



CERTIFICATE OF BOARD OF DIRECTORS OF UNITED INSURANCE COMPANY LIMITED ON CORPORATE GOVERNANCE GUIDELINES ISSUED BY INSURANCE DEVELOPMENT & REGULATORY AUTHORITY (IDRA)

The Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasizes the need for full transparency and accountability in all its transactions in order to protect the interests of its stakeholders. To maintain the continuance of the governance philosophy, the Company ensures compliance of all conditions of Corporate Governance Guidelines imposed by Insurance Development and Regulatory Authority (IDRA) on 19 October 2023. The steps taken as part of good corporate governance are summarized below:

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Director of UICL is comprised of total 08 (eight) members, out of which 06 (six) are Non-Executive Directors and 02 (two) are Independent Directors. The Directors hold regular meetings to ensure good communication and discussion on matters of importance for smooth operation of the Company. A Code of Conduct for all of its Directors duly approved by the Board is posted on the Company's website.

INDEPENDENT DIRECTORS

The Board, to comply with regulatory requirements, appointed 2 (two) Independent Directors, on basis of recommendation of Nomination and Remuneration Committee, for a period of 3 (three) years and subsequently approved by the shareholder at the Annual General Meeting (AGM).

BOARD COMMITTEES

In compliance with governance guidelines, the Board of UICL has constituted the following subcommittees-

- (i) Audit Committee,
- (ii) Nomination & Remuneration Committee,
- (iii) Investment Committee,
- (iv) Risk Management Committee and
- (v) Policyholder Protection & Compliance Committee.

AUDIT COMMITTEE (AC)

Audit Committee is formed with 03 (three) non-executive directors headed by an Independent Director. The Company Secretary acts as the Secretary to the Committee. A Report on activities of the Audit Committee is prepared annually and disclosed in the Annual Report of the Company.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Nomination and Remuneration Committee is formed with 04 (four) directors headed by an Independent Director. All members of the Committee are Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. A Report on activities of the Committee is prepared annually and disclosed in the Annual Report of the Company.

INVESTMENT COMMITTEE (IC)

Investment committee, is a 06 (six) members committee, comprised with 05 (five) non-executive directors and CEO who is as an ex-officio member. The Committee is liable to lay down the operational framework for the investment operations and to ensure the best possible investment for the Company.

RISK MANAGEMENT COMMITTEE (RMC)

The Board of directors has duly constituted a 03 (three) members Risk Management Committee including an independent director under guidance of IDRA on 19 December 2023. The Committee is committed to establishing an effective Risk Management framework, the Risk Management policy and processes for the Company. No meeting of the Committee was held during 2023.

POLICYHOLDER PROTECTION & COMPLIANCE COMMITTEE (PPCC)

The Committee has constituted with 03 (three) non-executive directors including an independent director on 19 December 2023. The Committee is responsible for establishing an effective mechanism to address complaints and grievances of policyholders. No meeting of the Committee was held during 2023.



RELATED PARTY TRANSACTIONS

Related party transactions were entered during the year under review in the ordinary course of business and on an arm's length basis. As per International Accounting Standard (IAS) 24 on 'Related Party Disclosures', the details of related party transactions entered into by the Company were also included in the notes to the financial statements in 2023 now under audit by statutory auditor of the Company. A Policy on Related Party Transactions is under process of formulation.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is taking initiatives to develop a Corporate Social Responsibility Policy under guidance of corporate governance guidelines of IDRA issued on 19 October 2023. No amount was spent on CSR projects during the year 2023.

KEY MANAGEMENT PERSONNEL

Under the guidelines of IDRA, the Board of Directors appointed Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit as top level officials and key personnel for the overall management activities of the Company. Chief investment officer and Chief risk officer will soon be appointed by the Board. Charter of duties of the CEO, CFO, CS and head of internal audit has been formulated and approved by the Board of Directors. The CEO, CFO and CS attended all meetings of the Board of Directors during 2023.

DISCLOSURE OF INFORMATION

All information whether material and or price sensitive nature are disclosed by the Company in timely manner and uploaded on the Company's website. A policy of principles on disclosures of material information and price sensitive information duly approved by the Board of Directors is posted on the Company's website. The Company also maintains a functioning website where all relevant information are uploaded about the Company under the guidance of IDRA's corporate governance.

A Report on corporate governance is prepared annually and disclosed in the Annual Report of the Company.

For and on behalf of
Board of directors of united Insurance Company Limited

Prof. Dr. Wahiuddin Mahmood

Chairman

Board of Directors

Dated: 25 January 2024



Certificate on Compliance to the Corporate Governance Guideline-2023 of United Insurance Company Limited

[Certificate as per Condition No. 19(2) of Corporate Governance Guideline- 2023 issued by Insurance Development and Regulatory Authority (IDRA)]

We have examined the compliance status to the Corporate Governance Guideline by United Insurance Company Limited for the year ended on 31 December 2023. This Guideline relates to the Memo No. 53.03.0000.075.22.025.2020.230 dated 19 October 2023 issued to implement the Section 15 of the Insurance Act 2010 and Schedule 2.5 of Sub-schedule 47 of National Insurance Policy 2014 of Insurance Development and Regulatory Authority (IDRA).

Such Compliance with the Corporate Governance Guideline 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 Guideline-2023.

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

- The Company has complied with the conditions of the Corporate Governance Guideline-2023 as stipulated in the above mentioned Corporate Governance Guideline issued by the IDRA;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, Insurance Act, 2010 and other applicable laws and regulations;
- The Corporate Governance of the company is satisfactory.

Uttam Kumar Dey, FCS
CEO & Lead Consultant
UTTAM & ASSOCIATES
Chartered Secretaries & Consultants

Place: Dhaka
Date: 06 March, 2024

Enclosure: Annexure A is the part of this certificate.



Compliance status of Corporate Governance Guidelines issued by IDRA

Annexure- A

Clause No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5	Governance framework Governance framework should have a system which ensure the rights of the shareholders and policy holders through designing appropriate policy			
6	The Board and its Directors			
6.1	Composition of the Board The Board shall consist of at best 20 (twenty) members with minimum 2 (two) independent directors.	√		The Board of the Company comprise of 8 (eight) directors including 2 (two) independent directors.
6.2	Board of Directors and its Directors The Company should have a policy of appointing and reappointing of directors emphasizing on the Insurance Act, 2010. The policy should include the disqualification for selecting directors, section of Chairman and Vice- chairman. Reasons for absence of Chairman and Vice – chairman in the meeting shall be recorded in the minutes;	√		
6.3	Independent Director A. There should prerequisites for selecting independent director. B. i. The Board shall appoint the independent director and shareholder in the general meeting shall ratify the appointment. ii. Post of the independent director shall not remain vacant for more than 90 days. iii. Tenure of the independent director shall be for 3 (three) years which can be extended for 1 (one) term only. After period of one term, he can be eligible for reappointment. C. Qualification of Independent director There are some qualification and experience shall be construed as qualification of independent director.	√		
6.4	Role of the Board The core responsibility of the Board is to guide the company for efficient and effective management for attaining long term goal of the company. In this regard, the Board shall formulate the policies and governance guidelines.	√		
6.5	Code of Conduct of the Board The Board shall formulate a code of conduct for all employees including the Chairman, Directors and Chief Executive Officer.	√		
7	Committees of the Board			
7.1	To ensure good governance in the company , the Board should have at least the following committees: 1. Audit Committee. 2. Nomination & Remuneration Committee. 3. Investment Committee. 4. Risk Management committee and 5. Policy holder protection & Compliance Committee.	√		The Board at its 241 st meeting held on 19 December, 2023 formed the following Committee- 1. Nomination and Remuneration Committee 2. Investment Committee 3. Risk Management Committee 4. Policy Protection and Compliance Committee. The Audit Committee is already in place.



Clause No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
7.2	Audit Committee A. The committee shall review the financial statements as well as oversee the functions of internal and external auditors.	√		
	B. Formation of Audit Committee 1. The Committee shall consist of 3 (three) members; 2. It comprises of 1 (one) Non- executive director other than the chairman of the Board and 1 (one) independent director 3. All members should have the literacy about accounting and at least 1 (one) member should have 10 (ten) years relevant experience. 4. Member vacancy shall be filled within 1 (one) month. 5. Company Secretary shall act as the Secretary of the committee.	√		
	C. The Chairman of The Committee 1. Independent director shall be the chairman of the committee 2. In case of absence of Chairman other member can act as chairman but one independent director shall be present in the meeting. 3. The chairman of the audit committee shall attend the meeting, in case of absence of the chairman any member may be selected to attend the AGM, but the reason of absence shall be minute in the AGM minutes.	√		The Chairman of the Audit Committee present at the last AGM.
	D. Meeting of the committee 1. At least 4 (four) meeting shall be conducted. Meeting can be held with the requisition of any member in case of any emergency. 2. The quorum of the meeting shall be minimum 2 and two third members including one Independent Director.	√		
	E. Role of the Audit Committee The Board shall form a Term of Reference (ToR) of the as per this guideline.	√		
	F. Rights of the Committee The committee shall have the unrestricted access to all relevant data, reports, documents and information along with the chief executive, intered Audit Committee, actuary and others Concerned officers.	√		
	G. Report of the committee 1. The committee shall report to the Board of its regular activities. 2. It shall also report the board for any sensitive issued as defined in the guidelines. 03. It shall report to the authority in appropriate case as defined in the guidelines. 4. It shall also report the shareholders and publish in the annual report.	√		
8	Nomination & Remuneration Committee			
	A. Nomination & Remuneration Committee shall assist the board in evaluation and determining the role and remuneration of employees including the senior management. B. Formation of NRC 1. Committee members shall be appointed by the Board. 2. At least there shall be 4 (four) members including 1 (one) Independent Director. 3. Chairman of the board can be included in the committee but he shall not be appointed as the chairman of the committee. 4. Board can appoint, remove any members and reasons for removal shall be minutes. 5. Vacancy of any member shall be filled within 180 (one hundred and eighty) days. 6. Company Secretary shall act as the Secretary of the committee.	√		



Clause No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	C. Chairperson of NRC 1. The board shall appoint 1 (one) director as the chairman of the committee. 2. Members can select a chairman in the absence of the chairman of the committee, but reason of regular chairman shall be minutes. 3. Chairperson shall attend the AGM for responding any queries of the shareholders.	√		
	D. Meeting of NRC 1. At least 2 (two) meeting shall be conducted. 2. Chairperson can hold any meeting on emergency basis. 3. The quorum of the meeting shall be minimum of 2 and two third members including 1 (one) independent director.	√		
	E. Role of NRC The Board shall form a Term of Reference (ToR) of the committee as per this guideline.	√		
9	Investment Committee A. The committee as the sub-committee of the board shall oversee the investment portfolio of the company.	√		
	B. Composition of the committee and its meeting 1. The board shall nominate at least 5 (five) members in the committee including one chairman 2. The quorum of the meeting shall be 3 (three). CEO shall be the member of the committee as ex-officio. CFO, Chief Investment Officer and Chief Risk Officer can be invited in the meeting.	√		The Committee was reconstituted on 19 December, 2023.
	C. Role of Committee The board shall form a Term of Reference (ToR) of the committee as per this guideline.	√		The Management informed that the preparation of ToR is under process.
10	Risk Management committee A. The committee shall act as the sub-committee of the board to assist the board in minimizing the risk.	√		
	A. Composition of the committee and its meeting 1. The committee shall consist of at least 3 (three) members including 1 (one) independent director. One shall be the chairman of the committee. Moreover 1 (one) from audit committee. 2. The quorum of the meeting shall be 2 (two). CEO shall be the member of the committee as ex-officio. CFO, Chief Investment officer and Chief Risk Officer can be invited in the meeting. 3. Company Secretary shall act as the Secretary of the committee.	√		The Committee was formed on 19 December, 2023.
	B. Role of Committee The board shall form a Term of Reference of the committee as per this guideline.	√		The Management informed that the preparation of ToR is under process.
11	Policy holder Protection & Compliance Committee A. The committee as the sub-committee of the board shall oversee the investment portfolio of the company.	√		
	B. Composition of the committee and its meeting 1. The committee shall consist of at least 3 (three) members including 1 (one) independent director. One shall be the chairman of the committee. Moreover 1 (one) from audit committee. 2. The quorum of the meeting shall be 2 (two). Member can select a chairman in the absence of the chairman of the committee but reason for absence of regular chairman shall be minutes. 3. Company Secretary shall act as the Secretary of the committee.	√		The Committee was formed on 19 December, 2023.



Clause No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	C. Role of the Committee The board shall form a Term of Reference of the Committee as per this guideline.	√		The Management informed that the preparation of ToR is under process.
12	Senior Management & Key Personnel 1. The Board shall appoint CEO, CFO, CS, CIO, CRO and HIAC. 2. They should be qualified person. 3. The Board shall determine their role and responsibilities. 4. They shall not appointed in any other company as executive position.	√		Appointment of CIO and CRO and their roles are under process.
12.1	Managing Director/ Chief Executive Officer : The Chief Executive officer shall be appointed by the Board in accordance with Insurance companies (Appointment and removal) Rules -2012.	√		
12.2	Responsibilities of Senior Management and Key Personnel: The board shall determine the charter of duties of CEO, CS, CFO, CIO, CRO, HIAC and Senior Management & Key Personnel and implement it.	√		
12.3	Appointment of Actuaries :			Not applicable for Non-life Insurance Companies.
13	Other Committees: The company should have other committee like Corporate Social Responsibility (CSR), Environment, Social and Governance (ESG), Integrity and Ethics Committee, Reinsurance & Restoration Committee, Asset Liability Management Committee.		√	
14	Disclosure information of the Board and its committees: 1. Company shall keep record of proceeding of the board meeting and shall disclose in appropriate case. 2. Code of conduct of all employees including the chairman of the board, its member and CEO shall published. 3. Shall disclose among others- a. Number of board meeting and its committee meeting held b. Name of the mandatory Committees. c. Details of remuneration paid to directors including independent director d. Relevant other information.	√		Code of conduct of Chairman, Board members and CEO's are disclosed in the Company's website. Other relevant information are available in annual report.
15	Related Party Transactions The company should have a policy to identify the related party transaction and conducting the transactions.	√		The Management informed that the policy on related party transaction is under process.
16	Corporate Social Responsibility The Company should have some CSR activities and these shall be published in annual report.			
17	Policies of the Company In addition to the above policies, the following policies will help to establish a good governance.	√		
17.1	Whistle Blowing policy			
17.2	Other Policies such as- Asset Liability Management Policy, Underwriting Policy, Reinsurance Policy, Insurance Claim Settlement Policy, Code of Conduct of Eemployees, CSR Policy, Suddachar Policy, Gender Equality Policy, Human Resource Management Policy, Anti-Corruption Policy, Disparity Prevention Policy, ICT Policy.		√	



Clause No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
18	Disclosure initiatives			
	1. The Company should have a website. 2. Relevant information shall be updated in website such as- a. Annual Report along with audited financial statements. b. Feature of the various insurance policy. c. Contact information of all key persons including Chairman, all Chairmen of sub – committee, Directors, CEO, adviser and all officers. d. Any other information as advised by the Authority.	✓		The company has website: www.unitedinsurance.com.bd
19	Annual Corporate Governance Compliance Statement			
	The company shall submit an annual compliance statement with the authority by 31 st January of the following year.	✓		The company duly submitted to the authority within the stipulated time.