

Compliance Status Report of Corporate Governance Code

By

Paramount Insurance Company Limited

House # 22 (Level- 3 & 4), Road # 113/A, Gulshan-2

Dhaka-1212, Bangladesh

FOR THE YEAR ENDED 31st DECEMBER, 2020.



Annexure-B

[Certificate as per condition No. 1(5)(xxvii)]

**Report to the Shareholders of Paramount Insurance Company
Limited on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Paramount Insurance Company Limited for the year ended on 31st December 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 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: March 18, 2021

Atik Khaled Chowdhury

Atik Khaled Chowdhury
Chartered Accountants
Signed by Abdul Matin FCA
Senior partner



Status report of Compliance with the Conditions imposed by BSEC

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors (BoD)			
1(1)	Size of the Board of Directors: (Total number of Board members-minimum 5 and Maximum 20)	✓		PICL Board is comprised of 10 (Ten) Directors
1(2)	Independent Directors:			
1(2)(a)	At least one fifth (1/5) of the total number of Directors shall be independent directors.	✓		2 (Two) ID out of 10 (Ten) Directors in the Board
1(2)(b)	For the purpose of this clause "independent director" means a director-			
1(2)(b)(i)	who either 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.	✓		
1(2)(b)(ii)	non connectivity with the company's any sponsor or director or shareholder who holds 1% or more shares on the basis of family relationship.	✓		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies.	✓		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1(2)(b)(vii)	who 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.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies.	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI) and	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude.	✓		
1(2)(c)	The Independent Director(s) shall be appointed by Board and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days and	✓		Vacated but filled up within 90 days.
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1(3)	Qualification of Independent Director (ID)			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to the business.	✓		
1(3)(b)	Independent Director shall have following qualifications	✓		
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. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association.	N/A		
1(3)(b)(ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer 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 Tk. 100.00 million or of a listed company.	✓		Both Independent Directors are Corporate Leader
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, who has	N/A		



