



Statement from **The Chairperson**

*Our story is the testament of a
staunch commitment to
transcend a sheer success*

Bismillahir Rahmanir Raheem
Assalamu Alaikum

Dear Distinguished Shareholders,

On behalf of the Board of Directors of Phoenix Insurance Co. Ltd. and on my own behalf, I heartily welcome you all to this 38th Annual General Meeting of Phoenix Insurance Company Limited. I am really grateful to the Almighty Allah for being able to present before you a brief report about the performance of the company in 2023.

In the chronicles of financial institutions, where fleeting trends often dictate direction, Phoenix Insurance Company stands as a beacon of enduring strength. Our story, woven across decades, transcends mere success; it is a testament to a legacy built on resilience, innovation, and a definite commitment to our core values.

From weathering natural disasters to providing a safety net during economic downturns, Phoenix has served as a cornerstone of stability. Our actions echo the mythical bird's ability to rise from the ashes and build anew. But above all, we understand that our future success hinges on our enduring values.

I am delighted to report that despite these challenges, our gross premium earnings for the year witnessed a commendable increase, standing at Tk. 72,21,58,076/-, representing a 5% growth over the previous year. Our net profit, a reflection of our prudent strategies and operational efficiency, reached Tk. 6,41,90,868/-, a notable achievement. In the realm of claims settlement, a core aspect of our commitment to our policyholders, the company disbursed Tk. 7,34,84,205/- during the year, a significant increase from Tk. 13,35,13,130/- in 2022. This reflects our unwavering dedication to fulfilling our obligations and providing timely assistance to those in need.

Phoenix Insurance's 38 successful years in business remain focused on the long-term future and sustainability of the company. At the heart of our forward planning is a determination to deliver on our promises to our stakeholders, including employees, customers, shareholders, and the communities in which we live and work.

You know that Phoenix Insurance is always aware of corporate governance. We believe good governance has built up the company's core values and code of conduct in the insurance business. The rules and practices are governed by the managers and shareholders, as well as stakeholders, in order to ensure transparency, fairness, and accountability. You are well aware that the Insurance Development and Regulatory Authority is trying hard for the development of the insurance sector under the Insurance



Act and Rules, which is really appreciable for all of us. We endeavour to deliver the highest governing standards for the benefit of its stakeholders, and n-sha-Allah, we will continue our effort.

I am sure that you are also confident as we perform our mission. The Board does believe that shareholder guidance, advice, and client satisfaction play key roles in the success of the organization. We always try to fix our target based on the needs of shareholders, establish our image, and earn customer satisfaction. Inshallah, we will continue our effort until we become the centre for excellence in the insurance arena. You know the overall economic and business position was tough due to pressure from the money market in the banking sector crises for shortages of foreign currency, and world business was continuously badly hampered by the crucial war in Russia-Ukraine. Even so, our management team has maintained the momentum of growth and declared a 12% cash dividend for the shareholders. To fulfil its economic and social responsibility, your company made payments of tax, VAT, and others to the government account in time to contribute to the economic development of the country.

Therefore, Phoenix's story is not merely a historical account but a living narrative. It is a testament to the enduring power of legacy, the transformative potential of innovation, and the unwavering spirit that enables us to rise above challenges and illuminate the path ahead.

Last but not least, I extend my heartfelt gratitude to each of you, our esteemed shareholders, for your firm support and trust. Together, let us continue to navigate the winds of change, guided by our enduring values and a vision of prosperity for all.

Thank you.

Warm regards,



Mohammed Shoeb
Chairman
Phoenix Insurance Company Ltd.



Message from **The CEO & MD (CC)**

*An Ode to Endurance, a
Covenant for Tomorrow*

Bismillahir Rahmanir Raheem
Assalamu Alaikum

Dear Distinguished Shareholders,

Phoenix Insurance started the year 2023 with the purpose of further streamlining operations. The previous year may have been tough, but it opened the opportunity for a re-evaluation of how we do things. It has led to the identification of critical activities to make us more efficient. It has paved the way to integrate technology with the expertise of our human resources, enabling the digitization and automation of the identified processes.

As we stand on the threshold of 2024, reflecting on the past year, I address you with a deep sense of appreciation and resolve. Amidst the lingering aftermath of the COVID-19 pandemic and ongoing geopolitical shifts, Phoenix Insurance has remained resolute, navigating the unpredictable waters with poise and purpose. Guided by the sagacity of our Board of Directors and bolstered by the steadfast backing of our stakeholders, clients, and partners, we have pressed onward, unwavering in our mission to deliver unparalleled insurance solutions.

The reverberations of the Russia-Ukraine conflict, the Palestine-Israeli war, and finally the Middle East crises rippled across the global trade network, causing disruptions in supply chains and exerting pressures on economies worldwide. The looming spectre of stagflation, a phenomenon not witnessed since the 1970s, cast a pall over the economic horizon. Yet, amidst these challenges, Phoenix Insurance stood firm, adapting our strategies to meet the shifting currents of the market.

Our achievements in 2023 speak volumes about our resilience and commitment to excellence. As we close out this financial year, we are proud of our company for responding to all challenges head-on and with a 'can-do' spirit, strongly focusing on the well-being of our stakeholders. With the grace of Allah Almighty, the company's gross premium increased by 5%. We remain optimistic about similarly positive results in 2024. Our underwriting profit saw a notable increase, reflecting our prudent business practices and diligent cost management. Investments totaling Tk. 60,34,74,398/- were made to strengthen our financial position, while provisions were set aside to mitigate risks and ensure our readiness for the future.

Some of our key performance indicators for the year under review are:

1. The Gross Written Premium is Tk. 72,21,58,076/-
2. The company continues to be one of the most profitable insurers in the industry with a Profit after Tax of Tk. 6,41,90,868/-only.
3. The Management expenses ratio is 62% for our prudent underwriting model and risk-based pricing.
4. The company maintained its credit rating is AA+ awarded by Alpha for the year-2023, which signifies the good claims paying ability.

At Phoenix Insurance, innovation is not just a buzzword; it is the lifeblood that fuels our progress. As a first-generation non-life insurance company, we have continually adapted to meet the changing needs of our customers, offering innovative products that provide peace of mind and financial security. Our commitment to excellence in service, coupled with a relentless pursuit of innovation, has made us the trusted partner of Bangladesh in managing uncertainties through comprehensive non-life insurance solutions.

Corporate governance is at the heart of our operations, and we remain steadfast in our commitment to upholding the highest standards. Qualified and experienced independent directors guide our governance practices, ensuring transparency and accountability. Our corporate social responsibility initiatives continue to make a positive impact on the communities we serve, reflecting our deep-seated commitment to social welfare and economic development.

Looking ahead, we recognise that the digital landscape holds immense potential. We have forged strategic partnerships to increase our online presence, offering our insurance products through digital platforms. Investments in technology have enabled us to enhance our customer service, particularly in the Mediclaim and Motor segments, providing timely information and improved claim services.

As we embark on the journey that 2024 lies before us, I am confident in our ability to navigate the challenges and seize the opportunities that lie ahead. Our commitment to service, product excellence, and innovation remains unwavering. We are poised not just to weather the storms but to emerge stronger and more resilient.

As I draw towards the conclusion, I am deeply honoured to express my heartfelt gratitude to our esteemed stakeholders, whose unwavering support has truly been the cornerstone of our success. I extend my sincerest thanks to the Government of the People's Republic of Bangladesh, all regulatory bodies, including the Insurance Development and Regulatory Authority (IDRA), local and foreign reinsurers, the Bangladesh Insurance Association, the Bangladesh Insurance Academy, banks, and our cherished customers, for their enduring partnership and unwavering trust.

And of course, to the distinguished members of our esteemed Board of Directors, our invaluable key officers, our diligent and dedicated employees, our loyal agents, and trusted brokers, I wish to convey my profound appreciation. It is through your unwavering dedication and steadfast commitment that Phoenix Insurance has continued to soar towards new horizons.

As we continue to illuminate the path forward, let us do so with the promise of innovation and the steadfast spirit that defines Phoenix Insurance Company. Together, let us script a future where our legacy burns bright, guiding generations towards security, stability, and prosperity.

Sincerely,



Md. Rafiqur Rahman
CEO & MD (CC)



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 stakeholders, including employees.

Obeying the law

The company is committed to complying with all the legal requirements, laws, and regulations of Bangladesh.

Employees

1. The company is committed to creating a working environment where there is mutual trust and respect and everyone feels responsible for the improved performance and reputation of the company.
2. It recruits, employs, and rewards employees purely on merit and on the basis of the qualifications, experience, and abilities needed for the work to be performed.
3. It is committed to providing a safe, healthy, and pleasant working environment to all employees. Companies will not use any form of forced, compulsory, or child labour.
4. It is committed to working with employees to develop and enhance each individual's skills and capabilities and providing training to groom them on the basis of their training needs assessment.
5. It respects the dignity of employees and the right of individuals to express themselves freely.
6. The company maintains good communication links with employees through company-based information and consultation procedures.

Insured

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

Shareholders

The company will conduct its operations in accordance with the 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

1. The company is committed to establishing mutually beneficial relations with its insureds, reinsurers, and business partners.
2. In business dealings, the company expects its partners to adhere to business principles and ethical practices consistent with its own.

Community Involvement

The company strives to be a trusted corporate citizen and, as an integral part of society, to fulfil its responsibilities to society and the communities where it operates.

Public Activities

1. The company will promote and defend its legitimate business interests.
2. It will cooperate with the government and other organisations, both directly and through bodies such as the Insurance Association of Bangladesh, in the development of proposed legislation and other regulations that may affect legitimate business interests.
3. The company neither supports any political group or party nor contributes to the funds of any group whose activities are aimed at, directly or indirectly, promoting party interests.

The Environment

1. The company is committed to continuous improvement in the management of environmental impact and to the long-term goal of developing a sustainable business.
2. The company will work in partnership with others to promote environmental care, increase understanding of environmental issues, and disseminate good practices.

Competition

The 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

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

Use of company assets

All employees should endeavour 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 on the basis of age, race, ethnicity, religion, or gender, and these characteristics are not the basis of any employment decision.

Conflict of Interest

A conflict 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. Conflicts of interest may also arise when an employee or members of his or her family receive personal benefits as a result of his or her position at the company.

1. An employee has a prime responsibility to the company and is expected to avoid any activity that could interfere with that responsibility.
2. The company purchases equipment, materials, and services for various aspects of its operations. The employees are forbidden from holding any personal financial interest, directly or indirectly, in any deal involving supplying goods or services to the company.
3. Employees should not engage in any outside business or activity that might interfere with their duties and responsibilities to the company.
4. Any conflict of interest should be reported to the respective line manager.

External Communication and Media Relations

At PICL, all employees should report to the Marketing Department and obtain written approval for any contact with media or writing any type of article that represents or misrepresents the company position in any way. The Chairman, CEO, CFO, Company Secretary, or employee nominated by the CEO are authorised to 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 calls. Personal should only be attended when it's unavoidable.

Compliance-Monitoring-Reporting

1. 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, understood, and observed by all employees.
2. Responsibilities are properly delegated to senior management. They are responsible for implementing these principles, if necessary, through more detailed guidance tailored to local needs.
3. 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.
4. Any breaches of the Code must be reported in accordance with the procedure specified by the management.
5. 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.
6. 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 whistleblowing mechanism is a formal process or system established to allow employees, stakeholders, or members of the public to report unethical, illegal, or improper conduct within the organisation without fear of retaliation. This mechanism serves as a crucial tool for promoting transparency, accountability, and ethical behaviour within an organisation.

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 the company's code of conduct. The company encourages its employees to report any non-compliance or wrongdoing that can be harmful to the company.

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

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 organisation's culture consists of the values, beliefs, attitudes, and behaviours' 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 organisation must have set guidelines for employees to follow.

In Phoenix Insurance, focus on mission, vision, values, and strategic objectives plays a pivotal role in building 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; therefore, every individual is clear about his or her role and responsibilities in the organisation and fully equipped to accomplish the tasks effectively and efficiently.

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

Our Ethics

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

In Phoenix Insurance, the ethical values are kept at a high level because, generally, they are among the core requirements for an organisation working in society, especially while working as an insurer, which people trust to a great extent.

The "Code of Conduct" of the company is considered a "Rule Book" for organisational ethics, which is adhered to by all employees of the company. Furthermore, the long working

history of the organisation carries certain standards that are implied in the working environment of the company and are practiced with full strength.

These implied rules are as follows:

- Trustworthiness – Honest in conduct
- Integrity – Reliability and Loyalty
- Respect – Civility, Autonomy and Tolerance
- Responsibility – Accountability, Pursuit of excellence
- Fairness – Impartiality and Equity

Grievance Function

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

Under the "Grievance Function," complaints and grievances of the policyholders are received by the designated staff in writing or over phone calls from the company. Afterwards, relevant staff resolve these complaints or grievances within the stipulated time and act according to the requirements of the Code. In order to make the "Grievance Function" more effective and efficient, the "Underwriting Department," comprising senior management, oversees its activities on a regular basis and provides guidance and assistance accordingly.

Engagement with Stakeholders

The company has a wide range of stakeholders, particularly shareholders and investors, customers, suppliers, and service providers, including re-insurers 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 the following communication procedures:

Shareholders and investors

The company convenes annual and extraordinary general meetings in accordance with the requirements of the Companies Act of 1994. The company's interim results and reports are placed on the company's website and are also notified to the Dhaka Stock Exchange for shareholders' information. Any other price-sensitive information, including the dates of the Board of Directors' meeting, is also communicated to the stock exchanges on a timely basis. The company's website also has an "Investor Relations" section, which contains all relevant information for the use of investors and is updated on a timely basis. The company will also brief the shareholders on the company's performance in



the year 2023 in the annual general meeting to be held on July 24, 2024.

» Customers

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

Suppliers and service providers

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

» Financial Institutions

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

» Media

The company promotes its business activities by having a strong presence in the media. The company ensures media presence while launching its products, signing major agreements with business partners, and participating in other organised promotional and social activities.

» Regulatory bodies

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

» Analysts

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

» Employees

Employees are prominent stakeholders in the company, and they work in the company to earn their livelihood. The company has extensive employee 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 by awarding them with a token of appreciation. In order to keep the employees updated with respect to 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 a quarterly basis. All the departments were participating jointly and discussing fairly. This kind of gathering keeps employees updated and connected with the company. Furthermore, through annual employee's gatherings, the employees of the company are kept motivated and content. These employees' engagements improve the level of dedication and hard work among them.

Implementing governance practices that exceed legal requirements

In Phoenix Insurance, the compliance of applicable laws and regulations is aimed at not only to avoid financial losses in the form of penalties and reputational risk to the company but also to give more efficient, effective, and valuable performance to its stakeholders.

Being an insurance company, the responsibility with respect to abiding by laws and regulations has become twofold as society in general and particularly the insurer put their trust in the company to cover their risks that threaten their valuable assets. Therefore, the company is supposed to act with responsibility in respect of all laws and regulations so that it can play an efficient role when any loss arises to the people whose assets are covered by its insurance service. In the company, particularly the compliance officers and generally all the departmental heads are fully aware of 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 oversees the overall risk management of the Company.
- b) The compilation of the result of annual evaluation of the 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

Initiatives for Promoting and Enabling Innovation

Phoenix Insurance has embedded innovation in its strategic objectives and encourages innovation throughout the organization. The Company has developed a centralized structure for innovation and has formed a 'Insurtech and Innovation Group'. The Insurtech and Innovation Group is working under the supervision of the Management Committee and comprises members from various functions. The objective of the Group is not only to develop Insurtech products but also to develop brand new products, processes, and new ideas, or to approach existing products, processes, and ideas in new ways.

Further, new ways of thinking in order to design better solutions, services and solve the current problems is also encouraged and deliberated at the forum of our Insurtech and Innovation Group.

Our Brand Value

At Phoenix Insurance, all our actions and how we do things stems from our values — a clear, strongly held set of core beliefs that reflect who we are and what you can expect from us. Phoenix's values are essential to creating a culture that can deliver on our brand promise.

Strategy to Manage Liquidity and Repayment of Debts

Liquidity refers to the ability of an organization to fulfill its short-term liabilities when they become due. Managing liquidity is important as even the profitable organizations

may find it difficult to run their operations smoothly in absence of adequate funds or liquid assets. The key element of the Company's liquidity management strategy is to maintain sufficient liquid assets to meet its claims and other liabilities. Liquidity requirements are kept into consideration while making investment decisions. Bank balance maintained with highly rated scheduled banks amounts to Tk 47,98,04,412 (2022: Tk 51,15,15,041).

The Company is required to make repayment of dues & other amounts to Tk 300,000 in the year 2023. The management foresees those operations and investments of the Company would generate sufficient income/funds to easily meet the repayment of the liability. Liquidity position is closely monitored on a routine basis under the supervision of the Chief Financial Officer.

Significant Plans and Decisions

Significant plans that are in-line with our mission & vision include the following:

1. Expansion & Growth in our existing portfolio.
2. Focus on product market including Cattle, Motor, Travel & Agricultural products
3. Develop Micro insurance business around the country
4. Product development with the help of digital technologies

Significant Changes from Last Year

There were no significant structural changes during the year.

