operations

The insurance business principal is taking and managing the risks. The largest risks pertain to risk selection and pricing the acquisition of reinsurance cover and the adequacy of technical provisions. Within General Insurance the risk inherent in technical provisions lies mainly in insurance lines characterized by a long claims settlement period. In addition to underwriting risks a major insurance business risk consists of the investment risk related to the assets covering technical provisions.

Risk Management Plan

The management of Phoenix Insurance coordinated to set the activities and methods that are used to an organization and to control the many risks that can affect its ability to achieve the objectives. The management makes the plan that is used to manage the risk. The Company's risk management plan

is the management of components the approach and the resources that will be used to manage the risk. Typical management components include procedures practices responsibilities and activities (including their sequence and timing). The Company's risk management plans applied to products processes or to an entire company or to any part of it.

Risk Concentrations

The Phoenix Insurance Company takes the risk concentration in EML (Estimated Maximum Loss) estimates for property risks and through EML break through cover included in reinsurance cover. Our operating region has no major risk of earthquakes. With respect to risks associated with other natural disasters such as storms and floods. However the company has protected against catastrophe accumulation losses through an extensive catastrophe reinsurance cover whose size has been dimensioned to correspond to the calculated size of a catastrophe loss occurring once every 200 years. The catastrophe accumulation cover applies to property damage and personal injuries.

Risk Analysis

Risk analysis is a process that is used to understand the nature sources and causes of the risks that we have identified and to estimate the level of risk. It is also used to study impacts and consequences and to examine the controls that currently exist. The Management of Phoenix Insurance always aware of the probability of the Insurable items risk factors. Before issuing any Insurance policy the concerned employee consult with the underwriting departments about the risk involvement of the insured items. If it is found reasonable and capable for the company and also have facility of reinsurance then with the consent of the Managing Director the concerned authority issued the policy for taking the risk.

Key risk areas of COVID-19

The impact of COVID-19 has been unprecedented. As a risk event, it has caused global economic uncertainty and social restrictions that continue into 2021. While recent progress in the development and roll out of vaccines provides hope for transition and recovery, the ongoing risks are not being under estimated and 2021 may be even more challenging as the economic and social impacts continue. Although it has dominated the headlines, COVID-19 is not the only risk to Phoenix, it is whole Insurance Industry. There has been some focus during 2020 on ensuring that progress is made on Phoenix's strategic priorities, noting that each present both an opportunity and a risk to our objectives.

The Society and the market responded well to the immediate impacts of COVID-19. During the 'first wave' of the pandemic in April 2020, an out-of cycle (or 'ad-hoc') own risk and solvency assessment was carried out to ensure that risks from COVID-19 were adequately considered and decisions were taken to manage the impact. This included the development of a COVID-19 risk dashboard for ongoing monitoring of key risk impacts such as on underwriting profitability,

investments and capital, as well as operational impacts including increased cyber and conduct risks. While noting that COVID-19 has been the first truly global loss event experienced by the market, with impacts across the risk profile and both sides of the balance sheet, there was a positive response to immediate impacts of the crisis - core activities continue to operate effectively as business continuity plans were successfully implemented across both the society and the market. Thanks to steps taken at the beginning of the crisis, which included a controlled de-risking of the Central Fund portfolio and establishment of an accelerated coming into line process for the market, Phoenix's has also remained well capitalised.

Mitigation

While the pandemic's impact on all areas of the risk profile continues to be monitored through the risk appetite framework and Phoenix's remains within all risk appetites, there is considerable uncertainty over what the eventual outcomes from COVID-19 may be. A number of steps have been taken, and continue to be taken, to actively monitor and manage the key areas of uncertainty inculing motivate the customers potential to handle the COVID crises.

Underwriting Risks

By taking out an insurance policy the policyholder transfers his insurance risk to the insurer. The underwriting risk associated with an individual general insurance contract. Our Company's portfolio comprises a very large number of general insurance contracts. Because of this large size of the insurance portfolio the expected number of claims is also great. An accumulation of loss due to natural catastrophes or large catastrophes caused by human activity constitutes a specific risk type. In such a case one catastrophic event may in practice give rise to simultaneously payable claims for a large number of insured risks at high amounts. The resulting total claims expenditure may be extremely large. However this risk can be diversified since the company operates in the region with a perceived relatively low risk of natural catastrophes enabling the company to protect against the risk through reinsurance.

Underwriting Risk Management

The most important tasks within underwriting risk management relate to risk selection and pricing the acquisition of reinsurance cover the monitoring of claims expenditure and the analysis of technical provisions. The Underwriting Executives act as the highest decision-making body with the support of Managing Director to takes the underwriting risks. The Underwriting Executives make underwriting decisions within the framework of powers confirmed by the Management/Boards of Directors of the company and report its decisions to the Board.

The risks cost are made according to the Underwriting Guidelines governing each line of insurance in case the risk involved is below the amount set for the Underwriting Executives. Greater and more severe risks require decisions made jointly by senior underwriters or managers. For basic insurance lines decisions are made on a system-supported basis and customers and the objects of insurance are selected within the powers allowed by instructions specifically approved.

Underwriting **Risk Mitigation**

Underwriting risk includes the risks of inappropriate underwriting which includes inadequate pricing inappropriate terms and conditions and ineffective physical risk management. To manage this risk the Company pays particular attention to the underwriting controls and risk surveys.

The underwriting heads of Head Office and each branch are responsible for managing and controlling the underwriting operations under their respective domains. Underwriting is conducted in accordance with a number of technical controlling protocols. This includes defined underwriting authorities quidelines by class of business rate monitoring underwriting peer reviews and practice for seeking guidance on large and intricate risks from REG (Risk Exposure Group). This Group is represented by the department head of Underwriting Claims Reinsurance Branch Control and Accounts. The Company monitors the risk of accumulation arising from catastrophic events. The exposure is protected by a comprehensive reinsurance program that has the capacity to respond to different possible catastrophic events.

The Company also has a separate Physical Risk inspection department which carries out a large number of high risk large& medium risks surveys before underwriting them. The surveys are conducted both on set schedules and on case to case basis. The department by far carries out the largest number of surveys in the market and provides an insight of the risk to the underwriters thus assisting them in making right decisions

Risk Selection and Pricing

Operating models highlight the role or risk selection and pricing. The company has set limits for the size and extent of risk for each insurance line and risk concentration. The company has a centralized the data in the head office and analysis the applications in place to support of the risk selection and pricing. Insurance terms and conditions serve as a vital tool in mitigating risks. In addition risk analyses are performed on a customer or insurance line specific basis to mitigate risks.

Reinsurance Risk

The Board of Directors annually approves the reinsurance principles and the maximum risk per claim retained for own account. In practice this risk is kept lower if this is justifiable considering the price of reinsurance. Retention in risk-specific reinsurance is a maximum of BDT. 15,000,000/- for Fire loss

BDT.6,500,000/- for Marine Cargo BDT.2,500,000/- for Misce & Engineering and BDT.750,000/- for Motor insurance and that in catastrophe reinsurance BDT.5,000,000/-. The capacity of risk plus cat reinsurance covering loss accumulation stood at BDT. 15.000.000/- in 2020.

The level of reinsurance protection has an impact on the need of solvency capital. Only companies with a sufficiently high insurance financial strength rating are accepted as reinsurers. Moreover maximum limits have been confirmed for the amounts of risk that can be ceded to any one reinsurer. These limits depend on the nature of the risk involved and on the company's solvency. The Phoenix Insurance Company has mainly placed its reinsurance agreements with the companies with Sadhran Bima Corporation Bangladesh National Insurance Company Ltd. India GIC- Butan Re Ins. Bhutan CICA Re Africa Asian Reinsurance Corporation Thailand.

Comprehensive Motor Insurance Risk

Comprehensive insurance policies cover the loss or damage to insured motor vehicles. The comprehensive insurance portfolio consist mainly motor vehicle policies taken out by private individuals and companies. The rating of motor vehicle insurance employs a no-claims bonus system under which the occurrence of a loss event raises the premium. In addition the insurance company has the right to alter the premium annually. The majority of the motor vehicle insurance portfolio comprises private individuals' policies. In other respects the insurance risk in this class consists mainly the insurance taken out by companies. The Phoenix Insurance has reinsurance protection with retention of BDT.750,000/- only for comprehensive Motor Insurance loss.

Risk of Cargo Insurance

Cargo insurance applies mainly to companies' transport risks covering loss of or damage to goods in transit. This line of insurance also contains luggage and boat/yacht insurance whose policyholder is mainly a private individual. In addition weather conditions may involve accumulation risks covering a geographically large region such as storms and floods and the risk of snow and icy roads during the winter pertains to comprehensive insurance.

The Phoenix Insurance Company has taken out reinsurance cover against major loss of or damage to cargoes with the retention under reinsurance amounting to BDT.6,500,000/-.

Market Risk

Instability and disruption of overall economies of local and abroad can expose the company's business income including the financial and capital markets position and also changes the annual premium income position which may adversely impact on the company's financial condition. This risk can have a significant effect on investment returns and market values of securities positions which in turn may affect both the company's results of operations and financial condition.

The Phoenix Insurance Company Limited has trying to reduce the risk of the portfolio by relocation the service of the portfolio and as result profitability would-be increased unless there is no impact on underwriting returns.

Interest Rate Risk

We know that general insurance have huge amount of liquid investment and the investment kept in the form of FDR. The FDR interest is one of the main incomes of the company. The interest rate of fixed-income portfolios is account for the certain period. If the interest rate is fluctuating or decrease from the previous years then income portfolio may be downward. So determining the interest rate risk the company regularly monitors the FDR and if required communicate with the banks for maintaining the fixed rate to confirm the interest income properly.

Legal Compliance Risk

The Company could be subject to risks arising from alleged or actual violations of any of the foregoing and could also be subject to risks arising from potential employee misconduct including non-compliance with internal policies and procedures. Substantial legal liability could materially adversely affect the company's business financial condition or results of operations or could cause significant reputation damage which could seriously harm the business of the company.

The Management of Phoenix Insurance Company Limited has already been taken necessary steps to confirm the regulatory works based on the guidelines of the authority. The Board of Directors regularly motivated the management to maintain the rules and regulation and do the business as prescribed by the IDRA. The Management always aware about the legal compliance and ensured the Risk management to save the company.

Issuance of Insurance & Reinsurance document risk and its management: To protect the day-to-day operational risk of the Company the management takes special care about the following areas:

- 1) Issuance of Insurance and Reinsurance policy documentation;
- 2) Coordination of Premium Collection;
- 3) Preparation of Reinsurance/Bordereaux;
- 4) Administration of Claims with payments as well as recoveries;
- 5) Run-off Administration and Related Services:
- 6) Assist in the preparation and completion of the all works in time by applying the Insurance Act and guidelines of the regulatory authority;
- 7) Protect the credit business of the Company;
- 8) Coverage the catastrophic loss of the Company;
- 9) Senior Management counseling to face the market risk or counter party risk of the company.

Human Resources and Information Technology

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Technology

Human Resources

Management

MANAGEMENT TEAM

Under the dynamic leadership of Mr. S. M. Jashim Uddin Ahammed, Senior General Manager & In-charge, HR & Administration Department of Phoenix Insurance Company Limited, all the departmental activities are looked after with the integral co-operation of the following experienced and qualified personnel.

- 1. Mr. Md. Manuwarul Islam, Manager
- 2. Mr. Md. Abu Rashid, Manager
- 3. Mr. Manash Kumar Khaskel, Senior Principal Officer
- 4. Mr. Fahad Ur Rahman Khan, Executive Officer

PHII OSOPHY

HR philosophy revolves around management's beliefs and aspirations about people - their nature, needs, values and their approach to work. These beliefs and assumptions, then determine how people should be treated. The philosophy of human resource management in Phoenix Insurance Company Limited is best achieved by continuously researching, learning, developing and delivering innovative results-oriented services, policies and systems with administrators, staff and external stakeholders along with the Company's values, strategies, mission and vision.

Services, responsibilities and policy of our HR are stated below:

RECRUITMENT AND HIRING POLICY

A recruitment policy is a framework that clearly outlines all our business's recruitment practices. The purpose of a recruitment policy is to promote consistency, transparency, compliance and adherence to labor laws and legislation. No business can afford to be without one. To appoint or hiring candidates, Phoenix Insurance Company Limited (PICL) goes through a process to replace competent employees in the required post. Every year we recruit employees to modernize the company effectively and there are lots of measures when it comes to recruiting. Some of the most important metrics include track application rate, qualified candidate rate, cost of hire, time to hire, candidate response rate and many others. By measuring each of them, we can track what is going well and what can be improved in future.

PICL has its own recruitment and hiring policy. Before hiring an applicant for a job position Phoenix Insurance Company Limited (PICL) goes through a step-by-step hiring process. This process has three key phases including planning, recruitment and employee selection.

Planning: Human resource planning is when PICL settles the number of employees we are looking to hire and the skills sets required. Our Management recommends the needs for employees at different level and then compares the needs to the expected number of qualified candidates in the job market. Our HR department recommends the age, gender, experience, ethnicity, educational background and nationality for selecting the candidates.

Recruitment: The recruitment phase of the hiring process takes place when the company tries to reach a proof of candidates through job postings, job referrals, advertisements, university recruitment etc. Assorted Candidates then come for interviews and other methods of assessment. PICL checks the background of prospective employees as well as checks references.

Employee Selection: In this process, PICL evaluates information about the proof of applicants generated during the recruitment phase. After assessing the candidates, the company decides which applicant will be offered the position. They also determine their selection, transfer or replacement and

promotion criteria and review annually the company human resources and training policies. The Company reviews the nomination or selection and remuneration policy and the evaluation criteria and activities and details policy of the company.

TRAINING AND DEVELOPMENT

Training and development refers to educational activities within a company created to enhance the knowledge and skills of employees while providing information and instruction on how to better perform specific tasks.

We encourage our executives to receive professional training in their respective field with a view to increasing efficiency level of our employees. We are equipping our in-house training center for train-up our employees by our senior-level professionals and quest resource persons. Besides, we are spending our senior and mid-level executives for home and abroad training programs as well as we provide in-house training facility for the Branch Manager to Probationary level employees. The classes are being by our Senior Level Highly qualified & experienced executives and outside resource persons with a view to gaining our human resource development. In 2020 PICL sent 12 employees to train virtually in different training organizations in home.

SALARY AND BENEFITS ADMINISTRATION

PICL has documented service rules and pay scale approved by the Board. PICL has its own policy for the employees covering Group Insurance benefit, medical allowance, Gratuity and Provident Fund indicating decent HR management. In every year the company gives festival and incentive bonuses to the eligible employees. In 2018 PICL upgraded its pay scale and a new car scheme has also been introduced in the service rules. We are recruiting and hiring human resources based on skillfulness and merit. Even we are promoting earlier for outstanding performance at all level of employees.

EMPLOYER AND EMPLOYEE RELATIONS

A balance in the relationship: In PICL the relationship between an employee and an employer is mutual and respectful. A benevolent attitude of an employer will lead to employee satisfaction which will prompt good and fruitful result. However, some employers wish to maintain distance with his employees in order to keep up with the hierarchy between the two. But in the PICL the top line has a strong bond between the employer and employee so that the business goals are met.

Interdependency: In a relationship between an employer and employee there is a reciprocated interdependency between the employees and the employer in PICL. One depends on the other for the smooth execution of work. The employer will look forward to his employees for the delivery of assignments on time and undertaking other initiatives in his absence. Likewise, in PICL an employee expects his employer to assist him in his executions and make himself accessible whenever needed.

ORGANIZATION DEVELOPMENT

Organizational development is a critical and science-based process that helps organizations builds their capacity to change and achieve greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes. It can be seen as theory and practice of change in the attitudes, beliefs and values of the employees in a planned way of a certain period of time. Organization Development is a process of PICL carried out through training and development programs of employees, so that PICL has a better understanding of its goal, thereby benefiting itself.

The long-term objective of organizational development (OD) is to enable in PICL in adopting better to the fast-changing external environment. Some of the typical OD activities in PICL are:

- a) Team-building
- b) Organizational assessments
- c) Career development
- d) Training
- e) Leadership development
- f) Talent management
- g) Change management

INTERNSHIP

An internship is a short-term work experience offered by companies and other organizations for people usually students, but not always to get some entry level exposure to a particular industry or field. It is as much of a learning experience as it is work. PICL consists of an exchange of services for experience between the intern and the organization. In 2020, PICL did not arrange any internship program due to COVID 19 pandemic.

HUMAN RESOURCES INFORMATION

SYSTEMS MANAGEMENT

Systems management refers to the centralized administration of the IT (Information Technology) in an organization. The concept covers a broad set of subsystems that are needed to monitor and manage IT systems correctly. Managing IT systems is essential for organizing and running your business. PICL use software that provides a centralized repository of employee master data that the HR and Admin needs for completing core human resource process. The department stores processes and manages employee data such as names, addresses, national lds, contact numbers and information about retirement, salary etc. It typically provides functionality such as recruiting, applicant tracking, time and attendance, management performance appraisals and benefits administration, logistic supplies information etc. It may also feature employee self-service functions and accounting functions and other logistic supplies record.

A human resources information system enables the HR department of PICL to spend less time on clerical tasks; helps ensure the accuracy of employees' data and can enable employees to take a greater role in the management of their information.

COMPLIANCE WITH EMPLOYMENT RELATED LEGISLATION

In PICL employment laws are based on Bangladesh's constitution, legislation, administrative rules and court opinions. Our organization always strives to keep the employer and employee updated and well-informed of their obligations under the employment laws and rules. We clarify the comparative understanding of changes of Bangladesh labor laws for executives and managers responsible for managing human resources and employee relations for ensuring appropriate application at the workplace.

PICL always tries to support employer and employee by providing the employment conditions and compliance and handling of disciplinary cases and governance. Our service rules include:

- Salary and responsibility for payment of salary 1)
- 2) Provident Fund and Gratuity
- 3) Employees' participation in Company's profit
- Group Term Life Insurance Policy 4)
- 5) Misconducts, Disciplinary actions & Domestic inquires
- 6) Handling of Grievances
- Classification of employees and their differences 7)
- 8) Conditions of Service & Employment
- 9) Working hours/Overtime entitlements and calculations
- 10) Annual Leave/Other Leaves and Holidays
- 11) Car Scheme
- 12) Other Welfare Facilities and Benefits
- 13) Fire & Safety provisions and accident preventive measures

Staff Strength of the Company

SL#	Manpower Strength	2020	2019
01	Senior Level Management	37	29
02	Mid Level Management	60	87
03	Junior Level Management	89	75
04	Support Stuff	90	90
	Total	276	281

Employment Status

As of 2020, we have 258 permanent employees and 18 contractual employees.

Designation	No. of Employees
Managing Director & CEO	1
Deputy Managing Director	2
Executive Director	3
Adviser	2
Consultant	2
Senior. General Manager	3
General Manager	5
Deputy. General Manager	4
Assistant General Manager	15
Senior Manager	8
Manager	16
Deputy Manager	16
Assistant Manager	20
Senior Principal Officer	20
Principal Officer	16
Executive Officer	13
Officer	21
Junior Officer	19
Support Staff	90
Total employees	276

EMPLOYMENT CATEGORY-WISE HEADCOUNT

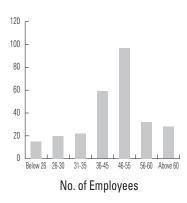
PICL Employment Category	Headcount
Permanent Employees	258
Contractual Employees	18
Total	276



Employee Age Analysis

We have wide range of employees segregated as per age and experience. Age distribution among the employees in the Company is indicated below.

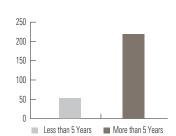
Age	No. of Employees	%
Below 26 Years	15	5
26-30 Years	20	7
31-35 Years	22	8
36-45 Years	59	21
46-55 Years	98	36
56-60 Years	32	12
Above 60 Years	30	11



Employee Service Analysis

One of our biggest competitive strength comprises our high retention rate. The Company ensures that all its employees are satisfied with their job.

Length of Service	Total Employees
Less than 5 Years	52
6-10 Years	45
11-20 Years	68
21-30 Years	55
Above 30 Years	56



Other Key Facts & Figures

FY 2020 Attrition Rate	1.79%
FY 2020 Retention Rate	98.21%
Promotion Given for the Appraisal Period 2020	18.28 %
Average Training Hours / Employee	3 Hours
Retrenchment Headcount During COVID-19 in FY 2020	0

Employee Turnover: Employee turnover refers to the number or percentage of workers who leave an organization and are replaced by new employees. Measuring employee turnover can be helpful to employers that want to examine reasons for turnover or estimate the cost-to-hire for budget purposes. In PICL Employee turnover of 2020 is new recruited 15. Promoted 34 and left 23 persons.

2021 PLANS:

As COVID-19 continues to impact the global workforce in 2020, we are rethinking our workforce management approach to prepare for the coming year. While many new human resource trends are emerging, there are several common themes that will drive how HR departments approach the employee life cycle.

- Interviewing and assessing a candidate's skills virtually
- Screening for candidates who are well-suited to remote work
- 3) Conveying company culture during a virtual training process
- 4) investing in mental health and well-being initiatives
- 5) Overcoming the Challenges of a More Fluid Workforce
- Align the interest of employees with the interest of the Company 6)
- 7) Create a strong management team to face the challenge of future market

QUALITY POLICY

A quality policy is a brief statement that aligns with the organization's purpose and strategic direction, provides a framework for quality objectives, and includes a commitment to meet applicable requirements as well as to continually improve. We are committed to provide best quality service to our valued policy holders to their satisfaction by assessing the risk needs tailoring product to their requirements and by consistent efforts to reduce time for settlement of claims. We believe that proper assessment of claims. We believe that proper assessment of risks of our clients and prompt settlement of claims are the key to our company's growth. We always try to comply with and continuously improve the effectiveness of our Quality Management System,

STATEMENT OF OPPORTUNITIES

As a leading insurance company of the country the Phoenix Insurance Company Limited is in a position to avail and exploit a number of opportunities. Following summary of significant opportunities present to the Company:

- Sharpen management soft skills
- 2) Track key metrics continually
- 3) Focus on engagement in teams
- Expand general solutions through window operations;
- Increasing reach to all parts of the country through expanding distribution network;
- Develop micro insurance solutions for the socio-economic group at the bottom of the pyramid;
- Focus on insurance awareness through continuous investments in communication channels and market education: and
- With increasing mobile penetration amongst the masses utilize such platforms for customer interaction awareness marketing and sales.

Information

& Communication Technology

In 1996 an historical decision has been taken in the board meeting of Phoenix Insurance Co. Ltd. that Phoenix would go for digitalization under the leadership of Mohammed Shoeb, the then Director now the Chairman. At that time a few company used computer in their premises and there were no software available in the market for insurance. Not only insurance very few Banks used software for their daily transaction. Every company used to use type writer to prepare their insurance document and same as in Phoenix. In these surroundings it was a very innovative and courageous decision for Phoenix to deploy computer and to develop software for insurance. This decision later comes out as a blessing for insurance industries. The industries felicitated with the software for their every requirements. Now at least eight (8) Companies are using this software.

All the branches of Phoenix Insurance are inter-connected by Fiber Optic Cable with Central Server. We are working to introduce QR code in our printed copy of Money Receipt and Policy or Cover Note. So that in Future we will be able to utilize Al (Artificial Intelligence) to make insurance more movable. Our motto is to make available the insurance by introducing JIT (Just in Time) in the smart phone from every corner in the world and the Digital Format of the policy and cover note. If we able to make Digital Format of the policy in lieu of print format it will make a history again in the insurance industries. It will also reduce the use of carbon by limiting the paper uses. Thus help to maintain carbon balance in the environment. We can call it Green Insurance.

BUSINESS CONTINUITY PLAN (BCP)

The BCP is the creation of a strategy, through the recognition of threats and risks facing by an organization, to ensure that the resource of the Company are protected and it would be able to function properly in the event of any disaster. BCP also provides the means of the recovery of business tools in the event of any loss, damage or failure of facilities which is named as Disaster Recovery Plan (DRP). DRP is a documented process of the procedures to recover and protect an organization's IT infrastructure in the event of a disaster. DRP is a part of the overall BCP of any organization.

The Company, being a contemporary and progressive organization, is one step ahead in the implementation of BCP including DRP as compared to other general insurance companies in Bangladesh. The Company's BCP covers all the critical operational processes and procedures and it has been setup in accordance with the Company's need and modern business requirements. The Company, with the implementation of BCP, has developed the capabilities to continue its usual operations without any undue delay by activating its allocated Disaster Recovery Sites in case of any disaster or calamity. DRP of the Company is integrated to a large extent with BCP and designated key members are familiar with the specific actions they will need to take in the event of any disaster.

As the software is a part and parcel of everyday business so it is necessary to take care of the software and data which is the most valuable assets of the company. In this context we have setup a DR (disaster Recovery) site which is located in different location in Dhaka. Our Policy is to ensure the minimum Failover time.

IT GOVERNANCE POLICY

The Company maintains a proper documented IT policy which is also approved by the Board. The policy is aimed to implement integrated framework to achieve the Company's strategic objectives. The policy mainly covers following areas:

- Internal Organization and responsibility of IT assets;
- IT Operational Procedures;
- System planning, acceptance and data security;
- Backups and Media handling;
- E- Commerce;
- System monitoring procedures; and
- Disaster Recovery Plan.

SAFETY OF RECORDS OF THE COMPANY

The Company ensures maintenance of records as per the requirement of Companies Act and other applicable laws. For the safe custody of physical documents and files, record rooms having appropriate space and proper filing system are located at Head office and Zonal Offices.

During the year, the Company has made plan to implemented "Data Management System" (DMS) which will preserve underwriting records electronically. The safety and maintenance of soft data also governed with a comprehensive IT Backup Policy. The Company also maintains data at Disaster Recovery Sites to ensure its availability at all the time.

Director's Report

Directors' ReportFor the year ended 31st December 2020

Bismillahir Rahmanir Rahim

Dear Shareholders

Assalamu Alaikum

On behalf of the Board of Directors, I am delighted to welcome you all to the 35th Annual General Meeting of the Phoenix Insurance Company Limited and have the pleasure to place before you the Annual Report together with the Audited Accounts of the Company covering the Statement of Financial Position (Balance Sheet) Statement of Comprehensive Income (Profit & Loss Account) Consolidated Insurance Revenue Accounts (Revenue Accounts) the notes thereto and the Auditors' Report for the year ended 31st December 2020.

GLOBAL ECONOMY AND INSURANCE GROWTH

Global economy faced a new challenge after the Great Depression of the 1930s due to COVID-19 impact and tightening the economic activity to overcome the challenges. The global economy contracted by almost 4% in 2020 which is more than the decline during the global financial crisis of 2008- 2009 (-1.8%). To protect the COVID-19 govt. restricted travel and pusses sanitary restrictions have led to entire sectors of the economy mandated lockdowns that drastically reduced economic activity. The US economy (-3.5%) proved more resilient than the Euro area (-6.8%) and Japan (-4.7%) in 2020. China was the only major economy to grow in 2020 (+2.3%) after recovering quickly from the crisis and returning to growth in the second guarter. Other emerging markets were affected more severely: India contracted by 8.2%, Brazil by 5.0% and Russia by 3.1%.

The global spread of COVID-19 has created major challenges around the world, with individuals at risk of being infected by a contagious and deadly virus and many businesses shut down for public health purposes. This global health and economic crisis is also set to have an impact on insurance companies. They are likely to face changes in the demand for insurance policies and claims experience as well as impacts on the value of the assets that they hold to meet their obligations to policyholders.

The global non-life insurance market proved much more resilient than previously on the COVID crisis. Amid the strongest economic decline since the Great Depression, global non-life premiums were up an estimated 2% in real terms, after a 3% gain in 2019. The main reason was stronger-than-expected rate hardening in commercial lines. At 2%, non-life premium growth in the advanced regions was unexpectedly resilient in 2020, again due to rate hardening in commercial lines. China remains the world's fastest growing non-life insurance market estimated a 7% expansion in non-life premiums in 2020, coming from double-digit growth in the health business. Growth in the other emerging markets was negative, with the exception of Emerging Asia.

In the global non-life industry generated around USD 2500 billion of premium income in 2020, of which 22% came from emerging markets. Non-life insurance ranges from standardized motor and household covers to sophisticated tailor-made liability and property covers, including specialty, commercial and industrial risk insurance.

BANGLADESH ECONOMY AND INSURANCE BUSINESS

The pandemic has dominated the headlines in 2020, impacting all facets of the economy and society in Bangladesh. The government had a head start for its COVID-19 preparations, as the first case was not confirmed until March. However, the government failed to capitalize, with cases soon rising rapidly. The economy, particularly the garments sector, suffered a major setback before showing signs of recovery. The IMF predicted a 3.8 percent GDP growth for 2020, compared to 8.2 percent in 2019. China and India have leveraged this crisis to bolster their hegemony in the region. The Rohingya situation has seen its first major development in recent years with the first batch of refugees' relocation to the renovated island, Bhashan Char.





September 16, 2020 Wednesday at 2:30 p.m.

Virtual Platform Link:

https://bitly.com/phoenixagm2020













Views of the 34th Annual General Meeting of Phoenix Insurance Company Ltd. in the digital platform

The 34th Annual General Meeting (AGM) of the Phoenix Insurance was held on Wednesday, 16th September 2020 through virtual platform. Mr. Mohammed Shoeb, Chairman, Directors- Mr. Mazharul Haque, Mr. Aziz Al Mahmood, Mr. Manzoorul Haque, Mrs. Badruddoza Mannan, Mr. Mohammed Haider Ali, Mr. M. A. Majid, Independent Directors- Mr. Md. Faizur Rahman & Ms. Nabiha Yasmee, Managing Director & CEO; Mr. Md. Jamirul Islam, Deputy Managing Director & Secretary Mr. Md. Rafiqur Rahman including large number of shareholders and Company's high official are also attended in the meeting

Nonetheless, Bangladesh's continued progress into 2021 depends largely on how fast it can rein control of COVID-19 through swift vaccination efforts.

Bangladesh has had an annual GDP growth rate of over 6 per cent since 2011, going up to 8.2 per cent in 2019. According to the International Monetary Fund, GDP growth remained positive at 3.8 per cent in 2020 despite the effects of the COVID-19 pandemic, and is expected to rise to 4.4 per cent in 2021 and 7.9 per cent in 2022. The Economist Intelligence Unit recently revised the country's growth forecast for 2020-21 to 5.6 per cent, up from its previous projection of 3.8 per cent. Between 2021-22 and 2024-25, the agency expects the economy to grow by an average of 7.4 per cent annually. The latest outlook of the Washington-based International Institute of Finance says the Bangladesh economy will continue to grow faster than most others in 2021, driven by robust domestic demand and competitive manufacturing sectors, coupled with rebounding exports.

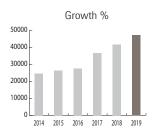
Insurance Business

COVID-19 has been the major economic influence in 2020 and caused the global recession since the end of World War II, requiring a rapid response from governments, businesses, insurers and individuals across the globe. Maximum countries were lockdown their production and business. As a result production, trade, export & import and car movements have reduced which have impacted in the Insurance Industry. The pandemic covid has hit our insurance industry and overall position of premium earning was turn down.

The growth of non-life insurance premium income in 2019 was 12.74 percent which was 13.91 percentages in 2018. The combined premium income underwritten by public and private sectors stood at Tk. 47,116 million in 2019. GDP growth in Bangladesh has been hovering more than 7 per cent during the last few years. But the data of the year 2020 are not available. The comparative premium position during the last few years has been as follows:

Growth of Non-life Insurance Premium of the Bangladesh

Amount in Million Taka



Year	Non-life insurance	Increased	Growth (%)
2014	24,440	1,493	6.21
2015	26,381	1,941	7.94
2016	27,627	1,246	4.72
2017	36,688	9,061	32.80
2018	41,792	5,104	13.91
2019	47,116	5,324	12.74
·	·		·

COMPANY'S BUSINESS ACTIVITIES AND OPRATING PERFORMANCE REVIEW

PREMIUM UNDERWRITTEN

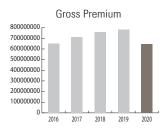
Business strategy

Gross domestic product (GDP) growth of Bangladesh economy is very lucrative last couple of years due to agriculture sector contribute much more comparing previous period. At the same time industrialization growth is increasing in private sector. Domestic insurance also grow almost 6%-8% but government sector insurance business growth have been increased significantly. But COVID crises have changed the track of the insurance business philosophy. We know that non life business depends on Import, Export, investment in industrialization and coverage of the security of all kinds of assets. There are large number of insurance companies in Bangladesh at present are certainly not commensurate with the size of the market that has led to aggressive competition which has determine to the industry as a whole. The Company focuses on small and non tradition business and there are huge scopes to enlarge insurance coverage which have possibility to earn insurance business. In this connection the management has prepared some guidelines to do more business on non-tradition business in addition regular business.

Business Position

During the year, a significant number of days was totally lockdown in Bangladesh. But the wise management team of the company has taken proper attention in time with professional manner and due to this attention we protect our business although some textile based industry was not operated for why we lost some gross premium of the Company. In the year 2020 the Company was not able to do business growth in comparison to the insurance industry. The gross premium is at Tk. 646,130,830 as compared to Tk. 780,575,102 in 2019.

Last five years an underwritten insurance business of the company is presented below:



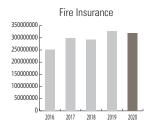
Year	Amount in Taka
2020	646,130,830
2019	780,575,102
2018	759,346,053
2017	713,048,761
2016	652,177,275

Business OutlookLast year we informed that covid crises will down our progress and we already faced these challenges. But position is improving due to vaccination support have started by the Govt. All sectors are running and our outlook is positive than in the last years. Our ability to engage in large and tailored transactions has created a market in which few others are even able to operate. We continue to see growing demand for solutions and services that deploy our resource & development to clients. We believe that business in future will be increased and we overcome all obstacles.

BUSINESS SEGMENT PERFORMANCE

Fire Insurance

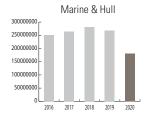
The Fire class of Insurance business constitutes 50% of the total portfolio. During the year the Company has underwritten a gross premium of Tk.320,109,583/- whereas it was in 2019 at Tk. 327,837,928/-. The company has lost 2% business during the year for the pandemic.



Year	Amount in Taka
2020	320,109,583
2019	327,837,928
2018	292,690,486
2017	299,343,640
2016	252,402,225

Marine & Hull

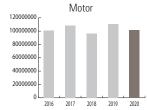
This class of business constitutes 28% of the total portfolio. The Company has underwritten a gross premium of Tk.180,175,905 in current year as compared to Tk. 267,773,283 in previous year. The Marine & Hull insurance premium was decreased from previous year almost 33% due to overall import & export of the country was drastically down for the COVID. Besides, premium rate was also reduced by the authority



Year	Amount in Taka
2020	180,175,905
2019	267,773,283
2018	281,000,184
2017	263,642,108
2016	251.047.297

Motor

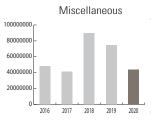
This class of business constitutes 16% of the total portfolio. During the year the Company has underwritten a gross premium of Tk.101,879,670 as compared to Tk. 110,582,048 in the last year.



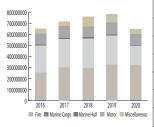
Year	Amount in Taka
2020	101,879,670
2019	110,582,048
2018	96,176,395
2017	108,478,326
2016	100,859,858

Miscellaneous

The Miscellaneous class of business constitutes 6% of the total portfolio. The gross premium was at Tk.43,965,672. Last year underwritten premium was Tk. 74,381,843 only.



Year	Amount in Taka
2020	43,965,672
2019	74,381,843
2018	89,478,988
2017	41,284,687
2016	47,867,895



Class of business	2016	2017	2018	2019	2020
Fire	252,402,225	299,343,640	292,690,486	327,837,928	320,109,583
Marine Cargo	246,113,288	257,583,159	269,855,066	258,721,893	175,771,871
Marine Hull	4,934,009	6,358,949	11,145,118	9,051,390	4,404,034
Motor	100,859,858	108,478,326	96,176,395	110,582,048	101,879,670
Miscellaneous	47,867,895	41,284,687	89,478,988	74,381,843	43,965,672
Total amount in Tk.	652,177,275	713,048,761	759,346,053	780,575,102	646,130,830

OPERATIONAL ACTIVITIES

CLAIMS MANAGEMENT

Strategy and priorities

Through our industry-leading Claims Commitment we aim to keep it simple and tailor our approach to our customers' needs and preferences. Working with our customers and agents our claims professionals promptly investigate evaluate and develop an appropriate resolution strategy. Where we have a duty to defend, we will work to determine as early as possible to our customer's preferred approach to whether the claim should be settled or defended. In the event of an insured first-party property loss we help our insured's get back to business guicker by making settlement of claims in early times.

Being there when our customer needs us is a top priority. We value a personal connection and are committed to:

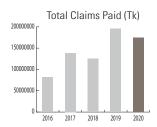
- a) Contacting our client or their representative within one business day of receiving a loss notification when we lead the primary claim.
- b) Returning phone calls and emails within one business day. When out of the office we provide additional contacts should immediate assistance be needed?
- c) Completing initial investigations on claims immediately.
- d) Paying covered claims within a period framed in the policy/Insurance Act subject to complete all requirements of settlement.

The settlement time for claims depends on various factors such as the line of business cause of loss the nature of claim etc. Typically claims which result in total or partial destruction of assets or records (such as those caused by Acts of God) those where adequate documentation to establish the claims are awaited and those which are the subject matter of judicial processes tend to have longer settlement times which are beyond the control of the Company. The Company has improved internal processes for further reduction of average claims settlement time and claims outstanding.

We believe that a claim handle is more important to complete the outcome its loss and our clients and agents tell us that they feel a difference from other company regarding settlement of claims in early times with satisfaction of the clients. Actually we depend on our service and service is only for customers to their tough times.

Claims Settlement

The overall claims expense was Tk. 174,786,972 during the period ended December 31st 2020 whereas Tk. 195,216,456 during the period ended December 31st 2019. Phoenix Insurance Company has always committed to settle the Insurance Claims appropriately in time. We believe that our commitment is to satisfaction of our customer and their satisfactions are the goodwill of our Company's. The year wise insurance claims paid are enumerated below:



Year	Total Claims Paid (TK)
2016	81,609,809
2017	138,457,603
2018	125,202,957
2019	195,216,456
2020	174,786,972

REINSURANCE MANAGEMENT

Approach

Reinsurance department is the key and the most important department in any general insurance company. Reinsurance arrangements with professionally structured dependable and financially sound reinsurers are absolutely essential. The role and strong support of reinsurers for the company is vital. Reinsurance department is to ensure that first class reinsurance arrangements at minimum costs are available both locally and abroad to the Company. Professional support and comprehensive reinsurance arrangements reduce the risks of insurance company in respect of claims incurred or expected to be incurred. PICL has always been successful to have support of world known financially and professionally supported first class and excellent reinsurers in the past as well as in the current financial year.

Our Reinsurance unit strategy remains focused on differentiation and profitable growth through allocation of capital to both existing and new risk pools. The significant global protection gap which exists today in both lines of business is expected to continue to widen and will also contribute significantly to creating new risk pools in the future. As a result we expect to see further business opportunities particularly in high-growth property markets. During the year 2020 we don't face any catastrophes loss and our country also safe of this type of economic loss.

Clients Satisfaction

We differentiate ourselves by understanding the specific needs of our clients. Client segmentation is a foundational element of our differentiation approach and is built on a deep understanding of our clients facilitating delivery of tailored offerings. We interact with clients across all levels and functions enabling strategic discussions between the right people at the right time. This dedicated delivery model - serving global and national clients continues to be effective.

Clients are always looking for solutions to solve their business challenges. In parallel with our engagement approach we have established teams to manage our clients' needs which expand on traditional reinsurance with our knowledge risk bearing capacity and innovation. Taken together such tailored transactions and solutions help clients to sustainably grow their business.

History and Allocation

Phoenix Insurance Co. Ltd. has arranged sufficient protection through the re-insurance program with state own organization Sadharan Bima Corporation. As the company's portfolio growing fast the reinsurance department feels to re-organize the re-insurance program for the security and safety of the company. The Company had started placement of the re-insurance program connecting with the Overseas Market. From 2010 the company maintaining the government rules and placed the 50% share to the overseas secured Market in the major share to the A-rated re-insurance companies and the rest 50% with Sadharan Bima Corporation. The company also changed their re-insurance structure and obtained both Proportional and Non-proportional treaties with higher capacity to protect the interest of the multinational company whose total risk is a bigger size. The company also obtained Catastrophe Excess Loss Treaty in Fire business to safeguard the company as well as the shareholders interest to protect any disaster. Our key value drivers are large capacity technical expertise and the ability to develop tailored solutions to meet clients' needs for example in the area of solvency relief.

The allocation of the company's re-insurance arrangement is as follows:

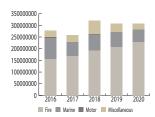
Sadharan Bima Corporation (SBC) Bangladesh - 50.00% share National Insurance Co. Ltd. India - 30.00% share ii) iii) Asian Re Bangkok 3.00% share GIC Bhutan - 11.00% Share CICA Africa 6.00% Share

The company has also placed facultative re-insurance protection in excess of company's treaty capacity to other markets like as Sen Re Senegal Asian Re Bangkok Allco American. The company has also placed Marine Cargo facultative business to various Lloyd's syndicate and has also connection with Munich Re Germany Swiss Re Singapore and Zurich. The Board of Directors always aware about the customer's insurance risk and ensures the protection of its liability by sufficient and timely re-insurance arrangement.

The Company follows a policy of optimizing retention of risk through a carefully designed high quality program of re-insurance with "A" rated and well reputed re-insurers. The focus of reinsurance treaty program has been designated to protect the value of risk by insuring timely and quality protection for individual risks and in catastrophic events. Your Company follows a high quality low risk reinsurance strategy. Your Company's conventional reinsurance policy reduces the potential volatility of the earnings stream. Reinsurance arrangements in place include surplus Excess of loss and catastrophe coverage. The effect of such reinsurance arrangement is that the Company should not suffer total net insurance losses beyond the Company's risk appetite in any one year.

Activities-2020

The Phoenix Insurance Company Ltd. paid as re-insurance premium for 2020 was Tk. 308,257,896 only. Phoenix Insurance Co. Ltd. is fully equipped with technical expertise and our present re-insurance arrangement is quite good enough to protect the interest of the company as well as the policyholders in any consequences. The year wise breakup of re insurance premium paid is enumerated below:



Sl. No.	Class of business	2016	2017	2018	2019	2020
1	Fire	155,727,660	168,719,826	190,896,613	206,556,443	228,550,097
2	Marine	89,205,299	58,926,020	70,550,330	64,189,302	52,127,442
3	Motor	5,087,255	128,644	2,023,181	687,273	255,249
4	Miscellaneous	26,154,312	31,070,725	57,330,376	35,872,544	27,325,108
Total amount in Tk.		248,601,661	256,852,918	276,174,526	307,305,562	308,257,896

CAPITAL, RESERVE AND INVESTMENT:

Summary **Balance Sheet**

	2020	2019	Change in %
Assets			
Statutory deposit securities	25.00	25.00	0
Equity securities	692.18	556.56	24.37
Property plant & equipment	288.15	291.84	(1.26)
Cash and cash equivalents	464.74	433.73	7.15
Sundry debtors	504.02	491.64	2.52
Amount due from	357.62	355.55	0.58
Others	2.58	2.70	(4.44)
Total Assets	2334.29	2157.02	8.22
Liabilities & equity			
Balance of fund & account	135.25	189.93	(28.79)
Premium deposit	25.09	16.51	51.97
Estimated liabilities in claims	91.49	82.66	10.68
Amount due to	34.93	34.75	0.52
Sundry creditors	369.58	340.46	8.55
Others	100.60	85.60	17.52
Total liabilities	756.94	749.91	0.94
Shareholder's equity	1577.35	1407.11	12.10
Total equity	1577.35	1407.11	12.10
Total liabilities & equity	2334.29	2157.02	8.22
Total Equity Per Share	39.10	34.88	12.10

CAPITAL MANAGEMENT

Strategy

The Company has a policy to maintain a strong capital position and provide the flexibility necessary to take advantage of growth opportunities to support the risk associated with its businesses and to optimize shareholder return.

The Company's capital base is structured to meet regulatory capital targets and maintain strong credit ratings while maintaining a capital-efficient structure and desired capital ratios. The Company's risk management framework includes a number of liquidity risk management procedures including prescribed liquidity stress testing active monitoring and contingency planning. The Company maintains an overall asset liquidity profile that exceeds requirements to fund potential liabilities under adverse scenarios.

The Company also actively manages and monitors the matching of asset positions against its commitments together with the diversification and credit quality of its investments against established targets.

Phoenix's policy of ensuring superior capitalization at all times has meant that even in the face of large insurance claims of any natural catastrophe events we maintain a very strong capital position and high financial flexibility. Our financial strength enables us to respond to potential market developments in the aftermath of such severe events and to stay committed to creating long-term shareholder value.

Authorized Capital

Tk.100 crore (divided into 100000000 shares of Tk.10 each).

Since inception of the Company the authorized capital was taka 50.00 crore divided into 5000000 shares of Tk.100 each. On the requirements of the operational activities as well as fulfill the Insurance Act 2010 the Board of Directors' have enhanced the Company's Authorized Capital from Tk.50.00 crore to Tk.100.00 crore divided into 100000000 shares of Tk.10 each in the year 2010.

Paid-up Capital

Tk.403,415,720 (divided into 40,341,572 shares of Tk.10 each.)

Phoenix Insurance Company Ltd. increases the business volume regularly. In this connection it is required to increase the paid up capital size and accordingly the Board of Directors decided to enhance the paid up capital every year to meet up the future requirements and compliance too.

Growth of Paid-up Capital

Phoenix Insurance Company has started its business journey with initial share paid up capital of Tk.30,000,000 in 1986. In 1994, the Company has received of Tk. 30,000,000 by initial Public Offering (IPO) shares and total share paid up capital stood Tk. 60,000,000. The main objectives of Phoenix Insurance Company are to provide consistently attractive return to its shareholders and buildup its strength and solvency. From the history it may be observed that company has been maintaining a stable and suitable dividend policy for its stakeholders in line with the sound underwriting profit and others Investment results. Our Company have increased the paid up capital by way of stock dividend, the total paid up capital at present stood at Tk.40,34,15,720 in 2020. At a glance the history of increasing share paid up Capital of the company is stated bellow:

			Paid up Capital		
Year	Particulars	Value per Share	No. of Shares increasing	Increased Value (Taka)	Cumulative share Paid up Capital (Taka)
1986	As per MOA & AOA	100	300000	30,000,000	30,000,000
1994	Initial Public Offering	100	300000	30,000,000	60,000,000
2002	5% stock dividend	100	30000	3,000,000	63,000,000
2003	5% stock dividend	100	31500	3,150,000	66,150,000
2004	25% stock dividend	100	165375	16,537,500	82,687,500
2005	25% stock dividend	100	206718	20,671,800	103,359,300
2006	30% stock dividend	100	310077	31,007,700	134,367,000
2007	20% stock dividend	100	268734	26,873,400	161,240,400
2008	22% stock dividend	100	354728	35,472,800	196,713,200
2009	25% stock dividend	100	491783	49,178,300	245,891,500
2010	25% stock dividend	10	6147287	61,472,87	307,364,370
2011	15% Cash & 5% stock dividend	10	1536821	15,368,210	322,732,580
2012	25% stock dividend	10	8068314	80,683,140	403,415,720
2013	20% Cash dividend	10	-	-	403,415,720
2014	20% Cash dividend	10	-	-	403,415,720
2015	18% Cash dividend	10	-	-	403,415,720
2016	15% Cash dividend	10	-	-	403,415,720
2017	16% Cash dividend	10	-	-	403,415,720
2018	12% Cash dividend	10	-	-	403,415,720
2019	12% Cash dividend	10	-	-	403,415,720
2020	15% Cash dividend	10	-	-	403,415,720

LIQUIDITY MANAGEMENT

Liquidity policy

Our core liquidity policy is to retain sufficient liquidity in the form of unencumbered liquid assets and cash to meet potential funding requirements arising from a range of possible stress events. To allow for regulatory restrictions on intra-Group funding liquidity is managed within groups of entities known as liquidity pools. To manage the risks we have a range of liquidity policies and measures in place. In particular we aim to ensure that:

- Sufficient liquidity is held to meet funding requirements under current conditions as well as adverse circumstances;
- Funding is maintained and credited at an appropriate market rate through our internal transfer pricing;
- Diversified sources are used to meet our residual funding needs;
- Long-term liquidity needs are taken into account both in our planning process and in our management of financial market risk.

Liquidity Position

The Company's primary source of funds is cash provided by operating activities including premiums and net investment income. These funds are used primarily to pay claims commissions operating expenses and shareholder dividends. Cash flows generated from operating activities are generally invested to support future payment requirements including the payment of dividends to shareholders.

The Company's liquidity has been increasing by controlling operating expenses. The total cash and cash equivalents as at the end of 2020 are Tk. 464,739,170 against Tk. 433,734,990 in 2019.

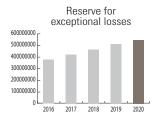
The Company prudently manages liquidity to ensure its ability to meet contractual obligations as and when they fall due.

RESERVE FUND

To protect the risk factors of the company it is very essential to have a good amount of reserve fund for the Company. The Insurance Act and Income tax ordinance also recommended to build up the reserve fund for the company accordingly the company separated the following reserve funds to protect the risk of the Company's.

Reserve for exceptional losses:

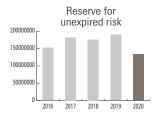
During the year 2020 Tk.547,404,668 separated as reserve fund for exceptional losses under the forth schedule of Income Tax ordinance 1984 that a company sets aside a portion of its income profits and gains to meet the exceptional losses so much of such portion as does not exceed ten percent of the premium income of the year in which it is set aside shall be deducted from the balance of the profits. The year wise breakup of the exceptional losses is enumerated below:



Year	Amount in Taka
2016	377,435,866
2017	422,435,866
2018	466,290,421
2019	513,617,375
2020	547,404,668

Reserve for unexpired risk

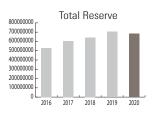
A sum of Tk.135,255,424 have build up for unexpired risk fund. The fund has separated under the section 27A of sub section 2(b) of Insurance Act 1938. Under this section forty percent of the net premium in respect of Fire Marine and Miscellaneous insurance business written in Bangladesh will be separated for unexpired risk. The year wise breakup of the reserve for unexpired risk is enumerated below:



Year	Amount in Taka
2016	152,305,145
2017	182,413,044
2018	176,204,829
2019	189,926,151
2020	135,255,424

Reserve Fund

So, during the year total amount of Tk.682,660,092 has been created as reserve funds to meet up any kinds of financial requirements for protecting the risk factors of the company. The position of total reserve funds is shown below:



Year	Amount in Taka
2016	529,741,011
2017	604,848,910
2018	642,495,250
2019	703,543,526
2020	682,660,092

INVESTMENT

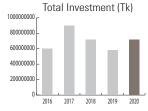
Strategy

Insurance is a form of risk management primarily used to hedge against the risk of a contingent or an uncertain loss. To meet up the uncertain loss the Company keeps the amount in the form of investment. In the other hand good investment is also main tools of the company's profit.

PHOENIX Insurance's investment portfolio maintained its track record of sustainable performance results with another strong contribution in 2020. All asset classes contributed to the result reflecting the diversification of investment income sources as well as the quality of the investment portfolio. During 2020 Phoenix Insurance increased its overall allocation to government bonds and Fixed Deposit to Bank enhancing income with low-duration risk. The allocation to equities and alternative investments remained relatively stable. While the investment portfolio is well-positioned overall the company maintains suitable flexibility should it be presented with attractive market opportunities or a change in the investment outlook.

Investment Portfolio

Phoenix Insurance Company Ltd. earns investment profits at large scale and the Board fixed a target to enlarge the investment figure of the company to increase the investment income. Our expectation is to earn more profit from the Company's investment amount. For the greater interest of the Company and also the interest of shareholders we utilized the maximum fund and in this connection we have invested our amount in the form of Shares. The year wise investment breakup of the Company is furnished below:



Year	Total Investment (Tk.)
2016	597,678,947
2017	898,539,681
2018	713,947,976
2019	581,554,148
2020	717,182,772

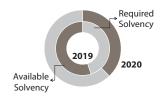
Out of the above amount Tk. 193,493,713 was utilized for buying listed companies shares; The City Bank Ltd. and the Phoenix Finance & Investment Ltd. shares and rest Tk. 25,000,000 was utilized for buying National Investment Bond to comply the Schedule-1 of Insurance Act 2010. The market value of shares is at Tk. 632,182,772 only.

Investment Result

Your Company realized income from investment at Tk. 63,958,957 in 2020 as against Tk. 40,598,683 in the previous year. Out of this amount dividend income is Tk. 19,360,129 as against Tk. 4,423,626 in 2019. Tk. 14,936,503 have been increase from last year dividend income due to we have received cash dividend from The City Bank Ltd., and The Phoenix Finance & Investment Limited.

SOLVENCY MARGIN

Under section 45 of Insurance Act 2010 we have maintained the required solvency margin. During the year 2020 company's solvency margin remained above the required level. Phoenix Insurance Company Limited required solvency margin is Tk. 97,398,180 only whereas the company's available solvency is Tk. 159,245,640 which means the value of assets had been more than the liabilities in that particular period. Therefore the available solvency is almost 1.63 times of required solvency in 2020. The detail is presented in the page no 102 on the annual report. The Comparison from previous years presented below:



Year	Required Solvency (Tk)	Available Solvency (Tk)
2019	119,886,574	146,014,162
2020	97,398,180	159,245,640

CLAIM PAYING RATING

The Phoenix Insurance Company limited regularly analyses the position of its claim paying ability. During the year the company achieved CPR at AA-. This rating assigns that the Company with 'stable' outlook for its steady business growth stable financial and operating performance as well as its consistent fundamentals.

PROFIT & LOSS ACCOUNT REVIEW

Review the Income Statement

		BDT millions
2020	2019	Change in %
646.13	780.57	(17.22)
308.26	307.31	0.31
337.87	473.26	(28.61)
68.58	68.54	0.06
63.96	40.60	57.54
470.41	582.40	(19.23)
248.34	289.74	(14.29)
59.62	52.04	14.57
85.22	106.14	(19.71)
(54.65)	13.71	(498.61)
338.53	461.63	(26.67)
131.88	120.77	9.20
10.00	5.50	81.82
27.90	22.27	25.28
93.98	93.00	1.05
2.33	2.31	0.87
	646.13 308.26 337.87 68.58 63.96 470.41 248.34 59.62 85.22 (54.65) 338.53 131.88 10.00 27.90 93.98	646.13 780.57 308.26 307.31 337.87 473.26 68.58 68.54 63.96 40.60 470.41 582.40 248.34 289.74 59.62 52.04 85.22 106.14 (54.65) 13.71 338.53 461.63 131.88 120.77 10.00 5.50 27.90 22.27 93.98 93.00

UNDERWRITING PROFIT

Strategy

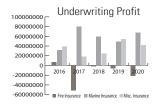
Since Insurance is knowledge based technical profession and we take the risk of couple of thousand crore taka. The assessment and management of the risk is to manage by way of prudent underwriting. The proper claim settlement is also based on prudent underwriting. The Company has now been able to underwrite any value of sum insured by charging the most economic and competitive Premium rate ensuring maximum security at minimum cost within the frame work of existing tariff and high capacity of Re-insurance treaty made with 'A' rated overseas Re-insurers. It has become possible for the equipped technically qualified and experienced management personal. We have been trying to remain with the Insuring community in the time of need for the last two decades since inceptions.

The Management is working to improvement (at least in the near future) in level of economic and business activities in the country and our strategy will therefore continue to emphasize on -

- a) Customer-driven business focus;
- b) Financial and investment strategy based on further strengthening the balance sheet;
- c) Conservative and sound risk management; and Operational agility by maintaining quality leadership.

Comparative Result

You know that underwriting profit is only the profit exactly earned from the insurance business only. It consists on the earned premium remaining after losses have been paid and administrative expenses have been deducted. It does not include any investment income. Phoenix Insurance Company Ltd. underwrites the business premium on the basis of insurance principles and code of business. We issue our underwriting documents for the interest of the customer's requirements after analysis the risk of the insurable items accordingly insurance premium charge on the basis of the insurance contract. The profit of the insurance product calculated separately on the basis of the Insurance Act. Previous five years underwriting profit presented in the below:



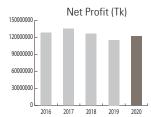
Name of the product	2016	2017	2018	2019	2020
Fire Insurance	7,145,638	(51,392,015)	(1,717,756)	(5,396,837)	(21,537,697)
Marine Insurance	31,487,302	79,378,759	59,394,191	49,080,633	67,647,733
Motor & Misc. Ins.	38,466,269	18,517,455	24,078,562	53,813,201	41,238,403
Total	77,099,209	46,504,199	81,754,998	97,496,996	87,348,439

Review of Underwritten Result

The Company has taken proper steps for maintaining the profit growth of the company specially emphasized the motor and miscellaneous insurance business. The company earned maximum profit from the marine insurance business. During the year 2020 Phoenix Insurance Company Ltd. earned an amount of TK. 67,647,733/- as underwriting profit. The underwriting profit has been decreased but Marine business profiut have increases. Actually huge claims have been settled during the year. Although during the year the rate of Marine Insurance Premium in the country has been decreased but we have tried to maintain the growth of the profit. We are careful about issuing any cover notes of the Insurance risk which were also more effective for collecting insurance business. The Board of Directors desires that the steady growth of underwriting profit will continue in the coming years.

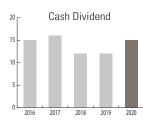
Net Profit **Analysis**

Despite difficult economic scenario, the Company has posted net profit of Tk. 121,885,772 whereas it was Tk. 115,269,990 in the last year. The net profit increased due to increase of other income. The year wise net profit before tax shown below:



Year Total Profit (TI		
2016	127,853,449	
2017	135,196,077	
2018	126,265,471	
2019	115,269,990	
2020	121,885,772	

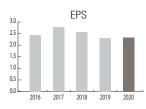
Dividend



Dear Shareholders the Board of Phoenix Insurance Company Ltd. always aware about the dividend policy. Generally Shareholders demanded maximum returns of their investment. The Company has been paying prestigious dividend consistently since the inception to fulfill the shareholders interest. The Board of Directors in its meeting held on 3rd June 2021 recommended 15% cash dividend for the year 2020. The Board of Directors desires that shareholders of the Company will approve the recommendations of the Board in the Annual General Meeting.

Year	2016	2017	2018	2019	2020
Cash Dividend	15%	16%	12%	12%	15%

Earnings Per Share (EPS)



The portion of a company's profit allocated to each outstanding share of common stock is called generally EPS. During the year 2020 the Company's EPS is Tk.2.31 which was Tk.2.33 in the last year. EPS have been decreased due to net profit not increased during the year. Previous five years Earning per share position presented in the below:

Year	2016	2017	2018	2019	2020
EPS Per share Tk.10 each	2.44	2.78	2.56	2.31	2.33

DIRECTORS RETIREMENT AND RE-APPOINTMENT

Under the Clauses No.100 of the Articles of Association of the Company; at the ordinary meeting in every subsequent year one-third of the Directors representing sponsor shareholders inclusive of co-opt directors from the time being and one-third of the Directors from public subscribers if their number is not three or a multiple of three then the number nearest to one-third shall retire from office.

Under the Clauses No.101 of the Articles of Association of the Company; the Director who retires in every year shall be those have been longest in office since their last election but as between persons who become Director on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. Provided that retiring sponsor Director shall be eligible for re-election and re-elected by the sponsor shareholders while retiring Directors from public subscribers shall also be eligible for re-election and be re-elected by the public subscribers.

Under the Clauses No.102 of the Articles of Association of the Company; the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the valued office by electing a person thereto.

During the year, 2(two) sponsor directors passed away from us consequently Sponsor Directors are 7 and public Directors are 4. So, total number of Directors is 11 only. One-third of the Directors will be retired for fe-election.

Sponsor Directors (Group-A)

According to the above mentioned clauses of the Articles of Association of the company the following three Directors the sponsor shareholders group i.e. group "A" Directors will retire:

- 1. Mr. M. A. Majid
- 2. Mr. Mazharul Hague

Being eligible all the retiring Directors offered them for re-election.

Public Directors (Group-B)

In terms of the above provisions of the Articles of Association of the Company the following two Directors from among public shareholders i.e. group "B" shareholders will retire.

Due to fulfillment the tenure, Mr. Mohammed Shoeb, Public Director retire from the Board and being eligible for re-election he offered himself for re-ppointment.

It may be mentioned here that a public notification regarding to election of Directors of the Company from the public shareholders was published in two national dailies namely "The Daily Ingilab" and "The Bangladesh Today" on 09th June 2021.

AUDITORS APPOINTMENT

Statutory Auditor

The external Auditor completed the annual audit about the accounts after the appointment by the shareholders in the Annual General Meeting. With the recommendation of the Board of Directors the shareholders confirmed the appointment of the external auditor in the Annual General Meeting with remuneration of his service.

- The External Auditor prepare the audit report in accordance with the International Standards on Auditing applicable in Bangladesh ensuring the provisions of the কোম্পানী আইন ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) securities laws International Standards on Auditing and other relevant laws.
- The External Auditor have ensured the compliance with the provisions/ professionalisms/practices/ethics of International Standards on Auditing (ISA) applicable in Bangladesh and Bangladesh Auditing Practice Statements(BAPS) as well as Bangladesh Standards on Auditing Assurance and Ethics Pronouncements in conduction of auditing and issuing audit report.
- Messers Zoha Zaman Kabir Rashid & Co. Chartered Accountants re-appointed as external Auditor in the 34rd AGM held on 16th September 2020 for auditing the Accounts of the year 2020.
- Messers Zoha Zaman Kabir Rashid & Co. Chartered Accountants offered themselves to re-appointment as Statutory Auditors in the Company for the year 2021. Under section 210 of the Companies Act 1994 the matter has presented in the Annual General Meeting to consider the appointment of Auditors and fix their remuneration under the guidelines of ICAB.

Compliance Auditor

Messers T. Hussain & Co. Chartered Accountants has applied for re-appointing themselves as Compliance Auditor to check and report to the shareholders about the Corporate Governance Code of the company for the year 2021. The Board has recommended for appointing Messers T. Hussain & Co. Chartered Accountants as Compliance Auditor and fixing their remuneration in the AGM.

FUTURE ATTITUDE:

Speedy business growth in insurance industry at the beginning of the year 2021 simultaneously the Phoenix Insurance also started excellent at the opening of this year, but second wave of pandemic COVID-19 hit the world again as a result the trade and business was sharply dropped.

The Government of our country has declared lock down and during the lock down all offices, banks, insurance and other are operating partially by maintain the health cautious for avoiding entire countries peoples protection from corona virus. Day by day export and production became slow which will have affected the insurance business of the country.

However, we are very optimistic to overcome the adverse situation and rebuild our business position and show a presentable position business at the end of the year 2020.

APPRECIATION & ACKNOWLEDGMENT:

The loyalty of our patron clients has enabled us to maintain and improve our market share over a period of time. We are grateful to them for reposing their confidence in us. We acknowledge the support of our shareholders which allows us to improve our leading position in the market. Thanks are due to Government Authorities particularly Ministry of Finance, Insurance Development & Regulatory Authority, Registrar of Joint Stock Companies & Firms, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Sadharan Bima Corporation, overseas Re-insurers, Bangladesh Bank, Commercial Banks, Bangladesh Insurance Association, Bangladesh Insurance Academy, Central Depository Bangladesh Limited (CDBL) for their continued support and confidence put in Phoenix Insurance Company Limited during the year.

We acknowledge the professionalism and hard work of our development officers' staff members and executives who helped the Company to achieve its goals.

Allah Hafez.

On behalf of the Board

Mohammed Shoeb

Chairman

Dated Dhaka June 03, 2021

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Corporate Social

Responsibility

CORPORATE SOCIAL RESPONSIBILITY

Phoenix Insurance places great emphasis on education health and community service donating generously as part of its Corporate Social Responsibility. During the year under review Phoenix Insurance donated money to education health and community service sectors. Besides cash donations Phoenix Insurance encourages its employees to participate actively in community service by donating their personal time and monev.

Phoenix Insurance's Corporate Social Responsibility (CSR) Program aims to address key concerns in society such as health and education. The Company also stresses on reassuring its chief stakeholders of overall sustainability through compliance ethics and corporate citizenship. These elements combined form the basis of PICL's corporate philosophy and CSR.

COMPLIANCE AND ETHICS

Regulations are becoming increasingly complex in light of high transparency prerequisites being enforced globally. PICL has continually strived to develop its capabilities until it can be at par with international standard in the global insurance industry meeting all necessary standards and checks. PICL's edge in the market at home lies in its strict and efficient compliance of international standards.

PICL has incessantly reiterated that its Compliance Performance Standards are applied to all areas of business. PICL ensures to increase compliance and ethical understanding throughout its management hierarchy. Initiatives taken include internal awareness campaigns specific trainings in detailed regulatory areas and focused efforts on sensitive areas such as conflict of interest.

HEALTH SAFETY & ENVIRONMENT

Safety and Environmental (HSE) Health responsibilities constitute an essential part of Phoenix Insurance's operations. These become the core of the Company's activities. Phoenix Insurance's management and employees share the belief that good HSE contributes positively and productively to business development and success.

It is this belief that urges Phoenix Insurance to increase team efforts endeavor for better HSE for employee's customers and neighbors. The Company also hopes to safeguard people's health and minimize the environmental impact of their jobs. PICL's HSE policy observes all existing laws regulations and amendments.

COMMITTED TO EXCELLENCE

In an era of intense hectic competition PICL stays a float with its unwavering commitment to operational and financial discipline in producing unparalleled results; keeping its promises and continually fulfilling its customers' needs. During Phoenix Insurance Tk.17,62,500/- as CSR in various activities with organizations.

Environment

Related Initiatives

It is observed that in recent years there has been a growing concern for various environmental issues. These issues force people to reevaluate their interests in a number of wide-ranging and complex areas thus increasing the role that Organizations must play in addressing these issues. Of these issues we strongly believe that addressing the need to preserve and restore the natural environment is of particular importance for corporations. Therefore Phoenix insurance will continue to exercise our corporate philosophy by promoting environmental preservation and working to be a good corporate citizen with the aim of creating a good society that is full of healthy smiling faces.

Phoenix Insurance tried to stimulate awareness for the protection of environment by personalizing environmental issues and to enable everyone to realize not only our responsibilities but also our power to become agents for change in support of sustainable and equitable development by ensuring a cleaner greener and brighter outlook for ourselves and for the next generations.

Phoenix Insurance focuses on the following actions along with supporting innovative conservation initiatives and inspiring our associates and guests to support these efforts:

- The employees of Phoenix Insurance turn off equipment (computers Printers copiers and lights) when it's not being used and also main switch is put off at the end of each working day & which are strictly maintained.
- Phoenix Insurance usually prefers using email instead of sending memos and faxing documents for reducing time & papers as well.
- Phoenix Insurance is aware for preventing water taps from dripping preventing misuse of paper napkin.
- Phoenix Insurance provides environmentfriendly office equipments information and

- solutions which are supported by our clients as well as our employees to preserve the ecosystem.
- Phoenix Insurance strictly complies with environment-related laws and regulations. We will further establish independent standards as we strive to protect the environment.
- Phoenix Insurance place high priority on thoroughly educating our staff on a routine basis about our environmental principles to ensure that they confirm to these principles in the performance of their work.
- Phoenix Insurance usuallv purchase computers monitors printers fax machines Copiers & other office equipments keeping in mind that those are functional cost effective & eco friendly.
- LCD monitors are used for lesser power consumption.
- To encourage others & save the world by go green Phoenix Insurance keeps a slogan on its all sizes envelopes " LET GO GREEN TO KFFP OUR FARTH CI FAN"
- Maximum cars of the Company even vehicles of Transportation of pool for the employees are CNG converted to reduce air pollution.
- Energy saving bulbs is always used in the office premises in every where
- Phoenix Insurance provides environmental training and information to all of the Executives to raise their awareness about environment protection
- As a good corporate citizen we always work with the community to protect the environment. We also disclose environmental information and work for mutual understanding with the society.

Environmental

and social obligations

We strongly believe social responsibility is an ethical framework and suggests that an entity be it an organization or individual has an obligation to act for the benefit of society at large. Social responsibility is a duty every individual has to perform so as to maintain a balance between the economy and the ecosystems. A trade-off may exist between economic development in the material sense and the welfare of the society and environment though this has been challenged by many reports over the past decade. Social responsibility means sustaining the equilibrium between the two. It pertains not only to business organizations but also to everyone who's any action impacts the environment. responsibility can be passive by avoiding engaging in socially harmful acts or active by performing activities that directly advance social goals.

Every business entity has an impact on the environment and there arises legal obligations which it must fulfill. The requirements are relatively simple for business such as offices. Meeting the environmental obligations is not just a legal requirement. It is worthwhile in itself and helps minimize the likelihood environmental problems costs and damage of the business. Taking a responsible approach to the environment can also reduce the costs of unnecessary waste strengthen the Company image and help us to win business from less reputable competitors.

Minimize energy and water use within our premises and processes in order to conserve supplies and minimize the consumption of natural resources.

- Purchase preferable products and services for all our daily operational needs that do the least damage to the environment.
- Conserve natural resources by adopting pollution preventive practices.

- Extending the life of equipments through preventive maintenance scheduling purchasing and reworking used equipments etc.
- Documents management project initiative to archive the backlog and day to day official documents which generates through daily operations and facilities express search capability for achieved materials using enadoc system.
- Remotely thirty one branches will be connected with systems and documents scanning indexing export of scanned images to the enadoc system will be done through from one of the location in a centralized environment.
- Practices reusing recycling and reprocessing materials that would otherwise be discarded as waste.

Integrated reporting

An integrated report is a concise communication about how an organization's strategy governance performance and prospects lead to the creation of value over the short medium and long term.

Integrated reporting means the integrated representation of a company's performance in terms of both financial and other value relevant information. Integrated reporting provides greater context for performance data clarifies how value relevant information fist into a business and may help implant long truism into company decision making. While the communications that result from integrated reporting will be of benefit to arrange of stakeholders they are principally aimed at providers of financial capital allocation decisions.

- 1. Strategy: Strategy is the direction and scope of an organization over the long-term which achieves advantage for organization through its configuration of resources within a challenging environment to meet the needs of markets and to fulfill stakeholder expectations.
- 2. **Governance**: Governance or more precisely corporate governance essentially involves balancing the interests of the many stakeholders in a company; these include its shareholders management customer's supplier's financier's government and the community.
- 3. **Performance:** Business performance is the accomplishment of a given task measured against preset known standards of accuracy completeness cost and speed. In a contract performance is deemed to be the fulfillment of an obligation in a manner that releases the performer from all liabilities under the contract.
- 4. Prospects: Potential customer or client qualified on the basis of his or her buying authority financial capacity and willingness to buy.

Phoenix insurance company's involvement in integrated reporting

Those who are in-charge of looking after the governance of Phoenix insurance Company Ltd i.e. the Audit committee a sub-Committee of the Board of Directors ensures its integrity in performing overall responsibility in the company ensuring a proper and stable internal control system through the performance of internal audit periodically and also as and when required basis. The audit committee also considers the external auditors' findings and gives highest importance to those and takes appropriate measures for further development and assurance of the internal control systems of the company.

The most exciting about integrated reporting is that this is not just a cosmetic change in communication but a deep behavioral evolution in the way all stakeholders assess value of a company and is ecosystem. And this will unquestionably lead to value creation.

Financial Indication & Other Declaration's

168 - Accounting Ratios of the year 2020 & 2019

169 - Dividend Distribution policy

- Declaration of MD & CFO

- Claims Management

Clients Complains

Market Share of Insurance business of the Company

Accounting Ratios of 2020 & 2019

	The year-2020		The year-2019		Growth
Particulars	Amount in Taka	Ratio (%)	Amount in Taka	Ratio (%)	(%)
Gross premium Income	646,130,830	-	780,575,102	-	(17.22)
Net premium Income	337,872,934	-	473,269,540	-	(28.61)
Re-insurance Premium Ceded as % of Gross premium Income	308,257,896	47.71	307,305,562	39.37	0.31
Net RI commission earn as % of Gross premium Income	68,576,218	10.61	68,542,722	8.78	0.05
Net RI commission earn as % of Net premium Income	68,576,218	20.30	68,542,722	14.48	0.05
Agent Commission Paid as % of Gross premium Income	85,227,382	13.19	106,144,059	13.60	(19.71)
Management Expenses allocated as % of Gross premium Income	228,923,884	35.43	272,411,728	34.90	(15.96)
Gross claim Paid as % of Gross premium Income	174,786,972	27.05	195,216,456	25.01	(10.47)
Gross claim Paid as % of Net premium Income	174,786,972	51.73	195,216,456	41.25	(10.47)
Net claim Paid as % of Gross premium Income	50,788,967	7.86	40,235,243	5.15	26.23
Net claim Paid as % of Net premium Income	50,788,967	15.03	40,235,243	8.50	26.23
Operating (Under writing) Profit as Gross premium Income	87,348,438	13.52	97,496,996	12.49	(10.41)
Operating (Under writing) Profit as Net premium Income	87,348,438	25.85	97,496,996	20.60	(10.41)
Net profit before tax as % of Gross premium Income	121,885,772	18.86	115,269,990	14.77	5.74
Net profit after tax as % of Gross premium Income	93,987,074	14.55	93,003,268	11.91	1.06
Earnings per share (EPS) before tax	3.02		2.86		
Earnings per share (EPS) after tax	2.33	-	2.31	-	-
Net Assets Value (NAV)	39.10	-	34.88	-	-
Net Cash provided by operating activities per share	2.07	-	0.63	-	-
Price Earnings Ratio (P/E)	19.19	-	11.67	-	-
Return on equity Ratio (ROE)	5.96	-	6.61	-	-

DIVIDEND DISTRIBUTION POLICY

The management as well as Board of Phoenix Insurance is very careful about the stakeholders interst specially dividend payment. We follow the guidelines of the Company's Act and regulatory body's instruction properly. The following policy will be applicable to Phoenix Insurance Company Limited for the payment of dividend to shareholders of the company:

- The company will pay the annual dividend to the entitled shareholders, within 30 (thirty) days from the date of Annual General Meeting.
- 2. Cash dividend will be distributed in the following manner and procedures, namely:
 - The company will pay cash dividend directly to the Bank accounts of the entitled shareholders, as available in the BO (Beneficiary Owner) account maintained with the Depository participant (DP), or the Bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN), provided that the company may pay off such cash dividend through Bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;
 - The company, upon receiving the claim on cash dividend from a Stock Broker or a Merchant Banker or a Portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of Stock Broker or Merchant Banker or Portfolio manager, pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the Stock Broker or to the separate bank account of the Merchant Banker or Portfolio manager through BEFTN;
 - The company, in case of non-availability of Bank account Information or not possible to distribute cash dividend through BEFTN or any electronic payment system, issue cash dividend warrant and send it by post to the shareholder.
 - The company will pay cash dividend to sponsor, Director, shareholder, or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard.
 - The company, immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable, intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder.
 - The company shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number wise or name-wise or folio number wise of the shareholder.

Provided that the company shall publish the year-wise summary of its unpaid or unclaimed dividend in the website:

Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate Bank account of the company as maintained for this purpose, within 1 (one) year from the date of approval or record date, as the case may be.

- The company shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);
- The company shall submit a compliance report to the Bangladesh Securities and Exchange Commission (BSEC) in a specific format, within 7 (seven) working days of completion of dividend distribution:

Provided that the company will also publish the compliance report in its website.

The company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force

Declaration of Chief Executive Director and Chief Financial Officer regarding financial statements of the PHOENIX INSURANCE COMPANY LIMITED

Date: 3rd June 2021
The Board of Directors
Phoenix Insurance Company Limited
1/A Dilkusha C/A Dhaka-1000

Subject: Declaration on Financial Statements for the year ended on 31st December 2020

Dear Sirs

Pursuant to the condition No.1 (5) (xxvi) imposed vide the Commissions Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance 1969 we do hereby declare that:

- The Financial Statements of Phoenix Insurance Company Limited for the year ended on 31st December 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis in order for the financial statements to reveal a true and fair view;
- The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- To ensure above the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31st December 2020 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are to the best of knowledge and belief no transactions entered into by the Company during the year which are fraudulent illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours

(Md. Jamirul Islam) Chief Executive Officer (Md. Jahurul Islam) Chief Financial Officer

Claims Management

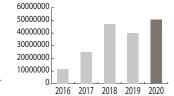
Phoenix Insurance believes that prompt settlement of insurance claims is the best way to earn confidence of the insuring community. Phoenix has been giving top priority for settlement of the insurance claims in due course. Phoenix always stands beside the Insured in the event of any loss of their properties. Consequently we have been able to create cemented relationship with the valued client's over the last 35 years of operation. As a part of best client services the responsible officer rushes to the place of reported loss along with the reputed surveyor as soon as receive the intimation of the loss.

In special cases the top executives are paying visit the place of incident to ease and relax the clients at the moment. Even in case of big losses Phoenix Insurance also tries to make advance payment before official approval of a claim to enable the insured for resuming business operation very shortly.

To meet up the claim promptly there is a Claim Committee working in the company attentively. This committee devises the claims settling policy of the Company. It oversees the claims position of the Company and ensures that adequate claims reserves are made. Particular attention is paid to significant claims cases or events which give rise to a series of claims. The Claims Settlement Committee determines the circumstances under which the claims dispute to be brought to its attention and decides how to deal with such claims disputes. It also oversees the implementation of the measures for combating fraudulent claims cases.

In the year 2020, Phoenix Insurance has settled a gross amount of claim at Tk. 195,216,456/- only where as in the last year it was Tk. 125,202,957/- only. The position of last five years Net Claims is enumerated below:

Particulars	2016	2017	2018	2019	2020
Net Claim	11 473 082	25 027 314	47 156 672	40 235 243	50 788 967



Details of Outstanding Claims (IBNR & IBNER) with ageing thereof

IBNR (Integrated but not report) is the provision for claims that have happened but have not reported yet. INBR (Integrated but not enter report) reserve represents the estimated amount needed to cover those unreported claims that have already happened. IBNER means incurred but not enough reported. For a loss that has occurred and been reported IBNER is the development on that known loss.

As per insurance Law Bangladesh it is not obligatory to maintain reserves for Integrated but not report (IBNR) or Integrated but not enter report (IBNER) claim. But under solvency margin regulation proposed under insurance Act 2010 such reserves will be required to maintain in the manner to be prescribed by the relevant rules.

All claims with ageing including cause of actual delay in settlement of claims are mandatory to report quarterly to insurance Development & Regulatory Authority (IDRA) as per their directives.

Clients Complains and Consultancy

Phoenix Insurance is very much concern of the Stakeholder's interest and the professional services to the insured.

Accordingly the company has been equipped with a team of technically qualified and highly experienced professionals for rendering best possible services to its customers. Because we do believe Customers are first and Customers are last. Customers delight is our delight. Consequently, we have been able to earn the confidence of the clients from starting our journey excels in 1986. This company provides its clients with technical assistance consultancy and advice free of cost whenever called for. Any query and consultancy in respect of insurance service shall be addressed with due respect and pleasure.

Phoenix Insurance has successfully provided the risk coverage of livestock specially Cattle insurance service. Our branches around the country working on this area and we have expertise to exchange views with interest livestock insurance. Any gueries please call the following employees:

Md. Zaneser Ahmed

Manager **Underwriting Department** (Livestock Insurance Services) 1/A Dilkusha C/A Dhaka. Tel: +88 02 223383609-12

Mob:+88 01798543613

E-mail: uw@phoenixinsurance.com.bd

Besides any other issues, the client may contact for complains and/or consultancy especially in connection of Risk Assessment Economic price of Insurance Re-Insurance & Claims payment status or product development to the following Address:

Md. Shafiqur Rahman

Executive Director Underwriting & Branch Control Department 1/A Dilkusha C/A Dhaka. Tel: +88 02 223383609-12

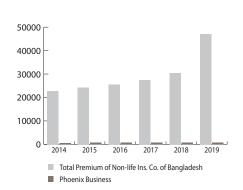
E-mail: mail@phoenixinsurance.com.bd

Market Share of Insurance Business of the Company

Phoenix Insurance Company Ltd. enhancing the market shares of Insurance Business in the country day by day. The high profile management team of the company has been taken proper attention in time with professional manner and the Company's performance has been increased in respect of business collection. We have maintained the growth of our business regularly due to our discipline and talented services. The Gross premium income of private non-life insurance companies around the country stood at Tk.30347 million in 2018 whereas in the 2019 it was Tk. 47116 million.

Our Market Share of Insurance Business in the country is slowly. In the year 2019 we have contributed 1.66% business in the total market of Bangladesh private non-life insurance business and it is expecting that next year it will be increased. A chart of our market share position in comparison of the total market of Bangladesh Non-Life Insurance Business is shown below:

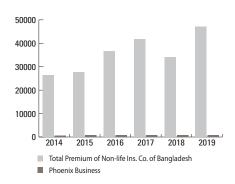
Amount in million



Year	Private Non-life Insurance business Tk.	Phoenix Business Tk.	% of our company's share in the country
2014	22679	610	3.06
2015	24308	645	2.65
2016	25393	652	2.57
2017	27373	714	2.61
2018	30347	759	2.50
2019	47116	781	1.66

The total premium income of non-life insurance companies in Bangladesh stood at Tk. 41792 million in 2018 whereas it was Tk. 34114 million in 2019. In last five years our average contribution was 2.17% premium to the nation. The following statements show the position of our company against the total non-life insurance premium of Bangladesh.

Amount in million



Year	Total premium of Non-life Ins. Co. of Bangladesh	Phoenix Business	% of our company's share in the country
2015	26381	645	2.44
2016	27627	652	2.36
2017	36689	714	1.95
2018	41792	759	1.82
2019	34114	781	2.29

Report of Audit Committee and Auditor's

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Report on

Audit Committee

CONSTITUTION OF THE AUDIT COMMITTEE

The Audit Committee of the Phoenix Insurance Company Limited constituted by the five Directors of the Board of Directors. According to the notification of Bangladesh Securities and Exchange Commission the Board constituted the Audit Committee. The committee performs their responsibilities as per guidelines adopted by the Board in compliance with the Corporate Governance Code of the Bangladesh Securities and Exchange Commission Notification No. SEC/ CMRRCD/2006-158/158/207/Admin/80 dated 3rd June 2018 which have mentioned in the Audit Committees functions. The Board has selected most senior and experienced Director; Mr. Deen Mohammad was as Chairman of the Audit Committee. The Audit Committee was comprised of the following members of the Board of Directors:

- 1. Mr. Deen Mohammad
- 2. Mr. Mazharul Haque
- 3. Mrs. Khorshed Zahan Begum
- 4. Mohammed Haider Ali
- 5. Mrs. Sadia Anjum Siddiqui

The company secretary has act as the secretary of the Committee. Sudden vacancy of Independent Director in the company the Board cannot appoint any one immediately as Independent Director of the company. The Board is processing to appointed an Independent Director as Chairman of the Audit Committee who is "financially literate" means the ability to read and understand the financial statements like statement of financial position statement of comprehensive income statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.

During the year, one of the member; Mrs. Khorshed Zahan Begum have died on 10th September, 2020 and thereafter, Chairman of the Committee; Deen Mohammad also died on 27th April 2021. The post of Chairman of the Committee has become vacant and the Board has selected Mrs. Sadia Anjum Siddiqui, member of the committee as Chairman on the 373 Board Meeting. At present 3 members are working and on the request of the Committee, the Board Chairman & CEO of the company joined meeting.

RESPONSIBILITY TO THE BOARD OF DIRECTORS

- 1) The Board of Directors of the company has formed an Audit Committee as a sub-committee of the Board;
- The Audit Committee has given support the Board to ensured that the financial statements reflect true
 and fair view of the state of affairs of the company and ensured a good monitoring system within the
 business is cultured;
- 3) The Audit Committee has responsible to the Board; the duties or responsibility of the Audit Committee have been clearly approved from the Board.

TERMS OF REFERENCE OF AUDIT COMMITTEE

The terms of reference of the Audit Committee as framed by the Board of Directors under the guidelines of the Corporate Governance Code of the BSEC. The TORs of the audit committee are as follows:

- 1) The Committee supervises the financial reporting process of the Company.
- 2) The Committee review and monitor the accounting policies and principles.
- 3) The Committee has reviewed the Internal Audit and Compliance process to ensure that it is adequately resourced also review of the Internal Audit and Compliance Report.
- 4) The Committee reviewed the performance of external auditors and recommend hiring in the company.
- 5) To do meeting with the external or statutory auditors for reviewing the annual financial statements before submission to the Board for approval or adoption.
- 6) Review along with the management the annual financial statements before submission to the Board for approval.
- 7) Review along with the management the quarterly and half yearly financial statements before submission to the Board for approval.
- 8) Review the adequacy of internal audit function.
- 9) Review the Management's discussion and analysis before disclosing in the Annual Report.
- 10) Review statement of all related party transactions submitted by the management.
- 11) Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.
- 12) Oversee the determination of audit fees based on scope and magnitude level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and
- 13) Review and confirm the compliance with relevant statutory requirements.
- 14) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof.
- 15) Consideration of any other issue or matter as may be assigned by the Board of Directors.
- 16) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof.

REPORT OF THE AUDIT COMMITTEE

According to the guidelines the Committee reviewed and examined the actions of management in relation with the interim and annual financial statements before the submission to the board and confirmed that:

- 1. The Committee reviewed and approved the quarterly half yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors.
- 2. The Company issued a Statement of Compliance with the Code of Corporate Governance which has also been reviewed by the external auditors of the Company.

- 3. The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the Company and the Directors' Report. They acknowledge their responsibility for true and fair presentation of the financial statements and compliance with regulations and applicable accounting standards.
- 4. The Management has published the necessary of disclosures of the financial statements.
- The financial statements of the company prepared on the assumption of going concern.
- The financial statements of the company are prepared in accordance with Bangladesh Financial Reporting Standard The Insurance Act 2010 and Security and Exchange Rules 1987 etc.
- 7. The Management has ensured the compliance with laws and regulations of the stock exchange and follows the related laws & regulations of BSEC the guidelines of Stock Exchanges and fulfilled t h e legal requirements of the Company.
- Proper books of accounts have been maintained by the Company.

The Chairman the Managing Director the Chief Financial Officer (CFO) and the external auditor attend Committee meetings by invitation. Three meetings of the Committee were held during the year 2019. Based on reviews and discussions in these meetings the Committee reports that:

- The adequacy of the internal control and risk management undertaken by the company through the appropriate Management Information are present.
- ii) The company's system of internal control and its reporting process are in place towards creation of a compliance culture in the Insurance.
- iii) The Management handling the operation and the financial activities of the company as per guidelines of the IDRA and with the advice of the Board.

The above matters are important recommendations for the improvement of the company and therefore duly noted.

Mrs. Sadia Anjum Siddiqui

Chairman **Audit Committee**

Audit Report of the Accounts of 2020

Independent Auditors' Report

To the shareholders of Phoenix Insurance Company Limited Report on the Audit of the Financial Statements

OPINION:

We have audited the financial statements of Phoenix Insurance Company Limited, which comprise the Statement of Financial Position as at 31 December 2020, the Statement of Profit or Loss Account, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (FRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

BASIS FOR OPINION:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB).

MATTER OF EMPHASIS:

- In line with Bangladesh Labour Law 2006 u/s 232 & 234 the company has yet to incorporate Workers' Profit Participation Fund (WPPF) and gratuity fund.
- The entityhas reported an amount of Tk. 493,837,027 as sundry debtor which constitutes of:
 - Agent balance of Tk. 3,249,853,
 - Advance against others Tk. 69,683,237 (including advance to Rupayan Trade Centre worth Tk. 58,520,310)

Additionally an amount of Tk. 255,201,063 has been reported as advance income tax. This amount remains unadjusted despite the completion of income tax assessment. (Note no. 17)

KEY AUDIT MATTERS:

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Risk Our response to the risk We tested the design and operating effectiveness of key Fair Value Reserve: control as to monitoring valuation and updating of prices The company makes a number of investments in the listed of the positions held by the Company from trusted securities in stock exchange. Income generated from the sources. Additionally, we performed the following investments (realized gain and dividend received) is credited activities: to the Profit & Loss Account. Unrealized capital gain or loss istransferred to the fair value reserve Tk. 394,820,153 as per Obtained year-end share holding positions from the the policy of the company and maintain adequate deferred company and through directional testing assessed the tax on such reserve. completeness of the report;

Risk Our response to the risk This item has significant impact on net asset value of the Ascertained the valuation of the holding as per IFRS 13; company and equity balances might be prone to misreporting Reviewed and challenged the assumptions used for the as large unreported fall in the value of any holding may wipe valuation models for any unquoted securities. out the value of the portfolio and hamper the Recalculated unrealized gain or loss at the year end; distribution capability of the company Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period; Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss: Check the subsequent positioning of this unrealized amount after the year end; • Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards, the Insurance Act, 1938 (as amended in 2010), the Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Note no. 5.03 to the financial statements

Premium Income:

Gross general insurance premiums comprise the total premiums received Tk.337,872,934 for the whole period of cover provided by contracts entered into during the accounting period.

Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of audit risk.

Our audit procedures included:

- Studying the design and operating effectiveness of key controls around premium income recognition process.
- Carrying out analytical procedures and recalculated premium income for the period.
- Carrying out cut-off testing to ensure unearned premium income has not been included in the premium income.
- Reviewing policies on a sample basis to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register.
- Ensuring on a sample basis that the premium income was being deposited in the designated bank account.
- Testing on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.
- Testing on a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that reinsurance premium was deducted from the gross premium.
- Applying specialist judgment ensured if there is any impairment of the reinsurer.
- Assessing the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Note no. 26.00 to the financial statements

Risk

Estimated liability in respect of outstanding claims whether due or intimated and claim payment:

This account represents the claim due or intimated and related balance of Tk. 91,495,432 recoverable from reinsurer, from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.

Our response to the risk

We tested the design and operating effectiveness of controls around the due and intimated claim recording process. Additionally we carried out the following procedures:

- Randomly selected a sample of transactions from the claim register and tested for completeness of claims.
- Obtained a sample of claimed policy copy and cross check it with claim settlement procedure.
- Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.
- Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.
- Reviewed the claim committee meeting minutes about decision about impending claims.
- Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Note no. 11.00 to the financial statements

Sundry Creditors:

This account represents the sundry creditors Tk. 369,579,988 balance payable to third parties throughout the next fiscal year. Some creditors, such as banks and other lenders, have lent to the company. The rest are accounted for as vendors/suppliers and accrued liabilities.

Other creditors include the company's employees, regulatory bodies, and customers. There are secured creditors who have a registered lien on some of the company's assets.

We have tested the design and operating effectiveness of controls around the due and payable recording process. We carried out the following audit procedures:

- Obtained the creditors register and tested for completeness of credits recorded in the register on a sample basis.
- Obtained a sample of bill payable recording process and cross check it with ledger.
- Obtained a sample of provision create process and cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.
- Obtained and discussed with management about their basis for provision and challenged their provision creation where appropriate.
- Reviewed on a sample basispayment calculations owed to regulatory bodies.
- Tested a sample of leasepayable with intimation letter, report, bank statement, register and general ledger.

Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Note no.13.00 to the financial statements

Risk

Deferred liability for Gratuity:

The company has been made the provision for Employee's Gratuity Fund during the year Tk. 32,204,694 as per International Accounting Standard (IAS)-19 under Employee's Retirement Benefit Scheme.

Our response to the risk

We tested the operating effectiveness of the fund and liability position held by the company from trusted sources. Additionally, we performed the following activities:

- Discussed with management regarding their basis for estimation and challenged their assumptions where appropriate.
- Tested on a sample basis to check that appropriate employee contribution was being collected and deposited to bank.

Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Income Tax Ordinance 1984.

Note no. 8.00 to the financial statements

Sundry Debtors (Advance Deposit & Others):

The company has reported an amount of Tk. 504,018,525 assundry debtors. This line item is the accumulation of various items includingoffice rent, security deposits, co-insurance commission, tax and collection control accounts and agents Balance.

We tested the design and operatingeffectiveness of key controls around reporting, updating and adjusting of advance deposit held by the company. Additionally, we performed the following audit procedures:

- Obtained office rental agreement and scrutinized the terms and conditions of the agreement and tallied against the advance reported.
- Recalculated tax deduction and obtained sample of treasury challan pertaining to rent.
- Obtainedand reviewed documentations related to letter of credit, invoices.
- Obtained documentation related to co-insurance and re-calculated commission and corresponding premium on a sample basis..
- Obtained and confirmed the list of agents and verified their balances against their enlistment.

Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Note no. 17.00 to the financial statements

OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Directors report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the company's business.

Place: Dhaka.

Dated: June 03, 2021

Md. IqbalHossain FCA

Partner, Enrolment no. 596 (ICAB) ZohaZamanKabir Rashid & Co.

Chartered Accountants DVC: 2106280596AS877191

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT 31ST DECEMBER, 2020

Figures in Taka

CAPITAL & LIABILITIES	NOTE	2020	2019
Shareholder's Equity & Liabilities			
Shareholder's Equity		1,577,349,909	1,407,106,640
Share Capital	04	403,415,720	403,415,720
Share premium		897,121	897,121
Reserve & Surplus	05	1,173,037,068	1,002,793,799
Liabilities & Provision		756,944,125	749,913,495
Balance Of Fund & Account	06	135,255,424	189,926,151
Premium Deposit	07	25,094,299	16,505,575
Deferred liability for Gratuity	08	32,204,694	27,792,334
Reserve for Corporate Social			
Responsibility (CSR)	09	2,777,526	3,540,026
Deferred liability for Tax	10	65,604,204	54,277,509
Estimated liabilities in respect of outstanding			
Claims whether due or intimated	11	91,495,432	82,664,325
Amount due to other persons or bodies			
Carrying on insurance business	12	34,932,558	34,750,306
Sundry Creditors	13	369,579,988	340,457,269
Total		2,334,294,035	2,157,020,135
Net Asset Value (NAV)		39.10	34.88

Annexed notes form part of these Financial Statements

Chairman

Director

Chief Executive Officer

As per annexed report of even date.

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

Figures in Taka

ASSETS	NOTE	2020	2019
Non-Current Assets			
Property Plant & Equipment	14	288,155,517	291,842,935
Investment	15	717,182,772	581,554,148
Current Assets			
Inventories	16	1,139,423	1,185,280
Sundry Debtors (Advance, deposit & others)	17	504,018,525	491,641,088
Amount due from other persons or bodies			
carrying on insurance business	18	357,621,753	355,549,194
Interest outstanding		1,436,875	1,512,500
Cash and Cash Equivalents	19	464,739,170	433,734,990
Total		2,334,294,035	2,157,020,135

Chief Financial Officer

DMD & Company Secretary

STATEMENT OF PROFIT OR LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2020

			Figures in Taka
PARTICULARS	NOTE	2020	2019
Expenses of Management			
(Not applicable to any particular fund or account)		19,421,623	17,325,689
Directors Fees		1,196,400	976,000
Audit Fees		250,000	250,000
Depreciation		10,787,181	11,726,963
Advertisement & Publicity		2,196,936	1,523,106
Subscription & Donation		2,745,899	1,110,630
Legal and Professional Fees		556,815	430,495
Registration Fee		1,688,392	1,308,495
Provision		10,000,000	5,500,000
Provision for Gratuity		9,000,000	5,000,000
Provision for Corporate Social Responsibility (CSR)		1,000,000	500,000
Profit before tax		121,885,772	115,269,990
Provision for taxation	20	27,898,698	22,266,722
Current Tax	20	29,648,907	24,704,504
Deferred Tax	21	(1,750,209)	
	۷1		(2,437,782)
Profit after tax transferred to profit & loss appropriation account		93,987,074	93,003,268
Total		151,307,395	138,095,679

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2020

			Figures in Taka
PARTICULARS	NOTE	2020	2019
Transfer to Retained earnings Transfer to Fair value reserve		93,987,074 124,666,081	93,003,268 (130,633,089)
Total		218,653,155	(37,629,821)
Earnings Per Share		2.33	2.31

Annexed notes form part of these Financial Statements

Place: Dhaka Date: June 03, 2021 Chief Executive Officer

As per annexed report of even date.

Chairman

STATEMENT OF PROFIT OR LOSS ACCOUNT

			Figures in Taka
PARTICULARS	NOTE	2020	2019
Profit / (Loss) Transferred from: Fire Revenue Account Marine Revenue Account		87,348,438 (21,537,698) 67,647,733	97,496,997 (5,396,837) 49,080,633
Misc. Revenue Account		41,238,403	53,813,201
Interest Income Dividend Income Other Income	22 23 24	26,389,164 19,360,129 18,209,663	20,666,853 4,423,626 15,508,204
Total		151,307,395	138,095,679

STATEMENT OF OTHER COMPREHENSIVE INCOME

			Figures in Taka
PARTICULARS	NOTE	2020	2019
Profit after tax Other Comprehensive income:		93,987,074	93,003,268
Changes in fair value gain /(loss) Deferred tax on		138,517,868 (13,851,787)	(145,147,877) 14,514,788
Total		218,653,155	(37,629,821)

Chief Financial Officer

DMD & Company Secretary

FOR THE YEAR ENDED 31ST DECEMBER 2020

PARTICULARS	2020	Figures in Taka 2019
Reserve for Exceptional Losses Dividend Paid Balance transferred to Balance Sheet	33,787,293 48,409,886 77,273,150	47,326,954 48,409,886 64,107,553
Total	159,470,329	159,844,393

Annexed notes form part of these Financial Statements

Chairman

Director

Chief Executive Officer

As per annexed report of even date.

PROFIT AND LOSS APPROPRIATION ACCOUNT

		Figures in Taka
PARTICULARS	2020	2019
Balance brought forward from previous year	64,107,553	65,393,015
Net profit for the year brought down from Profit		
and Loss Account	93,987,074	93,003,268
Adjustment of Depreciation on revaluation reserve	1,375,703	1,448,109
Total	159,470,329	159,844,393
lotai	133,470,323	100,044,000

Chief Financial Officer

DMD & Company Secretary

FOR THE YEAR ENDED 31ST DECEMBER 2020

			Figures in Taka
PARTICULARS	NOTE	2020	2019
Claims Under Policies Less: Re-Insurance	25	59,620,074	52,038,157
Commission		85,227,382	106,144,059
Expenses of Management	27	228,923,984	272,411,728
Profit/(Loss) transfer to Profit & Loss A/c.		87,348,439	97,496,996
Balance of Account at the end of the year as shown in			
the Balance Sheet (Reserve for unexpired risk)		135,255,424	189,926,151
Total		596,375,303	718,017,091

Annexed notes form part of these Financial Statements

Chairman

Director

Chief Executive Officer

As per annexed report of even date.

CONSOLIDATED INSURANCE REVENUE ACCOUNT

			Figures in Taka
PARTICULARS	NOTE	2020	2019
Balance of Account at the Beginning of the year		189,926,151	176,204,829
Premium Less Re-Insurance		337,872,934	473,269,540
Commission on Re-Insurance Ceded		68,576,218	68,542,722
Total		596,375,303	718,017,091

Chief Financial Officer

DMD & Company Secretary

FIRE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2020

		Figures in Taka
PARTICULARS	2020	2019
Claims under policies less re-insurances	18,506,938	1,020,632
Paid during the year	9,864,859	18,939,715
Total estimated liability in respect of		
outstanding claims at the end of the year		
whether due or intimated	20,037,266	11,395,187
	29,902,125	30,334,902
Less: Outstanding at the end of the previous year	11,395,187	29,314,270
Commission	43,807,106	46,253,667
Expenses of Management	113,471,777	114,534,551
Profit/(Loss) transferred to		
Profit & Loss Account	(21,537,697)	(5,396,837)
Balance of account at the end of the year as		
shown in the Balance Sheet being reserve for		
unexpired risks @ 40% of premium income of the year	36,623,794	48,512,594
Total	190,871,918	204,924,607

Chairman

Director

Chief Executive Officer

As per annexed report of even date.

FIRE INSURANCE REVENUE ACCOUNT

		Figures in Taka
PARTICULARS	2020	2019
Balance of account at the beginning of the year	48,512,594	40,717,549
Premium less: re-insurances	91,559,486	121,281,485
Commission on re-insurances	50,799,838	42,925,573
Total	190,871,918	204,924,607

Chief Financial Officer

DMD & Company Secretary

MARINE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2020

		Figures in Taka
PARTICULARS	2020	2019
Claims under policies less re-insurances	17,242,142	43,566,714
Paid during the year	25,533,452	8,764,724
Total estimated liability in respect of		
outstanding claims at the end of the year		
whether due or intimated	49,321,001	57,612,311
	74,854,453	66,377,035
Less: Outstanding at the end of the previous year	57,612,311	22,810,321
Commission	23,447,573	36,815,874
Expenses of Management	63,544,573	93,039,451
Profit transferred to		
Profit & Loss Account	67,647,733	49,080,633
Balance of account at the end of the year as shown		
in the Balance Sheet being reserve for unexpired		
risks @ 40% of premium income on marine cargo and		
100% of premium income on marine hull of the year	51,325,636	82,051,927
Cargo	51,148,552	81,021,369
Hull	177,084	1,030,558
Total	223,207,657	304,554,599

Chairman

Chief Executive Officer

As per annexed report of even date.

MARINE INSURANCE REVENUE ACCOUNT

		Figures in Taka
PARTICULARS	2020	2019
Balance of account at the beginning of the year	82,051,927	84,966,549
Premium less: re-insurances	128,048,463	203,583,981
Commission on re-insurances	13,107,267	16,004,069
Total	223,207,657	304,554,599

Chief Financial Officer

DMD & Company Secretary

FOR THE YEAR ENDED 31ST DECEMBER 2020

				Figures in Taka
PARTICULARS	MOTOR	MISC.	2020	2019
Claims under policies less re-insurances	22,783,002	1,087,992	23,870,994	7,450,811
Paid during the year	14,726,358	664,298	15,390,656	12,530,804
· .	14,720,330	004,230	15,550,050	12,550,004
Total estimated liability in respect of				
outstanding claims at the end of the year	40.504.000	0.000.000	00 407 405	40.050.007
whether due or intimated	19,534,863	2,602,302	22,137,165	13,656,827
	34,261,221	3,266,600	37,527,821	26,187,631
Less: Outstanding at the end of the previous year	11,478,219	2,178,608	13,656,827	18,736,820
Commission	14,120,195	3,852,508	17,972,703	23,074,518
Expenses of Management	36,271,578	15,636,056	51,907,634	64,837,726
Profit transferred to				
Profit & Loss Account	31,757,788	9,480,615	41,238,403	53,813,201
Balance of account at the end of the year				
as shown in the Balance Sheet being				
reserve for unexpired risks @ 40% of				
premium income of the year	40,649,768	6,656,226	47,305,994	59,361,630
premium income or the year	40,043,700	0,030,220	47,303,334	JJ,JU1,UJU
Total	145,582,331	36,713,397	182,295,728	208,537,885

Chairman

Director

Chief Executive Officer

As per annexed report of even date.

				Figures in Taka
PARTICULARS	MOTOR	MISC.	2020	2019
Balance of account at the beginning of the year Premium less: re-insurances Commission on re-insurances	43,957,910 101,624,421 -	15,403,720 16,640,564 4,669,113	59,361,630 118,264,985 4,669,113	50,520,731 148,404,074 9,613,080
Total	145,582,331	36,713,397	182,295,728	208,537,885

Chief Financial Officer

DMD & Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2020

			Figures in Taka
PAF	RTICULARS	2020	2019
A)	Cash Flow from Operating Activities:		
·	Collections from premium and other income	476,668,119	447,601,125
	Payments for management expenses, re-insurance and claims	(376,390,009)	(409,942,654)
	Income Tax paid	(16,921,356)	(12,117,061)
	Net Cash provided by operating activities	83,356,754	25,541,410
B)	Cash Flow from Investing Activities :		
וט	Purchase of fixed assets	(10,031,932)	(765,760)
	Disposal of fixed assets	3,200,000	-
	Decrease/(Increase) of investment in shares	2,889,244	(12,754,049)
	Net Cash used in Investing activities	(3,942,688)	(13,519,809)
C)	Cash flow from Financing Activities :		
U)	Cash dividend paid	(48,409,886)	(48,409,886)
	Net Cash used in financing activities	(48,409,886)	(48,409,886)
	Net Increase/(Decrease) in cash & equivalents		
	during the year (A+B+C)	31,004,180	(36,388,285)
	Cash & Cash equivalents at the beginning of the year	433,734,990	470,123,276
	Cash & Cash Equivalents at the end of the year	464,739,170	433,734,990
	Not operating each flow per chara	2.07	0.63
	Net operating cash flow per share	2.07	0.03

Chairman

Director

Chief Executive Officer

Chief Financial Officer

DMD & Company Secretary

Md. Iqbal Hossain FCA Partner, Enrolment no. 596 (ICAB) Zoha Zaman Kabir Rashid & Co. Chartered Accountants

As per annexed report of even date.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

S.S.

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Figures in Taka

(48,409,886) 93,987,074 1,577,349,909 1,407,106,640 124,666,081 Total 74,892,073 62,276,756 (48,409,886) 825,422 93,987,074 (33,787,293) Retained Earnings Share Premium 897,121 897,121 394,820,153 Revaluation Fair Value Reserve Reserve 270,154,072 124,666,081 155,920,174 156,745,596 (825,422)Reserve for Exceptional 513,617,375 33,787,293 547,404,668 403,415,720 403,415,720 Share Capital Adjustment of depreciation on revaluation reserve Net profit for the year after tax provision Transfer to General Reserve Transfer to exceptional loss Investment Reserve **PARTICULARS** Opening Balance Dividend Paid Total

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Figures in Taka

S. No.	SI. PARTICULARS No.	Share Capital	Reserve for Exceptional	Revaluation Fair Value Reserve Reserve	Fair Value Reserve	Share Premium	Retained Earnings	Total
-	Opening Balance	403,415,720	466,290,421	157,614,461	400,787,161	897,121	64,141,463	1,493,146,347
2	Dividend Paid	ı	ı	ı	ı	ı	(48,409,886)	(48,409,886)
က	Adjustment of depreciation on revaluation reserve	ı	ı	(868,865)	ı	ı	868,865	ı
4	Net profit for the year after tax provision	ı	ı	ı	ı	ı	93,003,268	93,003,268
2	Transfer to exceptional loss	ı	47,326,954	ı	ı	ı	(47,326,954)	ı
9	Investment Reserve	1	ı	ı	(130,633,089)	ı	ı	(130,633,089)
7	Transfer to General Reserve	ı	ı	1	ı		1	•
	Total	403,415,720		513,617,375 156,745,596 270,154,072	270,154,072	897,121	62,276,756	1,407,106,640

Chairman

As per annexed report of even date.

Date: June 03, 2021

Place: Dhaka

Director

Chief Executive Officer

Chief Financial Officer

DMD & Company Secretary

Md. Iqbal Hossain FCA Partner, Enrolment no. 596 (ICAB) Zoha Zaman Kabir Rashid & Co. Chartered Accountants

PHOENIX - Your Insurance Company.

FORM "AA" **Classified Summary of Assets**

AS AT 31ST DECEMBER-2020

			Figures in Taka
SL. NO.	PARTICULARS	2020	2019
(a) (b) (c) (d) (e) (f) (g) (h)	NON CURRENT ASSETS Property Plant & Equipment Land Building Furniture & Fixture Office Equipment Electric installation Air Cooler Vehicle Telephone installation Sub total:	152,825,000 99,109,961 9,145,807 5,331,104 499,424 1,579,302 17,219,293 2,445,626	152,825,000 104,326,275 9,461,771 5,233,808 488,819 946,087 15,998,453 2,562,722 291,842,935
(a) (b) (c) (d)	INVESTMENT National Investment Bond Investment to PSL Shares of Listed Companies Shares of Unlisted Companies Sub total:	25,000,000 60,000,000 586,292,712 45,890,060 717,182,772	25,000,000 60,000,000 450,664,088 45,890,060 581,554,148
(a) (b) (c) (d) (e) (f) (g) (h)	CURRENT ASSETS Fixed Deposit Short term Deposits Current Account Cash in hand Interest Outstanding Sundry Debtors Stock of Stationery & Stamps Amount due from other persons & bodies carrying on insurance business Sub total: TOTAL ASSETS	310,647,875 95,804,166 15,993,351 42,293,778 1,436,875 504,018,525 1,139,423 357,621,753 1,328,955,746 2,334,294,035	283,374,458 121,250,932 12,272,270 16,837,330 1,512,500 491,641,088 1,185,280 355,549,194 1,283,623,052 2,157,020,135

Certificate under regulation 7 (a) & (b) of part 1 of the first schedule to the Insurance Act.

Certified that the values of all assets have been reviewed, that the said assets except the shares in listed companies, have been set forth in the balance sheet at amounts not exceeding their realizable or market value, and that the investments in shares have been valued at cost. For the purpose of comparison market value of shares shown to the financial statements have been ascertained on the basis of average rates of last transactions of 2020 of the relevant shares published in the daily newspapers.

Chairman

Director

Chief Executive Officer

Figures in Taka

Chief Financial Officer

DMD & Company Secretary

As per annexed report of even date.

Place: Dhaka Date: June 03, 2021

Md. Iqbal Hossain FCA Partner, Enrolment no. 596 (ICAB) Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31ST DECEMBER, 2020

1.00 General Information:

1.01 Legal form and status of the Company:

Phoenix Insurance Company Ltd. was incorporated as a public limited company in Bangladesh on 27th November' 1986 under the Companies Act 1913 (present 1994) and obtained the certificate of commencement of business from the Registrar of Joint Stock Companies, Bangladesh with effect from the same date, however the certificate of commencement of insurance business from the Controller of Insurance, Government of Peoples Republic of Bangladesh was obtained with effect from 1st December' 1986.

With the authorization of Securities and Exchange Commission the Company issued 300,000 ordinary shares at Tk. 100 each to public in 1994 and was listed with Dhaka Stock Exchange and Chittagong Stock Exchange subsequently. The Company carries its insurance activities through thirty-one branches throughout the country.

1.02 Principal activities and nature of operations:

The principal activity of the Company continued to carry on all kinds of insurance, guarantee, and indemnity business other than life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2020 under review.

1.03 Date of financial statements authorized for issue:

Financial Statements of the Company for the year ended December 31, 2020 were authorized for issue on June 03, 2021 in accordance with a resolution of the Board of Directors.

2.00 Summary of significant accounting related policies:

2.01 Basic of accounting:

The financial statements of the Company under reporting have been prepared under historical cost convention except Land & Building which is stated at revalue amount in a going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practice in Bangladesh in addition compliance with the Companies Act 1994, the Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. These Statements have also been prepared in accordance with applicable International Accounting Standards (IASs) and as were adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) under name & style International Accounting Standards (IASs) with reference to disclosures of accounting policies and valuation of investment both.

2.02 Basic of preparation:

The Balance Sheet has been prepared in accordance with the regulation as contained in part-1 of the First Schedule and as per Form "A" as set forth in part-2 of that Schedule. Revenue Accounts for specific classes of non-life insurance business has been prepared in accordance with the regulation as contained in part-1 of the Third Schedule and as per Form "F" as set forth in part-2 of that Schedule of the Insurance Act 1938 as amended (new Insurance Act 2010). The classified summary of the assets has been prepared in accordance with Form "A" as set forth in part-2 of aforesaid Act.

2.03 Branch accounting:

The Company has thirty one (31) branches under its umbrella without having any overseas branch during the year ended December 31, 2020. The accounts of the branches are maintained and consolidated at the head

office level. Only petty cash books are being maintained at the respective branches for meeting day to day expenses.

2.04 Public sector business:

As per Government decision effective from April 1990, all the Public Sector Insurance Business is being under written jointly by Sadharan Bima Corporation and 45 private sectors Insurance Companies on co-insurance basis 50% being underwritten by Sadharan Bima Corporation and the balance equally by 45 private sectors Insurance Companies.

Company's share of public sector business is accounted for in the year in which the statement of accounts from the Sadharan Bima Corporation is received up to June 30, 2020. The statements of accounts for the period from July 1, 2019 to June 30, 2020 have been received from the Sadharan Bima Corporation and accordingly, the Company's share of Public Sector business for that period has been accounted for in the accompanying accounts. This practice is being followed consistently.

2.05 Reporting currency and level of precision:

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

2.06 Foreign currency transaction:

All foreign exchange transactions are converted to Bangladeshi Taka, which is the reporting currency, the rate of exchange were affected in the time of transaction. Insurance contracts which were underwritten in foreign currency are converted to Bangladeshi Taka at the rate of exchange prevailing the time of underwriting and revenue is recognized accordingly.

2.07 Property, plant and equipment:

A. Valuation of fixed assets

All fixed assets are stated at cost less accumulated depreciation as per IAS 16: "Property, Plant and Equipment". The cost of acquisition of an assets comprise its purchase price and directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

B. Recognition of fixed assets

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Normal expenditure incurred after the assets have been put into operation such as repair and maintenance other than major replacement, renewals and or betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

C. Subsequent cost

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is de-recognized.

D. Depreciation

Property, Plant and Equipment are depreciated following the reducing balance method on the basis of life expectancy of the assets in accordance with IAS-16. Depreciation on newly acquired assets except land which is not depreciated, are charged for irrespective of the date of acquisition, and while no depreciation is charged during the year in which assets are disposed off. Assets category wise depreciation rates are as follows:

Particulars	Rate
Building	5%
Furniture & Fixture	10%
Office Equipment	15%
Electric Installation	15%
Air Cooler	15%
Vehicle	20%
Telephone Installation	5%

E. De-recognition

An item of property, plant and equipment is de-recognized upon disposal or future economic benefits are expected from it use. Any gain or loss arising on de-recognition of the assets is included in the statement of comprehensive income in the year the assets is de-recognized.

F. Impairment of assets

In each year the management assess whether there is any indication that the assets may be impaired in accordance with IAS-36: "Impairment of Assets" considering the current economic situation. Management concludes that there is no such indication exists.

G. Revaluation of assets

Fixed assets were revalued by the Company as on December 31, 2010 which was conducted by professional independent valour G. K. Adjusters Ltd. In order to reflect the fair picture of the Company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arise due to the revaluation were transferred to the revaluation reserve account as per IAS-16: "Property, Plant and Equipment".

2.08 Reserve or contingencies accounts:

A. Reserve for exceptional losses

As per para 6 of the 4th schedule of Income Tax Ordinance 1984 to meet the exceptional losses, Company sets aside 10% of the net premium income of the year which it is set aside from the balance of the profit to the reserve for exceptional losses. Detail calculations have been given in note 5.01.

B. Revaluation reserve

Revaluation surplus is transferred to revaluation reserve after restating the asset at the revalued amount.

2.09 Employee benefit:

A. Contributory provident fund

The Company operates a contributory provident fund for its permanent employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustee and is funded by equal contribution from the company and the employees. This fund is invested separately from the Company.

B. Gratuity scheme

The Company operates a gratuity scheme under which regular confirmed employee is entitled to benefit at graduated scale based on the length of service. The length of service for the purpose of gratuity shall be reckoned from the date of joining in the regular service of the Company. The Company has a funded gratuity for all eligible employees who have completed minimum 8 (Eight) years of continuous service with the Company. Required amount of gratuity is calculated on the basis depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the end of the respective year.

C. Incentive bonus

The Company have resorted a policy namely incentive bonus scheme for its employees who meet certain criteria based on their annual performance ascertained on net profit after tax with the approved in the Board meeting and the paid amount are accounted for the year to which same relates.

D. Group insurance policy

The Company has been operating a group insurance policy for all permanent employees for the supporting of family assistance after death of any employee's as per group insurance policy terms and condition.

2.10 Revenue recognition:

A. Underwriting premium income

Gross underwriting business as well as re-insurance thereof and claim settled etc. have been recorded separately for each class of business and the net underwriting results thereof have been reflected in the revenue accounts after due consideration of re-insurance ceded.

B. Investment income recognition

Interest on FDRs and Bangladesh Government Treasury Bond are recognized on accrual basis after making provision for income tax deductible at source. Interest on STD/SND accounts, cash dividend on investment in share and other income are recognized on cash basis for stock dividend that received by the Company against its investment, number of share increased and average cost of investment decreased.

C. Dividend income

Dividend income has been accounted for only when the right to receive the dividend is established.

2.11 Expenses and taxes:

A. Recognition of expenses

Expenses are recognized in the Statement of Profit or Loss and Other Comprehensive Income on the basis of direct association between the cost incurred and the earning of specific heads of income. All expenditure incurred has been charged to the Statement of Profit or Loss and Other Comprehensive Income in the running of the business and in maintaining the property, plant and equipment in a state of efficiency.

B. Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income.

C. Current tax

The tax currently payable is based on taxable profits for the year. Taxable profits differs from profits as reported in the Statement of Profit or Loss and Other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the balance sheet date.

D. Deferred tax

The corporation accounted for deferred tax as per IAS-12 " Income Taxes". Deferred tax is accounted for using the comprehensive tax balance sheet method. It is generated by temporary difference between the carrying amounts of assets and liability for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profit against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the corporation at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.12 Balance of funds & accounts:

These have been arrived at after making provision for Unexpired Risks @ 40% of net premium income on all business except marine hull insurance where provision has been made at 100% on net premium income.

2.13 Management expenses:

Total management expenses have been allocated among the different classes of business on the basis of gross premium income.

2.14 Cash and cash equivalents:

According to IAS-7 "Cash Flow Statements" cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Considering the provisions of IAS-7 and IAS-1, cash in hand and bank balances have been considered as cash and cash equivalents.

Debtors and other receivable: 2.15

These are carried at bill amount, unsecured and considered good and collectible.

2.16 Stock of stationery & form:

The Company used stationery and various printed forms such as policy, cover notes, motor certificates, money receipts, petty cash voucher, envelope, cheque payments voucher, letter head pad etc. for their service purpose. These are not saleable and charged in the accounts at cost basis. Net realized value is estimated of selling price in the ordinary course of business but the stationery & forms of the Company is not held for sale.

2.17 Collection control account:

Collection control account is the outstanding premium for both policy and cover note in respect of Fire and Marine class of business as at reporting date under bank guarantee which will be subsequently received and adjusted.

2.18 Creditors and accruals:

Liabilities are recognized for amounts to be paid in the future for service received, whether or not billed by the suppliers.

2.19 Earnings per share (EPS):

The Company calculates Earning Per Share (EPS) in accordance with IAS-33, which has been shown on the face of Profit and Loss Appropriation Account.

2.20 Basic earnings per share:

This has been calculated by dividing the basic earnings by the weighted average of ordinary shares outstanding during the year in accordance with ISA-33 "Earnings Per Share" which has been shown on the face of Profit and Loss Appropriation Account.

2.21 Basic earnings:

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit of the year after tax has been considered as fully attributable to the ordinary shareholders.

2.22 Cash flow statements:

Cash Flow Statement is prepared principally in accordance with IAS-7 " Cash Flow Statements" and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules 1987.

3.00 Additional information of financial statements:

A. Responsibility for preparation and presentation of financial statements

The Board of Directors is responsible for the preparation and presentation of financial statements under Section 183 of the Companies Act 1994 and as per the provision of "The International Accounting Standards Committee" (IASC).

B. Components of the financial statements

According to the International Accounting Standard (IAS)-1: "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- Statement of Financial Position (Balance Sheet) as at December 31, 2020.
- (ii) Statement of Profit & Loss Account & Other Comprehensive Income for the year ended December 31, 2020.
- (iii) Related Revenue Accounts for the year ended December 31, 2020.
- (iv) Statement of Cash Flows for the year ended December 31, 2020.
- Statement of Changes in Equity for the year ended December 31, 2020.
- (vi) Significant Accounting Policies and Explanatory Notes.

C. Risk and uncertainties for use estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of affect financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

D. Comparative information

Comparative information have been disclosed in respect of the year 2019 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements.

Figure of the year 2019 have been rearranged whenever considered necessary to ensure comparability with the current year.

E. Reporting period

Financial statements of the Company is consistently one calendar year from 1st January to 31st December.

4.00 Share capital:

Authorized Capital:

100,000,000 Ordinary Share of Tk. 10 each Issued, Subscribed and Paid-up Capital: 40,341,572 Ordinary Share of Tk. 10 each

A distribution schedule of each class of equity / security setting out the number of holders and percentage in the following categories as on 31st December 2020:

Group "A" Shareholders (Sponsors)

Figures in Taka

Shareholding range	No.of Shareholders	No.of Share	(%) Total holding	(%) of Total paid-up capital
300001 to 400000 Shares	1	302,170	1.98	0.75
500001 to 1000000 Shares	10	8,347,933	54.74	20.69
Over 1000000 Shares	4	6,600,140	43.28	16.36
Total	15	15,250,243	100.00	37.80

General Public

Shareholding range	No.of Shareholders	No.of Share	(%) Total holding	(%) of Total paid-up capital
Less then 500 Shares	1,690	251,391	1.00	0.60
500 to 5000 Shares	1,378	2,520,087	10.04	6.25
5001 to 10000 Shares	250	1,932,442	7.70	4.79
10001 to 20000 Shares	144	2,102,563	8.38	5.21
20001 to 30000 Shares	53	1,359,490	5.42	3.37
30001 to 40000 Shares	32	1,147,616	4.58	2.84
40001 to 50000 Shares	31	1,442,484	5.75	3.58
50001 to 100000 Shares	50	3,712,878	14.80	9.20
100001 to 1000000 Shares	33	6,614,573	26.36	16.40
Over 1000000 Shares	3	4,007,805	15.97	9.94
Total	3,664	25,091,429	100.00	62.18

Composition of Shareholdings as on 31st December 2020 was under:

Type of Shareholders	No.of Shareholders	No.of Share	Share Face Value	%
Sponsor Group	15	15,250,243	152,502,430	37.80
General Public (Institutions)	159	5,192,867	51,928,670	12.88
General Public (Individuals)	3,505	19,898,462	198,984,620	49.32
Total	3,679	40,341,572	403,415,720	100.00

5.00 Reserves & Surplus:

Particular	Notes	2020	Figures in Taka
Reserve for exceptional losses	5.01	547,404,668	513,617,375
Retained earning		74,892,073	62,276,756
Asset revaluation reserve	5.02	155,920,174	156,745,596
Fair value reserve	5.03	394,820,153	270,154,072
Total		1,173,037,068	1,002,793,799

5.01 Reserve for exceptional losses

As per paragraph 6 of the fourth schedule of Income Tax Ordinance 1984, as earlier, for the year 2020, 10% of the net premium was transferred to reserve for exceptional losses. Details calculation as under:

Particular	2020	2019
Opening Polance	F10 C17 07F	4CC 200 421
Opening Balance	513,617,375	466,290,421
Add: Reserve during the year	33,787,293	47,326,954
Closing Balance	547,404,668	513,617,375

A sum of Tk. 35,142,677 has been provided for reserve for exceptional losses during the year, which is 10% of the net premium Tk. 351,426,770 earned during the year.

The class wise summary of reserve for exceptional loss provision is as follows:

Particulars	Fire	Marine	Motor	Miscellaneous	2020	2019
Gross Premium	320,109,583	180,175,905	101,879,670	43,965,672	646,130,830	780,575,102
Less: Reinsurance premium on ceded	(217,525,490)	(38,280,633)	(255,249)	(10,954,492)	(267,015,864)	(269,307,085)
Less: Reinsurance premium on PSB	(11,024,607)	(13,846,809)	-	(16,370,616)	(41,242,032)	(37,998,477)
Net Premium	91,559,486	128,048,463	101,624,421	16,640,564	337,872,934	473,269,540
Rate of Provision	10%	10%	10%	10%	10%	10%
Reserve for exceptional losses	9,155,949	12,804,846	10,162,442	1,664,056	33,787,293	47,326,954

Revaluation reserve 5.02

The Company's Land and Building were revalued as on 31st December 2010 by professional independent valuer G. K. Adjusters Ltd. using on the basis of market availability and physical condition of those fixed assets. The details value of such revalued assets is as follows:

Particulars	Cost Value of Assets as on 31.12.2010	Revalued amount as on 31.12.2010	Revaluation Surplus as on 31.12.2010	WDV Value of Revaluation Reserve as on 31.12.2020	WDV Value of Revaluation Reserve as on 31.12.2019
Land	6,474,844	152,825,000	146,350,156	140,237,156	140,237,156
Building	37,280,239	81,050,000	43,769,761	15,683,018	16,508,440
Total	43,755,083	233,875,000	190,119,917	155,920,174	156,745,596

Figures in Taka

5.02(a): Carrying value of Revaluation surplus

Particular	2020	2019
Opening Balance	156,745,596	157,614,461
Less: Adjustment of excess depreciation	(825,422)	(868,865)
Closing Balance	155,920,174	156,745,596
Fair Value Reserve Particular	2020	2019
Opening Balance	270,154,072	400,787,161
Transfer from other comprehensive income	124,666,081	(130,633,089)
Closing Balance	394,820,153	270,154,072

6.00 Balance of Fund & Account

5.03

As per para 27 A (2) (b) Insurance Act' 1938 for the purpose of sub-section (1) the Company has made necessary provision for un-expired risk reserve during the year 40% of net premium on Fire, Marine, Motor, Miscellaneous and 100% on Marine Hull business. Class wise un-expired risk reserve is as follows:

Class of Business	Net Premium	Percentage	2020	2019
Fire	91,559,486	40%	36,623,794	48,512,594
Motor	101,624,421	40%	40,649,768	43,957,910
Miscellaneous	16,640,564	40%	6,656,226	15,403,720
Marine	127,871,379	40%	51,148,552	81,021,369
Marine Hull	177,084	100%	177,084	1,030,558
Total	337,872,934		135,255,424	189,926,151

7.00 Premium Deposits:

The below mentioned amount includes premium received against cover notes for which policies have not been issued within 31st December 2020. While the risks against non-marine hull have been assumed form the issuance of cover notes, risks against marine cargo have not been assumed until shipment advice are provided and accordingly, policies are issued.

This represents the amount deposited with the Company against cover notes for which no policy has been issued up to 31st December 2020. The breakup is as under:

Particular	2020	2019
Marine Cargo	25,094,299	16,505,575
Total	25,094,299	16,505,575

8.00 Gratuity Fund:

The Company has been made the provision for Employee's Gratuity Fund during the year as per International Accounting Standard (IAS)-19 under employee's retirement benefit scheme.

	71000	Juiiti		one continue.	Figures in Taka
	Part	ticul	ars	2020	2019
	Ope	ning	Balance	27,792,334	23,829,640
	Add	: Prov	vision made this year	9,000,000	5,000,000
	Less	: Pai	d during the year	(4,587,640)	(1,037,306)
	Clos	sing	Balance	32,204,694	27,792,334
9.00	Res	erve	es for Corporate Social Responsibility (CSR):		
	Part	ticul	ars	2019	2018
	Ope	ning	Balance	3,540,026	3,440,026
	Add	: Prov	vision made this year	1,000,000	500,000
	Less	: Pay	ment during the year	(1,762,500)	(400,000)
	Clos	sing	Balance	2,777,526	3,540,026
10.00	Def	erre	d Liability for Tax:		
	Part	ticul	ars	2020	2019
	Ope	ning	Balance	54,277,509	71,230,079
	Add	: Prov	vided for the year	11,326,695	(16,952,570)
	Clos	sing	Balance	65,604,204	54,277,509
	Deta	ails c	alculation of Deferred Liability for Tax is as follows:		
	Part	ticul	ars	2020	2019
	(a)	Pro	perty, Plant & Equipment at cost:		
		(i)	WDV of fixed asset at accounting base	115,666,998	117,978,712
		(ii)	WDV of fixed asset at Tax base	67,250,556	69,307,405
		(iii)	Taxable temporary difference (i-ii)	48,416,442	48,671,307
			Tax Rate	37.50%	37.50%
		(iv)	· ·	18,156,166	18,251,740
		(v)	Opening Deferred Tax Liability	18,251,740	18,660,471
		(vi)	Provision for Deferred Tax Expenses / (Income) (iv-v)	(95,574)	(408,731)

			Figures in Taka
Particulars		2020	2019
(b) Gratuity Payable:			
(i) At accounting base		(32,204,694)	(27,792,334)
(ii) At Tax base			<u> </u>
(iii) Deductible temporary dif	fference (i-ii)	(32,204,694)	(27,792,334)
Tax Rate		37.50%	37.50%
(iv) Closing Deferred Tax Lial	bility	(12,076,760)	(10,422,125)
(v) Opening Deferred Tax Lia	ability	(10,422,125)	(8,936,115)
(vi) Provision for Deferred T	ax Expenses /		
(Income) (iv-v)		(1,654,635)	(1,486,010)
(c) Revaluation on Building:			
(i) WDV at accounting base)	26,138,364	27,514,067
(ii) WDV at Tax base		-	-
(iii) Taxable temporary differ	ence (i-ii)	26,138,364	27,514,067
Tax Rate		37.50%	37.50%
(iv) Closing Deferred Tax Lial	bility	9,801,887	10,317,775
(v) Opening Deferred Tax Lia	·	10,317,775	10,860,816
(vi) Provision for Deferred	Tax Expenses /		
(Income) (iv-v)		(515,889)	(543,041)
(d) Revaluation on Land:			
(i) WDV at accounting base)	146,350,156	152,825,000
(ii) WDV at Tax base			· · · · · · · · · · · · · · ·
(iii) Taxable temporary differ	ence (i-ii)	146,350,156	152,825,000
Tax Rate		4.00%	4.00%
(iv) Closing Deferred Tax Lial	bility	5,854,006	6,113,000
(v) Opening Deferred Tax Lia	ability	6,113,000	6,113,000
(vi) Provision for Deferred	Tax Expenses /		
(Income) (iv-v)		(258,994)	-
(e) Fair Value Reserve:			
(i) Carrying value at accoun	ting base	438,689,059	300,171,191
(ii) Carrying value at Tax bas	se		
(iii) Taxable temporary differ	ence (i-ii)	438,689,059	300,171,191
Tax Rate		10.00%	10.00%
(iv) Closing Deferred Tax Lial	·	43,868,906	30,017,119
(v) Opening Deferred Tax Lia	•	30,017,119	44,531,907
(vi) Provision for Deferred T	ax Expenses /	10.054.707	/14 544 700\
(Income) (iv-v)		13,851,787	(14,514,788)
Closing Deferred Liabi	lity for Tax in this year	11,326,695	(16,952,570)

11.00 Estimated Liability in respect of Outstanding Claims Whether Due or Intimated:

Figures in Taka

Class of Business	2020	2019
Fire	20,037,266	11,395,187
Marine	49,321,001	57,612,311
Motor	19,534,863	11,478,219
Miscellaneous	2,602,302	2,178,608
Total	91,495,432	82,664,325

All the claims of which the company received intimation within 31st December 2020 have been taken into consideration while the estimating the liability in respect of outstanding claims.

12.00 Amount Due to Other Person or Bodies Carrying on Insurance Business:

This amount is payable to Sadharan Bima Corporation on account of re-insurance arrangements with them and to other local insurance companies under co-insurance scheme. Break up of the amount is as under:

Particulars	2020	2019
Sadharan Bima Corporation Treaty Business	33,756,719	33,489,567
Port Folio Commission on Acceptance	11,504	11,504
Port Folio Loss Withdraw	888,955	888,955
Co-Insurance Business	275,380	360,280
Total	34,932,558	34,750,306

13.00 Sundry Creditors:

Particulars	2020	2019
Bills Payable	145,270	170,998
Tax Deduction on Employee's Salaries	610,225	1,015,179
VAT	3,025,210	4,138,912
Commission Payable	784,749	314,374
Provision for Incentive Bonus	12,500,000	7,500,000
Provision for Audit Fee	250,000	250,000
Provision for Office Rent	423,897	
Companies Contribution to P.F.	-	783,214
Employees Contribution to P.F.	-	783,214
Provident Fund Loan & Interest Realized	-	472,270
Provision for Income Tax (Notes: 13.01)	304,275,799	274,626,892
Security Receipts	100,000	100,000
Outstanding Refund Premium	7,739,168	726,926
Insurance Stamps on Deposit Premium	425,670	275,290
Provision for Expenses & Others	9,300,000	9,300,000
Temporary Loan (Mercantile Bank Limited)	30,000,000	40,000,000
Total	369,579,988	340,457,269

13.01 Provision for Income Tax

Figures in Taka

Particulars	2020	2019
Opening Balance	274,626,892	249,922,388
Add: Provision during the year	29,648,907	24,704,504
Less: Adjustment / Settlement during the year	-	-
Closing Balance	304,275,799	274,626,892

14.00 Property, Plant & Equipment:

Details of the above have been shown in A-1. Depreciation has been charged on all fixed assets at "Reducing Balance Method".

Particulars	2020	2019
Cost / Revaluation:		
Opening Balance	442,833,566	442,067,806
Addition during the year	10,031,932	765,760
Disposal / Adjustment during the year	(8,230,000)	
Closing Balance	444,635,498	442,833,566
Accumulated Depreciation:		
Opening Balance	150,990,631	139,263,668
Addition during the year	10,787,181	11,726,963
Disposal / Adjustment during the year	(5,297,831)	-
Closing Balance	156,479,981	150,990,631
Written Down Value	288,155,517	291,842,935
Investment :		
Break up of the amount is as under:		

15.00

Particulars		2020	2019
Investment at Amortized Cost	15.01	85,000,000	85,000,000
Fair Value through Other Comprehensive Income	15.02	632,182,772	496,554,148
Total		717,182,772	581,554,148

15.01 Investment at Amortized Cost

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held to maturity. Break up of the amount is as under:

Particulars	2020	2019
BD Govt. Treasury Bond (10yrs)	25,000,000	25,000,000
Investment to PSL	60,000,000	60,000,000
Total	85,000,000	85,000,000

15.01(a) BD Govt. Treasury Bond (BGTB)

Particulars of Investment	Cost Value
Govt. Treasury Bond (Deposit with NCC Bank Ltd. Motijheel Main Br.)	25,000,000

The amount Tk. 25,000,000 represented statutory deposit with Bangladesh Bank as required by Insurance Act' 2010.

Nature of Security	ISIN	Interest	Issue	Maturity	Amount
	No.	Rate	Date	Date	(Tk.)
10Y BGTB	BD 0923341103	12.10%	13-3-2013	13-3-2023	25,000,000

15.01(b) Investment to PSL

The amount deposited to Phoenix Securities Ltd. (PSL) for doing share trade on behalf of Phoenix Insurance Company Ltd. Actually, PICL give them empower to sale or buy the shares through CDBL to PSL A/c and the profit will be transfer to PICL accordingly.

Particulars of Investment	Amount (Tk.)
Investment to PSL	60,000,000

15.02 Fair Value through Other Comprehensive Income

Available for sale investments are those non-derivation investments that are designated as available for sale or are not classified in any other category. These are primarily those investments that are intended to be held for an undefined period of time or may be sold in response to the need for liquidity are classified as fair value through other comprehensive income. The company follows trade date accounting for 'regular way purchase and sales' of investments. As of December 31, 2020 company designated the following shares as available foe sale. Details are as follows:

Particulars	No. of Shares 31/12/2020	Value at cost as on 31/12/20	Fair Market value at cost as on 31/12/2020	Value at cost as on 31/12/2019	Fair Market value at cost as on 31/12/2019
Quoted Share:					
The City Bank Ltd.	5,606,157	76,604,711	139,032,694	71,267,687	112,681,533
Dhaka Bank Ltd.	-	-	-	9,159,108	9,236,952
Phoenix Finance & Investment Ltd.	16,169,013	65,790,248	444,647,858	65,790,248	327,956,399
Ekush First Unit Fund	93,284	932,840	1,062,219	-	-
ICBI Bank	100	1,990	430	1,990	300
ILFSL	8,820	145,864	52,920	145,864	52,920
Orion Pharma	27,360	1,368,000	1,496,592	1,368,000	735,984
Unquoted Share:					
Phoenix Medical Centre Ltd.	46,000	4,600,000	1,840,000	4,600,000	1,840,000
Phoenix Securities Ltd.	676,386	42,480,606	42,480,606	42,480,606	42,480,606
CDBL	571,181	1,569,454	1,569,454	1,569,454	1,569,454
Total		193,493,713	632,182,772	196,382,957	496,554,148

Investment in shares that do not have any quoted market price in the active market and whose fair value cannot be measured reliably, were recognized at cost.

15.03 Changes in Fair Value of the Shares

Figures in Taka

Particulars	2020	2019
Fair value of the investment	632,182,772	496,554,148
Less: Cost price of the investment	193,493,713	196,382,957
Fair value reserve required at 31st December	438,689,059	300,171,191
Less: Fair value reserve at 1st January	270,154,072	400,787,161
Less: Adjustment for Deferred Tax	30,017,119	44,531,907
Fair Value Adjustment for the Year	138,517,868	(145,147,877)

Particulars Notes 2020 2019	16.00	Inventories :			Figures in Taka
Insurance Stamps		Particulars	Notes	2020	2019
Total 1,139,423 1,185,280 Stocks of stationery and forms have been valued at cost.					
Stocks of stationery and forms have been valued at cost.		· · · · · · · · · · · · · · · · · · ·	16.01		
			ad at cost	1,139,423	
Particulars 179,035 175,310 Add: Purchase 3,500,000 4,000,000 Less: Recovery on Use (3,575,210) (3,996,275) Closing Balance 103,825 179,035 Closing Balance 103,825 179,035 Particulars 2020 2019 Advance against Office Rent 26,423,365 25,447,015 Advance against Others 69,683,237 68,172,781 Security Deposit 1,056,040 1,056,040 1,056,040 1,056,040 4,040,ance against Co-Insurance Commission 509,105 4,946,242 Advance against Co-Insurance Commission 509,105 4,946,242 Advance Income Tax (17,01) 255,201,063 238,279,707 Collection Control Accounts (Policies & Cover Note) 143,158,576 142,720,170 P.F. Forfeited A/c 1,088,991 Advance against Co-Insurance Premium 3,648,295 7,769,280 Agents Balance 3,249,853 3,249,853 Total Total	10.01	·	eu at cost.		
Opening Balance	10.01	·			
Add: Purchase					
Less: Recovery on Use (3,975,210) (3,996,275) (2)995 (2)		•			
Closing Balance 103,825 179,035 179,035 179,035 170,00					
Particulars 2020 2019					
Advance against Office Rent	17.00	Sundry Debtors (Including Advances, Dep	osit & Others) :		
Advance against Others 509,683,237 568,172,781 Security Deposit 1,056,040 1,056,040 Advance against Co-Insurance Commission 509,105 4,946,242 Advance Income Tax (17.01) 255,201,063 238,279,707 Collection Control Accounts (Policies & Cover Note) 143,158,576 142,720,170 P.F. Forfeited A/c 1,088,991 - Advance against Co-Insurance Premium 3,648,295 7,769,280 Agents Balance 3,249,853 3,249,853 Total 504,018,525 491,641,088 17.01 Advance Income Tax Particulars 2020 2019 Opening Balance 238,279,707 226,162,646 Add: Addition during the year 16,921,356 12,117,061 Less: Adjustment / Settlement during the year - Closing Balance 255,201,063 238,279,707		Particulars		2020	2019
Security Deposit		<u> </u>			
Advance against Co-Insurance Commission 509,105 4,946,242 Advance Income Tax (17.01) 255,201,063 238,279,707 Collection Control Accounts (Policies & Cover Note) 143,158,576 142,720,170 P.F. Forfeited A/c 1,088,991 - Advance against Co-Insurance Premium 3,648,295 7,769,280 Agents Balance 3,249,853 3,249,853 Total 504,018,525 491,641,088 Particulars 2020 2019 Opening Balance 238,279,707 226,162,646 Add: Addition during the year 16,921,356 12,117,061 Less: Adjustment / Settlement during the year 255,201,063 238,279,707 18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business : 2020 2019 SBC (Treaty) 140,982,054 152,017,411 20-100,000 200,388,499 SBC (Facultative) 94,698,246 83,477,413 380 6,917,163 6,917,163 6,917,163 6,917,163 6,917,163 5,917,163 5,917,163 5,917,163 5,917,163 5,917,163 <th></th> <th></th> <th></th> <th></th> <th></th>					
Advance Income Tax (17.01) 255,201,063 238,279,707 Collection Control Accounts (Policies & Cover Note) 143,158,576 142,720,170 P.F. Forfeited A/c 1,088,991 - Advance against Co-Insurance Premium 3,648,295 7,769,280 Agents Balance 3,249,853 3,249,853 Total 504,018,525 491,641,088					
Collection Control Accounts (Policies & Cover Note)					
Advance against Co-Insurance Premium			Note)		
Agents Balance					-
Total S04,018,525 491,641,088					
17.01 Advance Income Tax Particulars 2020 2019					
Particulars 2020 2019 Opening Balance 238,279,707 226,162,646 Add: Addition during the year 16,921,356 12,117,061 Less: Adjustment / Settlement during the year - - Closing Balance 255,201,063 238,279,707 18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business : Particulars 2020 2019 SBC (Treaty) 140,982,054 152,017,411 152,				304,010,323	431,041,000
Opening Balance 238,279,707 226,162,646 Add: Addition during the year 16,921,356 12,117,061 Less: Adjustment / Settlement during the year - - Closing Balance 255,201,063 238,279,707 18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business : - 2020 2019 SBC (Treaty) 140,982,054 152,017,411 152,017,411 20,388,499 20,388	17.01	Advance Income Tax			
Add: Addition during the year Less: Adjustment / Settlement during the year Closing Balance 255,201,063 12,117,061 238,279,707 18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business: Particulars 2020 2019 SBC (Treaty) Co-Insurance Claim Recoverable SBC (Facultative) SBC (Facultative) SBC (Treaty) Accepted SBC (Treaty) Accepted SBC (Facultative) Accepted		Particulars		2020	2019
Less: Adjustment / Settlement during the year - - Closing Balance 255,201,063 238,279,707 18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business : Particulars 2020 2019 SBC (Treaty) 140,982,054 152,017,411 Co-Insurance Claim Recoverable 19,906,687 20,388,499 SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515		· · · · · · · · · · · · · · · · · · ·			
Closing Balance 255,201,063 238,279,707 18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business : Particulars 2020 2019 SBC (Treaty) 140,982,054 152,017,411 Co-Insurance Claim Recoverable 19,906,687 20,388,499 SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515				16,921,356	12,117,061
18.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business : Particulars 2020 2019 SBC (Treaty) 140,982,054 152,017,411 Co-Insurance Claim Recoverable 19,906,687 20,388,499 SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515				255,201,063	238,279,707
Particulars 2020 2019 SBC (Treaty) 140,982,054 152,017,411 Co-Insurance Claim Recoverable 19,906,687 20,388,499 SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515	18 00	, and the second	s Carrying on Inc		
SBC (Treaty) 140,982,054 152,017,411 Co-Insurance Claim Recoverable 19,906,687 20,388,499 SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515	10.00		3 Carrying on mi		2010
Co-Insurance Claim Recoverable 19,906,687 20,388,499 SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515					
SBC (Facultative) 94,698,246 83,477,413 SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515					
SBC (Treaty) Accepted 6,917,163 6,917,163 SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515					
SBC (Facultative) Accepted 1,203,525 1,203,525 Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515		,			
Port Folio Loss on Acceptance 842,668 842,668 SBC Co-Insurance Business 93,071,410 90,702,515		· · · · · · · · · · · · · · · · · · ·			
		Port Folio Loss on Acceptance			
Total 357,621,753 355,549,194		SBC Co-Insurance Business		93,071,410	90,702,515
		Total		357,621,753	355,549,194

19.00 Cash & Cash Equivalents:

·			Figures in Taka
Particulars	Notes	2020	2019
Cash in Hand	19.01	42,293,778	16,837,330
STD / SND Account		95,804,166	121,250,932
Current Account		15,993,351	12,272,270
Fixed Deposit Receipt (FDR)	19.02	310,647,875	283,374,458
Total		464,739,170	433,734,990

19.01 Cash in Hand

SI. No.	Name of Branches	2020	2019
01	Head Office	13,931,102	3,790,256
02	Local Office	8,524,125	519,265
03	Imamgonj Branch	36,556	25,196
04	Motijheel Branch	3,882,931	494,064
05	New Market Branch	1,734,085	245,198
06	B. B. Avenue Branch	19,640	46,050
07	English Road Branch	781,020	1,394,166
08	Mouchak Branch	400,339	118,803
09	Bangshal Branch	1,657,675	378,065
10	Sadarghat Branch	578,891	563,002
11	Kawran Bazar Branch	56,591	634,082
12	Gulshan Branch	17,553	54,270
13	Chawk Bazar Branch	31,156	170,352
14	Islampur Branch	551,810	96,663
15	Mirpur Branch	354,090	519,908
16	Narayangonj Branch	1,145,311	507,994
17	Agrabad Branch	2,082,696	716,667
18	Khatungonj Branch	1,132,109	934,701
19	Khulna Branch	1,731,519	1,701,335
20	Kushtia Branch	457,182	424,277
21	Jessore Branch	1,793,833	1,822,795
22	Rajshahi Branch	396,980	235,588
23	Bogura Branch	224,430	210,669
24	Pabna Branch	214	745
25	Dinajpur Branch	135,238	220,349
26	Rangpur Branch	270,200	264,245
27	Cumilla Branch	75,915	231,053
28	Sylhet Branch	22,328	146,050
29	Mymensingh Branch	123,260	103,210
30	Chaumuhani Branch	119,253	256,829
31	Barishal Branch	15,554	2,930
32	Madaripur Branch	10,192	8,553
	Total	42,293,778	16,837,330

19.02	Fixed Deposit Receipt			Figures in Taka
	Particulars		2020	2019
	Opening Balance Add: Creation during this year Add: Interest Conversion to FDR Less: FDR encashment Closing Balance		283,374,458 9,000,000 18,273,417 - 310,647,875	264,807,692 3,000,000 15,566,766
20.00	-			
20.00	Income Tax Expenses:			
	Particulars	Notes	2020	2019
	Current Tax Deferred Tax Expenses / (Income) Total	13.01 21.00	29,648,907 (1,750,209) 27,898,698	24,704,504 (2,437,782) 22,266,722
21.00	Deferred Tax Expenses / (Income):			
	Particulars	Notes	2020	2019
	Deferred Tax Liabilities as at 31st December Less: Deferred Tax Liabilities as at 01st January Deferred Tax Provided for the Year Deferred Tax Income on Land & Building Deferred Tax Expenses on Changes in Fair Value Total	13.00 13.00	65,604,204 (54,277,509) 11,326,695 (774,883) 13,851,787 (1,750,209)	54,277,509 (71,230,079) (16,952,570) - (14,514,788) (2,437,782)
22.00	Interest Income :			
	Particulars		2020	2019
	Interest on FDR's Interest on BGTB Interest on STD / SND Accounts Total		20,730,158 2,949,375 2,709,631 26,389,164	15,566,766 3,025,000 2,075,087 20,666,853
23.00	Dividend Income :			
	Particulars		2020	2019
	The City Bank Ltd. Dhaka Bank Ltd. Phoenix Finance & Investments Limited CDBL Total		8,259,236 520,670 9,152,272 1,427,953 19,360,129	3,281,264 - - 1,142,362 4,423,626

24.00 Other Income:

Other income.		Figures in Taka
Particulars	2020	2019
Rental Income (Phoenix Bhaban)	15,000,000	10,000,000
Profit on Sale of Vehicles	267,831	-
Rental Income (Rupayan Tower)	758,400	845,100
Rental Income (Makka Madina Tower)	-	1,063,104
Profit on Sale of Share	794,441	-
Income from Investment to Phoenix Securities Limited	300,000	3,600,000
Income from P.F Forfeited A/c	1,088,991	-
Total	18,209,663	15,508,204

25.00 Claim under Policies less Re-insurance:

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claim paid during the year	9,864,859	7,758,622	17,774,830	14,726,358	664,298	50,788,967
Claim outstanding at the end of the year	20,037,266	47,555,970	1,765,031	19,534,863	2,602,302	91,495,432
Claim outstanding at the beginning of the year	11,395,187	55,548,674	2,063,637	11,478,219	2,178,608	82,664,325
Total amount-2020	18,506,938	(234,082)	17,476,224	22,783,002	1,087,992	59,620,074
Total amount-2019	1,020,632	39,345,958	4,220,756	8,349,611	(898,800)	52,038,157

26.00 Premium less Re-insurance:

Class of Business	On Direct Business	On Re-insurance Business	Total
Fire	320,109,583	228,550,097	91,559,486
Marine Cargo	175,771,871	47,900,492	127,871,379
Marine Hull	4,404,034	4,226,950	177,084
Motor	101,879,670	255,249	101,624,421
Miscellaneous	43,965,672	27,325,108	16,640,564
Total	646,130,830	308,257,896	337,872,934

27.00 Management Expenses:

As per section 40 (C-2) of Insurance Act 1938, all expenses of management excluding insurance stamps wherever incurred, whether directly or indirectly, in respect of Fire, Marine and Miscellaneous insurance business transacted in Bangladesh have been fully charged to the respective revenue accounts in the proportion of gross premium. This year total management expenses are Tk. 228,923,984 where as Tk. 272,411,728 were in 2019.

28.00 Allocation of Management Expenses:

Management expenses of the Company Tk. 228,923,984 has been allocated to the revenue accounts based on gross premium in the following ratio: Figures in Taka

Revenue Account	Gross Premium including PSB	Ratio %	Share of Expenses Management	Stamp Expenses	Total
Fire	320,109,583	50%	112,896,487	575,290	113,471,777
Marine (Cargo)	175,771,871	27%	61,991,355	-	61,991,355
Marine (Hull)	4,404,034	1%	1,553,218	-	1,553,218
Motor	101,879,670	16%	35,930,998	340,580	36,271,57
Miscellaneous	43,965,672	7%	15,505,846	130,210	15,636,056
Total	646,130,830	100%	227,877,904	1,046,080	228,923,984

29.00 Earnings per Share (EPS):

The Company calculated Earnings per Share (EPS) in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the income statement and this has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the year. Details calculations were as follows:

Particulars	2020	2019
a) Earnings attributable to ordinary shareholders (Net profit after taxation and provision)	93,987,074	93,003,268
b) Weighted average number of ordinary shares		
outstanding during the year	40,341,572	40,341,572
c) Earnings per Share (a/b)	2.33	2.31

The Company's Earnings per Share (EPS) increased due to dividend income and other income have been increased from last year.

30.00 Net Assets Value per Share (NAV):

The Company calculated Net Assets Value per Share (NAV) on the basis of the weighted average number of ordinary shares outstanding for the year. Details calculations were as follows:

Particulars	2020	2019
a) Net assetsb) Weighted average number of ordinary shares	1,577,349,909	1,407,106,640
outstanding during the year	40,341,572	40,341,572
c) Net Assets Value per Share (a/b)	39.10	34.88

Maximum amount of investment in share market during the year, the market price of the Company's equity investment have been increased as a result NAV have been increased from last year.

31.00 Net Operating Cash Flow per Share (NOCFPS):

The Company calculated Net Operating Cash Flow per Share (NOCFPS) on the basis of the weighted average number of ordinary shares outstanding for the year. Details calculations were as follows:

Par	ticulars	2020	2019
a) b)	Net cash provided by operating activities Weighted average number of ordinary shares	83,356,754 40.341.572	25,541,410 40.341.572
-,	outstanding during the year		
c)	Net Operating Cash Flow per Share (a/b)	2.07	0.63

The Company's Net Operating Cash Flow per Share (NOCFPS) is higher due to dividend and interest has been increased and management expenses decreased from last year.

31.01 Reconciliation of Net Profit to Net Operating Cash Flows:

Reconciliation of Net Profit to Net Operating Cash Flows:		Figures in Taka
Particulars	2020	2019
Net profit before Tax Adjustment:	121,885,772	115,269,990
Depreciation Gain on disposal of fixed asset Gain on sale of share	10,787,181 267,831 794,441	11,726,963
Changes in Working Capital: Increase / (Decrease) of the balance of fund & account Increase / (Decrease) of premium deposit Increase / (Decrease) of outstanding claims Increase / (Decrease) of amount due to other persons or bodies	(56,717,933) 8,588,724 8,831,107 182,252	13,721,322 (21,105,315) 11,802,914 (4,579,566)
Increase / (Decrease) of gratuity fund Increase / (Decrease) of reserve for corporate social responsibility	4,412,360 (762,500)	3,962,694 100,000
Increase / (Decrease) of sundry creditor except tax payable	(508,342)	19,837,383
(Increase) / Decrease of inventories (stationery, forms & insurance stamps)	45,857	30,505
(Increase) / Decrease of advance, deposit & prepayment except AIT & collection control A/c	4,982,325	(3,983,480)
(Increase) / Decrease of amount due from other persons or bodies	(2,072,559)	(94,085,447)
(Increase) / Decrease of collection controller A/c Income Tax paid Net Cash Generated from Operating Activities	(438,406) (16,921,356) 83,356,754	(15,039,992) (12,117,061) 25,541,410

Key Management Personal Compensation: 32

Total amount of compensation paid key management personal (up to G.M) except Director and Chairman. We paid them fees for attending meeting of the Company. The detail of key management personal as per the paragraph 17, IAS of 24: "Related Party Disclosures" is presented below:

Particulars	2020	2019
	Senior Executives	Senior Executives
Basic Salary	15,122,148	11,717,100
House Rent	6,421,413	4,718,550
Medical	1,092,313	751,704
Corporate Allowance	1,236,000	900,000
Festival Bonus	2,427,678	1,952,850
Performance Bonus	2,040,821	1,462,061
Others	5,831,620	4,256,052
Provident Fund	1,727,974	2,004,408
Total	35,899,967	27,762,725

33 Related Party Disclosures:

Phoenix Insurance Company Ltd. In normal course of business carried out a number of transactions with other entities that fail with in the definition of related party contained in International Accounting Standard (IAS) 24 "Related Party Disclosures" all transitions involving related parties arising in normal course of business are conducted on an arm's leant basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transitions with related parties and balances them as at December 2020 were as follows:

Name of Related Party	Relationship	Nature of Transitions	Income
Appollo Ispat Complex Ltd.	Common Director	Nature of Transitions	2,313,205
Pakiza Cotton & Spinning Mills Ltd.	Common Director	Nature of Transitions	29,648,659
Partex Group	Common Director	Nature of Transitions	14,674,481
Phoenix Security Limited	Common Director	Nature of Transitions	300,000
Total			46,936,345

Director's Benefit Disclosure: 34

The Company pays fees to its Directors for attending the Board meeting and its Committee meetings as permitted by Insurance Development and Regulatory Authority. As per IDRA circular no- 53.03.0000.009.18.123 dated 31-05-2018, a Director may be paid fees for attending Board meeting or its Committee meetings which shall not exceed Tk. 8,000 (Eight Thousand) for attending each meeting. Details are given below:

Particulars	Attendance fee per meeting	Meeting held	Total attended	2020	2019
Board Meeting	8,000	9	123	980,400	814,000
Claims Committee	8,000	2	6	48,000	54,000
Audit Committee	8,000	3	17	136,000	108,000
N.R.C	8,000	1	4	32,000	-
Total				1,196,400	976,000

35 Auditor's Remuneration:

Zoha Zaman Kabir Rashid & Co. Chartered Accountants has been appointed as Company's Statutory Auditor for this year by the shareholders at its 34th Annual General Meeting held on 16 September, 2020 and fixed their remuneration of Tk. 250,000/- including Tax.

36 Contingent Liabilities:

The following claims against policy have been treated as Contingent Liability:

Name of Claimer	Type of Policy	Case Number	Claimed Amount	Remarks
M/s. Mahmood Brothers	Insurance Guarantee	1/1991	3,523,433	Pending in High Court
M/s. Euroasia Felt Industry Ltd.	Fire	143/2008	53,471,314	Pending in High Court

The issued file cases to the Lower and High Court above claims according to their demand. The Courts are yet to settle the cases. The company believed that the claims are not lawfully demandable according to the Insurance Act, will not materially affect the financial statements.

Contingent Liability for tax:

Figures in Taka

Assessment Year	Provision for Tax	Tax Paid	Tax Demand	Remarks
2011-2012	12,000,000	11,090,121	58,247,611	Stay order by High Court
2012-2013	12,947,168	12,893,142	93,500,896	Stay order by High Court
2013-2014	37,000,000	36,903,563	87,035,976	Stay order by High Court
2014-2015	45,700,000	52,451,303	-	Self assessment U/S-82 BB
2015-2016	29,600,000	26,165,984	78,587,270	Stay order by High Court
2016-2017	37,000,000	37,506,453	68,525,390	Under appeal
2017-2018	27,600,000	13,419,042	106,499,533	Under appeal
2018-2019	20,875,220	16,029,895	-	Self assessment U/S-82 BB
2019-2020	27,200,000	17,081,113	-	Under hearing
2020-2021	24,704,504	16,767,375		Submitted
Total	274,626,892	240,307,991	492,396,676	

37 **Event after Balance Sheet Date:**

The Board of Directors has recommended 15% cash on paid up capital for the year ended December 31, 2020 as per approval of Board meeting held on June 03, 2021 as dividend on paid up capital of Tk. 403,415,720 subject to the approval in the Annual General Meeting to be held on August 11, 2021. Proposed dividend amount of the year is Tk 60,512,358 After allowing this dividend the accumulated Profit / (loss) of the company will arrive at Tk. 16,760,792 only.

38 General:

- 1. No. of Employees received salary up to Tk. 3,000: Nil
- 2. No. of Employees received salary above Tk.3,000: 276.
- 3. The Board of Directors received no remuneration from the company other than fees for attending Board Meetings.
- 4. During the year 9 no. of Board Meetings were held.
- 5. All shares have been fully called and paid up.
- 6. There were no preference shares issued by the company.

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SCHEDULE OF FIXED ASSETS AS AT 31ST DECEMBER, 2020

			ŭ	Cost				Depreciation			Written D	Written Down Value
Particulars		Balance as on 01.01.20	Addition this year	Disposal this year	Balance as on 31.12.20	Rate of Dep. (%)	Balance as on 01.01.20	Charge this year	Adjustment this year	Balance as on 31.12.20	As on 31.12.20	As on 31.12.19
Land		6,474,844	1	-	6,474,844	-	•	1	1	1	6,474,844	6,474,844
Building		117,643,795	-	-	117,643,795	5%	40,831,587	3,840,610	-	44,672,197	72,971,598	76,812,208
Furniture & Fixture	Fixture	39,990,633	659,804	-	40,650,437	10%	30,528,862	975,768	-	31,504,630	9,145,807	9,461,771
Office Equipment	ment	27,370,596	931,524	-	28,302,120	15%	22,136,788	834,228		22,971,016	5,331,104	5,233,808
Electric Installation	allation	1,812,807	90'004	-	1,902,811	15%	1,323,988	79,399	-	1,403,387	499,424	488,819
Air Cooler		6,476,950	813,800	-	7,290,750	15%	5,530,863	180,585		5,711,448	1,579,302	946,087
Vehicle		48,509,651	7,525,500	8,230,000	47,805,151	20%	32,511,198	3,372,491	5,297,831	30,585,858	17,219,293	15,998,453
Telephone	Telephone Installation	4,434,373	11,300	1	4,445,673	2%	1,871,651	128,396	1	2,000,047	2,445,626	2,562,722
Total		252,713,649	10,031,932	8,230,000	254,515,581		134,734,937	9,411,477	5,297,831	138,848,583	115,666,998	117,978,712

REVALUED ASSET

			ŭ	Cost				Depreciation			Written D	Written Down Value
	Particulars	Balance as on 01.01.20	Addition this year		Disposal Balance as this year on 31.12.20	Rate of Dep. (%)	Balance as on 01.01.20	Charge this year	Adjustment this year	Balance as on 31.12.20	As on 31.12.20	As on 31.12.19
-	Land	146,350,156	,	ı	146,350,156	1	•		•		146,350,156	146,350,156
2	Building	43,769,761	•	ı	43,769,761	2%	16,255,694	1,375,703	•	17,631,397	26,138,364	27,514,067
	Total	190,119,917	,	•	- 190,119,917		16,255,694	1,375,703	1	17,631,397	17,631,397 172,488,520	173,864,223
	Grand Total	442,833,566	10,031,932 8,230,000 444,635,498	8,230,000	444,635,498		150,990,631	10,787,181	5,297,831	150,990,631 10,787,181 5,297,831 156,479,980 288,155,517 291,842,935	288,155,517	291,842,935

Figures in Taka

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Particulars	2020	2019
Investment	717,182,772	581,554,148
Interest outstanding	1,436,875	1,512,500
Amount Due from other Persons or Bodies Carrying on Insurance Business	357,621,753	355,549,194
Sundry Debtors	504,018,525	491,641,088
Cash in Hand and at Banks	464,739,170	433,734,990
Fixed Assets (at Cost)	288,155,517	291,842,935
Stock of Stationery and Forms	1,035,598	1,006,245
Stamp in Hand	103,825	179,035
Total Tangible Assets (A)	2,334,294,035	2,157,020,135
Balance of Funds and Accounts	135,255,424	189,926,151
Premium Deposits	25,094,299	16,505,575
Estimated Liabilities in respect of outstanding Claims whether due or intimated:	91,495,432	82,664,325
Amount Due to other persons or bodies carrying on Insurance Business :	34,932,558	34,750,306
Sundry Creditors	369,579,988	340,457,269
Deferred Liability For Gratuity	32,204,694	27,792,334
Deferred Liability For Tax	65,604,204	54,277,509
Reserve for corporate social responsibility (CSR)	2,777,526	3,540,026
Total Liabilities (B)	756,944,125	749,913,495
Net Tangible Assets (A-B)	1,577,349,909	1,407,106,640
Number of Shares (C)	40,341,572	40,341,572
Tangible Assets Per Share (A-B)/C	39.10	34.88
Particulars	2020	2019
Share Capital	403,415,720	403,415,720
Reserve for Exceptional Losses	547,404,668	513,617,375
Share Premium	897,121	897,121
Revaluation Reserve	155,920,174	156,745,596
Investment Reserve	394,820,153	270,154,072
Profit & Loss Appro. Account Balance	74,892,073	62,276,756
Total Shareholders Equity	1,577,349,909	1,407,106,640
Number of Shares	40,341,572	40,341,572
Equity per Share	39.10	34.88

Compliance of International Accounting standards (IAS) And International Financial Reporting Standards (IFRS)

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Cash Flow Statements	7	Applied
Accounting Policies, Changes in Accounting Estimate and Errors	8	Applied
Events after the Balance Date	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Revenue	18	N/A
Employee Benefits	19	Applied
Accounting Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plants	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyper Inflationary Economics	29	N/A
Financial Instruments: Presentation	32	Applied
Earning Per Shares	33	Applied Applied Applied Applied Applied
Interim Financial Reporting	34	
Impairment of Assets	36	
Provisions, Contingent Liabilities and contingent Assets	37	
Intangible Assets	38	N/A
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status
First Time Adaption of IFRS	1	N/A
Share Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	Applied
Non-current Assets Head for Sale Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Fair Value Measurement	13	Applied

Corporate Calendar

FINANCIAL First quarter ended 31 March 2020 Half yearly ended 30 June 2020 Third quarter ended 30 September 2020 Year ended 31 December 2020	Announced on Announced on Announced on Announced on	July 05, 2020 July 28, 2020 October 29, 2020 June 03, 2021
DIVIDENDS Final Cash 2019	Announced on Entitlement date Statutory limit up to which payable Paid on	July 05, 2020 September 16, 2020 October 15, 2020 October 14, 2020
Final Cash 2020	Announced on Entitlement date Statutory limit up to which payable	June 03, 2021 August 11, 2021 September 09, 2021
ANNUAL GENERAL MEETING Confirmation of Shareholder Register Notice of the Annual General Meeting Annual Report 2020	Record date Date on Date of Issuance of Annual Report	June 30, 2021 July 08, 2021 July 25, 2021
35th Annual General Meeting	Date on	August 11, 2021
OPERATIONAL Branch Performance Review Meeting	Held in	Februry 2, 2021

For more information

Contact: Purbani Annex Building (1st floor)

1/A Dilkusha C/A Dhaka-1000

E-mail: mail@phoenixinsurance.com.bd



The forward-looking statement made is based on our beliefs, assumptions and expectations of future performance, taking into account all information currently available to us. Actual results could differ materially from the forward-looking statements made during this presentation. Although we believe that the expectations reflected in the forward-looking statements are reasonable based on the current market conditions, we can provide no assurance that our forward-looking statements will accurately reflect actual result.

These statements generally can be identified by the use of forwards looking word such as "believe", "estimate", "anticipate", "plan", "predict", "may", "hope", "can", "will", "should", "expect", "intend", "is designed to", "with the intent", "potential", the negative of these words or such other variations thereon.

These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the company's actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause PHOENIX Insurance to not achieve its published targets. Such factors include, among others:

- the frequency, severity and development of insured claim events, particularly natural catastrophes, man-made disasters, pandemics, acts of terrorism and acts of war; mortality, morbidity and longevity experience;
- instability affecting the global financial system;
- deterioration in global/national economic conditions;
- the effect of market conditions, including the internal equity and credit markets, and the level and volatility of equity prices, interest rates, credit spreads, currency values and other market indices, on the company's investment assets;
- changes in legislation and regulation, and the interpretations thereof by regulators and courts, affecting us or the Company's ceding companies, including as a result of shifts away from multilateral approaches to regulation of global operations;
- the outcome of tax assessment, the ability to realize tax loss carry forwards, the ability to realize deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on business models;
- uncertainties in estimating reserves; policy renewal and lapse rates;
- extraordinary events affecting the company's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;

These factors are not exhaustive. The Company operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. PHOENIX Insurance undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Proxy Form

Registered Office: 1/A Dilkusha C/A (1st Floor), Dhaka-1000, Bangladesh

I/We			
of			
being a member of Phoenix In	surance Company Lim	ited do hereby appoint	
Mr./Ms			
of			
(or failing him/her) Mr.Ms. —			
of			
	ednesday the 11th Aug		35th Annual General Meeting of and at any adjournment thereof or
Signed this		day of	2021.
5		,	
Signature of Proxy:		 Signature of Shareho 	older:
Folio / BO ID No.:	Revenue Stamp	Folio / BO ID No.:	
	Tk. 20/=		
Note:			
		•	f Tk.20/- must be deposited at least be invalid if not signed and stamped
2) Signature of the Sharehold		•	egistered with the Company.
PHOENIX INSURANCE RISING FROM ASHES Registered Office: 1/A Dilkusha C/			
Attendance Sl	ip		
I hereby record my attendance 11th August 2021 at 2:30 p.m.		eral Meeting of the Cor	npany being held on Wednesday the
Name of Shareholder / Proxy: _			Signature:
Folio / BO ID No.:			Date:
No. of Share:			

Note:

- 1. Shareholders attending the meeting in person or by Proxy are requested to complete this Attendance slip.
- 2. Signature of Shareholder should confirm to the specimen signature recorded with the Company.

Registered Office: Purbani Annex Building (1st Floor) 1/A, Dilkusha Commercial Area, Dhaka-1000 Bangladesh, G.P.O Box No.3647 Phone: 223383609-12 (PABX), Fax: 880-2-9563576 mail@Phoenixinsurance.com.bd www.phoenixinsurance.com.bd.