

Sustaining Growth
Safeguarding Tomorrow



annual report
2022



AGILITY, DIGITALITY, VERSATILITY!

Advancing together towards a more optimistic outlook

The mission of City General Insurance Company Limited is to contribute to a more optimistic outlook and brighter tomorrow. To design a more sustainable future, we want our daily actions to have a beneficial influence, guided by our vision and strategy framework.

Despite the difficulties of the fiscal year 2022, we have emerged as a more robust and resilient organisation, better able to adapt to swiftly changing consumer expectations and a shifting business climate. As a multi-stakeholder organisation built on ethics, accountability and trust, we have responded quickly and nimbly to not just fulfil our stakeholder responsibilities, but also to demonstrate solidarity with the broader society through our inclusive community activities and citizenship programs.

Importantly, the year enhanced our conviction to ensure sustainable business management and our commitment to demonstrate that our purpose-led, impact-driven and customer-centric business ensures sustainable performance now and in the future.

We believe that our strengths will serve us well in the post-COVID world as the convergence of normalising inflation, stable regulatory environment, and concerted government initiatives to restore economic growth will create accelerated demand recovery, allowing us to capitalise on business prospects through our levers of Agility, Digitality, and Versatility!





**ALHAJ ANWAR HOSSAIN
(1938-2021)**

Founder & Former Chairman,
City General Insurance Company Limited &
Anwar Group of Industries

A well-known, visionary and patriotic industrial entrepreneur of the country. Late Alhaj Anwar Hossain was devoted to the welfare of the country. He was a fearless entrepreneur to make people self-reliant. He was a hero in economic development and job creation. He established many educational institutions for the promotion of women and children education. We are inspired by his philosophy and ideals. We will go forward with determination in the way shown by him.

WELCOME TO OUR INTEGRATED ANNUAL REPORT FOR THE YEAR 2022!

I welcome you to the Annual Report 2022 of City General Insurance Company Limited, your trusted partner in general insurance. In today's interconnected world, we recognise the need for creating value for and being recognised by all stakeholders. We are continuing to construct a resilient tomorrow and progress on our agenda in order to keep our promises. We are advancing together towards a more optimistic outlook.

- Hossain Akhtar, Chairman



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27th Annual
General Meeting



Virtually



Thursday,
March 30, 2023



at 2:30 p.m.

Thank you for your interest in City General Insurance! We began our journey towards integrated reporting in 2021 with the intent of providing a holistic view of our financial, non-financial, and operational performance. We continue on this journey for the year 2022 too. This report covers information on our strategy, operating model and performance, governance and risk mitigation framework, external environment, and engagement with key stakeholders.



This report

This report has been prepared and is intended to inform stakeholder groups that have an impact on or are impacted by our business. This includes customers, investors and shareholders, business partners, regulators, employees and government authorities. It aims to give our stakeholders a balanced overview of our activities and our ability to create and preserve value.



Reporting principles and framework

This report covers the financial year from January 1, 2022 to December 31, 2022. The content presented in this report is prepared and guided by several mandatory and voluntary reporting frameworks, as presented hereunder.



Financial Statements

- International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB)
- Insurance Act, 2010; Insurance Rules, 1958 and amendments thereto
- Relevant circulars issued on reporting format by Insurance Development & Regulatory Authority (IDRA)
- The Companies, Act, 1994 and amendments thereto
- Income Tax Ordinance, 1984; Income Tax Rules, 1984; Value Added Tax & Supplementary Duty Act, 2012; Value Added Tax & Supplementary Rules, 2016 and Related SRO and Finance Act



Narrative Report

- Integrated Reporting (IR) framework prescribed by the International Integrated Reporting Council (IIRC), which is now merged with the Value Reporting Foundation (VRF)



Financial Statements

- Reporting on the Sustainable Development Goals (SDGs)



Financial Statements

- Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission (BSEC)
- Listing Regulation, 2015 of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange PLC
- Applicable circulars of Insurance Development & Regulatory Authority (IDRA); Bangladesh Securities and Exchange Commission (BSEC); National Board of Revenue (NBR) and other regulatory bodies

INTERNAL ASSURANCE MECHANISM

**Financial Statements**

- Internal Audit
- Robust framework of internal controls
- Reporting to Audit Committee and Board of Directors

**Narrative Report**

- Audit Committee review
- Board review

**Financial Statements**

- Assessment of non-financial information by the Corporate Sustainability function
- ESG reporting on responsible insurance services

**Financial Statements**

- Internal Code of Conduct for Board of Directors
- CGI's various internal policies, SoPs and Code of Conduct for employees and other internal governance-related policies
- Company's compliance with the Corporate Governance Code issued by BSEC
- Internal Audit
- Reporting to the Management; Audit Committee and Board of Directors

EXTERNAL ASSURANCE MECHANISM

**Financial Statements**

- K.M. Alam & Co., Chartered Accountants

**Corporate Governance**

- Ahmed Khan & Co., Chartered Accountants

**Reporting boundary**

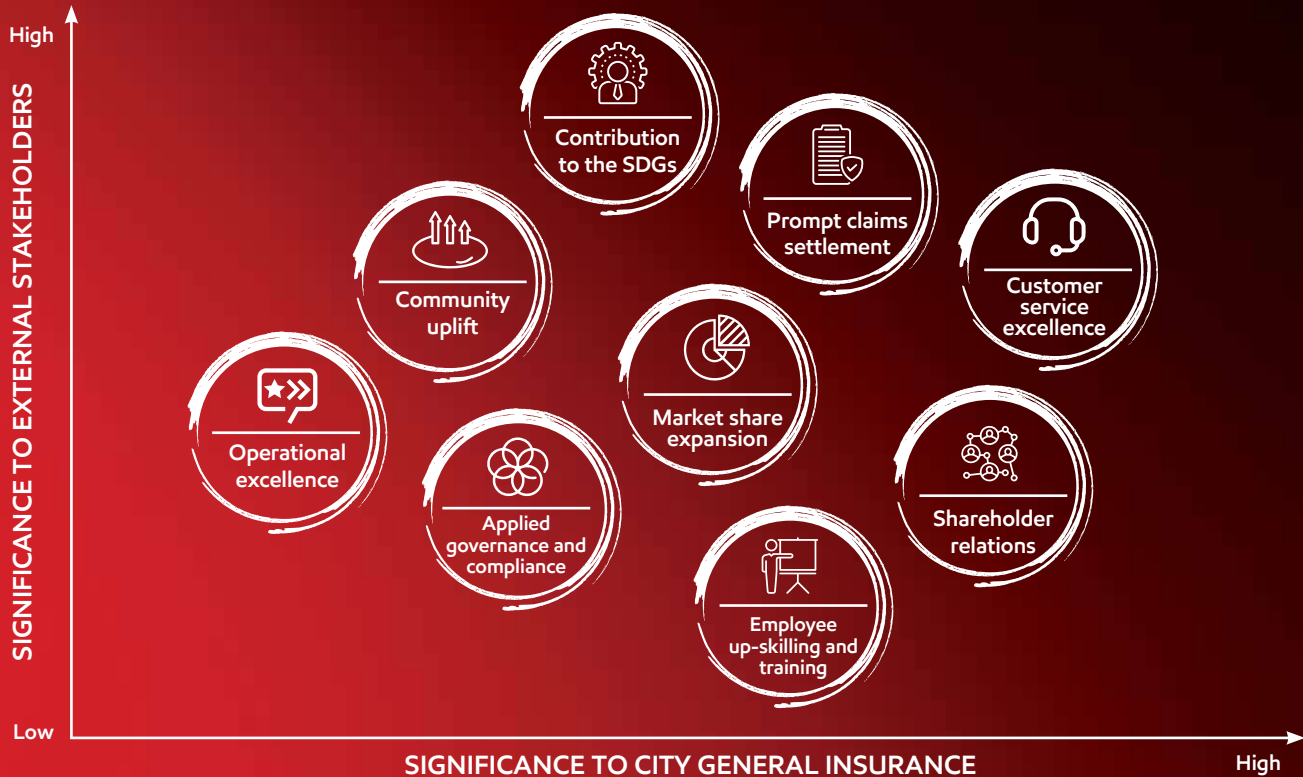
The non-financial information in this report covers the activities and progress of the company on a standalone basis covering the insurance operations of City General Insurance Company Limited. It covers information pertaining to the period from January 1, 2022 to December 31, 2022, comprising our 2022 financial year.

**Materiality determination**

The determination of material matters considers our operating context, including the legal and regulatory compliance requirements, industry trends and risk management. We have identified issues that may impact our value creation across financial, environmental and social dimensions. Our materiality matters are covered in detail elsewhere in this report under the chapter "Our materiality matters".



Our material matters



A fuller graphic on our materiality determination process has been presented in the page no. 96



Responsibility statement

The Senior Management and Audit Committee along with the Board of Directors of the company has put in concerted effort in aggregation, preparation, presentation and validation of information of this report as per the <IR> framework.



Board approval

The Senior Management and Audit Committee along with the Board of Directors of the company has put in concerted effort in aggregation, preparation, presentation and validation of information of this report as per the <IR> framework.



Forward-looking statements

This report contains information that relates to future operations and performance. While these statements reflect our future expectations, a number of risks, uncertainties such as inflation, unanticipated changes in interest rates, and other critical factors such as recessionary trends could cause actual results to differ materially from our expectations.



Feedback:

For any questions or reactions regarding this annual report, please write to info@cityinsurance.com.bd

LETTER OF TRANSMITTAL

To
All Shareholders
Insurance Development & Regulatory Authority
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange PLC

Subject: Annual Report for the year ended December 31, 2022.

Dear Sir (s),

We are pleased to present before you the Annual Report-2022 together with the Audited Financial Statements as at and for the year ended December 31, 2022 which comprises Financial Position, Profit or Loss Account, Statement of Cash Flows, Statement of Changes in Shareholders' Equity, and notes to the Financial Statements for the year ended December 31, 2022 of City General Insurance Company Limited for your kind information and record.

Information given in our Annual Report-2022 is complete, accurate and in line with Bangladesh Securities and Exchange Commission (BSEC), the Insurance Development and Regulatory Authority (IDRA)'s regulations, International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS). We hope that the report will be of use to you today and tomorrow.

Yours sincerely



(Md. Hasan Khan)
Addl. Managing Director &
Company Secretary

NOTICE OF THE 27TH AGM

Notice is hereby given that the 27th Annual General Meeting of the Shareholders of City General Insurance Company Limited will be held on **Thursday, March 30, 2023 at 2.30 p.m.** The AGM will be held Virtually by using Digital platform through the following link: <https://cityinsurance.bdvirtualagm.com> to transact the following business:

AGENDA:

1. To receive, consider and adopt the Directors Report and the Audited Financial Statements for the year ended 31 December 2022 together with the Auditors report thereon.
2. To approve Cash Dividend as recommended by the Board of Directors.
3. To appoint the Statutory Auditors for the year 2023 and to fix their remuneration.
4. To elect Directors in place of retiring Directors.
5. To appoint Corporate Governance Compliance Auditors for the year 2023 and to fix their remuneration.

By order of the Board,



(Md. Hasan Khan)

Addl. Managing Director &
Company Secretary

Date: February 15, 2023

Notes:

1. The members whose name will appear in the members Register of the company as on the Record Date i.e. **March 07, 2023 (Tuesday)** will be eligible to participate in the Annual General Meeting and qualify for Dividend.
2. Shareholders entitled to participate and vote at this virtual AGM may appoint a proxy to participate and vote. The 'Proxy Form', dully filled, signed and stamped at BDT 20/- must be sent through email to cs@cityinsurance.com.bd not later than 48 hours before commencement of the AGM.
3. Pursuant to the Bangladesh Securities and Exchange Commission's letter No. SEC/SRMIC/94-231/91 dated 31 March 2021, the AGM will be virtual meeting of the Shareholders, which will be conducted via live webcast by using digital platform.
4. Shareholders are requested to login to the system well ahead of the meeting at appointed time (2.30 p.m.) for the AGM on March 30, 2023. For any IT related guidance and help with the login process the respected members may contact at + 8801711660670.
5. The online (Real time) or e-Voting option shall be opened before 24 hours prior to start of Annual General Meeting.
6. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/ Admin/81 dated 20 June 2018 the soft copy of the Annual Report 2022 will sent within stipulated time to the email addresses of the Shareholders available in their Beneficial Owner (BO) accounts maintained with the Depository. The Soft copy of the Annual Report 2022 will be available in the website of the company at www.cityinsurance.com.bd
7. Shareholders are requested to update their Bank Account number, E-mail ID, Mobile number through their respective Depository Participants (DP).
8. The Shareholders will be able to submit their questions/comments electronically to cs@cityinsurance.com.bd 24 hours before the AGM.
9. No gift or benefit in cash or kind shall be paid/offered to the shareholders in the 27th AGM as per BSEC Circular No. SEC/CMRRCD/2009-193/154 dated 24.10.2013.

OUR APPROACH TO INTEGRATED REPORTING



About Our Integrated Report

The report is prepared in accordance with the International (IR) Framework of the International Integrated Reporting Council (IIRC) and provides our stakeholders with a concise and transparent assessment of our ability to use our financial expertise to do good and create sustainable value.



Scope and Boundary of Reporting Frameworks and Assurance

The content presented in this Report is prepared and guided by several mandatory and voluntary reporting frameworks, as presented below. This year, K.M. Alam & Co., Chartered Accountants have been engaged to provide assurance on our Financial Statements; apart from this engagement as independent auditor, the institution, Board of Directors, and Leadership Team do not have any other relationship with K. M. Alam & Co., Chartered Accountants.

	Financial Statements	Narrative Report	Sustainability Reporting	Corporate Governance
Standards and Principles	<ul style="list-style-type: none"> International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) The Insurance Act 2010, The Insurance Rules 1958 and amendments there to Relevant circulars issued on reporting format by Insurance Development & Regulatory Authority (IDRA) The Companies Act 1994 and amendments thereto The Income Tax Ordinance 1984, The Income Tax Rules 1984, The Value Added Tax & Supplementary Duty Act 2012, The Value Added Tax & Supplementary Rules 2016 and Related SRO & Finance Act 	<ul style="list-style-type: none"> Integrated Reporting Framework of the International Integrated Reporting Council (including Revisions to the Framework published in January 2022) 	<ul style="list-style-type: none"> GRI standards -In Accordance (Core) Sustainable Development Goals (SDG) Reporting 	<ul style="list-style-type: none"> Corporate Governance Code 2018 of The Bangladesh Securities and Exchange Commission (BSEC) Listing Regulation, 2015 of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange PLC Relevant circulars of Insurance Development & Regulatory Authority (IDRA), relevant Directives of Bangladesh Securities and Exchange Commission, Bangladesh Securities and Exchange Commission Rules 1987 and Bangladesh Secretarial Standards (BSS 1 & 2) issued by the Institute of Chartered Secretaries of Bangladesh (ICSB)

	Financial Statements	Narrative Report	Sustainability Reporting	Corporate Governance
Internal Assurance Mechanism	<ul style="list-style-type: none"> Internal Audit Robust framework of internal controls Reporting to Audit Committee and Board of Directors 	<ul style="list-style-type: none"> Audit Committee review Board review 	<ul style="list-style-type: none"> Assessment of nonfinancial information by the Corporate Sustainability function Environmental and Social Governance on responsible lending 	<p>Robust governance framework which embeds regulations and best practices:</p> <ul style="list-style-type: none"> Internal Code of Conduct for Board of Directors Companies different Internal Policies, SoPs and Code of Conduct for employees and other governance-related policies of the company Company's compliance with the Corporate Governance Code issued by BSEC Internal Audit Reporting to the Management, Audit Committee and Board of Directors
External Assurance Mechanism	K.M. Alam & Co., Chartered Accountants			Ahmed Khan & Co., Chartered Accountants



Our value-creation process

Value creation is the consequence of how we apply and leverage our capitals in delivering financial performance (outcomes) and optimizing value (outcomes and outputs) for all stakeholders. Our value creation process is embedded in our purpose (page 32) described as part of our business model, and integrated into the way we think and make decisions.



Materiality and material matters

We apply the principle of materiality in assessing what information should be included in our integrated report. This report therefore focuses particularly on those issues, opportunities and challenges that impact materially on City Insurance and its ability to be a sustainable business that consistently delivers value to shareholders and key stakeholders. Our material matters, as described on page no. 08 influence our strategy and inform the content of this report.

AGM'S – LET'S GET DIGITAL BY ENSURING SHAREHOLDERS RIGHT

In the wake of the COVID pandemic, travel restrictions, geographical constraints, and physical distancing rules have made these challenges even more acute. In addition, the need to remain compliant is still very much a requirement for companies. Technology has come to the rescue and there has been a marked shift to digital across the board. City General Insurance Company Limited holds its Annual General Meeting (AGM) through a virtual platform. A Virtual AGM platform enables companies to hold an AGM just like a physical meeting but with the added advantage that shareholders can easily participate remotely, from any location. This is particularly relevant for companies like City General Insurance Company Limited with large numbers and widespread shareholders. Such Virtual AGM platforms include full proxy and electronic voting features, enabling companies to conduct their AGM in strict compliance with regulatory requirements. Any questions that shareholders wish to raise to the Board can be posted via the virtual platform, both prior to and during the AGM itself, and displayed on screen during the broadcast. All resolutions are put to the vote via e-polling with shareholders casting their individual ballots in real-time over the virtual platform, all in compliance with regulatory requirements. The votes are received electronically and the results are computed for verification by the share position based on record date and Independent Scrutinizer. Voting results are then updated live on-screen. City General Insurance Company Limited shift to digital meeting increases shareholders' engagement.

AGM INFORMATION

AGM INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2022 TO OUR SHAREHOLDERS

Virtual AGM FOR THE YEAR ENDED 31 DECEMBER 2022 Through Digital Platform

Date: 30 March 2023, Thursday

Time : 2:30 P.M.

Record Date : 07 March 2023

Link: <https://cityinsurance.bdvirtualagm.com>

HELPLINE

Investor Relation Dept.

Mobile: + 01711 660670

Email: share@cityinsurance.com.bd

QR Code





Snapshot of 26th Annual General Meeting for the year ended 31 December 2021 held on 25 April 2022.

At 26th AGM following Directors and others were present

FIRST ROW FROM LEFT

- **Md. Hasan Khan**
Addl. Managing Director & CS
- **Md. Mizanur Rahman**
DMD & CFO
(Resigned on 26/04/2022)
- **Hossain Akhtar**
Chairman
- **Mohd. Abu Taher**
Vice Chairman
- **Tauhiduddin Md. Zahed**
Independent Director and
Chairman, NRC

SECOND ROW FROM LEFT

- **Hossain Mehmood**
Vice Chairman
- **Muhammad Nazrul Islam**
Director & Member
Audit Committee
- **Mahabubul Haque**
Independent Director and
Chairman Audit Committee
- **Mrs. Bibi Amena**
Director
- **Mohammad Saif Noman Khan**
Independent Director

THIRD ROW FROM LEFT

- **Md. Shamim Hossain**
MD & CEO
- **Md. Belayat Hossain, FCA**
Partner, K. M. Alam & Co.
Chartered Accountants
- **Faizah Mehmood**
Director
- **Haji Md. Yousuf**
Director

AGM INFORMATION

AGM INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2022 TO OUR SHAREHOLDERS

Virtual AGM FOR THE YEAR ENDED 31 DECEMBER 2022

Through Digital Platform

Date: 30 March 2023, Thursday

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Record Date : 07 March 2023

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QR Code



HELPLINE

Investor Relation Dept.

Mobile: + 01711 660670

Email: share@cityinsurance.com.bd



OUR MISSION

is to provide unequal service, protect our insured interest and contribute for economic stabilization of the Country.

To maintain stakeholders interest with fair and transparent operations.



OUR VISION

is to serve our insured (policy holders) with utmost care and provide the best solution for their needs.

We will be a company with due solemnity and corporate social responsibility to the society upheld by taking property risks.



OUR CORE VALUES



Honesty and Integrity

We committed to a completely honest relationship with our insured & clients which behave with the utmost good faith to protect company's wealth.



Quality of Insurance

Our aim to insured in qualitative manner



MUTUAL RESPECT

Always, we treat our insured clients and individuals with different backgrounds with dignity and respect.



WORTHY OF TRUST

We are static at our promise and committed for doing business at right way.



TEAM WORK

We work together minimize the risk and ensure the clients for providing the best possible services and risk coverage.



STRATEGIC OBJECTIVES



ECONOMIC FOCUS

Our objective is to assist of economic developed by encouraging the growth of productive effort. We eliminate worries and miseries of losses of damage and destruction of wealth.



FOCUS TO THE SHAREHOLDERS

Our strategy and objective are to continue to achieve financial strength and growth generates income for the shareholders, continue profitability by providing focus on client service.



SERVICE FOCUS

Strengthen trust and partnerships with customers by focusing on the quality customer service, professionalism, teamwork and integrity.



CLIENT FOCUS

Develop Client oriented service culture with special emphasis on customer client care and convenience.

Develop innovative area of insurance and service that attract our targeted clients and market segments.

Inadequacy of capital of the society is minimized to a greater extent with the help of the coverage of insurance.



FOCUS TO THE SUSTAINABLE DEVELOPMENT GOAL (SDG)

Our focus on ensuring our environment and social responsibilities extend to our clients through our policy, strengthened by Govt. Regulations and international frameworks that help communicate our rationale and ways to implement sustainable practices with many of our clients.

OVER ALL STRATEGIC OBJECTIVES



Establish a long term relationship with our clients and Business Partners built on our prudent underwriting and personalized professional service with trust.



Respond quickly to new opportunities.



Eliminate the discretionary between the local and foreign trade insurance.



Maximize insurance coverage at a minimum cost but must be within legal boundary.



Assess and managing our business risk carefully.



Ensuring all industries, factories, buildings and professions under the umbrella of insurance.



Maintain strong relationship with a wide variety of partners like Re-insurance, insurance brokerage, Insurance Agent, regulatory bodies, Govt. Agency and so on.



Risk minimizing with assuring the financial coverage.



Drive for continuous improvement and developing our performance excellence at all levels.



ETHICS, COMPLIANCE AND TRANSPARENCY

City General Insurance Company Limited has a Code of Conduct and ethical guidelines for the Board of Directors and the employees of the company. The Code of Conduct is an integral part of the company's service rules. It forms a common and consistent framework across the organization for achieving company's mission and goals by protecting the interest of insureds, owners, stakeholders of all types. The aim of the Code of Conduct is to ensure fidelity. The Board guides the management on policies that should be adopted and followed by everyone in the company.



Integrity

We understand the importance of uncompromising ethics in ensuring for our clients and others. We demonstrate a consistent behavior without being unfair. We practice integrity in the company for the well being of our corporate culture.



Client Satisfaction

Client satisfaction is one of the most important areas of our concern. We provide a transparent and detailed understanding of products and services that demonstrate the idea from the perspective of the client. Client satisfaction is thoroughly related to their understanding and expectation of our performance.



Trust & Respect

We maintain relation with everyone surrounding to us based on mutual trust and respect.



Equal opportunity

We applaud equal opportunity for our employees, insureds, clients and other connected parties.



Transparency

We try our best to remain transparent in our activities by providing and disclosing information in a fair, clear and decent behavior.



Teamwork

We all work toward a common goal. Individual success is defined by team success. We believe that team spirit can bring coordination and increase productivity within the company.



Diversity

We encourage diversity in our company to ensure more sharing of multi-dimensional knowledge and innovation.



Ongoing relations

We are eagerly interested to maintain the relation with our insured, clients and allied concern on a continuous basis.



Professional excellence

We are oriented toward success and focused on performance. We always try to reach new heights and take pride in providing reliable and professional service.



Code of Ethics and Conduct at City General Insurance Company Limited

The Code of Conduct provides guidance to employees, how to ensure their action and behavior are compatible with the values of the company. Some Code of Conduct that covers same areas are mentioned below:

- Compliance with Laws, Rules, Regulations, orders, notifications, Circulars etc. issued by Regulatory authorities.
- Maintaining accuracy and adequacy in records, files, documents and reporting.
- Serving insured and stakeholders with the best way.
- Exercising requisite diligence in respect of Anti Money Laundering.
- Working in a professional manner and with due care.
- Avoidance of conflicts of interest.
- Prohibition of any fraud, theft, illegal work including insider trading.
- Maintaining confidentiality of company's and clients information
- Protect company's property
- Transparency and accuracy in presentation

CITY GENERAL INSURANCE AT A GLANCE

City General Insurance is one of the leading and established private sector general insurance companies in Bangladesh. We offer our customers a comprehensive and well-diversified range of products and risk management solutions through multiple distribution channels, with a constant focus on customer service and value enhancement.

Insurance is a long-term business where trust plays a critical role. We have established that trust over the years by remaining committed to providing value through our large suite of products that serve the various needs and expectations of our customers and by delivering service excellence through transparent and timely claims settlement. Over the years as we scaled up, technology was an enabler that facilitated us to understand a customer's requirements better, ensure prudent underwriting standards and deliver faster and better service. Since then, City General Insurance has utilised technology, innovative products and superior customer service to generate trust, relevance, respect and reputation among its large stakeholder group.

COMMITTED TO MAKING A DIFFERENCE

City General Insurance is committed to being a responsible business. We recognise our role in society and are committed to conducting our business in a manner that both creates business opportunity and uplifts the socio-economic conditions of the areas in which we operate. Our approach is to balance the imperative for positive impact with the need for sustainable solutions.

During 2022, we paid particular attention to ensuring broader access to insurance solutions, skills development, enhanced levels of consumer education and local employment generation, while remaining committed to fulfilling our exchequer obligations. Due to the COVID-19 pandemic and resultant government imposed lockdowns, we stood in support of our customers, while safeguarding the jobs of our employees. We also played our role in several community relief and rehabilitation efforts that showed our care and empathy to those most affected by the virus.

Since inception, the Company has steadfastly invested in new product development as an integral part of fulfilling the needs of customers. This approach has culminated in a wide range of best-fit products across the protection segments.

In addition, through our retail insurance activities, we have contributed to closing the protection gap in Bangladesh.

A robust distribution network is central to enhancing penetration and insurance inclusion in the country, in which insurance penetration is under 1%. Our distribution strategy is anchored on a framework to provide long-term sustainable growth by being present on a wide range of platforms and touch-points preferred by our customers, thus making insurance easily accessible. In order to achieve this goal, the company has, over the years, forged tie-ups with corporate agents, brokers, etc. This approach has helped increase the company's reach. Since inception, the company's operational presence has expanded from a handful of branches to 45 branches across the length and breadth of the country in 2022.

Our people are our key strength and we have over 395 people working with us. Over the past two decades, our people strategy has evolved, aligned with our strategic priorities, even as we have focused on retaining our talent, which has become of paramount importance in a competitive landscape. We have continuously nurtured talent and have built a culture of excellence and empowerment through our learning and development programs, while preserving our intellectual capital and remaining committed to our growth path.

PROFILE OF THE COMPANY

City General Insurance Company Limited is a second-generation Non-life Insurance Company in Bangladesh, established in 1996 under the purview of Companies Act-1994 and listed with Dhaka and Chittagong Stock Exchanges Limited In 2007. The Company is one of the leading Non-life Insurance companies in the country with specialized and significant expertise in Non-life insurance business. City General Insurance Company Limited always works hard for its clients to deliver new products and services while maintaining a commitment to safety, security and sustainability.



Board and its Sub-Committees:

The Company has a competent Board of Directors including Shareholder Directors and independent Directors. Almost all of them are elite business personalities of Bangladesh. Board of Directors of the company always support and encourage the Management to comply with the rules and regulations of the land and Directives, notifications, Circulars of regulatory Authorities.

Mr. Hossain Akhter, Chairperson is a veteran business personality. The Board has delegated authority towards 2 (Two) sub-committees namely Audit Committee (AC) and Nomination & Remuneration Committee (NRC). The AC and NRC are headed by Independent Directors. The Board has delegated sufficient power to the management of the company for accomplishment of the day to day work.



Chief Executive Officer (CEO)

Mr. Md. Shamim Hossain, the Chief Executive Officer (CEO) of City General Insurance Company Limited is a 21 years experienced and an outstanding insurance professional who is leading the company to make it as one of the most trustworthy insurer in Bangladesh. He has made quite mark in the insurance industry being active role in insurance activities. He has excellent managerial charisma which is commanding to place the Company to the unique height in the insurance industry in Bangladesh.



Head of Department:

City General Insurance Company Limited has appointed experienced and qualified professional personnel as Head

of the Department. Some of the department head awarded insurance professional degree.



Certification & Credit Ratings:

City General Insurance Company Limited has been rated AA+ (Double A Plus) by Credit Rating Information and Services Limited (CRISL) indicating very high claims paying ability for year ended 31st December 2022.



Products:

City General Insurance Company Limited is authorized to transact all classes of non-life insurance business. The Company offers all conventional non-life insurance products along with innovative products in the field of Fire insurance, Marine insurance, Marine hull (Inland & Ocean going), Motor insurance, Bank Lockers insurance, Money insurance, Bankers Blanket Bond insurance, Contractors all risks insurance (CAR), Erection all Risks insurance (EAR), Power Plant Operational Package Policy, Fidelity Guarantee insurance, Machinery breakdown Policy (MBD), Deterioration of Stock Policy (DOS), Boiler & Pressure Vessel Policy, Contractor's Plant & Machinery (CPM), Electronic Equipment insurance Policy (EEI), Burglary & House Breaking Policy, Business Interruption insurance, Goods in Transit insurance (GIT), Hotel Owners All Risk Policy, Overseas Mediclaim Policy, Personal Accident Policy, The Peoples Personal Accident Policy, Product Liability Policy, Plate Glass Insurance, Workmen's Compensation Policy, Health insurance, Hajj & Umrah insurance, Bangabandhu Surokha Bima, Miscellaneous insurance, Property All Risk (PAR) insurance etc.



Business Networks:

City General Insurance Company Limited diversified its business with number of products together with an expanding and well-organized network of 45 (Forty five) branches with a presence in divisional District area of the country. Furthermore, the company has implemented automation and online business support to its clients. With a view to ensuring prompt services, all its businesses are operated through automated system and for coping with changing market demand. The company also implemented Online Approval System thus saving time and minimize of paper cost. City General Insurance Company Limited is in the trendy pathway of innovation practicing the modernize way for it.



Reinsurance Arrangements and Strategy:

City General Insurance Company Limited effectively deals with reinsurance matters for making protection of every insured. The Company has its re-insurance support with overseas re-insurer. There is an opinion that Fifty percent re-insurable non-life insurance business of the company is placed to Sadharan Bima Corporation (SBC) and the remaining fifty percent is placed with the overseas re-insurer. City General Insurance Company Limited overseas re-insurer arrangement with lead re-insurer in foreign Countries.



Settlement of Claims:

City General Insurance Company Limited continue proper re-insurance protection for all re-insurable policies. So claim settlement cannot come as a big issue to the company. The Company with its experienced claims settlement personnel handle all the claim with due care and advice the claimants

with professional support to settle the claims within the shortest possible time. Claims are settled within the applicable rules and regulations.



Growth:

The Company Established in 1996 with Tk.60.00 million Paid-up capital and now its Paid-up Capital worth Tk. 681.66 million.



CSR Activates:

City General Insurance Company Limited operates a diverse range of CSR activities on different social issues, various risks and safety-security matters through trainings, seminars, workshops, rallies, publications and also conducts free consultation services on insurance. The Company continues to extend its hands towards the underprivileged people and meritorious students providing them with financial supports. City General Insurance Company Limited started tree plantation to protect the environment since long. The Company distributes indoor plants to the respected clients to encourage them towards enhancing a sustainable environment by beautifying the surroundings.



Conclusion:

City General Insurance Company Limited believes in transparency, ethics and accordingly doesn't move towards any unhealthy practice including credit business and premium under-cut prevailing in the industry. The company is fully aware of its responsibilities and its future goal in which bring insurance services and benefits to the door of the common people of Bangladesh and as such the company is operating its business by the Branches situated at thana level even.



CORPORATE OVERVIEW

CORPORATE INFORMATION

Corporate Headquarter

Baitul Hossain Building (4th floor), 27, Dilkusha C/A, Dhaka-1000.
 Phone: + 0222 3387296, 0222 3387281, 0222 3387278, 0222 3387247
 Hotline: 01711695906
 Fax: + 88 02 223357509
 Cable: CITYINSUR
 www.cityinsurance.com.bd, e-mail: info@cityinsurance.com.bd

<p>Date of Incorporation</p> <p>▼</p> <p>18th March, 1996</p>	<p>Authorized Capital</p> <p>▼</p> <p>Tk. 2,000.00 Million</p>	<p>Statutory Auditor</p> <p>▼</p> <p>K.M. Alam & Co. Chartered Accountants Head Office: 46, Mohakhali, C/A, (12th floor), Dhaka-1212. Tel: 022 222 85697 Mobile: 01711-080981</p>	<p>Compliance professional</p> <p>▼</p> <p>Ahmed Khan & Co. Chartered Accountants Modhumita Building (1st Floor) 160, Motijheel C/A, Djaka-1000 Tel: 022 233 84896 Mobile: 01971-520820</p>
<p>Paid-up Capital</p> <p>▼</p> <p>Tk. 681.66 Million</p>	<p>Type of Organization</p> <p>▼</p> <p>Non-life Insurance company</p>	<p>Provident Fund Auditor</p> <p>▼</p> <p>Mizan Islam & Co. Chartered Accountants House No. 10, Road No. 06, Sector No. 12 Uttara Model Town, Dhaka-1230 Tel: 02 550 87246 Mobile: 01819 220388</p>	<p>Gratuity Fund Auditor</p> <p>▼</p> <p>Mizan Islam & Co. Chartered Accountants House No. 10, Road No. 06, Sector No. 12 Uttara Model Town, Dhaka-1230 Tel: 02 550 87246 Mobile: 01819 220388</p>
<p>Nature of Business</p> <p>▼</p> <p>Fire, Marine, Motor, Miscellaneous insurance, etc.</p>	<p>Number of Directors</p> <p>▼</p> <p>15 (Fifteen)</p>	<p>Legal Advisors</p> <p>▼</p> <p>Sheikh & Chowdhury Barristers & Advocates Banglar Bani Bhaban (2nd Floor) 81, Motijheel C/A, Dhaka-1000.</p> <p>Barrister Anwar Ahmed Chowdhury Lords & Law Associates 24/1-1, Khiljee Road, Shyamoli, Dhaka-1207.</p> <p>Istiuk Jewel LL.B, M.A. (Philosophy) Advocate Supreme Court of Bangladesh Room No. 510, Ibrahim Mansion (4th Floor) 11, Purana Paltan, Dhaka-1000.</p>	<p>Independent Scrutinizer</p> <p>▼</p> <p>Md. Selim Reza FCA, FCS, LLB, M.COM, CBA, AIPM Partner ARTISAN Chattered Accountants Sonargaon Terrace (2nd Floor) House# 52, Road # 13/C, Block # E, Banani, Dhaka-1213 Mobile: 01707 797851, 01922 797 851</p>
<p>Number of Shareholder</p> <p>▼</p> <p>7,719 (As on 31 December 2022)</p>	<p>Number of Branches</p> <p>▼</p> <p>45 (Forty five)</p>		<p>Tax Advisor</p> <p>▼</p> <p>Mr. Mahbubur Rahman Azad Ex. NBR Member & Tribunal President Rupayan Tower (15th Floor), Kakrail, Dhaka.</p>
<p>Number of employees</p> <p>▼</p> <p>395 (As on 31 December 2022)</p>	<p>Business Motto</p> <p>▼</p> <p>Economic development through risk minimization and effective client services.</p>		

KEY OPERATING & FINANCIAL HIGHLIGHTS 2018-2022

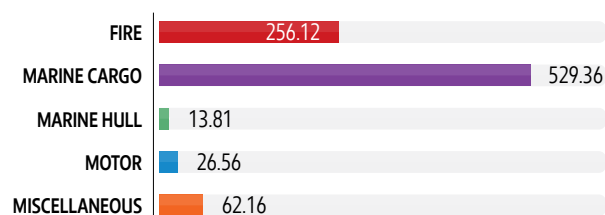
BDT in mn except ratios & per share item

Particulars	Terms	2022	2021	2020	2019	2018
Financial position						
Total assets	Taka	1,939.89	1,684.81	1,606.27	1,338.48	1,314.22
Investments (Share & GTB)	Taka	529.64	407.37	270.05	194.23	172.84
Current assets	Taka	1,354.23	1,222.68	1,294.24	1,104.16	1,100.84
Net current assets	Taka	680.09	732.67	838.43	834.50	846.76
Fixed deposit with banks & NBFIs	Taka	831.15	640.40	582.18	528.02	561.58
Cash & cash equivalents	Taka	856.21	652.92	612.03	571.66	598.10
Net assets	Taka	1,265.76	1,194.81	1,150.46	1,068.82	1,060.13
Current liabilities	Taka	674.14	490.01	455.81	269.66	254.09
Total reserve	Taka	493.35	422.40	378.05	296.41	287.72
Operational results						
Gross premium	Taka	888.01	730.62	438.24	446.72	436.25
Net premium	Taka	567.91	483.41	328.37	312.37	295.63
Net claims	Taka	53.01	115.77	49.27	65.56	68.73
Underwriting profit	Taka	145.46	95.58	84.52	73.84	80.94
Profit before interest, depreciation & tax	Taka	220.22	171.02	168.09	113.08	120.03
Profit before tax	Taka	212.61	162.61	162.06	107.24	112.15
Net profit after tax	Taka	153.58	114.72	120.75	68.55	85.63
Income from investments	Taka	80.05	111.11	88.54	46.13	43.17
Investments & other income	Taka	81.38	116.34	89.61	47.19	43.32
Cash flow from operating activities	Taka	381.13	187.30	114.88	44.68	33.38
Net operating cash flow per share	Taka	5.59	2.75	1.69	0.66	0.49
Financial ratio						
Dividend in stock	%	-	-	-	-	-
Dividend per share (cash)	Taka	1.05	1.00	1.00	0.50	0.50
Earnings per share	Taka	2.25	1.68	1.77	1.01	1.26
Cash ratio	Times	1.27	1.33	1.34	2.12	2.35
Quick ratio	Times	2.01	2.49	2.83	4.09	4.33
Debt equity ratio	Ratio	N/A	N/A	N/A	N/A	2.27
Leverage ratio	Times	N/A	N/A	N/A	N/A	52.35
Debt service coverage ratio	Times	N/A	N/A	N/A	N/A	39.09
Return on investment	Ratio	5.88	10.60	10.39	6.39	5.88
Return on equity / fund	Ratio	12.13	9.60	10.50	6.41	8.08
Return on capital employed	Ratio	16.80	13.61	14.09	10.03	10.58
Return on average assets	Ratio	8.47	6.97	8.20	5.17	6.70
Claim ratio	Ratio	9.33	23.95	15.01	20.99	23.25
Claims settlement ratio	Ratio	70.44	95.16	100.00	100.00	97.74
Combined ratio	Ratio	70.51	70.05	75.77	77.49	79.43
Price earnings ratio	Times	11.51	25.54	15.25	22.28	10.63
Solvency ratio	Times	5.50	5.08	5.80	7.21	8.00
Current ratio	Times	2.01	2.50	2.84	4.09	4.33
Underwriting profit ratio	Ratio	25.61	19.77	25.74	23.64	27.38
Dividend payout ratio	Ratio	46.67	59.52	56.50	49.50	39.68
Dividend yield	Times	0.04	0.02	0.04	0.02	0.04
Equity statistics						
Paid-up capital	Taka	681.66	681.66	681.66	681.66	681.66
Shareholders' equity / fund	Taka	1,265.76	1,194.81	1,150.46	1,068.82	1,060.13
Market value per share	Taka	25.90	42.90	27.00	22.50	13.40
Net assets value per share	Taka	18.57	17.53	16.88	15.68	15.55

BUSINESS PROGRESS AT A GLANCE (HORIZONTAL)

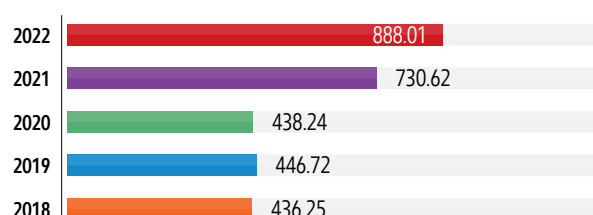
Gross Premium Income 2022		BDT in mn
FIRE		256.12
MARINE CARGO		529.36
MARINE HULL		13.81
MOTOR		26.56
MISCELLANEOUS		62.16

Gross Premium Income 2022 BDT in mn



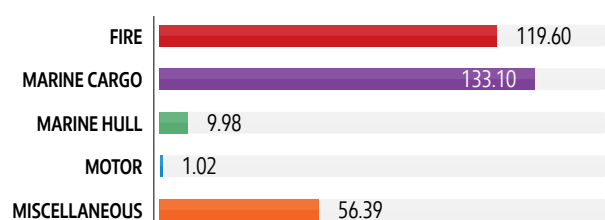
Gross Premium Income		BDT in mn
2022		888.01
2021		730.62
2020		438.24
2019		446.72
2018		436.25

Gross Premium Income BDT in mn



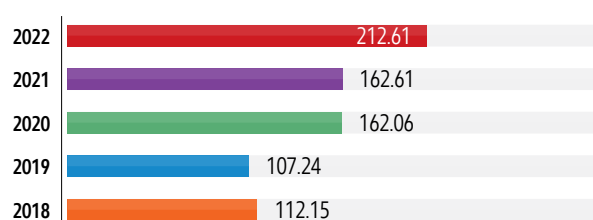
Re-Insurance Premium Ceded 2022		BDT in mn
FIRE		119.60
MARINE CARGO		133.10
MARINE HULL		9.98
MOTOR		1.02
MISCELLANEOUS		56.39

Re-Insurance Premium Ceded 2022 BDT in mn



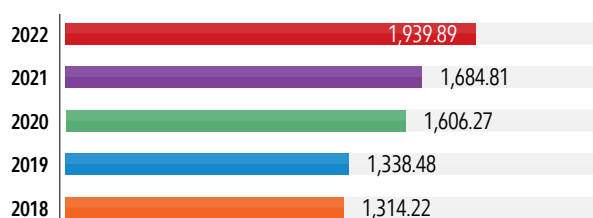
Profit before Tax		BDT in mn
2022		212.61
2021		162.61
2020		162.06
2019		107.24
2018		112.15

Profit before Tax BDT in mn



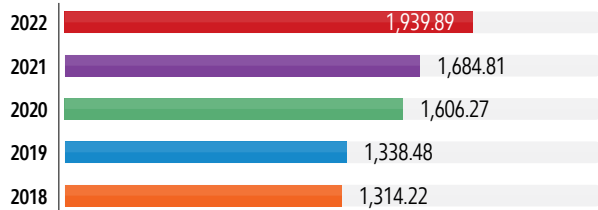
Total Assets		BDT in mn
2022		1,939.89
2021		1,684.81
2020		1,606.27
2019		1,338.48
2018		1,314.22

Total Assets BDT in mn

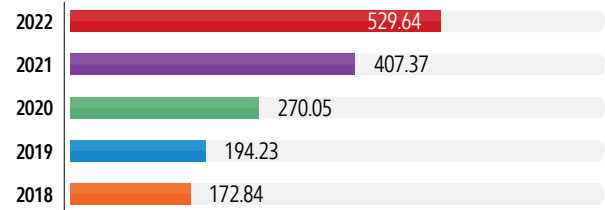




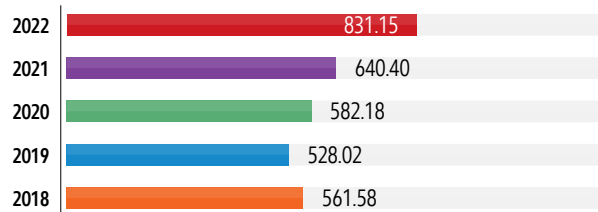
Total Assets BDT in mn



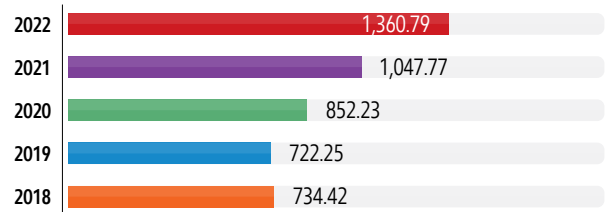
Investments (Share & GTB) BDT in mn



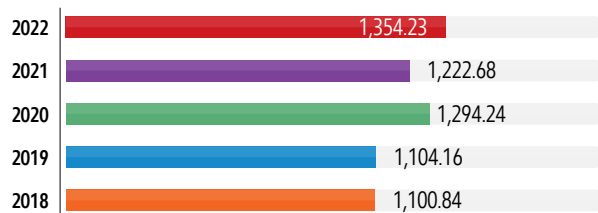
FDR BDT in mn



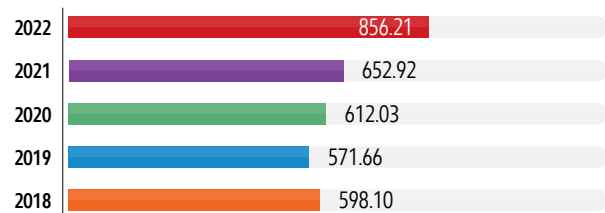
Total Investments BDT in mn



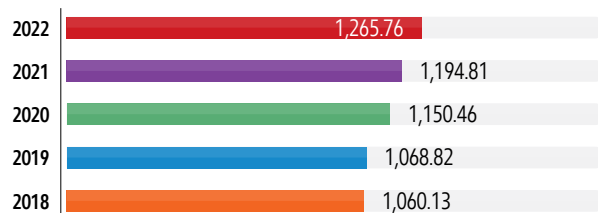
Current Assets BDT in mn



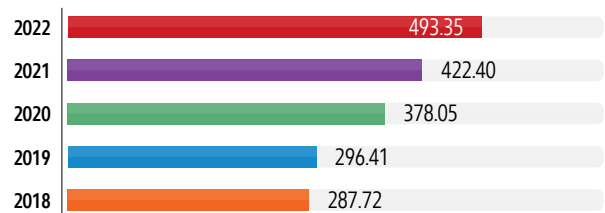
Cash & Cash Equivalents BDT in mn



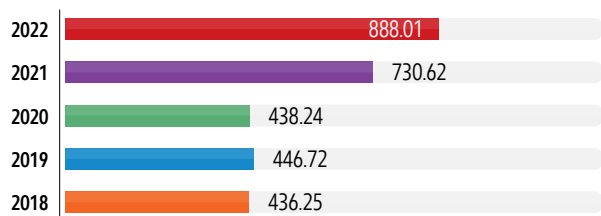
Net Assets BDT in mn



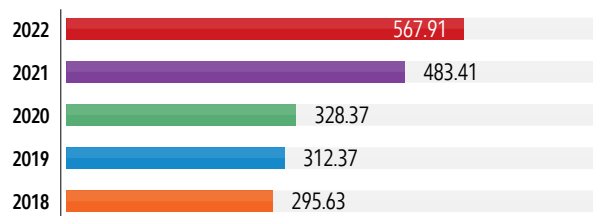
Total Reserve BDT in mn



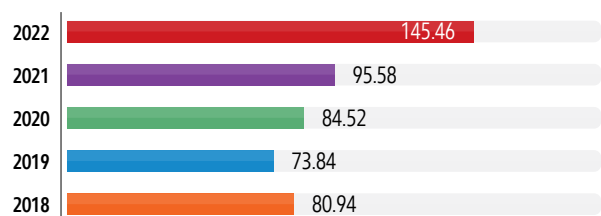
Gross Premium BDT in mn



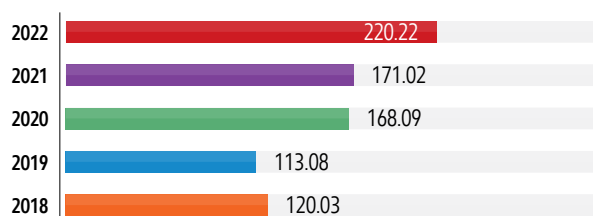
Net Premium BDT in mn



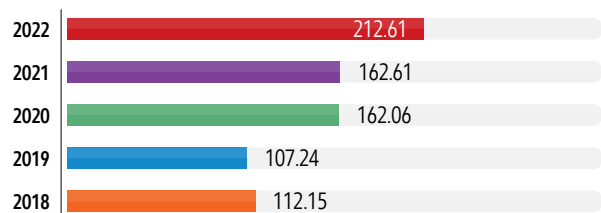
Underwriting Profit BDT in mn



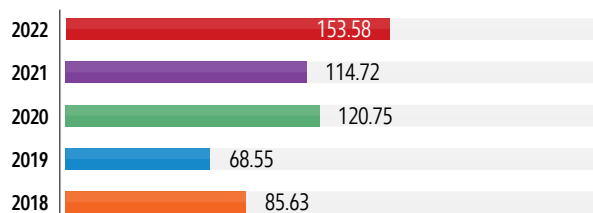
Profit before interest, depreciation & tax BDT in mn



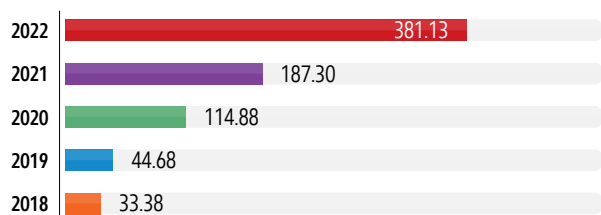
Profit before tax BDT in mn



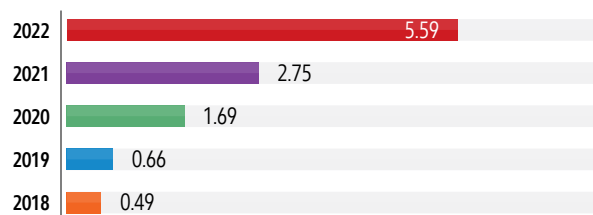
Net profit after tax BDT in mn



Cash flow from operating activities BDT in mn



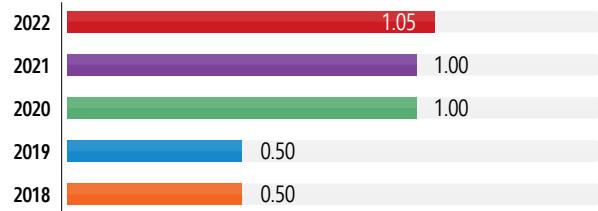
Net Operating cash flow per share BDT in Tk





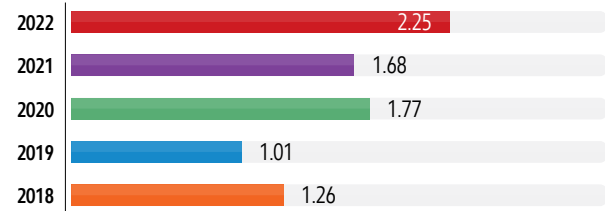
Dividend per share (cash)

BDT in Tk



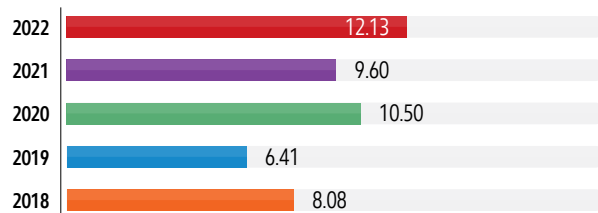
Earnings per share

BDT in Tk



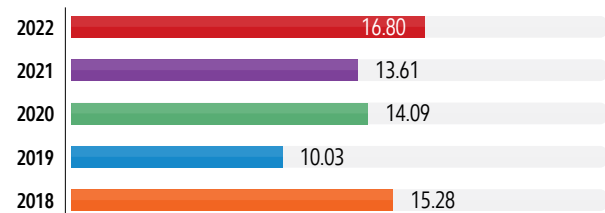
Return on Equity / Fund

In %



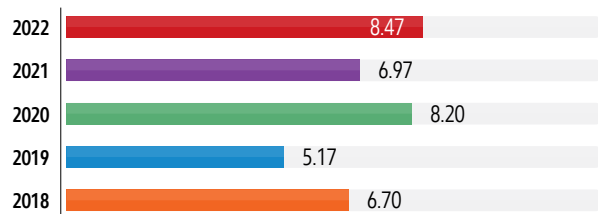
Return on Capital Employed

in %



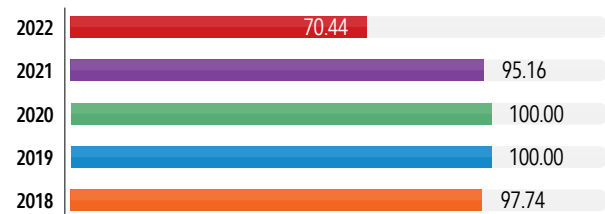
Return on Average Assets

in %



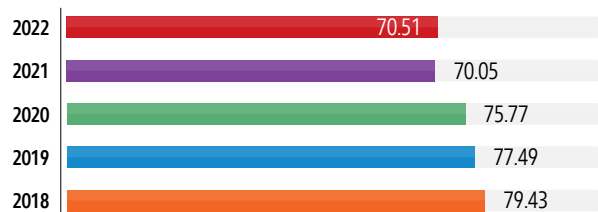
Claims settlement ratio

in %



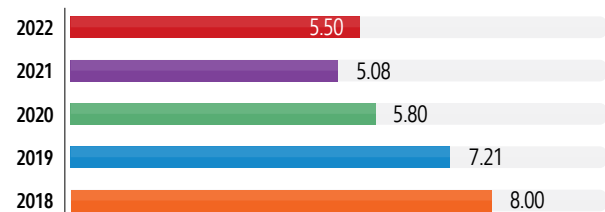
Combined ratio

in %

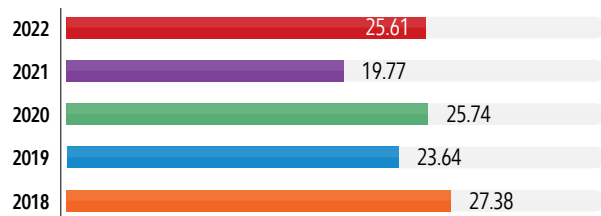


Solvency ratio

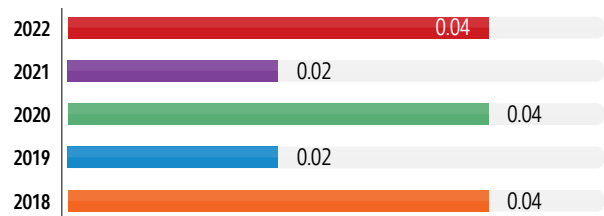
in %



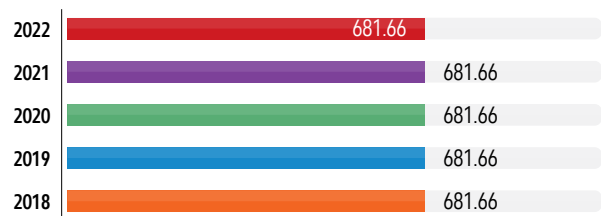
Underwriting profit ratio in %



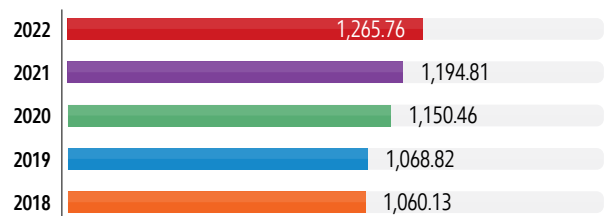
Dividend yield in %



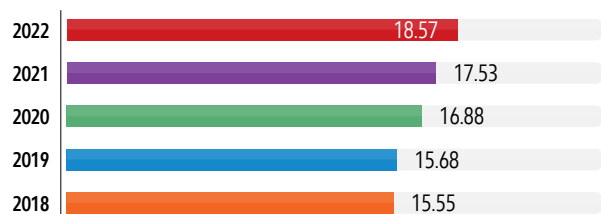
Paid-up capital BDT in mn



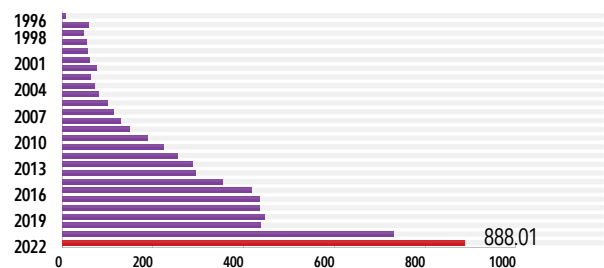
Shareholder's Equity / Fund BDT in mn



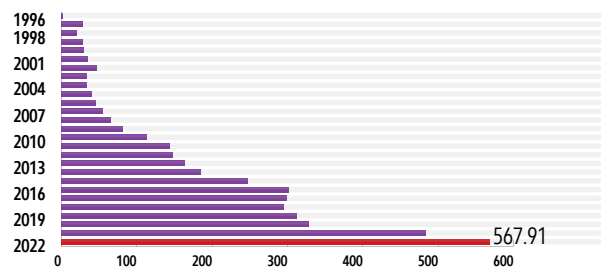
Net assets value per share BDT in Tk



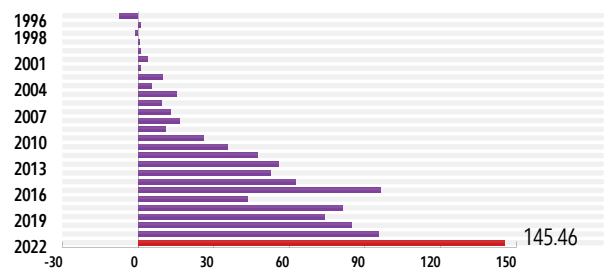
Gross Premium BDT in mn



Net Premium BDT in mn

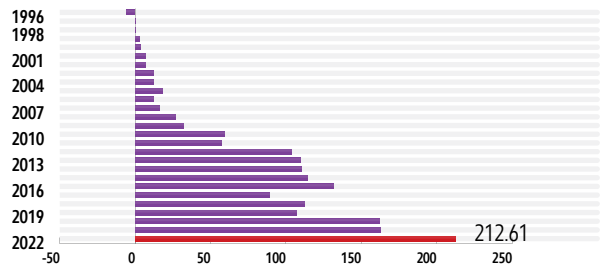


Underwriting Profit BDT in mn

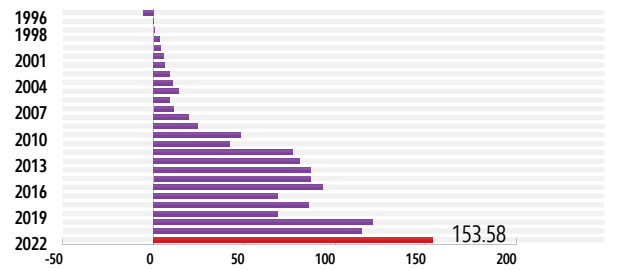




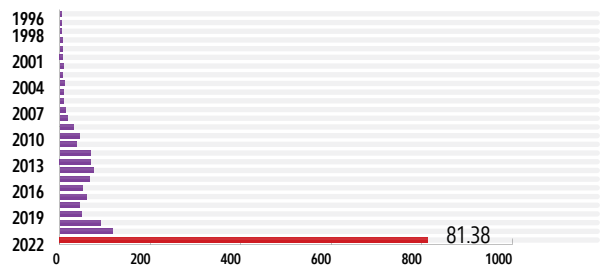
Profit before tax BDT in mn



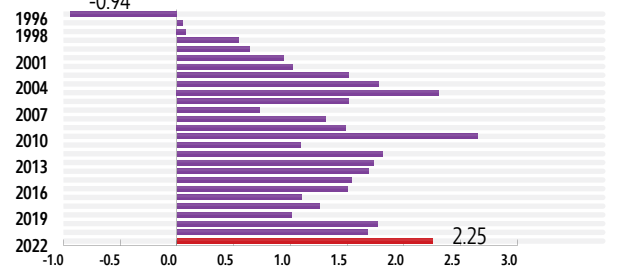
Net profit after tax BDT in mn



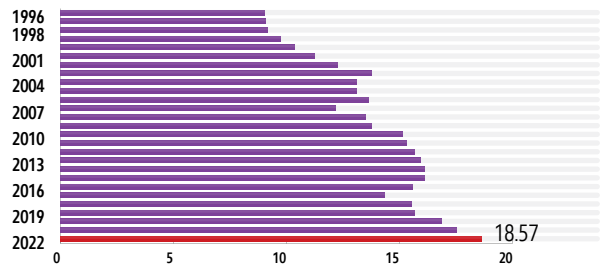
Investments & other income BDT in mn



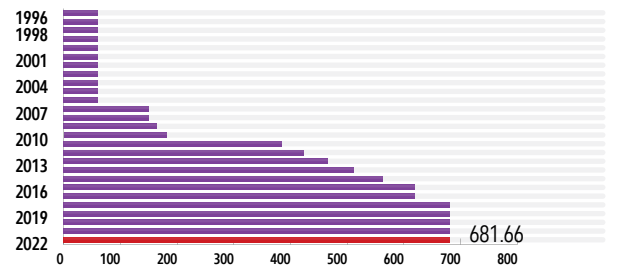
Earnings per share BDT in Tk



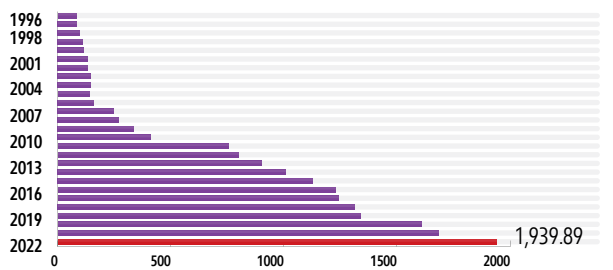
Net assets value per share BDT in Tk



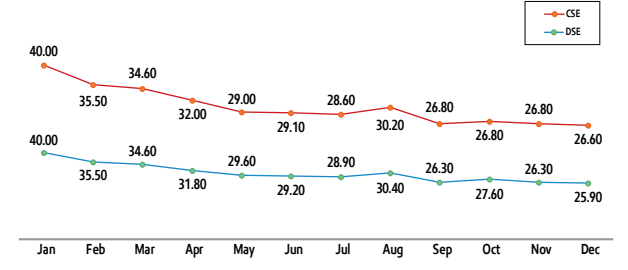
Paid up capital BDT in mn



Total assets BDT in mn



Stock Performance 2022



OUR BUSINESS MODEL

At City General Insurance, we harness our inputs into transforming them into value-added outputs and outcomes for our customers. We also strive to minimise our trade-offs. During the year under report, we converted every 5.782 Tk. as turnover into 15,35,81,452 Tk. in net profit, thus representing our focus on augmenting our business model for enhanced value accretion.



THE RESOURCES WE RLY ON



AND UTILISE IN OUR VALUE CREATION PROCESS




Financial Capital
The Financial Capital represents the amount of capital employed in the business to support operations and business strategy to generate shareholder value.

- Total capital employed Tk. 68.17 crores



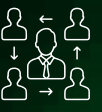
Manufactured Capital
Manufactured Capital represents the physical assets in which we invest in to serve our customers.

- Branches 45



Intellectual Capital
Intellectual Capital represents our technical excellence and digital readiness which enables us to gain competitive advantage. The underwriting expertise of our people represents our technical excellence.

- Capex for IT Tk. 36.25 lacs




Human Capital
Human Capital represents our employees who enable us to operate the business smoothly, serve customers and achieve business objectives.

- Workforce strength 395
- Workforce diversity Female 14.18% - Male 85.28%




Social & Relationship Capital
Social and Relationship Capital represents the quality of relationship with our customers, business partners, the community and other stakeholders.

- Fulfilling long-term savings and protection needs of our customers




Natural Capital
Natural Capital represents the renewable and non-renewable natural resources we use to operate our business and are investing in to make our operations sustainable.

- Energy-efficient office measures
- Wastage reduction initiatives
- Virtual meetings



Product development
Data analysis, market information, customer knowledge and feedback is leveraged to design appropriate cost-effective products based on the changing preferences and needs of customers.



Policy underwriting and reinsurance
Our highly skilled underwriting team assesses policyholder risk against pre-determined criteria and risk appropriate premiums are determined based on this. Excess risks to the company are reinsured and any risks which cannot be priced are not considered.



TO CREATE VALUE FOR OUR STAKEHOLDERS



Product branding, marketing and distribution

Our extensive omni-channel distribution network helps us distribute products effectively. To ensure wide coverage among our prospective customers, we regularly design awareness campaigns around our products and services.



Customer services and claims management

Our customer service architecture is built on being fair, transparent, responsive and empathetic. We have a robust customer service and claims management process supported by a team sensitive to the needs of customers and digital technologies to ensure a hassle-free experience and quicker turnaround time.



FACILITATED BY:

- Brand goodwill
- Superior customer relationship management
- Human resource management
- Best-in-class customer support and grievance resolution services
- Technology infrastructure
- Industry knowledge



WHILE MANAGING RISKS:

- Credit risk
- Liquidity risk
- Market risk
- Morbidity risk
- Persistency risk
- Expense risk
- Operational risk
- Reputation risk
- Sustainability risk



Financial Capital

Resilient financial position
Profitable growth



Manufactured Capital

Wide and multi-channel distribution
Customer service
Brand visibility



Intellectual Capital

Industry leading tech
Superior risk-adjusted returns for customers
Continued product innovation



Human Capital

High quality, committed workforce
Depth, breadth and stability of leadership team
Strong employer brand



Social & Relationship Capital

Insurance inclusion
Long-lasting relationship of trust with communities, customers and stakeholders



Natural Capital

Waste reduction through digitalisation
Carbon footprint saved from energy, water conservation and reduced travel



SUSTAINABLE DEVELOPMENT GOALS

WORLD ECONOMY

A condensed view of the global situation

Following the worldwide economic shock and depression caused by COVID-19 during the previous two years, 2021 gave optimism for growth thanks in large part to the development and broad deployment of effective vaccines.

Nonetheless, the Omicron variation that emerged in November-December 2021 and the spectre of growing global inflation trends put a pall over economic prospects in the second half of the year despite optimistic growth estimates, soaring stock markets, and high commodity prices. Even if the new model generated some trepidation, it did not prevent the global economy from recovering in 2021. Following a 3.1% drop in 2020 when the virus hit and all nations went into lockdown, the International Monetary Fund ("IMF") predicted that global GDP would climb 5.9% this year.

But the global economy is nonetheless wary about the short term prospects because of the lingering pandemic danger. A second big event was beginning to take form in the first quarter of 2022: Russia's invasion of Ukraine. A large number of lives have been lost and supply lines have been interrupted as a result of the ongoing crisis. As a result, commodity prices have skyrocketed and central banks around the world have been forced to dramatically increase interest rates, raising worries of a global recession. With COP27 in Egypt raising

the alarm bells on climate deterioration and existential risks to the globe, the climate issue is also looming big.

According to the International Monetary Fund's (IMF) World Economic Outlook (WEO) for October 2022, the worldwide downturn in economic activity is more pronounced than anticipated, and inflation is at a multi-decade high. The war in Europe, the continuing COVID-19 outbreak especially in China and other parts of the world, and rising prices all point to challenges over the future. The world economy is expected to grow at a slower rate of 3.2% in 2022 and 2.7% in 2023, down from a growth rate of 6.0% in 2021. Since 2001, only the global financial crisis and the peak of the COVID-19 pandemic have resulted in worse growth profiles.

The IMF also projects an increase in global inflation from 4.7% in 2021 to 8.8% in 2022, followed by a deceleration to 6.5% in 2023 and 4.1% in 2024. Central banks are expected to ensure that the monetary policy and the fiscal policy will stay the course in their respective efforts to restore price stability and to ease the burden of rising prices.

Meanwhile, it is also surmised that multilateral collaboration is essential for hastening the green energy transition and preventing fragmentation, while structural changes can further boost the battle against inflation by increasing productivity and relaxing supply limitations.



BANGLADESH'S ECONOMIC OVERVIEW

The reappearance of COVID-19 infections in December 2021 resulted in panic and fear, the effects of which were felt in the first quarter of the year 2022. Furthermore, another major “black swan” even took shape when Russia declared war on Ukraine on 24th February 2022. Over the next few months, the conflict spiralled into a major global crisis as dislocation of supply chains in Russia and Ukraine, the world’s major natural gas and grain suppliers, created supply constraints that enforced a rise in commodity inflation and enfeebled efforts by the government to support economic recovery in the aftermath of the three COVID waves.

The economic condition in Bangladesh was severely hit with the ensuing rise in food grain and fuel costs creating public outrage which the government tried its best to contain through policy action. Considering depleting foreign exchange reserves and balance of payments crisis, the government and the central bank, the Bangladesh Bank, sought to create a facilitative climate through enabling certain national banks to open Vostro accounts for settling payments in local currency.

Further, the Bangladesh government was also successful in drawing a support package from the International Monetary Fund (IMF) comprising a 42-month arrangement of about US\$ 3.2 billion under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF) as well as of

about US\$1.3 billion under the Resilience and Sustainability Facility (RSF).

The objectives of Bangladesh’s new fund-supported program comprise to preserve macro-economic and macro-financial stability and support strong, inclusive, and green growth, while protecting the vulnerable segments of the society.

The RSF is expected to provide affordable, long-term financing to support Bangladesh’s climate investment needs, catalyze climate financing, and reduce balance of payment pressures from import-intensive climate investment.

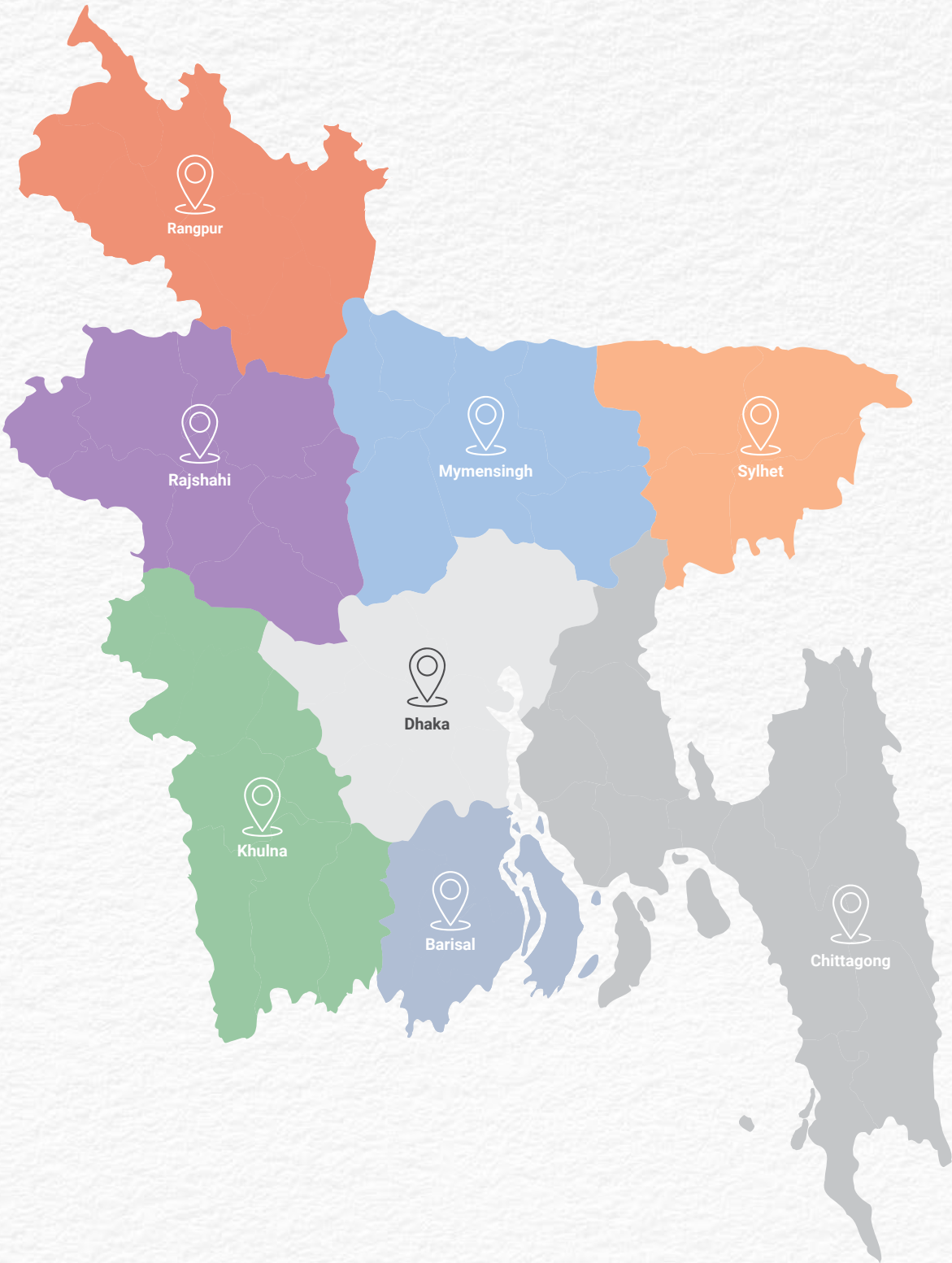
Considering the major challenges facing the world today with prognostication of almost 2/3rd of the world slipping into recession in the near term, the IMF has cut Bangladesh’s growth forecast to 6 percent for fiscal year 2022-23. In its latest WEO report published in October 2022, the lender downgraded the projection of its April 2022 WEO forecast of 6.7 percent growth citing high energy and food prices, inflation, higher interest rates, and the crisis in Europe.

The IMF also indicated that inflation in Bangladesh would reach as high as 8.5 percent in the fiscal year 2021-22. This projection is in the same as that of the World Bank.

The government meanwhile has an ambitious target of 7.5 percent GDP growth in the FY2022 financial year.



NATIONAL FOOTPRINT





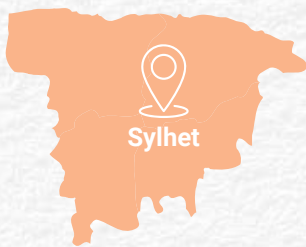
DHAKA DIVISION
Total number of Branches

22



CHOTTOGRAM DIVISION
Total number of Branches

04



SYLHET DIVISION
Total number of Branches

02



MYMENSINGH DIVISION
Total number of Branches

02



RAJSHAHI DIVISION
Total number of Branches

05



RANGPUR DIVISION
Total number of Branches

03



BARISHAL DIVISION
Total number of Branches

01



KHULNA DIVISION
Total number of Branches

06

OUR COMPREHENSIVE PRODUCT RANGE





Goods-in-transit insurance (GIT)



Plate glass insurance



Bangabandhu Surokkha Bima



Hotel owners' all-risk insurance



Workmen's compensation insurance



Lift insurance



Overseas Mediclaim insurance



Sports insurance



Industrial all risk (IAR) insurance



Personal accident insurance



Aviation insurance



Property All Risk (PAR) insurance



The peoples' personal accident insurance



Hajj & Umrah insurance



Product liability insurance



CORPORATE STRUCTURE





ALL PROTECTIONS UNDER ONE ROOF

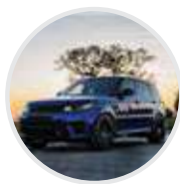
City General Insurance Company Limited is one of the leading Non-life insurance company engaged in general insurance business with reputation since 1996 in Bangladesh. The company provides the highest services to its clients on Marine Cargo, Marine Hull (Inland & Oceangoing), Fire, Motor, Overseas Medclaim, Engineering, and all other Miscellaneous Insurance. Company's credit rating is AA+. The one of the principle of the company is to ensure prompt settlement of all types of claims as per Insurance Rules and Regulations.



MARINE CARGO INSURANCE



MARINE HULL INSURANCE



MOTOR INSURANCE



FIRE INSURANCE



OVERSEAS MEDICLAIM INSURANCE



ENGINEERING INSURANCE



MISCELLANEOUS INSURANCE

CITY GENERAL INSURANCE COMPANY LIMITED

CORPORATE CULTURE

In keeping with our Vision and Mission to “make a positive difference” in the lives of our employees, City Insurance has cultivated a unique corporate culture. In this culture, challenging work, open communications both upwards and downwards, accessibility to leadership including encouraging bottom up rather than ‘top down’ approach, mutual respect, trust, and concern for co-worker and community well-being and development are melded together to create a workplace with a family-like feel which is productive, personally fulfilling, and professionally satisfying.

The following amenities, policies, practices, benefits, beliefs, and behaviors contribute to creating and maintaining the City Insurance corporate culture.



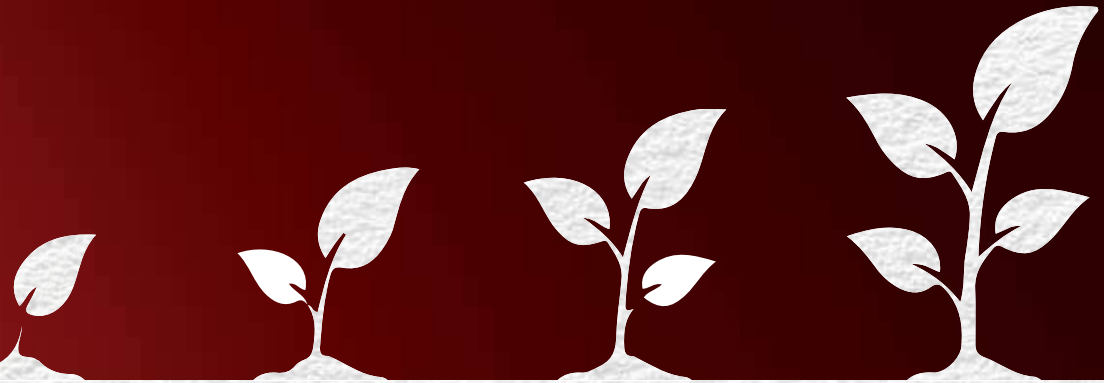
OFFICE BUILDING AMENITIES

- Architecturally aesthetic and modern office building situated at a prime location of the city.
- having convenient access to public transportation.
- Secured building with round the clock security service.



PEOPLE MANAGEMENT PHILOSOPHY

- Attract and partner with qualified employees whose education, experience, and desire to grow and success will contribute to the accomplishment of Company goals.
- Blend the experience and knowledge of flexible long-term employees with the energy and fresh perspectives of new employees from other organizational experiences to create a versatile workforce capable of responding to the challenges and increasing demands of today's business environment.
- Train and develop employees for current jobs, future opportunities, and the continuing viability of the organization through insurance education, technical and management skills training, educational assistance, promotion from within, and strategic succession planning.

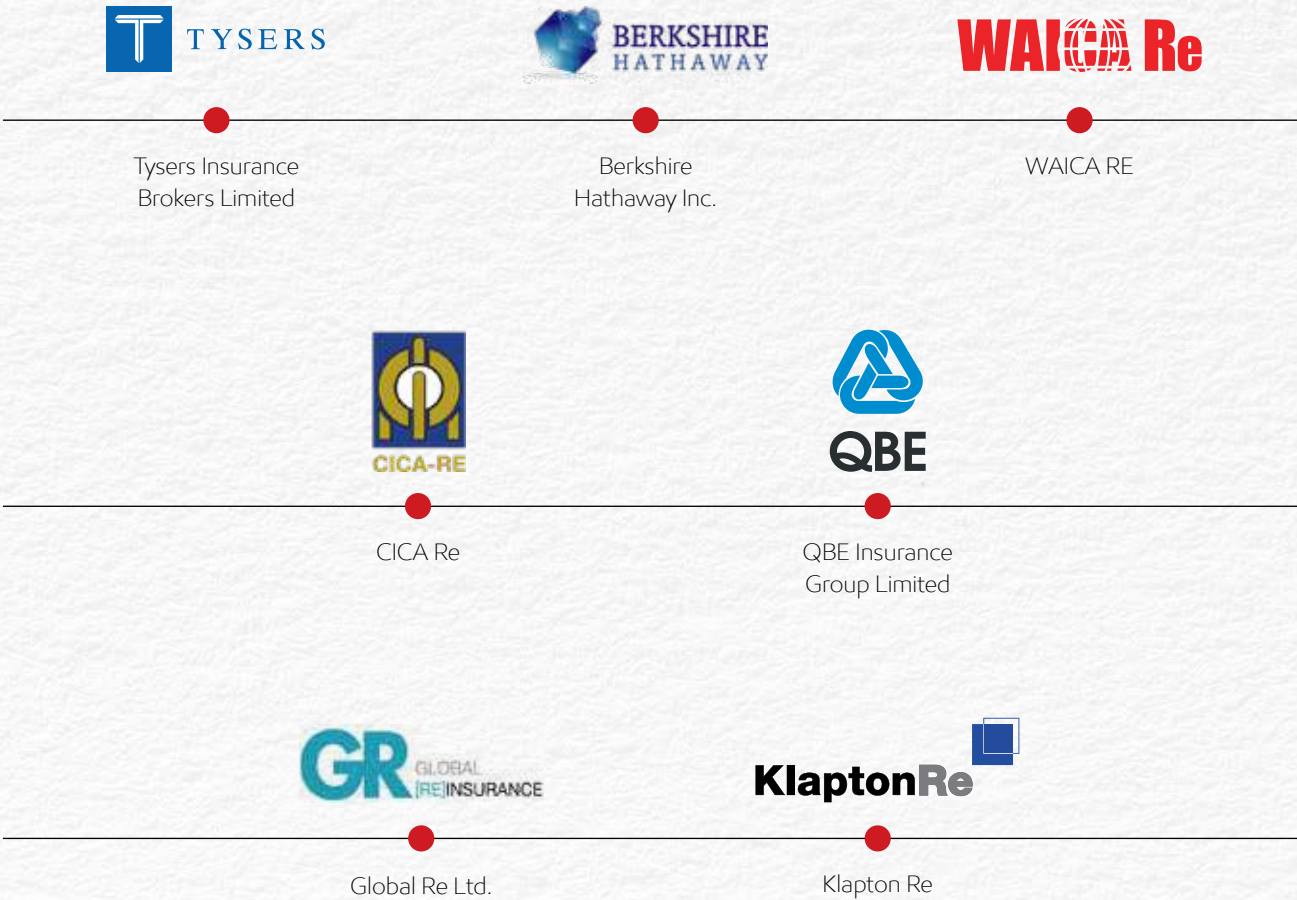


OTHER AMENITIES, PERKS AND BENEFITS

- Attractive car scheme proposal for executive level employees give a new dimension to boost up the morality of employees.
- Annual salary increase considerations and bonus eligibility at all levels.
- Financial assistance is provided by City General Insurance Foundation for medical, education etc. to the employees.
- Tuition assistance for approved, job-related degree programs or certifications.
- Provident Fund contribution @10% by for all regular employees.
- Re-allocation packages for employees who become displaced through reorganizations.
- Monthly update meetings among Head of Department (HoD) brings more paces to draw the finish line of all activities.
- Employees are entitled to get single gratuity benefit if he/she completes his/her five years tenure.
- A prevailing norm of considerate, respectful, cooperative, and friendly behavior among employees and management.

REINSURANCE ARRANGEMENT WITH LOCAL AND REPUTED FOREIGN COMPANIES

We have Reinsurance Treaty with state own organization i.e., Sadharan Bima Corporation and also facultative reinsurance arrangement with the undermentioned foreign Reinsurers:



UNDERWRITING GUIDELINE

For the past 26 years, the Company has remained a strong and resilient force, unwavering in its commitment to the general insurance sector of Bangladesh by providing resilience against risk. In a tough and competitive market environment, we leverage our intellectual capital to remain relevant and implement our strategies in an effective manner.

Underwriting is a critical risk mitigation mechanism adopted by us for protecting the company's books of business from risks and losses. Our income is directly influenced by our underwriting decisions, which involve consideration of the expected underwriting profit, the length of time that the reserve must be held, and the additional capital required to protect solvency.

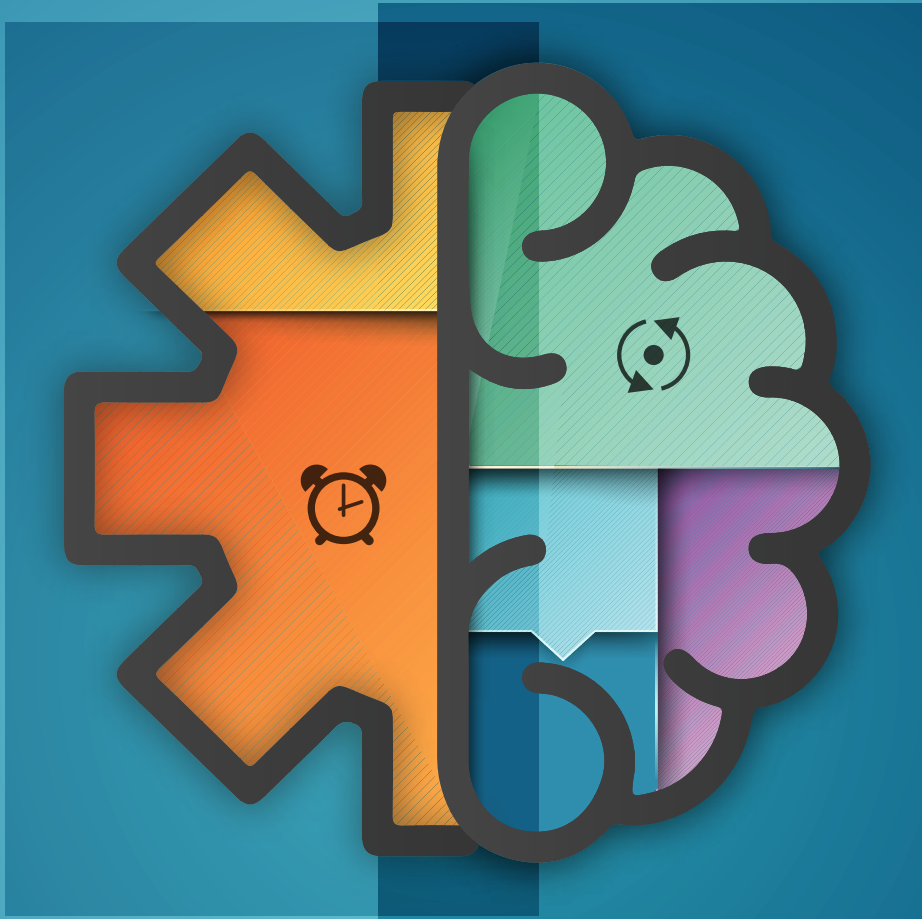
Over the years, we have built expert capabilities in sharpening our underwriting decisions that typically entail probable maximum loss, evaluation, and the amount of reinsurance ceded on a risk. Today, we have large sum insured and reinsurance arrangement with Sadharan Bima Corporation (SBC) and also overseas reinsurance. For improving our risk, we appoint surveyors for pre-inspection before undertaking

the risk. The premium rates that are not mentioned in tariff are prepared through various data, i.e. from the Central Rating Committee. In most cases, our proposed rate is adopted by the Rating Committee, which indicates our continuously improving actuarial standards.

In addition to underwriting, we also adopt various market and trade-related initiatives that are a part of our intellectual capital. These comprised exploration of new business and retention of existing customers, quarterly visits of the senior management to branches, and meetings with prospective clients and policyholders, settlement of claims in the quickest possible time, and providing training to our officers for gaining advanced knowledge of insurance.

Furthermore, we are also making strides in digital insurance, with digital adoption increasing in the pandemic period. During the year, we forged agreements with online payment gateway service providers, with Software Shop Limited (SSL) and The City Bank Ltd. The company follows standard Tariff as adopted by the Central Rating Committee.





OUR THINK-TANK

BOARD OF DIRECTORS & ITS COMPOSITION

BOARD OF DIRECTORS:

The Board of City General Insurance Company Limited comprises of members from diverse professional and educational backgrounds, having adequate knowledge and experiences in finance, accounting and business growth and administration. Currently, the Board has been formed with 15 (Fifteen) Non-Executive Directors. The Directors are:

- 9 (Nine) Directors.
- 3 (Three) Shareholder Directors.
- 3 (Three) Independent Directors.

The Board is chaired by **Mr. Hossain Akhtar**. He is an industrialist and eminent business personality. He is the Group Executive Director of Anwar Group of Industries.

Chairman	Mr. Hossain Akhtar
Vice-Chairmen	Mr. Hossain Mehmood
	Mr. Mohd. Abu Taher
Directors	Mrs. Bibi Amena
	Mr. Md. Harunoor Rashid
	Mrs. Hasina Begum
	Mr. Haji Md. Yousuf
	Mr. Mohammad Amanullah
	Mrs. Hasina Parveen Manwar
	Faizah Mehmood
	Mr. Muhammad Nazirul Islam
	Mrs. Salina Ahmed
	Mr. Mahabubul Haque
Independent Directors	Mr. Tauhiduddin Md. Zahed
	Mr. Mohammad Saif Noman Khan
Chief Executive Officer	Mr. Md. Shamim Hossain

AUDIT COMMITTEE

The audit committee members are from diverse professional and educational backgrounds, having adequate knowledge and experience in Finance, Accounting and Business. The audit committee is authorized to review and examine matter

relating to the financial affairs of the company, to review all audit, inspection report, internal control system and procedure, accounting policies.

The Audit Committee consists of 4 (Four) Non-Executive Directors. The Directors are:

Name of member	Position in the Board	Position in the Audit Committee
Mr. Mahabubul Haque	Independent Director	Chairman
Mr. Hossain Mehmood	Vice Chairman	Member
Mr. Harunoor Rashid	Director	Member
Mr. Muhammad Nazirul Islam	Director	Member

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee (NRC) of City General Insurance Company Limited operates in accordance with Terms of Reference as approved by the Board of Directors in compliance with the Code-6 of BSEC's Corporate Governance Code, Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

The Nomination and Remuneration Committee (NRC) consists of 4 (Four) Non-Executive Directors. The Directors are:

Name of member	Position in the Board	Position in the NRC
Mr. Tauhiduddin Md. Zahed	Independent Director	Chairman
Mr. Hossain Mehmood	Vice Chairman	Member
Mr. Haji Md. Yousuf	Director	Member
Mr. Muhammad Nazirul Islam	Director	Member

CODE OF CONDUCT FOR THE CHAIRPERSON AND OTHER BOARD MEMBERS

Background and Purpose

A Board of Directors is a body of elected or appointed members who collectively oversee the activities of a company. The Board may lay down a code of conduct for its members.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03 June 2018]. The conditions of the Corporate Governance Guidelines are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall comply with these conditions. As per condition 1(7) of the said guidelines, the Board of Directors of a listed company shall lay down a code of conduct of all Board Members and annual compliance of the code to be recorded.

Code of Conduct:

1. The Chairman

- The Board Members shall elect a Chairman from amongst themselves for such a period as may be decided by the Board. If at any meeting of the Board, the Chairman be not present at the time appointed for holding the same, the Board Members shall choose another Director to preside over that meeting.
- The Chairman is expected to lead the Board of Directors with reasonable restraint and should at all times strive to build consensus on all contentious matters where there is divergence of opinion expressed in the course of performance of their jobs as such.
- The Chairman as the first among equals should act as an honest spokesperson of the Board and air only views already debated and decided upon by the Board. In other words, his/her personal opinions/ wish lists should be avoided in press conferences and meets. It would be proper to have certain key issues decided at the Board before they are made public.

2. General Duties

• Fiduciary Duties

The duties imposed on Board Members are fiduciary duties, similar to those that the law imposes on those in similar positions of Trust: Agents and Trustees.

• Powers vs Duties

The duties apply to each Board Member separately, while the powers apply to the Board jointly.

• Contribution in Meetings/Debates

The Board Members are expected to contribute to the debates in the Board without any personal biases or other prejudices with the conviction and belief that the outcome of every debate would be towards the advancement of the company.

3. Proper purpose

- Board Members must exercise their powers for a proper purpose.

4. Unfettered discretion

- Board Members cannot, without the consent of the company, fetter their discretion in relation to the exercise of their powers, and cannot bind themselves to vote in a particular way at future board meetings.

5. Transactions with the company

- A Board Member shall not enter into a transaction with a company where there is a conflict between his interest and duty without the knowledge of the Board.
- It is a statutory duty of the director(s) to declare interests in relation to any transactions, and to make proper disclosure thereof.

6. Use of corporate property, opportunity or information

- A Board Member must not, without the informed consent of the company, use company's assets, opportunities, or information for his/her own profit.

7. Competing with the company

- A Board Member must not compete directly with the company without a conflict of interest arising.
- A Board Member should not act as a director of any competing companies, as his/her duties to each company would conflict with each other.

8. Confidentiality

- Each Board Member must use utmost care and discretion in the handling of confidential information and other information not normally available to the public, generally coming to them by reason of their directorship, office or employment. Such information shall, subject to certain limited circumstances, not be disclosed to third parties and shall not be used for personal benefit or for the benefit of family, friends, or associates.

9. Conflict of duty and interest

- As fiduciaries, the Board Members must not put themselves in a position where their interests and duties conflict with the duties that they owe to the company.
- Each and every Board Member has an obligation of loyalty to the company and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the company.
- Each and every Board Member shall declare all actual or potential material conflicts that may arise between their duty to the company and their personal obligations, other fiduciary duties or financial interests (direct or indirect) and these conflicts shall be reported to the Chair.
- A Board Member should not engage directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with, does business with or seeks to do business with the company.
- With respect to restricted party transactions, full disclosure of material transactions shall be recorded in the board's minutes and will be transacted in accordance with legislated restrictions.
- To avoid conflicts of interest, the Board Members must do more than merely act within the law. They must conduct their affairs in such a manner that their performance will at all times bear public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.

10. Accepting Gifts

- No Board Member shall accept any gift, hospitality or favour offered or tendered by virtue of the position with the company.

- When dealing with public officials whose responsibilities include the business of the company, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the company. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public record.

11. Reporting of Questionable or Fraudulent Actions

- The Board Members shall report to the Board or to the audit committee about their awareness of any situation which might adversely affect the reputation of the company. This would include any questionable, fraudulent or illegal events or material actions in violation of company policy which comes to their attention.

12. Cooperation with Auditors

- Every Board Member is expected to comply promptly with any request from internal and/or external auditors for assistance and to provide full disclosure of any situation under investigation.

Acceptance of this Code

- All members of the Board of Directors shall sign this Code of Conduct, including any new members who may assume office as from this date.
- These signed copies shall be held by the Company Secretary of the company.

Affirmation & Compliance of the Code

- All Board Members shall read this Code at least annually, and shall certify in writing that they have done so and that they understand the Code.
- Annual compliance of the code by all Board Members shall be recorded in a meeting of the Board of Directors.



Hossain Akhtar
Chairman

POLICY OF REVIEWING EFFECTIVENESS OF THE BOARD OF DIRECTORS

Every year the Board of Directors of City General Insurance Company Limited carries out following reviews/evaluations of its own performance and effectiveness:

- Making an Evaluation of the status of compliance with the Code of Conduct Framed for Directors.
- Reviewing the performance and contribution of the Managing Director and the Management Committee.
- Reviewing the role of the Board of Directors as set out in the Article of Association and regulatory framework.
- Apprising the Board of Directors of the new regulations and emerging practices for their information.
- Providing sense of directors to the management for achievement of short-term objective and long- term goals.
- Discussing and analyzing its own performance against benchmark and earlier achievement of result.
- Reviewing periodically of the achievement by the Company.
- Reviewing of the objectives and strategies of the Company periodically to ensure they remain consistent with the Company's priority.
- Reviewing of the Company's strategies for every New Year.
- Making an assessment of Directors' contribution to discussions on business proposals, governance and general issues.

DIRECTORSHIP WITH OTHER COMPANIES

Sl.	Name of Directors	Name of Companies
1.	Mr. Hossain Akhtar	a) Chairman, City General Insurance Company Limited
		b) Group Executive Director, Anwar Group of Industries
		c) Managing Director, Anwar Galvanizing Ltd.
2.	Mr. Hossain Mehmood	a) Vice Chairman, City General Insurance Company Limited
		b) Director, Anwar Galvanizing Ltd.
		c) Director, The City Bank Ltd.
		d) Managing Director, Hossain Dyeing & Printing Mills Limited
		e) Managing Director, Mehmud Industries (Pvt) Limited
		f) Managing Director, Anwar Silk Mills Limited
		g) Vice Chairman, BD Securities Ltd.
3.	Mr. Mohd. Abu Taher	a) Vice Chairman, City General Insurance Company Limited
		b) Chairman, Golden Iron Works Ltd.
		c) Chairman, Golden Brick Works Ltd
		d) Chairman, Eagle Star Textile Mills Ltd.
		e) Chairman, Golden Steel Alloy Works Ltd.
		f) Chairman, Al-Haj Mostafa Hakim Housing & Real Estate Ltd.
		g) Chairman, Al-Haj Mostafa Hakim Cement Industries Ltd.
		h) Chairman, Golden Oxygen Ltd.
4.	Mrs. Bibi Amena	a) Director, City General Insurance Company Limited
		b) Director, Anwar Galvanizing Ltd.
		c) Director, Anwar Silk Mills Ltd.
		d) Director, Hossain Dyeing & Printing Mills Ltd.
		e) Director, Mehmud Industries (Pvt.) Ltd.
		f) Director, Anwar Jute Spinning Mills Ltd.
		g) Director, Anwar Cement Ltd.
		h) Director, Anwar Landmark Ltd.
5.	Mr. Md. Harunoor Rashid	a) Nominated Director, City General Insurance Company Limited
		b) Director, Al-Haj Textile Mills Ltd.
		c) Chairman, MANSCO International Ltd.
		d) Managing Director, Al-Haj Jute Mills Ltd.
6.	Mr. Haji Md. Yousuf	a) Director, City General Insurance Company Limited
		b) Proprietor, Moon Traders
7.	Mr. Mohammad Amanullah	Nominated Director, City General Insurance Company Limited
8.	Mrs. Hasina Begum	a) Nominated Director, City General Insurance Company Limited
		b) Director, Anwar Galvanizing Ltd.
9.	Mrs. Hasina Parveen Manwar	a) Nominated Director, City General Insurance Company Limited
		b) Managing Director, Athena's Furniture & Home Décor
10.	Ms. Faizah Mehmood	Nominated Director, City General Insurance Company Limited
11.	Mrs. Selina Ahmed	Nominated Director, City General Insurance Company Limited
12.	Mr. Muhammad Nazirul Islam	Nominated Director, City General Insurance Company Limited
13.	Mr. Mahabubul Haque	Independent Director, City General Insurance Company Limited
14.	Mr. Tauhiduddin Md. Zahed	Independent Director, City General Insurance Company Limited
15.	Mr. Mohammad Saif Noman Khan	Independent Director, City General Insurance Company Limited

BOARD OF DIRECTORS



01



02



03



04



05



06



07



08

01 | Mr. Hossain Akhtar
Chairman

02 | Mr. Hossain Mehmood
Vice Chairman

03 | Mr. Mohd. Abu Taher
Vice Chairman

04 | Mrs. Bibi Amena
Director

05 | Mr. Md. Harunoor Rashid
Director

06 | Mr. Haji Md. Yousuf
Director

07 | Mr. Mohammad Amanullah
Director

08 | Mrs. Hasina Begum
Director



09



10



11



12



13



14



15



16

09 | Mrs. Hasina Parveen Manwar
Director

10 | Ms. Faizah Mehmood
Director

11 | Mrs. Selina Ahmed
Director

12 | Mr. Muhammad Nazirul Islam
Director

13 | Mr. Mahabubul Haque
Independent Director

14 | Mr. Tauhiduddin Md. Zahed
Independent Director

15 | Mr. Mohammad Saif
Noman Khan
Independent Director

16 | Mr. Md. Shamim Hossain
Managing Director & CEO

BOARD OF DIRECTORS' PROFILE



Mr. Hossain Akhtar
Chairman

Mr. Hossain Akhtar was born in a respectable Muslim family in Dhaka. He is an industrialist and an eminent business personality. He is the Group Executive Director of the prominent Anwar Group of Industries. Mr. Hossain completed his education from Dhaka Govt. College. He stood 8th in the merit list of SSC examination in 1970 from Dhaka Board. He was Director of Bangladesh Finance Limited and BD Finance Securities Ltd. Mr. Hossain was also the Sr. Vice President of Dhaka Chamber of Commerce & Industry. He is the President of Jamila Khatun Lalbagh Girls High School and patronizes many educational and social welfare institutions. He also contributes to cultural development activities of the country. Mr. Hossain is a life member of Bangladesh Red Crescent Society, Bangladesh Diabetic Society and Anjuman Mafidul Islam.



Mr. Hossain Mehmood
Vice Chairman

Mr. Hossain Mehmood is an industrial entrepreneur and has established a longstanding legacy in business. He successfully set up and executed a number of industrial undertakings. He is Chairman and Director of a number of companies of Anwar Group of Industries and also holds Managing Directorship positions at Hossain Dyeing & Printing Mills Limited, Mehmud Industries (Pvt) Limited and Anwar Silk Mills Limited. He was the Chairman of Bangladesh Terry Towel and Linen Manufacturers & Exporters Association (BTTLMEA), Vice President of Bangladesh Textile Mills Association (BTMA), and Vice Chairman of Bangladesh Finance Securities Ltd. He is Director of The City Bank Ltd. He is also Director of Anwar Galvanizing Ltd. He patronizes many educational and social welfare institutions, such as Alhaj Anwar Hossain Foundation, Jamila Khatun Lalbagh Girls High School, Jamila Khatun Red Crescent Maternity Center, Alhaj Anwar Hossain NHN Diabetic Center, etc. Mr. Mehmood has sound academic credentials and is a reputed member of society.



Mr. Mohd. Abu Taher
Vice Chairman

Mr. Mohd. Abu Taher traces his roots to a respectable Muslim family of Chottogram. He is an industrialist par excellence. He is the Chairman of Taher & Company Limited, Golden Iron Works Ltd., Golden Brick Works Ltd., Eagle Star Textile Mills Ltd., Golden Steel Alloy Works Ltd., Al-Haj Mostafa Hakim Housing & Real Estate Ltd., Al-Haj Mostafa Hakim Cement Industries Ltd., Golden Oxygen Ltd., Golden Bricks Works Ltd., Golden Ispat Ltd. and Golden LPG Ltd. He has made remarkable contributions to social and cultural activities of the country.



Mrs. Bibi Amena
Director

Mrs. Bibi Amena is one of the leading Industrialists and business women of Bangladesh. She is the Director of Anwar Silk Mills Ltd., Hossain Dyeing & Printing Mills Ltd., Anwar Galvanizing Ltd., Mehmud Industries (Pvt.) Ltd., Anwar Jute Spinning Mills Ltd., Anwar Cement Ltd. and Anwar Landmark Ltd. She is involved with many voluntary, philanthropic and social organizations of the country.



Mr. Md. Harunoor Rashid
Director

Mr. Md. Harunoor Rashid is an eminent business personality in Bangladesh. He has been nominated on the Board by Khaled Iron & Steel Mills Ltd. He graduated from the University of Dhaka in 1981. He is the Managing Director of Al-Haj Jute Mills Ltd., Director of Al-Haj Textile Mills Ltd. and is the Chairman of Mansco International Ltd. He is associated with many social organizations around the country.



Mrs. Hasina Begum
Director

Mrs. Hasina Begum is a reputed business woman of the nation. She has been nominated on the Board by Hossain Dyeing & Printing Mills Ltd. She holds Directorship positions in a number of companies of the Anwar Group of Industries.



Mr. Mohammad Amanullah
Director

Mr. Mohammad Amanullah is a B.Com graduate. He has been nominated on the Board by Wazeefa Acrylic Spinning Mills Ltd. He is associated with several educational and social organizations, thus contributing to the welfare efforts of the society.



Mr. Haji Md. Yousuf
Director

Mr. Haji Md. Yousuf is a well-known business person. He is the Proprietor of Moon Traders. He is attached with many social organizations around the country.



Mrs. Hasina Parveen Manwar
Director

Mrs. Hasina Parveen Manwar traces her roots to a respectable Muslim family of Chattogram. She has been nominated on the Board by Mehmud Industries (Pvt.) Ltd. She graduated from Chittagong University in 1994. She is an accomplished woman entrepreneur of the country, leading the high-end furniture brand, Athena's Furniture & Home Décor as its Managing Director.



Ms. Faizah Mehmood
Director

Ms. Faizah Mehmood is the grand daughter of the legendary business icon of Bangladesh, late Alhaj Anwar Hossain. She has been nominated as a Director of Anwar Silk Mills Ltd. She completed her B.Com degree in 2021 from the University of Toronto- Rotman School of Business. She has specialized in the fields of leadership, strategy and innovation. She has also obtained awards and certifications from Business Metrics for Data Driven Companies – Duke University Online (2020), KPMG Data Analytics Virtual Internship (2020), Business Process Improvement – LinkedIn (2020), Data Analytics for Business Professionals – LinkedIn (2020), Salutatorian – International School Dhaka (2017), First Aid, Fire Safety and Earthquake Awareness – Bangladesh Red Crescent Society (2016).

Ms. Mehmood is currently pursuing her internship in business development from Ernst and Young (EY) – Dhaka. She has working experience as a Business Development Analyst from May 2020 to May 2021 at Anwar Group of Industries, and also as a Special Project Planner from May 2019 to September 2019 at edotco. She is involved with several volunteer organizations, such as Bangladesh Apparel Youth Leaders' Association (BAYLA) –Member, UN Online – Volunteer, Bangladesh Red Crescent Society – Ambassador, Toronto Voice Magazine – Editor, Bangladeshi Students Association –ex-Director and Global Issues Network – ex-President.



Mr. Muhammad Nazirul Islam
Director

Mr. Muhammad Nazirul Islam worked in the general insurance industry, both in the public and private sectors, for several decades. He was the Chief Executive Officer at Continental Insurance Ltd., City General Insurance Co. Ltd. and Asia Insurance Ltd. Before joining the private sector, he was Deputy General Manager (Re-Insurance) at Sadharan Bima Corporation.

Mr. Islam obtained his BSS (Hons) and MSS degree from Dhaka University. He completed his Professional Diploma in General Insurance (ABIA) from Bangladesh Insurance Academy.

Over the years, he has attended several professional training courses and workshops at home and abroad.



Mrs. Selina Ahmed
Director

Mrs. Selina Ahmed is an M.A. from the University of Dhaka. She is Nominated by A-One Polymer Ltd. She is associated with various social activities for public welfare.



Mr. Mahabubul Haque
Independent Director

Mr. Mahabubul Haque completed his M.A. from Chattogram University, LLB from Chottogram Law College, JAIBB at Institute of Bankers Bangladesh and also completed an Advance Certification Course on Human Resources Management from IBA, Dhaka University. He attended several professional courses, both at home and abroad, on Audit and Foreign Exchange Management. He has been exposed to international training in Delhi (India), Hyderabad (India), Frankfurt (Germany) and Paris (France).

Mr. Haque started his career in 1984. He was a Deputy General Manager (DGM) in Bangladesh Bank. He served at various departments across the bank, such as Audit Department, Inspection Department and Foreign Exchange Operation Department, Foreign Exchange Policy Department, International Department, Forex Reserve and Treasury Management Department and Human Resources Department.



Mr. Tauhiduddin Md. Zahed
Independent Director

Mr. Tauhiduddin Md. Zahed completed his Masters degree from University of Dhaka in Economics. He is an Associate Member of Bangladesh Insurance Academy (ABIA) and awarded from Tyser & Co. London.

Mr. Tauhiduddin Md. Zahed joined in Sadharan Bima Corporation as Asst. Manager in November 1983 and served in different departments as leading position. Lastly he retired as General Manager from Sadharan Bima Corporation. He has more than 34 years working experience at Sadharan Bima Corporation, insurance companies and encompassing areas such as Engineering, Reinsurance, Claims, Underwriting, Audit, Law etc.

Mr. Tauhiduddin Md. Zahed participated and successfully completed various types of trainings, workshop and seminars at home and abroad. He visited India, Pakistan, USA, Switzerland, Malaysia, Singapore, Thailand and Saudi Arabia.



Mr. Mohammad Saif Noman Khan
Independent Director

Mr. Mohammad Saif Noman Khan is an academician, strategy consultant and corporate trainer. He is currently serving as an associate professor at the Institute of Business Administration (IBA), University of Dhaka. He teaches in the Executive MBA, MBA, and BBA programs. He is also leading the executive education programs at IBA specially in the areas of Communication and Strategy. Mr. Noman has obtained his first MBA degree in Finance from IBA where he stood first in his batch. He has also completed a second MBA from York University, Canada majoring in Strategy. He also holds a bachelors and masters degree in English Literature from the Department of English, University of Dhaka. Being an International Strategy Consultant, Strategy & Innovation Expert; Mr. Noman has undertaken numerous strategy and business consultancy projects both in the public as well as private sector at home and abroad. He headed consultancy projects with The World Bank and The United Nations. He has undertaken research as well as published in the areas of Micro, Small and Medium Enterprises (MSMEs) in Bangladesh and the Banking & Insurance sector. He has provided strategy consulting services to numerous leading local & multinational business organizations. Mr. Noman is by far the only expert in Bangladesh now in the areas of Complexity Strategy & Design Thinking. He is a preferred consultant both for The World Bank and UN for SME capacity development in Bangladesh. His corporate training modules also includes advanced level leadership development, business strategy, sales & innovation. So far, almost all the Large Local Corporates and Multi National Organizations in Bangladesh has availed his services to develop the capacity of their respective business managers & leaders. He was one of the pioneer consultants for World Bank to prepare a detailed research in the area of introducing agriculture insurance products in Bangladesh. He served the World Bank in the capacity of a financial sector expert and conducted an in depth study regarding the insurance sector of Bangladesh. Mr. Noman has extensive financial sector expertise and worked with IDLC at the start of his career. He also worked with Citibank N.A Bangladesh & Citibank N.A. Hong Kong at various managerial capacity.

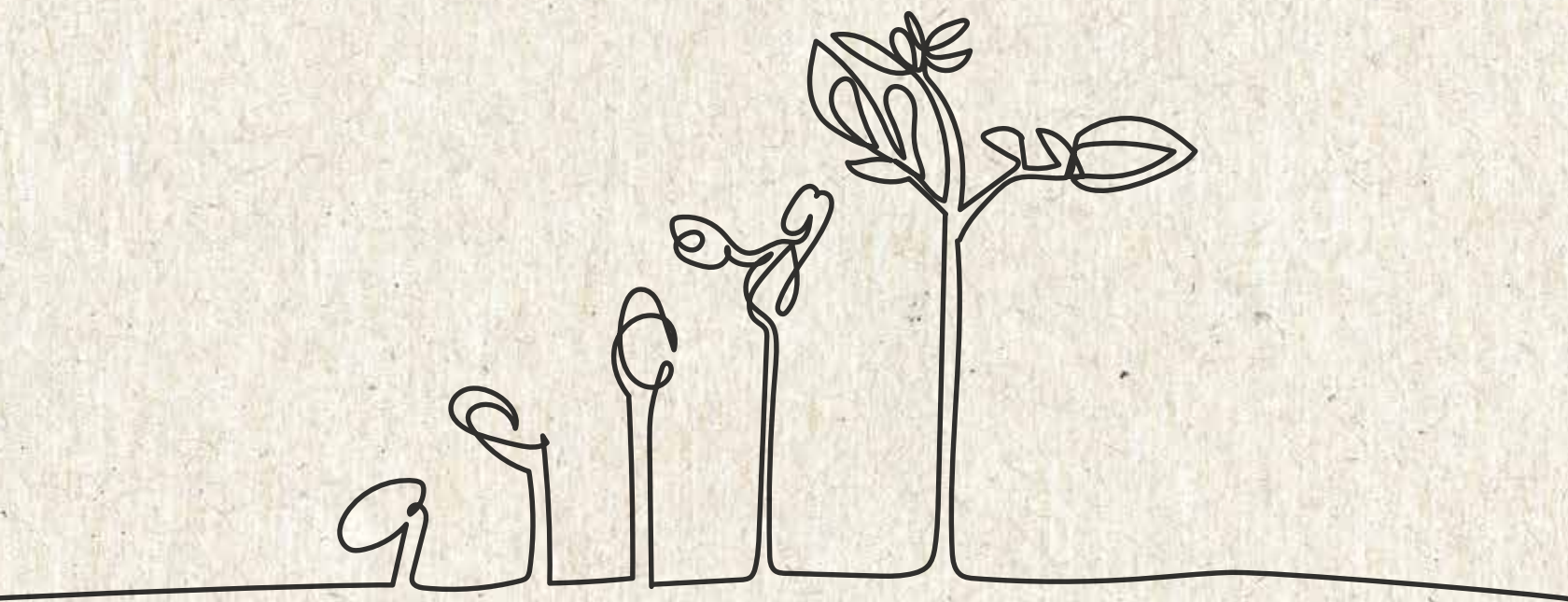


Mr. Md. Shamim Hossain
Managing Director & CEO

Mr. Md Shamim Hossain joined City General Insurance Company Limited as a General Manager in 2008. In his journey, he has proven himself as a dynamic, creative and accomplished sales professional with extensive experience in both B2B and B2C. With a proven track record of generating new businesses, he has a strong working experience in a highly pressured target based environment.

He has served this company in different positions and in 2018 he had taken the responsibility of current charge of Managing Director & CEO. From 2019 he has been serving this company as full placed Managing Director & CEO. Since then as a Managing Director he has held and led successfully all areas of the organization. He has around 21 years of experience in the insurance industry. He is a highly motivated and enthusiastic individual with expertise in management. He has strong leadership and communication, technical, marketing skills and innovative ideas.

During his working period he has attended many trainings seminars and symposiums on insurance and other related sectors. He obtained the degree of Master of Science in Chemistry from National University. He also completed "Post graduate diploma course in Computer Science and Engineering" and "ORACLE certification course". Before joining in insurance company, he was in teaching profession. He has professional experience in IT. He also worked as programmer. He involves himself in various social activities. He was president of "Rotary Club of Shahbag" in 2018-19. He was also "Assistant Governor" 2021-22 of rotary district 3281 Bangladesh.



MANAGEMENT TEAM COMPOSITION

Designation	Name
Managing Director & CEO	Mr. Md. Shamim Hossain
Advisor	Mr. Md. Azizul Islam
Adtl. Managing Director & Company Secretary	Mr. Md. Hasan Khan, ABIA
Deputy Managing Director (Business Development Department)	Mr. A.K.M Mohiuddin
Asst. Managing Director (Underwriting and Branch Coordination Department)	Mr. Md. Morshed Hasan
Executive Vice President (Underwriting)	Mr. Mohammad Idris
Executive Vice President & Chief Financial Officer	Mr. Sheikh Azizul Haque ACS, CGIA, VAT Agent
Vice President & Head of Reinsurance	Mrs. Beauty Paul Chowdhury
Vice President & Head of Audit	Mr. Md. Ibrahim Molla
Deputy Vice President & Head of IT	Mr. Md. Salahuddin Khan
Assistant Vice President & Head of HR & Admin	Ms. Farhana Haque
Sr. Manager & Head of Claims	Ms. Sharmin Akter

CODE OF ETIQUETTE OF MANAGEMENT TEAM

The Company's Code of Etiquette for Management Team outlines the rules on conduct and decorum, established operations and procedures, honesty, integrity and ethics. It serves as a reference for the members of Management Team in maintaining their sense of responsibility and commitment to honesty, integrity and establishes measures and standards to organizational discipline.

The member of Management Team are prohibited from engaging themselves in transactions for the company, which are conflict of interest. No one acquire personal gain in exercising the authority or employment of the company.



HONESTY AND INTEGRITY

Management team acts with honesty, integrity and fairness.



PROTECTION OF ASSETS

It protects company's assets from being damaged, pilfered or stolen.



DEALING WITH THE CLIENTS

It treats the clients with respect and reciprocity.



CONFLICT OF INTEREST

It does not engage in act that conflicts with the interests of the company.



CONFIDENTIALITY OF INFORMATION

It maintains secrecy of the company and its clients.



FAIR AND TRANSPARENT CONDUCT

The management are expected to act in accordance with the highest standards of personal and professional integrity, independence, honesty and ethical conduct including use of utmost care and sound judgment in good faith in the business decision making.

**INSIDER TRADING**

No member of the management team engages himself/herself in any insider trading.

**PRIVET GAIN**

No member exercises his/her power attributed to his/her position for the benefit of the company. No member of the management team uses his/her power attributed to his/her position for private gain.

**COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

The management must exhibit their total submission to the limits of law in drawing up the business policies, including strict adherence to monitoring of legal compliances at all levels.

**INFORMATION SECURITY**

It takes reasonable care to keep secure its information from unauthorized disclosure and exchange.

**GIFTS GIVING AND ACCEPTANCE**

None of them accepts any gifts from clients or any other business associates.

MANAGEMENT TEAM



Standing from left to right

● **Mr. Md. Salahuddin Khan**
Deputy Vice President and
Head of IT

● **Ms. Farhana Haque**
Assistant Vice President and
Head of HR & Admin

● **Ms. Sharmin Akter**
Sr. Manager & Head of Claims

● **Mr. Md. Ibrahim Molla**
Vice President & Head
of Audit

● **Mrs. Beauty Paul Chowdhury**
Vice President & Head of Reinsurance



Sitting from left to right

- **Mr. Md. Morshed Hasan**
Assistant Managing Director
(Underwriting and Branch Coordination
Department)
- **Mr. A.K.M Mohiuddin**
Deputy Managing Director
(Branch Development Department)
- **Mr. Md. Shamim Hossain**
Managing Director & CEO
- **Mr. Md. Hasan Khan, ABIA**
Addl. Managing Director &
Company Secretary
- **Mr. Sheikh Azizul Haque**
ACS, CGIA, VAT Agent
Executive Vice President &
Chief Financial Officer
- **Mr. Mohammad Idris**
Executive Vice President
(Underwriting)

PROFILE OF OUR MANAGEMENT TEAM



Mr. Md. Shamim Hossain
Managing Director & CEO

Mr. Md. Shamim Hossain joined City General Insurance Company Limited as a General Manager in 2008. In his journey, he has proven himself as a dynamic, creative and accomplished sales professional with extensive experience in both B2B and B2C. With a proven track record of generating new businesses, he has a strong working experience in a highly pressured target based environment.

He has served this company in different positions and in 2018 he had taken the responsibility of current charge of Managing Director & CEO. From 2019 he has been serving this company as full placed Managing Director & CEO. Since then as a Managing Director & CEO, he has held and led successfully all areas of the organization. He has around 21 years of experience in the insurance industry. He is a highly motivated and enthusiastic individual with expertise in management. He has strong leadership and communication, technical, marketing skills and innovative ideas.

During his working period he has attended many trainings, seminars and symposiums on insurance and other related sectors. He obtained the degree of Master of Science in Chemistry from National University. He also completed "Post graduate diploma course in Computer Science and Engineering" and "ORACLE certification course". Before joining in insurance company, he was in teaching profession. He has professional experience in IT. He also worked as programmer. He involves himself in various social activities. He was president of "Rotary Club of Shahbag" in 2018-19. He was also "Assistant Governor" 2021-22 of rotary district 3281 Bangladesh.



Mr. Md. Azizul Islam
Advisor

Mr. Md. Azizul Islam was born in a reputed Muslim family of Rajbari in the year of 1953. He was a meritorious student and obtained his B.A (Hon's) and M.A degree in Public Administration from university of Dhaka. He also obtained LL.B degree from same university. Mr. Islam has more than 35 years of experience in the insurance industry. He is an Associate of Bangladesh Insurance Academy (ABIA) and specialized fire diploma holder and a Fellow of Insurance Institute of India (FIII). He is a guest lecturer of Bangladesh Insurance Academy, Bangladesh Insurance Association and some private Universities and institution. Before joining City General Insurance Company Limited as an advisor Mr. Islam served as Managing Director & CEO in various non-life insurance companies for about 16 years. He writes in different Newspaper, Journals and Magazines. Moreover, he was a member of Central Rating Committee (CRC) of Insurance Development and Regulatory Authority. Besides, he is Associated with many social philanthropic organization and life fellow of Indian Insurance Institute.



Mr. Md. Hasan Khan, ABIA

Addl. Managing Director & Company Secretary

Md. Hasan Khan completed Master's Degree in Management from Dhaka University. He is an Associate member of Bangladesh Insurance Academy (ABIA) and also completed 4 (Four) Years Articleship from M/S Patway & Co. Chartered Accountants under ICAB.

Mr. Hasan joined in City General Insurance Company Limited on 1st September 2007 as General Manager & Company Secretary. Later he has been promoted as DMD & Company Secretary and Addl. Managing Director & Company Secretary. He was Guest Lecturer of Bangladesh Insurance Academy, Bangladesh Insurance Association and Institute of Business Administration (IBA) Dhaka University. He has about 4 (four) decades of work experience in various organizations encompassing areas such as Insurance, Accounts, Administration, Company Secretarial practice etc. He is also CAMLCO of the company.

Mr. Hasan participated and successfully completed various types of training and workshops organised by Bangladesh Insurance Academy and Institute of Business Administration of (IBA) Dhaka University.



Mr. A.K.M. Mohiuddin

Deputy Managing Director (BDD)

Mr. A.K.M. Mohiuddin was born in a respectable Muslim family. He completed his graduation from National University. He joined in City General Insurance on 15th July 1996. He has more than 26 years of working experience in business development in the insurance industry. Mr. Mohiuddin participated in and successfully completed various types of trainings and workshops related to insurance and banking.



Mr. Md. Morshed Hasan
Assistant Managing Director (U/W & BCD)

Mr. Md. Morshed Hasan is the Assistant Managing Director of Underwriting & Branch Coordination Department of the Company. He holds MA and LL.B degrees. He has participated in various training courses on underwriting and claims, arranged by Bangladesh Insurance Academy. He has vast knowledge in underwriting with over 33 years of experience. He is also the Deputy CAMLCO of the Company.



Mr. Mohammad Idris
Executive Vice President (U/W)

Mr. Mohammad Idris is the Executive Vice President of Underwriting Department of the Company. He completed his B.Sc. (Hons) and M.Sc. in Mathematics from Chittagong University. After completing his M.Sc., he joined City General Insurance. He has 31 years of work experience in insurance. He has participated in various training courses on underwriting, arranged by Bangladesh Insurance Academy.



Mr. Sheikh Azizul Haque

ACS, CGIA, VAT Agent
Executive Vice President &
Chief Financial Officer

Mr. Sheikh Azizul Haque joined City General Insurance Company Limited in April 2019. He brings with him a dynamic career of more than 24 years of valuable experience in the insurance industry and other sectors.

Mr. Haque is a Chartered Secretary from the Institute of Chartered Secretaries of Bangladesh (ICSB), Chartered Global Investment Analyst (CGIA) from the CGIA Institute (USA) in profession, he is also an enlisted VAT Agent of the National Board of Revenue (NBR). He obtained his Masters degree in Management from the Jagannath University. He completed three and half years Article Ship from the Zoha Zaman Kabir Rashid & Co., Chartered Accountants. He is partly qualified of CA Professional Level from the Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Haque is a member of Bangladesh VAT Professionals Forum, The Institute of Internal Auditors Bangladesh (IIAB) and Bangladesh VAT Bar Association. He has attended a number of seminars at home regarding VAT, Income Tax, Financial Management and Audit matters.



Mrs. Beauty Paul Chowdhury

Vice President
Head of Reinsurance Department.

Mrs. Beauty Paul Chowdhury was born in a respected Hindu family. She completed her M.Sc.in Botany and obtained 1st class (Thesis Group) from the University of Dhaka. She joined City General Insurance on 15th February 1999. During this time, she has held various important positions. Overall, she has 24 years of work experience encompassing areas such as Re-insurance and claims.

She has attended and successfully completed many training programs and workshops.



Mr. Md. Ibrahim Mollah
Vice President & Head of Audit

Mr. Md. Ibrahim Mollah was born in a reputed Muslim family in Munshigonj. He completed his B.Com Hons (Accounting) and M.Com (Accounting) from Jagannath University College under the National University. He also completed MBA (Finance) from America Bangladesh University under UGC. Mr. Mollah joined City General Insurance on 1st January 2000 and served various leading positions in the Company. He has 23 years of work experience and holds the position of Head of Audit in the Company. Mr. Mollah has participated and successfully completed various types of trainings and workshops.



Mr. Md. Salahuddin Khan
Deputy Vice President and Head of IT

Mr. Md. Salahuddin Khan was born in a reputed Muslim family. He completed his B.Sc.(Hons) in Computer Science from National University. Mr. Khan joined City General Insurance on 1st September, 2017. He has more than 15 years of work experience in insurance industry.

He has participated and successfully completed various types of trainings and workshops related to insurance and IT.



Ms. Farhana Haque

Assistant Vice President and Head of HR & Admin

Ms. Farhana Haque comes from a respectable Muslim family in Dhaka. She completed her M.Sc. (Geography & Environment) from Jagannath College under the National University and also obtained L.L.B from City Law College, Dhaka. She joined City General Insurance in 2002. From that, she has held various important positions in the Company. She has 21 years of working experience in the Company, encompassing areas such as HR and Admin. Ms. Haque has participated and successfully completed various types of trainings and workshops on HR and admin.



Ms. Sharmin Akter

Sr. Manager & Head of Claims

Ms. Sharmin Akter was born in a reputed Muslim family. She completed her B.A. (Hons) in History from Jagannath University College under National University. She joined City General Insurance on 1st December 1999. From that, she served various important positions in the Company. She has more than 23 years of work experience in the area of claims. She has participated and successfully completed various types of trainings in claims management.

AWARDS & ACCOLADES



City General Insurance Company Limited has been Awarded the prestigious ICAB 22nd National Award for The Best Presented Annual Reports 2021 in non-life insurance category. The company won the 2nd Runner Up Trophy. The awarding ceremony of ICAB 22nd National Award for the Best Presented Annual Reports 2021 was organized by The Institute of Chartered Accountants of Bangladesh (ICAB) at Pan Pacific Sonargaon Hotel, Dhaka on Saturday December 3, 2022. Mr. Hossain Akhtar, Chairman and Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited received the award from the chief guest Mr. Tipu Munshi, MP, Hon'ble Minister, Ministry of Commerce at an event. Among others, Prof. Shibli Rubaiyat-Ul-Islam - Chairman of Bangladesh Securities & Exchange Commission (BSEC), Mr. Md. Shahadat Hossain FCA, President-ICAB and senior officials were also present at the prestigious awarding ceremony.



City General Insurance Company Limited has been Awarded the prestigious 9th ICSB National Award 2021 for Corporate Governance Excellence in non-life insurance category. The company won the Bronze Trophy. The awarding ceremony of 9th ICSB National Award 2021 for Corporate Governance Excellence organized by the Institute of Chartered Secretaries of Bangladesh (ICSB) at Pan Pacific Sonargaon Hotel, Dhaka on Saturday, December 17, 2022. Mr. Hossain Akhtar, Chairman and Md. Hasan Khan, Addl. Managing Director & Company Secretary of City General Insurance Company Limited received the award from the chief guest of the event Mr. Salman Fazlur Rahman, MP, Advisor to the Honourable Prime Minister, Private Industry and Investment. Among others, Mr. M. A. Mannan MP, Minister, Ministry of Planning, Mr. Tapan Kanti Ghosh, Senior Secretary, Ministry of Commerce and Mr. Mohammad Asad Ullah FCS, President-ICSB and Mr. M. Nurul Alam FCS, Senior Vice President-ICSB were also present at the prestigious awarding ceremony.



City General Insurance Company Limited has been Awarded South Asian Federation of Accountants (SAFA) Best presented Annual Report Awards, Integrated Reporting Awards and SAARC Anniversary Awards for Corporate Governance Disclosure 2021 in Insurance category. The company won the Certificate of Merit. The said awarding ceremony was organized by the South Asian Federation of Accountants (SAFA) held on December 18, 2022 at Hotel Yak & Yeti, Darbar Marg, Kathmandu, Nepal. Mr. Md. Shamim Hossain, Managing Director & CEO, and Mr. Sheikh Azizul Haque, Executive Vice President & Chief Financial Officer of the Company received the award from the higher officials of SAFA.



City General Insurance Company Limited has been Awarded the prestigious Insurance Asia Awards 2022 on Claims Initiative of the Year - Bangladesh which was judged by an esteemed panel consisting of different professional members. The panel members evaluated company's strong claims paying ability position and services to the clients with professional and honesty and efficiently handling claims to pay clients as an easy process of minimum requirements within stipulated time. This indicates its good market reputation and clients satisfaction of the company.



**Insurance Asia Awards 2022
on Claims Initiative of the Year – Bangladesh**

**9th ICSB National Award 2021
Position: Bronze Award
Category: For Corporate Governance
Excellence in Non-life Insurance**



**ICAB 22nd National Award
Position: 2nd Runner Up
Category: Best Presented Annual Reports 2021
Sector: Non-life Insurance**



South Asian Federation of Accountants (SAFA)
Best presented Annual Report Awards
Integrated Reporting Awards
and SAARC Anniversary Awards for Corporate
Governance Disclosure 2021
Position: Certificate of Merit
Category: "Insurance"

9th ICSB National Award 2021
Position: Bronze Award Certificate
Category: For Corporate Governance Excellence
in Non-life Insurance



1996

- Commencement of Business 25th March, 1996
- License Issued by the Chief Controller of Insurance Government of the People's Republic of Bangladesh 31st March, 1996

2007

- Publication of Prospectus for IPO 11th July, 2007
- Subscription Opened 19th August, 2007
- Subscription Closed 23rd August, 2007
- Listed with CDBL 11th September 2007
- Lottery held for Allotment of Shares 27th September, 2007
- Listed with Chittagong Stock Exchange PLC, 22nd October, 2008
- Listed with Dhaka Stock Exchange Ltd. 8th November, 2007
- Trading of shares in Dhaka Stock Exchange Ltd. 12th November, 2007
- Trading of shares in Chittagong Stock Exchange PLC, 12th November, 2007

2011

- Face value & Market lot change
16th January
2011
- Rights Share
Issued
12th July,
2011

2021

- Membership renewal:
Bangladesh
Insurance Association
(BIA), Bangladesh
Association of Publicly
Listed Companies
(BAPLC), Dhaka
Chamber of Commerce
& Industry (DCCI)
- Credit Rating Agency
Credit Rating
Information and
Services Ltd. (CRISL)
Credit Rating : AA
(Double A)
December 30, 2021

2022

- Implemented Paperless
Office System first time
in Insurance sector of
Bangladesh from
July 01, 2022
- Credit Rating Agency
Credit Rating Information
and Services Ltd. (CRISL)
Credit Rating : AA+
(Double A Plus)
December 29, 2022
- Membership renewal:
Bangladesh
Insurance Association
(BIA), Bangladesh
Association of Publicly
Listed Companies
(BAPLC), Dhaka
Chamber of Commerce
& Industry (DCCI)





Credit Rating Information and Services Limited

Nakshi Homes (1st, 4th & 5th Floor), 6/1/A, Segun Bagicha, Dhaka-1000, Bangladesh
Tel : 88-02-953 0991-3, Fax : 88-02-953 0995, E-mail : info@crisibd.com, Web : www.crisibd.com

First ISO 9001 : 2015 Certified Credit Rating Company in Bangladesh Operating Since 1995

Setting global standard at national level

December 29, 2022

CRISL/Com/ 7399 /22

Managing Director
City General Insurance Company Limited
Baitul Hossain Building (3rd floor), 27 Dilkusha C/A,
Dhaka-1000, Bangladesh
Email: cs@cityinsurance.com.bd, info@cityinsurance.com.bd

Sub: Announcement of Credit Rating for Public Listed Companies

Sir,
Pursuant to the Credit Rating Companies Rules, 2022, this is to inform you that the Rating Committee of Credit Rating Information and Services Limited (CRISL) has assigned the following rating to **"City General Insurance Company Limited"** on 29.12.2022 in consideration of its audited financials up to 31st December, 2021, unaudited financial up to 30th September, 2022 and other relevant quantitative as well as qualitative information up to the date of rating declaration:

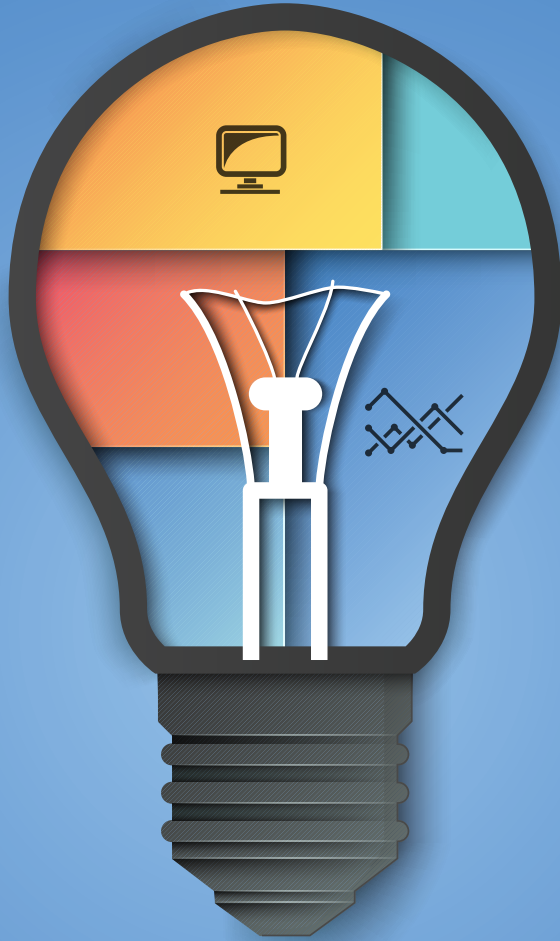
Long Term	Outlook	Rating Date	Rating Validity
CPA AA+	Stable	29.12.2022	28.12.2023

The above is reported as price sensitive information as per guidance in clause 8 A (b) of chapter III of Credit Rating Companies Rules 2022 by BSEC.

Thanking you,

With best regards

Rony Chandra Ghosh
Manager Compliance



STRATEGIC INSIGHTS

CHAIRMAN'S COMMUNIQUE TO SHAREHOLDERS





Our company is thus pushing for fostering greater insurance involvement in Bangladesh by making insurance more inclusive, accessible and affordable in order to contribute to closing the protection gap. This corresponds with our objective of creating a longstanding insurance institution that sensitively fulfils clients' security and long-term requirements.

- Hossain Akhtar

DEAR VALUED MEMBERS,

I welcome you to the Annual Report 2022 of City General Insurance Company Limited, your trusted partner in general insurance.

As I compose this letter, the threat posed by the coronavirus has diminished as a result of global joint efforts to implement one of the largest immunisation programmes in the history of mankind. This shows the power of global cooperation and shines a light on the path to solving the pressing challenges of the planet.

In 2022, the global economic recovery from the slump caused by the pandemic has been positive. Post-COVID-19, the Bangladesh government's immunisation campaign, push towards self-reliance by establishing growth-enhancing programmes, and increasing infrastructure expenditure laid the groundwork for economic recovery. The International Monetary Fund (IMF) forecasts that the Bangladeshi economy will grow by 6% in FY2022-23, making it amongst the fastest growing developing economies of the world.

Return to regularity – Era after COVID-19

The pandemic caused commercial disruptions and affected business, both large and small. However, our sustained efforts in innovation and digital transformation allowed us to stay on top of evolving client needs and company strategies. Our digitisation solutions offer five broad benefits, including greater customer centricity, efficiency, customisation, scalability, and agility. Our modern IT infrastructure supports our vision in innovation-led growth and raises the standard for customer service excellence.

We are leveraging technology in the path towards InsurTech for consumer empowerment and convenience and to enhance our countrywide market share, which is an imperative for our sustainable growth agenda. Technology is also assisting us in gaining valuable agent and consumer insights and customer our product knowledge, while sharpening our understanding of consumer requirements. Additionally, we are focusing on utilising technology to provide consumers with personalised services, thus ensuring that we remain their partner of choice when they choose an insurance product from us or for business retention.

It is extremely gratifying to report that our efforts in the areas of innovation, customer service and investor relations were recognised with a number of prestigious industry awards last year. This includes the coveted "ICAB 22nd National Award for Best Presented Annual Reports 2021", "9th ICSB National Award 2021 for Corporate Governance Excellence", "South Asian Federation of Accountants (SAFA) Best presented Annual Report Awards, Integrated Reporting Awards and SAARC Anniversary Awards for Corporate Governance Disclosure 2021" and "Insurance Asia Awards 2022 on Claims Initiative of the Year-Bangladesh" award in the insurance

category, which we received for the first time in recognition of our excellence in financial reporting and disclosure, corporate governance excellence and for fast claims settlement process. This award is a testament to our efforts in investor relations and a validation of our corporate communication standards founded on the tenets of accountability, trust, and transparency.

Role of general insurance in crisis situations

As the COVID challenges have revealed, health and financial stability are vital in the lives of people, and the role of general insurance in society is critical as a risk control tool. The function of general insurance amid the pandemic came to the fore and was evident as insurance claims were paid to thousands of policyholders as they settled health treatment-related claims and commercial and other insurance claims. During the year, City General Insurance itself settled claims of Tk 5.83 crore, vs. Taka 11.98 crore in the prior year.

Despite the operational and financial position hurdles brought by the crisis, Bangladesh's insurance industry was quick to adapt to the evolving situation. General insurers increasingly embraced digitalisation across the value chain, modernising distribution channels, innovating product portfolios and focusing on prudent cash discipline to deliver improved business resilience and agility through better risk outcomes.

The outbreak also disrupted our way of life and caused increased levels of anxiety in employees. We therefore organised many employee-centric initiatives to ensure their safety and wellness. Employee engagement in these trying times was another key initiative and we utilised our engagement framework to remain in continuous touch with our people. We utilised the situation to build stronger bonds with our teams, helping each other out and being there for one another. This also helped in creating a more cohesive unit bound by solidarity, camaraderie and team spirit.

Fostering insurance involvement – A critical growth driver

Insurance is vital for a developing economy like Bangladesh since it not only ensures policyholder protection against exigent situations, but also helps direct long-term finance for public expenditure, thus ensuring a good social imprint. Furthermore, several measures backed by the industry and regulator have resulted in increase in penetration though it continues to remain very low both as a percentage of the population covered as well as premiums collected as a proportion of the GDP.

Your company is thus pushing for fostering greater insurance involvement in Bangladesh by making insurance more inclusive, accessible and affordable in order to contribute to closing the protection gap. This corresponds with our objective of creating a longstanding insurance institution that

sensitively fulfils clients' security and long-term requirements. We want to do this by improving our understanding of the needs and wants of our clients, delivering appropriate services, and assuring continual interaction with care, compassion, and attentiveness.

We created our company on the larger goal of bridging the massive gap between insurance demand and insurance supply, and this objective drives our focus on strengthening our competitive levers for business acquisition and market share gains. We are also focused on expanding the market, which is the fundamental principle of encouraging insurance participation and getting the public to purchase an insurance policy for themselves, their families, and their possessions. In this sense, we are attempting to send a message to our clients that we care about them, while also advocating the cause of insurance as a revitalization tool.

Adopting a multi-stakeholder approach

Despite the hurdles that include low insurance awareness and general scepticism, we are committed to insurance involvement as an essential part of our sustainable growth strategy. Our wide reach covering virtually all divisions of Bangladesh alongside exceptional customer service has enabled us to make progress on new customer acquisition, premium growth, business process improvement and human resource enrichment.

Furthermore, by diversifying the business through transforming our portfolio mix towards segments that are more profitable and less risk-prone, we are adding value to our stakeholders. We are making the shift towards having a well-balanced mix across product groups. We also made certain that the distribution architecture was diverse. These unique advantages have given us with a springboard to scale higher and sustainably build the business in the future.

Sustainability is important to us

We recognise that the continuous shift to a net-zero society in the wake of climate action will impact every organisation and sector. We at City General Insurance work as partners for our customers who entrust us with their insurance requirements and we are cognisant of this huge responsibility. Thus, solvency is an essential parameter of our business. We ensure that our Solvency Margin is well. In 2022 our solvency margin stood at 5.50%, reflecting business stability and sustainability as well as our emphasis on compliance.

Today, environmental, social, and governance (ESG) criteria are intrinsically linked to the mutualization and management of risk, which is at the heart of insurance. Insurers, including City General, have traditionally viewed robust governance, deep underwriting capabilities, and financial position strength as a means of preserving company value.

Today, things have shifted further. Not only regulators and investors, but also employees, partners, agents, and end customers are vocal about ESG-related issues. We are actively taking account of their rising expectations and are weaving these into our operational framework. In addition, we are also taking note of regulatory developments to take action, particularly regarding the SDG goals and climate concerns.

Thus at our company, we are taking ESG elements into our operational fabric to promote sustainability, such as lowering paper and energy consumption and embracing responsible stewardship of our business operations with a focus on efficiency.

Road ahead

The insurance industry is witnessing a paradigm shift as people become cognisant of its value during crisis situations, especially laid bare by the coronavirus pandemic. Large risk-based events such as the Russia-Ukraine war are becoming a reality and the world is certainly becoming more risk-prone.

In the context of this as well insurance penetration being meagre in a large country such as Bangladesh point to the industry being poised well in the future. As insurers, we are focusing on expanding our reach to penetrate into hitherto untapped markets and are evaluating various digital solutions to reach out. We are also assessing products that are being developed to fill our portfolio gaps as well as meeting evolving customer situations.

In today's interconnected world, we recognise the need for creating value for and being recognised by all stakeholders. We are continuing to construct a resilient tomorrow and progress on our agenda in order to keep our promises. We are advancing together towards a more optimistic outlook.

Acknowledgements

In closing, I extend my gratitude to my fellow Board members who continue to provide steady guidance and oversight at a time when the company has been navigating a difficult operating environment full of uncertainty.

Most developed economies are facing the prospect of outright recession, together with a mix of rising inflation and interest rates, and the Russian-Ukrainian war-induced energy crisis. It is, therefore necessary that the Bangladeshi economy, whilst having to deal with a myriad domestic as well as global headwinds, take action in the implementation of policy and foster growth and employment. The IMF bailout package of 4.5 billion US dollars will go a long way to preserve macroeconomic stability and support strong, inclusive and environment-compatible growth, while protecting the vulnerable sections of the population.

I would like to acknowledge the immense efforts by the City General Insurance Company Limited leadership team, which has been instrumental in delivering the company's recovery in earnings and superior returns to shareholders. Finally, I thank each and every employee for their unstinting commitment, diligence hard work, our customers for continuing to trust us with their insurance needs, and our shareholders for their investment in our company, which is a manifestation of their trust and faith reposed in us.

Thank you once again.



Hossain Akhtar

Chairman, City General Insurance Company Limited

BUSINESS REPORT BY CHIEF EXECUTIVE OFFICER





In keeping with a dynamic and continually evolving marketplace, we are rethinking our work methods and pace of innovation. Today, we are a truly customer-driven organisation with a solid foundation from which to innovate and grow. As we scale up to our future potential, we will continue to introduce new products and programmes to capitalise on new growth avenues, harnessing our key levers of agility, digitality, and versatility!

- Md. Shamim Hossain

DEAR ESTEEMED SHAREHOLDERS,

The insurance sector is experiencing a paradigm shift as a result of the COVID-19 epidemic, which has affected lives and livelihoods worldwide. Health and wellbeing have been severely harmed and have now become a systemic risk. We are experiencing significant creative destruction, which is impacting established risk assessment and underwriting standards while opening up new growth opportunities.

The shift in consumer attitudes regarding insurance, particularly health and pure protection goods, is also changing the way insurance is typically offered, transforming from a push product that mainly relies on the connection between an agent and the customer into a pull product that is seen as a necessity in times of enhanced perceptions of risks.

Today, financial and physical resilience to the vagaries of life and living are closely intertwined. People desire to live a healthy lifestyle. The culture of fitness and physical training has perceptibly increased in Bangladesh. Large companies are coming forward to organise marathons that have particularly caught the fancy of citizens. Customers themselves are increasingly recognising the underlying requirement of physical health and also wider well-being and wellness. This 'wellness insurance' is significantly more comprehensive, opening up a slew of potential for insurers to provide personalised policies that meet the requirements of customers as well as opening the prospects of recalibrating premium rates.

Globally, progress in self-monitoring of health through wearables and data sharing with insurance providers is leading to the development of tailored health insurance plans. Though such trends are visible in the developed parts of the world, they will surely make their way to Bangladesh, rewarding policyholders who demonstrate good behaviour and incentivising them through premium discounts, etc. This is applicable to a swath of products and will bring the insurers and customers into an ecosystem with deeper engagement and greater mutual benefit.

Despite the positive long-term outlook of insurance in Bangladesh, the year under assessment was a challenging one for the general insurers of the country. For instance, on the non-health product pool, the pandemic has created disorder on small and medium-sized enterprises, drastically reducing their business and diminishing their viability. This has caused the SME sector to reconsider their insurance coverage in order to effectively minimise business and personnel risks in the future.

Likewise, the motor insurance pool has had its own share of challenges, primarily since third-party insurance has become practically non-existent in the country. Third-party insurance is a policy acquired by the insured policyholder from the insurer to protect against third-party claims. However, because third-party insurance is not obligatory in Bangladesh, it has no appeal. Third-party insurance was required by the Motor Vehicles Ordinance of 1983. However, the current Road Transport Act of 2018 makes it optional. Thus, the income from the sector has dropped dramatically since the insurance requirement was removed.

We are tenacious in our goal of delivering sustainable increase in value for our stakeholders, and FY 2022 was no exception. Despite an extraordinarily hard external climate with headwinds coming from all angles, we made major progress in our performance, thanks to our digital readiness, excellent customer service, and solid growth in the targeted categories. Our Gross Written Premium (GWP) increased 21.54% year on year to Tk. 15.74 crores and were able to achieve net addition of 751 clients, thus taking our total base to 27,216 clients at the end of the year.

Coming to our key performance metrics for 2022, the total income of your company was Tk. 96.94 crores, as compared to the previous financial year's

total income of Tk. 84.70 crores. For the financial year under review, the Company posted a net profit of Tk. 15.36 crores, as against a net profit of Tk. 11.47 crores in the previous financial year. Likewise, earnings per share or EPS stood at Tk. 2.25 in 2022, vs. Tk. 1.68 in 2021. The company's weighted new business premium grew by 28.46% in 2022 Tk. 58.46 crores over the previous year Tk. 45.51 crores. Renewal premium Tk. 20.73 crores grew by 16.40% Tk. 17.81 crores in 2021, resulting in total premium growth of 25.06% Tk. 79.19 crores in 2022 over the previous year Tk. 63.32 crores.

The pandemic has resulted in bringing to light the importance of insurance as a necessary investment. People have begun to understand the importance of protection in financial planning amid growing uncertainties in income and medical costs. This awareness is expected to be a growth catalyst for the company over the medium to long run and hence is a contributory factor to boosting our performance.

Bangladesh's low insurance penetration rate along with low insurance density also provides a huge fillip to penetrate the underserved segments. The resultant impact is expected to drive higher demand for insurance products, thereby leading to sustainable growth for the company in the future.

Even though Bangladesh has one of the most appealing health and general insurance marketplaces in the world due to widespread category under-penetration, it would be credulous to assume that the runway is level and smooth.

The difficulties on this runway stem from the nature of the product. An insurance policy is a complicated financial instrument. The sales process is time-consuming and engaging. The engagement process is inherently consultative; one must fully understand a prospective consumer - spanning age, geography, income, family lineage, and anticipated demands - before the appropriate insurance policy can be suggested. Inevitably, the sales process needs a knowledgeable intermediary whose goal is not so much to sell as it is to educate; the purpose is not so much to suggest as it is to empower the prospect to reach an informed conclusion. Furthermore, there are problems connected to raising awareness, simplifying insurance products, and expanding the role of technology in improving product awareness, accessibility, and availability.

City General Insurance has approached these challenges from a unique standpoint. This viewpoint can be codified in the single sentence of putting ourselves in the shoes of our customers and doing what is best for them.

Digitalisation has been the most significant step in improving the customer's value offering. We have always believed that we have a better chance of gaining a lifelong client if we make it simple for them to contact us, answer their inquiries in real time, and instil the notion that someone at City General Insurance is truly interested in assisting them in making their decision. We have evolved the concept that we are not so much a health insurance business devoted to selling insurance products as we are a trusted friend who will advise the consumer best on how to be protected.

In response to a dynamic and ever-changing marketplace, we are rethinking our work procedures and innovation pace.

Today, we are a truly customer-driven organisation with a solid foundation from which to innovate and grow. As we scale up to our future potential, we will continue to introduce new products and services to capitalise on new growth avenues, harnessing our levers of agility, digitality, versatility.

In the future, we intend to enhance our focus on augmenting certain segments of our retail portfolio, such as health insurance, marine insurance, etc. These are more viable with sound profit contribution. Thus, progressive portfolio transformation in the future will release value-accrue outcomes for our shareholders and stakeholders.

We want to be the most desired employer and general insurance company in Bangladesh. Our primary focus will be on developing a more sustainable company model based on the solid pillars of customer-centricity, employee engagement, prudent risk underwriting and control, solvency sufficiency, technical competence, and enhanced distribution network and channels.

As I close this year's evaluation, I want to take this opportunity to thank all of our staff for their great devotion and performance, especially during this difficult time, as well as our clients, agents, bankers, shareholders, and all other stakeholders for their unwavering support. We are also appreciative for the direction and assistance provided by the Insurance Development and Regulatory Authority of Bangladesh (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange PLC (CSE) and other regulatory bodies. City General Insurance will continue to operate as a cohesive team, level up for developing stronger procedures and platforms, provide relevant products, and retain a focused emphasis on customer-friendly services in these trying times. We will nurture and harvest emerging prospects, try to improve our scalability and sustainability, and focus on growth. We can do it together, and we will overcome our problems today to pave the road for a brighter tomorrow.

As we enter the new year, we do so with renewed vitality and confidence. We feel the moment has come to expand our footprint to every home in Bangladesh by fully using the potential of our present relationships in every part of the nation and identifying and capturing valuable pools of business.

We sincerely thank all of our customers, staff, partners, regulators and stakeholders for their continuous support and faith in our brand. You are unique to us and help us to be the great organisation that we are. We look forward to serving and collaborating with all of you to guarantee that we continue to establish new standards in insurance and strive for the development of our environment, society and country.

Thank you and best wishes to you and your family!



Md Shamim Hossain

Managing Director & CEO

KEY FINANCIAL METRICS



8.47%

RETURN ON AVERAGE
ASSETS



BDT 14.55 Crore

UNDERWRITING PROFIT



BDT 126.58 Crore

NET ASSETS VALUE



BDT 56.79 Crore

NET TURNOVER



12.13%

RETURN ON EQUITY



BDT 21.26 Crore

PROFIT BEFORE TAX



BDT 15.36 Crore

NET PROFIT AFTER TAX



10.50% Cash

CASH DIVIDEND



BDT 1.05

FINAL CASH DIVIDEND
PER SHARE



BDT 2.25

EARNINGS PER SHARE

CFO'S REPORT TO SHAREHOLDERS



City General Insurance is dedicated to producing long-term value for all stakeholders by establishing a sustainable business that delivers consistent performance and robust execution. A crucial strategy pillar is a focus on profitable market share expansion. We generated strong results across key financial indicators during the year 2022, thus assisting us in meeting our stated financial goals.

Sheikh Azizul Haque

ACS, CGIA, VAT Agent
Chief Financial Officer



Dear Respected Shareholders,

In difficult circumstances, we think that people want a partner who can offer them with all the necessary guidance and support - through thick and thin. City General Insurance is dedicated to our mission because it provides us with clarity and direction in all we do. Our mission enables us to make a clear guarantee to our policy holders, particularly in difficult times when they need stability and assurance. We assist them overcome their anxieties and give them the strength to face the future by providing them with devoted personnel, insurance expertise, and access to information. We truly provide optimism for the future.

We are actuaries and advisers with longstanding expertise and are committed to insurance involvement. We are devoted to the future of our customers and the company and hence our shareholders. We endeavour to carry out our duties with zeal and passion and benefit all those who are associated with our business.

Our solid financial position has been created over time with innovative products, a strong team of people, a wide product offering for retail and institutional clients, and sound risk management techniques. On a continual basis we track and monitor important performance criteria, such as liquidity and asset-liability situations. Over time, we have used our financial resources to invest in our brand and technology,

laying the groundwork for increased value enhancement for our shareholders. In line with our emphasis on benefitting our shareholders on account of a sound business performance for the year 2022, we have declared cash dividend of 10.50% for the year and will continue to link our business strategy with dividend pay-out, thus creating opportunity for value enhancement in the hands of our shareholders.

Solvency margin was at 5.50% as of December 31, 2022, reflecting our company's strong financial capability to settle claims and meet obligations. This high ratio means the company is financially sound and has enough capital to pay all valid claims. Furthermore, our solvency ratio stands well when compared to the other players in the industry.



In 2022, CGI delivered a strong performance with a 28.46% increase in value of new business (VONB) and sustainable growth in all of our key financial metrics. Our diversification is a key competitive advantage for the company, and the execution of our strategic priorities has driven broad-based growth across our portfolio mix and distribution channels. We also continued to accelerate the use of technology throughout our business to provide uninterrupted service to our customers, agents and partners even as the COVID-19 pandemic and later the war in Ukraine continued to impact the region throughout the year.

CGI will continue to pursue growth prospects, particularly to enhance the market penetration rate of retail insurance, which is now rather low in the country and is ripe for future growth. Consistent with a developing digital economy and sustainability trends, we are continually improving our products and services to satisfy the varying demands of our clients. In addition, we seek to optimise margins by refocusing on profitable business divisions and achieving technical excellence in underwriting, pricing, and claims management. Concurrently, CGI is digitalising an increasing number of its procedures to ensure scalability as the business expands and to improve the client experience.

The residual economic effects of COVID-19 and socio-political variability will continue to impose a low-growth environment, and it remains to be seen how quickly the economy will recover as we enter the endemic phase of disease control. Challenges abound, such as high inflation,

rising interest rates, slowing economic recovery, variability in morbidity and other risk assumption, and public unrest that are all contributing to macroeconomic issues and point to a difficult period ahead. However, we are confident of our resilience against any extraneous shocks and believe we can crest over any difficulty through our unique advantages that we have built over time. We have a challenger mindset and are focused on creating value for our customers while taking our belief in insurance involvement far and wide. We are devoted to offer the assurance of insurance.

By embracing digital operations and migrating to a flexible working paradigm, we will strengthen our readiness for future events in light of the numerous lessons learnt over the previous two years. We will proactively manage these risks by continually updating our IT security and awareness, cost management, and monitoring and repricing, as deemed necessary.

Though the times ahead may be challenging, our resolve is greater to continue to remain on the path of sustainable value creation for our shareholders and investors.

Best regards,



Sheikh Azizul Haque
 ACS, CGIA, VAT Agent
 Chief Financial Officer


OUR FINANCIAL PERFORMANCE IN 2022

Gross written premium
21.54% higher than
the previous year


BDT 888.01 mn

Claims settled
2022


BDT 53.01 mn

 Revenue – Gross direct premium income (BDT mn)


2020	2021	2022
376.45	633.20	791.86

 Combined ratio (%)

2020	2021	2022
75.77	70.05	70.51

 Claims settlement ratio (%)

2020	2021	2022
100	95.16	70.44

 Net profit after tax (BDT mn)

2020	2021	2022
120.75	114.72	153.58

Claims
settlement ratio
2022

70.44%

Products
2022

33

Total customer base
2022

41,470



Solvency ratio (%)

2020

5.80

2021

5.08

2022

5.50



Return on equity (%)

2020

10.50

2021

9.60

2022

12.13



No. of branches

2020

55

2021

49

2022

45



Employee count

2020

315

2021

396

2022

395

CONTRIBUTION TO THE NATIONAL EXCHEQUER

We recognize that City General Insurance Company Limited has certain corporate responsibilities to the society for their development and the development of the nation as a whole. The company made significant contribution to the Government each year.

OUR PRIORITIES

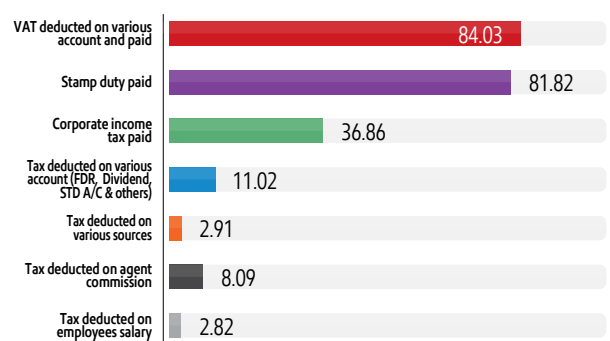
- Paying fair share of business VAT, withholding VAT, Corporate Tax, withholding taxes and excise duty to the National Exchequer
- Creating employment
- Maximizing shareholders wealth
- Taking environment initiatives
- Supporting community
- Financial assistance to the insolvent meritorious students
- Provide attractive returns to shareholders as dividend

Contribution to the National Exchequer:

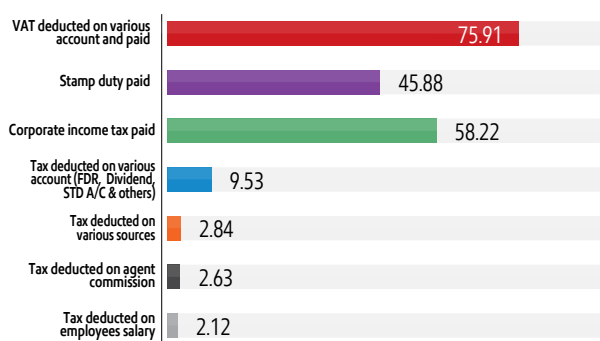
VAT, Stamp, Corporate Tax, Source VAT & Taxes Contribution to National Exchequer are furnished below:

Particulars	Amount in million (BDT)			
	2022	2021	Increased/ (Decreased) 2022	Increased/ (Decreased) %
VAT deducted on various account and paid	84.03	75.91	8.12	10.70
Stamp duty paid	81.82	45.88	35.94	78.33
Corporate income tax paid	36.86	58.22	(21.36)	(36.69)
Tax deducted on various account (FDR, Dividend, STD A/C & others)	11.02	9.53	1.49	15.63
Tax deducted on various sources	2.91	2.84	0.07	2.46
Tax deducted on agent commission	8.09	2.63	5.46	207.60
Tax deducted on employees salary	2.82	2.12	0.70	33.02
Total amount paid	227.55	197.13	30.42	-

Contribution to National Exchequer 2022 (BDT in mn)



Contribution to National Exchequer 2021 (BDT in mn)



SUITABLE SUPPLY CHAIN MANAGEMENT POLICY

City General Insurance Company Limited operates its business such as Fire, Marine, Motor & Misc. insurance in the following manner:



Prospective clients fill know your customer (KYC) form. Then the insurer verifies the KYC form and assessed the risk before underwriting.



If prospective clients KYC form are found correct and in order and filled with utmost good faith with all material information than insurer first of all issues cover notes.



The payment mode by insured like Cheque, Pay order, Draft and Bank Guarantee be deposited (except Bank Guarantee) to company's specific Bank Account.



After details verification/checking whether provides adequate information by the insured in support of cover note and KYC form, insurer issues insurance policy in favor of insured.

MATERIALITY DETERMINATION PROCESS

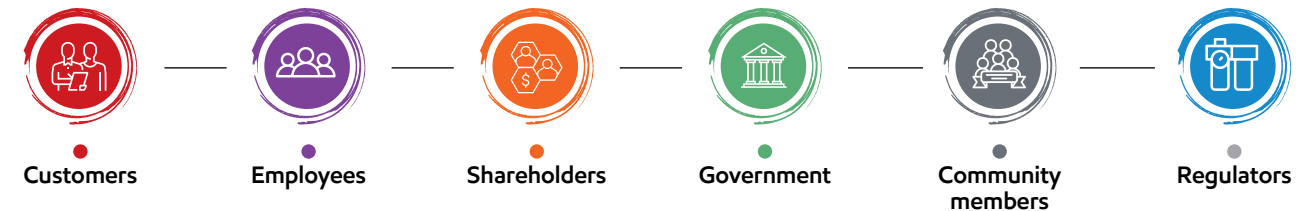
In our bid to prioritising key issues, we regularly undertake a materiality evaluation to acquire insight into each of the significant concerns that might impact our value generation. In addition, it allows us to comprehend the significance of these challenges to each of our stakeholder groups so as to enhancing our strategic planning and decision-making.

Our materiality processes






Our annual materiality review helps us to identify the critical ESG themes relevant to our operations. We engage with stakeholders, including investors, employees, management teams and customers to identify ESG priorities. Our materiality determination process encompasses four stages:









Below are material areas identified by the company, basis the feedback received from various stakeholders and the risks and opportunities posed to our business.













Material matters	Description	Stakeholders impacted
<p>Operational excellence</p>	<p>We are committed to identifying strategies to enhance our business operations, augmenting efficiency and exploring ways to make processes simpler, better and faster.</p>	
<p>Community uplift</p>	<p>It is an imperative for us engage in public welfare initiatives to contribute to raising the standards of living and ensuring basic welfare that improves their everyday life</p>	

Material matters	Description	Stakeholders impacted
<p>▶ Applied governance and compliance</p>	<p>▶ We are devoted to respecting rules and regulations and acting ethically by taking the rights and interests of relevant stakeholders into account. This forms the basis of our governance standards.</p>	<p>▶ </p>
<p>▶ Contribution to the SDGs</p>	<p>▶ The Bangladesh government has committed to meeting the SDG goals by 2030 and as an intrinsic part of the country's development profile, we are also focused on helping the nation achieve the same.</p>	<p>▶ </p>
<p>▶ Market share expansion</p>	<p>▶ CGI is one of the most dependable names in the sector. For continuing success in the future, it is essential that brand value be preserved and improved and this is the basis of our augmentation in market share and take forward our mantra of insurance involvement.</p>	<p>▶ </p>
<p>▶ Employee upskilling and training</p>	<p>▶ Expertise, knowledge and technical skills are key to success and we provide our people with training, coaching and guidance with a view to help them become better at what they do and hence facilitating professional advancement.</p>	<p>▶ </p>
<p>▶ Shareholder relations</p>	<p>▶ Clear and consistent communication of strategic priorities and efficiencies in execution enable the short, medium and long term value for our stakeholders. While ongoing dialogue with our shareholders is a key part of our materiality determination process, it is also a major contributory factor to maintaining sound relations with our investors.</p>	<p>▶ </p>

Material matters	Description	Stakeholders impacted
▶ Customer service excellence	▶ Being a customer-centric organisation, we are focused on continuing to put the 'customer first' philosophy to work at all times and make continuous efforts to enhance customer experience and service levels. We also use customer excellence to bolster our competitive advantages.	▶ 
▶ Prompt claims settlement	▶ Providing the assurance of insurance is a key part of our endeavour to service our customers, uphold the tenets of insurance, and drive insurance involvement amongst the public. Valid claims settlement on a prompt and timely basis enables us to be with our customers in their times of need or the moment of truth.	▶     

Some of the other material matters on our horizon include the following:

Material matters	Description	Stakeholders impacted
▶ Geopolitical events	▶ The escalation of geopolitical tensions can have a negative influence on the financial markets, increase commodity prices, fuel inflation, and reduce consumers' income. The economy's rising interest rates may exacerbate the volatility of the financial markets and increase cost of funds.	▶     
▶ Business continuation	▶ Consideration of the new COVID variations or any human-made or natural disaster that disrupts corporate operations and activities is a key part of our business preparedness strategy.	▶   
▶ Product differentiation	▶ It is essential to continue innovating in order to stay ahead of the market curve. Our emphasis on market-leading innovation in insurance serves as a barrier against product commoditisation.	▶  

OUR APPROACH TO INTEGRATED THINKING

At City General Insurance (CGI), we have always believed that well-integrated thinking make organisations more robust in the face of not just local but also global challenges such as the COVID-19 pandemic and the Russia-Ukraine war. At our company, integrated thinking encourages a more comprehensive examination of our enterprise in order to help us build stronger value for all our stakeholders.

The phrase “Integrated thinking” was coined by the International Integrated Reporting Council or the IIRC. It is clear to us that we cannot generate a credible integrated reporting practice unless the organisational conditions and processes are favourable to the efficient development of this report. These circumstances were referred to as integrated thinking.

At our company, our understanding is that integrated thinking is our organization’s active analysis of the links between its many operational and functional divisions. Furthermore, we have reaped the benefits of integrated thinking that often leads to integrated decision-making and activities that address value generation in the short, medium, and long term. This is clearly evidenced by the fact that CGI has contributed Tk 22.76 crores to the exchequer and paid out dividend of Tk 27.61 crores to shareholders over the past five year, thus generating value for the broader society.

Integrated thinking takes into account the connectivity and interdependencies between the range of factors that affect our organization’s ability to create value over time, including the capitals that we use or affect, and the critical interdependencies, including trade-offs, between them.

CGI is one of Bangladesh’s largest general insurance companies, delivering health insurance, property and casualty solutions, amongst others, to institutional and retail third-party consumers. Our commitment is to provide high-value services that address social, environmental and societal concerns. At the core of this commitment is integrated thinking, which is generally regarded at the company as a tool

for integrating ESG (environmental, social, and governance) concerns into our organisation’s processes and activities. This integration has shown us the influence of megatrends on our business operations and how to mitigate risks sustainably.

We have always held the view that integrated thinking is the incorporation of aspects of People, Planet, and Profit into our business philosophy, processes, and practices. This path has allowed us to exchange various talents and views across and around departments, thus creating a stimulated workplace environment. What was previously seen as an opportunity has now been included into our operations.

We are striving to create a stronger connection between integrated thinking and our corporate strategy, which is reflected in the company’s holistic approach to ongoing dialogue with our stakeholders. The resulting business strategy is internally supported by a strong corporate culture that fosters principles such as proactive action and desire for excellence, collaborating with others, demonstrating empathy, enriching team spirit, and keeping things simple by reacting swiftly and making sound judgement, especially where underwriting calls are concerned.

We also embrace diverse viewpoints and backgrounds in order to foster creativity and integrated thinking. The company’s senior management is a staunch supporter of its organisational culture and comprehensive value approach. The company also maintains a robust sustainability agenda focused on multi-dimensional goals and integrated operations.

OUR OPERATING CONTEXT AND OPPORTUNITIES

Working amid challenging conditions

Even before the year 2022 began, the external environment was being reshaped predominantly by the global health pandemic, which saw a low-interest-rate environment and rapid technological upshift.

The COVID-19 pandemic continued to chart headlines as the impact of this health issue affected lives and livelihoods. Yet, its intensity has been somewhat managed in Bangladesh and other parts of the world by the vaccination programme that has been put in place. However towards the second half of the year, the country faced additional turmoil with the impacts of the war in Europe now being felt in terms of soaring grain, energy and other commodity prices and waning global demand that especially affected RMG and other exports out of Bangladesh. Remittances, the other major constituent of the economy, was also under pressure as reduced income and pandemic-inflicted job losses reduced forex flow into the country. Together, this created the perfect storm as it led to a balance of payments crisis and reduced forex reserves. This forced the hand of the government to seek external assistance, with the government emerging successful in getting agreement for drawing a total relief package of USD 4.5 billion in November 2022. This provides the economy with the cushion or buffer to counter the economic slowdown headwinds while helping recovery of the macroeconomy.

In addition, the government also kept a close pulse on the COVID situation and introduced stimulus packages to the tune of over USD 22 billion, one of the largest stimulus funds vs. national economy size.

While the year was fraught with economic challenges, lower trade and business, and depressed consumption, Bangladeshi financial institutions displayed resilience, thanks to the buffers and structural strength built over the years, which were well-capitalised and liquid enough to withstand unexpected losses that could materialise.

For the financial year 2022, the national economy is expected to perform reasonably well, to an estimated 7.2 percent, supported by recovery in domestic demand as economic activity resumed as well as monetary and policy support.



2022 has been a year of challenges and opportunities. Besides bracing the negative economic impacts of the pandemic, we have also been dealing with the drastic change of consumer behaviour which has trended towards digital engagement. To this extent, the company has a clear line of sight that aims to transform our service experience for customers. Digitalisation is a key enabler for the company to emerge from the pandemic stronger and more resilient. The aspects of digitalisation encompasses all the business segments of the organisation.

For the year in review, in the face of the external trends, the company intensified the adoption of technology and

accelerated the development of digital offerings to meet our customers' needs. In ensuring our alignment to providing unrivalled customer service, we make certain that the customer journey and user experience are seamless, user-friendly and efficient. We are also acutely aware of cyber threats and have created robust virtual systems that help thwart any attacks.

Insurance involvement

The company is exposed to significant scope of opportunity in terms of raising insurance penetration, with this being amongst the least in the world. It is estimated that insurance in Bangladesh is under 1% amongst a population of 166 million+ people. This is a major source of opportunity for all general insurers and it is also one of the reasons why the country is one of the frontline insurance markets of the world. Further, while retail insurance is underserved so is insurance amongst businesses with significant under-insurance. Thus, both retail and institutional fronts of the sector demonstrate opportunity.

 <p>Risks (short to mid-term)</p>	<ul style="list-style-type: none"> ▶ Industry growth is anticipated to remain muted due to economic uncertainty, notably for the general insurance sector where sluggish growth was noted even before COVID. ▶ Insurance companies' net profit levels are sensitive to changes in interest rates and in a rising interest rate environment representing a reversal from the COVID period, this might impact net profit levels on a general basis. ▶ Competition for talent because of a lack of skills and abilities. ▶ Climate change hazards, such as the possibility of more frequent catastrophic floods.
 <p>Opportunities (short to mid-term)</p>	<ul style="list-style-type: none"> ▶ To explore and unlock new areas of demand to increase penetration rates through insurance involvement as well as via augmenting distribution strength. ▶ Continued protection focus through enhancing footprint and reach through branch network as well as agency business (agents). ▶ Mobilise initiatives that help in engagement with prospective customers, especially those at the grassroots through products such as microinsurance. ▶ Leverage on our assets, know-how and knowledge base to create strong competitive differentiation.

RESPONDING TO BLACK SWAN EVENTS

There has been widespread damage done by the fast spread of COVID-19 to individuals, households, organisations, cities, regions, and countries worldwide. To combat the pandemic emergency, we prioritised and concentrated our efforts on providing essential aid, simplified processes to expedite decision-making, and leveraged digitalization to spark innovative forms of participation and even customer service. These precautions have meant that our operations have remained stable, and that we have maintained our engagement with our stakeholders. In addition, our Board also offered enhanced guidance and helped sharpen and evolve the strategy, thus providing tactical inputs necessary to grow the business amid the challenges.

View of major developments

While COVID was a major unprecedented event, the other significant global development comprises the Russia-Ukraine war that has severely dented economic recovery from the disease and has in fact upended government efforts in restoring post-pandemic stability.

Furthermore, the war has also enforced a faster reversal of policy measures of central banks as they have sharply revised policy rates in a bid to curb inflationary pressures. In fact, rates have been raised so sharply that a major hit on consumerism and economic activity is expected to have a fallout in terms of tipping large parts of the world into recession in the near term.

CGI responses

As part of our key response strategy, we focused on priming the business to help face the challenges and tide over the economic difficulties. Business continuity and preparedness was key for us to be able to respond to the challenges.

Amid the COVID pandemic, we focused on employee health and wellbeing and once the movement control restrictions were relaxed we created arrangements for shifting our teams back to the physical work environment within the sanctity of all protocols and hygiene measures. We also encouraged our teams for vaccination, especially our front-end staff and in fact focused on other stakeholders to get vaccinated too. Today, though the negative impacts of COVID have reduced significantly, another challenge in the form of the war in Europe has spawned an entirely new set of issues.

Hence, much of the year 2022 was about bolstering business resilience and ensuring that we executed our plans and strategies even amid the challenges. Though the complexity escalated over time, we reinforced our response measures, which include the following.



● Development of upgraded products and solutions with a view to meet new customer needs



● Focused sales development measures to grow our clientele and hence augment our growth prospects



● Increased capacity-building measures for our people towards upskilling and workforce transformation as well as enriching our intellectual capital



● Directing focused efforts on claims management with a view to settle valid claims in the shortest possible time and hence enable financial and social security for our policyholders



● Enhancing digitisation of processes, etc., for enhancing customer service excellence and improving on business efficiencies



● Continuous mapping of the external risk landscape with a view to remain abreast of evolving risks and take appropriate measures in a proactive manner



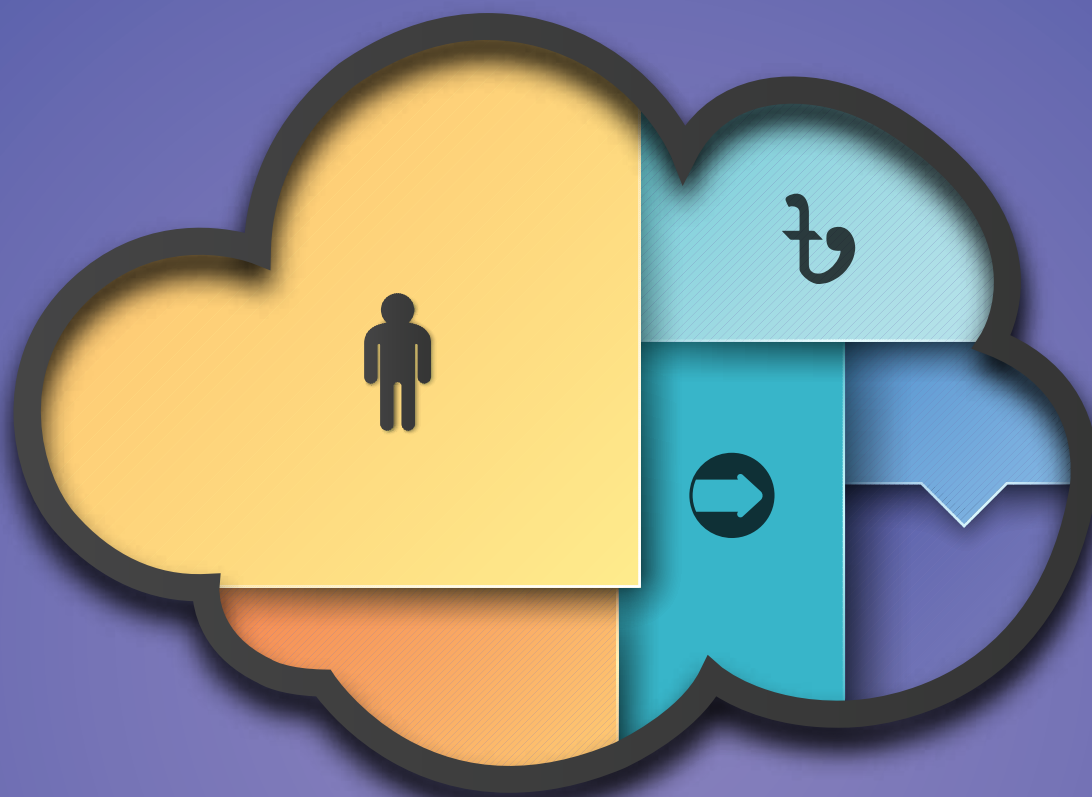
● Reinforcing our underwriting and technical risk evaluation skills for focusing on underwriting profitable business



● Transforming our portfolio mix with a view to de-risk from excessive concentration on particular product lines as well as grow the promising parts of our business



● Continued to offer relief and welfare in terms of our citizenship programs for community uplift



TRANSFORMING OUR CAPITALS

DASHBOARD VIEW OF OUR CAPITALS



Manufactured Capital

CGI's integrated operations utilise modern workplaces for conducting business. Further, our operations are conducted in our head office in Dhaka and via 45 branches located around Bangladesh.

Key metrics	2020	2021	2022
BRANCH NETWORK	55	49	45



Financial Capital

The company's focused growth strategy, along with disciplined fiscal execution and cost management, has led to favourable financial outcomes over time.




Key financial metrics	2020	2021	2022
INCOME FROM OPERATIONS	84.52	95.58	145.46
NET PROFIT	120.75	114.72	153.58
EARNINGS PER SHARE (TK.)	1.77	1.68	2.25
BOOK VALUE PER SHARE (TK.)	10.00	10.00	10.00
ROCE (%)	14.09	13.61	16.80
CLAIMS SETTLEMENT RATIO (%)	100.00	95.16	70.44

BDT in mn



Human Capital

Our employees possess specialist skills and competencies that have been developed and sharpened over years of training and upshift in skilling and technical capacity augmentation. While we maintain a congenial and collaborative work environment rooted in team spirit, we value loyalty, dedication and diversity and offer fair compensation standards.

Key human resource metrics (Tk. million)	2020	2021	2022
 SALARY AND OTHER BENEFITS	96.09	137.88	198.91
 REVENUE PER EMPLOYEE	1.39	1.85	2.25
 TOTAL WORKFORCE (NOS.)	315	396	395



Social and Relationship Capital

We foster mutually-respectful, cordial and win-win relations with our workers and stakeholders, thus maintaining a beneficial environment for growth. We are focused on supporting communities that need a helping hand and we consider ourselves as a part of the society that must extend assistance and support to improve the quality of life and build a better future for all.

Key stakeholder metrics (Tk. lacs)	2020	2021	2022
 CSR SPENDS	8,97,500	9,05,000	9,50,000
 BENEFICIARIES (NOS.)	1,726	1,749	2,576



Intellectual Capital

We have been able to create a degree of competitive differentiation and a sustainable commercial model through our specialist product, process and market know how and through our ongoing focus on innovation and new thinking.

Key i-cap metrics	2020	2021	2022
 NEW CUSTOMERS ACQUIRED	286	645	751



Natural Capital

As a part of the insurance sector, we strive to eliminate the environmental impact of our business, though limited as we are in the service industry, through the sustainable use of natural resources and responsible resource management.

Key responsibility metrics	2020	2021	2022
 ENERGY CONSUMPTION AT HEAD OFFICE (KWH)	76,165	75,864	70,205

GUIDE TO READING THE CAPITALS



MANUFACTURED CAPITAL

CGI's manufactured capital manifests itself in the assets and infrastructure that allow us to conduct company activities. Our assets are head office and branches, and we hire and employ a wide range of equipment and tools to conduct our day-to-day business activity.



OUR MANUFACTURED CAPITAL

This capital comprises of our offices and facilities that allow us to operate. We invest financial capital in these assets to help our brand grow and deliver on its unique value proposition. We also use these capital resources to develop systems and processes that promote continuous improvement, allowing our organisation to reach its full potential, while making continuous advancements in our workflows, operational techniques, and processes. We are also committed to insurance involvement and our manufactured capital is central in this endeavour.

We continually seek to enhance our manufactured capital through business process optimization and efficiency improvement. Our goal is to become better for our customers every day.



THE IMPORTANCE OF MANUFACTURED CAPITAL

Our manufactured and infrastructure capital is critical to our organisation since our initiatives define us. Our mission is to provide responsible and ethical insurance service to our customers/ policyholders while also adding value to society through our citizenship efforts. We will continue to invest in our business for development, and optimise how we use our manufactured capital to offer an adequate return to our shareholders.



STRATEGIC TRADE-OFFS

- The core of our manufactured capital is to build the foundations today for a sustainable tomorrow
- Our cautious stance on branch network expansion had an impact on human capital
- Capex and opex optimisation may have an impact on the future of our financial capital



GENERATING VALUE USING MANUFACTURED CAPITAL, 2022

- As of December 31, 2022, we had a total of 45 branches located in 8 divisions of Bangladesh
- We adopted many efforts to increase operational efficiency throughout our operations, including digitisation
- We maintained strict cost control and discipline, especially in our capex and opex requirements

FINANCIAL CAPITAL

CGI's focused growth strategy, along with disciplined fiscal execution and cost management, has led to favourable financial outcomes over time. The maintenance of strong credit ratings, as well as the Company's capacity to control costs and expenses, contribute considerably to our sustainability objective. Furthermore, our strong financial management methods enable us to build long-term value for our shareholders while maintaining our position as amongst the leading corporate tax payer in the insurance sector of Bangladesh.

The company adopts a financial position management posture that is robust and reflective of the company's transformation journey, one that continually seeks to optimise the financial position mix in order to strive for sustainable higher income and margin. Our key focus is to guide the structural premiums collected to a path of sustainable growth.



OUR FINANCIAL CAPITAL

Our financial capital consists of cash and investments. To achieve financial stability, we employ a combination of various financial resources in our company activities. Financial capital is employed in our everyday business operations to assure that we meet the company's financial goals. We communicate with stakeholders, analyse our material concerns, and balance capital trade-offs with other capitals that are impacted when we use our capital resources. This process results in the generation and maintenance of long-term value.



THE IMPORTANCE OF FINANCIAL CAPITAL

To support the company's short, medium, and long-term sustainability and growth strategies, we employ cash generated by our business activities as well as funding, both debt and equity. We provide a return on investment to our shareholders through dividend payments that are usually annual in nature.



STRATEGIC TRADE-OFFS

- The core of our financial capital trade-off is to balance short-term profitability with long-term sustainability
- Cost control has an impact on our human capital
- Expenditure suppression has a bearing on our Social and Relationship Capital



GENERATING VALUE USING FINANCIAL CAPITAL, 2022

- As of December 31, 2022, we had a total of 45 branches located in 8 divisions of Bangladesh
- We adopted many efforts to increase operational efficiency throughout our operations, including digitisation
- We maintained strict cost control and discipline, especially in our capex and opex requirements

HUMAN CAPITAL



OUR HUMAN CAPITAL

The quality of our human capital helps us stand out. We have worked hard over the years to ensure that our staff are empowered, inspired and motivated to be top achievers who believe in not just delivering value to the organisation, but also growing as professionals. Our carefully developed systems and inclusive leadership culture embrace and foster varied talents to become their best selves. Furthermore, we are also working hard to create our employer brand that stands on the pillars of progressive career and L&D opportunities.



THE IMPORTANCE OF HUMAN CAPITAL

Because of the importance of our people to our success, we are committed to providing unparalleled value to our customers and other stakeholders. The global pandemic has made the last two years exceptionally difficult. We dealt with the challenges by showing fortitude, adaptability and dedication. In addition to helping us find important talent and future leaders, the pandemic enabled us to demonstrate the company's capacity to be inventive in its consumer value offering.



STRATEGIC TRADE-OFFS

- The core of our human capital is to prepare our resources for a competitive environment
- Augmenting our human capital has an impact on our financial capital
- However, insufficient L&D may have an impact on our intellectual capital



GENERATING VALUE USING HUMAN CAPITAL, 2022

- Invested Tk. 12.50 lacs in training and development
- Training cost per employee Tk. 3,165
- Per employee average salary Tk. 5.03 lacs
- Focused on DEI (diversity, equity and inclusion) and fair treatment of all

SOCIAL AND RELATIONSHIP CAPITAL

We are dedicated to fostering credible connections with our stakeholders through our participation in corporate responsibility and sustainability programmes that benefit local communities. Our commitment to social impact

programmes, particularly those that support the Sustainable Development Goals (SDGs), strengthens our standing as a responsible leader in the business world and benefits everyone involved.



OUR SOCIAL AND RELATIONSHIP CAPITAL

The communities we operate in and the people we serve, as well as any other important parties that stand to gain from our efforts, are all a part of our social capital. Our strategy for managing relationships with key stakeholders emphasises openness, responsiveness, and discussion. Giving back to the community and promoting an environment where everyone feels welcome and valued are also important components of our corporate citizenship efforts.



THE IMPORTANCE OF SOCIAL AND RELATIONSHIP CAPITAL

We understand that our decisions and actions have consequences for those we are most committed to serving, and we include their feedback into every stage of our strategy development and execution process to guarantee we are always maximising value for our stakeholders. We are also active in community-building initiatives in the places where we have a presence and conduct business. Our sustainability objectives are in line with the SDGs, which place an emphasis on promoting prosperity for all.



STRATEGIC TRADE-OFFS

- The core of our social and relationship capital trade-off is to ensure value creation for the short and long term
- CSR budget constraints have an impact on community development initiatives
- Focused budgets disable us to make a larger impact and engage in a greater number of initiatives



GENERATING VALUE USING SOCIAL AND RELATIONSHIP CAPITAL, 2022

- Launched a number of programmes to promote COVID-safe behaviour and practises
- Guaranteed safety practices to create a safe workplace
- Taken the lead in addressing urgent social issues

INTELLECTUAL CAPITAL

CGI's ability to innovate is essential to keeping our competitive advantage, and this capability is fostered through the knowledge, processes, technologies, and systems that are integral to our operations.

Development of our intellectual capital enables the company to launch relevant products that aid in strategic growth and market share accretion. It also aids in the ability to reduce cost, improvise delivery processes, and create surplus value for customers. In addition, streamlined MIS and documentation processes ensure accurate financial modelling.

We have been working on enhancing our internal control systems and procedures to make them more scalable so that we can fulfil our future growth aspirations. In addition, we fortified our operations against fraud and defalcations by improving our procedures and methods, enforcing our policy regulations, and cultivating a zero-tolerance attitude towards any form of corruption.

Over the years, we have also strengthened our intellectual capital by acquiring critical talent, which includes our people resources as well as their expertise, ideas, and insights. For further explanation, see the "Human Capital" section.



OUR INTELLECTUAL CAPITAL

Our intellectual capital is centred on providing exceptional insurance products and services to our customers. Internally, this capital is supported by technology, systems and procedures that help with day-to-day operations. The implementation of relevant and effective technology, process approaches, data-driven insights, sector-leading practices, conscious corporate governance, and high credentials of our employees are key emphasis areas.



THE IMPORTANCE OF INTELLECTUAL CAPITAL

CGI's intellectual capital, particularly as reflected via operational, customer, and stakeholder excellence, is what supports the fulfilment of our objectives as a major organisation devoted to establishing a favourable business environment. Structural and operational assistance, both at the brand and branch levels and centrally, enables the Company's intellectual capital capabilities to be developed effectively and efficiently.



STRATEGIC TRADE-OFFS

- The core of our intellectual capital trade-off is to pursue profitable growth within the perimeter of ethical conduct
- Enriching our intellectual capital is key to the growth of our human capital; as a corollary, depletion of our intellectual capital has a bearing on our human capital



GENERATING VALUE USING INTELLECTUAL CAPITAL, 2022

- Research and implementation of best practices
- Focused on adhering to internal policies and processes
- Robust governance standards that have been endorsed through several eminent awards

NATURAL CAPITAL

Since its beginning, CGI has been at the forefront of sustainable business practices by setting the standard for Environmental, Social, and Governance (ESG) standards.



OUR NATURAL CAPITAL

Energy, water and paper are all vital resources to our business. Hence, we recognise the need of minimising any detrimental effects our actions may have on the environment.



STRATEGIC TRADE-OFFS

- The core of our natural capital trade-off is to ensure business expansion taking into account environmental concerns
- Enriching our natural capital may have an impact on our financial capital, necessitating increased spends towards compliance

In order to ensure a healthy and bio-friendly workplace we have implemented several initiatives in this regard.



THE IMPORTANCE OF NATURAL CAPITAL

The potential effects of our actions on future generations are at the heart of our sustainability strategy. In addition, we are cognizant of the rising alarm over global climate change and the necessity of decarbonization. The company is committed to educating our workforce and other stakeholders on environmental concerns and setting a positive precedent for ethical business practices.



GENERATING VALUE USING NATURAL CAPITAL, 2022

- Unwavering devotion to policies and procedures designed to safeguard ecological and environmental objectives
- Consistent reductions in water and paper use and power consumption

SDGS SUPPORTED

The prudent and concerted management of our 6 capitals have led to predictable and healthy outputs and outcomes that have not only generated value for our shareholders but also for the wider community. Specifically, these have

also contributed to meeting the tenets of the SDG goals, thus enabling us to contribute to societal welfare and development. We provide below the list of the SDGs we support and contribute to.



TRADE OFFS

Policy of Redressal

Key trade offs	Key strategic focus areas	How it is changing our business model
<p>Non-life Insurance products and services</p> <p>As non-life products and services (manufactured capital) are increasingly digitized there is a tradeoff between staff (human capital), physical outlets (manufactured capital) and digital products and services (manufactured and intellectual capital). Through automation and increased client adoption of digital solutions that drive improved client experiences (social and relationship capital), the need for direct human interaction is reduced. A reduction in overall headcount and outlets (branch numbers and size) are offset by increased IT investment (financial capital).</p>	<ul style="list-style-type: none"> ● Delivering innovative market leading client experience ● Being operationally excellent in all we do. 	<p>Client activity shifting from physical products, services and outlets to digital products, services and channels.</p>
<p>Transition towards the workforce of the future</p> <p>The number of employees (human capital) required for traditional and administrative roles are reducing as we digitize and automate processes, embrace digital innovations (manufactured and intellectual capital) and invest in skills required (human and intellectual capital).</p>	<ul style="list-style-type: none"> ● Delivering innovative market leading client experience ● Being operationally excellent in all we do. 	<p>New Ways of Work change the way we operate and deliver our digitization strategy and evolving client needs.</p>
<p>Portfolio tilt in line with our purpose and the SDGs</p> <p>Strategic portfolio tilt, in the context of scarce capital and liquidity (financial capital), is an ongoing and conscious tradeoff between business and product opportunities that are highly capital and liquidity consuming with low economic profit, and those that are less consumptive and more economic profit generative. We are tilting our portfolio in areas that will optimize risk-adjusted returns over time.</p>	<p>Managing scarce resources to optimize economic outcomes</p>	<p>Increasingly tilting our lending to align with our purpose and the SDGs.</p>

OUR STRATEGIC IMPERATIVES



OVERVIEW

The insurance sector is at a fork in the road. At CGI, with a view to capitalise on the opportunities presented in our landscape, we have gathered three strategic imperatives we must examine in response to the tough and fast changing business environment.

Some of the fundamental questions we ask include how can an insurance firm that is striving to be future-proof deal with the ever-changing digital revolution in which established players and even start-ups are attacking every facet of the conventional business model? Based on our rich experience working with our customers, we have reached the following findings that collectively form our strategic imperatives.



DIGITALITY

As insurers, we must focus on transition to being digital. Towards this extent, we are evolving our digital strategies to incorporate a layer of digitality atop our legacy IT systems, procedures, and products. The expanding effect of big data insights, machine learning and automation informs us how we must employ digital technologies and integrate those within our operations. We are also evolving our products and risk management approaches to suit new needs as digital drives transformation of our clients' business models.



AGILITY

As insurers, we are trying to keep up as digital allows our retail and business clients to access services in new ways, while also raising their expectations. Innovative products enable us to focus on new insurance models while addressing particular flaws in the present insurance customer experience. Meanwhile, we are also creating insurance-driven resilience with a view to remain adaptable to the changing landscape of challenges and opportunities. Through creating an agile business model, we are also actively evaluating possibilities that can evolve us to the next phase, which comprises identification of where value may be produced and hence develop new value buckets for our clients, shareholders and all stakeholders.



VERSATILITY

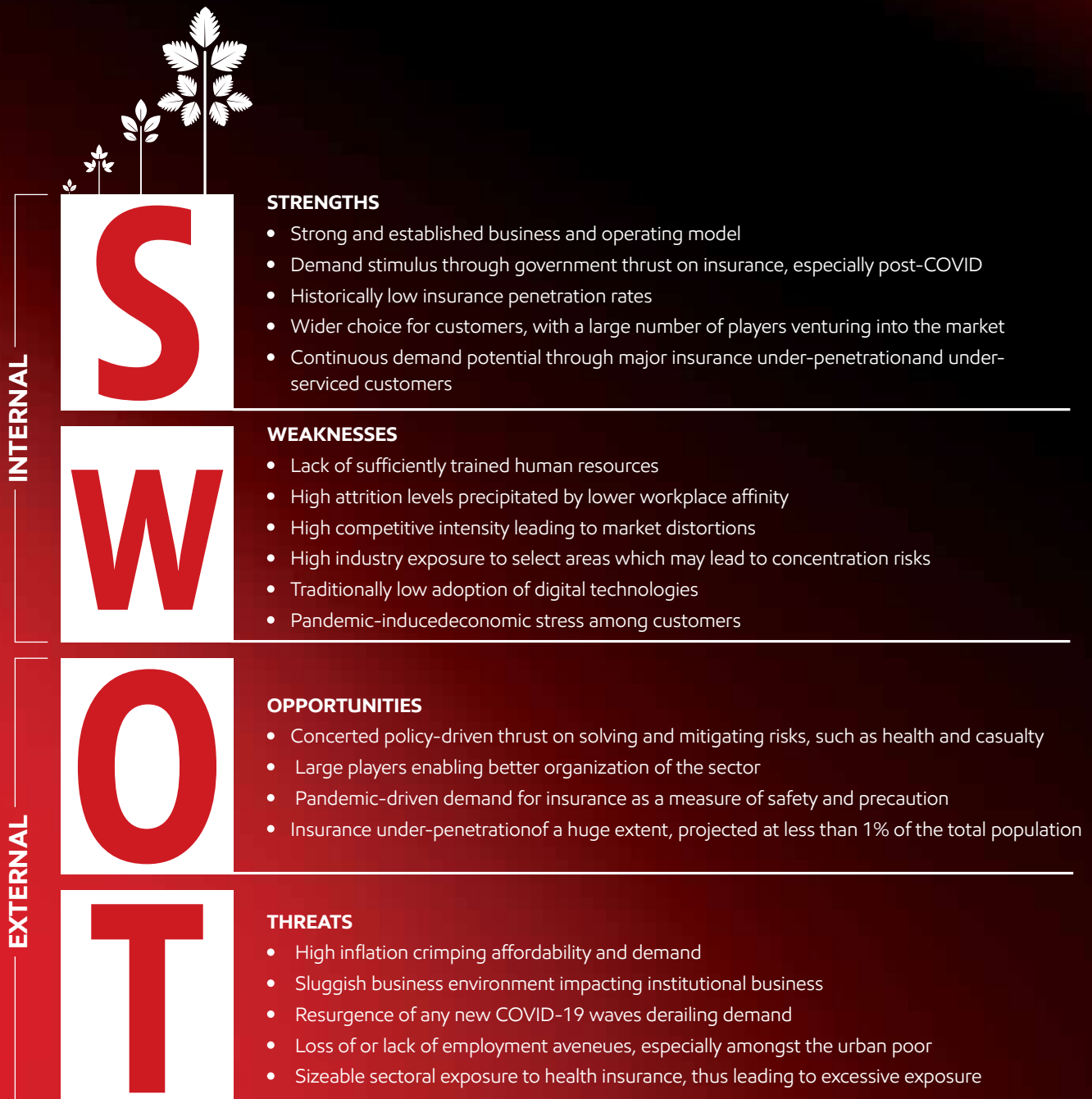
Insurance is driven by understanding human behaviour and human psychology and this will enable the success of innovative service models. By knowing how to encourage good behaviours, insurers like us can truly educate organisations and policyholders to avoid risk by acting on data insights. We have always believed that the most appropriate business plan alongside tremendous focus on execution is the key to success. In this regard, we are examining our capabilities and choosing the best and most versatile model with which we will be able to compete in the future. This comprises our omnichannel delivery network that owns the customer relationship and a robust partner ecosystem that delivers services.

SWOT ANALYSIS

CGI sees SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis as a basic yet effective tool for developing corporate strategy and getting a bird's eye perspective of the organisation in one place, much like a dashboard.

The company's strengths and vulnerabilities lie within its own walls, where we have some measure of power and

control. However, opportunities and challenges come from the outside and present us with a chance to reap long-term benefits from some and mitigate risks from others in order to achieve a competitive edge, gain market share, and advance our purpose of insurance involvement.



PESTEL ANALYSIS

PESTEL analysis

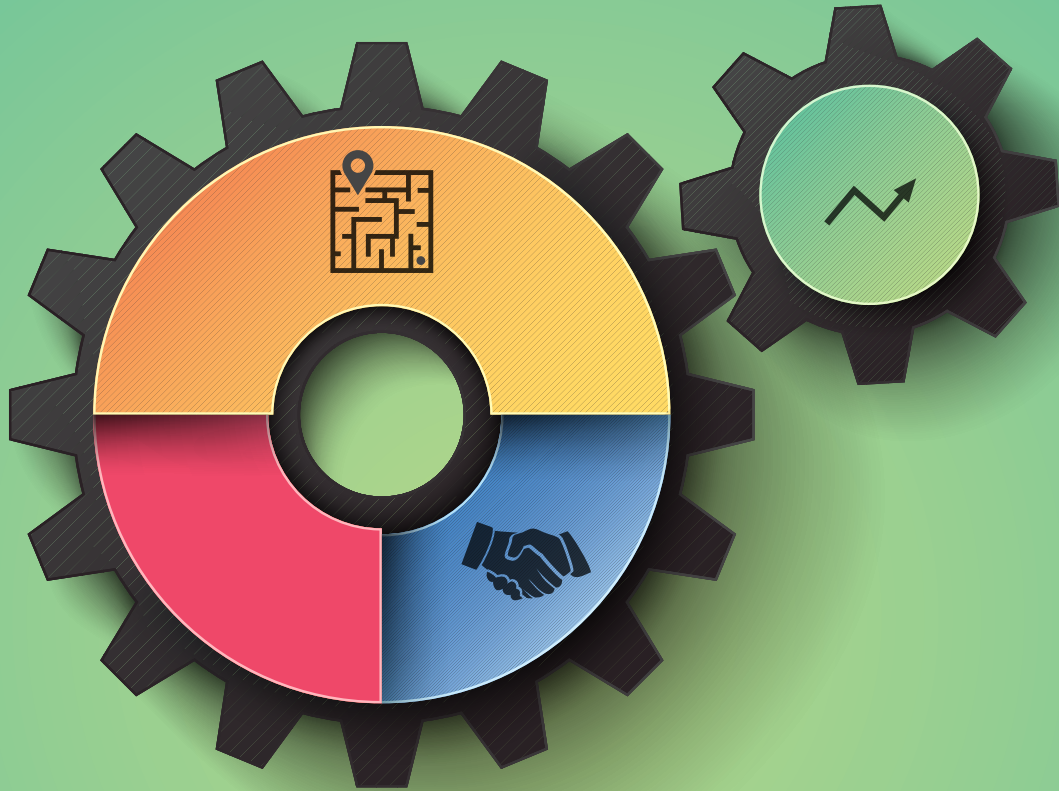
City General Insurance engages in a PESTEL study to determine what external factors may have an effect on our market and how these factors could affect our company. The acronym PESTEL stands for the “Political, Economic, Social, Technological, Environmental, and Legal” factors that may have an effect on our company.

Notably, the many PESTEL components are intertwined, with one factor (such as law or politics) having an effect on the other components. Therefore, we believe that it is of utmost

importance to create a regulatory-compliant business that embraces the best standards of governance, as this will guarantee the company’s long-term success.

In adapting the company’s strategy to face this new normal, we have assessed and analysed our external environment to identify matters arising from changes that were brought about by the pandemic and emerging trends that were relevant to key stakeholder groups.





BUSINESS REVIEW

DIVIDEND DISTRIBUTION POLICY

This policy is for payment of dividend to shareholders of City General Insurance Company Limited.

1. The company will pay the annual dividend to the entitled shareholders those whose Names are available on record date within 30 (thirty) days from the date of Annual General Meeting.
2. Cash dividend will be distributed in the following manner:
 - i. The company will pay cash dividend directly to the Bank accounts of the entitled shareholders, as available in the BO account maintained with the Depository participant 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;
 - ii. 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 of the Stock Broker or to the separate bank account of the Merchant through BEFTN.
 - iii. 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 shareholders.
 - iv. The company will pay cash dividend to Non-resident, Sponsor, Director, Shareholder, or foreign portfolio investor through the security custodian in compliance with the rules or regulations in this regard.
 - v. 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.
 - vi. The company shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number wise or name 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.

3. The company shall credit stock dividend directly to the BO account of the shareholders within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the Bangladesh Securities and Exchange Commission (BSEC) and the Central Depository Bangladesh Limited (CDBL);
4. 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.
5. The company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

INVESTORS/STAKEHOLDER-FRIENDLY INFORMATION ENQUIRIES & COMMUNICATION

City General Insurance Company Limited has separate share Department to communicate with shareholders and other stakeholders. Investors and others may contact at any time to Share Department for any sort of information and query regarding their investment, shareholding dividend and any other matters. To make the AGM more participatory, arranging AGM in a well-known place at convenient time and

allowing shareholders to speak in the AGM freely and making their valuable proposals and suggestions. The management of the company has appreciated to the shareholders and accepted their valuable proposals and advice.

We are also committed to open and timely disclosure to all shareholders and regular communication maintained with various stakeholders in the group such as :



The group communicates to shareholders in the following way:



City General Insurance Company Limited employees work in good faith and without prejudice, towards the interest of the investors. Investors complaints if any, are treated efficiently & fairly. In this regards the management of the company has been taken effective decision against investors complaints if any, to the employees of the company or outsider.

An investor can make a written complaint through letter and e-mail number of the company. A serious complaint must be referred to the Chief Executive Officer (CEO) relating shares, payment of dividend, AGM etc. should be sent to the following address:

Share Department

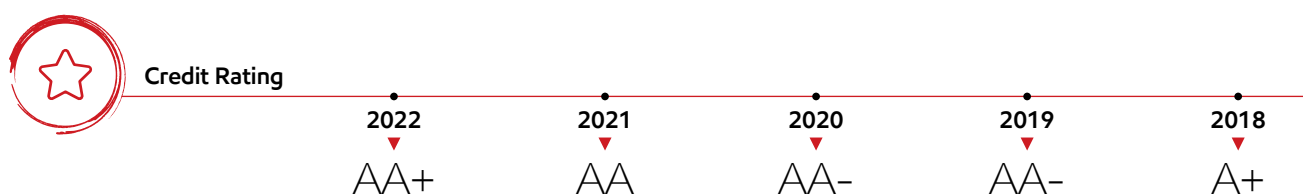
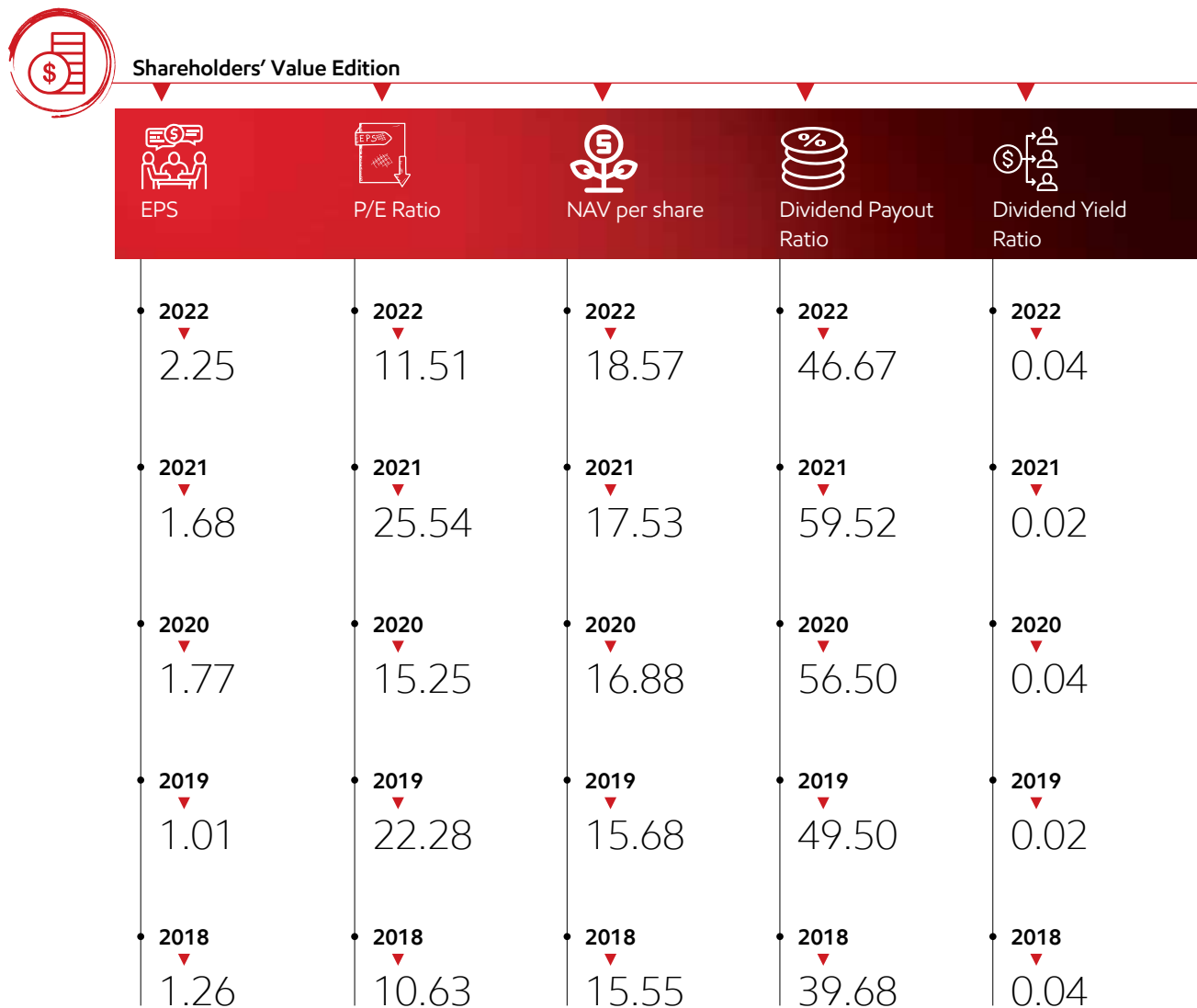
City General Insurance Company Limited
 Baitul Hossain Building (4th Floor)
 27, Dilkusha C/A, Dhaka-1000
 Phone: 0222-3387296, 0222-3387281, 0222-3387278
 Email: share@cityinsurance.com.bd

EFFECTIVE INVESTOR COMMUNICATION ON VALUE RELATED INFORMATION

Company's daily's work increase the value of their stock for the investing public. In order to exploit this value, businesses must constantly make every efforts to extensively communicate to their investors. In view of this, investors relation are a important part of business strategy specially in

the area of communication. Concerned departments involved with necessary connection between efficient communication and company's goals. So, investor communication on value related information is important for an organization.

Value creation of Shareholders

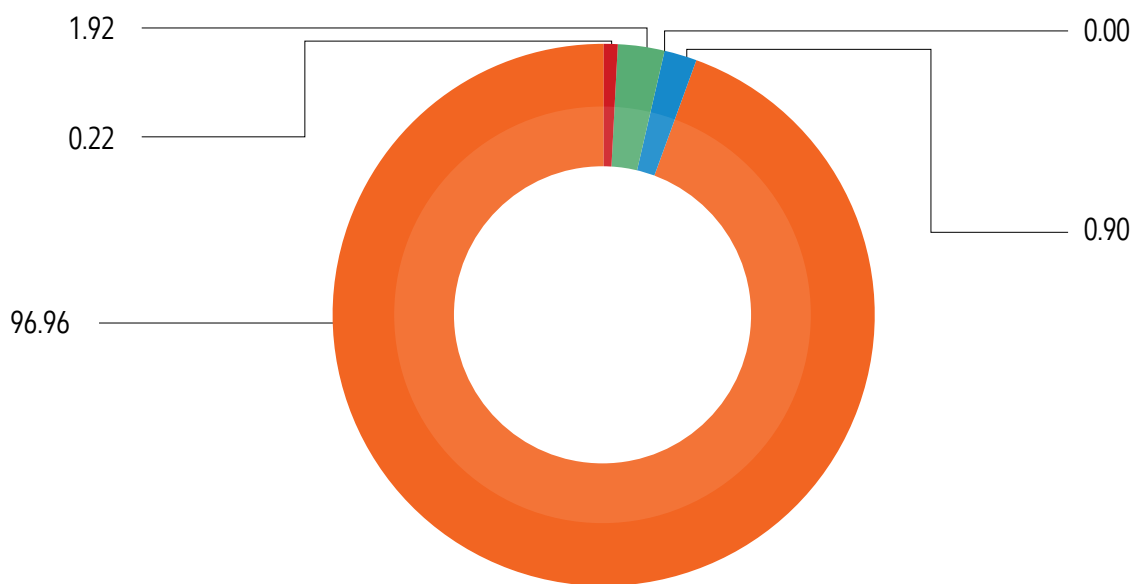


SHAREHOLDING PATTERN

(As on 31 Dec 2022)

Group Name	Number of Shareholders	Percentage (%)
Director & sponsor	17	0.22
Government	0	0
Institute and all investors	148	1.92
Non-Resident Bangladeshi (NRB)	70	0.90
General public	7,484	96.96
Total	7,719	100

Shareholding Position



■ Director & sponsor
 ■ Government
 ■ Institute and all investors
 ■ Non-Resident Bangladeshi (NRB)
 ■ General public

STAKEHOLDER CONNECT

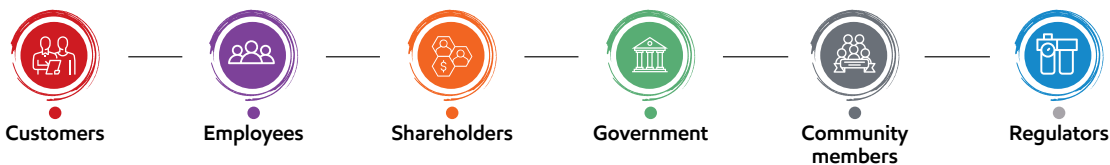
The history of CGI is one of constant evolution. We have come this far because of the efforts of our dedicated team, and we look forward to even greater success in the future as we implement our strategy. Vital to this is our efforts in stakeholder engagement and relations and we always attribute our success to our extended team; not just our employees, but also our wider stakeholders.

We have a large and varied set of stakeholders due to our positioning as one of the country's top insurers and we are expanding rapidly. Those associated with us consist of policyholders, investors, shareholders, employees, government, agencies, reinsurers, and local communities. We maintain open communication with our constituents on a consistent basis. Insights into stakeholder expectations, concerns, and requirements are essential for us to run an enterprise that serves everyone involved.







Here, we've laid out the numerous channels via which we communicate with and collect input from our stakeholders, all of which factor and feed into our materiality analysis. The participation of our stakeholders have helped us pinpoint the most pressing concerns that must be resolved if we are to achieve long-term success.

Our internal stakeholders, such as the senior leadership, are actively conversing with relevant external stakeholder groups so that they have a firm grasp of the latter's expectations and provide valuable feedback to the teams for implementation and execution.

Key: ■ High ■ Medium



Stakeholders	Engagement frequency	Why we engage	Material matters	Our response
	■	Our customers/policyholders are core to our business. Being customer-centric means being responsive to their needs and expectations, delivering timely and sensitive claims settlement and improving the overall customer experience.	<ul style="list-style-type: none"> • Predictable claims settlement • Competitive pricing • Simplicity of clauses and T&Cs 	<ul style="list-style-type: none"> • Efficient execution leading to proper risk pricing • Maintained constructive and transparent engagements, understanding customer needs and meeting their expectations • Worked with customers on incorporating expectations into our product planning • Improved customer experience and offerings with enhanced digital applications

Stakeholders	Engagement frequency	Why we engage	Material matters	Our response
		<p>To make consistent and clear communication and promoting our investment thesis, strategy, and strategic objectives enables informed decision-making and helps in better managing expectations.</p>	<ul style="list-style-type: none"> • Articulation of long-term industry and company prospects • Strengthening financial position management • Sharing estimated operational projections • Governance and all regulatory compliance • Capacity and ability to manage a larger and greater variety of product/sectoral lines 	<ul style="list-style-type: none"> • Maintained sustainability and ensured strong financial visibility • Strengthened financial position through disciplined capital allocation • Continued entrenching our enterprise risk management processes into our business framework • Engaged in cost discipline
		<p>Business sustainability depends on the relationship we build with the communities and societies in which we operate and our contribution to societal upliftment.</p>	<ul style="list-style-type: none"> • Strategic direction, including our environmental impact • Contributing to improving community living standards, including support during peak pandemic • Enabling sustainable economic transformation through livelihood creation • Engaging in solving pressing community issues 	<ul style="list-style-type: none"> • Continued with a multi-pronged approach to social investment • Engage in partnerships for maximising impact • Remain sensitive to the needs of community members
		<p>Engaging with governments and regulators presents opportunities to enhance our relationships, secure our operating license, advance mutually beneficial key commercial objectives and contribute to national policy formulation.</p>	<ul style="list-style-type: none"> • Compliance with all relevant legislations • Occupational health and safety management • Responsible tax contribution • Support national and local agendas, including employment 	<ul style="list-style-type: none"> • Complied with applicable legislations, including environmental obligations • Ensured workers' payroll as per regulatory stipulations



Stakeholders	Engagement frequency	Why we engage	Material matters	Our response
		<p>Our employees are the backbone of the organisation. They help execute and deliver our goals, and we provide them with strong long-term career opportunities.</p>	<ul style="list-style-type: none"> • Career progression • Employment safety • Rewards and recognition (R&R) • Learning and development • Grievance redress 	<ul style="list-style-type: none"> • We have a robust R&R platform that recognises top performers • We offer strong long-term career advancement opportunities • We focus on DEI as a means to create a unique workforce that draws strength from diverse experiences, insights and skills

REDRESSAL OF INVESTORS' COMPLAINT

City General Insurance Company Limited believes in equal treatment to every shareholder. We solve any shareholder's complaint on a priority basis and

have committed to serve the appropriate mechanism to address the shareholders grievance within stipulated time.

City General Insurance Company Limited covers the following issues:

- Receiving the complaints for non-receipt of dividend warrant, dividend intimation letter, cash dividend.
- Transfer of shares from suspense account to the shareholders BO account.
- Clarification of any price sensitive information including other information over telephone, email, message etc.
- Grievance for not receiving Annual Report.
- Queries about and clarification on recent or upcoming price sensitive information over telephone, email, message etc.



OUR RESPONSE

- Shareholders are properly communicated for collection dividend warrants which have been refunded for non-delivery by the courier or postal office.
- Revalidate the Dividend warrants upon demand of the Shareholders.
- Bank account information are corrected while sending dividend through BEFTN system.
- Dividend warrants are reissued in case of failure to send dividend through BEFTN system due to inadequate information of shareholders Bank account.
- Issue shareholding certificate, dividend certificate as and when required.
- e-TIN number is collected in case of cash dividend

Redressal Statistics for the year ended 31 December 2021

Requests received from shareholders

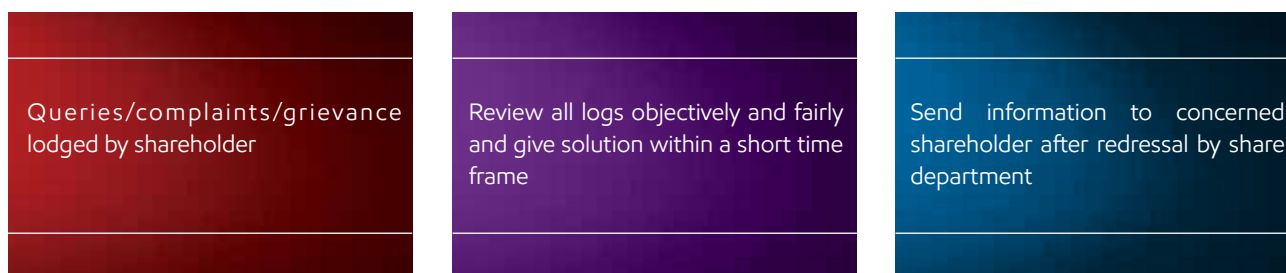
Re-issue 645 dividend warrants for the year 2021 (which were returned from BEFTN)

Issuance of 7,699 shareholdings certificates for income tax purpose

We continued to have even communication with the shareholders through periodic updates of performance and at any time when it believes it to be in the best interest of shareholders generally.



Process • Redressal



Checklist	Yes	No
Shareholders are properly communicated for collection warrants which have been refunded for non-delivery by the courier	√	
Dividend warrants revalidate the upon demand	√	
Bank account information is corrected while sending dividend through BEFTN system	√	
Dividend warrants are reissued in case of failure to send dividends through BEFTN system	√	
Issue shareholding certificate, dividend certificate as and when required	√	
e-TIN number is collected in case of cash dividend	√	

Any queries relating to shareholdings such as transfer of shares, changes of name and address, and payment of dividend should be send to the following address:-

Share Department

City General Insurance Company Limited
 Baitul Hossain Building (4th Floor)
 27, Dilkusha C/A, Dhaka-1000
 Phone: 0222-3387296, 0222-3387281, 0222-3387278
 Email: share@cityinsurance.com.bd

REDRESSAL OF CLIENTS' COMPLAINT

Insurance being a service industry, clients' satisfaction is one of the foremost importance issue in maintaining existing client base and for new business thereby to achieve satisfactory business growth in the long run. City General Insurance Company Limited always attends to its clients complaints- whether related to its services or claim statement. City General Insurance Company Limited encourages its clients to come forward with any complaint they may have and the

top management is completely accessible to all of them. Complaints can be lodged with the management in writing, over telephone, by e-mail. During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients views and complaints are discussed at the management committee meeting held at Head Office and also with concerned Branch Managers.

Policy of Redressal

SHAREHOLDER'S PERSPECTIVE	CUSTOMERS' PERSPECTIVE	EMPLOYEES' PERSPECTIVE
<p>City Insurance redressal system covers the following issues:</p> <ul style="list-style-type: none"> ● Receiving the complaints about non-receipt of dividend warrant, dividend intimation letter, cash dividend; Transfer of shares from suspense account to the shareholders BO account; Clarification of any price-sensitive information over telephone; ● Grievance for not receiving of Annual Report, Queries about and clarification on recent or upcoming price-sensitive information over telephone, etc. ● Any Investors may lodge their complaint related to their investment in the company through formal letter, our official e-mail ID i.e. share@cityinsurance.com.bd or phone call to the Company Secretary and/or Share Department. We focus in addressing those complaints within the shortest possible time. 	<p>Customers are one of the key stakeholders of our organization. We are very much conscious about customers' demand and always ready to serve them our best as per our Customers Service Policy. Like investors we also address up our customers' queries and complaints through our corresponding department. All the complaints are centrally handled by BDD department. In 2022, we received 07 complaints from customers of various branches and all the problems were solved successfully through proper investigation and remedial action. Those problems were solved within same day.</p>	<p>Employees are the main resource of company, the human capital. We are committed to provide comfortable work environment to our employees for enriching their productivity. To resolve undesirable issues in the workplace and create a conducive and gender sensitive working environment we have separate Grievance Handling Policy and Anti- Harassment Policy. Our Human Resources Department takes necessary measures to redress if any adverse situation arises. In 2022, we didn't receive any significant complain related to our employees.</p>

DIVIDEND & AGM HISTORY

Year	AGM Held on	Cash Dividend	Stock Dividend	Dividend Credited on
2007	25/03/2008	--	--	--
2008	21/05/2009	--	10%	26-05-2009
2009	17/06/2010	--	10%	06-07-2010
2010	23/06/2011	--	12%	14-07-2011
2011	05/06/2012	--	10%	17-06-2012
2012	18/06/2013	--	10%	26-06-2013
2013	24/06/2014	--	10%	07-07-2014
2014	15/06/2015	--	10%	22-06-2015
2015	22/06/2016	--	10%	29-06-2016
2016	15/06/2017	10%	--	11-07-2017
2017	10/06/2018	--	10%	28-06-2018
2018	30/06/2019	5%	--	23-07-2019
2019	16/09/2020	5%	--	11-10-2020
2020	30/06/2021	10%	--	19-07-2021
2021	25/04/2022	10%	--	22-05-2022
2022*	30/03/2023	10.50%	--	--

*Subject to approval of the shareholders in the 27th AGM.

DIVIDEND DISTRIBUTION COMPLIANCE REPORT

Dividend Distribution Compliance Report for the year ended 31 December 2021

Under Clause (6) of the Directive No. BSEC/CMRRCD/2021-386/03, Dated: 14/01/2021

1	Name of the Issuer/Securities/Mutual Fund	City General Insurance Company Limited		
2	Particulars of Issuer DP	237		
3	Type of Dividend (Annual/Interim) (Put tick mark (a) on the recommended option)	a) Annual <input checked="" type="checkbox"/>	b) Interim	
4	Whether audited or not for Interim Dividend (Put tick mark (a) on the recommended option)	a) Audited	b) Unaudited	
5	Date of recommendation of Dividend by the Board of Directors/Trustee: (Enclose copy of PSI)	28 February, 2022		
6	Whether Dividend recommended other than directors or sponsors or any other classes (Put tick mark (a) on the recommended option)	a) Yes	b) No <input checked="" type="checkbox"/>	
7	Record date for entitlement	22 March 2022		
8	Rate of Dividend recommended by the Board of Directors/Trustee	10% Cash Dividend		
9	Dividend recommended -Type (Put tick mark (a) on the recommended option)	a) Cash <input checked="" type="checkbox"/>	b) Stock	
10	Securities/mutual fund traded under which categories (Put tick mark (a) on the recommended option)	a) A <input checked="" type="checkbox"/>	b) B	c) G d) N e) Z
11	Date of transfer to a separate bank account (Pls. mention bank details) or provisional credit of shares/units by CDBL	18/05/2022 at Bank A/C No. 1401912537001, The City Bank Ltd., Principal Branch, Dhaka.		
12	Date of approval of Dividend at AGM	25 April, 2022		
13	Rate of Dividend approved at AGM- details at Annexure, (if any change)	10% Cash Dividend		
14	Date of commencement of disbursement of Cash and Stock Dividend	22 May, 2022		
15	Mode of disbursement of Cash Dividend (Put tick mark (a) on the recommended option)	a) BFTN <input checked="" type="checkbox"/>	b) Bank Transfer <input checked="" type="checkbox"/>	c) MFS
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclose Bank statements and Corporate Action Processing Report (DP 70)]	29 May, 2022		
17	Paid-up-capital of the issuer- before corporate action/entitlement	Tk. 68,16,61,222.00		
18	Numbers of securities/shares outstanding-before corporate action/entitlement:	6,81,66,122 Shares		
19	Total cash in taka or stock (nos. shares) dividend as per corporate declaration	Tk. 5,82,36,053.85 After Tax deduction.		
20	Distribution/Disbursement details or Cash & Stock Dividend:	Cash (TK)	Stock (nos)	Annexures
	A. Mode or Dividend payment/credit for the concerned year: 2021			
	a) through BEFTN or directly credited to respective BO	3,42,35,814.35		
	b) through Bank Transfer other than entitled BO-Margin loan	N/A		
	c) through Bank Transfer	13,93,750.80		
	d) through Mobile Financial Service (MFS)	N/A		
	e) through any other mode as approved by Bangladesh Bank	N/A		
	f) through transfer to Suspense Account for dematerialized Shares (BO wise detailed with reason should be maintained and submitted)			
	g) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities	2,26,06,488.70		
21	Total Dividend paid /credited for the concerned year 2021	5,82,36,053.85		
22	Total unpaid/un distributed Dividend /accrued during the period (20-21)	-		

23	Total unpaid/undistributed Dividend /accrued as on 1st day of Accounting year (as per Audited Accounts) 01.01.2022	Tk. 16,33,729.00		
24	Transfer to Suspense Account for Demate Shares or any other reasons during the concerned year			
	A. Mode of Dividend Receipts/ payment/credit for the previous years:	N/A		
	a) through BEFTN or directly credited to respective BO	N/A		
	b) through Bank Transfer	N/A		
	c) through Mobile Financial Service (MFS)	N/A		
	d) through any other mode as approved by Bangladesh Bank	N/A		
	e) through transfer to/from Suspense Account for Demate Shares or any other reasons	N/A		
	f) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities/shares/units	N/A		
	g) transfer of cash or stocks to the Fund as prescribed or directed by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities	N/A		
25	Total Dividend paid/credited for previous years:	14,295.00		
26	Total unpaid/undistributed Dividend for previous years (23+24-25) Taka/Nos	16,19,434.00		
27	Grand Total of unpaid/undistributed Dividend (22+26)	16,19,434.00		
	Aging of grand Total of unpaid /undistributed Dividend for previous years:			
	More than 3 years; balance for the year 2018 (Record date 21/05/2019)	1,75,011.00		
	More than 4 years; balance (For the year)	N/A		
	More than 5 years & above; balance	N/A		
	Total of unpaid/undistributed Dividend for previous years	16,19,434.00		
	(Supporting bank statements and balances of securities with the Depository)			
Note: Issuer shall maintain BO wise detailed information for all transfers/credit to suspended Accounts				
With reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable fields.				

The Company paid cash dividend for the following years:

	Years	% of Cash dividend	Approved by AGM	Remarks
a)	For the year ended 31 December 2016	10% Cash dividend	15.06.2017	Unpaid/undistributed dividend for the year 2016 transferred to CMSF
b)	For the year ended 31 December 2018	5% Cash dividend	30.06.2019	
c)	For the year ended 31 December 2019	5% Cash dividend	16.09.2020	
d)	For the year ended 31 December 2020	10% Cash dividend	30.06.2021	
e)	For the year ended 31 December 2021	10% Cash dividend	25.04.2022	

THE HISTORY OF RISING SHARE CAPITAL

The prime objective of City General Insurance Company Limited is to provide consistently good return to its shareholders. The dividend and capital raising history is furnished below. Since inception the company has been maintained a stable and attractive dividend policy in line with the sound underwriting

and investment results. The company has also adhered to a policy of timely preparation of its Accounts and holding of AGM, as may be noted from the financial calendar below:

THE HISTORY OF RISING SHARE CAPITAL

Years	AGM No.	Date of AGM	Date of Board Meeting	Record Date	Particulars of Dividend	Dividend Credited on	Number of shares increased	Value in Taka	Cummulative Paid-up capital in Tk.
1996	--		As per MOA & AOA	--	As per MOA & AOA	--	6,000,000	60,000,000	60,000,000
2007	12th	25/03/2008	14/02/2008	02/03/2008	IPO	--	9,000,000	90,000,000	150,000,000
2008	13th	21/05/2009	18/02/2009	11/03/2009	10% Stock	26/05/2009	-	-	150,000,000
2009	14th	17/06/2010	15/04/2010	27/04/2010	10% Stock	06/07/2010	1,500,000	15,000,000	165,000,000
2010	15th	23/06/2011	21/04/2011	04/05/2011	12% Stock	14/07/2011	1,650,000	16,500,000	181,500,000
*2011	16th	05/06/2012	05/04/2012	17/04/2012	10% Stock+100% Rights	17/06/2012	20,328,000	203,280,000	384,780,000
2012	17th	18/06/2013	17/04/2013	29/04/2013	10% Stock	26/06/2013	3,847,800	38,478,000	423,258,000
2013	18th	24/06/2014	17/04/2014	29/04/2014	10% Stock	07/07/2014	4,232,580	42,325,800	465,583,800
2014	19th	15/06/2015	09/04/2015	22/04/2015	10% Stock	22/06/2015	4,655,838	46,558,380	512,142,180
2015	20th	22/06/2016	21/04/2016	15/05/2016	10% Stock	29/06/2016	5,121,420	51,214,218	563,356,398
2016	21st	15/06/2017	13/04/2017	07/05/2017	10% Cash	11/07/2017	5,633,564	56,335,622	619,692,020
2017	22nd	10/06/2018	05/04/2018	26/04/2018	10% Stock	28/06/2018	--	--	619,692,020
2018	23rd	30/06/2019	29/04/2019	21/05/2019	5% Cash	23/07/2019	6,196,920	61,969,202	681,661,222
2019	24th	16/09/2020	15/07/2020	06/08/2020	5% Cash	11/10/2020	--	--	681,661,222
2020	25th	30/06/2021	29/04/2021	24/05/2021	10% Cash	19/07/2021	--	--	681,661,222
2021	26th	25/04/2022	28/02/2022	22/03/2022	10% Cash	22/05/2022	--	--	681,661,222
**2022	27th	30/03/2023	13/02/2023	07/03/2023	10.50% Cash	--	--	--	681,661,222

*100% Rights share credited on 2011

Total Share

68,166,122

**Subject to approval of the shareholders in the 27th AGM.

Rights Share

Year	Board Meeting held on	Record Date for Rights Share Entitlement	No. of Shareholders on Record Date	Subscription open for Right shares	Subscription closed for Rights Share	Ratio of Rights Share	Face value + Premium	Rights shares credited to Shareholders BO AC on
2011	24/03/2011	19/04/2011	5,508	24/05/2011	20/06/2011	1:1	Tk. 10.00 + 5.00 (pre) = Tk. 15.00	12/07/2011 to 4,951 shareholders

FINANCIAL CALENDAR 2022



- Dividend rate 10% Cash
- Recommended of dividend by the Board 28 February 2022
- Record Date 22 March 2022
- Date of AGM 25 April 2022
- Dividend distribution for the year 2021 22 May 2022



- Publication of 1st Quarter Financial Statements 30 April 2021
- Publication of 2nd Quarter Financial Statements 30 July 2021
- Publication of 3rd Quarter Financial Statements 29 October 2021
- Annual Financial statements approved by the Board (For the year ended 31 December 2021) 28 February 2022
- 25th Annual General Meeting 30 June 2021



- Publication of 1st Quarter Financial Statements 26 April 2022
- Publication of 2nd Quarter Financial Statements 30 July 2022
- Publication of 3rd Quarter Financial Statements 27 October 2022
- Annual Financial statements approved by the Board (For the year ended 31 December 2022) 13 February 2023
- 26th Annual General Meeting 25 April 2022

EVENTS FOR
THE YEAR
2021

DISTRIBUTION
OF DIVIDEND FOR
THE YEAR 2021
2021

EVENTS FOR
THE YEAR
2022

VALUE ADDED STATEMENT

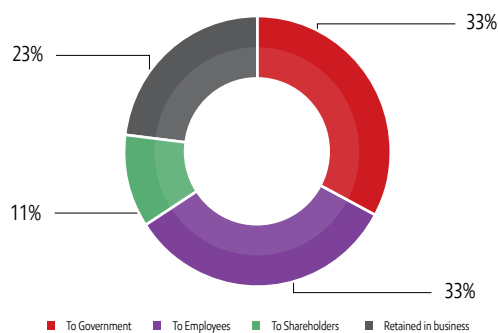
FOR THE YEAR ENDED 31ST DECEMBER 2022

Particulars	2022	2021
	BDT in mn	BDT in mn
Value Added		
Gross Premium	888.01	730.62
VAT & Stamp Duty	165.85	115.52
Investment & Other Income	81.38	116.34
Net Claims Incurred	(53.01)	(115.77)
Net Re-insurance Cost	(253.65)	(197.31)
Management Expenses & Agent Commission & others	(411.05)	(273.27)
Un expired risk	195.88	131.40
TOTAL VALUE ADDED	613.41	507.53

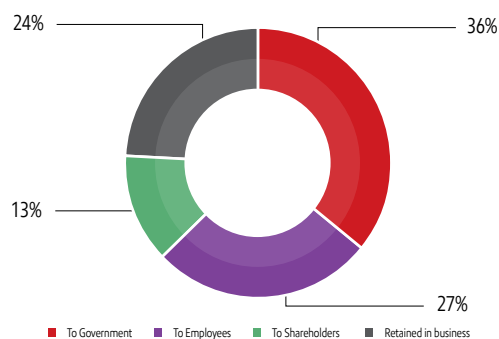
APPROPRIATION/ DISTRIBUTION OF VALUE ADDITION

Particulars	2022	%	2021	%
	BDT in mn		BDT in mn	
To Government				
VAT & Stamp Duty	165.85	27%	115.52	23%
Tax	36.86	6%	67.75	13%
To Employees				
as remuneration	198.91	33%	137.88	27%
To Shareholders				
as dividends	68.17	11%	68.17	13%
Retained in business				
Retained Earnings	86.83	14%	69.87	14%
Reserve for exceptional losses	56.79	9%	48.34	10%
	613.41	100%	507.53	100%

Value Added Statement 2022



Value Added Statement 2021



MARKET VALUE ADDED STATEMENT

Market value added Statement reflects the company's performance evaluated by the market through the Share price of City General Insurance Company Limited. This Statement shows the difference between the market value of the company and the capital contributed by investors.

Year	2022			2021		
	Marker value added	No. of Shares	Value per Share Tk.	Total Value BDT in mn	No. of Shares	Value per Share Tk.
Market value Share outstanding	68,166,122	25.90	1,765.50	68,166,122	42.90	2,924.33
Book Value of Share Outstanding	68,166,122	10.00	681.66	68,166,122	10.00	681.66
Market value added	68,166,122	15.90	1,083.84	68,166,122	32.90	2,242.67

ECONOMIC VALUE ADDED STATEMENT

Economic value added is a measure of a company's financial performance based on the residual wealth assessed by deducting its cost of capital from its operation profit adjusted for taxes on a cash basis. Economic value added generates from funds invested in it.

Particulars	2022 BDT in mn	2021 BDT in mn
Average Shareholders' equity	1,230.28	1172.63
Cost of equity (%)	9.33	9.33
Net profit after tax	153.58	114.72
Less: Cost of equity	114.79	109.41
Economic value added	38.79	5.31

SHAREHOLDERS AS DIVIDEND

Considering the overall performance of the company, Board of Directors are very much sincere to allot fair percentage of dividend for the shareholders. The Board of directors has recommended 10.50% Cash Dividend out of net profit for the year 2022 to all shareholders including sponsor shareholders.

Last 5 (five) years dividend distribution to all Shareholders are furnished below:-

Year	Stock Dividend	Cash Dividend
2022	-	10.50% Cash
2021	-	10% Cash
2020	-	10% Cash
2019	-	5% Cash
2018	-	5% Cash

SHERESHOLDERS INFORMATION

SHAREHOLDING STRUCTURE AS ON 31 December, 2022

Category of shareholders	No. of Shareholders	No. of Shares	Percentage
Directors and Sponsor	17	24,581,629	36.06
Government	0	-	-
Institutions and Investors	148	8,009,997	11.75
Foreign Company	0	-	-
General Public	7,484	35,490,736	52.07
Non-Resident Bangladeshi (NRB)	70	83,760	0.12
Total	7,719	68,166,122	100.00

PROSPECTIVE INVESTORS:

Name of the Investors	No. of Shares	Percentage (%)
NATIONAL LIFE INSURANCE CO.LTD	950,000	1.394
GOBINDA CHANDRA SAHA	632,083	0.927
SBACBL	549,970	0.807
MD. MONSOR RAHMAN	500,000	0.734
MD. AMINUL ISLAM	490,000	0.719
ICB AMCL SECOND NRB UNIT FUND	472,000	0.692

Besides the above furnished Prospective investors our other prospective investors are general public, govt. institutions, bank, non banking financial institutions (NBFI) and other organizations.

DISCLOSURES PERTAINING TO SOLVENCY MARGIN

Available, Required Solvency Margin and Solvency Ratio

Available solvency margin of City General Insurance Company Limited is BDT 669.64 million against required solvency margin BDT 121.74 million and solvency ratio is 5.50 times.

BDT in mn

1.	Assets after adjustment		
	Total Assets		1,939.89
	Less:		
	Furniture, fixture & stationary	4.23	
	Others	217.22	
			221.45
	Total		1,718.44
2	Liabilities after adjustment		
	Sundry creditors	59.84	
	Amount due to others	130.55	
	Provision for current tax & deferred tax	97.20	
	Deposit Premium	147.82	
	Estimate liabilities in respect of outstanding claims	7.22	
	Reserve for unexpired risk	229.46	
	Reserve for exceptional losses	376.71	
	Total		1,048.80
3	Solvency margin available in BDT million (1-2)		669.64
4	Solvency margin required in BDT million (higher of RSM-1 or RSM-2)		121.74
5	Solvency ratio (times)		5.50

a. Required Solvency Margin based on Premium (RSM-1)

BDT in mn

Sl.	Class of Business	Gross Premium	Net Premium	Factor	GP after application of factor	20% of NP	20% of GPF	20% of (NP & GPF which is higher)
1	Fire	256.12	136.52	0.50	128.06	27.30	25.61	27.30
2	Marine Cargo	529.36	396.26	0.70	370.55	79.25	74.11	79.25
3	Marine Hull	13.81	3.83	0.50	6.91	0.77	1.38	1.38
4	Motor	26.56	25.54	0.85	22.58	5.11	4.52	5.11
5	Misc.	62.16	5.76	0.70	43.51	1.15	8.70	8.70
Total		888.01	567.91		571.61	113.58	114.32	121.74

b. Required Solvency Margin based on Claim (RSM-2)

BDT in mn

Sl.	Class of Business	Gross Claim	Net Claim	Factor	GC after application of factor	30% of NC	30% of GCF	30% of (NC & GCF which is higher)
1	Fire	32.21	27.99	0.50	16.11	8.40	4.83	8.40
2	Marine Cargo	21.09	20.72	0.70	14.77	6.22	4.43	6.22
3	Marine Hull	0.00	0.00	0.50	0.00	0.00	0.00	0.00
4	Motor	4.27	4.27	0.85	3.63	1.28	1.09	1.28
5	Misc.	0.70	0.03	0.70	0.49	0.01	0.15	0.15
Total		58.27	53.01		35.00	15.91	10.50	16.05

RATIO PERTAINING TO THE INSURANCE SECTOR

Particulars	2022	2021	2020	2019	2018
Financial ratio					
R/I premium ceded as % of gross premium	36.05	33.84	25.07	30.07	32.23
R/I premium ceded as % of net premium	56.36	51.14	33.46	43.01	47.57
Commission paid as % of gross premium	18.21	7.58	14.44	11.95	12.68
Net R/I commission earned as % of gross premium	7.48	6.83	5.11	5.44	6.91
Net R/I commission earned as % of net premium	11.70	10.33	6.82	7.77	10.20
Re-insurance claim recovery percentage	9.92	3.46	33.89	6.71	32.79
Management expenses (Revenue a/c) as % of gross premium	26.59	27.75	35.24	29.62	29.53
Management expenses (Revenue a/c) as % of net premium	41.57	41.94	47.04	42.35	43.58
Net claims incurred as % of gross premium	5.97	15.85	9.66	15.74	15.75
Net claims incurred as % of net premium	9.33	23.95	12.90	22.51	23.25
CSR to net income (as %)	0.62	0.32	0.74	0.36	-
Underwriting result as % of gross premium	16.38	13.08	19.29	16.53	18.55
Underwriting result as % of net premium	25.61	19.77	25.74	23.64	27.38
Net profit margin on net premium	27.04	23.73	36.77	21.94	28.97
Internal capital generation ratio	6.86	5.85	6.07	2.96	4.62
Exceptional loss reserve to net premium	66.33	66.18	82.70	76.43	70.19
Capital & fund to total assets	65.25	70.92	71.62	79.85	80.67
Operational cash flow to sales (OCFS)	42.92	25.64	26.21	10.00	7.65
Liquid asset to total assets (%)	44.14	38.75	38.10	42.71	45.51
Net worth to total assets (%)	65.25	70.92	71.62	79.85	80.67
Retention ratio	55.62	40.58	43.55	50.28	60.20
Premium to equity	44.87	40.46	28.54	29.23	27.89
Return on Average Assets(ROAA)	8.47	6.97	8.20	5.17	6.70
Return on Average Equity(ROAE)	12.48	9.78	10.88	6.44	8.41
Liquid asset to total insurance fund	67.64	54.65	53.20	53.49	56.42
Total liquid asset to total asset	44.14	38.75	38.10	42.71	45.51

REVIEW OF ASSET QUALITY

City General Insurance Company Limited always focuses on the superior assets quality so that these will bring highest value to the Company, ensure satisfactory return to the stakeholders and ensure sustainable development. To perform the said objectives, company has the policy to review of its assets periodically and as a result of continuous monitoring and development of the assets quality, Company achieved the hefty growth for the past years. Following figures showing five years growth of the assets may demonstrate how the Company maintains its assets quality to increase value to the Company.

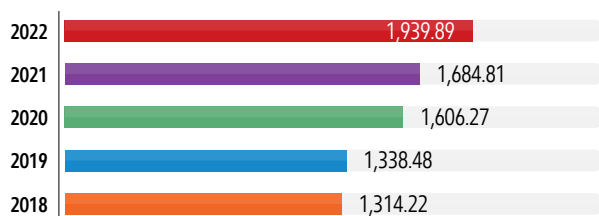
City General Insurance Company Limited ensures high degree of liquidity of its assets - more than 63% of its assets comprise of cash and quickly disposable shares and securities. Its share investment portfolio comprises of investments into companies with strong fundamentals. Though adverse situation of stock markets in Bangladesh during the year 2022, still City General Insurance Company Limited could earned steady investment income, which bear testimony to the prudent investment policies followed by the Company.

Position of total assets

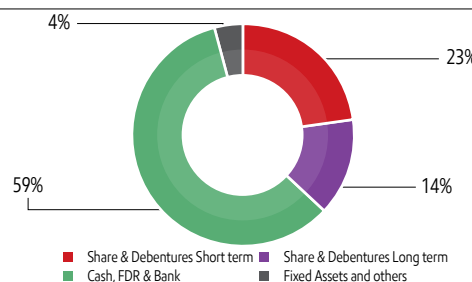
BDT in mn

Year	Property, plant & equipment	Investments	Cash, Fixed Deposit & Bank Balances	Other Assets	Total
2022	56.03	529.64	856.21	498.01	1,939.89
2021	54.76	407.37	652.92	569.75	1,684.81
2020	41.98	270.05	612.03	682.21	1,606.27
2019	40.09	194.23	571.66	532.49	1,338.48
2018	40.54	172.84	598.10	502.74	1,314.22

Total Assets



Investment Assets



Position in investable assets

BDT in mn

Particulars	2022	%	2021	%
Share & Debentures				
Short term	329.64	23	321.37	29
Long term	200.00	14	86.00	8
A.	529.64	37	407.37	37
Cash, FDR & Bank	856.21	59	652.92	58
Fixed Assets and others	56.03	4	54.76	5
B.	912.24	63	707.68	63
Total (A+B)	1,441.88	100	1,115.05	100

REPORT TO THE SHAREHOLDERS OF CITY GENERAL INSURANCE COMPANY LIMITED ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

Annexure-B



**Report to the Shareholders
Of
City General Insurance Company Limited
On Compliance on the Corporate Governance Code**

For the Year Ended on December 31, 2022

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

We have examined the compliance status to the Corporate Governance Code by **City General Insurance Company Limited** for the year ended on December 31, 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 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 and Exchange Rules 1987, conditions and regulations issued by the Bangladesh Securities and Exchange Commission and other applicable laws and regulations; and
- (d) The Governance of the company is satisfactory.

Dhaka,
Date: February 14, 2023


Ahmed Khan & Co.
Chartered Accountants

COMPLIANCE REPORT ON CORPORATE GOVERNANCE CODE BY BSEC

As per Condition No. 1(5)(XXVII)

Annexure-C

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/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. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1	Size of the Board of Directors :			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		Number of Board members of City General Insurance Company Limited is 15 (fifteen) including 3 (three) Independent Directors. Refer to City Insurance's Corporate Governance Report on page no. 179 of this Annual Report.
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; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		3 (Three) out of 15 (Fifteen) Board members of City General Insurance Company Limited are independent directors. Refer to City Insurance's Corporate Governance Report on page no. 179 of this Annual Report
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;	✓		None of the Independent Directors hold any share of the company
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		None of the Independent Directors has such connection as affirmed.
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		None of the Independent Directors is an ex- employee of the Company.
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		The Independent Directors have submitted declarations about their compliances.
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;	✓		
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 the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		The appointments are duly approved at AGM. Reference to the Corporate Governance Report on page no. 185 of this Annual Report.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		Reference to the Corporate Governance Report on page no. 185 of this Annual Report.
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) tenure only;	✓		Reference to the Corporate Governance Report on page no. 185 of this Annual Report.
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		Qualifications and backgrounds of Independent Directors confirm their capabilities as such. Details are given under Directors' Profile on page no. 60-61 of this Annual Report.
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; or			Not applicable
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; or	✓		Details are mentioned in "Directors Profile" of the report on page no. 60-61
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 at least educational background of bachelor degree in economics or commerce or business or Law; or			Details are mentioned in "Directors Profile" of the report on page no. 60-61
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		Details are mentioned in "Directors Profile" of the report on page no. 60-61
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			Not applicable
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		Details are mentioned in "Directors Profile" of the report on page no. 60-61
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		Reference to the Corporate Governance Report on page no. 181 of this Annual Report
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		Reference to the Corporate Governance Report on page no. 181 of this Annual Report
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		Reference to the Corporate governance report on page no. 180-181 of this Annual Report.
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		Refer to the Corporate Governance Statement on page no. 189 of this Annual Report
1(5)	The Directors' Report to Shareholders :			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		Refer to the 'Directors' Report' on page no. 151-152 of this Annual Report
1(5)(ii)	The segment-wise or product-wise performance;	✓		Refer to the 'Directors' Report' on page no. 151-157 of this Annual Report
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Refer to the 'Directors' Report' on page no. 158 of this Annual Report
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Refer to the 'Directors' Report' on page no. 158 of this Annual Report

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such gain/loss. Refer to the 'Directors' Report' on page no. 158 of this Annual Report
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		Refer to the 'Directors' Report' on page no. 158 and subsequently elaborated in the note no. 21 of 'Audited Financial Statements' of this Annual Report
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not applicable as no such events occurred during 2022
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			Not applicable as no such events occurred during 2022
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			No significant variance exists between quarterly financial performance and annual financial statements
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		Refer to the Directors' Report on page no. 159, 163 of the financial statements of this Annual Report and notes no. 33
1(5)(xi)	A statement that 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 in equity;	✓		Refer to the 'Directors' Report' on page no. 159 of this Annual Report
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		Refer to the 'Directors' Report' on page no. 159 of this Annual Report
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		Refer to the 'Directors' Report' on page no. 159 as well as the Independent Auditors; report on page no. 254 of this Annual Report
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		Refer to the 'Directors' Report' on page no. 159 as well as the Independent Auditors; report on page no. 254 of this Annual Report
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		Refer to the 'Directors' Report' on page no. 159 as well as the Independent Auditors; report on page no. 254 of this Annual Report
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		Refer to the 'Directors' Report' on page no. 159 of this Annual Report
1(5)(xvii)	A statement that there is no significant doubt 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 there of shall be disclosed;	✓		The company has ability to continue as going concern
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		No such deviation occurred duly mentioned in 'Directors' Report' on page no. 161
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		Refer to the 'Key Operating Highlights' on page no. 25 and on page no. 162 of "Directors' Report" of this Annual Report
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		The Board of Directors in its 205 th meeting held on February 13, 2023 declared Cash Dividend @ 10.50% for the year 2022
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;			Refer to the 'Directors' Report' on page no. 162 of this Annual Report
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		No interim dividend declared for the year 2022. Refer to the 'Directors' Report' on page no. 163 of this Annual Report
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		Refer to the 'Directors' Report' on page no. 164-165 of this Annual Report
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; (Top five salaried employees of the company other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit)	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -			
1(5)(xxiv)(a)	A brief resume of the director;	✓		Information regarding the Directors' are disclosed in brief profile of the Directors' on page no. 54-61 of this Annual Report
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		Refer to the Board of Directors & it's Composition on page no. 47 and Directorship with other companies on page no.51 of this Annual Report
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	A Management's 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 statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		Refer to the 'Notes to the Financial Statements' on page no. 271 of this Annual Report
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		Refer to the 'Management Discussion and Analysis' on page no. 169-171 of this Annual Report
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		Refer to the 'Key Operating and Financial Highlights' on page no. 25 of this Annual Report
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		Refer to the 'Management Discussion and Analysis' on page no. 169-171 of this Annual Report
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
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;	✓		Refer to the CEO and CFO's Declaration to the Board on page no. 213 of this Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	✓		Details mentioned at page no. 137 of this Annual Report
1(6)	Meetings of the Board of Directors : 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 the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		Reference to the Corporate Governance Statement on page no. 189 of this Annual Report.
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		Reference to the Corporate Governance Statement on page no. 178 of this Annual Report.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	✓		Reference to the Corporate Governance Statement on page no. 178 of this Annual Report.
2	Governance of Board of Directors of Subsidiary Company.			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Not Applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			Not Applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS) :			
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)	✓		Reference to the Corporate Governance Statement on page no. 180-183 of this Annual Report.
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by 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;	✓		Reference to the Profile of our Management team on page no. 68-72 of this Annual Report.
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		Reference to the Corporate Governance Statement on page no. 180-183 of this Annual Report.
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).	✓		Reference to the Corporate Governance Statement on page no. 180-183 of this Annual Report.
3(2)	Requirement to attend Board of Directors' Meetings : The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	✓		Reference to the Corporate Governance Statement on page no. 189 of this Annual Report.
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) :			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		Refer to the CEO and CFO's Declaration to the Board on page no. 213 of this Annual Report
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; and	✓		
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;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that 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 or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee.			
4(i)	Audit Committee; and	✓		Refer to the Board of Directors and its Composition on page no. 47 of this Annual Report
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee.			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		Reference to the Corporate Governance Statement on page no. 190 of this Annual Report.
5(1)(b)	The Audit Committee shall assist the Board 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;	✓		Reference to the Corporate Governance Statement on page no. 190 of this Annual Report.
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		Reference to the Corporate Governance Statement on page no. 190 of this Annual Report.
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		Reference to the Corporate Governance Statement on page no. 190 of this Annual Report.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		Reference to the Corporate Governance Statement on page no. 190 of this Annual Report.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		Reference to the Corporate Governance Statement on page no. 190 and Board of Directors Profile page no. 60-61 of this Annual Report.
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			Not Applicable
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		Reference to the Audit Committee Report on page no. 200 of this Annual Report.
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		Reference to the Audit Committee Report on page no. 202 of this Annual Report.
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		Reference to the Corporate Governance Statement on page no. 190 of this Annual Report.
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			Not happened such situation
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓		Chairperson of the Audit Committee was present at 26 th AGM. Reference to AGM photo on page no. 191 of this Annual Report
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		During the year 4 (Four) Audit Committee meetings were held. Reference to the Corporate Governance Statement on page no. 190 and Audit Committee Report on page no. 202 of this Annual Report.
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		Reference to the Audit Committee Report on page no. 202 of this Annual Report.
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process;	✓		Reference to the Corporate Governance Statement on page no. 190 and Audit Committee Report on page no. 201 of this Annual Report.
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		Audit Committee at its 57 th meeting held on February 13, 2023 conducted the session.
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		Reference to the Audit Committee Report on page no. 201 of this Annual Report.
5(5)(h)	Review the adequacy of internal audit function;	✓		Reference to the Audit Committee Report on page no. 201 of this Annual Report.
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		Reference to the Management Discussion and Analysis on page no. 169 of this Annual Report.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		Reference to the Audit Committee Report on page no. 204 of this Annual Report.
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		Reference to the Audit Committee Report on page no. 203 of this Annual Report.
5(5)(l)	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	✓		Reference to the Audit Committee Report on page no. 202 of this Annual Report.
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;			No such event occurred during the year 2022
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.	✓		Reference to the Corporate Governance Statement on page no. 190 and Audit Committee Report Page no. 203 of this Annual Report.
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	Report on conflicts of interests;			No such event occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such event occurred
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such event occurred
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such event occurred
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board 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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such event occurred
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 under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			No such event occurred
6	Nomination and Remuneration Committee (NRC).			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		Reference to the Nomination and Remuneration Committee on page no. 191 of this Annual Report.
6(1)(b)	The NRC shall 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;	✓		Reference to the Nomination and Remuneration Committee on page no. 207-208 of this Annual Report.
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such event occurred
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such case during the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		Reference to the Nomination and Remuneration Committee on page no. 209 of this Annual Report.
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		Reference to the Nomination and Remuneration Committee on page no. 209 of this Annual Report.
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		Reference to the Nomination and Remuneration Committee on page no. 208 of this Annual Report.
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		The Chairman of NRC is Mr. Tauhiduddin Md. Zahed who has been appointed as Chairman of NRC is an Independent Director. (page no. 191, 206)
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such case in the year 2022
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; provided that in absence of Chairperson of the NRC, any other matters from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the shareholders queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM;	✓		Chairperson of the NRC was present at 26 th AGM. Reference to AGM photo on page no. 14 of this Annual Report
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		01 (One) meeting held in 2022. (page no. 209)
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 necessary
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 as required under condition No. 6(2)(h);	✓		Reference to the Nomination and Remuneration Committee on page no. 209 of this Annual Report.
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.	✓		Reference to the Nomination and Remuneration Committee on page no. 209 of this Annual Report.
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			Reference to the Nomination and Remuneration Committee on page no. 206 of this Annual Report.
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:	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.
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;	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.
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 the company and its goals;	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			No such list as yet
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		Reference to the Nomination and Remuneration Committee on page no. 209 of this Annual Report.
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		Reference to the Nomination and Remuneration Committee on page no. 207 of this Annual Report.
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 (page no. 207)
7	External or Statutory Auditors.			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			K.M. Alam & Co, Chartered Accountants have declared such independence during their appointment
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;	✓		
7(1)(v)	Actuarial services;	✓		
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees 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; provided that spouse, son, daughters, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company.			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		Web address is: www.cityinsurance.com.bd
8(2)	The company shall keep the website functional from the date of listing.	✓		
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).	✓		
9	Reporting and Compliance of Corporate Governance.			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report.	✓		The required Certificate is available on page no. 137 of this Annual Report
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		The agenda will be placed in the 27 th Annual General Meeting. Refer to the notice of the AGM, on page no. 10 of this Annual Report.
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		Refer to the 'Directors' Report' on page no. 166 of this Annual Report

STATEMENT OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL CONTROL AND CORPORATE GOVERNANCE

The Board of Directors are the overseer of an organization. The Board of Directors bear immense responsibility to the organization for providing proper instruction and guidance to secure organizational goals. The Director's Responsibility in terms of Internal Control & Financial Reporting is defined by laws. Rules that comply with Director's Responsibility are Companies Act 1994, Insurance Act 2010, and Code of Corporate Governance by BSEC.

The directors' responsibility report has been prepared to provide a compact preview of the contributions of directors. In accordance with the 2CC of the Securities and Exchange Ordinance 1969, the following disclosures are to be ensured by the Board of Directors, additional statements, or disclosures under section 184 of the Companies Act, 1994 (Act No. XVII of 1994).

A. The state of the company's affairs:

The review of the company's performance has been presented in the financial report, directors report, and MD & CFO's review section in the annual report.

B. Any recommended reserve in the financial statements:

No such reserve has been recommended.

C. Dividend recommended by the Board:

The Board has recommended 10.50% cash dividend share for the year 2022.

D. Material changes and commitments and operations:

No major changes in strategy and actions in the company.

In accordance with the Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated: 3 June 2018. The Directors' Report to Shareholders shall include the following.

1. Industry outlook and possible future developments in the industry:

A compact review of the industry development has been presented in the Directors' Report section.

2. Segment-wise or product-wise performance:

Segment-wise or product-wise performance have been presented on the industry of the financial institution section of the director's report. (Page no. 150-167)

3. Risks and concerns, including internal and external risk factors:

A detailed discussion regarding the issues have been presented in the World economy and Bangladesh's economic overview.

4. Financial Performance Review:

The detailed review of the financial performance of City Insurance is presented in the Financial highlights section and in detail in the Financial Statements chapter of this report.

5. Discussion on Operating performance:

A brief description has been presented in the 'Financial Highlights' portion of this report.

6. Continuity of Any Extraordinary Activities:

During the year 2022, City Insurance realized gain 13.28 million from investment in shares from capital market.

7. Basis for related party transactions and a statement of all related party transactions:

The basis for related party transactions has been stated in the Management Discussion and Analysis segment of the annual report. Further Disclosure has been furnished in the Financial Statements note no. 21

8. Utilization of proceeds raised through public issues, rights issues, and/or any other instruments:

No major changes in public issues, rights issues, and/or any other instruments

9. Explanation of the financial results deteriorates:

In 2022, no financial deterioration have been occurred.

10. Explanation of any significant variance in Financial performances:

No major variances have occurred between quarterly and annual performance.

11. A statement of remuneration paid to the directors, including independent directors:

This are mentioned in the Compliance of the Meeting and Remuneration section of this report.

12. A statement that 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 in equity:

The financial statement prepared by the management for the year-end of 31 December 2022 is presented fairly, and it complements the result of its operations, cash flows and changes in equity. And the external auditor, K.M. Alam & Co., Chartered Accountants have provided a financial reports stated unqualified.

13. Proper maintenance of books of account:

Books of account is maintained appropriately by City General Insurance Company Limited. This matter is also stated in the external auditor's report, K.M. Alam & Co., Chartered Accountants.

14. Ensuring consistent application of appropriate accounting policies:

Appropriate accounting policies have been applied consistently with reasonable and prudent judgment in preparing the financial statements.

15. Compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS):

The financial statements of the company have been consolidated in accordance with International Financial Reporting Standard (IFRS). Details are provided in notes no. 2.1(6), 2.2 & 3.9 Basis of operations of the financial statement.

16. Efficiency and soundness of internal control:

Related discussions are presented in the Internal Control Section under corporate governance chapter.

17. Protection of the interest of minority shareholders:

The corporate governance practices of City Insurance ensure the rights of minority and public shareholders in which disclosures are presented in the investor's relations section of the annual report, and any claim or complaint by shareholders have been lawfully resolved.

18. Statement of clearance no significant doubt upon the continuation as a going concern:

No such concern regarding the continuation of the corporation exists.

19. Explanation of significant deviations of operating results:

Significant variations of operating results from the previous year have been discussed in the Financial Capital section of this report.

20. Key operating and financial data of at least 5 (five) years:

Key operating & financial data over the last five years as per the requirement of BSEC are mentioned details in which discussed under the section of Key Operating and Financial Highlights under Director's Report.

21. The reasons for the inability to declare dividends (cash or stock) for the year:

10.50% cash dividend have been declared for the year 2022.

22. Declaration of bonus share or stock dividend has been or shall be declared as interim dividend:

No interim dividend has been declared.

23. The total number of Board meetings held during the year and attendance by each director:

Discloser of Board meetings held during the year and attendance by each director have presented in the Compliance of Meeting and Remuneration section under corporate governance chapter.

24. The pattern of shareholding:

The pattern of shareholding is disclosed at page no. 120 and provided with analysis from multiple angles.

25. Disclosure information about the appointment or reappointment of a director:

The directors' brief profile is presented in the Board of Directors profile at page no. 54-61 & 165-166 of this report.

26. Management's discussion and analysis signed by CEO or MD:

Discussions and analysis by CEO are presented in the Managing Director and CEO's Review at page no. 169-171 of this report.

27. The CEO and the CFO's declaration or certification:

The declaration by the CEO & CFO is disclosed as **Annexure-A** in the corporate governance report at page no. 213 of this report.

28. Certificate regarding compliance of corporate governance:

Certificate is issued by **Ahmed Khan & Co, Chartered Accountant**, and presented in the annual report, Under corporate governance report at **Annexure-B**, page no. 137

City General Insurance Company Limited complies with all the regulatory body that requires the compliance of corporate governance to ensure that the administration can support the organization in reaching its goal to maintain a transparent and robust culture of growth and enrichment.

The Board of Directors hereby assures that all the parts of the annual report of 2022, including the Director's Report and Financial Statements, have been appropriately prepared, best to our knowledge. The rules implied by the Insurance Development & Regulatory Authority (IDRA) and Bangladesh Securities Exchange Commission have been thoroughly followed in preparing the annual report, including the laws, rules, regulations implemented by other regulatory bodies.

On behalf of the Board of Directors,



Hossain Akhtar

Chairman



DIRECTORS' REPORT

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim
Honourable Shareholders
Assalamu Alaikum

I have the pleasure to welcome you all on behalf of the Board of Directors of City General Insurance Company Limited in its 27th Annual General meeting. I would like to thank you for your continued patronage and support over the 27 years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2022 and the Auditor's Report thereon for kind consideration and adoption. This Report of the Board of Directors of your company has been prepared in compliance with the provisions of section 184 of the Companies Act 1994 (Act No. XVIII of 1994) and other relevant rules and notifications issued by the regulatory bodies. Through this report the Directors have made relevant disclosures and explanations pertaining to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31 December 2022. In fact, the year 2022 is very significant in the life of the company in terms of pandemic, performance and achievements not only within the industry but also in the entire economy.

Company Profile

City General Insurance Company Limited is a second generation non-life Insurance Company incorporated as public limited company on March 18, 1996 under the companies Act 1994. The company obtained the certificate of Registration from the Chief Controller of Insurance Govt. of The Peoples Republic of Bangladesh on March 31, 1996 for carrying Insurance business.

Later the company has been listed with Dhaka and Chittagong Stock Exchanges in last of 2007.

Business environment and Performance:

You know insurance market is competitive in Bangladesh and we do business at tough competition. Even in such situation, business performance in 2022 is satisfactory.

Honorable shareholders, you know, Department of insurance is entrusted with Ministry of Finance from Ministry of Commerce. Insurance Act 2010, Insurance Development & Regulatory Authority Act 2010 and Rules have been promulgated and insurance Development & Regulatory Authority (IDRA) started their operation since January 2011. Due to their specific principle and strong supervision, positive changes are seen in the insurance industry.

The Public perception of Insurance industry remains rather low. The future progress of Bangladesh Insurance industry predominantly depends on how the consumers' perception of insurance as a useful and efficient vehicle of risk transfer can be augmented. This can be achieved through sustained efforts of the industry as well as the Regulators by providing efficient services, honoring insurance policy obligations through expeditious settlement of claims, introducing new products and by rationalizing the pricing mechanism.

Now let me introduce you to the various performances, company profile and the overall activities of our company:

During the year 2022, Gross Premium income attained was Tk. 888.01 million as against Tk. 730.62 million in 2021 – an increase of 21.54%, Net Premium income attained was Tk. 567.91 million as against Tk. 483.41 million in 2021 – an increase of 17.48%.	Assets stood at Tk. 1,939.89 million as against Tk.1,684.81 million in 2021, an increase of 15.14%; Fixed Assets stood at Tk. 56.03 million from Tk. 54.76 million in 2021 (increased by 2.32%), Investments stood at Taka 529.64 million from 407.37 million in 2021 (increased by 30.01%) and Cash and cash equivalents stood at Tk.856.21million from Tk. 652.92 million in 2021 (increased 31.14%).
Underwriting profit achieved was Tk. 145.46 million as against Tk. 95.58 million in 2021 – an increase of 52.19%. The increase in underwriting profit is due to increase in Net Premium income.	Net pre-tax profit stood at Tk. 212.61 million as against Tk. 162.61million in 2021, an increase of 30.75%.
Investment income was Tk. 53.45 million as against Tk. 45.34 million in 2021 17.89% due to increase FDR with bank and others financial Institutions	Net after tax profit amounts to Tk. 153.58 million as against Tk. 114.72 million in 2021, an increase of 33.87%.

Industry Outlook and Prospect

Global Economy

The global economy is experiencing a number of turbulent challenges. Inflation higher than seen in several decades, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Normalization of monetary and fiscal policies that delivered unprecedented support during the pandemic is cooling demand as policymakers aim to lower inflation back to target. But a growing share of economies is in a growth slowdown or outright contraction. The global economy's future health rests critically on the successful calibration of monetary policy, the course of the war in Ukraine, and the possibility of further pandemic-related supply-side disruptions, for example, in China.

Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic and reflects significant slowdowns for the largest economies: a US GDP contraction in the first half of 2022, a euro area contraction in the second half of 2022, and prolonged COVID-19 outbreaks and lockdowns in China with a growing property sector crisis. About a third of the world economy faces two consecutive quarters of negative growth. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Upside inflation surprises have been most widespread among advanced economies, with greater variability in emerging market and developing economies. Risks to the outlook remain unusually large and to the downside.

War in Ukraine Causes More Human Suffering and Economic Damage

Russia's war in Ukraine continues to leave a mark on the region and internationally. The war has displaced millions of people and led to substantial loss of human life and damage to physical capital in Ukraine. In addition to financial and technological sanctions aimed at pressuring Russia to end

hostilities, the European Union implemented embargoes on imports of coal in August 2022. It also announced a ban on imports of seaborne oil starting at the end of 2022 and a maritime insurance ban. Reduced exports from Russia, most notably of gas, have also affected fossil fuel trade, with the flow of Russian pipeline gas to Europe down to about 20 percent of its level one year ago. This has contributed to the steep increase in natural gas prices. The war is having severe economic repercussions in Europe, with higher energy prices, weaker consumer confidence, and slower momentum in manufacturing resulting from persistent supply chain disruptions and rising input costs. Adjoining economies Baltic and eastern European states have felt the largest impact, with their growth slowing sharply in the second and third quarters and their inflation rates soaring. Russia's economy is estimated to have contracted by 21.8 percent (at a quarterly annualized rate) during the second quarter, although crude oil and non-energy exports held up. Russian domestic demand is showing some stability, thanks to containment of the effect of sanctions on the domestic financial sector policy support, and a resilient labor market. The war in Ukraine is also having global consequences for food prices. Despite the recent agreement on Black Sea grain exports, global food prices remain elevated, although they are expected to soften somewhat. This chapter's Special Feature, "Commodity Market Developments and Food Inflation Drivers," points to supply-side factors dominating current food price dynamics, compounded by the export restrictions several countries have implemented. Overall, international inflation has moved higher, propelled by further increases in consumer energy and food prices, as the war has led to a broadening of inflationary pressures.

COVID-19 Continues to Hold Back Economic Progress

As inflation, monetary and fiscal tightening, and the war in Ukraine continue to squeeze global activity, the pandemic is also weighing on the macroeconomic outlook. Pandemic related forces have been particularly important in China, where a second quarter contraction contributed to slower global activity. Temporary lockdowns in Shanghai and elsewhere due to COVID-19 outbreaks have weakened local



demand, which is reflected in the new-orders component of the purchasing managers' index. Other data corroborate this picture of slowing economic activity in China. Manufacturing capacity utilization in the country, for example, slowed to less than 76 percent in the second quarter: its lowest level in five years, except during the acute phase of the pandemic. Such disruptions in China not only have a domestic effect but also spill over internationally, as lower demand implies fewer exports for foreign suppliers.

Global Growth

A slowdown in global growth is forecast, from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. The global slowdown in 2022 is as projected in the July 2022 WEO Update, while the forecast for 2023 is lower than projected by 0.2 percentage point. This prognosis for the global economy is far below average: global economic growth averaged 3.6 percent during 2000–21 (and the same during 1970–2021). For most economies, the outlook is significantly weaker than projected six months ago, in the April 2022 WEO. Forecasts are weaker than expected for 143 economies (accounting for 92 percent of world GDP) for 2023. The forecast for 2023 is the weakest since the 2.5 percent growth rate seen during the global slowdown of 2001 with the exception of those during the global financial and COVID-19 crises. The world's three largest economies China, the euro area, and the US will slow significantly in 2022 and 2023, with downgrades compared with the predictions made in April and, in most cases, July. The negative revisions reflect the materialization of downside risks highlighted in the April 2022 WEO and July 2022 WEO Update and discussed at length in the previous section: tightening global financial conditions in most regions, associated with expectations of steeper interest rate hikes by major central banks to fight inflation (October 2022 Global Financial Stability Report); a sharper slowdown in China due to extended lockdowns and the worsening property market crisis; and spillover effects from the war in Ukraine with gas supplies from Russia to Europe tightening.

Economy of Bangladesh

Bangladesh, like many other countries, faces global economic challenges. Rising commodity prices and a surge in imports in the second half of FY22 resulted in a widening Balance of Payments (BoP) deficit and accelerating inflation. Foreign exchange reserves declined as a result, reaching US\$ 38.9 billion by the end of August 2022. Real GDP growth is expected to slow in FY23 as import suppression measures disrupt economic activity. Over the medium term, the balance of payments is projected to return to surplus as import growth moderates.

To achieve its vision of attaining upper middle-income status by 2031, Bangladesh needs to create jobs and employment opportunities through a competitive business environment, increase human capital and build a skilled labor force, build efficient infrastructure, and establish a policy environment that attracts private investment.

Development priorities include diversifying exports beyond the RMG sector; deepening the financial sector; making urbanization more sustainable and strengthening public institutions, including fiscal reforms to generate more domestic revenue for development. Addressing infrastructure gaps would accelerate growth. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

Segment-wise Performance

In line with the general practices, the underwriting business of the company covers Fire Insurance, Marine Insurance, Motor Insurance and Miscellaneous Insurance businesses. Over-all and segment-wise performance of your company is shown in tables below







GROSS PREMIUM INCOME

	2022	2021	2020	2019	2018
Gross Premium (BDT in mn)	888.01	730.62	438.24	446.72	436.25
Growth (%)	21.54	66.72	(1.90)	2.40	0.33



BUSINESS SEGMENT-WISE GROSS PREMIUM INCOME

(BDT IN MN)

	Fire Insurance	2022 256.12	2021 215.32	Growth (%) 18.95
	Marine Insurance	2022 543.17	2021 419.48	Growth (%) 29.49
	Motor Insurance	2022 26.56	2021 31.12	Growth (%) (14.65)
	Miscellaneous Insurance	2022 62.16	2021 64.71	Growth (%) (3.95)



SEGREGATION OF NET PREMIUM

	2022		2021		Growth (%)
	Amount (BDT in mn)	Business Mix of Net Premium (%)	Amount (BDT in mn)	% of Total Net Premium	
Fire Insurance	136.52	24.04%	125.17	25.89%	9.07%
Marine Insurance	400.09	70.45%	321.51	66.51%	24.44%
Motor Insurance	25.54	4.50%	29.65	6.14%	(13.86%)
Miscellaneous Insurance	5.76	1.01%	7.07	1.46%	(18.53%)
Total	567.91	100.00%	483.40	100.00%	-

Claims

We are very prompt and sincere in respect of settlement of claims. We have been providing satisfactory customer services and continuously trying to improve it further. During the year

2022, the company has settled the claim of Tk. 53.01 million, while Tk. 31.64 million is already provisioned for settlement of intimated claims at the earliest.



NET CLAIM

(BDT IN MN)

Net Claim for the year 2022	2022	2021	2020	2019	2018
	53.01	115.77	49.27	65.56	68.73
Change (%)	2022	2021	2020	2019	2018
	(54.21)	134.97	(24.85)	4.61	532.03



SEGREGATION OF NET CLAIM

	2022		2021		Growth (%)
	Amount (BDT in mn)	Business Mix of Net Premium (%)	Amount (BDT in mn)	% of Total Net Premium	
Fire Insurance	27.99	52.79%	80.74	69.74%	(65.34%)
Marine Insurance	20.72	39.09%	31.34	27.07%	(33.88%)
Motor Insurance	4.27	8.06%	3.64	3.14%	17.31%
Miscellaneous Insurance	0.03	0.06%	0.05	0.05%	(40.00%)
Total	53.01	100.00%	115.77	100.00%	-

Financial performance

Performance of the company in terms of key performance indicators has been shown in a separate statement under

title "Last Five Years Financial Indicators" Moreover, some highlights are given in items below:



CAPITAL ADEQUACY

The following table shows gradual increase in the shareholders equity.

(BDT IN MN)

Shareholders Equity for the year 2022	2022	2021	2020	2019	2018
	1,265.76	1,194.81	1,150.46	1,068.82	1,060.13
Change (%)	2022	2021	2020	2019	2018
	5.94	3.86	7.64	0.82	8.53

Solvency margin

Solvency margin means the amount of assets which exceeds the insurer's liabilities & this will exhibit a part of the insurer's shareholders funds. The valuation methods of assets and liabilities of an insurer will be prescribed in the insurance




regulation. The regulation sets the minimum level of solvency margin without which an insurer cannot go on. The solvency of an insurance company exposes its assets to debts.

The following table shows that the solvency margin of the company is above the required level.



BUSINESS SEGMENT-WISE GROSS PREMIUM INCOME

(BDT IN MN)






	2022	2021	2020	2019	2018
 Available Solvency (AS)	669.64	530.15	399.68	489.31	519.58
 Required Solvency (RS)	121.74	104.35	68.90	67.84	64.95
 Solvency Margin (AS/RS) (times)	5.50	5.08	5.80	7.21	8.00



GROSS PROFIT MARGIN:

Gross profit margin are as follows:

(BDT IN MN)

 Fire	2022	2021	 Marine Cargo	2022	2021
	17.40	(21.69)		129.02	93.59
 Marine Hull	2022	2021	 Motor	2022	2021
	0.23	(2.00)		9.27	21.58
 Miscellaneous	2022	2021			
	(10.46)	4.09			

Re-insurance utilization and risk retention ratio

The Company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC), Tysers Insurance Brokers Limited, Berkshire Hathaway Inc., WAICA RE, CICA Re, QBE Insurance Group Limited, Global Re Ltd. and Klaption Re against all classes of general insurance business.

You may be aware that usually high-risk retention level signals inadequate reinsurance protection while low risk retention level hampers profitability. Segment-wise Risk Retention Ratios of the Company for the last few years are shown in the table below.

	Year-wise Retention Ratio (%)				
	2022	2021	2020	2019	2018
Fire Insurance	53.30%	58.13%	66.90%	61.54%	64.26%
Marine Insurance	73.66%	76.65%	84.53%	84.82%	80.19%
Motor Insurance	96.15%	95.29%	96.03%	97.65%	93.84%
Miscellaneous Insurance	9.27%	10.92%	22.06%	9.80%	11.00%



RESERVE ADEQUACY

The following table shows reserve adequacy of the company.

(BDT IN MN)

Amount of Reserve	2022	2021	2020	2019	2018
	406.52	352.53	308.20	264.74	238.71
Changes (%)	2022	2021	2020	2019	2018
	15.31	14.38	16.42	10.90	20.54

Profitability

Since the source of revenue of the company is premium income from underwriting business under Fire Insurance, Marine Insurance, Motor Insurance and Miscellaneous Insurance businesses and other income like income from investments, its profitability depends upon these sources.

The following table shows the contributions of different business segments in the underwriting profit (loss) in last few years.

Business Segments	Contribution to Underwriting Profit (%)				
	2022	2021	2020	2019	2018
Fire Insurance	11.96%	-22.69%	14.00%	-0.61%	4.28%
Marine Insurance	88.85%	95.83%	65.25%	72.78%	78.44%
Motor Insurance	6.38%	22.58%	18.35%	21.11%	17.28%
Miscellaneous Insurance	-7.19%	4.28%	2.40%	6.72%	-
Total	100%	100%	100%	100%	100%

Underwriting Performance/Quality:

The quality of underwriting is a significant practice at City Insurance and this activity directly contributes to the quality of growth of the Company. The underwriting practice at the Company comprises thorough evaluation, prudent financial modeling and accurate risk pricing that protects the shareholders' interests in the company while also creating value at large. It is to be noted that while marine reported good underwriting profit growth year-on-year, and slightly increase underwriting profit from previous year higher claims dented

underwriting profit during the year under report for fire and miscellaneous insurance. However, we are undertaking all the necessary action across our business which will reinforce our ability to deliver quality underwriting profit growth across our various classes of business.

The following table shows the segment-wise underwriting performance of the company in the last few years.

(BDT IN MN)

Business Segments	Year-wise Underwriting performance				
	2022	2021	2020	2019	2018
Fire Insurance	17.40	-21.69	11.83	-0.45	3.74
Marine Insurance	129.25	91.59	55.15	53.74	68.51
Motor Insurance	9.27	21.58	15.51	15.59	15.09
Miscellaneous Insurance	-10.46	4.09	2.03	4.96	(6.39)
Total:	145.46	95.57	84.52	73.84	80.95

Investment Profile

The size of investment portfolio of City Insurance as on 31 December 2022 stood at Tk. 1,360.79 million. The investment portfolio comprises 5, 10, 15 & 20 years Bangladesh Government Treasury Bonds, Shares & Fixed Deposits Receipt (FDR) with various commercial banks and financial institutions.

The following table shows the status of the investment portfolio of the company in the last year comparing with those of the previous year.

COMPONENTS OF INVESTMENT	2022		2021	
	Amount (BDT in mn)	% of Total Investment	Amount (BDT in mn)	% of Total Investment
Fixed Deposit	831.15	61.08%	640.40	61.12%
Investment in Shares	329.64	24.22%	321.37	30.67%
BGTB	200.00	14.70%	86.00	8.21%
Total	1,360.79	100.00%	1,047.77	100.00%

Segregation of Investment Income and Other Income:

The following table shows the status of the contributions of different sources in the investment income and other income in the last year comparing with those of the previous year.

COMPONENTS OF INVESTMENT	2022		2021	
	Amount (BDT in mn)	% of Total Investment Income & Other Income	Amount (BDT in mn)	% of Total Investment Income & Other Income
Investment Income	53.38	65.59%	45.03	38.71%
Interest Income	0.07	0.09%	0.31	0.27%
Dividend	13.32	16.37%	18.24	15.68%
Profit from Sale of Shares	13.28	16.32%	47.53	40.85%
Other Income	1.33	1.63%	5.23	4.49%
Total	81.38	100.00%	116.34	100.00%

Motor Vehicle

The management of the company is always very careful about full compliance of relevant instructions from Insurance Development & Regulatory Authority (IDRA) about provision and procurement of equipment. As such, we are procuring motor vehicles for the head office and branches gradually as per the IDRA circular on this matter. As on 31 December 2022, the company has 21 (Twenty one) motor vehicles and 19 (Nineteen) motor cycles for its head office and branches.

INSURANCE RISK AND ITS CONCERNS

Insurance is a Mechanism of spreading the risks from one shoulder to another. It has two basic characteristics: One is shifting of risk from one individual to a group and the other is sharing the losses on equitable basis by all members of the group.

City General Insurance Company Limited uses to undertake pre-inspection of big and complicated risks through the professional and technical experts and it provides facilities to defend the insured's property. The method specially helps to reduce the happening of the incident and minimizing the extent of loss after happening of the incident.

The pre-underwriting survey of fire hazards to the insured property bears great importance. It is very much prudent and essential to make survey before accepting the risk for underwriting and re-insurance purpose. On the basis of the pre-inspection report the underwriter may recommend segregation of risk by installation of fire proof door to reduce premium, cleanliness of factory premises and to reduce fire hazards. Recommended fire prevention measures not only reduce fire hazards but also help the insured to get rebate on the rate of premium. Without pre-inspection it is difficult to segregate risk and make retention and cession to re-insurers.

City General Insurance Company Limited ensures proper risk management of their clients which benefits them as saving resources, time, assets, income, property & people are valuable resources which can be saved if fewer claims occur.

City General Insurance Company Limited, through its effective risk management practice, cannot eliminate risks but the endeavor shows that the company is committed to reduce the loss and prevent the same as far as possible making the clients a better position in connection with risk.

The company established a very good corporate environment with excellent work atmosphere. Communication among the employees is nice, as the company endeavors to be honest and practices fair to all employees.

Cost of Goods Sold, Gross Profit Margin & Net Profit Margin

City Insurance is not a manufacturing company. It is a non-life insurance company in Bangladesh. Cost of Goods Sold, Gross Profit Margin & Net Profit Margin are not considered to prepare financial statements. Therefore, comparative analysis of financial performance is elaborately discussed on the presentation on Financial Highlights on page no. 25

Disclosure regarding Extra ordinary Gain or Loss.

During 2022 no event either an extra-ordinary gain or loss occurred which might require an adjustment or disclosure in the financial statements.

Management Expenses

Management expenses amounted to Tk. 235.42 million in 2022. The expenses have been apportioned @ 34.82% to Fire, 53.05% to Marine Cargo & Hull, 3.62% to Motor and 8.51% to miscellaneous revenue accounts. We have successfully brought down the management expenses within appreciable limit.

Disclosure Related party transactions.

The company in normal course of business has entered into transactions with other entities that fall within the definition of related party as contained in IFRS "Related party disclosures" Total transactions are available in the reports under item No. 21 of the notes of the Financial Statements. The Audit Committee periodically carried out in-depth analysis of the transactions among the related parties.

Disclosure regarding Utilization of proceeds raised through IPO and Rights issues and/or any other Instruments

Initial Public offering (IPO) and Rights issues of City General Insurance Company Limited were made 2007 and 2011 respectively and fund raised thereby has already been utilized, reported to the regulators. No further issue was made since then.

Deteriorate of financial results after IPO and Rights issues

There is no financial results deteriorate after the company goes for initial public offering (IPO), Repeat public offering (RPO), Rights offer etc.

Disclosure regarding variance between quarterly financial performance and annual financial statements

Statement of Quarterly Financial Statements is given separately. There were some variances in the financial results from quarter to quarter. But they are not very significant or material in nature.

Product wise Performance

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	2022	2021
Gross Premium Income	256.12	529.36	13.81	26.56	62.16	888.01	730.62
Less : R/I Premium ceded	107.89	115.20	7.68	0.93	4.45	236.14	160.80
Less R/I Premium PSB	11.70	17.90	2.31	0.10	51.95	83.95	86.42
Net Premium Income	136.52	396.26	3.83	25.54	5.76	567.91	483.41
R/I Comm. Earned	28.15	32.17	0.96	0.13	5.04	66.45	49.91
Net premium reserve retained	54.61	158.50	3.83	10.22	2.30	229.46	131.40
Reserve for Un-expired risk.	50.07	126.93	4.19	11.86	2.83	195.88	131.40
Agent commission	33.19	120.60	1.75	4.47	1.71	161.72	55.37
Management expenses (revenue a/c)	81.96	121.72	3.18	8.53	20.03	235.42	201.94
Management expenses (profit or loss a/c)	-	-	-	-	-	13.23	15.17
Gross incurred claims	32.21	21.09	0.00	4.27	0.70	58.27	2.74
Net incurred claims	27.99	20.72	0.00	4.27	0.03	53.01	115.77
Outstanding result (u/w result)	17.40	129.02	0.23	9.27	(10.46)	145.46	95.58
Investment income (before tax)	-	-	-	-	-	53.38	45.03
Net profit before tax	-	-	-	-	-	212.61	162.61
Shareholders fund	-	-	-	-	-	1,265.76	1,194.81

Disclosure on remuneration paid to Directors including Independent Directors

The Board of Directors of the Company is non-executive directors 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's Remuneration package is determined by the Board, which requires approval from the IDRA. As per corporate governance requirements, we publish our non-executive director meeting fees in the Annual Report. During the year 2022, the Meeting fees of the Directors were Tk. 8,000/- only. Details of the Directors' attendance record are shown on the page no. 163

Disclosure on Preparation and Presentation of Financial Statements

The Directors of City Insurance, in conformance with the BSEC Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018 and under Section 184 of The Companies Act 1994, confirm compliance with the financial reporting framework for the following:

- The financial statements, prepared by the management of City Insurance make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure;
- Proper books and accounts of the Company have been maintained;
- Appropriate accounting policies, including International Accounting Standards (IAS)/International Financial

Reporting Standards (IFRS)/as applicable/adopted in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed;

- Accounting estimates are based on reasonable and prudent judgment;
- Internal control processes have been properly designed and effectively implemented and monitored;
- Minority shareholders have been duly protected as have effective means of redress;
- No significant doubt exists upon the Company's ability to continue as a going concern;
- Comparative analysis of significant deviations has been highlighted and the reasons have been explained in the sections above.

As required by condition No. 1(5)(xxvi) of the guidelines, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have jointly certified to the Board that-

- a) They have reviewed the financial statements of the company for the year ended 31 December 2022 and to the best of their knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.

- b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violation of the company's code of conduct.

Disclosure Internal Control

At present insurance has enlarged its purview worldwide. Due to high risk in the insurance functions strong and effective internal control systems really important to ensure good governance, transparency and accountability. The company's internal control principle surrounds not only regulatory and legal requirements but also various internal rules, policies, procedures and practices.

Major elements of the company's internal control are follows:

- Regular Board Meeting with extensive agendas dealing with all major aspects of business.
- Regular Board Committee Meeting to discuss issues as defined in their charter.
- Regular Executive Committee Meeting with issues relating to operational activities of the company.
- Delegation of authorities with job description for each department according to organogram.
- Internal Audit Department directly reporting to the Board Audit Committee in compliance with procedure and limit of authority.
- Comprehensive Annual Budget system with approval of the Board.
- Comprehensive Financial reporting system including actual performance with budget.
- Review and analysis of fund position on daily basis.

Human Resources

At City Insurance our employees are our greatest asset. It is one of our utmost priorities that the employees are taken care of. We try to provide our people a congenial work environment, opportunity to hone their skills, and apt compensation and rewards that drive their motivation and work performance - one of the key reasons for our continued success.

The Company believes that its Human Resources (HR) gives it a significant competitive edge in terms of knowledge and experience. It has continued its policy of recruiting the best people and implementing programs to develop and retain high quality human resources in its various departments. In line with this Policy, the need based internal and external training at home, is regularly and systematically arranged. The Company also ensures attractive compensation packages and rewards including employee's safety and health including the family members to some extent to assure their retention and provide job satisfaction.

A separate report on Human Resources has been presented on page no. 214-218 of this report.

Information Technology

City General Insurance Company Limited has a most flexible & Secure IT department with some experienced, energetic and intelligent IT specialist. In this modern world IT departments have traditionally been the sole proprietor of technology within organizations with responsibility to ensure all technological aspects of an organization are running smoothly. In order to deliver on such responsibility.

City Insurance IT department's main responsibilities are –

- Managing and protecting the information technology.
- Managing and protecting the data resource.
- Managing and protecting the system applications.

Strictly involved in providing the infrastructure for automation, the governance for the use of the network and operating systems, and assistance in providing the operational units the functionality we need. The Information Technology department in an organization also responsible for the architecture, hardware, software, and networking of computers of the company. IT professionals working in this department perform a number of duties to ensure that employees have full access to the computer systems.

The IT professionals with their everchanging needs are constantly innovating and producing in-house programs to meet the day-to-day needs of the company's growing and diverse products and services. It has magnificently activated a Wide Area Network (WAN) to connect the entire branch offices situated all over the country on real time basis, with a view to providing unified connectivity and prompt customer services. City Insurance acquires high configured server as and when required for running its oracle 11g application server to build-up three tier applications and hardware architecture.

Credit Rating :

City Insurance has been achieved the credit rating 'AA+' (Double A Plus) from 'AA' (Double A). This credit rating reflects the company's strong capacity to meet its financial obligations ensuring high safety to shareholders and insured. Credit Rating report has been presented on the page no. 80 of this annual report.

Contribution to National Economy

City Insurance contributes to the National Exchequer in the form of income Tax, VAT & Excise duty. The company's has been presented on page no. 94

Minority Stakeholders

The Board of Directors is very concerned about the interest of the Stakeholders including the minority shareholders of City

General Insurance Company Limited. It has decided to ensure fair and equal treatment to every shareholders. In order to protect the invest of minority shareholders, the company undertook various measures to establish accountability and transparency. The company communicate all its strategic information as required in its operation under the regulatory directives without delay and tried to serve the minority shareholders better, the company disseminates all strategic decision through popular newspapers, website of the company to make them aware of the developments as well as activities of the company.

Report on going concern

The Financial Statements of an organization are generally prepared on the assumption that an enterprise is a going concern and will continue its operation for the predictable future. The Financial Statements may have to be prepared on a different basis which is used to be disclosed. On the other hand, the listed companies are required by BSEC to report on its capacity to run as going concern.

The Board of Directors of City General Insurance Company Limited uses to asses annually as to whether there exist material uncertainties which may cause significant doubt upon the company's ability to continue as going concern.

The Director's assessment as to whether the company is a going concern involves appropriate inquiries including review of budget, forecast, assumption and future outcome of inherent and uncertainties in existence. The Directors are convinced from the following indications that focus reasonable assurance regarding companies' ability to continue as a going concern for the foreseeable future.

FINANCIAL INDICATIONS:

- Positive net current assets
- Positive operating cash flows.
- Positive key financial ratios.
- Consistent payment of dividends.
- Credibility in payment of obligations.

- Performance growth.
- Positive underwriting results and trends.

OPERATING INDICATIONS:

- Key management turnover.
- Good business expansion.
- Spread of business a cross diverse client's satisfaction.
- Good corporate environment and employee's satisfaction.

OTHER INDICATIONS

- Maintenance of sufficient capital base as required by law.
- Strong reserve base.
- Strong equity base.
- Strong claim paying ability.
- Anticipates no significant change in legislation or government policy.

Significant deviations from the last year's operating results of the company.

1. Significant Deviation in Earnings per Share (EPS):

EPS has been increased for the year ended on 31st December, 2022 in comparison with the previous year due to increase of company's premium income significantly.

2. Significant deviation in Net Operating Cash Flow per Share (NOCFPS):

NOCFPS has been increased for the year ended 31st December, 2022 comparison with the previous year due to increase of company's premium income sharply.

3. Significant deviation in Net Assets Value per share (NAV):

NAV has been increased for the year ended 31st December, 2022 comparison with the previous year due to increase of company's investment in share, Govt. Treasury Bond and FDR.

Key operating and financial data for last 5 (five) years have been furnished as under:

Particulars	2022	2021	2020	2019	2018
Financial Performance					
Gross Premium	888.01	730.62	438.24	446.72	436.25
Net Premium Less Re-Insurance	567.91	483.41	328.37	312.37	295.63
Net Claims	53.01	115.77	49.27	65.56	68.73
Underwriting Profit	145.46	95.58	84.52	73.84	80.94
Profit before Tax	212.61	162.61	162.06	107.24	112.15
Net Profit after Tax	153.58	114.72	120.75	68.55	85.63
Share Capital & Reserve					
Paid-up Capital	681.66	681.66	681.66	681.66	681.66
Shareholders Equity	1,265.76	1,194.81	1,150.46	1,068.82	1,060.13
Reserve for Exceptional Losses	376.71	319.91	217.57	238.74	207.50
Assets					
Investment in shares & Securities	529.64	407.37	270.05	194.23	172.84
Cash, FDRs & Bank balances	856.21	652.92	612.03	571.66	598.10
Other Assets	554.04	624.52	724.19	572.59	543.28
Total Assets	1,939.89	1,684.81	1,606.27	1,338.48	1,314.22
Financial Analysis					
Dividend in percentage	10.50% cash Dividend	10% cash Dividend	10% cash Dividend	5% cash Dividend	5% cash Dividend
Earnings per Share (EPS)	2.25	1.68	1.77	1.01	1.26
Highest/Lowest market price per Share as on 31st December, 2022	26.20	44.10	31.30	22.70	13.50
	25.50	42.60	30.00	21.80	13.30

Proposed Dividend

The Board of Directors in its 205th Meeting held on 13/02/2023, has recommended 10.50% Cash Dividend to Sponsors and all shareholders from net profit (after tax) during the year 2022.

Interim dividend

No bonus share or stock dividend was declared as interim dividend during the year ended 31 December 2022.

The number of Board meetings and the attendance of Directors during the year 2022 are as follows:

Name of the Directors	Name of the Organization Nominated by	Status	Total meeting held (During his/her period)	Numbers of meeting Attended	Net Payment	Attendance %
Mr. Hossain Akhtar	Anwar Jute Spinning Mills Ltd.	Chairman	5	4	32,000	80
Mr. Hossain Mehmood	N/A	Vice-Chairman	5	5	40,000	100
Mr. Mohd. Abu Taher	N/A	Vice-Chairman	5	5	40,000	100
Mrs. Bibi Amena	N/A	Director	5	5	40,000	100
Ms. Faizah Mehmood	Anwar Silk Mills Ltd.	Director	5	5	40,000	100
Mr. Md. Harunoor Rashid	Nominated by Khaled Iron & Steel Mills Ltd.	Director	5	3	24,000	60
Haji Md. Yousuf	N/A	Director	5	3	24,000	60
Mrs. Hasina Begum	Hossain Dyeing & Printing Mills Ltd.	Director	5	5	40,000	100
Mr. Mohammad Aman Ullah	Wazeefa Acrylic Spinning Mills Ltd.	Director	5	5	40,000	100
Mrs. Hasina Parveen Manwar	Mehmud Industries (Pvt.) Ltd.	Nominated Shareholder Director	5	4	32,000	80
Mr. Muhammad Nazirul Islam	Anwar Landmark Ltd.	Nominated Shareholder Director	5	5	40,000	100
Mrs. Salina Ahmed	A-One Polymer Ltd.	Nominated Shareholder Director	5	4	32,000	80
Mr. Mahabubul Haque	N/A	Independent Director	5	4	32,000	80
Mr. Tauhiduddin Md. Zahed	N/A	Independent Director	5	3	24,000	60
Mr. Mohammad Saif Noman Khan	N/A	Independent Director	5	3	24,000	60

Directors who could not attend meetings were granted leave of absence by the Board.

Pattern of Shareholding

Shareholding patterns of the Company as at December 31, 2022 has been shown as following:

- Parent/Subsidiary /Associated companies and other related parties N/A.
- Directors Shareholding position as on December 31, 2022

Sl. No.	Name	Status	No. of Shares held	% of Total Shares	Share held by the Spouse/ Children	Remarks
01	Mr. Hossain Akhtar	Chairman (Nominated by Anwar Jute Spinning Mills Ltd.)	26,02,704	3.82%	Nil	
02	Mr. Hossain Mehmood	Vice Chairman & Sponsor Director	40,05,266	5.88%	Nil	
03	Mr. Md. Abu Taher	Vice Chairman & Sponsor Director	20,65,639	3.03%	Nil	
04	Mrs. Bibi Amena	Director	16,52,508	2.42%	Nil	
05	Faizah Mehmood	Director (Nominated by Anwar Silk Mills Ltd.)	20,65,639	3.03%	Nil	
06	Mr. Harunoor Rashid	Director (Nominated by Khaled Iron & Steel Mills Ltd.)	18,59,074	2.73%	Nil	In addition Mr. Harunoor Rashid is holding 2,27,218 shares as Sponsor Shareholder in his name.
07	Haji Md. Yousuf	Sponsor Director	22,72,202	3.33%	Nil	
08	Mrs. Hasina Begum	Director (Nominated by Hossain Dyeing & Printing Mills Ltd.)	20,65,639	3.03%	Nil	In addition Mrs. Hasina Begum is holding 4,29,424 shares in her name.
09	Mr. Mohammad Amanullah	Director (Nominated by Wazeefa Acrylic Spinning Spinning Mills Ltd.)	16,43,121	2.41%	Nil	
10	Mrs. Hasina Parveen Manwar	Shareholder Director (Nominated by Mehmud Industry Pvt. Ltd.)	13,64,254	2.00%	Nil	In addition Mrs. Hasina Parveen Manwar is holding 5,51,522 shares in her name.
11	Mr. Muhammad Nazirul Islam	Shareholder Director (Nominated by Anwar Landmark Ltd.)	13,64,061	2.00%	Nil	
12	Mrs. Salina Ahmed	Shareholder Director (Nominated by A-One Polymer Ltd.)	13,94,305	2.05%	Nil	In addition Mrs. Salina Ahmed is holding 4,13,125 shares in her name.
13	Mr. Mahabubul Haque	Independent Director	Nil	---	Nil	
14	Mr. Tauhiduddin Md. Zahed	Independent Director	Nil	---	Nil	
15	Mr. Mohammad Saif Noman Khan	Independent Director	Nil	---	Nil	

Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children are stated below:

Sl. No.	Name	No. of Shares held	Share held by the Spouse/ Children	Remarks
i)	Mr. Md. Shamim Hossain Chief Executive Officer	Nil	Nil	
ii)	Mr. Md. Hasan Khan Addl. Managing Director & Company Secretary	Nil	Nil	
iii)	Mr. Sheikh Azizul Haque Executive Vice President & Chief Financial Officer	Nil	Nil	
iv)	Mr. Md. Ibrahim Mollah Vice President & Head of Audit	Nil	Nil	
v)	above officers (i-iv) spouses and minor children	Nil	Nil	

c) Executives (Top five Salaried Employees of the Company), other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit):

Sl.	Name	Designation	
1.	Mr. Shibal Shil	Dy. Managing Director, Local Office, Dhaka.	Nil
2.	Mr. Abul Kalam	Dy. Managing Director & Branch In-charge, Malibag Branch, Dhaka	Nil
3.	Mr. A.T.M Nazmul Hossain	Asst. Managing Director Kawran Bazar Branch, Dhaka	Nil
4.	Mr. Md. Yakub Hossain	Asst. Managing Director Gulshan Branch, Dhaka.	Nil
5.	Mr. Sabir Mohammed Azad	Sr. Executive Vice President Kawran Bazar Branch, Dhaka	Nil

Shareholders holding 10% or more voting interest in the company:

Nil

Skilled Senior Management

City General Insurance Company Limited's office is under full protection to its business partners with all types of non-life insurance business since 1996. The company is going ahead significantly to the growth and development of the non-life insurance industry of the country. The company has strong re-insurance and risk management fundamentals and a group of experienced professionals headed by **Md. Shamim Hossain**, Managing Director & CEO, having 21 years of experience, **Md. Hasan Khan ABIA**, Addl. Managing Director & Company Secretary having 40 years of experience, **A.K.M Mohiuddin**, Dy. Managing Director (BDD) having 27 years of experience, **Md. Morshed Hasan**, Asst. Managing Director (U/W & BCD) having 33 years of experience and **Sheikh Azizul Haque, ACS, CGIA, VAT Agent** Executive Vice President and Chief Financial Officer having 24 years of experience in the Insurance Industry.

Directors Retirement and Re-appointment

Group-A

As per Article 112 of Articles of Association of the Company the following 03 (three) Directors will retire from the Board by rotation at 27th Annual General Meeting and being eligible as per Article 114 offer themselves for re- election.

Mr. Mohd. Abu Taher

Mrs. Bibi Amena

Mrs. Hasina Begum (Representative of Hossain Dyeing & Printing Mills Ltd.)

Brief Resume and other information of the Directors as per clause 1.5 (xxiv) of BSEC Corporate Governance Code on 03 June 2018 are delimited in this Annual report at page no. 55, 56, 59.

Group-B

As per Article 112 of Articles of Association of the Company 1 (One) Director will also retire from the Board by rotation accordingly to Insurance Act and Rules from public shareholder Director. **Mrs. Salina Ahmed** (Nominated by A-One Polymer Ltd.) will retire.

As required by Insurance Rules, 1958, election of Directors from public shareholders will be held in the said Annual General Meeting. Necessary Notice related to election of Director from all shareholders has already been published on 29/01/2023 in the "Daily Dosh Rupantor" and "The Business Standard".

Appointment of Independent Director

The Independent Directors were duly appointed according to the Corporate Governance Code as prescribed by Bangladesh Securities & Exchange Commission (BSEC). The Board of directors appointed **Mr. Tauhiduddin Md. Zahed** as the independent director of City General Insurance Company Limited on the 201st Board meeting held on 28 February 2022 in place of **Khondker Fazle Rashid** due to consent has not been obtained for an Independent Director from BSEC. Again, **Mr. Mohammad Saif Noman Khan** appointed as another independent director in the same Board meeting after the resignation of **Mr. Gopal Chandra Ghosh, FCA, FCMA**. Their appointment as Independent Director were approved at 26th AGM held on 25 April 2022.

Appointment of Statutory Auditor:

As per rule **K. M. Alam & Co. Chartered Accountants** will retire in the 27th Annual General Meeting. M/s. K. M. Alam & Co. Chartered Accountants has been completed their audit work consecutive 03 (three) years and submitted report for the years 2020, 2021 and 2022. The Board of Directors in its 205th meeting held on 13/02/2023 recommended that **Islam Quazi Shafique & Co. Chartered Accountants** be appointed as statutory auditor for the year 2023 of the company and to fix their fees by the 27th Annual General Meeting.

Appointment for Corporate Governance Compliance Certification:

Ahmed Khan & Co. Chartered Accountants had conducted the audit work on compliance of the code of Corporate Governance of the company as issued by the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 for the year ended 31 December 2022. The Board of Directors of the company has recommended to appoint **Salahuddin & Associates Chartered Secretaries** as the professional to provide the certification as to the compliance of the Corporate Governance Code issued by the BSEC Notification dated 03/06/2018 for the year 2023.

Management's Discussion and Analysis

Management's Discussion and Analysis signed by Managing Director & CEO in line with the Corporate Governance Code, presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements are stated at page no. 169-171

Insider Trading

The members of the Board of City Insurance as well as its sub-committees, or its senior management and their family members did not involve in any insider trading and did not violate the provision with regard to insider trading.

Declaration by the CEO and the CFO to the Board

The Details of discussion of declaration by the CEO and CFO is appended at page no. 213

Compliance with Laws and Regulations

The Company was not engaged in any activities contravening the laws and regulations. All those responsible for ensuring compliance in line with the provisions in various laws and regulations have discharged their responsibilities as per requirements.

Qualified Members of the Board of Directors with expert knowledge regarding Financials and Corporate regulatory rules, responsibilities and implications

As a diversified Board of City Insurance, the members of the Board are well qualified, comprising a number of seasoned government officials, industrialists, businessman and university teacher who have expert knowledge regarding the Industry, Financials and Corporate regulatory rules, responsibilities and its implications in the company i.e. **Mr. Mahabubul Haque**, former Deputy General Manager (DGM), Bangladesh Bank, **Mr. Tauhiduddin Md. Zahed**, former General Manager of Sadharan Bima Corporation and **Mr. Mohammad Saif Noman Khan** an Associate Professor at the Institute of Business Administration (IBA), University of Dhaka. In addition the detail profile of the Board of Directors are shown in page: 54 to 61.

Corporate Governance:

The Board of Directors of City General Insurance Company Limited firmly believes that practice of good Corporate Governance and transparency ensuring discipline are essential for a sustainable organization. The company designed the Corporate Governance systems and practices to ensure adequate internal control in operational process, transparency and accountability. Corporate Governance structure specifies the allocation of rights and responsibilities among the concerned executives and spells out the rules and procedures for making decisions on corporate affairs.

The role of Regulatory Authority is very important regarding Corporate Governance practices. It is mentioned Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 has been complied with in order with a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) shown in this Annual Report. Details about the initiatives are discussed in "Report on Corporate Governance" of this Annual Report 2022 (Page no. 231-234).

Corporate Social Responsibility

The Directors are sincere to discharge corporate responsibilities to the society. As a part of discharging corporate social responsibilities, City Insurance has initiated various projects and programs. Details has been presented on the page no. 231-234 of this annual report.

Future Development:

City General Insurance Company Limited has some extensive plans to create its business by providing quality service to the insured. The company is mainly focused on continuous practice for internal improvement, training for capacity building, practice of corporate Governance, efficient & excellent team work and quick claim settlement.

Our Aims:

Honorable Shareholders, we assure you that by providing very high-quality professional service to the clients and to increase continuous quality service, the company will always endeavor to that. It is mentioned, by this time honorable clients have increased their confidence to the company.

Appreciation:

I on behalf of the Board of Directors deeply appreciates the gracious co-operation to the activities of the company extended by the insured, well-wishers & patronage at the same time grateful to the Ministry of Finance, Insurance Development and Regulatory Authority (IDRA), the Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies and Firms, Central Rating Committee, Dhaka & Chittagong Stock Exchanges, Sadharan Bima Corporation, Bangladesh Bank including all scheduled commercial Bank and Bangladesh Insurance Association (BIA) for their sincere support and co-operation.

I like to thank and express gratitude to Managing Director & CEO, Md. Shamim Hossain for his hard work, commitment and dedication to the development of the Company.

I also thank to higher Executives, all officers and staff for their hard work and effort.

At the last but not the least certainly, I express my sincerest gratitude to all clients for their loyalty and patronage over the period.

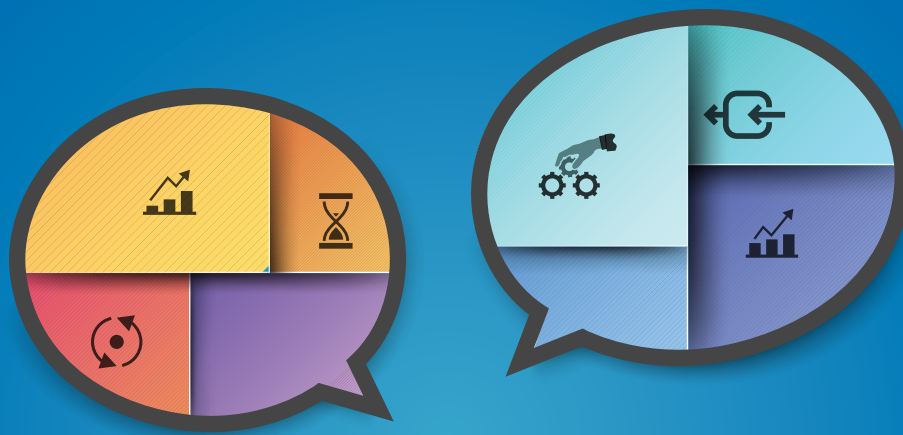
At last, honorable shareholders I firmly request for having your support, co-ordination and valuable advice in future.

Allah Hafaz

On behalf of the Board of Directors,



(Hossain Akhtar)
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and analysis presenting of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:

1.5 (xxv)a. Accounting policies and estimation for preparation of financial statements:

We have applied accounting policies regularly on all periods while preparing the financial statements. International Financial Reporting Standard (IFRS), International Accounting Standards (IAS) in preparing Financial Statements have been applied to transactions, other events or conditions to their full extent as applicable. Disclosure and rules as required by Insurance Act 2010 and The Companies Act 1994 have been complied with the preparing Financial Statements. On the other hand Bangladesh Securities & Exchange Commission

(BSEC) Rules 1987, Listing Regulations 2015 of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange PLC. complied. In absence of International Financial Reporting Standard (IFRS) to any particular transactions, other events or conditions, we have applied our judgment in developing and applying on accounting policy that is relevant to the economic decision making needs of us and is reliable.

1.5 (xxv)b. Changes in accounting policies and estimations:

We usually change an accounting policy when the change is required by International Financial Reporting Standard (IFRS) or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance and cash flows.

1.5 (xxv)c. Comparative analysis of financial performance or results and financial position as well as cash flow for current financial year with immediate preceding five years:

Particulars	BDT in mn					
	2022	2021	2020	2019	2018	2017
Gross premium	888.01	730.62	438.24	446.72	436.25	434.82
Net premium	567.91	483.41	328.37	312.37	295.63	299.57
Underwriting profit	145.46	95.58	84.52	73.84	80.94	43.43
Investment and other income	81.38	116.34	89.61	47.19	43.32	58.84
Profit before tax	212.61	162.61	162.06	107.24	112.15	88.93
Net profit after tax	153.58	114.72	120.75	68.55	85.63	68.43
EPS	2.25	1.68	1.77	1.01	1.26	1.10
NOCPs	5.59	2.75	1.69	0.66	0.49	0.28
Paid up capital	681.66	681.66	681.66	681.66	681.66	619.69
Shareholder equity	1,265.76	1,194.81	1,150.46	1,068.82	1,060.13	976.83
Total assets	1,939.89	1,684.81	1,606.27	1,338.48	1,314.22	1,242.20
NAVPS	18.57	17.53	16.88	15.68	15.55	14.33

Cash flow Statement Analysis:

Particulars	BDT in mn	
	2022	2021
A) Net cash flows from/(used in) operating activities	381.13	187.30
B) Net cash flows from/(used in) investing activities	(109.67)	(78.24)
C) Net cash flows from/(used in) financing activities	(68.17)	(68.17)
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	203.29	40.89
E) Cash and cash equivalents at beginning of the year	652.92	612.03
F) Cash and cash equivalents at end of the year (D+E)	856.21	652.92

Cash Flow from Operating Activities:

Net cash inflow from operating activities in 2022 was BDT 381.13 mn which was BDT 187.30 mn in the preceding year. Amid the slow business environment, disbursement continued to be high, which coupled with increase in business led to the rise. So, we could maintain a comfortable cash position.

Cash Flow from Investing Activities:

The cash flow from investing activities moved to BDT 109.67mn from BDT 78.24mn, predominantly due to the investment in shares and BGTB.

Cash Flow from Financing Activities:

During the year 2022, the City Insurance paid BDT 68.17mn as dividend. Resultantly, net cash flow from financing activities moved up to BDT 68.17mn at the end of 2022 from BDT 68.17mn in the previous year.

Overall Scenario:

The cash and cash equivalent balance of City Insurance rose to BDT 856.21mn in 2022 compared to BDT 652.92mn in 2021. Consequently, the cash and cash equivalent balance of

City Insurance remains robust, at 67.64% of the shareholders equity and 127.00% of total current liability, which will enable

us to grow our business performance in the coming periods, as the economy recovers from the impact of the pandemic.

1.5 (xxv)d. Main areas of financial performance or result and financial position as well as cash flows with peer industry scenario for the year 2021 are furnished below:

BDT in mn

Particulars	City General Insurance Co. Ltd	Rupali Insurance Co. Ltd	Eastland Insurance Co. Ltd	Prime Insurance Co. Ltd	Central Insurance Co. Ltd.
Gross Premium	730.62	620.20	1,010.51	715.65	467.42
Net Premium	483.41	375.90	388.94	327.05	346.43
Underwriting Profit	95.58	173.92	1.30	21.69	112.31
Investment and Other Income	116.34	78.12	255.16	70.77	82.91
Net Profit before Tax	162.61	206.02	149.40	92.46	160.80
Net Profit after Tax	114.72	157.56	126.81	82.12	127.89
EPS	1.68	2.06	1.51	2.01	2.41
NOCPS	2.75	2.53	0.87	4.12	2.77
Paid up Capital	681.66	766.65	838.81	408.77	531.45
Shareholders Equity	1,194.81	1,906.15	1,752.40	761.67	2,622.64
Total Assets	1,684.81	2,564.23	2,649.56	1,748.44	3,615.83
NAVPS	17.53	21.92	20.89	18.63	49.35

Source: Published Annual Report 2021

1.5 (xxv)e. Financial and economic scenario of the country and the global:

Bangladesh has been able to maintain sustained economic growth ever in the face of global financial aspect. A well-balanced fiscal policy, higher private and public sector investment and stable political situation, it has also undergone socio economic development in last few years. Some of which include rapid expansion of information technology, construction, power and manufacturing sector. These transformations have boosted Bangladesh from a 'low-income country' to 'lower-middle income country' in the last few years. The global economy is expanding and expected to expand at

a lesser motion then earlier. The Govt. of Bangladesh cuts its GDP growth projection at 6.1% from its earlier projection of 6.9% for the Financial Year 2021-2022 due to the ongoing COVID-19 pandemic and Russia-Ukraine war.

1.5 (xxv)f. Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company.

Within the context of changes in global economy and financial market including the expansion of emerging markets, the financial and economic practices have shifted in a radical pace. The risk and concerns issues related to City General Insurance Company Limited financial statements are as follows:



**UNDERSETTING
RISK**



**CREDIT
RISK**



**MARKET
RISK**



**EQUITY
RISK**



INTEREST RATE RISK



CURRENCY RISK



OPERATIONAL RISK



LIQUIDITY RISK

The economy of Bangladesh is set to grow people led by strong domestic, demand, strengthening of exports, execution of large infrastructure projects setting up of special economic zone and energy sector. We hope that the company's operation, performance and financial position will also grow in line with the country's growth. On the other hand, the company's insurance business reflects the ability to exercise underwriting and pricing discipline and the risk management effectiveness managing its business growth in future as a third-generation insurer.

Our principal steps to mitigate Risks:

Strategic Risk:

- We have developed strategy to build relationship with new and existing clients.
- We continuously monitor competition in the market and handle with fair and competitive environment.
- Undertaken to improve more in providing appropriate service for our corporate clients.

Operational Risk:

- Clients service is the essential component of our business strategy.
- We settle our insured claim transparently.

Financial reputational Risk:

- We have efficient officers with good skills and knowledge who continuously monitor any non-compliance with related law and regulations.
- We have corporate culture across the company which defines ethical behavior must be expected from each of employees.

Future plan or projection or forecast for company's operation, performance and financial position:

The year 2022 extremely difficult for all of us. City General Insurance Company Limited believes in its strength liveliness to provide optimum service to its clients. The company finds new pathway of providing services. It was continuously take diversified business approach and continuing with the successful operations of the company future. We highlighted the following:

- Growing sale of our products increase our revenues by providing quality service to the insured.
- Engaging more in skills development and capacity building among our terms to enable strong functional expertise and productivity levels and also focused for capacity building.
- Optimizing our cost base through identification of functional opportunities for downsizing costs.
- Expanding shareholder value through emphasis on leveraging our management platform.
- Good practice of Corporate Governance and
- Quick Claims settlement.

(Md. Shamim Hossain)
Chief Executive Officer



REPORT ON
CORPORATE GOVERNANCE

CORPORATE GOVERNANCE STATEMENT

Our Corporate Governance Philosophy

Corporate Governance is a reflection of principles entrenched in our values and policies and also embedded in our day to day business practices, leading to value driven growth. The commitment of the Company and its promoters to the highest standards of Corporate Governance practices predates the Companies Act and the Insurance Act & Rules and Regulations as well as Bangladesh Securities Exchange & Commission's Directives & Notifications. Ethical dealings, transparency, fairness, disclosure and empowered accountability are the main thrust of the working of the Company.

Our Outlook

We give high priority to our Corporate Governance. It creates and enhances the long-term sustainable value for our stakeholders like regulators, employees, clients, investors, and society at large, through ethical business practice. Effective corporate governance constitutes strong a foundation on which successful commercial enterprises are built. City General Insurance Company Limited implemented effective corporate governance by enduring strong leadership and systematic corporate practices in line with the company's code of conduct, culture and ethos. We are very transparent and fair in our operational activities. Improvement in our corporate governance practice is our continuous process and we always strive to fit the global standards & practices. We consider the following issues with due care in this regard:

- We consider shareholders' interest as our inherent responsibility;
- Disclose timely, adequate and accurate information regarding our financials and, performance, as well as the leadership and governance of the Company;

- We maintain zero tolerance in case of any compliance issue;
- We did align our operational practices, policies & procedures with applicable laws, rules and regulations;
- Restricted our governance system and implemented proper internal control throughout the operation; and
- Fully compliant with regulatory reporting & disclosure issues.

City General Insurance Company Limited complies with the applicable rules & regulations of the land with regard to corporate governance. To further strengthen our Company's corporate governance outlook, the company is taking various initiatives including training & workshop programs.

Our Governance Structure and Value Enhancement Strategies

Corporate governance is the system of rules, regulations, practices and processes by which the company is directed, operated, monitored, controlled and reviewed as part of the stakeholders' interest. Corporate governance involves balancing the interests of the company's stakeholders such as financiers, shareholders, sponsors, management, clients, lenders, borrowers, creditors, debtors, political activists, pressure groups, free riders, CSR, government and the local community. Our corporate governance also provides the framework for attaining the company's objectives. It contains practical action plans, risk assessment, monitoring and internal control and compliance for performance measurement and smooth functioning of corporate disclosure.



● Drivers of Corporate Governance



Related Acts, Regulations and Guidelines:

City General Insurance Company Limited has adopted all applicable laws, policies, rules and regulations in our Corporate

Governance System and maintains a zero-tolerance policy in compliance. A list of such external and internal regulations/policies are outlined below:

External Framework	Internal Framework
The Companies Act, 1994;	Articles of Association;
The Insurance Act 2010;	Code of Conduct for the employees & the Board;
The Insurance Rules 1958	Board and Board Sub Committee Charters;
Securities & Exchange Ordinance-1969 and Securities & Exchange Rules- 1987;	Different approved Manual of the Company
Corporate Governance Code- 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC);	-
Policies, Procedures, Directives of IDRA & BSEC;	-
Listing regulations 2015 of Stock Exchanges;	-
RJSC	-
Income Tax Ordinance, 1984	-
Income Tax Rules, 1984	-
The Value Added Tax and Supplementary Duty Act, 2012	-
The Value Added Tax and Supplementary Duty Rules, 2016	-

Additionally, we have engaged experienced professionals in positions of Company Secretary, Chief Financial Officer and Head of Internal Audit & Compliance who play vital roles in our Corporate Governance System.



Content Framework of this report

- ▶ Brief Description of Corporate Governance Functions
- ▶ Parameters of Board's Performance Evaluation
- ▶ Performance Assessment Process
- ▶ Code of Conduct
- ▶ Governance Compliance Requirements and Our Compliance Status
- ▶ Board of Directors
- ▶ Board Practices
- ▶ Board Composition and Category
- ▶ Chairman
- ▶ Role and responsibilities of Chairperson
- ▶ Management
- ▶ Managing Director & CEO
- ▶ Roles and responsibilities of Managing Director & CEO
- ▶ Annual evaluation of Managing Director & CEO by the Board
- ▶ Evaluation based on financial performance
- ▶ Evaluation based on non-financial goals
- ▶ MD and CEO does not hold the same position in another company
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- ▶ The Company Secretary
- ▶ Appointment of Company Secretary (CS)
- ▶ Role, responsibilities and duties of Company Secretary (CS)
- ▶ The Chief Financial Officer (CFO)
- ▶ Appointment of Chief Financial Officer (CFO)
- ▶ Role, responsibilities and duties of Chief Financial Officer (CFO)
- ▶ Head of Internal Audit and Compliance (HIAC)
- ▶ Appointment of Head of Internal Audit and Compliance (HIAC)
- ▶ Access and Reporting to the Audit Committee
- ▶ Roles, responsibilities and duties of Head of Internal Audit & Compliance (HIAC)
- ▶ Management Committee and its Sub-committees
- ▶ Management Committee (ManCom)
- ▶ Activities of ManCom
- ▶ Risk Management Committee
- ▶ Corporate Social Responsibility (CSR) Committee
- ▶ Marketing & Branch Management Committee
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- ▶ Expertise and Experience of the Independent Directors
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- ▶ Appointment and Re-appointment Criteria

- ▶ Terms & Conditions for Appointment of the Independent Directors
- ▶ Qualification of Independent Directors
- ▶ Executive and Non-Executive Directors
- ▶ Information Applied to the Board
- ▶ Key Board Qualifications and Expertise
- ▶ Appointment & Re-appointment of Directors
- ▶ Training and Induction of Directors (including Independent Directors)
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- ▶ Roles and Responsibilities of the Board
- ▶ Focused Areas of the Board during 2022
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- ▶ The Gap between two Board Meetings
- ▶ Notice & Agenda
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- ▶ Particulars of Whistle Blower Policy
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- ▶ NRC Committee meetings & attendance
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- ▶ Summary of Nomination & Remuneration Committee policy
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- ▶ IT Governance Structure and Cyber Security System
- ▶ Human Capital
- ▶ Key Features of Our Internal Control System and Monitoring System of the Board, Audit Committee or Senior Management
- ▶ Governance Statement
- ▶ Pattern of Shareholding
- ▶ Shareholders Information & Value Enhancement
- ▶ Number of Shareholdings (Parent/Subsidiary/ Associated Companies and Other Related Parties)
- ▶ Shares held by Directors/ Executives and Relatives of Directors/ Executives
- ▶ Shares held by Ten Percent (10%) or more Voting Interests in the Company
- ▶ Redressal of Investors Complaints
- ▶ Growth/ Net Worth of the Company during the last 5 years
- ▶ Cash/ Stock Dividend Paid for the last 5 years
- ▶ EPS of the Company for the last 5 years
- ▶ Periodic Reminders to Shareholding who have not encashed their dividend
- ▶ To view the level of Shareholders' Satisfaction and Confidence toward the Company
- ▶ Means of Communication with the Shareholders
- ▶ Presentation of Financial Statements on the Website
- ▶ Stakeholders Value Enhancement
- ▶ Policy to Encourage Employee's Participation in Management
- ▶ Payment to Vendors on Time
- ▶ Payment of Tax/VAT to the Govt. / Authorities on time
- ▶ Dispute/ Default in Respect of Payment of Govt. Taxes
- ▶ Policy of Supply Chain Management
- ▶ Timely Reporting with Adequate Disclosures
- ▶ Communication through Quarterly Reports
- ▶ Communication through AGM
- ▶ Maintaining Website of the Company (Detail disclosures as per listing rules)
- ▶ General Meeting (AGM)
- ▶ Appointing Independent Scrutinizer and Authenticated Report regarding due process of meeting and voting result
- ▶ Disclosure of shares held by 10% or more voting interests in the Company
- ▶ Disclosure made to the prospective foreign/local investors
- ▶ Corporate Social Responsibility
- ▶ Policy of CSR
- ▶ Particulars of the Forestation and Plantation of Trees
- ▶ Policy to Prevent Employment of Child Labour in Company's Plants
- ▶ Whether Employees and their Immediate Family Members take part in the Community Welfare Initiative of the Company
- ▶ Scheme Maintain under CSR Programs
- ▶ Corporate Objectives, Governance Initiatives/ Recognitions
- ▶ Award
- ▶ Vision and Mission Statement of the Company in the Annual Report
- ▶ Overall Strategic Objectives
- ▶ Core Values
- ▶ Ethics Compliance and Transparency
- ▶ Code of Conduct for the Employees at City Insurance

- ▶ Directors' Profiles and their Representation on the Board of other Companies & Organization
- ▶ Particulars of Purchase/ Sale of Goods/Materials/ or Services by the Company for/to Directors and/ or their Relatives etc.
- ▶ Disclosure in the Annual Report about Related Party Transaction
- ▶ Disclosure regarding Compliance of IFRS
- ▶ Disclosure regarding Compliance of ICSB Secretarial Standards
- ▶ Adverse Remarks in the Auditors' Report

- ▶ Certification of Annual Financial Statements by the CEO & CFO
- ▶ Timeliness in Issuing Financial Statements and Holding AGMs
- ▶ Auditors Certificate on Corporate Governance
- ▶ Risk Management
- ▶ Going Concern
- ▶ Dividend Distribution Policy
- ▶ Summary of Unpaid or Unclaimed Dividend
- ▶ Dividend Payment Compliance Report
- ▶ Anti-Money Laundering Compliance

Brief Description of Corporate Governance Functions

• Shareholders

Shareholders give final approval on regulation specified matters in the Annual General Meeting (AGM) or Extraordinary General Meeting (EGM) which are also documented ordinary/ special resolutions.

• The Board of Directors

The Board of Directors are the key players and responsible for overall operation of the company. They plan and strategize goals and objectives and to put mechanisms in place to monitor the progress. They are responsible to protect the interest of the shareholders.

• Statutory Auditor

Statutory Auditors perform their audit work and provides independent opinion on the financial statements of the company according to the applicable accounting and auditing standards and certificate on compliance of the Corporate Governance Code.

• Audit Committee

Audit Committee is responsible for oversight the financial reporting process, selection of the independent auditor and receipt of audit results of both internal and external.

• Nomination and Remuneration Committee (NRC)

The primary function of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation.

• Management Committee

Management Committee (ManCom) makes decisions about how the company runs. Each management committee member has a number of key responsibilities for the effective running of the company. ManCom directly assists the Managing Director & CEO in operational & strategic areas to run the company.

• Risk Management Committee

The Risk Management Committee is an independent committee and responsible to oversee the risk management policies and practices of the company's operations and associated risks thereof.

• CSR Committee

CSR Committee of City Insurance ensures commitment of the entity to its society. CSR Committee performs its prescribed duties and assists the management in fulfilling social obligations and implementing good governance as part of the entity.

• Marketing & Branch Management Committee

Marketing & Branch Management Committee of City Insurance oversees marketing and branch activities of the company and advise to those charged with the governance with a view to ensure maximum interest of the company.

• Managing Director & CEO

The Managing Director & CEO is in overall charge of the running of the company. His prime responsibility is to direct and control the company's operations and to give strategic guidance and direction to the board to ensure that the company achieves its mission and objectives.

• Internal Audit and Compliance

Internal Audit and Compliance is an independent, objective assurance and consulting activity designed Department evaluates the effectiveness of the company's internal controls, corporate governance, and accounting processes and overall compliances. Internal audit provides a value-added service to the management and board of directors where flaws in a process are caught and corrected prior to external audits.

• Regulators

Various regulatory bodies are directly involved with our day-to-day operation having direct interest. They impose sort of rules & regulations on our business operations and business

strategies. City Insurance is committed to be fully compliant of the applicable rules & regulations.

Other Committees and Activities for Good Governance

Apart from the said committees, top officials and other committees or departmental positions form various committees for day-to-day operation and other operational issues as and when required. Major features of such committees are like:

- The committee is formed for a specific purpose and after fulfilling the respective purpose, its validity will be lost automatically;
- The committee is formed by high official and sometimes by the Board;
- Usually, the committee is formed to pursue a specific job or investigation activity; and
- The committee will not do anything contrary to the company’s policy, norms, culture and values. Findings of the committee will assist the officials or the management in decision making process.

Governance on Money Laundering & Anti-Corruption

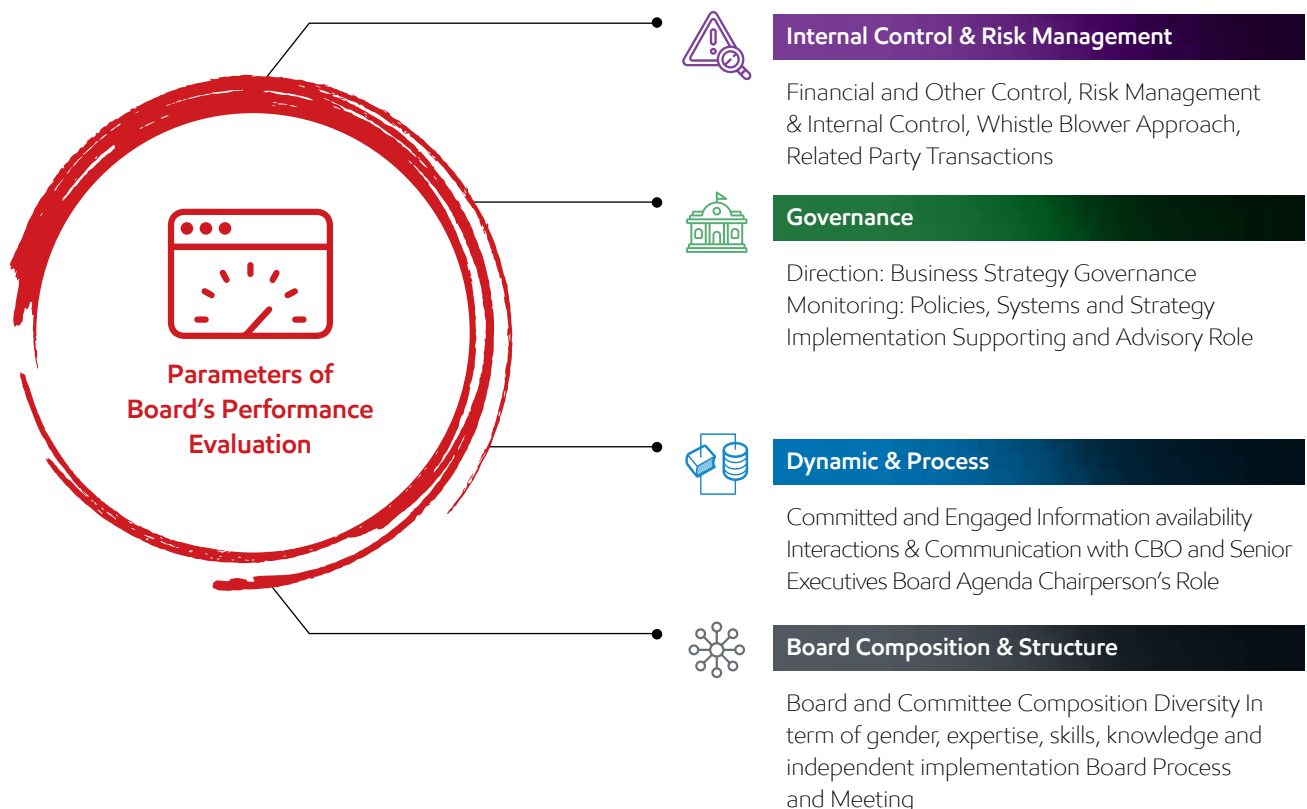
As part of ethical business standards, City General Insurance Company Limited maintains high ethical standards in its operation & business dealing. It doesn’t conduct any such activity which may fall under money laundering and corruption within any provision of the applicable laws and regulations. The company implemented its internal control system properly to detect & protect such issues.

Internal Policies and Implications

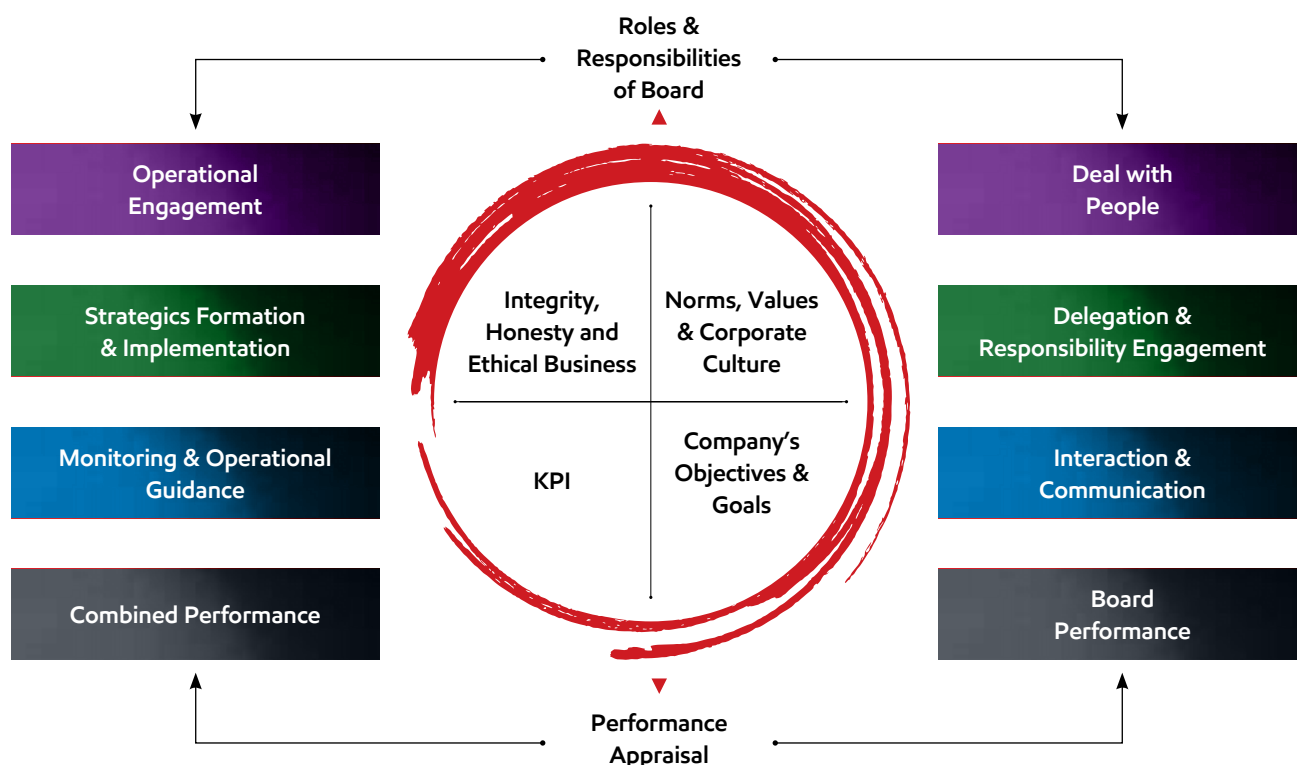
We have various Board prescribed policies & procedures in practice for internal control and good corporate governance across. Illustration of some of our policies as approved by the Board are namely:

- Whistle Blower Policy;
- Policy on Induction of Directors and Professional Development;
- Board’s Performance Evaluation Policy;
- Employees’ Participation in Management Policy;
- Dividend Distribution Policy;
- Accounting Policies;
- Risk Management Policy;
- Policy on Corporate Social Responsibility (CSR); and
- Policy of Supply Chain Management.

Parameters of Board’s Performance Evaluation



Performance Assessment Process



Code of Conduct

City Insurance maintains fair, transparent, and ethical governance practices. It has a prescribed Code of Conduct by the Board of Directors which is also available on the website of the Company <https://cityinsurance.com.bd>. The Company has received confirmations from the Chairman as well as Senior Management Personnel regarding compliance of the Code during the year under review. Details Code of Conduct for Directors of the Company have been given on page no. 48-49 of this annual report.

Governance Compliance Requirements and Our Compliance Status

Being a listed company, City Insurance is highly compliant with the requirements of the revised Corporate Governance Code (CGC) issued by Bangladesh Securities and Exchange Commission (BSEC), as per notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated: June 03, 2018, and notification No. BSEC/CMRRCD/2006-158/208/Admin/81, dated: June 20, 2018, on financial reporting and disclosure issued by BSEC. According to these notifications, the Company is required to provide a statement in its Annual Report that the BSEC Corporate Governance Code has been complied with in all aspects.

City Insurance adopted best corporate governance practices across all functions of the Company and also has disclosed the compliance status in this report as per regulatory requirement. Furthermore, we took following initiatives as part of our

compliance:

- The positions of Managing Director and Chairman held by separate person;
- The proportion of Independent Directors (1/5 of total Directors) has been complied;
- The Independent Roles of the Directors and Chairman's Roles are separated;
- Distinct Roles of the CS, CFO and Head of Internal Audit & Compliance; and
- Distinct Sub-Committee of the Board.

A certificate on compliance with the CGC certified by Professional Chartered Accountants (Ahmed Khan & Co.) in practice has been enclosed in this Annual Report 2022 (page no.137). Besides the mandatory compliance, our Company also voluntarily complies with local and international government standards of professional bodies, such as Corporate Governance Checklist of Institute of Chartered Accountants of Bangladesh (ICAB), South Asian Federation of Accountants (SAFA), Institute of Chartered Secretaries of Bangladesh (ICSB), Institute of Cost and Management Accountants of Bangladesh (ICMAB) and global best practices.

Board of Directors

The Board of Directors is at the core of our corporate governance practice. The Board oversees and ensures that the Management serves at their best and protects stakeholders' interests. We have an active, well-informed, and independent Board to ensure the highest standards of corporate governance. Detailed profile of our Directors has been given in our Board of

Directors Profile section in this report page no. 54-61 and is also available on our website <https://cityinsurance.com.bd>

Board Practices

The Board is ultimately responsible to the Company's shareholders. The Board runs the business and guides the

management to meet business objectives and establish an internal control system for transparency and value sustenance. The composition of our Board fully complies with the BSEC Corporate Governance (CG) Code, Listing Regulations, and codes of best practices.



Board Composition and Category

The Board has an optimum combination of Non- Executive and Independent Directors. The Board comprises of total nine 15 (Fifteen) Directors, out of which 12 (Twelve) are Non

– Executive Directors and two 03 (Three) are Independent Directors.

The Composition of the Board of Directors of the Company are as set out in the below table:

Name of the Directors	Name of the Organization Nominated by	Status in the Board
Mr. Hossain Akhtar	Anwar Jute Spinning Mills Ltd.	Chairman
Mr. Hossain Mehmood	N/A	Vice-Chairman
Mr. Mohd. Abu Taher	N/A	Vice-Chairman
Mrs. Bibi Amena	N/A	Director
Ms. Faizah Mehmood	Anwar Silk Mills Ltd.	Director
Mr. Md. Harunoor Rashid	Khaled Iron & Steel Mills Ltd.	Director
Haji Md. Yousuf	N/A	Director
Mrs. Hasina Begum	Hossain Dyeing & Printing Mills Ltd.	Director
Mr. Mohammad Aman Ullah	Wazeefa Acrylic Spinning Mills Ltd.	Director
Mrs. Hasina Parveen Manwar	Mehmud Industries (Pvt.) Ltd.	Nominated Shareholder Director
Mr. Muhammad Nazirul Islam	Anwar Landmark Ltd.	Nominated Shareholder Director
Mrs. Salina Ahmed	A-One Polymer Ltd.	Nominated Shareholder Director
Mr. Mahabubul Haque	N/A	Independent Director
Mr. Tauhiduddin Md. Zahed	N/A	Independent Director
Mr. Mohammad Saif Noman Khan	N/A	Independent Director

Chairman

The Chairman of the Board of City General Insurance Company Limited is a Non-executive Director, the Board considers that the Chairman works independently.

The Chairman serves as the primary link between the Board and Management, and works with the CEO and Company Secretary to set the agenda of the Board Meeting. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

Role and responsibilities of Chairman:

The general role and responsibilities of Chairperson are:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board;
- Planning and conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors; and
- Supporting the Managing Director & CEO.

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board Committees are properly established, composed and operated;
- Support the Managing Director & CEO in strategy formulation and more broadly, provide support and give advice;
- Ensure an effective relationship among Directors, acting as the principal conduit for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director & CEO;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed; and

- Encourage active engagement by all members of the Board.

Management

1. Managing Director & CEO

The Managing Director & CEO is appointed by the Board subject to the approval of IDRA. The Managing Director & CEO does not hold the same position in another listed company.

The Managing Director & CEO is the key person and is responsible for running the business of the Company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and executing the Company's operating plan that is necessary to achieve the Company's objectives. He has overall control on the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company.

City General Insurance Company Limited appointed **Md. Shamim Hossain** as Managing Director & CEO. Before that he joined City General Insurance Company Limited as a General Manager in 2008. In his journey, he has proven himself as a dynamic, creative and accomplished professional with extensive experience in Insurance sector. With a proven track record of generating new businesses, he has a strong working experience in a highly pressured target based environment.

He has served this company in different positions and in 2018 he had taken the responsibility of current charge of Managing Director & CEO. From 2019 he has been serving this company as full placed Managing Director & CEO. Since then as a Managing Director he has held and led successfully all areas of the organization. He has around 21 years of experience in the insurance industry. He is a highly motivated and enthusiastic individual with expertise in management. He has strong leadership and communication, technical, marketing skills and innovative ideas.



Ensures compliance with related regulatory guidelines and circulars



Plans, executes and achieves targets set by the board



Fulfills duties as delegated by the board



Appointment and appraisal of the employees

Roles and responsibilities of Managing Director & CEO

The general role and responsibilities of Chief Executive Officer (CEO) are:

- To act as the Chief Executive Officer reporting to the Board of Directors;
- To remain accountable to the Board for the overall performance of the company;
- To develop annual business plan;
- To implement the Board’s policies, decisions and strategies in effective manner;
- To report to the Board on progress against the strategic and annual business plan on a regular basis;
- To coordinate the overall management, corporate planning and business development;
- To ensure the compliances of law, rules and regulations for good corporate governance;
- To ensure appropriate internal audit and internal audit control process;
- To develop and implement a risk management plan for underwriting insurance business;
- Comply with the activities of Articles Association of the company;
- Above all to concentrate towards Transparency, Accountability, Reliability, value enhancement and Reputation.
- The Managing Director & CEO acts as a direct liaison between the Board and the Management of the company, and communicates to the Board on behalf of the Management; and
- The Managing Director & CEO also communicates on behalf of the Company to the employees, Government authorities and other stakeholders including shareholders, BSEC & regulatory bodies.

Annual evaluation of Managing Director & CEO by the Board

The Board of Directors evaluates the Managing Director & CEO’s performance based on the goals set for him, considering

the company’s vision and mission at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board at the start of the financial year. The Board considers financial and non-financial goals during the appraisal.

Evaluation based on financial performance

At the end of each quarter, the Managing Director & CEO is evaluated based on the financial targets. The evaluation is done based on both:

- Achievement of targets against budget;
- Achievement of targets against the achievement of those targets in the previous year.

Evaluation based on non-financial goals

The Managing Director & CEO is also evaluated based on non-financial goals in an ongoing basis. The non-financial criteria include, but are not constricted to things such as:

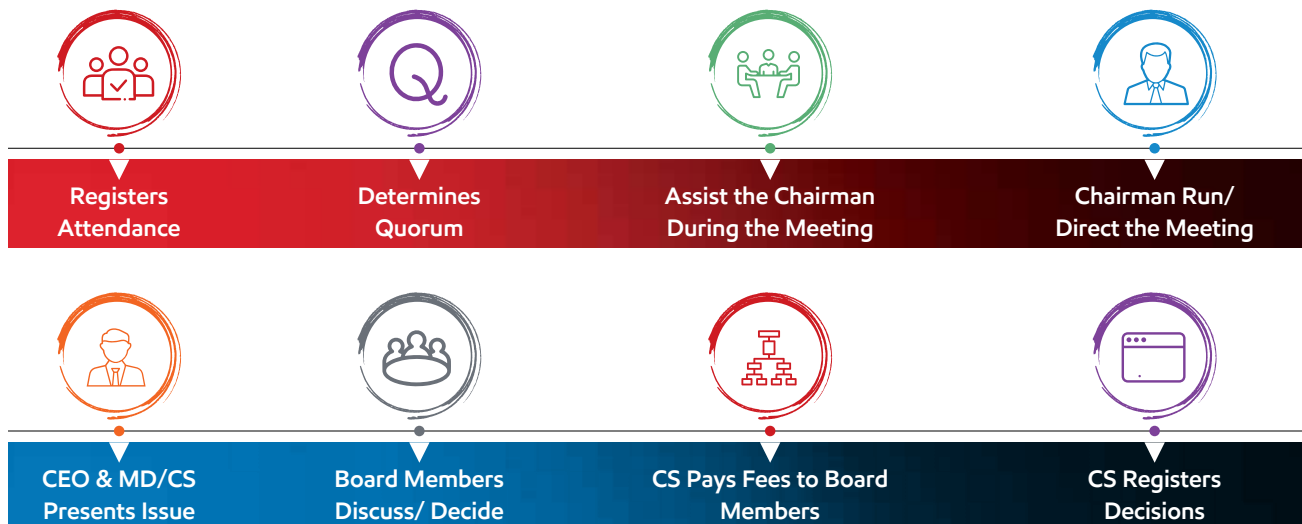
- The confidence of the shareholders in the CEO, as reflected in the stock price of the company;
- The relationship of the company with the regulators;

MD and CEO does not hold the same position in another company

Mr. Md. Shamim Hossain Managing Director and CEO of City General Insurance Company Limited. He does not hold the same position in another company. Profile of the MD and CEO of City Insurance is given in details in the Management profile of this report Page no. 68

Benefits Provided to Managing Director

Managing director is paid salaries and allowances as recommended by the Board of Directors and approved by Insurance Development & Regulatory Authority (IDRA). City Insurance follows Board resolution and IDRA Circular/ Guidelines regarding benefits favoring the Managing Director.



2. The Company Secretary

• Appointment of Company Secretary (CS)

The Company Secretary is appointed by the Board of Directors as per the guideline of Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code. The position of the Company Secretary (CS) must have experienced and expertise in the respective areas. The roles, responsibilities and duties of Company Secretary (CS) are clearly defined :

Role, responsibilities and duties of Company Secretary (CS):

- To report to the Chairman of the Board and administrative to the Chief Executive Officer (CEO).
- To work as an intermediary between the company, Board of Directors, Shareholders, the government and regulatory authorities (BSEC, DSE, CSE, CDBL, RJSC, IDRA etc.)
- To work as a secretary of all Board and Board sub-committee meetings, management meetings etc.
- To prepare agendas for Board meetings in consultation with the Chairman of the Board, Chairman of Sub-committee and management.
- To prepare Board meeting resolution, sub-committee meeting resolution within stipulated time.
- To act with the Board Chairman, sub-committee of the board and the management for implementing best Corporate Governance Practice with the organization.
- To act for filing statutory returns, reports to regulatory bodies such as BSEC, DSE, CSE, CDBL, RJSC, IDRA etc.
- To work as custodian for companies corporate records, meeting minutes, Board related informations including license of the company.
- To arrange shareholders meetings such as Annual General Meeting (AGM) and Extra-ordinary General Meeting (EGM).
- To prepare minutes of the Annual General Meeting (AGM) and Extra-ordinary General Meeting (EGM).
- To keep liaison with external regulators such as lawyers.
- To perform any other duties as assigned by the Chairman and CEO.

Profile of the Company Secretary (CS) of City Insurance is given in details in the Management profile of this report Page no. 69

3. The Chief Financial Officer (CFO)

• Appointment of Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) is appointed by the Board as the guideline of Corporate Governance Code. The position of Chief Financial Officer (CFO) must have experienced and expertise in the respective areas. The roles, responsibilities and duties of Chief Financial Officer (CFO) are clearly defined :

Role, responsibilities and duties of Chief Financial Officer (CFO):

City General Insurance Company Limited has a Chief Financial Officer (CFO). The Board of Directors clearly defined roles, responsibilities and duties of the Chief Financial Officer (CFO) are:

- To set and oversee long-term financial goals and plan the finances in alignment with the Company's plan and objectives.
- To develop and maintain tools and systems to provide critical financial and operational information and make actionable recommendations.
- To maintain all accounts, ledgers, and reporting systems ensuring compliance with appropriate authorities. Facilitate external audits and investigations to get done smoothly.
- To satisfy queries of regulatory Authorities such as BSEC, DSE, CSE, CDBL, RJSC, IDRA, and NBR and other government agencies regarding financial reporting matters.
- To maintain internal control safeguards by establishing appropriate internal control and ensuring effectiveness and efficiency of related processes and policies.
- To optimize the benefit of fund management techniques by properly handling of banking relationships and initiate appropriate strategies to ensure uninterrupted business operations and optimize cash positions.
- To ensure budgeting and the implementation of budgets so as to monitor progress, work closely with functions and present to the appropriate audiences. Get insights of the budget implementations and follow-up the actions/initiatives to ensure continuous progress towards achievement of objectives.
- To improve and maintain effective coordination with the other functions/departments and establish positive working relationships to ensure value added services towards achieving mutual goals.
- To manage the company Tax and VAT matters and keep the files updated with NBR authorities.
- To monitor and develop the members of Accounts and Finance team through proper counselling, work allocation, training, performance evaluation, motivation and building of effective team dynamics and creating thrust of achieving excellence.
- To ensure accounts for all adjustment entries and provisions at the end of the year while finalizing Annual Financial Statements as per Company Law, Insurance Act & Rules, Income Tax Ordinance and applicable rules & laws.
- To finalize periodical Financial Statements i.e. 1st Quarter, 2nd Quarter, 3rd Quarter and Annual Accounts in line with IAS, IFRS and other standards.
- To moreover the CFO should be solely and wholly responsible for Finance and Accounts of the company and report to the authorities.

- To perform any other duties as assigned by the Chairman and CEO.

Profile of the Chief Financial Officer (CFO) of City Insurance is given in details in the Management profile of this report Page no. 71

4. Head of Internal Audit and Compliance (HIAC)

- Appointment of Head of Internal Audit and Compliance (HIAC)

The Board of Directors appointed the Head of Internal Audit and Compliance (HIAC). The Head of Internal Audit and Compliance (HIAC) position must have experience and expertise in the respective areas. The roles, responsibilities and duties of The Head of Internal Audit and Compliance (HIAC) are stated below :

Access and Reporting to the Audit Committee

The Head of Internal Audit and Compliance (HIAC) has direct access to the Audit committee and the HIAC operationally reports to the Audit Committee.

Roles, responsibilities and duties of Head of Internal Audit & Compliance (HIAC):

- To assess and mitigate various control risks in order to ensure better risk management and robust internal control;
- Oversee operational compliances in line with internal policies and external regulations;
- To prepare annual audit plans based on activities of the company.
- To evaluate risk management activities of the company.
- To evaluate and making recommendation for improving internal audit of the company.
- To undertake audit program for achieving specific objective.
- To conduct on special investigation on the specific allegation of fraud, forgery noticed by the management.
- To report to the Board Audit Committee regarding any deviation from standard accounting and Internal Control System of the company.
- To ensure regulatory compliance of the company.
- To perform any other duties as assigned by CEO.

The Management Committee meeting and attendance status is given below:

Name	Designation	Status in the Committee	No. of ManCom meetings held	Presented	Attendance by
Md. Shamim Hossain	Chief Executive Officer	Chairman	17	15	88%
Md. Hasan Khan	Addl. Managing Director & Company Secretary	Member Secretary	17	17	100%
A.K.M Mohiuddin	Deputy Managing Director (BDD)	Member	17	16	94%
Md. Morshed Hasan	Asst. Managing Director (UW & BCD)	Member	17	17	100%
Sheikh Azizul Haque	Executive Vice President & Chief Financial Officer	Member	17	17	100%
Md. Ibrahim Molla	Vice President & Head of Audit	Member	17	17	100%
Ms. Farhana Haque	Assistant Vice President & Head of HR & Admin	Member	17	17	100%

Profile of the Head of Internal Audit and Compliance (HIAC) of City Insurance is given in details in the Management profile of this report Page no. 72

5. Management Committee and its Sub-committees

To carry out the company's vision and mission and to deal with operational strategy, business focus, policies, monitoring and process improvements City Insurance has a Management Committee (MANCOM) and various sub committees under it. MANCOM is considered as the highest decision and policy-making authority of City Insurance, which is entrusted with setting objectives and lead from the front under the Board's guidance. These are Management Committee (MANCOM) and various sub-committees under it.

Management Committee (ManCom)

The Management Committee (ManCom) is a consultative Mechanism to institute closely coordinated work across the company. It functions as a collegial body that directly assists the Managing Director & CEO, Board Committees and the Board in policy making and operations matters of the company. ManCom is an independent body representing the management.

Activities of ManCom

- Proposals relating to daily official activities will be implemented after final approval of Management Committee with the recommendation of the Head of the Departments.
- Finance and Accounts related daily activities to be executed with final approval of Management Committee through Business Analyst of Managing Director & CEO;
- External regulatory affairs connected to BSEC, DSE, CSE and Capital Market will be accomplished by the Company Secretary in his own capacity. On the other hand internal secretarial issues will be executed by the approval of ManCom through Member Secretary of ManCom;
- ManCom's secretaries will be able to give final approval on behalf of ManCom informing members of ManCom;
- It is to be noted that, in case of functions of Secretaries relating to areas mentioned above and any other general and common functions of City General Insurance Company Limited will be implemented through approval of ManCom through Member Secretary of Management Committee.

Risk Management Committee

The Company has constituted a Risk Management Committee (RMC) for implementing and monitoring the risk management policy of the Company. The Committee assists the Board in respect of Risk Management. Terms of reference of Risk Management Committee

- Overseeing critical risks of the company including strategic, financial, operational, IT and compliance risks;
- Assisting the Board in policy formulation & implementation and giving necessary recommendation & guidance;
- Developing an effective risk management system/framework for the company.

The Risk Management Committee meeting and attendance status is given below:

Name	Designation	Status in the Committee	No. of RMC meetings held	Presented	Attendance by
Md. Morshed Hasan	Asst. Managing Director (UW & BCD)	Chairman	15	15	100%
Mrs. Beauty Saha	Vice President & Head of Reinsurance	Member	15	15	100%
Ms. Sharmin Akter	Sr. Manager Claims	Member	15	15	100%

Corporate Social Responsibility (CSR) Committee

The purpose of our Corporate Social Responsibility Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy. Yearly initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate

Social Responsibility (CSR) activities and to monitor the CSR activities. The Committee provides guidance in CSR strategy formulation and implementation for sustainable growth of the Company by creating values consistent with long-term preservation and enhancement of financial, manufacturing, natural, social, intellectual and human capital.

The CSR Committee status is given below:

Name	Designation	Status in the Committee	No. of CSR meetings held	Presented	Attendance by
Hossian Akhtar	Chairman	Chairman	3	3	100%
Hossain Mehmood	Vice Chairman	Member	3	3	100%
Md. Shamim Hossain	Chief Executive Officer	Member	3	3	100%
Md. Hasan Khan	Addl. Managing Director & Company Secretary	Member Secretary	3	3	100%
Sheikh Azizul Haque	Executive Vice President & Chief Financial Officer	Member	3	2	66%

Detailed CSR activities have been mentioned under "CSR Activities" page no. 231-234 of this Annual Report 2022.

Marketing & Branch Management Committee

The Marketing & Branch Committee is an advisory committee to the Business Development Department (BDD) of the Company. They will oversee, monitor and then make necessary recommendations/reports to the management development and marketing of products & services. The

Committee will also identify and evaluate new marketing and business development opportunities for the Company. The Committee will help to make plans and set strategies in relation to the products of City Insurance in the market. As an advisory Committee, the Marketing & Branch Management Committee will recommend and counsel the management regarding new prospective clients.

Marketing & Branch Management Committee meeting and attendance status is given below:

Name	Designation	Status in the Committee	No. of ManCom meetings held	Presented	Attendance by
A.K.M Mohiuddin	Deputy Managing Director (BDD)	Chairman	35	35	100%
Md. Morshed Hasan	Asst. Managing Director (UW & BCD)	Member	35	35	100%
Sheikh Azizul Haque	Executive Vice President & Chief Financial Officer	Member	35	34	97%
Md. Ibrahim Molla	Vice President & Head of Audit	Member	35	35	100%
Ms. Farhana Haque	Assistant Vice President & Head of HR & Admin	Member Secretary	35	35	100%

Independent Directors in the Board

Our Board is comprised of 03 (three) Independent Directors out of 15 (fifteen) members which are complied 1/5 proportion as per BSEC guideline of Corporate Governance Code. As per the requirement of the BSEC guideline of the Corporate Governance Code, the Board of Directors includes



Independent Directors are highly knowledgeable persons including accounts & financial arenas.

Expertise and Experience of the Independent Directors:

The Independent Directors of the Board have adequate expertise and experience including finance and accounting areas.

Appointment of Independent Directors

As per the Corporate Governance Code -2018 of Bangladesh Securities and Exchange Commission (BSEC) and the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors recommended to appoint or re-appoint Independent Directors of the company respectively subject to the final approval of the shareholders in the Annual General Meeting.

Appointment and Re-appointment Criteria

The appointment of the Board of Directors of City Insurance is approved by the Shareholders at the Annual General Meeting (AGM). Independent Directors are appointed by the Board and approved by the Shareholders at the AGM.

- If the office of a director is vacated for a period exceeding 90 (ninety) days, other Directors will proceed for appointment or take over his position as per applicable provision of the Laws & Regulations;
- The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;
- Provided that a former Independent Director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]; and
- Provided further that the Independent Director shall not be subject to retirement by rotation as per the Companies Act, 1994.

Following criteria should be fulfilled to be an Independent Director of City General Insurance Company Limited:

- Who either does not hold any share of the company or holds less than one percent (1%) shares of the total paid-up shares of the company;
- Who is not a sponsor of the company or is not connected with the company's any sponsor or Director

or nominated Director or Shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company.

- Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;
- Who has not been an executive of the company in immediately preceding 2 (two) financial years;
- Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;
- Who is not a member or TREC (Trading Right Entitlement Certificate) holder, Director or officer of any Stock Exchange;
- Who is not a Shareholder, Director excepting an Independent Director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;
- 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 BSEC Corporate Governance Code;
- Who is not an Independent Director in more than 5 (five) listed companies;
- 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 (NBF); and
- Who has not been convicted for a criminal offence involving moral turpitude.

Terms & Conditions for Appointment of the Independent Directors:

- The appointment is for a term of 03 (three) years commencing from the date of appointment and ending (Termination Date) in the Annual General Meeting of the company following the date of appointment and shall not be liable to retirement by rotation. Unless the appointment is renewed on or prior to the Termination Date, the appointment shall come to an end on the Termination Date. The appointment is as per the company's Articles of Association;
- Notwithstanding the other provisions of the terms and conditions of the appointment of the Independent Director, the appointment may be terminated with or without cause at any time by the Company with immediate effect, in accordance with the Companies Act, 1994 and Rule & Regulations made thereunder and the company's Articles of Association or, as applicable, or upon the resignation of the Independent Director, or the Board of Directors (excluding the concerned Independent Director) is of opinion that the continued appointment is not in the interest of the company. Upon such termination or resignation of the appointment for any reason, the Independent Director shall not be entitled to any damages for loss of office and no fee will be payable in respect of any unexpired portion of the term of the appointment or any damages whatsoever. Upon such termination or resignation, the Independent Director will have to undertake to sign all appropriate paperwork that the company may require;
- During the term of the appointment, the Independent Director may be asked to serve on one or more of the Board Committees including Audit Committee, Nomination and Remuneration Committee, Management Committee or such Committee of the Board of the Directors from time to time and copies of the terms of Reference for each of those committees will be provided to him; and
- If circumstances change, and the Independent Director believes that his/her independence may be in doubt, he/she should discuss this with the Chairman of the company as soon as possible.

Qualification of Independent Directors

Independent Directors of City General Insurance Company Limited shall be a knowledgeable individual with integrity who are able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business. He/She also has all required qualification as mentioned under section 1(3) of Corporate Governance Code as issued by BSEC.

Executive and Non-Executive Directors

Except the Managing Director & CEO, all other Directors are Non-Executive Directors of the Board. All Directors are fully aligned with the Code of Conduct of City General Insurance Company Limited and perform ethical business in all respects. Their activities to the Board imply activities fully complied with all the applicable laws and regulations of the country.

Information Applied to the Board

Board of Directors need access to relevant information in an efficient and timely manner. Company Secretary plays a crucial role in identifying and managing overall information resources for the directors besides AGM process. Following illustrations are given in relation to the information applied to the board:

- Information regarding payment of any costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company;
- Information regarding procurement or otherwise acquired for the company, any property, rights or privileges which the company is authorized to acquire in such price and generally on such terms and conditions as they think fit;
- Information regarding payment for any property, rights or privileges acquired by or services rendered to the company either wholly or partially in cash or in shares, bonds, debentures or other securities of the company, any such shares may be issued either as fully paid up thereon and may be agreed;
- Information regarding securing the fulfillment of any contracts, agreement or engagements entered into by the company, mortgage or changes of all or any of the property of the company and its unpaid capital for the time being or in such other manner; and
- Information regarding the appointment of any person or persons to accept and hold in trust for the company any property belonging to the company.
- The risk-management issues of providing directors access to information for decision making.
- Utilizing customized information and delivering it specifically according to the needs of individual Directors.
- Any other information regarding business activities and internal & external compliance issues etc.

Key Board Qualifications and Expertise

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of corporate governance. Key skills, expertise, competencies and attributes of the Board are summarized below:

The Board of Directors



Appointment & Re-appointment of Directors

Group-A

As per Article 112 of Articles of Association of the Company the following 03 (three) Directors will retire from the Board by rotation at 27th Annual General Meeting and being eligible as per Article 114 offer themselves for re-appointment.

Mr. Mohd. Abu Taher

Mrs. Bibi Amena

Mrs. Hasina Begum (Representative of Hossain Dyeing & Printing Mills Ltd.)

Brief Resume and other information of the Directors as per clause 1.5 (xxiv) of BSEC Corporate Governance Code on 03 June 2018 are delimited in this Annual report at page no. 55, 56, 59.

Group-B

As per Article 112 of Articles of Association of the Company 1 (One) Director will also retire from the Board by rotation accordingly to Insurance Act and Rules from public shareholder Director. **Mrs. Salina Ahmed** (Nominated by A-One Polymer Ltd.) will retire.

Brief Resume of the Directors as per clause 1.5 (xxiv) (a) of BSEC Corporate Governance Code on 03 June, 2018 including their expertise and Directorship/Membership with other Companies/Committees are provided under "Corporate Overview" ('Board of Directors' and 'Board of Directors' Profile') of this Annual Report 2022 (Page no. 54-61).

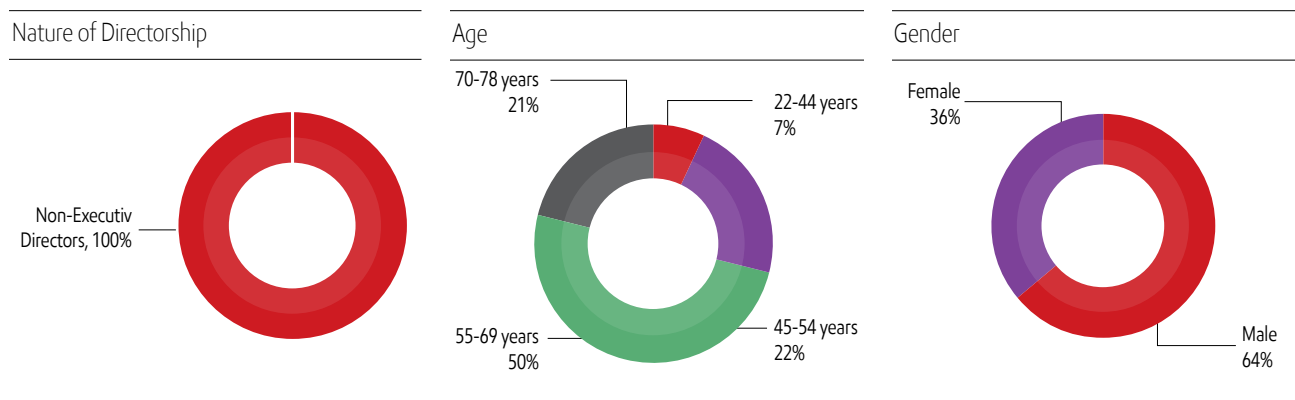
Training and Induction of Directors (including Independent Directors)

As part of general practice of City Insurance, all new Directors (including Independent Directors) are inducted to the Board with a formal orientation. The Directors are encouraged interact with the members of Senior Management as part of their induction program. The Senior Management makes presentations giving an overview of the company's strategy, operations, products, markets, Board constitution and guidelines, matters reserved for the Board and our major risks and risk management strategy. This enables the Directors to get a thorough understanding of the company, its people, values and culture which facilitate their active participation in overseeing the performance of the Management.

Once a new member is inducted in the Board, he/she is provided with adequate training programs as part of his/her induction. Members from the Senior Management provide them with an overview of the company's operations and acquaint his/her with various related matters like company's values, culture, commitment, organization's structure (organogram), and key areas of operations of the Board.

Composition of our Board

Our Board Members are from diverse disciplines and backgrounds. Independent Directors are from specialized sections like education, business, high officials, professionals etc. with experience. Details of our Board composition has been given under "Corporate Overview" ('Board of Directors' and 'Board of Directors' Profile') of this Annual Report 2022 (Page no. 54-61).



Roles and Responsibilities of the Board

Board members are key responsible for steering the organization towards business sustainability, financial performance and meeting up stakeholders' interests. Roles and responsibilities of the Board of Directors are given below:

• Roles and Responsibilities of the Board Chairman

The primary role of the board Chair is to lead and guide the rest of the board members. He also serves as the direct liaison between the board and management. The Chair needs to stay in the loop of all board activities. He maintains relationships with the Board Directors, the MD, Senior Executives, the Company Secretary and committees in order to lead business operations effectively. He performs duties as required by BSEC's notifications on the Codes of Corporate Governance and other relevant rules and regulations.

• Independency of Chairman, MD & CEO and Other Non-Executive Directors

The Board is comprised of having different individuals in the position of Chairman and Managing Director & CEO. The Chairman is a Non-Executive Director of the Board and the Managing Director & CEO is ex-officio of the company. All other Non-Executive Directors are also functioning independently.

General Responsibilities	Strategical Engagement	Governance	Others
Oversee operation and investment decision	Policies & strategies setting	Risk management & internal control	Directors' appointment, and
Appointment of high officials or expatriate	Top Management involvement & HR planning	Compliance of regulatory requirements	Various operation matters
Restructuring, acquisition, disposal issues	Succession planning	Code of Conduct and ethical business conduct	
Regulatory or compliance issues		Integrity, transparency & accountability	

Focused Areas of the Board during 2022

◆ Financial Performance

- Budget for the year 2022
- The financial impact of COVID-19 and take necessary initiatives;
- The financial impact of Russia-Ukraine war and take necessary initiatives;
- Succession planning; and
- Proposed dividend payments.

◆ Regulatory and Governance

- Regulatory Compliance;
- Corporate Governance, Risk & Capital Management process;
- Board Composition; and
- Compliance with the requirements of BSEC, DSE, CSE & IDRA.

• Roles and Responsibilities of the Other Board Directors

The main roles of Directors are to perform the duties of strategic planning and oversight of the company operation.

Prime Responsibilities:

- Review long-term strategies and set our implementation guidance;
- Review the assessed risks of the Company and approve mitigation strategies and related decisions thereof; and
- Play a leadership role for overall business operation and link with the company's vision, mission and objective.

Other Responsibilities:

- Business expansion, acquisition, disposal or closure, etc.;
- Decision on capital investment and purchase or disposal of tangible assets;
- Loan and other major operational decisions;
- Appointment of top management and expatriate officials; and
- Any other operational matters as think fit.

◆ Strategy

- Succession plans;
- Transformation in COVID-19 pandemic;
- Transformation in Russia-Ukraine war and take necessary initiatives; and
- Approval of policies & procedures;

◆ Risks and its' Management

- Impact of cyber security;
- Operational Risk;
- Industry Risk and mitigation plan;
- Governance standards to mitigate/control risk; and

◆ Stakeholder Engagement

- Engagement with regulatory authorities;
- Ethics management;
- Stakeholder Feedback on material matters; and
- Assistance to stakeholders during COVID-19.
- Assistance to stakeholders during Russia-Ukraine war.

Non-Executive Director

Except only the Managing Director & CEO, all other Directors are Non-Executive Directors on the Board. The Directors attend Board and committee meetings as per the agenda of the company.

Performance Evaluation of the Board

The Board fulfills the duties and responsibilities in the regulated processes and ensures effective management, financial stewardship, accountability and competent leadership, teamwork, norms and culture with minimal conflict and positive interaction between stakeholders and employees of the Company.

Board Meetings held and Minutes kept as per Bangladesh Secretarial Standards

The meetings of the Board of Directors are held on a regular basis at City General Insurance Company Limited. Management provides information, references and agenda wise working papers to all Directors for consideration within stipulated time. The Chairman of the Board of Directors allows sufficient time for the Directors to consider each agenda prudent and freely discuss and express opinions to adopt accurate decisions for the interest of the shareholders.

Resolutions taken by the Board are recorded. Minutes of a Board meeting is signed by the Chairman of the meeting and copy of minutes is submitted to Insurance Development & Regulatory Authority (IDRA) within 30 (Thirty) days from the date of meeting. The decisions taken in the Board meeting are disseminated by the company secretary to whom such decision relates.

All Board meetings such as Convening of a Meeting, Frequency of a Meetings, Quorum, Attendance at Meetings, Chairman, Passing of Resolution by Circulation, Minutes and Disclosure are being maintained properly in line with the required under Bangladesh Secretarial Standards 1 (BSS-1) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB).

Hybrid Meetings

Recently, Due to Covid situation and the new normal, City Insurance has arranged a number of Virtual and Hybrid Meetings of the Board and its Sub-committees which are duly recorded and kept as per Bangladesh Secretarial Standards (BSS-5) of ICSB. The company has a plan to continue such virtual meetings in the long run.

Contribution in Meetings

The Board of Directors, members are expected to contribute to the Board's discussion without any personal views and members believe that the outcome of every discussion shall be towards the company's development.

Attendance of CS, CFO and HIAC in Board Meeting

The CS, CFO and HIAC of the company attended the meetings of the Board but were absent in such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.

The Gap between two Board Meetings

In compliance with the provision section 96 of the Companies Act, 1994, City General Insurance Company Limited conducted Board of Directors meeting at least once in every three and at least 05 (Five) such meetings during the year 2022. Details of the Board of Directors' Meeting are as follows:

Name of Board Meeting	Meeting date	Attendance	Absent	Remarks
200 th	11/02/2022	11 of 15	Hossain Akhtar (Chairman), Haji Md. Yousuf, Selina Ahmed and Mahabubul Haque	Mr. Hossain Mehmood (Vice Chairman) presided over the 200th Board meeting in the absence of the Chairman - Mr. Hossain Akhtar
201 st	28/02/2022	13 of 15	Harunoor Rashid and Mr. Gopal Chandra Ghosh, FCA, FCMA, CPA	-
202 nd	25/04/2022	15 of 15	No	-
203 rd	28/07/2022	14 of 15	Hasina Parveen Manwar	-
204 th	27/10/2022	13 of 15	Harunoor Rashid and Haji Md. Yousuf	-

Notice & Agenda

Board Meeting: City General Insurance Company Limited provides notice of every meeting of the Board of Directors in writing to every Director for the time being in Bangladesh and at their addresses in Bangladesh as required by Memorandum of Articles of the company. During the year, notices along with meeting agenda have been sent to every Director at least 15 (Fifteen) days before the concerned meeting. Other related required records and documents have also been sent with the notice/agenda.

Committee Meeting: Notice of the Committees' meeting (Audit Committee and NRC Committee) provides to every committee member in writing before 03 (three) working days of the meeting date along with meeting agenda and required records/documents.

Annual General Meeting and Extraordinary General Meeting (AGM/EGM): City General Insurance Company Limited provides notice along with agenda & copy of annual report to shareholders for the Annual General Meeting (AGM) at least 21 (twenty-one) days before the AGM date. For Extraordinary

General Meeting (If required), notice & agenda are provided at least 21 (twenty-one) days before the EGM.

Board Committees

The Board has constituted four 02 (Two) sub-committees for the efficient and effective operation of the company. Sub-Committees' details have been mentioned under Company Overview ('Board of Directors and Sub-Committees of the Board).

The board has delegated certain responsibilities to the committees and made them responsible for implementing certain strategies & work plans of the Board. The role of Board Committees is to review, assess and supervise the respective areas and advise the Board with the necessary recommendations. The Board also set and approved the Terms of Reference (ToR) of the committees. The Board also appoints members of the committee including the Chairmans who are Independent Directors of the Board.

1. Audit Committee

The Committee is comprised of 01 (one) Independent Director, 03 (three) Non-Executive Directors and Company Secretary as the secretary of the Committee. The Board has appointed an Independent Director as Chairman of the Committee in compliance with the Code of Corporate Governance. Details has been described under Audit Committee Report has been presented on the page no. 200 of this annual report.

Financial Expert in the Audit Committee

The Audit Committee of the Board was last reconstituted on 28 February 2022. All the Members of the Audit Committee have the required qualifications and expertise for appointment in the Committee and possess requisite knowledge of accounting and financial management. Details has been presented on the page page No. 60-61.

A. Reporting of the Audit Committee

a. Reporting to the Board of Directors

- I. The Audit Committee shall report on its activities to the Board;
- II. The Audit Committee shall immediately report to the Board on the following findings, if any:-

- Report on conflicts of interests;
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and
- compliance process or in the financial statements;
- Suspected infringement of laws, regulatory compliances including securities related laws, rules and
- regulations and
- Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.

b. Reporting to the Authorities

If the Audit Committee has reported to the Board about any instance which has material impact on the financial condition and results of operation and has discussed with the Board 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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.

c. Reporting to the Shareholders and General Investors

Report on activities carried out by the Audit Committee, including any report made to the Board during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the Annual Report.

d. Proportion of Independent Directors in the Audit Committee

The Audit Committee of City Insurance has been formed pursuant to the Bangladesh Securities and Exchange Commission's Corporate Governance Code- 2018. The Board of Directors has been very meticulous in the formation of the Audit Committee, which consists of 03 (Three) members. All the members are financially literate and possess the required qualifications in keeping with the spirit & objectives as laid down in the regulatory directives. The Audit Committee at City Insurance was last reconstituted on 28 February 2022 and the present members of the Committee are:

Name of the Directors	Status	Total meeting held (During his/her period)	Numbers of meeting Attended	Net Payment	Attendance %	Remarks
Mr. Gopal Chandra Ghosh, FCA, FCMA, CPA	Chairperson	4	1	8,000	25	Resigned on 23/02/2022 with effect from 28/02/2022
Mahbubul Haque	Chairperson	4	3	24,000	75	Appointerd as Chairperson of the Audit Committee at 201st Board meeting held on 28/2/2022
Mr. Hossain Mehmood	Member	4	4	32,000	100	
Mr. Md. Harunoor Rashid	Member	4	3	24,000	75	
Muhammad Nazirul Islam	Member	4	2	16,000	50	

As required under Bangladesh Secretarial Standards 1 (BSS-1) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB).

Mr. Md. Hasan Khan, Company Secretary is also the Secretary of the Audit Committee. The Head of Internal Audit concurrently reports to the Managing Director & CEO as well as to the Audit Committee.

e. Presence of the Chairman of the Audit Committee at the AGM

The Chairman of the Audit Committee is an Independent Director and was present at the last (26th) Annual General Meeting of the Company. A photograph has been placed on the page no. 14 of this annual report.

f. Particulars of Whistle Blower Policy

The Company is committed to high standards of conduct for its employees. The Company has in place Whistle Blower Policy to encourage employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy provide a formal mechanism to its employees for communicating instances of breach of any

statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPLSI), misuse of office, suspected/actual fraud and criminal offences. Such complaints are investigated and addressed through a formalized procedure. Whistleblowing Policy has been presented on the page no. 222 of this annual report.

B. Nomination & Remuneration Committee (NRC)

The purpose of the Nomination and Remuneration Committee (NRC) is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board by identifying, screening, and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors. The committee also assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors and Senior Management.

A separate report on the activities of the Nomination and Remuneration Committee (NRC) has been presented on the page no. 206 of this annual report.

Name of the Directors	Status	Total meeting held (During his/her period)	Numbers of meeting Attended	Net Paid (Tk.)	Attendance %
Mr. Tauhiduddin Md. Zahed	Chairperson	1	1	8,000	100
Mr. Hossain Mehmood	Member	1	1	8,000	100
Haji Md. Yousuf	Member	1	1	8,000	100

As required under Bangladesh Secretarial Standards 1 (BSS-1) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB).

Selection of New Directors and Board Membership Criteria/Policy

The Nomination and Remuneration Committee (NRC) formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members, considering the diverse backgrounds and experience in business, government, education and public service.

Summary of Nomination & Remuneration Committee policy

The Board approved a nomination and remuneration policy aligning with the BSEC Code of Corporate Governance guidelines. Summary of the Company's Nomination and Remuneration policy is as follows-

- Describes the matters to be dealt with, pursued and recommended to the Board by the committee; Determination of the criteria of nomination, appointment, performance evaluation and removal of

Directors, Key Managerial Personnel (KMP) and other Senior Executives; and the remunerations and other benefits awarded to Directors and Key Managerial Personnel;

- Evaluating annually the structure, policies and amount of remuneration for the Directors and top level executives; and
- Committee formulated and recommended and the Board approved a nomination and remuneration policy as per the guidelines to determine attributes and qualifications for appointment as well as appropriate pay package for the Board Members and top executives including the Key Managerial Personnel (KMP) and other Senior Executives of the company.

Statutory Auditors

City General Insurance Company Limited follows the Companies Act, 1994, Securities and Exchange Rules, 1987 and BSEC's notification with regard to the appointment and re-appointment of statutory auditors. The Audit Committee recommends to the Board to appoint or re-appoint

statutory auditors complying with the rules and the Board recommends the same for the approval of shareholders at the next AGM. Remuneration of the statutory auditors is also fixed by the shareholders in the AGM. As required by the laws, Shareholders of the City General Insurance Company Limited appointed **K.M. Alam & Co., Chartered Accountants** as its statutory auditors and they act independently to provide audited financial statements. **K.M. Alam & Co., Chartered Accountants**, was appointed as the statutory auditors of the company in the 26th Annual General Meeting and will retire in the forthcoming Annual General Meeting.

IT Governance Structure and Cyber Security System

City Insurance has well developed IT structure with due engagement of related experts/professionals. It has an expert team considering IT related operational portfolio. It has also strong cyber security system and involvement for strong control and good governance practices. City Insurance ICT infrastructure and services are well structured and secure in diverse intricate architecture. To improve the sustainability of ICT governance, it has taken necessary initiative to compliance for establishing, implementing, maintaining and continually improving information security management system (ISMS).

Communication to Stakeholders

Our stakeholders (including shareholders) are engaged with our activities. In fact, we are promptly responsive and responsible to them. Our communication details have been discussed under "Redressal of Investors' Complaint" and "Redressal of Clients' Complaint" in this Annual Report 2022. (Page no. 124-126)

Human Capital

Human capital is our intangible asset. It is actually the economic value of our employees' experience and skills. This includes assets like education, training, intelligence, skills and other things employers value such as loyalty and punctuality. Details have been discussed under "Integrated Reporting" (Human Capital) of this Annual Report 2022 (Page no. 214).

Key Features of Our Internal Control System and Monitoring System of the Board, Audit Committee or Senior Management

We have established a good corporate governance practice and strong internal control system throughout the organization. The Board, Audit Committee and Senior Management are actively monitoring City Insurance internal controlling process. Details have been discussed under "Statement on Internal Control" of this Annual Report 2022 (Page no. 210).

Governance Statement

City General Insurance Company Limited is committed to adopting an effective corporate governance which is a

continuous process to improve. Our corporate governance is highly linked with our business objectives and value creation processes over the short, medium and long-term. We are responsible, sensitive to our stewardship role, transparent and accountable to the stakeholders for our business activities. Some of our status for good corporate governance are illustrated below:

- We affirm that our 03 (three) independent directors of the Board are fully independent to carry out their activities;
- The Chairman is also independent in performing his duties;
- Company's vision & mission disclosed the same in this annual report;
- Head of internal audit has direct access to the audit committee;
- Directors' responsibilities have been set properly to establish and appropriate system of internal control;
- We have a system in place to ensure that the directors review the adequacy of the system of internal controls;
- We ensure dissemination/communication of the statement of ethics and business practices to all directors and employees;
- The board is committed to establishing a high level of ethics and compliance within the organization;
- The management established effective anti-fraud programs and control, including effective protection of whistle blowers, establishing a hot line reporting or irregularities etc.
- We maintain zero tolerance with regulatory compliance issues;
- Established strong internal control and monitoring system imposing responsibility & accountability;
- Implemented governance structure and specified charter for each responsible committee;
- Implication of Code of Conduct, ethical culture and corporate values throughout the company; and
- We are very pleased to uphold our corporate governance position and firmly committed to working for the best interests of our shareholders as well as stakeholders.

Pattern of Shareholding

A report on the pattern of Shareholding disclosing the aggregate number of Shares (Along with Shareholding Range) held during the year ended 31 December 2022 are described at page no. 164 & page no. 120

SHAREHOLDERS INFORMATION & VALUE ENHANCEMENT

Pattern of shareholdings as on 31st December 2022 are found in page no. 120

(a) Number of Shareholdings (Parent/Subsidiary/ Associated Companies and Other Related Parties)

The shareholding position of each Sponsor/Directors/ Executives of the Company have been shown in page no. 164 of this annual report.

(b) Shares held by Directors/ Executives and Relatives of Directors/ Executives

Shares held by the Directors/Executives and relatives of Directors/Executives of the company have been shown on page no. 165 of this annual report.

(c) Shares held by Ten Percent (10%) or more Voting Interests in the Company

The shareholding position of ten percent (10%) or more voting interests in the Company has been shown in page no. 165 of this annual report.

(d) Redressal of Investors Complaints

City Insurance has a formal complaint and recommendation management process that is open to all stakeholders including both investors and customers. A dedicated complaints cell is headed by a senior member of the management for dealing with complaints and recommendations. Complaint can be submitted online on the City Insurance website: <https://cityinsurance.com.bd>. Company Secretariate Department of City Insurance is engaged to redress the complaints of the Shareholders and Investors' related to dividends and other share related matters. The department also observes the monthly status of the number of shares in dematerialized form. The details are shown in page no. 124 of this annual report.

(e) Growth/ Net Worth of the Company during the last 5 years

Key operating and financial data of last preceding 5 (five) years has been shown under the heading of Key Operating & Financial Highlights Section page no. 25 of this annual report.

(f) Cash/ Stock Dividend Paid for the last 5 years

The Company started its journey in early 1996 and commenced to pay the dividend to its shareholders since 2008, thereafter the Company has been paying dividends regularly. The historical record of payment of dividend has been given on page no. 127 of this annual report as Dividend and AGM History of the Company.

(g) EPS of the Company for the last 5 years

The Earnings per Share (EPS) for the year 2022 stood at Tk. 2.25 in place of Tk. 1.68 in the previous year. The last preceding 5 (five) years EPS has been shown on page no. 25 of this annual report.

(h) Periodic Reminders to Shareholding who have not encashed their dividend

In case of unpaid/unclaimed dividend, we serve our shareholders from our share department throughout the

year on the working days. We also try to communicate with them with the addresses available to send the dividend properly and also try to communicate over phone.

(i) To view the level of Shareholders' Satisfaction and Confidence toward the Company

Market value added statement gives a picture of the Company's performance evaluated by the capital market investors through the share price of the company. This statement depicts the difference between the market value of a company and the capital contributed by the investors. The level of Shareholders satisfaction and confidence toward the Company has been shown under the heading of Market value added (MVA) statement which has been included on page no. 133 of this annual report.

(j) Means of Communication with the Shareholders

As the owners of City Insurance, our shareholders are one of our main stakeholders. In order to accommodate shareholders information, we regularly communicate with them across various channels – Stock Exchanges, face to face meetings, Website, Print Media, Social Media etc.

(k) Presentation of Financial Statements on the Website

The Company's financial results and official news releases have been displayed on the company's website and also on the websites of the Dhaka Stock Exchange and Chittagong Stock Exchange.

STAKEHOLDER'S VALUE ENHANCEMENT

Identification of stakeholders is the key to understanding the expectations from the Company and as such helps pave the pathway towards delivering value and fulfilling those expectations. While shareholders, customers, developers, depositors, suppliers, employees and the government are the prime stakeholders; the regulators, local community, and the environmentally interested groups complete the stakeholder circle of City Insurance.

(a) Policy to Encourage Employee's Participation in Management

Employees are considered City Insurance most valuable asset and key to City Insurance continued success. Employees are deemed key stakeholders as they drive City Insurance business forward. They wish to grow with the Company and develop their careers to that they aspire to be, hand-in-hand, whilst the Company progresses. The employees (officers/ executives/ management personnel) are the main participant in the management decision and they are guided by the principle of individual opportunity, responsibility and reward based on merit.

(b) Payment to Vendors on Time

City Insurance pays its vendors on time and the procurement policy is to maintain a good business relationship with all its service providers and material suppliers.

(c) Payment of Tax/VAT to the Govt. / Authorities on time

As a responsible corporate citizen, City Insurance continues to remain transparent in adherence with the local direct and indirect tax requirements and has contributed BDT 120.89 million to the national exchequer as Value Added Tax (VAT), Supplementary Duty (SD) & Income Tax. Also, City Insurance maintains timely submission of VAT return, withholding tax return, income tax return & related all others required return in due time. Details has been given on page no. 94 of this annual report.

(d) Dispute/ Default in Respect of Payment of Govt. Taxes

The report of dispute/default in respect of payment of Govt. taxes has been shown under the heading of Contribution to the National Exchequer on page no. 94 of this annual report.

(e) Policy of Supply Chain Management

City Insurance rigorously follows up its internal procurement policy and upgrades the policy regularly to ensure strong control and fair treatment of suppliers. Details has been given on page no. 95 of this annual report.

(f) Timely Reporting with Adequate Disclosures

The Management of City Insurance is very sincere about timely regulatory reporting. City Insurance has a central reporting cell to ensure sending of various reports to Insurance Development & Regulatory Authority, Securities and Exchange Commission, Stock Exchanges, NBR and other regulatory authorities. The company disseminates all the Price Sensitive Information (PSI) along with quarterly and annual Financial Statements very promptly with adequate disclosures to protect the minority interest and to remain one of the country's best-complied companies.

(g) Communication through Quarterly Reports

The quarterly performance and position of City Insurance is communicated to the shareholders and interested users through publication of financial statements in widely circulated national dailies (Both Bangla and English) and online news portal. The company publishes press releases, credit rating and use online media to communicate achievements, product offerings to get in touch with its stakeholders.

(h) Communication through AGM

Annual General Meeting (AGM) creates the opportunity for the shareholders and directors to meet and communicate among each other. They can exchange views on company's business, performance, value, prospects and other matters of interest. The shareholders are always encouraged to attend the AGM by themselves or by means of proxies. Adequate notice (at least 21 days) is given before the AGM.

(i) Maintaining Website of the Company (Detail disclosures as per listing rules)

City Insurance has a well-designed user-friendly website (www.cityinsurance.com.bd) which is linked with the websites of the stock exchanges. The shareholders and other stakeholders can any time visit the website to avail information and to request a call back. As per Listing Regulations-2015 under section: 44, City Insurance makes available all the relevant information (updated) for the investors and depositors in its website: www.cityinsurance.com.bd under Financial Category column.

(j) General Meeting (AGM)

Annual General Meeting (AGM): The 26th Annual General meeting of the company were hold on 25 April 2022 at 11 AM through virtual platform by properly following the notifications of BSEC Ref: BSEC/CMRRCD/2009-193/12 dated 23 March 2021. All the Directors of the Board including Chairman of the Board, Chairman of the Executive Committee & Chairman of the Audit committee and Managing Director & CEO along with the CFO, HIAC and Company Secretary and the External Auditor were duly attended.

The voting platform for shareholders were opened before 24 hrs. of the meeting and all the agenda were duly approved by the shareholders with majority of voting result.

(k) Appointing Independent Scrutinizer and Authenticated Report regarding due process of meeting and voting result

As per BSEC Directives Ref No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021, an Independent Scrutinizer were duly appointed for the 26th AGM of the company to authenticate the due process of meeting and the voting result of the meeting. ARTISAN- Chartered Accountants, Sonargaon Terrace (2nd Floor), House#52, Road#13/C, Block # E, Banani, Dhaka were duly appointed by the Board. The Independent scrutinizer provided a report regarding the process of meeting, voting system & result which is forwarded duly to the commission within 48 hours of conclusion of meeting.

(l) Disclosure of shares held by 10% or more voting interests in the Company

At City Insurance, there is no shareholder who solely hold 10% or more share. The matter is also shown in the details shareholding position of this report page no. 165

(m) Disclosure made to the prospective foreign/local investors

City Insurance made relevant mandatory disclosure in its financial statements and all price sensitive information under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh, besides that

it submits all the reports/statements regularly, which are required to submit to the regulators as well as the other stakeholders of the Company and also displayed on the company's website and on the websites of the Dhaka and Chittagong Stock Exchanges for the prospective foreign/local investors.

CORPORATE SOCIAL RESPONSIBILITY

(a) Policy of CSR

City General Insurance Company Limited is building an immense image in the insurance sector of Bangladesh. The Company continues to expand its CSR/welfare activities throughout the year. Relief has been distributed under CSR on our behalf among the people affected by the covid-19 epidemic, flood victims etc. The depth of the company's dedication to the service of humanity is far-reaching and unbelievable, but the ultimate truth. To confirm Transparency and accountability, this company of the present generation is completely unrivaled and irresistible. This company is always ready and determined to win the hearts of people to provide insurance services. The report of Corporate Social Responsibility has been given on page no. 231 of this annual report.

(b) Particulars of the Forestation and Plantation of Trees

At City Insurance, we have been relentlessly promoting green insurance for such businesses. As a prudent, forward-looking practice, we take up only those projects that are environmentally-compliant and sustainable. We are also pursuing paper-less operations, even as we firmly believe that saving on and optimizing the use of resources is a key towards achieving a sustainable environment, both internally and externally. This is also why we promote the use of emails, meetings through videoconferencing and the intranet for internal communication. Plantation of trees details are found in page no. 235

(c) Policy to Prevent Employment of Child Labour in Company

The company always prevented from appointing child employees. Details has been presented under Human Capital on the page no. 220 of this annual report.

(d) Whether Employees and their Immediate Family Members take part in the Community Welfare Initiative of the Company

We believe that our employees are our core assets. In this context, we reinforce our human resource capacities and capabilities in ensuring a motivated and loyal workforce, while also simultaneously providing them with dependable career progression benefits. For our other key stakeholders, we maintain an ongoing dialogue with them, informing them of key developments, while also disseminating information on material developments.

(e) Scheme Maintain under CSR Programs

City General Insurance Company Limited has always been a very supportive organization towards the deprived and struggling community of the society. At City Insurance, we earnestly believe that it's the responsibility of the privileged to help the deprived community of the society in order to help them get a better life. As Corporate Social Responsibility (CSR) activities, City Insurance has been established a Foundation name and style "City General Insurance Foundation". All types of humanitarian helps are given from CSR fund through City General Insurance Foundation. Details has been presented on the page no. 228 of this annual report.

CORPORATE OBJECTIVES, GOVERNANCE INITIATIVES/ RECOGNITIONS

(a) Award

Since its inception in 1996, City General Insurance Company Limited has been leading the winds of change in the insurance industry of Bangladesh in terms of service standard, innovative products and legislative restructuring. Being the pioneer has enabled City Insurance to achieve many milestones, many of which are first of its kind in the insurance industry of Bangladesh. For the good corporate governance practices of the Company, it has been receiving various awards. Details are found in page no. 74-77

(b) Vision and Mission Statement of the Company in the Annual Report

City Insurance has a vision to be the most innovative insurance services provider in the country with special focus on creating value for all stakeholders. The achievement of this vision depends on establishing the following values that City Insurance considers as a matter of priority. The Vision and Mission statement of the company are presented in page no. 16 of this report. The said statement are also disclosed in the company's website.

(c) Overall Strategic Objectives

The strategic objectives of the Company have been given on page no. 17-18 of this annual report.

(d) Core Values

The core values of the Company have been given on page no. 17 of this annual report.

(e) Ethics Compliance and Transparency

The Ethics Compliance and Transparency of the Company have been given on page no. 19 of this annual report.

(f) Code of Conduct for the Employees at City Insurance

The Code of Conduct provides guidance to employees on how to ensure that their actions and behavior are

consistent with the values of the company. Some areas that cover by the Code of Conduct are mentioned below:

- Serving Customers and Stakeholders with excellence;
- Compliance with Laws, Rules, and Regulations;
- Keeping confidentiality of company's and client's information.
- Exercising requisite diligence in respect to anti-money laundering;
- Maintaining accuracy and adequacy in records and reporting;
- Transparency and Accuracy in Presentation/Publication;
- Acting in a professional manner and with due care;
- Safeguarding company's property/assets.
- Avoidance of conflicts of interest;
- Prohibition of any fraud, theft or illegal activities including insider trading;
- Conduct towards female colleagues and seniors.

(g) Directors' Profiles and their Representation on the Board of other Companies & Organization

The brief resume of the Directors have been included on page no. 54 to 61 of this Annual Report and as well as their representation on Board of other Companies & organization has also been given in the page no. 51 of the report.

(h) Particulars of Purchase/ Sale of Goods/Materials/ or Services by the Company for/to Directors and/ or their Relatives etc.

No such issues arose at City Insurance during the year ended 31 December 2022.

(i) Disclosure in the Annual Report about Related Party Transaction

In the ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in IAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no. 21 of the notes of the financial statements.

(j) Disclosure regarding Compliance of IFRS

In accordance with the Bangladesh Securities & Exchange Commission's Corporate Governance Code- 2018, City General Insurance Company Limited management has followed the principles of IFRS consistently in preparation of the financial statements to that extent as applicable to the company. Some requirements of Insurance Act 2010 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the City Insurance has departed from those contradictory requirements of

IFRS in order to comply with the rules and regulations of IDRA. Details have been given on notes 2.1(b) page no. 271 & notes no. 2.3.22 & 2.3.23 on page no. 277 of this annual report.

(k) Disclosure regarding Compliance of ICSB Secretarial Standards

The Company has complied with the applicable Secretarial Standards adopted by the 'Institute of Chartered Secretaries of Bangladesh (ICSB)'.

(l) Adverse Remarks in the Auditors' Report

The Audit Report 2022 contained no adverse observations of the activities by the Statutory Auditors of the Company.

(m) Certification of Annual Financial Statements by the CEO & CFO

The Managing Director & CEO and Chief Financial Officer provide a certification on annual basis to the Board of Directors under Condition No.3 (3) (C) of the Corporate Governance Code- 2018 of BSEC. The CEO and CFO's declaration to the Board is appended on page no. 213

TIMELINESS IN ISSUING FINANCIAL STATEMENTS AND HOLDING AGMs

City General Insurance Company Limited holds a General Meeting of members once a year and the meeting is being held within 6 (six) months of completion of the respective financial year, as per the guidelines of BSEC as well as the permitted time limit of the Companies Act- 1994. The Company ensures effective interaction with the members at the Annual General Meeting. The Directors pay special attention in answering the various queries raised by the members at the Annual General Meeting.

All AGM such as Convening of a Meeting, Frequency of a Meetings, Quorum, Entitlement of Others to Attend the Meeting, Chairman, Voting, Proxies, Withdrawal/Rescinding of or Modifications to Resolutions, Reading of Report or Certificate, Adjournment/Resolution of Meetings, Minutes, Distribution of Gifts (etc.), and Disclosure are being maintained properly in line with the required under Bangladesh Secretarial Standards 1 (BSS-1) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB). Particulars of last 03 (Three) Annual General Meetings are disclosed hereunder:

26th Annual General Meeting:

Date & Time: April 25, 2022 at 11:00 AM

Record Date: March 22, 2022

Conduct by: Virtually by using digital platform

Participants: 12 Directors and 3 Independent Directors (Including Chairman of the Audit Committee) were present.

Resolutions were passed by the shareholders on the following:

- i. Consideration and adoption of Directors' Report, Audited Financial Statements for the year ended December 31, 2021 and the Auditors' Report thereon;
- ii. Dividend @ 10% cash;
- iii. Re-Appointment of K. M. Alam & Co., Chartered Accountants as statutory auditors.
- iv. In place of retiring Directors one third of the Board of Directors of City General Insurance Company Limited i.e. the following 3 (three) Directors retire and are re-elected as appropriate.

Mr. Hossain Mehmood,
Mr. Harunoor Rashid (Representative of Khaled Iron & Steel Mills Ltd.) and
Mr. Mohammad Aman Ullah (Representative of Wazeefa Acrylic Spinning Mills Ltd.) were re-appointed.

Besides this, Mrs. Hasina Parveen Manwar (Nominated by Mehmud Industries (Pvt.) Ltd.) was elected as shareholder director from among the shareholders.

- v. Mr. Tauhiduddin Md. Zahed and Mr. Mohammad Saif Noman Khan appointed as Independent Director
- vi. Re-appointment of Ahmed Khan & Co., Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code - 2018.

25th Annual General Meeting:

Date & Time: June 30, 2021 at 11:00 AM

Record Date: May 24, 2021

Conduct by: Virtually by using digital platform

Participants: 10 Directors and 3 Independent Directors (Including Chairman of the Audit Committee) were present.

Resolutions were passed by the shareholders on the following:

- i. Consideration and adoption of Directors' Report, Audited Financial Statements for the year ended December 31, 2020 and the Auditors' Report thereon;
- ii. Dividend @ 10% cash;
- iii. Re-Appointment of K. M. Alam & Co., Chartered Accountants as statutory auditors.
- iv. In place of retiring Directors one third of the Board of Directors of City General Insurance Company Limited i.e. the following 3 (three) Directors retire and are re-elected as appropriate.

Mr. Mohd. Abu Taher
Mr. Haji Md. Yousuf and
Mrs. hasina Begum (Representative of Hossain Dyeing & Printing Mills Ltd.) were re-appointed.

Besides this, Mr. Muhammad Nazirul Islam (Nominated by Anwar Landmark Ltd.) was elected as shareholder Director from among the shareholders.

- v. Mr. Mahabubul Haque appointed as Independent Director
- vi. (iii) Re-appointment of Ahmed Khan & Co., Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code - 2018.

24th Annual General Meeting:

Date & Time: September 16, 2020 at 11:00 AM

Record Date: August 06, 2020

Conduct by: Virtually by using digital platform

Participants: 10 Directors and 2 Independent Directors (Including Chairman of the Audit Committee) were present.

Resolutions were passed by the shareholders on the following:

- i. Consideration and adoption of Directors' Report, Audited Financial Statements for the year ended December 31, 2019 and the Auditors' Report thereon;
- ii. Dividend @ 5% cash;
- iii. Appointment of K. M. Alam & Co., Chartered Accountants as statutory auditors.
- iv. In place of retiring Directors one third of the Board of Directors of City General Insurance Company Limited i.e. the following 3 (three) Directors retire and are re-elected as appropriate.

Mrs. Bibi Amena

Mr. Mohammad Amanullah

Mr. Furkan Md. N Hossain (Representative of Anwar Silk Mills Ltd.) were re-appointed.

Besides this, Mrs. Salina Ahmed (Nominated by A-One Polymer Ltd.) was elected as shareholder director from among the shareholders.

- v. (iii) Re-appointment of Ahmed Khan & Co., Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code - 2018.

Auditors Certificate on Corporate Governance

According to the required compliance of Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) vide their notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, Ahmed Khan & Co., Chartered Accountants examined the compliance with the said conditions of Corporate Governance of BSEC. As per their certification, City General Insurance Company Limited complies with all the Corporate Governance requirements as stipulated in the CG Code. Ahmed Khan & Co., Chartered Accountants certified City General Insurance Company Limited as "Satisfactory".

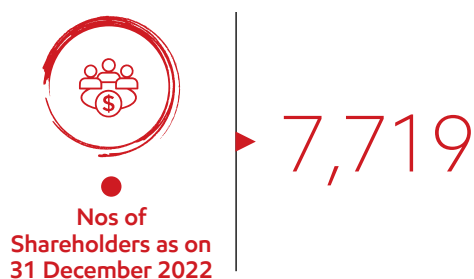
The copy of Certificate and a detail Checklist or Report under Condition No. 9 of the Corporate Governance Code has been given as annexure- Page no. 137-146.

Risk Management

As City Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large. A detailed report on risk management framework has been given on page no. 244-245 of this annual report.

Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business without significant fluctuation in value. The accompanying financial statements do not include any adjustments, which indicate that City General Insurance Company Limited be unable to continue as a going concern. Details have been given on page no. 161 of this annual report.



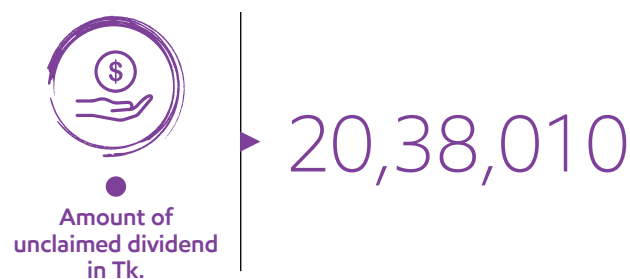
Dividend Distribution Policy

City Insurance is devoted to driving superior value creation for all its stakeholders through an appropriate capital strategy, the focus will continue to be on sustainable returns for long term value creation ensuring the immediate, as well as long term needs of the business.

Accordingly, we have formulated a dividend distribution policy in line with the Directive on Dividend Distribution and management of Bangladesh Securities and Exchange Commission (BSEC), no BSEC/CMMRRCD/2021-386/03, dated on January 14, 2021. This policy seeks to lay down a broad framework for the distribution of dividend by the Company to its shareholders. The details dividend distribution policy of the Company is available in the Company's website and also has been given in the page no. 128 of the report.

Summary of Unpaid or Unclaimed Dividend

Summary of undistributed or unclaimed dividend are given hereunder (As of December 2022):



Besides this summary of unclaimed dividend has also been given in the Note no. 28 of page no. 289 of the report.

Dividend Payment Compliance Report

As per prescribed format of BSEC directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the dividend payment compliance report were prepared and forwarded to the commission and exchanges duly which is readily available at the company's website under the column of Financial Category and a copy is stated here in page no. 128 in this annual report.

Anti-Money Laundering Compliance

In order to ensure the proper execution of Anti- Money Laundering compliance, we have a Central Compliance Unit (CCU) and nominated officers in each Branch for analysis and control purpose. Central Compliance Unit (CCU) works directly under the Chief Executing Officer (CEO) of the Organization. CCU issues the instructions to be followed by the branches. These instructions are prepared combining the issues related to monitoring of transactions, internal control, self-assessment report, policies and procedures from the point of preventing money laundering and terrorist financing. As per the instructions of Bangladesh Financial Intelligence

Unit (BFIU), the Central Compliance Unit (CCU) of City Insurance comprised of the following Personnel:

- Md. Hasan Khan–Chief Anti Money Laundering Compliance Officer (CAMLCO) and Chief of CCU
- Md. Morshed Hasan– Deputy Anti Money Laundering Compliance Officer & Head of Underwriting Department

Mr. Md. Hasan Khan, Addl. Managing Director & Company Secretary act as a Chief Anti Money Laundering Compliance Officer (CAMLCO) in our company. CCU addresses the prevention of money laundering & terrorist financing activities under the Money Laundering Prevention Act-2012 and the Anti-Terrorism Act-2013 (Amended). This includes an AML/ CFT risk assessment and practices, procedures and controls for establishing business relationship, KYC procedures and ongoing transaction monitoring for detecting suspicious transactions/policy activity, regularly monitors and ensures reporting to BFIU. CCU has to prepare Self-Assessment Report semiannually on the basis of BFIU's Master Circular 16 section 8.1. CCU organizes quarterly meeting and training for all the employees on AML and CFT.

MANAGEMENT REVIEW AND RESPONSIBILITIES

The Management of City General Insurance Company Limited is responsible for planning, organizing, staffing, directing, and controlling in order to achieve the Company's strategic goals. A sound corporate management needs a range of skills and understanding to be able to deal with various business issues. It needs to be of sufficient size and have an appropriate level of commitment to fulfill its responsibilities and duties. The Management is responsible for managing and controlling the company's business and day-to-day operations. The Management ensure that the company's operations are in compliance with the laws and regulations.

Management is also responsible for establishing and maintaining proper internal control system, the Management having designed such control or caused such control to be designed under its supervision. The Management also evaluate the effectiveness of the Company's internal control system and satisfy that the internal control system was effective as of the end of the period under review.

Moreover the Management of the Company shall:

1. Demonstrate its commitment to the establishment, implementation, assessment and continual improvement of the management system and allocate adequate resources to carry out these activities.
2. Communicate to individuals the need to adopt to these individual values, Company's values and behavioral expectations as well as to comply with the requirements of the management system.
3. Upbringing the involvement of all individuals in the implementation and continual improvement of the management system.
4. Ensure that it is clear when, how and by whom decisions are to be made within the management system and that measurable objectives for implementing the goals, strategies and plans are established through appropriate processes at various levels in the company.
5. Ensure that the implementation of the plans is regularly reviewed against these objectives and that actions are taken to address deviations from the plans where necessary.
6. Determine the amount of resources necessary and provide resources to carry out the activities of the company.
7. Establish, implement, assess and continually improve the management system.
8. Determine competence requirements for individuals at all levels and provide training.
9. Ensure that individuals are competent to perform their assigned work and that they understand the consequences for safety of their activities.
10. Ensure that Individuals shall have received appropriate education and training, and shall have acquired suitable skills, knowledge and experience to ensure their competence.
11. Ensure working environment necessary for work to be carried out in a safe manner and for requirements to be met.

AUDIT COMMITTEE REPORT

For the year ended 31 December 2022

PURPOSE AND AUTHORITY OF THE AUDIT COMMITTEE

The Audit Committee performs in coherence and consistency and ensures compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review and, when appropriate, make recommendations to the Board on business risks, internal controls, compliance and audit. The Committee satisfies itself by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the Company's business is conducted in a proper and financially sound manner. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the Company and ensures a sound monitoring system within the business. The Audit Committee is accountable to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

The Audit Committee carried out for the following purpose:

- Enhance good practices in financial reporting and risk management.
- Ensure the establishment of adequate internal controls and compliance with laws and regulations.
- Ensure that the preparation, presentation and submission of financial statements have been made in accordance with the prevailing laws, standards and regulations.
- Fulfillment, discharge and execute of other stated responsibilities

The Audit Committee is authorized by the Board to review any activity within the business as per its terms of reference. It is authorized to seek any information or attendance it requires from any Director or member of management at any of its meetings. All employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company's legal advisor, tax consultant and statutory auditor, if required. The terms of reference of the Audit Committee may be amended from time to time as required for the business, in line with BSEC notifications, subject to approval by the Board.

THE COMPOSITION OF THE COMMITTEE

The Board has formed the Audit Committee, required under condition 5 Corporate Governance of BSEC with some

specific assignments under its Terms of Reference. The Audit Committee comprising of the following Directors of the Company:

Name of the Members	Position in Board	Position in the Audit Committee
Mr. Mahabubul Haque	Independent Director	Chairman
Mr. Hossain Mehmood	Vice-Chairman	Member
Mr. Md. Harunoor Rashid	Director	Member
Mr. Muhammad Nazirul Islam	Director	Member
Mr. Md. Hasan Khan	--	Member Secretary

As required, all members of the Audit Committee are 'financially literate' and can analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee.

During the year 2022 the Audit Committee sat in 04 (Four) nos. of meetings and the proceedings of the meetings were reported regularly to the Board of Directors.

PARTICIPATION OF NON-MEMBERS

Head of Internal Audit & Compliance attends the meeting as in attendance.

TERMS OF REFERENCE

The Terms of Reference of the Audit Committee clearly defines the roles and responsibility of the Audit Committee. The Terms of Reference are periodically reviewed and revised with the concurrence of the Board of Directors. The Audit is responsible for and reports to the Board of Directors. The Role and functions of the Committee are further regulated by the rules governing the Audit Committee as specified by the "Corporate Governance Code" issued by the Bangladesh Securities and Exchange Commission (BSEC).

ROLES AND RESPONSIBILITIES OF THE BOARD AUDIT COMMITTEE

The following comprises the primary activities of the Audit Committee in discharging its responsibilities. These functions serve as a guide, even as the committee may carry out additional functions and adopt additional policies and procedures, as may be appropriate, in light of the changing business, legislative, regulatory, legal or such other conditions in addition to any other responsibilities which may be assigned from time to time by the Board.

The role and functions of the Committee are further regulated by the rules governing the Audit Committee as specified by the "Corporate Governance Code" by the Bangladesh Securities and Exchange Commission. The main objective of the Audit Committee is to assist the Board of Directors to effectively carry on its responsibilities relating to financial and other connected affairs. The Committee is empowered to monitor, review and examine:

- The integrity of the financial statements;
- The Company's external auditors' qualifications and independence, the performance and effectiveness of the Company's internal and external audits, internal controls and the measurement of operational risk, and the compliance by the Company with legal and regulatory requirements.
- Any matter relating to the financial and other connected to the Company.
- Review the efficiency of Internal Control systems and procedures, in place.
- review the quality of Accounting Policies and their adherence to Statutory and Regulatory Compliance.
- Review the Company's Annual Report and Accounts and Interim Financial Statements prepared for disclosure, before submission to the Board.
- Ensure that a well-managed sound financial reporting system is in place to provide timely reliable information to the Board of Directors, Regulatory Authorities, Management and all other stakeholders.
- Ensure Company's policies are firmly committed to the highest standards of good corporate governance practices and operations conform to the highest ethical standards and in the best interests of all stakeholders.

MEETINGS & ATTENDANCE STATUS

The Committee held on four (4) meetings during the year under review. Members of the senior management of the Company were invited to participate at meetings as and when required. The proceedings of the Audit Committee meetings are regularly reported to the Board of Directors. The Committee continued guiding the management with the selection of the new Accounting Policies which is required under the aforesaid new Accounting Standards and implementing same.

The Board Audit Committee member's attendance for the year 2022 are as follows:

Name of the Members	Audit Committee	%
Mr. Mahabubul Haque Independent Director	Chairman 3/4	75
Mr. Hossain Mehmood Director	Member 4/4	100
Mr. Md. Harunoor Rahsid Director	Member 3/4	75

Name of the Members	Audit Committee	%
Mr. Muhammad Nazirul Islam Director	Member 2/4	50
Mr. Md. Hasan Khan Company Secretary	Member Secretary 4/4	100

ACTIVITIES OF THE AUDIT COMMITTEE

The Committee carried out the following activities during the year 2022:

a. Financial Reporting

The Committee reviews the Quarterly, Half yearly and Annual Financial Statements with the Management before submission to the Board for approval. In reviewing the Financial Statements prior to their release, the Committee focuses particularly on:

- Major judgmental areas;
- Any changes in accounting policies and practices;
- Significant adjustments arising from the audit;
- The going concern assumption;
- The compliance with relevant accounting standards and other legal requirements.

b. Reviewing Related Party Transactions

To review any related party transactions and conflict of interest that may arise within the Company, including any transaction, procedure or conduct raising questions of management integrity.

c. Prepare Internal Audit Reports to submit at the Audit Committee and the Board

To prepare internal audit reports to submit at the Audit Committee and the Board. The report specifies the composition of the Audit Committee, terms of reference, the number of meetings held and attendance thereat, a summary of activities and the performance of internal audit services.

d. Internal Audit Function

The Committee keeps under review the Company's Internal Controls in several occasions to provide guidance to be more complied. The Audit Committee has reviewed the followings throughout the period:-

- Reviewed and approved the yearly audit plan;
- Reviewed the internal audit procedure, findings and recommended for better practice;
- Made necessary inquiries for clarification and satisfaction;

e. Internal Control

The Committee keeps under review the Company's internal control and risk management systems ensuring

the procedures are adequate. The following are closely monitored by the committee to establish a sound internal control system.

- Consider whether the internal control strategies recommended by internal and external auditors have been prudently and comprehensively implemented by the management;
- Consider reports relating to fraud, forgery and deficiencies in internal control or other similar issues detected by internal and external auditors (if any);
- Review the existing process and policies.

f. Responsibility related to External Audit

- To oversee the hiring of External Auditors and to oversee External Audit performance by reviewing the nature & scope of audit plan, audit report, evaluation of internal controls and coordination of the external auditor.
- To hold meeting with the External Auditors to review Financial Statements, audit findings and recommendations before submitting them to the board for approval or adoption.
- To review any findings by the external auditor arising from audits, particularly any comments and responses in management letters, as well as the assistance given by the employees of the Company in order to be satisfied that appropriate action is being taken.
- To review External Auditor’s assessment on the Statement on Risk Management and Internal Control for inclusion in the Annual Report.
- To review any matters concerning the appointment and reappointment, audit fee and resignation or dismissal of the external auditor.
- To review and evaluate factors related to the independence of the external auditor and assist them in preserving their independence.
- To be advised of and decide to or not to make significant use of the external auditor in performing non-audit services within the Company, considering both the types of services rendered and the fees, so that its position as an auditor is not deemed to be compromised.

Beside all the above responsibilities Audit Committee will act on any other matters as may be directed by the Board which are not in conflict with the Corporate Governance Code mandated by BSEC.

g) Compliance with existing Laws and Regulations

Review whether the laws and regulations framed by the regulatory authorities (BSEC, DSE, CSE, IDRA and other bodies) and internal regulations approved by the Board have been complied with.

h) Other Responsibilities

- Place reports before the Board periodically regarding findings, recommendations, regularization of the errors & omissions, fraud and forgeries, and other irregularities as detected by the internal and statutory auditors and inspectors of regulatory authorities;
- Perform other functions as may be required by the Board and evaluate the Committee’s own performance on a regular basis.



MEETINGS OF THE AUDIT COMMITTEE

- The meetings of the Audit Committee shall be presided over by its Chairman.
- The quorum of a meeting of the Audit Committee shall constitute by majority of members and shall not constitute without at least 1 (one) Independent director.
- The Audit Committee shall hold at least 4 (four) meetings in a year to perform its duties and responsibilities.
- The Audit Committee may invite the Chief Executive Officer, Head of Internal Audit or any other officials to attend the meeting.
- The Audit Committee may request the internal and/or external auditors to submit valuation/evaluation report(s) on any specific issue.
- All the observations/findings/recommendations of the Audit Committee shall be recorded in the minutes of the Committee.
- The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance and shall circulate the minutes of meetings of the Committee to all members of the Committee.

Audit Committee Meeting During The Year- 2022

The Committee held 04 (Four) meetings during the financial year under review. Meeting dates are as follows:

Sl.	Meetings	Date of Meetings
1	53rd Audit Committee Meeting	27 February 2022
2	54th Audit Committee Meeting	25 April 2022
3	55th Audit Committee Meeting	26 July 2022
4	56th Audit Committee Meeting	27 October 2022

REPORTING OF THE AUDIT COMMITTEE

(i) Reporting to The Board of Directors

The Audit Committee reports on its activities to the Board of Directors. The Audit Committee immediately escalates its concerns to the Board in case of following findings:

- **Report on conflicts of interests;**
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;
- Suspected infringement of laws, including securities-related laws, rules and regulations;
- Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.

The Audit Committee further ensures that, in compliance with condition no. 5 of the Corporate Governance Code of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018, the CEO and CFO of the Company have certified before the Board that they have thoroughly reviewed the Financial Statements of the Company for the year ended 31 December 2022, and they state that:

- They have reviewed the financial statements for the year ended on 31 December 2022 and that to the best of their knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements collectively present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- There are, to the best of their 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 of the Company's Board of Directors or its members.

Such joint certificate of the CEO and CFO is thoroughly reviewed by the Audit Committee before submission to the Board.

(ii) Reporting to the Authorities

The Audit Committee reports to the Board of Directors about anything which has a material impact on the financial condition and results of operation. The Committee also discusses with the Board of Directors and the management if any rectification is necessary. If the Audit Committee finds that such rectification has been unreasonably ignored, the Committee reports such findings to the Bangladesh Securities & Exchange Commission (BSEC) upon reporting

of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.

(iii) 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 No. 5(6)(a)(i) of the BSEC Corporate Governance Code above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

Major Issues reviewed by the Audit Committee during the year 2022

In the year 2022, the Audit Committee reviewed its terms of reference, in line with the requirements of the BSEC Corporate Governance Code. The Committee performed its duties in accordance with the Terms of Reference of the Audit Committee and carried out the following activities in 2022.

a) Reviewing financial reporting 2022

Audit Committee Reviewed the quarterly and annual financial statements of the Company with the Chief Financial Officer and Managing Director before recommending them to the Board of Directors for approval. The Committee also concluded that the financial statements presented a true and fair view of the Company's financial performance and accordingly approve the scene.

b) Monitoring and reviewing internal control system

Audit Committee reviewed the Company's Risk Management and internal control system including deep dive into the key functional risks and mitigation plans. Besides, the committee reviewed the action plan status arising from various reviews including updates on breaches of the Standards of Business Conduct and Speak-up/whistleblowing incidents.

c) Monitoring internal audit process

Audit Committee Reviewed and approved Internal Audit and Compliance Review plan 2022. Committee also reviewed individual review reports including findings, cause and impact. They also reviewed and monitored action plans arising from the reviews.

d) Reviewing external audit report 2022

The audit Committee reviewed the external auditor's audit plan, including its nature and scope, audit report, evaluation of internal controls and coordination between the internal and external auditors. They also reviewed Company's quarterly and annual financial statements before recommending them to the Board of Directors for approval.

e) Appointment of auditors

The Audit Committee revived, coincided and made recommendations to the board on the appointment and remuneration of the statutory and compliance Auditor.

f) Reviewing related party transactions

Audit Committee reviewed reports of related party transactions and possible conflicts of interest. They also reviewed the estimated recurrent related party transactions mandate for the ensuing year and recommended to the Board to seek shareholders mandated at the upcoming Annual General Meeting of the Company.

g) Ethical and integrity areas

The audit committee deliberated reports on Speak-up/whistleblowing, security and safety matters and loss reports. They also periodically reviewed environmental, health and safety review reports.

h) Review annual report process

Committee reviewed disclosures required by the statement on corporate governance, audit committee report, standards of business conduct, the statement on risk management and internal control for the financial year ended 31st December 2022 for inclusion in the Annual Report 2022 and recommended their adoption to the Board.

i) Evaluation of the committee

An evaluation on the effectiveness of the Committee was carried out by the other Members of the Board of Directors and the Committee has been found to be effective.

Activeness of the committee on company's affairs for the year under report

The Committee during the year under reporting met every Quarter and its activities include:

- Reviewing the audited financial statements of the Company and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with required laws and regulations thereafter recommending to the Board for adoption.
- Reviewing the quarterly financial statements of the Company and recommending the same to the Board for adoption and circulation as per requirement of Bangladesh Securities & Exchange Commission (BSEC).
- Reviewing the external auditors' financial arising from audit, particularly comment and responses given by the management.
- Reviewing the matters as per requirement from the Bangladesh Securities & Exchange Commission (BSEC).

ACKNOWLEDGMENT

Based on its reviews and above-mentioned discussions, the Audit Committee is of the view that the internal control and compliance system of the company is adequate for the purposes of presenting a true and fair view of the activities and financial status of the company and for ensuring that its assets are safeguarded properly against business and operational risks. The Audit Committee expressed its sincere thanks to the members of the Board, management, and the statutory auditors for their support in carrying out its duties and responsibilities effectively.

On behalf of the Committee,



(Mahabubul Haque)
Independent Director
Chairman
Audit Committee

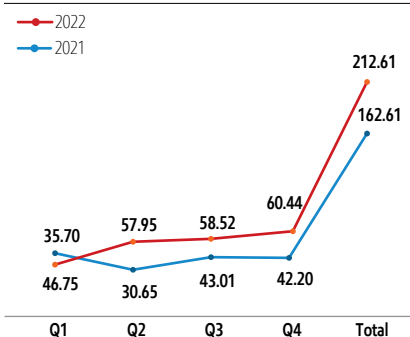
EVALUATION OF THE QUARTERLY FINANCIALS BY THE AUDIT COMMITTEE AND BY THE BOARD

As per the regulatory requirement of Bangladesh Securities and Exchange Commission (BSEC), City General Insurance Company Limited has prepared and presented Quarterly Financial Statements. These statements are prepared in accordance with International Accounting Standard (IAS), International Financial Reporting Standards (IFRSs) the Companies Act 1994, Insurance Act-2010, The Securities and Exchange Rules 1987 and other applicable Laws and Regulations. The statements were present to Audit committee for review. After recommending by the Audit Committee, the financial statements were adopted in the Board of Directors Meeting. The statements are finally submitted to Bangladesh Securities and Exchange Commission (BSEC), Dhaka & Chittagong Stock Exchanges. The quarterly Financial Statements are published in two daily newspapers one is Bangla and another one is English and also in a online news portal. The statement is also published in the website of the company.

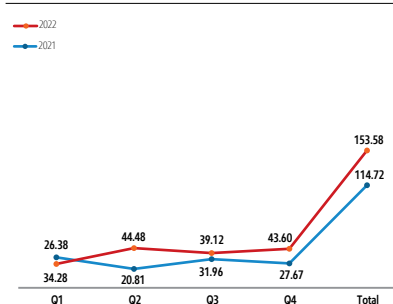
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Particulars	2022					2021				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross premium income	244.03	281.57	186.15	176.26	888.01	167.44	175.75	151.18	236.25	730.62
Net premium income	163.73	189.17	110.69	104.32	567.91	113.65	99.71	97.21	172.84	483.41
Re-insurance commission earned	14.88	25.59	15.85	10.13	66.45	9.64	17.95	10.94	11.37	49.91
Investment & others income	7.66	18.52	23.52	31.68	81.38	29.16	29.74	23.89	33.55	116.34
Management expenses (allocable)	63.19	72.86	57.56	42.49	236.10	39.70	70.79	48.49	43.75	202.73
Claims	15.96	28.05	1.39	12.09	57.49	8.53	35.80	29.24	41.59	115.16
Agency commission	52.53	44.80	33.71	30.68	161.72	29.85	-	-	25.52	55.37
Management expenses (un-allocable)	3.13	3.34	3.25	3.51	13.23	2.68	3.13	4.05	5.30	15.17
Total expenses	134.81	149.04	95.92	88.78	468.55	80.77	109.72	81.79	116.15	388.43
Profit before tax	35.70	57.95	58.52	60.44	212.61	46.75	30.65	43.01	42.20	162.61
Tax expenses	9.32	13.47	19.40	16.84	59.03	12.47	9.85	11.04	14.53	47.89
Net profit after tax	26.38	44.48	39.12	43.60	153.58	34.28	20.81	31.96	27.67	114.72
EPS	0.39	0.65	0.57	0.64	2.25	0.50	0.31	0.47	0.40	1.68

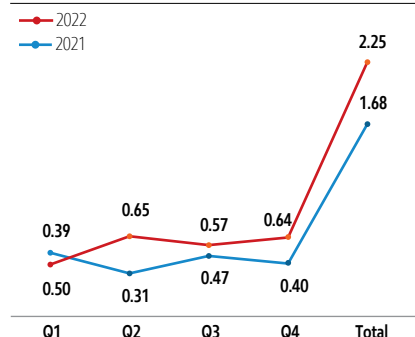
Profit before tax



Net profit after tax



EPS



REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

City General Insurance Company Limited has always been very passionate about human capital management and takes responsibility for developing employee potential and leveraging employee skills in the organization. The Company guards with care the great resource of intelligent, experienced, disciplined, clear-thinking and energetic people who continuously drive growth and innovation, within clear risk boundaries. The Company continues to implement HR policies and practices that are aimed at growing and developing employees and ensuring their active contribution towards the achievement of corporate goals. The Company believes that the skills and enthusiasm of its employees are major forces that help it to achieve sustainable results.

The Composition of the Committee

The Board of Directors of City General Insurance Company Limited has duly constituted a Nomination and Remuneration Committee, as per the requirements of the Bangladesh Securities and Exchange Commission through its Corporate Governance Code under notification no. BSEC/CMRRC/2006-158/207/Admin/80 dated 03/06/2018. The Nomination & Remuneration Committee is a subcommittee of the Board and operates independently to ensure the rights and value of the Company's human resources. The NRC assists the Board in formulating the nomination criteria for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives as well as a policy for the formal process of considering the remuneration of directors and senior-level executives of the Company.

The Nomination and Remuneration Committee (NRC) of City General Insurance Company Limited has been formed and 04 (Four) members were appointed by the Board of Directors of the company to adhere the directive as follows:

Name of the Members	Position in the Board	Position in the NRC	Remarks
Mr. Tauhiduddin Md. Zahed	Independent Director	Chairman	
Mr. Hossain Mehmood	Vice-Chairman	Member	
Haji Md. Yousuf	Director	Member	
Mr. Muhammad Nazirul Islam	Director	Member	Appointed on 27/10/2022

Independent Director of the Company Mr. Tauhiduddin Md. Zahed discharged the duties as Chairman of the NRC and Mr. Md. Hasan Khan, Addl. Managing Director & Company Secretary performed as the Secretary of the NRC as per BSEC Corporate Governance Code. The current NRC was last constituted on 28 February 2022.

Qualification of the Committee Members

The NRC members possess adequate knowledge on business management and corporate governance issues, financially literate able to analyze, understand and interpret corporate laws, finance and financial statements and have business insight.

Purpose and Authority of the Committee

The NRC also assists the Board in formulating policy for the formal and continued process of considering remuneration/honorarium of Directors and top-level executives. The NRC has a guiding role to the management to identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria. This Report of Nomination and Remuneration Committee is prepared according to the requirements of the CG codes of BSEC. It covers nomination and remuneration policies, evaluation criteria and activities of the NRC.

Terms of Reference (ToR)

The Nomination and Remuneration Committee has performed its duties as assigned to it by the Board of Directors which is based on the Charter of NRC formulated mainly in accordance with the CG guidelines of BSEC as well as comprising other global best practices.

Roles and Responsibilities

The roles and responsibilities of the NRC have been clearly mentioned according to the said Corporate Governance Code. The Committee shall provide required advises and suggestions to the Board of Directors and Management for proper functioning of the company.

In the meeting the committee consider to assist the Board in formulation of the nomination criteria and determining of the qualifications of the prospective candidates attributes, experiences for Independent Directors and top level executives and remunerations of directors, top level executive of the company as well.

In the meeting reviewed the following:

- Reviewed the status of the Board composition along with their experience and track record of Board members including Independent Directors.
- Reviewed remuneration of the top-level executives and all employees of the company.

- Reviewed the scope and effectiveness of internal HR function and adequacy of it.
- Looked into the criteria for evaluation of performance of independent directors and the Board members.
- Determined the criteria for selection, transfer or replacement and promotion at different levels of the company.
- Reviewed the plan of the company especially for the top executive positions.
- Evaluate and recommend to the Board for the rightful candidate for Chief Executive Officer.
- Overseen other issues within the Code of Conduct of NRC.

The NRC expressing it's view that the nomination, re-electing, remuneration and internal control procedures are adequate to present a free and fair view of the internal governance status of the company.

Activities of the Nomination and Remuneration Committee

The Board of Directors of City General Insurance Company Limited have constituted a nomination and Remuneration Committee (NRC, as per the requirements of the corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experience for independence directors and other top-level executive as well as a policy for formal process of considering remuneration of Directors and top level executive.

Nomination and Remuneration Policies /Criteria:

The nomination and remuneration policies and the benchmark of which pursuing the business code of conduct and standards perceptible in the market context and appropriate to meet the present and future needs of the Company, is followed by the company. The criteria in this respect for the directors and top-level executives of the company are as follows.

a) The Nomination Criteria;

- A prescribed selection process that is transparent in all respects.
- Following a process which is compatible to the recognized standards and the best practices.
- Following a selection process that is transparent in all respects,

- Distinguishing the core competencies of the respective personnel for the different level of management and employees of the company.
- Follow diversity in age, maturity, gender, experience, qualification, educational background, expertise, ethnicity.

b) Recruitment and Selection Standards

The NRC Charter draws a broad outline of the Company's needs for employees at different levels, as ascertained by the management. The recruitment and selection of Directors, top-level executives and other employees of the Company are made according to the following guidelines:

- **Non-Executive Director:** The NRC recommends candidate(s) for Non-Executive Director(s), based on nomination by the majority shareholders, the Government shareholders and other general shareholders. The Board of Directors appoints the Non-Executive Directors upon nomination and recommendation of the NRC.
- **Independent Director:** The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make a meaningful contribution to the business. The Independent Director should have competence relevant to the sector in which the Company operates, and necessarily should have the qualifications as required by the regulations of BSEC. The Board of Directors appoints Independent Directors upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.
- **Top-level executives:** The NRC identifies and recommends candidate(s) for top-level executives upon thorough scrutiny by the Managing Director, Executive Committee and Human Resources Department (HRD), considering relevant qualifications, experience, skills and leadership, as required for the respective positions based on the Company's internal selection process.

Explanation: 'Top-level executives of the Company include the Managing Director, the Finance Director, the Head of Human Resources, the Head of Legal & External Affairs, all the Executive Committee Members (head of functions), the Company Secretary, the Head of Internal Audit & Compliance, and same level/ ranked/ salaried officials of the Company.

- **Other Employees:** The NRC sets a guideline to identify the Company's need for employees at different levels and empowers the relevant management of the Company's HRD for selection, transfer, replacement and promotion of respective employees based on the Company's internal processes.

c) Remuneration Criteria for Executives

The Remuneration criteria recommended by the NRC are as follows:-

- The structure, scale and composition of remuneration/ honorarium is reasonable and sufficient to attract, retain and motivate suitable Directors, top-level executives and other employees to run the Company efficiently and successfully. The context of packages, including remuneration/ benefits monthly, yearly and in the long run for all the employees are categorically laid down and meets the appropriate performance benchmarks;
- There is a clear balance in benefits between fixed and incentive pay of Executive Directors and senior management, reflecting short and long-term performance goals and objectives of the Company;
- The remuneration, including bonuses, compensation, benefits (or in whatever form) payable to the Executive Directors, top-level executives and other employees are determined by the NRC based on the respective Company policies and guidelines, which shall be ratified by the Board as and when required;
- The remuneration to be paid to the Executive Directors is in accordance with the Company's policies and guidelines; a. Increments (if any) to the existing structure of remuneration are determined by the NRC based on the Company's policies and
- guidelines, which are ratified by the Board as and when required;
- The NRC recommends the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- No member of the NRC receives, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.

Remuneration of Managing Director & CEO

The NRC is responsible for assisting the Board of Directors in specifying remuneration package for the Managing Director & CEO including any compensation & allowance payment. The followings are set forth as a guideline with the understanding that the NRC may supplement them as appropriate.

- I. Provide independent oversight of and consult with the management regarding the Company's compensation, bonus, and other benefit plans, policies and practices applicable to the Company.
- II. Develop guidelines for and annually review and approve the following matters:
 - Annual basic salary
 - Annual incentive and bonus

- Equity compensation for the Managing Director & CEO
 - Employment agreements; and
 - Any other benefits, compensation or arrangements for the Managing Director & CEO.
- III. Prepare report on Managing Director & CEO's compensation annually for inclusion in the Company's financial statements as required under any Applicable Rules; and
 - IV. Evaluate and recommend the form and amount of compensation to the director and make recommendations to the Board. If required, the NRC will take inputs from the outside consultants.

Remuneration of Independent Directors

The company is being benefited from the expertise, experience, advice and inputs provided by the Independent Directors. The Independent Directors give their valuable advice, suggestion and guidance to the management of the Company. Board fees or remuneration details are given in "Directors' Report" ('Remuneration paid to the directors including independent directors') of this Annual Report 2022 (Page no. 163).

All the Non-Executive Directors and the Independent Directors have received remuneration from the company by way of only Board and committee meeting attendance fees during the financial year 2022. Details are given in "Directors' Report" ('Remuneration paid to the directors including independent directors') of this Annual Report 2022 (Page No. 163).

Removal of Directors

Due to reasons for any disqualification mentioned in the Companies Act, 1994, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement of Directors

The Director and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the company. The Board will have the discretion to retain the Director or Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the company.

d) Remuneration Criteria for Directors

- The NRC will recommend the Board meeting attendance fees based on regularities guidelines.
- No member of the NRC shall be allowed to receive either directly or indirectly, any remuneration for any

advisory or consultancy role or otherwise, other than Board meetings and Boards sub-committee meetings attendance fees or honorarium from the company.

e) Evaluation Criteria

Independent Director & Non-Executive Director

The evaluation of the performance of the Independent Directors (IDs) and Non-Executive Directors are carried out at least once a year by the Board of Directors, according to the following criteria:

- Attendance at the Board meetings and committee meetings
- Participation in the Board meetings and committee meetings
- Contribution to improving the corporate governance practices of the Company

Top-level Executives & other Employees

The respective line authority of top-level executives and other employees sets the performance measurement criteria based on the respective roles and responsibilities to achieve people and business objectives through Company appraisal processes at the beginning of each calendar year. The employees concerned prepare the performance document (half-year and year-end). The respective line authority then evaluates the performance of the employee(s) according to the measurement criteria.

Meetings & Attendance Status

The NRC meeting held on one (1) meeting during the year 2022 under review. Members of the senior management of the Company were invited to participate at meetings as and when required. The proceedings of each meeting of the NRC



(Tauhiduddin Md. Zahed)

Chairman,
Nomination and Remuneration Committee &
Independent Director

are recorded in the minutes and such minutes are confirmed in the next meeting of the NRC. The proceedings of the NRC meetings are regularly reported to the Board of Directors. On the invitation of the Committee, Managing Director, Chief Financial Officer and Head of Human Resource attended all Committee meeting during the year.

Number of Nomination and Remuneration Committee (NRC) meeting and the attendance of members during the year 2022 are as follows:

Name of the Members	NRC Committee	%
Mr. Tauhiduddin Md. Zahed Independent Director	Chairman 1/1	100
Mr. Hossain Mehmood Director	Member 1/1	100
Haji Md. Yousuf Director	Member 1/1	100
Mr. Muhammad Nazirul Islam Director (Appointed on 27/10/2022)	Member 0/1	0
Mr. Md. Hasan Khan Company Secretary	Member Secretary 1/1	100

Acknowledgment

The Chairman of Nomination and Remuneration Committee, on behalf of all the members of the Committee extends gratitude to all the Stakeholders, Management Team and especially the Board of Directors of City General Insurance Company Limited for their continued support during the year 2022 and expresses optimism for cooperation in the coming years.



(Md. Hasan Khan)

Member Secretary,
Nomination and Remuneration Committee

STATEMENT ON INTERNAL CONTROL

Internal control is the process designed and affected by those charged with governance, management and other personnel to provide reasonable assurance about the achievement of the entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

The main objectives of the internal control process can be categorized as follows:

- Efficiency and effectiveness of operation;
- Reliability, completeness and timeliness of financial and management information; and
- Compliance with applicable laws and regulations.

Key features of Internal Control System are as follows:

1. Management oversight and the control culture
2. Risk recognition and assessment
3. Control activities and segregation of duties
4. Information and communication
5. Monitoring activities and correcting deficiencies

Management oversight and the control culture

An essential element of an effective system of internal control is a strong control culture. It is the responsibility of the board of directors and senior management to emphasize the importance of internal control through their actions and words. This includes the ethical values that management displays in their business dealings, both inside and outside the company.

Risk recognition and assessment

An effective internal control system requires that the material risks that could adversely affect the achievement of the company's goals are being recognized and continually assessed. This assessment should cover all risks facing the insurance (which are Fire risk, Marine, Motor risk, Insurable risk, Uninsurable risk, Market risk, liquidity risk, operational risk, legal risk and reputational risk). Internal controls may need to be revised to appropriately address any new or previously uncontrolled risks.

Control activities and segregation of duties

Control activities should be an integral part of the daily activities of a company. An effective internal control system requires that an appropriate control structure has set up, with control activities defined at every business level. These should include; top-level reviews; appropriate activity controls for different departments or divisions; physical controls; checking for compliance with exposure limits and follow-up on non-compliance; a system of approvals and authorizations and, a system of verification and reconciliation.

Information and communication

An effective internal control system requires there are adequate and comprehensive internal financial, operational and compliance data, as well as external market information about events and conditions that are relevant to decision making. Information should be reliable, timely, accessible, and provided in a consistent format.

Monitoring activities and correcting deficiencies

The Board of Directors of City Insurance performs the following activities to monitor the Internal Control System:

- Periodic discussions with management concerning the effectiveness of the internal control system.
- Timely review of evaluations of internal controls made by management, internal auditors, and external auditors.
- Periodic efforts to ensure that management has promptly followed up on recommendations and concerns expressed by auditors and supervisory authorities on internal control weaknesses.
- Periodic review of the appropriateness of company's strategy and risk limits.

Through the establishment of the Audit Committee, the Board of Directors monitors the effectiveness of internal control system. The Audit Committee evaluates whether management is setting the appropriate compliance culture by communicating the importance of internal control among the employees. They also review the corrective measures taken by the management relating to operational lapses.

CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS (IBNR & IBNER) WITH AGEING THEREOF

Excellence in claims handling is the vital competitive edge for an insurance company and it is a service that clients greatly value. Payment of legitimate insurance claims for losses that the insured have reasonably suffered is the primary reason for buying insurance. Claims management is one of the most crucial functions of an insurance company as it is the ultimate test of a responsible and efficient insurer. A client obtains an insurance policy by paying premium reposing the trust that upon occurrence of any incident caused by named perils to the subject matter of insurance, the financial losses so arisen thereto would be indemnified by the insurer. Hence, by entering into any insurance contract, the client has the following expectations from the insurer:

- a) Adequate insurance coverage, which does not leave him high and dry in time of need, with right pricing.
- b) Timely delivery of defect-free policy documents with relevant guidelines endorsements/ warranties/ conditions.
- c) Should a claim happen, quick settlement to the insured's satisfaction.

Claims Management comprises of services and/or advisory support in respect of claims for compensation, restitution, repayment or any other remedy for loss or damage. Underwriting and claims settlement are the two vital aspects of operation of an insurance company. The basis of insurance is risk pooling, which carries the obligation of paying losses.

City General Insurance Company Limited has its corporate philosophy on claims management setting out broad approaches aimed at providing high quality service and expeditious settlement of claims. It specifies the nature of claims service and also the IT enabled interactive process to monitor the status of the claim.

City General Insurance Company Limited prefers rather to manage the claims than merely handling them. The claim handling process starts with the notification of loss to City General Insurance Company Limited and the company appoints a licensed loss adjuster immediately upon receipt of the intimation. In order to ensure speedy disposal of claims, the insured and/or their agent are always requested to submit all available supporting documents without delay.

A list of minimum requirement of supporting documents/ papers for claims arising under each class of business is maintained at the Head Office. City General Insurance Company Limited undertakes all necessary steps expeditiously in an orderly sequence: contact the insured,

arrange to inspect the loss through a loss adjuster, ascertain quantum of loss and company's liability etc. City General Insurance Company Limited also suggests their clients the preventive measures to be adopted to avert/minimize the loss and to take steps to protect the salvage.

As soon as City General Insurance Company Limited receives all necessary papers along with survey report from the loss adjuster, the company quickly scrutinizes all documents against its check list of requirements, verifies the loss adjustment made by the surveyor and if in order, proceeds with the settlement of claim without any loss of time. Besides settlement of claims that are possible to dispose off during the accounting period, adequate provision for outstanding claims, if any, are also maintained against unsettled claims.

In recognition to the claims services, City General Insurance Company Limited has been awarded a Credit Rating of AA+ in claims pay ability by the Credit Rating Information and Services Limited (CRISL).

Outstanding Claims (IBNR and IBNER) with ageing thereof:

Apart from claims settled in an accounting period, outstanding liabilities against insurance claims may exist or arise in respect of claims which have been reported but not yet settled (IBNER) or against which have been incurred but not yet reported (IBNR).

In general, there might be delay in settlement of the claims on the part of the insurer, typical reasons of which are: (i) delay in reporting (time gap between claims occurrence and claims reporting by the insured at the insurance company); and (ii) delay in settlement due to the fact that it usually takes time to evaluate the whole size of the claim in case of claims of complicated nature or claim of big volume. The time gap between claims occurrence and claims closing (final settlement) may take days (e.g., in case of property insurances) but it may also take years (typically in case of liability insurances). Provisions are created by setting aside a portion of net premium so that the insurer is able to settle all the outstanding claim liabilities that are proximately caused by perils falling within the scope of insurance contracts. The following formula is usually applied to calculate the provision for such outstanding claims:

$$\text{Total IBNR} = \text{"Pure IBNR"} + \text{"IBNER"}$$

For sake of proper accounting practice, reserve for each outstanding claims are maintained in respect of the financial years. Reserve for claims incurred but not reported (IBNR)

and Reserve for claims incurred but not enough reported (IBNER) are the two terms that can be regarded as of identical meaning.

In some types of work, especially in reinsurance and in the London market, IBNR provisions include any IBNER provisions. Sometimes, the provision for claims incurred on or before the valuation date is referred to as the True IBNR or the pure IBNR.

The liability for outstanding claims in the Balance Sheet of a non-life insurance company includes a provision for both IBNR and IBNER. Technically, there is a practice of creating reserve against future liability arising out of claims which have occurred but have not yet been settled.

Incurring but not reported (ibnr) losses reserve

IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date. In case of a re-insurer, the reserve needs also to provide for claims that, although known to the cedant, have not yet been reported to the re-insurer as being liable to involve the re-insurer.

IBNR reflects the total amount owed by the insurer to all valid claimants who have had a covered loss but have not yet reported it. Since the insurer knows neither how many of these losses (the frequency) have occurred, nor the severity of each loss, IBNR is necessarily an estimate. The quality of this estimation is often used as a tool in assessing the financial accounting skills of a given insurer. Insurers track IBNR by policy periods (when inception), along with other categorizations.

The characteristics of IBNR makes it look more like a reserve or provision for the particular types of losses not reported, hence gives a better estimation of profits for the insurer's current business period.

Incurring but not enough reported (ibner) loss reserve

IBNER refers to a reserve reflecting expected changes (increases and decreases) in estimates for reported claims only. The abbreviation is sometimes stated as applying to "incurred but not enough reserved".

Some liability claims may be filed long after the event that caused the injury/financial loss to occur. Asbestos related diseases, for instance, do not show up until decades after the exposure. Directors' & Officers' Liability claims may also

arise long after expiry of the policy period if they found liable for compensation upon court order. General Average claims in case of marine cargo and/or hull losses may be assessed long after occurrence of the incident. Reserve for such outstanding claims also has to be created adequately against IBNER losses. IBNER also refers to estimates made about claims already reported but where the full extent of injury is not yet known, such as, workmen's compensation claim where the degree to which work-related injuries prevents a worker from earning what he or she earned before the injury that unfolds over time. City General Insurance Company Limited regularly adjusts reserves for such losses as and when such new information becomes available.

As per the existing directives of our local Insurance Regulatory body, i.e., IDRA (Insurance Development and Regulatory Authority) of Bangladesh, quarterly reporting of all outstanding claims with aging thereof including their specific reasons for delay in settlement of such respective outstanding claims is mandatory. City General Insurance Company Limited maintains an adequate provision against each of such outstanding with respective aging thereof.

Disclosures pertaining to solvency margin

Solvency margin is the amount by which the assets of an insurer exceed its liabilities, and will form part of the insurer's shareholder's funds. Method of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of Insurance Company corresponds to its ability to pay claims. The solvency of insurance Company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the Company has adequate capital as security. The solvency margin functions as the company's safeguard particularly against the risks related to investment activities. At City General Insurance Company Limited management is ever-aware of maintaining its solvency up to a standard level. The solvency ratio of an insurance company is the size of its capital relative to all risks it has taken. The solvency ratio is most often defined as: Net Assets is divided by Net Written Premium to arrive at the solvency ratio of a particular insurance company.

Certificate of actuary giving details of the liabilities on account of live policies and estimates/ assumptions made for the same

Certificate of actuary at present is not applicable since it is not a requirement under the Insurance Act 2010 due to non-life insurance company.

CEO AND CFO'S DECLARATION TO THE BOARD

Annexure-A

Under Condition No. 1(5)(xxvi) of the Corporate Governance Code, 2018.

Date: February 07, 2023

The Board of Directors
City General Insurance Company Limited
27, Dilkusha C/A,
Dhaka-1000.

Subject: Declaration on Financial Statements for the year ended on 31 December 2022.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's 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:

- (1) The Financial Statements of City General Insurance Company Limited for the year ended on December 31, 2022 have been prepared in compliance with International Accounting Standards (IAS) and 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;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) 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 December 31, 2022 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,



(Sheikh Azizul Haque)
Executive Vice President &
Chief Financial Officer
Dhaka,
Date: February 07, 2023



(Md. Shamim Hossain)
Chief Executive Officer
Dhaka,
Date: February 07, 2023

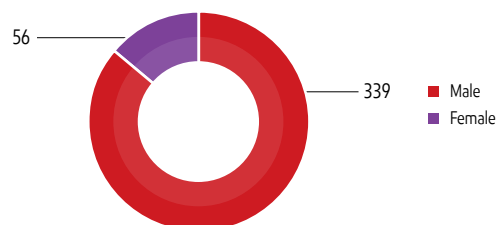
HUMAN RESOURCE ACCOUNTING & ANALYTICS

City General Insurance Company Limited is an organization with a centralized HR department. In total, we currently have a total of 395 employees. Out of this, 56 employees are female and 339 are male. The Company has been endeavored to seek a balance between male and female employees, which is not only our Board's top priority, but also a key focus area for the management. We give opportunities to everyone according to their skills, experience and performance, without any differentiation against gender, thus fostering a balanced and gender-friendly culture.

Employee breakdown

Particulars	Employee	Percentage (%)
Male	339	85.82%
Female	56	14.18%
Total	395	100%

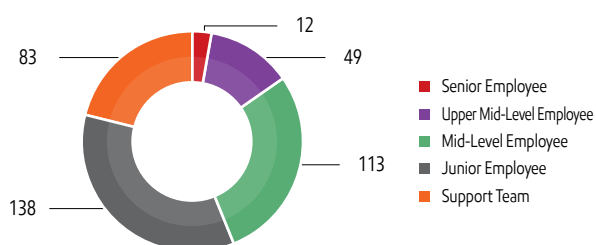
Employee Breakdown (Gender)



Employee breakdown

Role Position	Headcount
Senior Employee	12
Upper Mid-Level Employee	49
Mid-Level Employee	113
Junior Employee	138
Support Team	83
Total	395

Role Position-Wise Headcount



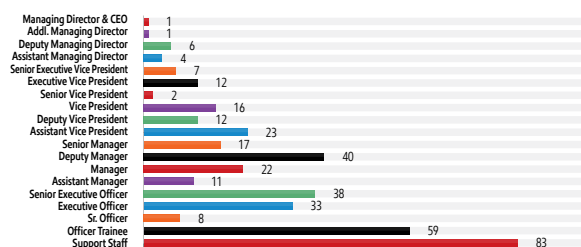
Employment Status:

As of 2022, we had 258 permanent employees and 137 probationary employees. This is an outcome of our steep learning curve, which helps us to increase our market share without acquiring additional headcount.

Employee breakdown

Designation	No of Employees	Designation	No of Employees
Managing Director & CEO	1	Senior Manager	17
Addl. Managing Director	1	Manager	40
Deputy Managing Director	6	Deputy Manager	22
Assistant Managing Director	4	Assistant Manager	11
Senior Executive Vice President	7	Senior Executive Officer	38
Executive Vice President	12	Executive Officer	33
Senior Vice President	2	Sr. Officer	8
Vice President	16	Officer Trainee	59
Deputy Vice President	12	Support Staff	83
Assistant Vice President	23		

Employment Status

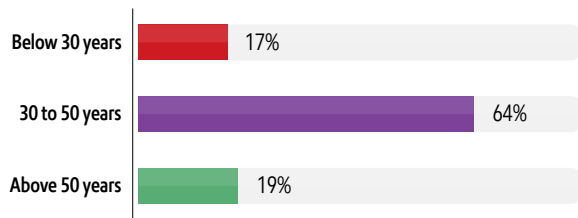


Employee Age Analysis:

We have range of employees segregated as per age and experience. While the experienced possess knowledge and skills, the youth bring energy and understanding of new-age technologies. This combination not only enhances cooperation and knowledge and expertise sharing among both generations, but also helps close the gap between them. Age distribution among the employees is indicated below.

Age	Male	Female	No of Employees
Below 30 Years	55	12	67
30 to 50 Years	219	35	254
Above 50 Years	65	9	74
Total	339	56	395

Employee Age Analysis

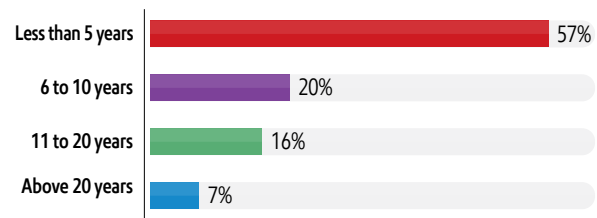


Employee Service Analysis:

We have our high retention rate. Even though employee turnover has increased over the years, the Company has managed to secure employee loyalty. The Company ensures that all its employees are satisfied with their job. The average service period at our Company is 15 years, which only means that job satisfaction is very high.

Length of Service	Male	Female	Total Employee	Employee % with Service Tenure More Than 5 Years
Less than 5 Years	186	40	226	42.78%
6-10 Years	73	7	80	
11-20 Years	56	5	61	
Above 20 Years	24	4	28	
Total	339	56	395	

Employee Service Analysis



Other Key Facts & Figures

FY'2022 Retention Rate	90%
Promotion Given for the Appraisal Period 2022	19
Average Training Hours/Employee	0.86
Retrenchment Headcount During COVID-19 in FY'2022	0
Support Team	83

Human capital

Values

City General Insurance Company Limited is working strategically to recruit, develop, and utilize people, which is our most valuable business resource. City General Insurance Company Limited is actively pursuing human resource policies for the strategic and well-planned recruitment, development, and utilization of human resources in order to contribute broadly to the internal and external stakeholders while continue creating new value over the medium and long term. Each and all aspects of our Human Resource Management strategies are developed in alignment with the organization's Vision, Mission and underlying principle:

Sl.	Value	Behavioral Indicators
1	Customer First Always: We give first priority to our customers' needs. We look at building enduring relationships even as we align a difference of opinion through the lens of supporting our customer ecosystem.	<ul style="list-style-type: none"> Customer first Understand their needs Always be polite Always take customer centric decision following due diligence Earn customer's life time loyalty Maximize value for customer
2	Organization Above Self: We believe that individual, team and department actions must be driven by organization goals.	<ul style="list-style-type: none"> Avoid making self-centered decision that only creates value for self Instead of the organization as a whole Aligning organizational goals with personal goals Be focused on organization's goal/s Organization sustainability assures progressive future for all

Sl.	Value	Behavioral Indicators
3	Trust: We believe that the key essence of teamwork is mutual trust. Trust is fundamental to our business and will guide all our internal as well as external interactions.	<ul style="list-style-type: none"> • Demonstrate strong ethical practice in every aspects of business activities • Consistently keeping commitments • Showing support for all • Being approachable and friendly • Ensuring words and actions match • Be respectful to everyone's ideas
4	High standards: We believe that excellence can be achieved only by setting benchmarks that challenge our potential as an organization and as individuals.	<ul style="list-style-type: none"> • Lead by setting high standards in all aspects of the business • Be the best in everything we do • Making superior performance a habit • Being consistent in delivering with superior quality each time, every time • Igniting the passion in self & the team
5	Shared ownership: We believe that ownership of success or failure in achieving organizational or team goals is shared by all.	<ul style="list-style-type: none"> • Take accountability as a team • Celebrate success as a team • Avoid "I" and say "We"
6	Spirit of adventure: Our business is characterized by the sense of uncertainty and we believe in continuous innovation and creativity to face challenges head-on.	<ul style="list-style-type: none"> • Believe in change and change is good • Thrive for innovation • Think outside of the box • There is always a better way of doing things
7	Respect for diversity: We believe that diversity is our key strength and we recognize that team members have varying backgrounds, competencies and ideas and constructive action results only when opinions are aligned for common good.	<ul style="list-style-type: none"> • Gender equality • Respect for all religion • Respect for all social backgrounds • Believe in diversity and the fact that diversity welcomes new ideas to business

Employee development plan

City General Insurance Company Limited believes that investing in a strong employee development plan is a classic example of a win win situation for both the employer and the employee in a variety of ways. The outbreak of COVID-19 in the reporting year brought many challenges to the fore, yet during the past year, the Company's HR continued to invest in what mattered the most: Employee training.

The Company initiated effective alternate methods to keep track of the progress achieved on its employee development plan. It was demonstrated that by enhancing employee engagement, we were able to witness an expansion in employee morale satisfaction and performance, which resulted in increased productivity, efficiency and profitability. The Company was also able to retain its talented employees, thus protecting and preserving its intellectual capital, while also identifying potential candidates for future leadership roles. Our employee development plan includes the following:

- Identifying skill gaps
- Aligning training and development with strategic goals
- Allying organizational benefits with employees' priorities
- Attracting new talent via a holistic induction program
- Reducing employing turnover
- Keeping up with changes in the industrial landscape through developing more efficient practices
- Implementing new efficiency-compatible technological changes
- Grooming employees for career advancement, while reinforcing our leadership pipeline

Succession planning

City General Insurance Company Limited succession planning framework evaluates skills of our existing leaders and identifying potential replacement both from within and outside of the Company and, in the case of internal replacements, training those employees so that they're fully-prepared to take over whenever the need arises. Since succession planning is not a one-off event, HR re-evaluates and updates the succession database to ensure that a long-term succession plan is in place, thus assuring abundance. Our succession planning starts with global best practices embraced in hiring, which enables us to choose the right candidate with the right capability. We also ensure that eligible candidates undergo the necessary training, which includes leadership skills development as well as in-depth knowledge cultivated regarding the company and its various department-specific functions. For some, the initiation might encompass cross-training and shadowing leaders across major departments. This ensures that each individual becomes well-rounded and understands the business on a sandy level.

Simplifying a complex process, we have identified several advantages of a formalized succession plan for both employers and employees:

- We have identified that employees who are aware of strong prospects of career advancement, feel more empowered
- Knowing that the company has strong future opportunities reinforces career development among employees

- The management’s commitment to succession planning has resulted in supervisors mentoring their subordinates for knowledge and expertise transfer
- The management focuses on filling positions from within, which remains strong motivation for our employees
- Employees are better able to embrace the company’s vision and values

Merit based recruitment

‘Selection on merit’ comprises a process that determines which job-seeker has the skills, abilities and knowledge

deemed to be most suitable for the job. Across our merit-based recruitment system, applicants effectively compete for a job.

In our recruitment and selection process, the Company places importance on equal employment opportunity for all applicants, irrespective of race, religion, ethnicity, gender, sexual orientation, veteran status, age, disability or political affiliation/influence. The recruitment and selection process are consistently applied, is nondiscriminatory and promotes fairness, diversity and integrity, in compliance with the State’s labor laws. In order to maintain safety protocols during the pandemic, we have shifted our recruitment process online.

Recruitment procedure



Annual Performance Appraisal (APA)

CityGeneral Insurance Company Limited Annual Performance Appraisal comprises a systematic framework in which weightage is assigned in three areas namely Operational, Individual Development and Values. Employees’ KPIs or Key Performance Indicators are evaluated with respect to their assigned projects and also their overall contribution to the organization as a team player. This appraisal system helps our managers/supervisors to place the right employees in the right jobs depending on their skills, additionally allowing us to identify any skill gap and subsequent training development plan where applicable.

Promotion, Reward and Motivation

At City General Insurance Company Limited we believe that when an organization is armed with the right information

and proper operating techniques, seeking to increase employee motivation and productivity via rewards may not be daunting. We ensure that our officers and employees are trained in the fine art of motivation through following a fair system that offers financial rewards and non-monetary rewards and recognition. Some of the key practices through which we ensure a fair reward system include:

- Good number of employees involvement in the development, implementation and revision of the rewards program to encourage communication/ engagement and also ensure complete acceptance from everyone associated with the process
- Ensuring that employees view rewards as worth the effort. Our managers value employee input and select rewards accordingly so that they remain motivated to work hard to achieve predefined results

- Communicating sufficiently so that employees are well-informed and have a comprehensive understanding of what is expected of them and what they need to achieve the rewards
- Setting reasonable and transparent performance standards for rewards so that employees see them as attainable. Further, our online HRM software provides employees with a dashboard where they can view their performance in real-time, thus enabling them to transparently assess their own performance and maintain realistic expectations for rewards
- Anchoring reward determinations on objective performance metrics, employees view the process as fair and also have a more concrete understanding of what is expected of them. This increases their motivation to achieve the desired results
- Following pre-determined rewards policies to ensure that the organization never engages in favoritism or in unethical practices
- Linking rewards to employee performance and specific results so that they can understand the connect between performance and rewards and remain motivated to perform optimally in the future
- Acknowledging both small and large accomplishments so that employees feel a sense of being recognized for their progress and also know that their behavior is consistent with Company expectations
- Rewarding teamwork and cooperation as team-based incentives are more effective at enhancing performance over individual incentives. Applying this has had a significant impact on cooperation, employee cohesiveness and the Company's bottom line
- Providing rewards immediately after employees achieve their targets as a means to sustain employee enthusiasm and build trust with them
- Allowing each employee to select their own rewards or deciding what rewards they should receive under predefined circumstances to ensure their commitment to achieving results
- Changing rewards frequently to sustain employee excitement

Employee Remuneration, Benefits & Bonus

City General Insurance Company Limited remains engaged in developing employees' living standards. We already

offer standard remuneration packages, yet at times it is not sufficient motivation for them. Thus, to fulfill their needs holistically, we are providing many extra facilities and benefits, like Provident and Gratuity fund depending upon their service periods. Employees can also avail loans from their Provident Fund at a low interest rate during any financial crisis. The employees can also avail loans from salary.

The Company also provides other attractive benefits like mobile allowance, car allowance etc., as an extended financial support. Further, the Company disburses 2 festive bonuses and incentive bonus annually to keep employees motivated. With a view to ensure the sanctity of the "social contract" that the Company shares with its employees, it honored its commitment by disbursing the 2 festive bonuses and incentive bonus even during 2021, showcasing its responsibility and pledge to sustain employee welfare despite challenging times. By doing so, the Company was perhaps the few in Bangladesh to have kept its remuneration as well as extended benefits structure intact during COVID-19.

Training and Development

At City General Insurance Company Limited, our training and development programs serve employees in such a way that they learn job-specific knowledge or skills to improve performance within their roles, while also focusing on employee growth as well for future job roles.

We firmly believe that a proper training and development plan for employees helps retain performers, which is beneficial to them as well as the Company. We also foster healthy competition to ensure an inspiring, challenging and innovations-driven workplace environment. The Company's employee training and development programs are now more focused than ever before. Hiring top talent entails both time and money, and hence we are selective in this process to ensure that we get only the talent that is required. The Company welcomes passionate, adaptable and goal-oriented employees and remains as a top choice for employees with such attributes and characteristics.

With the Company offering a strong platform for employees to grow in the careers, we provide training and development support to not only foster a competitive culture, but also ensure that the organization remains on its defined strategic path. Thus, HR designs and develops training programs to meet the Company's overall goals while keeping business goals in focus to ensure that all training and development efforts are aligned with the Company's overall business strategy and strategic road map.

EMPLOYEES BENEFIT ANALYSIS

Motivated and Engaged Employees

City General Insurance Company Limited has a several group of motivated and engaged employees. From experience it knows that if employees are properly empowered, they become more engaged and give extra efforts to fulfill company's ambition. Engaged employees are likely to take more responsibility and accountability which helps to achieve the sustainability strategies. City General Insurance Company Limited focus on the following:

- Ensuring a balanced diversity
- Promoting human capital development
- Providing competitive benefits
- Promoting a performance centric culture
- Protecting human rights
- Ensuring workplace hygiene's and safety
- Ensuring equal opportunity

All employees in City General Insurance Company Limited are governed by the service rules, well-defined policies and procedures which are duly reviewed by the Management time to time.

Benefits

To maintain the market competitiveness, the benefits of City General Insurance Company Limited are regularly reviewed through market and peer group study. All employees are paid competitive remuneration package. The remuneration policy of City General Insurance Company Limited does not allow any discrimination between male and female employees. In addition to monthly competitive basic pay and a good number of allowances i.e. House Rent allowance, Medical allowance, Conveyance allowance etc. are being paid. City General Insurance Company Limited has variety of market competitive benefits schemes designed to motivate the employees. The various cash and non-cash benefits are:

- Company provide car to top level Executives
- Car allowance for top level Executives
- Car loan facility
- House building loan facility
- Staff loan without interest
- Mobile phone allowance
- Tavel allowance
- Festival bonus

- Incentive bonus
- Cash award for highest business achievement
- Cash award for best employee
- Maternity leave

City General Insurance Company Limited also provides long-term as well as retirement benefits to employees:

- Contributory Provident fund
- Gratuity
- Leave encashment
- Partial and full disability benefit (according to need)
- Death benefit to family members (differential options)
- Bangabandhu Surokhkha Bima to all officers and employees with company's cost

Performance Management Program

City General Insurance Company Limited has a comprehensive performance management program that evaluates employees' yearly performance against business targets at the year-end. In addition, their functional and leadership competencies are also rated by the line management.

This appraisal process also identifies the competency gap of employees. All employees of City General Insurance Company Limited undergo annual performance appraisal process. The process ensures that clear feedback on improvement points is provided to employees by their Managers to promote employees' long term career development and improved contribution to organizational performance. All regular employees undergo the annual performance and career development review.

Work-life Balance

City General Insurance Company Limited wants its employees to balance the work in the office and personal life and has organization-wide practices and policies that actively support employees to achieve success at both office and home. Management is also open and shows flexibility in regard to a balanced work-life.

In City General Insurance Company Limited, employees are entitled to sufficient annual leave and sick leave with pay. All female employees are eligible for Maternity Leave as per service rules for each confinement but not exceeding 2 confinements. After completion of leave, they resume their duty.

Culture

Culture plays a vital role to create a high performance environment that supports sustainability strategy implementation. City General Insurance Company Limited carefully develops, shape and impact organizational culture by:

- follow working relationship and communication pattern between superior and subordinates;
- governing rules and regulations which control employees' behavior;
- promoting a strong employer brand through which employees identify with the company; and
- maintaining effective reward system that affects employees' loyalty;

Decent Workplace

City General Insurance Company Limited has a decent work environment where employees can work with dignity. They have the freedom to express opinions and can participate in the decision making process that affect their lives and receive equal treatment and opportunity. The organization is committed to ensure the best practices in compliance with the labor code of the country. The Management of the company believes that the business can grow favorably if the organization enables employees through creating and maintaining a decent workplace.

City General Insurance Company Limited follows non-discriminatory approach in all HR policies and practices. The salary of an employee is determined based on his/her competency, experience and performance. During the period neither any incident regarding discrimination nor any grievance related to labor practices or human right has been reported. The company neither employs child labor nor has

any provision for forced labor. Employees have the right to resign from their employment serving proper notice period and following the internal procedures.

Age Group	Total	Percentage
Below 30 years	67	16.96
30 to 50 years	254	64.30
Over 50 years	74	18.74
Total	395	100.00

We practice equal employment opportunity, for competent candidates regardless of their gender, age, locality or ethnicity. While recruiting fresh graduates, City General Insurance Company Limited sources from different recognized public, private universities and professional bodies with a view to creating a diverse work force.

Besides, our ratio of male and female employees have been increasing over the time. Currently 14.18% of total employees are female.

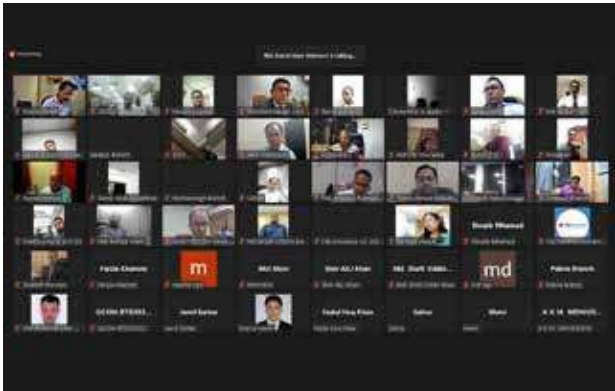
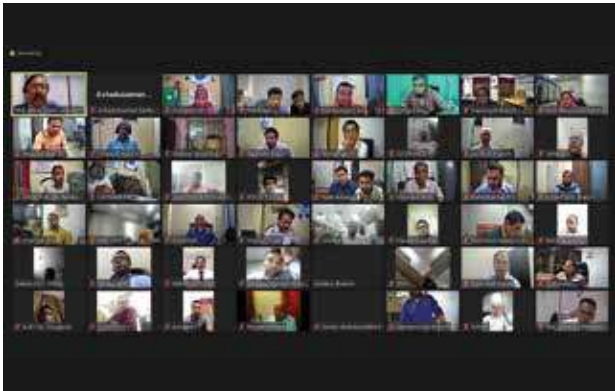
Gender	No. of Employees	Percentage
Male	339	85.82
Female	56	14.18
Total	395	100

Prevent Employment of Child Labor

The company always prevented from appointing child employees. Total Prohibition of Child Labor and Forced/ Compulsory Labor we ensure that our recruitment policies conform to prevailing labor laws that require strict compliance to the minimum age limit for providing employment. Our human resource policies completely prohibit the enforcement of child labour and young workers exposed to hazardous work, in any of our operations.



TRAINING AND DEVELOPMENT



City General Insurance Company Limited organizes various programs throughout the year to create skilled human resources. In view of this, a year-long training workshop has been organized with the officers of all branches including the head office of the company. Online and offline training is imparted to the officers in Underwriting, Reinsurance, IT and Accounts. Officers are contributing to the company as well as the insurance industry by taking the training.

WHISTLEBLOWING POLICY

Whistleblowing is the term used when an employee passes on information concerning wrongdoing. Whistle-blowing is the act of telling the authorities or the public that the organization you are working for is doing something immoral or illegal. Any employee who suspects wrongdoing at work is strongly encouraged to raise his concern in confidence through the whistleblowing procedure. In this guidance, we call that “making a disclosure” or “blowing the whistle”. The wrongdoing will typically (although not necessarily) be something they have witnessed at work.

Code of practice

It is important that employers encourage whistleblowing as a way to report wrongdoing and manage risks to the organization. Employers also need to be well equipped for handling any such concerns raised by employee. It is considered best practice for an employer to:

- Have a whistleblowing policy or appropriate written procedures in place.
- Ensure the whistleblowing policy or procedures are easily accessible to all employee.
- Raise awareness of the policy or procedures through all available means such as staff engagement, internet sites, and other marketing communications.
- Provide training to all employee on how disclosures should be raised and how they will be acted upon.
- Provide training to managers on how to deal with disclosures
- Create an understanding that all staff at all levels of the organization should demonstrate that they support and encourage whistleblowing.
- Confirm that any clauses in settlement agreements do not prevent employee from making disclosures in the public interest.
- Ensure the organization’s whistleblowing policy or procedures clearly identify who can be approached by employee that want to raise a disclosure. Organizations should ensure a range of alternative persons who a whistleblower can approach in the event an employee feels unable to approach their departmental head.
- Create a corporate culture where employee feel safe to raise a disclosure in the knowledge that they will not face any detriment from the organization as a result of speaking up.
- Undertake that any detriment towards an individual who raises a disclosure is not acceptable.

- Make a commitment that all disclosures raised will be dealt with appropriately, consistently, fairly and professionally.
- Undertake to protect the identity of the employee raising a disclosure, unless required by law to reveal it and to offer support throughout with access to mentoring, advice and counseling.
- Provide feedback to the employee who raised the disclosure where possible and appropriate subject to other legal requirements. Feedback should include an indication of timings for any actions or next steps.

Policy & procedure:

- Anyone who raises a genuinely held concern in good faith concerning a matter which he reasonably believes to be true will not suffer any form of reprisal or retribution as a result. This will be the case even where the individual raising the concern is mistaken and there is no case to answer.
- Harassment or victimization, including informal pressure, of anyone raising a genuine concern will not be tolerated, and any such conduct will itself constitute a breach of the Standards of Business Conduct and will be treated as a serious disciplinary matter.
- While no one who comes forward in good faith has anything to fear, false allegations raised maliciously will be treated as misconduct and dealt with in accordance with the Disciplinary Procedure.

Examples of suspected wrongdoing that should be raised in this way include:

- The commission of a criminal offence, including fraud, money laundering or bribery and corruption.
- A failure to comply with any legal obligation or any other unlawful act or omission.
- An act or omission which will, or is likely to, unlawfully endanger the health or safety of an individual or unlawfully damage the environment.
- A breach of human rights.
- An accounting malpractice or falsification of documents.
- Any other breach of the Standards of Business Conduct or any other applicable Company Policy, Company Principle or Company Standard;
- A miscarriage of justice; and
- Concealment of any of the above.

This list is not exhaustive. A concern should be raised irrespective of whether the suspected wrongdoing has



occurred, is occurring or is likely to occur. This procedure is not intended for use where you are unhappy with your personal employment position, for example lack of promotion or a smaller than expected salary increase the Company's Grievance Procedures are available in those cases.

- An individual who is concerned about actual or suspected wrongdoing and who wishes to report the matter formally for investigation should raise it with his/her departmental head. The departmental head should immediately refer the matter to a Designated Officer for investigation but must otherwise keep all details confidential.
- Where an individual feels unable to raise his/her concern with his/her departmental head, for whatever reason, it should be raised directly with a Designated Officer or inform HR Department, they will then refer it to a Designated Officer.

The Company Designated Officers, with whom any employee may raise a concern, are:

- i. Managing Director
- ii. Chief Financial Officer,
- iii. Company Secretary

- Concerns raised in this way will be investigated fully and the identity of the person raising the concern will be kept confidential.
- When the investigation has been completed, the person who raised the concern will be informed of the outcome by the Designated Officer. While concerns may be raised anonymously, he/she strongly encouraged to report matters in confidence rather than anonymously. A full investigation of his/her concern may not be possible without his/her cooperation, and proper feedback cannot be provided to those who remain anonymous.
- The Company has implemented whistleblowing procedure to supplement this policy The Company's whistleblowing procedure identifies Designated Officers and enables staff to raise concerns in a language with which they feel comfortable.

The whistleblowing policy and procedure are operated on behalf of the Audit Committee of the City General Insurance Company Limited.

OUR SUSTAINABILITY STRATEGY!

By identifying, assessing, managing, and monitoring risks and opportunities associated with environmental, social, and governance (ESG) issues, sustainable insurance is a strategic approach where all activities in the insurance value chain, including interactions with stakeholders, are done in a responsible and forward-looking manner. Through sustainable insurance, CGI seeks to increase environmental, social, and economic sustainability by mitigating risk, creating novel insurance solutions, enhancing corporate performance, and contributing to long-term viability.

An important component of our sustainability strategy is being a good neighbour, which is something City General Insurance has strived towards for a long time.

As part of this pledge, we work towards strengthening our organisation's ability to bounce-back from setbacks and do our share to promote long-term sustainability for the benefit of everyone involved. At CGI, key parts of our sustainability plan have never been more crucial to assist us navigate through these hard times that have affected everyone in light of the COVID-19 outbreak and the uncertainty it presents.

Our consumers are at the centre of all we do, therefore we must stay adaptable, constantly innovate, and set the standard for fair results. The company's continued optimism is based on the country's several structural long-term drivers. Our creative and value-driven culture allows us to provide our policyholders with high-quality, competitively priced insurance products that are easily available via digital platforms and

tailored to their specific requirements, all while helping to mitigate environmental and social risks. Furthermore, we are dedicated to providing ethical service to our business-to-business (B2B) customers.



As a company, we have always believed that we want our goods and services to help diminish people's precarity. Insurance products, together with risk management and CSR initiatives, can make communities more resilient. That's why we're always working hard to find new ways to save energy and cut down on our carbon footprint so that we can reduce the negative effects of our operations on the climate. Individually, we each bring unique abilities, experiences, and views to the table; together, as a part of a reputable organisation, we provide lasting value.

The United Nations created a set of goals in 2015 called the Sustainable Development Goals (SDGs), which are intended to be achieved by the year 2030 by Bangladesh government. The SDGs serve as a guide for creating a more equitable and sustainable world. The report demonstrates how our activities and efforts are converging to make a difference towards reaching the SDGs, which we think are necessary for bringing about the transformation that would secure a sustainable future.

At CGI, through our focus on transforming our capitals we contribute to the SDGs. This has been illustrated in this section on our business model.



EXTERNAL SUSTAINABILITY CHARTERS

Global Compact Considerations 10 Principles	City Insurance's Extent of Adoption in FY 2022
 <p>Human Rights</p>	<p>1. Businesses should support and respect the protection of internationally proclaimed human rights.</p> <hr/> <p>2. Make sure that they are not complicit in human rights abuses</p> <hr/>
 <p>Labor</p>	<p>3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <hr/> <p>4. The elimination of all forms of forced and compulsory labor.</p> <hr/> <p>5. The effective abolition of child labor.</p> <hr/> <p>6. The elimination of discrimination in respect of employment and occupation.</p> <hr/>

▶ In combination with our internal value system that upholds people's rights and obligations, we continued to adopt effective HR policies, practices and procedures which are aligned with standard human rights requirements. Major business decisions were made without compromising on key obligations related to the human rights of employees and general external factors.

▶ There were no reported incidents of human rights abuses or violations during the period under review. We remained a caring and receptive employer when managing its workforce and upholds the criteria of basic human rights necessities of the human resource. Our dealings with external parties such as our customers, suppliers, and other external parties is carried out in a humane manner, without going against basic human rights considerations.

▶ Our management style and culture encourages communication of employee views and concerns to be transmitted freely without obstruction to those at the helm. Employees' feedback to corporate management is deemed invaluable and constructive information and hence, viewed positively. Having established effective HR policies that include grievance procedures, the management is able to iron out human resource concerns, paving the way for a more harmonious relationship with its workforce.

▶ As a strict HR policy, we do not employ people forcefully under any circumstances.

▶ The Company recognizes the importance of ensuring that children are not employed in any capacity whatsoever and abides strictly to this requirement.

▶ There is no form of discrimination taking place with regard to an employee's age, sex, ethnicity or religion. The appraisal system practiced is performance based and thus, any rewards and benefits generated from such evaluations purely focus upon an employees' capabilities and most of all his/her performance during a period.



Environment

<p>▶ 7. Businesses should support a precautionary approach to environmental challenges.</p>	<p>▶ As a responsible corporate entity, we continued to embrace a green policy, practices and procedures to safeguard its external surroundings and reduce the use of natural resources. The Company also expanded its efforts in preserving the environment and its habitats.</p>
<p>▶ 8. Undertake initiatives to promote greater environmental responsibility.</p>	<p>▶ The efforts of the Sustainability Governance Committee, in identifying ways of contributing to the sustenance of plants and the animal population can be seen as wider actions supporting this principle.</p>
<p>▶ 9. Encourage the development and diffusion of environmentally friendly technologies</p>	<p>▶ The continued use of environmentally friendly internal procedures and practices helped better manage the use of natural resource such as energy and also to reduce emissions to the atmosphere. Efforts this year in tying up with an external party under agreement to handle the Company's e-waste has been another major step towards adopting this principle. Plans on converting vehicle servicing plant to solar power, in combination with the national grid is currently being evaluated.</p>
<p>▶ 10. Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>▶ In keeping to our sound governance framework and culture, all individuals working within were expected to display highest degree of integrity, honesty and ethical standards. Action was brought upon employees who did not conform to the high standards set. The "Whistleblowing Policy" would assist the Board and management in identifying any future corruption, fraudulent activities, etc., occurring in the workplace and it has laid a sound foundation to initiate action against those responsible for any fraudulent acts. It sets a clear process to capture related concerns and then to investigate, report and take corrective measures against wrongdoers.</p>

Setting the foundation

The difficulties of the past several years have brought into sharp focus the importance of sustainability in business and the ways in which it enables us to provide effective responses to our stakeholders and the needs of the community.

To become a forward-thinking insurance institution that reliably generates long-term value for its stakeholders, CGI has made sustainability an integral part of its transformation strategy. Our company is dedicated to adopting a growth-oriented, yet responsible, business approach. The Environmental, Social, and Governance tenets form the basis of our approach to sustainability. We want to achieve these goals by focusing on these tenets: good governance; meeting the needs of our stakeholders; creating a pleasant and productive workplace; expanding access to insurance products through our mantra of insurance involvement; preserving the natural

world; and preventing and mitigating environmental damage.

We have always recognised sustainability as a critical element in driving long-term profitability. This idea is enshrined in our set of core values, which shape and define CGI's culture and serve as the prism through which we drive our efforts to meaningfully serve our clients and employees.

ESG priorities

Our five-year ESG framework provides the groundwork and identifies key enablers to guide us on our journey to sustainability. The four focus areas indicated allow us to integrate and drive ESG adoption across our business activities. These four focus areas are intended to offer us with a clear framework to serve as a guide in establishing our aims and priorities, as well as aligning our actions toward our transformation to become a stronger, more sustainable organisation.



Sustainable insurance

- Support the development of sustainable products and services
- Strengthen the implementation of ESG risk considerations into our risk assessment/credit underwriting framework
- Explore more opportunities in creating an environmental and social impact



Sustainable operations

- Promote greater operational sustainability
- Embrace technology to make processes more efficient and strive towards a customer experience excellence
- Transform internal processes and infrastructure to mitigate operational impact on the environment and across the value chain



Sustainable people and culture

- Embed sustainability DNA within our people and culture
- Create a diverse and inclusive environment for our employees, with opportunities for personal and professional growth to enable them to reach their full potential
- Instil the sustainability DNA through our core values



Sustainable community relief

- Support the local communities
- Enhance community contribution by investing in impact-driven community programmes and initiatives critical to supporting the community's fundamental causes

CITY GENERAL INSURANCE FOUNDATION

We have a Foundation name and style "City General Insurance Foundation". The objectives of the foundation are stated below:

- ▶ To help and support financially the unprivileged children for their proper medication and education as well to help the disable children of the society;
- ▶ To support all walks of people suffering from vision retardation and to establish them in the society;
- ▶ To grant, pay or give award scholarship, stipends, prizes, rewards, allowance and other financial assistance or help in cash or kind to students with a view to help them in prosecuting their students in universities, schools, colleges, educational institutions, technical institutions, art schools, institutions teaching commercial and other arts including teaching of cultural arts or other training, research or educational works in Bangladesh or abroad subject to such terms and conditions as shall from time to time be prescribed by the Governing Bodies for advancement and promotion of education;
- ▶ To give, provide and/or render food, medicine and other help and assistance in any shape or form to the poor deserving and needy person;
- ▶ To organize meetings, seminars, symposium etc. to create awareness among the people aimed at spreading and upholding the ideals, values and spirit of the humanitarian conscious and related products and services;
- ▶ To help workers/employees of the organization if they become victim of accident or they are attacked with fatal diseases, workers/employees children education & other purposes. It is also applicable for workers/employees father, mother and spouse (Subject to the availability of the Funds).



All employees of the Company are our key assets. Like every time, in the year 2022 many employees and their family members have been provided with financial assistance for medical support and education.

In view of this, a financial assistance of Tk. 1,00,000/- was provided from "City General Insurance Foundation" to meet the medical expenses of Most. Mumtaz Hossain Lipi, Vice President of Motijheel branch, who was seriously injured in a road accident.

In addition, a financial assistance of Tk. 50,000/- was provided from "City General Insurance Foundation" to meet the medical expenses of Ms. Afroza Begum, Senior Executive Officer of Bogra branch, who suffered from brain stroke.

ENVIRONMENTAL & SOCIAL OBLIGATIONS

Insurance policies are intended to help private individuals and companies to reduce their risk-taking and to protect against unexpected financial losses. Whether it is a matter of building a house or running a company, insurance policies provide increased security to the individual person, the company and the community in general. Insurance policies contribute to increased freedom of action and are therefore an important foundation of a community that is functional well.

In our role as a leading insurance company, we fulfill an important function in the everyday lives of our large no. of clients. We are mindful of the communities around us and our obligations and abilities to make a positive contribution to society and the environment that is sustainable in the long run.

We are actively involved in community issues that have a natural link to its business. By working with the right organizations we aim to bring about positive changes for the

communities in which we operate. We strive for supporting safety initiatives in the broad meaning of the term in the communities within which we operate. The objective is, in the long term, to counteract negative social error such as traffic accidents. We also work actively to assist our clients personally to prevent accidents and incidences of damage.

Our strategy is to reduce the environmental impact the company has through constant improvements. Environmental responsibility is an integral part of our everyday business and all of our employees' responsibilities include working to promote a sustainable environment on a daily basis. Our suppliers are also included in this work since, when procuring their services and products, we specify as far as possible requirements for well-functioning environmental work.

We firmly believe that we have a shared responsibility to address the key environmental, social and governance issues relevant to our business and stakeholders.

ENVIRONMENTAL RELATED INITIATIVES

Human activity may have harmful effects on ecological systems, climate and public health. Recognizing this, City General Insurance Company Limited fully supports the principles of its commitment to promoting good environmental practice and sustainability of its activities. The company committed for providing quality service in a manner that ensures a safe & healthy workplace for our employees protecting the environment, protect energy and natural resources. With these policies in place, we believe that we can achieve a healthy and safe environment. We are committed to do and will:

1. Integrate the consideration of environmental concerns and impacts into our decision making and activities.
2. Improve operations and technologies to minimize waste and other pollution, minimize health and safety risks, and dispose of waste safely and responsibly.
3. Minimize energy and water use within our premises and processes in order to conserve supplies and minimize the consumption of natural resources.
4. As far as possible, we will try to identify and purchase preferable products, supplies and services for all our daily operational needs that do the least damage to the environment.
5. Comply with all applicable environmental regulations.
6. Establish procedures to ensure that all employees are knowledgeable of, understand and comply with all applicable environmental laws and regulations. Train all our employees on our environmental program and empower them to contribute and participate.
7. Communicate our environmental commitment to our clients, contractors, suppliers and the community.
8. Strive to continually improve City General Insurance Company Limited's environmental management system and performance & implement corrective actions.

We want to be known as a model environmental steward. Through the environmental initiatives that we chose to invest in, we strive to elevate our status among our competitors and the broader industry.

Reducing paper usage

The Company's e-mail system, core system modules and document management system among others, facilitate users to view documents online and limit the need of printing hard copies as practically possible. Hence, at least 90,500 A4 sheets are saved per month.

Video conferencing

The Company is carrying out testing to schedule corporate meetings through the use of video call conferencing with branches, which will reduce travel time, accommodation and fuel cost. The company also conduct Board and Board Sub-Committee meeting and Annual General Meeting by using digital platform.

Energy savings

To achieve long-term sustainable development, City Insurance plays an active role in making 'low carbon economy'. Since 2018, City Insurance has worked toward more energy efficient operations throughout its network of drastically reducing its emissions, consumption, and waste in the process.

- More than 7.46% electricity is saved every year using the day light inside corporate office and branch offices
- Energy savings bulbs being used in the corporate office and branch offices
- E-mail has been focused of both internal and external communications with an aim to reduce the paper consumption thereby reducing deforestation

Water usages

City Insurance is very much conscious about the efficient use of water. As a financial institution its use of water is already very much restricted. Major consumption of water is for drinking purposes. We are also uncompromising about ensuring pure and safe drinking water for its employees and visitors. But normal supply water in Bangladesh is not safe for drinking. Therefore, to overcome the situation, every branch and corporate office are supplied with especially Reverse osmosis purifier. The management team takes special care so that wastage of water is minimum.

Waste management

The process involved in dealing with the waste generated by day-to-day activities, food consumption, physical wear & tear of computer and office equipment, obsolete furniture & fixture and newspapers. Being a financial institution City Insurance does not deal with any hazardous waste.

- Both sides of papers are used and wasted papers are collected using bins after shredding
- Donate old equipment and furniture for charity or sold
- Food wastes are collected by community cleaners on daily basis
- Toner, cartridges and newspapers disposed of through community cleaners

CORPORATE SOCIAL RESPONSIBILITY

City General Insurance Company Limited places great emphasis on education, health and community service donating generously as part of its Corporate Social Responsibility. During the year 2022 City Insurance donated money to education, health and community service sectors. Besides cash donations, City Insurance encourages its employees to participate actively in community service by donating their personal time and money.

City General Insurance Company Limited 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 City Insurance's corporate philosophy and CSR.

Health Safety & Environment

Health Safety and Environmental (HSE) responsibilities constitute an essential part of City Insurance's operations. These become the core of the Company's activities. City 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 City Insurance to increase team efforts and endeavor for better HSE for employees, customers and neighbors. The Company also hopes to

safeguard people's health and minimize the environmental impact of their jobs.

Committed to Excellence

During the year 2022, City Insurance has paid Tk. 9,50,000/- as CSR in various activities. Such as:

- Emergency food items and cash assistance have been provided to flood victims in the Sylhet and Sunamgonj districts of 2022. Photos are placed on page no. 232-233
- We believe in green forestry. There is no alternative to forestry to make our planet habitable. So, like every time, in the year 2022 trees have been planted in the Gazipur district. Photos are placed on page no. 235
- All employees of the Company are our key assets. Like every time, in the year 2022 many employees and their family members have been provided with financial assistance for medical and education. Photos are placed on page no. 228
- City Insurance has always expressed its responsibility towards society. In view of this, winter clothes and financial assistance have been provided to underprivileged children and the needy in the remote areas of the Kurigram district. Photos are placed on page no. 233-234

CSR ACTIVITIES

Relief distribution at Sylhet & Sunamgonj





Emergency food items and cash assistance have been provided to flood victims in the Sylhet and Sunamgonj districts of 2022.

Winter clothes distribution





City Insurance has always expressed its responsibility towards society. In view of this, winter clothes and financial assistance have been provided to underprivileged children and the needy in the remote areas of the Kurigram district.

Forestry in Bangladesh

Bangladesh is home to some of the most biodiverse forests in the world. Approximately one-third of the country is comprised of forests. These forests provide valuable resources and support a range of forest-dependent livelihoods for Bangladesh's growing population. Efforts to conserve and manage these forests are ongoing, including community-led efforts to plant trees, reduce illegal logging and poaching, and introduce sustainable forestry practices.

Bangladesh's forests are an important source of timber, food, fodder, and fuelwood for rural communities. In addition, forests play an important role in regulating local and regional climate and hydrology. They also provide habitat for a wide range of wildlife, including both endemic and threatened species. Conservation efforts are necessary to ensure sustainable management of these forests, but also to reduce poverty through improved access to forest benefits and services.

Forests are also an important sink of greenhouse gases, especially carbon dioxide. A healthier and better-protected forest can absorb more carbon dioxide and reduce climate change. Forest conservation also helps to protect biodiversity, as forests are home to hundreds of thousands of species,

many of which are threatened with extinction due to the destruction and fragmentation of their habitats. Reforestation and sustainable management can help to ensure that biodiversity remains intact and future generations can continue to benefit from these forests. Additionally, forests are an important source of fresh water and play a key role in the health of watersheds and aquatic ecosystems.

Forests also provide a range of other important benefits. For example, they can help to prevent flooding and protect communities from extreme weather events like storms and droughts. Forests also provide recreational, cultural, and spiritual benefits for people. Furthermore, forests are a major source of income for many rural populations and are an important part of many traditional medicines, hunting, and gathering practices. Finally, forests play an important role in the global carbon cycle and help to regulate Earth's climate by absorbing carbon dioxide from the atmosphere and releasing oxygen. City General Insurance Company Limited believes in green forestry. There is no alternative to forestry to make our planet habitable. So, like every time, in the year 2022 trees have been planted in the Gazipur district. Chief Executive Officer Mr. Md. Shamim Hossain and other senior officials planted trees.

Tree Plantation



We believe in green forestry. There is no alternative to forestry to make our planet habitable. So, like every time, in the year 2022 trees have been planted in the Gazipur district. Chief Executive Officer Mr. Md. Shamim Hossain and other senior officials planted trees.

REPORT ON INFORMATION TECHNOLOGY

Background:

City General Insurance Company Limited had a computerized General Ledger for Central Accounts Department only since 2018. But like most other insurance companies, its' operation based on stand alone PC's and manual system. There was no IT enabled MIS system in place to help City General Insurance Company Limited analyze the business figures and to track performance of products, customers, branches, department and people. As a result City General Insurance Company Limited was severely handicapped in the field of IT, resulting in inefficiency and improper management negatively impacting its endeavor to maintain its' position at the top of the Insurance fraternity.

Formation of IT Division:

Against the backdrop of the above-mentioned situation, City General Insurance Company Limited management decided in the year 2017 to introduce a modern computer system to cater to future prospects of the Company. As part of that vision, an Information Technology Division was established to make the dream come true.

The information technology's role in the business sector certainly can hardly be over emphasized. It is of utmost importance, which enables businesses to effectively and successfully plan, manage, execute strategies which lead to profit. Therefore, the mission of this Division is to completely re-engineer and automate City General Insurance Company Limited business processes to achieve higher productivity, lower cost, improved quality, enhanced service and efficient management.

IT mainly deals with computer applications which are now completely automated. The technology has not only made communication cheaper, but also much faster.

Information Technology Division has taken pragmatic approaches to bring the technological boon and advancement into City General Insurance Company Limited business process to make it more competitive and adaptive for the 21st century.

The software applications and the hardware devices are the main elements of use in information technology. So a modern and dynamic IT Division was created with two departments like Hardware and Software including a structured LAN for its smooth operation and getting the technical advantage. Operating the IT system at City General Insurance Company Limited, there are four experienced and professional IT personnel.

Software development & implementation:

Software is an important integral part of information technology which relates to computer applications that enable a company to generate, store, program, and retrieve data as and when needed. Like an ERP Software, Integrated Insurance Business System (IIBS) was developed by Confidence Software Ltd. Under which all the business process and functionalities were included. After 6 months of development by Confidence Software Ltd. it was completed and from 1st of January 2018 IIBS implemented successfully at City General Insurance Company Limited. On the job training was also provided to all end users.

1. Paperless office and Online approval system.

- a) paperless office is a concept in which usage of paper is greatly reduced or eliminated totally in an office environment. This is achieved by converting document into digital form. A paperless office is not only environmentally friendly, but also helps in boosting the productivity and efficiency of our office while also saving money and making work processes easier and more convenient as digital documents can be easily shared between users. The concept can be extended to communications outside the office as well.
- b) Online approval system: The traditional paper-based system delay approval processes, and increases cost overheads, on the other hand, process automation offers fast, easy, and profitable approvals.

When automated approval systems are used, approval requests from the end-user will be automatically forwarded to the next level of the managerial hierarchy. If one person does not approve the request, no further approval levels are initiated. For example, an employee of a department creates, and sends a purchase request to his manager, upon approval the manager sends advice to create Purchase Order to the Procurement Department where the Purchase Request gets converted to a Purchase Order (PO) or rejected.

2. Digital Storage System:

All data are storing digitally in our storage server. This is done by converting documents and other papers into digital form, a process known as digitization. In future we need not any hard copy for our official work. This system can save money, boost productivity, save space, make documentation and information sharing easier, keep personal information more secure, and help the environment.

3. Next generation Firewall:

We have implemented next generation firewall to protect Our application & database server and network security system that monitors and controls incoming and outgoing network traffic.

4. Data connectivity:

We have implemented data connectivity to ensure secure connection between head office server and branches.

5. Endpoint Security:

We have used Endpoint Security to protect all user computer from .

6. Corporate Email Solution:

We have implemented Microsoft Mail server. We use corporate email solution (Microsoft 365).

7. VAT Software:

According to the instructions of the National Board of Revenue dated 29/08/2022, the VAT Software approved by the National Board of Revenue has been installed due to the obligation to complete all VAT related work through their approved software within 2022. As a result, there has been increased speed and transparency in VAT settlement.

Key Benefits of City General Insurance Company Limited IT system:

- Huge saving in working time in preparing insurance documents, Money Receipt and some large informative monthly reports with excellent print quality
- Getting 1,100 Plus system generated MIS report which helps management to take decisions properly and timely
- Integrated Accounts where 100% Journal Voucher are passing through system as well as Final Accounts report like Balance Sheet, Profit & Loss Account, Revenue Account, General Ledger, Cash Flows and Trial Balance are generating automatically through system
- Controlling business procurement through Integrated Insurance Business System (IIBS) Software
- Quick accessing the underwriting documents through IIBS for departmental integration with Underwriting department like Co-Insurance, Claims, Agent Commission, Re-Insurance and Accounts department
- Backup system has been established to secure the company's valuable data in a professional manner.

On-line branches:

Including Head Office and Local Office all the branches are already connected to the IT Division through optical fiber and data modem since 2018.

City General Insurance Company Limited has highly experienced and trained professionals working on maintaining and developing the company's IT infrastructure. The IT professionals are constantly innovating and producing in-house programs to meet the needs of the company's ever increasing and diversified products and services industry. IT division has successfully implemented a Wide Area Network (WAN) to connect all of the branch offices among the country on real time basis, thereby providing seamless connectivity and prompt customer services. We have also purchased a new high configured server for running our oracle Web-logic application server to build-up three tier applications and to enhance the facilities of network & hardware architecture.

We have already upgraded our oracle Front End Application from 9i to Weblogic web version for and now we are working on Oracle Web-logic application server for getting more advantage of modern technology. As a result our IIBS software can be accessed from anywhere through any web browser even though smart phone also, as well as our connectivity cost has already reduced significantly.

We have also plan to introduce Artificial Intelligence (AI) based apps for providing better service to our clients.

Plan for future expansion of present IT Infrastructure:

In order to reach the optimistic level, The Company has taken initiative to implement the undermentioned work within short span of time:

- Cloud Service solution

Corporate IT & Website Information

The company has a Corporate Website: www.cityinsurance.com.bd to publish the updated information of the company. The website of the company is always open for stakeholders, shareholders, investors and valuable clients to provide updated corporate information. The website of City General Insurance Company Limited focuses on company profile such as: Company's Capital Structure, Assets and Investment, Corporate Governance, Price Sensitive Information with a view to knowing all stakeholders with all regular features of the company. City General Insurance Company Limited website also focuses Board of Directors profile, Management team's profile. Visiting the website viewers can inform about the position of the Branches information. The website also focuses all the latest financial statements including financial position, income statement, cash flow statement and changes in shareholder's equity. The Annual reports of different years are also made available in the website of the company. Despite of this our clients can avail the opportunity for having digital insurance service.

RISK MANAGEMENT AND CONTROL ENVIRONMENT

Risk management

Insurance is the most effective risk management tool which can protect individuals and businesses from financial risks arising out of various casualty. The emotional and psychological loss can never be compensated, but at least the financial loss can be indemnified with insurance, though there are uncertainties in life which one cannot mitigate, but insurance will help to the insured through transfer the financial risk.

In our day to day life also we take many steps to keep the risk at lower level for example most people do not keep valuables at home rather prefer to keep them in a bank locker by paying certain locker rent to the bank.

Similarly risk of life, health or property is reduced by purchasing a proper life insurance. All these actions of individual persons are done under fear of uncertainty and unpredictability of future. Likewise in business and commerce also an element of fear of loss always exists if the risk components are not managed properly. Insurance is the process of overall risk management in exchange of a certain amount from the insured. In City General Insurance Company Limited risk management is the continuing process to identify, analyze, evaluate, and treat loss exposures and monitor risk control and financial resources to mitigate the adverse effects of loss of the Company.

Steps in risk management process:

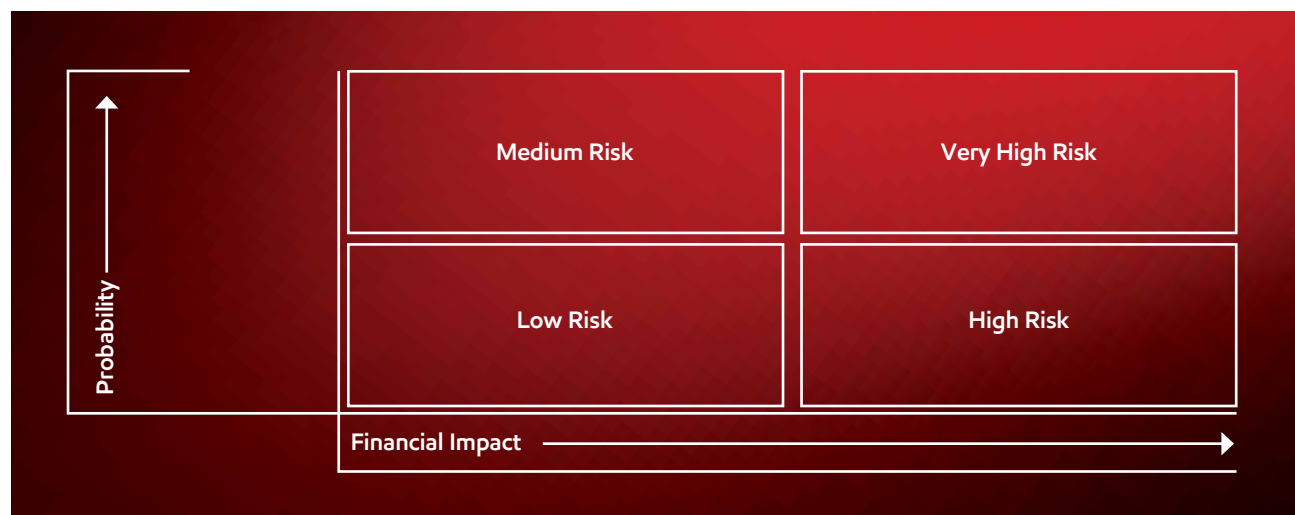
As City insurance clients or insured's rely on it to mitigate their various types of non-life risks, the company itself also needs to seek protection from operational and investment threats. For this, City General Insurance Company Limited

follows five categories of risk management process to deliver a simple and effective risk management.

- ◆ Identify the risk:- City General Insurance Company Limited identifies and defines potential risks that may negatively influence its process or product. Currently, the Company pursue the following procedure for insurance policy issue.
 - Identification of Risk
 - Determine the insurable value
 - Evaluate the choices
 - Proposal
 - Receive the payment of premium
 - Covernote/Policy Documentation

The company always goes beyond every step of its service process and product delivery along with claim settlement procedure to identify and define its potential risks.

- ◆ Analyze the risk:- once a specific type of risk is discovered, City General Insurance Company Limited, determines its reasons and consequences, as well as its consequences to the company. The area of the analysis is to further understand each specific instance of risk, and how it could influence the company's projects and objectives.
- ◆ Rank the risk:- The risk is then further ranked after determining the risks overall likelihood of occurrence combined with its overall consequence. Then the company makes decisions on whether the risk is acceptable and whether the company is willing to take it on based on its risk appetite.



- ◆ Risk mitigation:- During this step, City General Insurance Company Limited assesses its highest-ranked risks and develops a plan to mitigate them using specific risk controls. These plans include risk mitigation processes, risk prevention tactics and contingency plans in the event the risk comes to Success. The Company's risk handling policies are shown below.

Risk Levels	Monitoring & Mitigation
Low & medium Risk	Normal Monitoring at the operational level
High Risk	Close control of all potential contributing factors by the risk management team
Very High	Risk of this level should be actively tracked for decisions from high risk management committee.

- ◆ Monitor and review the risk:- Part of the mitigation plan includes following up on both the risks and the overall plan to continuously monitor and track new and existing risks. The overall risk management process of the company is also always reviewed and updated accordingly.

Risk Framework:

We know risk is uncertain. It may be happened or not. City General Insurance Company Limited puts a framework around that uncertainty, and effectively minimizes the risk of any product. From historical evidence, it is found that a good risk framework needs a strong governance structure. Organizational culture in City General Insurance Company Limited is continuing to support strong governance structure.

The whole activities are generally facilitated by designated persons of each department, namely underwriting, reinsurance, claims, legal/compliance, accounts and finance, marketing development, branch control, IT, and so on. The management of the company is always aware about risk-taking and risk monitoring roles of each department.

City General Insurance Company Limited has been rated "AA+" as the credit rating by CRISL what shows its financial strength, stability and Risk Management.

The following may be the part of overall Risk Management process:

- The Company's overall decision-making process.
- On the best available information.
- Create value for the organization
- Consider human factors, including potential errors.
- Transparent and all-inclusive.

- Address should be systematic and structured.
- Make an integral part of the overall organizational process.
- Adaptable to change.
- Continuously monitored and improved upon.

Measuring Risk Framework Effectiveness:

City General Insurance Company Limited follows a structured approach to measuring the risk and taking the initiatives to manage risk effectively in the business performance. For effective risk assessments, the company maintains framework to improve decision making, control, transparency and confidence.

- Individuals operating the framework have sufficient skill, ability and motivation to ensure effective risk taking, challenge, influence and change.
- The above activities-improve risk management by supporting strong business performance better decision making, improves risk adjusted return and better preparation for future business uncertainty.

Where risk is identified, after assessing, it is calculated and monitored under the framework that assigns clear risk roles and responsibilities to the competent and skilled business level managers, risk compliance functions and internal audit to assess the risk factors and based on it to take the effective and transparent decision for handling the risk in a proper means, In this way the company always takes up the risk and improving the risk management through effective and indicative activities.

Focused Area of Risk Management:

Considering all potential risks City General Insurance Company Limited strictly focuses on the following areas:

- Identification of internal & external pure risks.
- Existing risk control measures review
- Risk inspection
- Scrutiny of existing insurance covers, coverage and rates & deductibles.
- Standard operating procedure for claims control.
- And guidelines on documentation in this regard furthermore, following key areas are also kept in mind and considered by the company while planning for risk management. Some are choice of the company.

Choice of the Company-

- Industry rating
- Claims settlement ability
- Sustainability of the company
- Service levels & infrastructure

Risk Landscape, navigation and how the Company mitigates them:

The risk appetite policy of the company is the key mechanism through which limits are set for material risk categories. The risk landscape of the company encompasses risk arising from the following:-

- Underwriting Risks
- Reinsurance Risks
- Claims Risk
- Operational Risk
- Business Risk
- Strategic Risk
- Regulatory Risk
- Credit Risk
- Management Expense Risk
- Investment Risks
- Liquidity Risk
- Market Risk
- Equity Risk
- Money Laundering Risk
- Human Resources Risk
- Reputation Risk
- Cyber Security Risk
- Pandemic Risk

The company uses risk management as a strategic tool to protect itself from various potential and existing risks pertaining to all the stakeholders in its business operations, while it plans for its projected growth. For each risk City General Insurance Company Limited has its own risk mitigation strategic, what makes the company in a reputed place for early settlement of claims:-

Underwriting Risks:

- City General Insurance Company Limited carries out risk surveys and portfolio reviews.
- The underwriting function is centralized and operates from the Head Office.
- Frequent audits and verifications are carried out.
- Carrying out underwriting as per the guidelines set by IDRA and the re-insurer.
- Frequent expense studies and product profitability studies are carried out.

Reinsurance Risks:

- The outstanding reinsurance receivables are reviewed frequently and maintained professional relationship with reinsurer.

- A very close and professional relationship is maintained with reinsurer.
- A specific portion of premium is reinsured with Sadharan Bima Corporation (SBC), it reduces the effects of single losses minimizing impact of risk accumulation and catastrophic loss increasing capacity to accept risk and financial assistance. The company also a good portion of premium is reinsured with overseas reinsurers.

Claims Risk:

- Number of accidents reported from insurance policies issued by the company is monitored on a daily basis to identify any adverse developments at the early stage.
- Claims frequency and average claims size have been set as main criteria when determining the price.
- Claims are reserved at a minimum time at the intimation or on the availability of information on loss of an insured.
- Service standards have been set on the time taken to process claims and these are monitored by the Management.
- Independent investigators are used to investigate claims to ensure fraudulent claims are identified.
- Closed file reviews are carried out periodically to identify any control lapses.

Operational Risk:

- Credit, market and liquidity risk are considered while operational strategies are set
- City General Insurance Company Limited aims to create and sustain shareholders value to execute its business.
- Maintains a formal enterprise-wide operational risk management framework that emphasizes a strong risk management
- The Company also maintains regulatory capital as per Insurance Act-2010 along with solvency margin rules and notifications.

Business Risk:

- City General Insurance Company Limited maintains a number of policies and practices to manage insurance risk.
- Sound product design is considered as an essential element.
- The vast majority of risks insured are short-term in nature, that is, they do not involve long-term pricing guarantees.
- Re-insurance protection is purchased to further reduce exposure to fluctuations in claims, notably the exposure to natural catastrophes in the property and casualty insurance business.

- The Company also manages risk through effective underwriting and claim settlement practices, ongoing monitoring of experience, and stress-testing scenario analysis.

Strategic Risk:

- Strategies and operating performances are assessed regularly by the CEO and the top management.
- Financial and strategic planning are processed by the CFO.
- Operating, financial and strategic business information are reviewed.
- Product wise strategies and key initiatives and ensures alignment between business-level and enterprise-level strategies are considered.

Regulatory Risk:

- Communicating and advising on compliances by the Board and top management of the company.
- Management of the company monitors and tests for adherence to certain regulatory and legal requirements, as well as the effectiveness of associated key internal controls.
- Legal requirements and emerging compliance is analyzed by the legal department and Board Affairs Departments, in certain circumstances a calendar is also prepared in this regard.
- While implementing or assisting with policies, procedures and training laws are kept in mind.
- Tracking, escalating and reporting significant issues and findings to senior management and the Board.
- Liaising with regulators, as appropriate, regarding new or revised legislation, or regulatory guidance or regulatory examinations.
- Legal Department assesses legislative requirements and associated key controls across the organization, using a risk-based approach. Where any gaps are identified, action plans are implemented and are tracked to completion.

Credit Risk:

- All other receivables, including reinsurance receivables are reviewed on a monthly basis and recoveries made on time.
- Any investments in any other entity are carried out only with the clear approval of the competent authority.

Management Expense Risk:

- Management cost of a non-life insurance company is determined by the insurance Rules insurance Act.

Investment Risks:

- A target asset allocation limits are set by the competent authority in consultation with the management and Risk Committee.
- A special focus is placed on reviewing exposures to Equity investments.
- Compliance with investment policy in the light of section 43 of the insurance Act-2010, IDRA rules and best practices
- Legal reserve is maintained for unexpired risks.
- Reviewed by the internal audit and the competent authority on monthly basis.

Liquidity Risk:

The Company follows the asset and liability management guidelines set out in the company investment policy which is revised by the competent authority. City General Insurance Company Limited response to manage this risk are:-

- The company follows a policy of maintaining high liquid and near liquid resources.
- The maturity of its fixed deposits and other investment is matched as far as possible, with its outgoing commitments and obligations.
- Regular monitoring of its liquid resources is conducted by the competent authority.

Market Risk (Equity Price Risk):

- Total exposure to equity investments is made strictly within the agreed target asset allocation and sectorial equity limits. In this regard IDRA rules are strictly followed as well.
- Equity investments are mostly made in fundamentally sound stocks which are identified after an in-depth research and evaluation process by the internal investment management team.
- Equity portfolios are reviewed quarterly by the competent authority on a quarterly basis.
- Impact from of market movement is monitored on a daily basis and warnings sent to CEO and CFO of high impact volatilities.

Equity risk

Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money.

Money Laundering Risk:

Adequate diligence on new and existing customers is a key part to address this risk. Without this due diligence, the financial institutions can be subject to reputational, operational, legal and concentration risks, which can result in significant loss. Money laundering risk control strategies of City General Insurance Company Limited are:-

- The company has its well written policy guidelines provided by Bangladesh Bank.
- It ensures correct and full documentation of proposal Form (KYC) to prevent money laundering.
- It provides regular training on prevention of money laundering and combating financing of terrorism to enhance capability of its employees.
- Reporting officers communicate with branches on a regular basis to check the status of AML compliance.
- The company has integrated software regarding customer information.
- The company has complied with all instructions of the regulatory authority.

Human Resources Risk:

For High Staff Turnover Ratio

- Motivating employees through rewarding schemes and trainings.
- Counseling employees as and when they are required.
- Conduct exit interviews to reduce grievance in the company.
- Periodically carrying out induction programs
- Analysis on staff turnover is reviewed by the Management and the Board.

Reputation Risk:

- City General Insurance Company Limited has wide reputational risk Management policy. This policy sets out the framework under which each Branch is required to implement a reputational risk policy and procedures.

Cyber security Risk:

- There are various risks linked to cyber security risks, including data protection and keeping our technology safe from any cyberattacks. These can cause costly disruptions in our operations.

Pandemic Risk:

- COVID-19 pandemic risk continued to manifest in 2021 as a global threat. It still remains an ongoing threat and it continuously evolves and impacts virtually all aspects of the environment we operate in and our business operations.

Report on Insurance

Risk and its mitigation

An insurance risk is threat or peril that the insurance company has agreed to insurance against in the policy wordings. These types of risk or perils have the potential to cause financial loss such as property damage or bodily injury if it were to occur.

Three types of risk in insurance are financial and non-financial risks, pure and speculative risks, and Fundamental and particular risks. Financial risks can be measured in monetary terms. Pure risks are a loss only or at best a break-even situation. Fundamental risks are the risks mostly come from nature. Risk management must be an ongoing process, as risks identified and mitigated today can quickly become obsolete tomorrow.

Risk Mitigation:

Risk mitigation is one of the steps in risk management which includes identifying the risk and mitigation the risk. Mitigation is meant to lessen any negative consequence or impact of specific, known risks, and is most often used when those risks are unavoidable.

During the risk assessment process, an organization identifies potential risks that could harm its ability to operate. The next step in the risk management process after risk identification is risk analysis. This is where a company categorizes the potential risks and assigns a risk level to each one based on the likelihood that it will occur as well as its impact on the business.

Risk transfer is a risk management strategy that entails shifting risk to a willing third party. Once risks are identified companies take the appropriate steps to manage them to protect their business assets.

Risk mitigation is another step in the risk management process. Its not enough for an organization to assess and analyze the various types of risk, it also has to do something about those risks. There are a number of risk mitigation strategies a company can implement to deal with the various types of risk including risk avoidance and risk reduction.

In addition, company could use agile project management methods to review and reinforce strategies. Agile teams work to deliver value to the company by continuously reducing risk. Risk managers and business leaders could adapt agile project management techniques to meet their companies risk mitigation goals.

City General Insurance Company Limited takes change of pre-insurance surveys of large and complicated risks which thus ultimately facilitates in the defense of national property and wealth. Services basically aim at reducing the happening of the risk itself alternative than minimizing the extent of loss after the happening of the casualty.

Disclosure of Risk Reporting

City General Insurance Company Limited maintains informative, transparent and consistent risk reporting for its valued clients, stake holders and the industry itself. It has been internationally accepted that substantial narrative reporting, including the disclosure of risk, is important to promote investor protection.

The Standard disclosure of risk reporting may include the followings:

- Clear, balanced and understandable.
- Includes all the insurer's key activities and risks
- Presents relevant information
- Comparable among insurers
- Provided on a timely basis

It is important for standard setters and policymakers to consider the reporting and disclosure in the context of investor experiences and other matters which include the following.

- Emerging trends in technology and connectivity
- The inability of the existing model to provide investors with sufficient decision useful information in a new economy, and
- The lack of a measurement framework that can inform the disclosures necessary to make such measurements meaningful.

In order to ensure proper disclosure the company clears the terms and conditions of each new policy issued. For new and valued Clients City General Insurance Company Limited

does this service through surveyors report to the potential insured. The main principle of insurance, utmost good faith demands that both the insurer and the potential insured shall disclose the material facts to each other. If there is any excess/deductible for a particular policy, that fact should be disclosed to the insured. Moreover, the potential insured shall further provide material facts about his property, to the best of his knowledge and belief, to the insurer before underwriting of the risk, including the ownership, position and value of his property, so that the insurer may inspect the insurable property with a view to providing consistent services to the potential insured including competitive figure and necessary advices. There is a growing agreement among users, producers and advisers that risk reporting needs to improve better risk registration is an integral part of good governance.

It is to confirm that a generic risk report serves interest of both shareholders and stakeholders with better information. In spite of the insurance industry's critical and growing role in the global allocation of risk there is little authentic guidance concerning the form and content of risk reporting in general due to growing terrorist activities in the world. Significant anti-money laundering and combating the financing of terrorism regimes are essential to recover the wholeness of markets and of the global financial framework as they help mitigate the factors that facilitate financial abuse. Bangladesh Bank and IDRA have given priority to Anti Money Laundering (AML) and Combat Terrorist Financing (CFT) issues. City General Insurance Company Limited cautiously underwriting its insurance business through all its branches, if there is any suspicious transaction to report to the Bangladesh Financial Intelligence Unit (BFIU) of Bangladesh Bank on prescribed format of Suspicious Transaction Report (STR), if any.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

Overview

CGI understands and accepts that risk is inherent to doing business and that the controlled acceptance of risk is critical to the creation of shareholder value.

Thus, the level of risk undertaken by the company is determined by the rate of return on risk-adjusted capital, solvency and how well it advances the company's strategic purpose of insurance involvement and broader corporate

goals. The company may choose to surrender or hedge a risk it has assumed if doing so is economically feasible. Therefore, the purpose of the company's internal control processes and systems is risk control and not risk prevention. However, there are occasions when there are threats beyond the company's tolerance threshold and in this scenario it attempts to fully mitigate or cede the risk.



CGI's risk management framework exhibits the following objectives:

- Identifying the company's risk profile, or the sum total of the risks undertaken by the company in the path to generate profits and foster stakeholder value
- Engaging in the full risk lifecycle, including identification, measurement, monitoring and control to protect stakeholder interests
- Providing open, accurate, and timely risk information, to be able to spot and explore opportunities that offer promising risk-adjusted returns
- Fostering a climate of risk awareness and institutionalising risk-based decision, making them a part of the core risk management procedures
- Reducing the company's vulnerability to potential negative consequences, which includes meeting all applicable legal standards and paying close attention to ensuring it has the necessary skills, expertise and wherewithal to handle and offload risks

Risk governance structure of CGI

The Board, the Board's Risk Management Committee and the Senior Management together comprise the company's risk governance structure that helps shield the organisation against potential risks.

Further, the risk governance structure of CGI has categorised the broad organisational risks as market, credit, liquidity, operational and reputational risks. These are sufficiently addressed by risk owners who are accountable to the senior leaders of the organisation. Furthermore, the broader environment in which the company operates is also laden with risks, the most prominent being competition risk as a large number of general insurance players vie for a limited market, with insurance penetration pegged at under 1 percent of the total population.

CGI focuses on addressing this risk through its key pillars of formulating innovative, relevant and cost-effective products for the masses and excelling in customer service.

The company also addresses this risk through its extensive distribution network that covers almost all corners of the country together with creating differentiation via its insurance advisory that informs and educates policyholders on the broader aspects of insurance. In addition, the company's large basket of products help cater to a much wider demographic, thus providing insulation against competitive pressures.

Even as the current COVID-19 pandemic continues to pose concerns for insurers, ESG (environmental, social, and governance)-related risks are on the rise too. Governance, ethics, and sustainability are the responsibility of the Board as a whole for the company, with its committees playing a crucial role in detecting, mitigating, and managing ESG risks and other important concerns.

Furthermore, climate change and its potentially far-reaching repercussions represent one of the most important ESG hazards, especially for Bangladesh that is situated in a



geographically vulnerable area and hence more prone to climate disasters, such as the devastating floods that struck the country last summer.

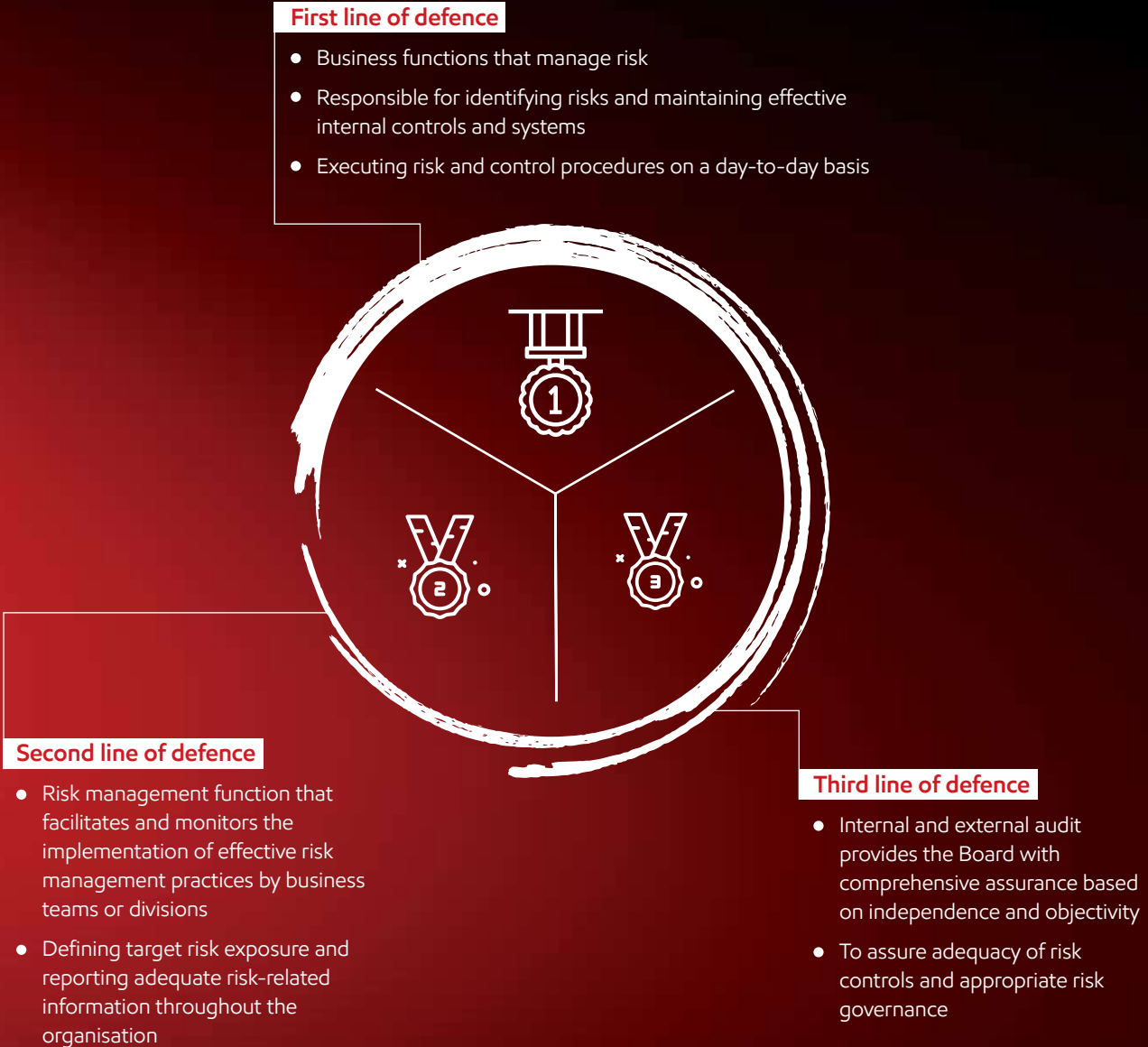
Further, there is a great deal of ambiguity around the effects of climate change, and the company has begun striving to better comprehend and mitigate the possible effects on its business. Given the intricate interconnections with other factors, such as environmental, social, and demographic changes, it is difficult to evaluate the impact of climate change on morbidity and other threats on the liability side. In the short-term however, it is not anticipated that climate change would have a significant impact on the company's morbidity or other claims.

Other growing concerns connected with public health trends include an increase in lifestyle-related illnesses and

demographic changes, such as population urbanisation and ageing. The company's risk management approach tries to identify, quantify, and manage its exposure to all these risks within the context of its total risk appetite and tolerance limit.

The company's risk philosophy is stated in the risk policy, which specifies guidelines for identifying, measuring, monitoring, and controlling the many hazards the businesses faces. This policy acts as a robust safeguard and a guiding light for enabling responsible risk governance and superintendence at the company.

Notably, CGI's risk governance structure is bolstered by its three lines of defence model that provides an additional level of safeguards and helps the company manage risks in a prudent, cautious and comprehensive way. The key responsibilities of each line of defence are laid out below:



CLAIMS PAYMENT TO THE CLIENTS



A.K.M Mohiuddin, Deputy Managing Director (BDD) (Fourth from left), City General Insurance Company Limited handing over the Marine Claim cheque to Brigadier General Jalaluddin Md. Akbar, PSC (Retd.) Executive Director, (Second from left) Concorde Garments Group. Capt. Mohammad Rahmat Ullah (Retd) (First from left) GM-HR, Compliance & Admin of Concorde Garments Group, Jobeda Khatun Beby, Sr. Asst. Vice President (Third from left) and Md. Ibrahim Mollah, Sr. Asstt. Vice President & Head of Audit of City General Insurance Company Limited (Fifth from left) was present.



Ms. Sharmin Akter, Manager and Head of Claims of City General Insurance Company Limited handing over Fire Claim Cheque to the client



Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over Marine Claim Cheque to the client



Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over Motor Claim Cheque to Md. Nazmul Hasan, Dy. Director, Department of Banking Inspection-2, Bangladesh Bank. Ms. Sharmin Akter, Manager & Head of Claims was present.



Meer Walidur Rahim, SAVP & Branch In-Charge Uttara Branch, Dhaka of City General Insurance Company Limited handing over Motor Claim Cheque to Md. Habibur Rahman, CEO & Founder, 3S Impex Bangladesh



Mst. Moni, SVP & Branch In-charge, VIP Road Branch of City General Insurance Company Limited handing over the Fire Claim cheque to the client.



Meer Walidur Rahim, VP & In-charge, Uttara Branch of City General Insurance Company Limited handing over the Motor Claim cheque to the client.



Md. Sher Ali Khan (Second from left), DMD & Branch In-charge, Agrabad Branch, Chottogram of City General Insurance Company Limited handing over the Fire Claim cheque to the client.



Ahmed Asif (First from left), EVP & Branch In-charge, BB Avenue Branch of City General Insurance Company Limited handing over the Marine Claim cheque to the client.



Md. Hayder Ali (First from right), FAVP & Branch In-charge, Bahaddarhat Branch, Chottogram of City General Insurance Company Limited handing over the Motor Claim cheque to the client.



Md. Sher Ali Khan (First from right), DMD & Branch In-charge, Agrabad Branch, Chottogram of City General Insurance Company Limited handing over the Fire Claim cheque to the client.



Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over the Marine Claim cheque to the client.

ENGAGEMENT HIGHLIGHTS

26 March 2022



Mr. Md. Shamim Hossain, Chief Executive Officer and other senior officials of the company hoisted the National Flag at the company's head office on March 26, 2022, on Independence and National Day.



On the occasion of Independence and National Day on March 26, 2022, a discussion meeting on the historical leadership of Father of the Nation Bangabandhu Sheikh Mujibur Rahman and the development of the country on Golden Jubilee was held at the company's head office. Chief Executive Officer Mr. Md. Shamim Hossain and other senior officers participated in the said discussion meeting.

Bima Mela 2022



Bima Mela 2022 was organized by the Insurance Development and Regulatory Authority (IDRA) on November 24-25, 2022 at Bangabandhu Udyan (Bells Park) in Barisal. Various general insurance services were provided to visitors from the stall of City General Insurance Company Limited in the said Bima Mela.



Family Day 2022



City Insurance is a family consisting of all the officers and employees of the company. In view of this, Family Day 2022 was celebrated on 16 December 2022 at Subornogram Resort, Bhulta, Narayanganj with the Directors, Chief Executive Officer, all senior officials, employees and their families of City General Insurance Company Limited. On the occasion, various officers and employees of the company and their families celebrated the day by participating in sports and cultural events.

Branch Managers' Conference



Annual Branch Managers Conference held at Mangrove Forest, Sundarbans.



Pohela Falgun



On the first day of Phalgun, the City Insurance family participated in a lively get-together titled "Bashanto Boron" to welcome spring in colorful attire.

CERTIFICATE OF BANGLADESH ASSOCIATION
OF PUBLICLY LISTED COMPANIES (BAPLC)





FINANCIAL STATEMENTS



**Independent Auditor’s Report
 To the shareholders of**

CITY GENERAL INSURANCE COMPANY LIMITED

Report on the Audit of Financial Statements

We have audited the financial statements of City General Insurance Company Limited (the Company), which comprise the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Appropriation Account, Statement of Consolidated 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 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (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.

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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters 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. Key audit matters were identified 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. We summarize below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public limited entities, our results from those procedures.

Risk	Our response to the risk
Premium Income	
<p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>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 risk</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> • The design and operating effectiveness of key controls around premium income recognition process. • Carried out analytical procedures and recalculated premium income for the period. • Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. • On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. • Ensured on a sample basis that the premium income was being deposited in the designated bank account. • Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. • For a sample insurance contracts tested to see if appropriate level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium. • Applying specialist judgment ensured if there is any impairment of the reinsurer. • 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.
Investment Fluctuation Fund	
<p>The company made a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently or as per the policy of the company.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. • Ascertained the valuation of the holding as per IFRS13. • Reviewed and challenged the assumptions used for the valuation models for any unquoted securities.

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Branch Office: 80, Motijheel C/A (4th Floor), Dhaka-1000, Tel: 02223386990, 0247123083 II 5, KDA Avenue (6th Floor), Khulna-9100, Tel: 041-2830395



K. M. ALAM & CO.
CHARTERED ACCOUNTANTS



<p>This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p>	<ul style="list-style-type: none"> Recalculated unrealized gain or loss at the year end. 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, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>Estimated liability in respect of outstanding claims whether due or intimated and claim payment</p>	
<p>This account represents the claim due or intimated 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.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process We additionally carried out the following substantive testings around the item:</p> <ul style="list-style-type: none"> Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. Obtained a sample of claimed policy copy and cross check it with claim. Obtained a sample of survey reports 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 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 statements, 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.
<p>Sundry Creditors</p>	
<p>This account represents the Sundry Creditors Tk. 59,842,289 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. Please see Note no. 19</p>	<p>We have tested the design and operating effectiveness of controls around the due and payable recording process. We carried out the following audit procedures:</p> <ul style="list-style-type: none"> 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 basis payment calculation owed to regulatory bodies. Tested a sample of lease payable 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.
<p>Sundry Debtors (Advance Deposit & Others)</p>	
<p>The company has reported an amount of Tk. 208,776,577 as sundry debtors. This line item is the accumulation of various items including office rent, security deposits, co-insurance commission, tax and collection control accounts and agents Balance Please see Note no. 09</p>	<ul style="list-style-type: none"> We tested the design and operating effectiveness 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. Obtained and 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

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Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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 International Financial Reporting Standards (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 judgment and maintain professional skepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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's 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 the mall 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



K. M. ALAM & CO.
CHARTERED ACCOUNTANTS



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should not be communicated in our report because the adverse consequences of doings 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 the other applicable Laws and Regulations, 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 examination of those books;
- c) The Company's 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 purpose of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been fully charged to the related Revenue Account and the statement of profit or loss & other comprehensive income of the company; and
- e) As per section 54(5) of Insurance Act 2010 as amended, 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 of its business re-insured abroad;
- f) The Company's Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of 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 accounts and returns; and
- g) The expenditure incurred was for the purpose of the Company's business.

Md. Belayet Hossain FCA

Partner, Enrolment no. 1480 (ICAB)

K. M. Alam & Co.

Chartered Accountants

DVC: 2302081480AS262800

Place: Dhaka

Date: 07 February 2023

City General Insurance Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

Particulars	Notes	Amount in Taka	
		2022	2021
Shareholders' equity & liabilities			
Authorized capital : 20,00,00,000 Ordinary Shares of Tk. 10.00 each.	11.00 (A)	2,000,000,000	2,000,000,000
Shareholders' Equity		1,265,758,319	1,194,808,248
Paid up share capital	11.00 (B)	681,661,222	681,661,222
Premium on rights share		90,750,000	90,750,000
Reserve and Surplus :		406,515,512	352,530,903
Reserve for exceptional losses	12.00	376,705,801	319,914,424
General reserve		26,000,000	26,000,000
Investment fluctuation fund	13.00	3,809,711	6,616,479
Profit & Loss Appropriation Account Balance		86,831,585	69,866,123
Liabilities and Provisions		674,135,770	490,006,201
Balance of funds and accounts	14.00	229,463,616	195,875,910
Premium deposits	15.00	147,818,386	21,495,407
Estimated liabilities in respect of outstanding claims whether due or intimated	16.00	7,220,585	2,738,526
Amount due to other persons or bodies carrying on insurance business	17.00	130,549,343	128,816,153
Provision for income tax	18.00	92,390,884	65,346,012
Sundry creditors	19.00	59,842,289	68,250,349
Deferred tax liability	25.00	4,812,657	3,882,301
Un-claimed dividend account	28.00	2,038,010	1,633,729
Provision for CGIC foundation		-	1,967,814
Total Shareholders' Equity and Liabilities		1,939,894,089	1,684,814,449
Net Assets Value Per Share	22.00	18.57	17.53

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Company Secretary



Chief Executive Officer

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.

Dated: Dhaka, 7 February, 2023



City General Insurance Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

Particulars	Notes	Amount in Taka	
		2022	2021
Assets			
Non-Current Assets		585,668,033	462,135,194
Property, plant & equipment	04.00	56,030,380	54,763,465
Investment	05.00	529,637,653	407,371,729
BD Govt. treasury bond		200,000,000	86,000,000
Investment in shares		329,637,653	321,371,729
Current Assets		1,354,226,056	1,222,679,255
Stock of Stamps and others	06.00	1,267,331	4,106,389
Interest, dividends and rent receivable	07.00	70,756,213	67,708,928
Amount due from other persons or bodies carrying on insurance business	08.00	217,214,194	234,343,456
Sundry debtors	09.00	208,776,577	263,596,126
Cash & Cash Equivalents	10.00	856,211,741	652,924,356
Fixed deposit receipt (FDR)		831,151,203	640,396,016
Cash at Bank		24,820,051	12,234,704
Cash in hand		240,487	293,636
Total Assets		1,939,894,089	1,684,814,449



Director



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800



City General Insurance Company Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Expenses of management (not applicable to any particular fund of accounts) :	13,229,541	15,168,234
Directors fee	790,046	695,200
Advertisement	2,962,319	3,881,462
Donation & subscription	550,000	370,000
Audit fee & legal expenses	545,370	386,277
Interest expenses	-	1,220,116
Registration & renewal	840,218	503,981
Fees & charges	935,012	922,012
Depreciation	6,606,576	7,189,186
Less: Unrealised loss on share investment	-	33,122,089
Less: Written off (GMG Airlines) & others- Note: 5 (C)	1,000,000	1,021,704
Profit before tax	212,609,717	162,611,165
Less: Deferred tax expenses (Note: 26)	1,242,011	2,811,123
Less: Provision for income tax (Note: 27)	57,786,254	45,080,224
Net profit after tax transferred to statement of appropriation account	153,581,452	114,719,818
Total	226,839,258	211,923,192

City General Insurance Company Limited

STATEMENT OF APPROPRIATION ACCOUNT

For the Year Ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Reserve for exceptional losses	56,791,377	48,340,672
Cash dividend paid	33,750,177	31,941,020
Amount to be distributed as dividend (Note:32)	46,074,436	34,415,945
Balance transferred to financial position	86,831,585	69,866,123
Total	223,447,575	184,563,760
Earnings per share (Note:24)	2.25	1.68
Total number of outstanding share	68,166,122	68,166,122

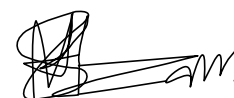
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Chief Financial Officer



Company Secretary



Chief Executive Officer

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.

Dated: Dhaka, 7 February, 2023



City General Insurance Company Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Interest, dividend & rent	81,381,052	116,342,765
(Not applicable to any particular fund or account) :		
Interest income on FDR, BD G.T. Bond & STD account (Notes-20)	53,454,152	45,335,421
Dividend income	13,319,828	18,242,846
Profit/(loss) on sale of share	13,275,387	47,529,902
Miscellaneous income	420,540	5,234,596
Profit/(loss) on sale of fixed assets (Motor car & cycle)	911,145	-
Profit/(loss) transferred from revenue account :	145,458,206	95,580,427
Fire revenue account	17,403,248	(21,689,048)
Marine cargo revenue account	129,015,412	93,590,943
Marine hull revenue account	226,005	(1,996,532)
Motor revenue account	9,272,081	21,580,227
Miscellaneous revenue account	(10,458,540)	4,094,837
Total	226,839,258	211,923,192

City General Insurance Company Limited

STATEMENT OF APPROPRIATION ACCOUNT

For the Year Ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance brought forward from previous year	69,866,123	69,843,942
Net profit after tax for the year transferred from profit or loss and other comprehensive income	153,581,452	114,719,818
Total	223,447,575	184,563,760

Other comprehensive income for the year ended December 31, 2022

Particulars	2022	2021
Profit after tax	153,581,452	114,719,818
Other comprehensive income		
Changes in fair value with deferred tax adjustment -Note: 5 (D)	(2,806,768)	(4,012,551)
Total Comprehensive income for the year	150,774,684	110,707,267



Director



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800



City General Insurance Company Limited

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Claims under policies, less re-insurance:	57,494,825	115,162,958
Claims paid during the year	53,012,766	115,770,205
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	21,014,912	31,636,520
Less : outstanding at the end of the previous year	(16,532,853)	(32,243,767)
Agent commission	161,720,865	55,365,744
Expenses of management	235,421,443	201,942,610
Insurance stamp expenses	679,438	790,113
Profit/(loss) transferred to profit or loss account	145,458,206	95,580,427
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% & 100% of hull on premium income of the year	229,463,616	195,875,910
Total	830,238,395	664,717,762

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.

City General Insurance Company Limited

FIRE INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Claims under policies, less re-insurance:	26,938,868	83,036,144
Claims paid during the year	27,985,154	80,737,065
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	9,320,129	7,804,771
Less : outstanding at the end of the previous year	(10,366,415)	(5,505,692)
Agent commission	33,193,539	14,891,903
Expenses of management	81,964,850	63,010,510
Insurance stamp expenses	628,883	657,789
Profit/(loss) transferred to profit or loss account	17,403,248	(21,689,048)
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% of premium income of the year	54,608,526	50,068,854
Total	214,737,914	189,976,152

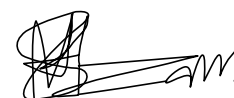
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Chief Financial Officer



Company Secretary



Chief Executive Officer

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.



Dated: Dhaka, 7 February, 2023

City General Insurance Company Limited

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance of account at the beginning of the year:		
Reserve for unexpired risks	195,875,910	131,397,575
Premium less re-insurance	567,913,775	483,406,715
Commission earned on re-insurance ceded	66,321,394	49,794,039
Profit commission	127,316	119,433
Total	830,238,395	664,717,762

City General Insurance Company Limited

FIRE INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance of account at the beginning of the year:		
Reserve for unexpired risks	50,068,854	42,921,038
Premium less re-insurance	136,521,314	125,172,133
Commission earned on re-insurance ceded	28,147,746	21,882,981
Total	214,737,914	189,976,152



Director



Director



Chairman




K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800

City General Insurance Company Limited

MARINE CARGO INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Claims under policies, less re-insurance:	25,518,676	29,055,914
Claims paid during the year	20,723,023	31,342,235
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	9,881,855	22,382,142
Less : outstanding at the end of the previous year	(5,086,202)	(24,668,463)
Agent commission	120,598,150	37,704,589
Expenses of management	121,720,793	121,372,822
Profit/(loss) transferred to profit or loss account	129,015,412	93,590,943
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% of premium income of the year	158,503,506	126,929,848
Total	555,356,537	408,654,116

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.

City General Insurance Company Limited

MARINE HULL INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Claims under policies, less re-insurance:	44	-
Claims paid during the year	44	-
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	-	-
Less : outstanding at the end of the previous year	-	-
Agent commission	1,749,701	398,476
Expenses of management	3,175,796	2,325,172
Profit/(loss) transferred to profit or loss account	226,005	(1,996,532)
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 100% of premium income of the year	3,830,177	4,188,707
Total	8,981,723	4,915,824

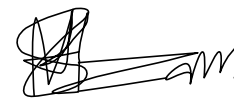
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Chief Financial Officer



Company Secretary



Chief Executive Officer

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.



Dated: Dhaka, 7 February, 2023

City General Insurance Company Limited

MARINE CARGO INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance of account at the beginning of the year:		
Reserve for unexpired risks	126,929,848	68,330,046
Premium less re-insurance	396,258,765	317,324,620
Commission earned on re-insurance ceded	32,167,924	22,999,450
Total	555,356,537	408,654,116

City General Insurance Company Limited

MARINE HULL INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance of account at the beginning of the year:		
Reserve for unexpired risks	4,188,707	83,831
Premium less re-insurance	3,830,177	4,188,708
Commission earned on re-insurance ceded	962,839	643,285
Total	8,981,723	4,915,824



Director



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800



City General Insurance Company Limited

MOTOR INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Claims under policies, less re-insurance :	5,003,650	3,017,230
Claims paid during the year	4,270,958	3,637,235
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	1,812,928	1,449,607
Less : outstanding at the end of the previous year	(1,080,236)	(2,069,612)
Agent commission	4,469,958	1,938,534
Expenses of management	8,530,736	8,854,005
Insurance stamp expenses	35,378	95,827
Profit/(loss) transferred to profit or loss account	9,272,081	21,580,227
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% of premium income of the year	10,216,495	11,860,773
Total	37,528,299	47,346,595

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.

City General Insurance Company Limited

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Claims under policies, less re-insurance:	33,587	53,670
Claims paid during the year	33,587	53,670
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	-	-
Less : outstanding at the end of the previous year	-	-
Agent commission	1,709,517	432,242
Expenses of management	20,029,268	6,380,101
Insurance stamp expenses	15,177	36,497
Profit/(loss) transferred to profit or loss account	(10,458,540)	4,094,837
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% of premium income of the year	2,304,913	2,827,728
Total	13,633,922	13,825,075

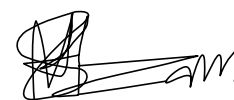
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Chief Financial Officer



Company Secretary



Chief Executive Officer

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.



Dated: Dhaka, 7 February, 2023

City General Insurance Company Limited

MOTOR INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance of account at the beginning of the year:		
Reserve for unexpired risks	11,860,773	17,376,769
Premium less re-insurance	25,541,238	29,651,933
Commission earned on re-insurance ceded	126,288	317,893
Total	37,528,299	47,346,595

City General Insurance Company Limited

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
Balance of account at the beginning of the year:		
Reserve for unexpired risks	2,827,728	2,685,891
Premium less re-insurance	5,762,282	7,069,321
Commission earned on re-insurance ceded	4,916,596	3,950,430
Profit commission	127,316	119,433
Total	13,633,922	13,825,075



Director



Director



Chairman




K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800


City General Insurance Company Limited
STATEMENT OF CHANGES IN EQUITY
As at 31 December 2022


Particulars	Share Capital (paid-up)	Share Premium	Reserve for Exceptional Losses	General Reserve & Others	Investment Fluctuation Fund	Retained Earnings	Total
Balance as at 1st January 2022	681,661,222	90,750,000	319,914,424	26,000,000	6,616,479	69,866,123	1,194,808,248
Cash dividend paid during the year	-	-	-	-	-	(33,750,177)	(33,750,177)
Profit after tax during the year	-	-	-	-	-	153,581,452	153,581,452
Amount to be distributed as dividend	-	-	-	-	-	(46,074,436)	(46,074,436)
Appropriation made during the year	-	-	56,791,377	-	47,788,948	(56,791,377)	47,788,948
Adjustment of changes in fair value of share investment	-	-	-	-	(50,595,716)	-	(50,595,716)
Balance as at 31 December 2022	681,661,222	90,750,000	376,705,801	26,000,000	3,809,711	86,831,585	1,265,758,319


City General Insurance Company Limited
STATEMENT OF CHANGES IN EQUITY
As at 31 December 2021


Particulars	Share Capital (paid-up)	Share Premium	Reserve for Exceptional Losses	General Reserve & Others	Investment Fluctuation Fund	Retained Earnings	Total
Balance as at 1st January 2021	681,661,222	90,750,000	271,573,752	26,000,000	10,629,030	69,843,942	1,150,457,946
Cash dividend paid during the year	-	-	-	-	-	(31,941,020)	(31,941,020)
Profit after tax during the year	-	-	-	-	-	114,719,818	114,719,818
Amount to be distributed as dividend	-	-	-	-	-	(34,415,945)	(34,415,945)
Appropriation made during the year	-	-	48,340,672	-	54,967,547	(48,340,672)	54,967,547
Adjustment of changes in fair value of share investment	-	-	-	-	(58,980,098)	-	(58,980,098)
Balance as at 31 December 2021	681,661,222	90,750,000	319,914,424	26,000,000	6,616,479	69,866,123	1,194,808,248


* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.


Chief Financial Officer


Company Secretary


Director


Director


Chairman

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.

Dated: Dhaka, 7 February, 2023



K. M. ALAM & CO.
Chartered Accountants

DVC:2302081480AS262800

City General Insurance Company Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

Particulars	Amount in Taka	
	2022	2021
A. Cash flow from operating activities:		
Cash receipts from premium and others income	1,038,497,470	758,636,922
Cash payment for management exp., re-insurance, claim & other exp.	(634,852,548)	(513,117,616)
Income tax paid	(22,517,791)	(58,219,305)
Net cash generated from operating activities	381,127,131	187,300,001
B. Cash flow from investing activities:		
Acquisition of fixed assets	(10,258,018)	(19,975,903)
Disposal of fixed assets	1,667,608	-
(Increase)/ decrease investment in shares & BGTB	(111,800,000)	(72,923,760)
Dividend income	10,716,786	14,655,169
Net cash used in investing activities	(109,673,624)	(78,244,494)
C. Cash flow from financing activities:		
Dividend paid	(68,166,122)	(68,166,122)
Net cash used in financing activities	(68,166,122)	(68,166,122)
D. Net cash inflows/(out flows) for the year (A+B+C)	203,287,385	40,889,385
E. Opening cash and cash equivalents	652,924,356	612,034,971
F. Closing cash and cash equivalents	856,211,741	652,924,356
Net operating cash flow per share (NOCFPS) (Note:23)	5.59	2.75

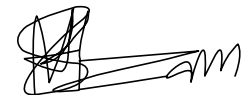
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Chief Financial Officer



Company Secretary



Chief Executive Officer



Director



Director



Chairman

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.

Dated: Dhaka, 7 February, 2023




K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800

Form-"AA"

CLASSIFIED SUMMARY OF ASSETS

As at 31 December 2022

SL. No.	Particulars	Amount in Taka		Remarks
		2022	2021	
A	Non-current assets	585,668,033	462,135,194	
	Property, plant & equipment	56,030,380	54,763,465	Written down value
	Investment	529,637,653	407,371,729	
	BD Govt. treasury bond	200,000,000	86,000,000	Not quoted in market
	Investment in shares	329,637,653	321,371,729	Quoted at market value
B	Current Assets	1,354,226,056	1,222,679,255	
	Stock of stamps and others	1,267,331	4,106,389	Realizable value
	Interest, dividends and rent receivable	70,756,213	67,708,928	Realizable value
	Amount due from other persons or bodies carrying on insurance business	217,214,194	234,343,456	Realizable value
	Sundry debtors	208,776,577	263,596,126	Realizable value
	Cash & cash equivalents	856,211,741	652,924,356	
	Fixed deposit with banks	831,151,203	640,396,016	Realizable value
	Short term deposit with banks & current a/c	24,820,051	12,234,704	Realizable value
	Cash in hand	240,487	293,636	Realizable value
	Total assets (A+B)	1,939,894,089	1,684,814,449	

Certificate under regulation 7 (a) & (b) of Part 1 of the first Schedule of the Insurance Act 2010.

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 balance sheet at amounts not exceeding their realizable of market value, and that the investments in shares have been valued at fair value.



Chief Financial Officer



Company Secretary



Chief Executive Officer



Director



Director



Chairman

Auditor's report to the shareholders

This is the financial position referred to in our report annexed.

Dated: Dhaka, 7 February, 2023




K. M. ALAM & CO.

Chartered Accountants
DVC:2302081480AS262800

CITY GENERAL INSURANCE COMPANY LTD.**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the year ended 31 December 2022

1.0 LEGAL STATUS AND NATURE OF THE COMPANY**1.1 Legal Status and Country of Operation**

The Company was incorporated on March 18, 1996 and obtained the certificate for commencement of business on March 25, 1996 from the Registrar of Joint Stock Companies and Firms and the License for Insurance Business from the Chief Controller of Insurance, Government of the People's Republic of Bangladesh on March 31, 1996. With the permission of Securities and Exchange Commission the company issued 900,000 ordinary shares at Tk.100 each to public in 2007 and was listed with Dhaka and Chittagong Stock Exchanges.

The registered office of the Company is located at Baitul Hossain Building (4th floor), 27, Dilkusha C/A, Dhaka-1000, Bangladesh. The operation of the company is being carried out through its 45 branches located in different division in Bangladesh.

1.2 Nature of Business

The principal activities of the company are to offer general insurance products like as fire, marine cargo, marine hull, motor, engineering and miscellaneous insurance. These products offer protection to policyholder's assets. Revenue under above activities is derived primarily from insurance premiums. There were no significant changes in the nature of the principal activities of the company during the year 2022 under review.

2.0 SIGNIFICANT ACCOUNTING POLICIES, BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS AND OTHER RELATED POLICY INFORMATION**2.1 Statement of Compliance**

A summary of the principle accounting policies which have been applied consistently (Unless otherwise stated), is set out below:

- The accompanying financial statements have been prepared on a going concern basis under Generally Accepted Accounting Principles according to the historical cost convention, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.
- International Accounting Standards as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) and International Financial Reporting Standards and as are applicable in case of insurance business have been adopted by the company.
- The Statement of Financial Position has been prepared in accordance with the section 27 of Insurance Act 2010 and regulation contained in part I of the First schedule and as per form "A" as set forth in part II of that schedule, statement of profit or loss and other comprehensive income and profit or loss appropriation account have been prepared in accordance with the regulation contained in part I of the second schedule and as per form "B" & "C" as set forth in part II of that schedule respectively and the revenue accounts of each class of general insurance business has been prepared in accordance with the regulation as contained in part I of the Third Schedule and as per Form "F" as set forth in part I of that schedule of the then Insurance Act 1938.
- The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 2010, the Insurance Rules 1958 and in conformity with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 (as amended in 2014), the Listing Regulations 2015 of Dhaka and Chittagong Stock Exchange and other applicable laws & regulations in Bangladesh and practice generally followed by the insurance sector.
- Status of Compliance of International Accounting Standards and International Financial Reporting Standards which were applied preparing financial statements.

Name of Adopted IAS	IAS No.	Status of application
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statements Cash flow	7	Applied
Accounting Policies, Changes in Accounting estimates and errors	8	Applied
Event after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant & Equipment's	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants and Discloser of Govt. Assistants	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 Plans	26	N/A



Name of Adopted IAS	IAS No.	Status of application
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyper Inflationary Economies	29	N/A
Financial Instruments: Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition & Measurement	39	N/A
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status of application
First Adoption of IFRSs	1	N/A
Share Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	Applied
Non- Current Assets Held for Sales and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments Disclosure	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidate Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferred Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Lease	16	N/A

f) Standards Issued But Not Yet Effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. However, this is not an exhaustive list of all the standards issued, the following are the standards which according to the assessment of the Company is most likely to be applicable.

i) Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice.

ii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment – Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.





iii) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company is currently assessing the impact the amendments will have on current practice.

iv) IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for de recognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

v) Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)

The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. The amendments apply for annual reporting periods beginning on or after 1 January 2023. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of the equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

The Company accounts for deferred tax on leases and decommissioning liabilities applying the ‘integrally linked’ approach, resulting in a similar outcome of the amendments, except that the deferred tax impacts are presented net in the statement of financial position. There will be no impact on retained earnings on adoption of the amendments.

vi) Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgments, in which it provides guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company’s accounting policy disclosures.

vii) Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Company.

2.2 Basis of Presentation of Financial Statements

The presentations of financial statements are prepared in accordance with the guidelines provided as per requirement of Insurance Act 2010 and IAS 1: “Presentation of Financial Statement”. A complete set of financial statements comprising of the following:

- i) Statement of financial position as at December 31, 2022;
- ii) Statement of profit or loss and other comprehensive income for the year ended December 31, 2022;
- iii) Statement of appropriation account for the year ended December 31, 2022;
- iv) Statement of changes in equity as at December 31, 2022;
- v) Statement of cash flows for the year ended December 31, 2022;
- vi) Consolidated revenue account for the year ended December 31, 2022;



- vii) Fire insurance revenue account for the year ended December 31, 2022;
- viii) Marine cargo insurance revenue account for the year ended December 31, 2022;
- ix) Marine hull insurance revenue account for the year ended December 31, 2022;
- x) Motor insurance revenue account for the year ended December 31, 2022;
- xi) Miscellaneous insurance revenue account for the year ended December 31, 2022;
- xii) Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements for the year ended December 31, 2022.

2.3 SIGNIFICANT ACCOUNTING POLICIES

2.3.1 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statement does not include any adjustments should the City General Insurance Company Limited be unable to continue as a going concern.

2.3.2 Underwriting Business

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.

2.3.3 Balance of Funds and 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.

2.3.4 Classification of current versus non-current

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period;
- All other liabilities are classified as non-current;
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3.5 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.3.6 Dividends and Capital Management

Final dividend distribution to the Company's shareholders are recognized as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognized in the period in which the dividends are declared and paid. The Company may issue bonus share as a part of stock dividend in any financial year, subject to approval from the board and Company's shareholders at the Annual General Meeting.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximize the shareholder value and to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders.

2.3.7 Property, Plant & Equipment

a) Recognition & Measurement

The cost of an item of property, plant & equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. An item of PPE that qualifies for recognition as an asset shall be measured at its cost. Cost is measured as the cash price at the time of recognition, with discounting if payment is deferred beyond normal credit terms. Where there is an exchange of items of PPE such that there is no cash price, cost should be measure at fair value.



b) Subsequent Cost

Subsequent costs of enhancement of an existing asset are recognized as a separate asset; only when it is probable that future economic benefits associated with the items will flow to the company and the cost of such items can be measured reliably. All other expenditure is charged to the profit & loss account during the financial period in which they are incurred.

c) De-recognition

The carrying amount of an item of PPE shall be derecognized on disposal and retirement, which means the assets, is permanently withdrawn from use or sold or scrapped; or when no future economic benefits are expected from its use or disposal.

d) Impairment of Assets

As per IAS 36, if the assets recoverable amount is lower than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on non-revalued assets is recognized in profit or loss. However an impairment loss on a revalued asset is recognized in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduced the revaluation surplus for that asset.

e) Leases

Financial Reporting Standards IFRS-16 leases effective from amount proceeds beginning on or after January 1, 2019 in place of old Accounting Standards IAS-17. However, the company not yet introduced IFRS-16, lease in its financial statements. Most of the rental agreement of the Company is for temporary basis. As such, there has no material impact in the financial statements for incorporating IFRS-16 in compare with the accounting treatment under IAS-17.

f) Depreciation

Depreciation on newly acquired assets are calculated on the basis of assets when it is available for use as on IAS-16 and no depreciation is charged for the year in which the assets are disposed off. Depreciation on all fixed asset are computed using the reducing balance method in amounts sufficient to write off depreciable assets over their estimated useful life.

The annual depreciation rates applicable to the principal categories are

Office and electrical equipment's	15%
Furniture and fixture	10%
Motor vehicles	20%
Office decoration	10%
Air conditioner	10%
Books	20%
Telephone	15%
Software	20%

2.3.8 Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments comprise deposits, sundry debtors, cash and cash equivalents, sundry creditors, intercompany payables, share capital and interest-bearing borrowings.

i) Financial Assets

The company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The company's financial assets comprise cash and cash equivalents, sundry debtors, deposits and advances and prepayments.

ii) Financial Liabilities

The Company initially recognizes financial liabilities in its statement of financial position when the Company becomes a party to the contractual provisions of the liability. The Company recognizes such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The company's financial liabilities comprise sundry creditors.

iii) Cash and Cash Equivalents

According to IAS 7 "Statement of Cash Flows" 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, bank balances and FDR have been considered as cash and cash equivalents

iv) Sundry Debtors

Sundry debtors consist of unpaid bills receivable from insured and other parties. sundry debtors are recognized initially at original invoice amount and subsequently measured at the remaining amount less expected credit loss at the year end, which is made at the discretion of the management.



v) Deposits

Deposits are measured at payment value which are expected to be recovered after completion a certain period or purpose.

vi) Advances and Prepayments

After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment or inventory etc. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges for the period.

vii) Sundry Creditors

Sundry creditors are current liabilities and provisions that the company has to pay in due course. It also includes company's liability for current tax and deferred tax which is calculated using tax rates that have been enacted at the balance sheet date.

viii) Offsetting a Financial Asset and a Financial Liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.3.9 Public Sector Business (PSB)

As per government decision effective from April 1990, 100% Public Sector Insurance Business (PSB) is being underwritten by Sadharan Bima Corporation (SBC), 50% premium being retained by SBC and the remaining balance is equally distributed among 45 private sector insurance companies. Company's share of Public Sector Business (PSB) is accounted for in the year, in which the statement of accounts from the Sadharan Bima Corporation (SBC) is received up to 30 June, 2022. Statements of accounts for the period from 1st July 2021 to 30th June 2022 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.

2.3.10 Stocks of Stationery and Forms

Stocks of stationery and forms have been valued at lower of cost and net realizable value.

2.3.11 Provision for Income Tax Assessment

The status of Income Tax Assessment of the company is summarized in the table below:

Amount in BDT			
SL. No	Income Year	Status of the disputed tax liabilities	Disputed Tax Liability
1.	2006	Applied in the High Court via application no. 384/2010	2,664,828
2.	2007	Applied in the High Court via application no. 642/2019	2,530,480
3.	2008	Applied in the High Court via application no. 643/2019	6,803,967
4.	2009	Applied in the High Court via application no. 644/2019	10,644,316
5.	2010	Applied in the High Court via application no. 232/2020	8,935,394
6.	2011	Applied in the High Court via application no. 233/2020	21,147,485
7.	2012	Applied in the High Court via application no. 234/2020	21,062,377
8.	2013	Applied in the High Court via application no. 916/2019	20,863,242
9.	2014	Assessment completed and received income tax certificate	Settled
10.	2015	Assessment completed and received income tax certificate	Settled
11.	2016	Undergoing Appellate Tribunal	Settled
12.	2017	Assessment completed and received income tax certificate	Settled
13.	2018	Return submitted on 07.10.2019	Settled
14.	2019	Return submitted on 21.09.2020	Settled
15.	2020	Return submitted on 15.09.2021	Yet to settled
16.	2021	Return submitted on 01.09.2022	Yet to settled
Total:			94,652,089

2.3.12 Employees Retirement Benefit Scheme

City General Insurance Company Limited offers a number of retirement benefit plans for all permanent employees of the company which include contributory provident fund and gratuity fund which have been accounted for in accordance with the provision of International Accounting Standard (IAS)-19, "Employee's Retirement Benefit"

(i) Provident Fund

The company has a contributory provident fund for its eligible employees. The eligible employees will contribute @ 10% of their basic salary and the company will make a matching contribution. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees.

(ii) Gratuity Fund

The company also operates a funded gratuity scheme for all eligible employees who complete minimum 5 years of confirmed service with the company in accordance with the provisions specified in IAS 19. Required amount of gratuity is calculated on the basis of last basic pay depending on the length for service for every completed year as well as proportionate to the fraction period of service as of respective financial year. This scheme is approved by the National Board of Revenue (NBR) and administered by an independent Board of Trustees.

(iii) Incentive Bonus

The company has a policy namely incentive bonus scheme for its employees who meets certain criteria based on their annual performance bonus is ascertained on net profit with approval in the Board Meeting and the expense is accounted for the year to which same relates.



2.3.13 Basis of Measurement

These financial statements have been prepared based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

2.3.14 Valuation of Assets

The value of all assets at December 31, 2022 as shown in the financial position have been reviewed and the said assets have been set forth in the financial position on amounts at their respective book value which in the aggregate do not exceed their aggregate market value.

2.3.15 Write-Off

Write-off describes a reduction in recognized value. It refers to the recognition of the reduced or zero value of an asset. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The item's potential return is thus cancelled and removed from ("written-off") the company's financial position. Recovery against debts written-off/provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.3.16 Collection Control Account

Collection control account is the outstanding premium for both policy and cover note in respect fire, marine and miscellaneous classes of business as at reporting date under bank guarantee which will be subsequently received and adjusted.

2.3.17 Earnings Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with IAS 33 which has been shown on the face of statement of profit or loss and other comprehensive income. (Note: 24)

2.3.18 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the ordinary shares outstanding during the year. In accordance with IAS 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other comprehensive income.

2.3.19 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.

2.3.20 Diluted Earnings Per Share

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2022.

2.3.21 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987.

2.3.22 Investment in Share

The investment in securities has been valued at fair value as on December 31, 2022 in according to the IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 13 "Fair Value Measurement".

2.3.23 Revenue Recognition

Revenue is recognized in accordance with International Accounting Standard (IFRS-15). Revenue from contracts with customers, unless otherwise mentioned or otherwise guided by the separate IAS/IFRS or by directives of the regulatory authority.

a) Gross Premium

Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued. Re-insurance premium are deducted from the gross premium to present the net premium income from insurance business.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated as required by the Insurance Act 2010. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

b) Cover Notes Converted into Policy (CCP)

Amounts received against issue of cover notes that have not been converted into policy are not recognized as income. The cover notes which were previously issued are converted into insurance policy at the expiry of nine months from the date of issue of such cover notes as per circular of the then Insurance Development & Regulatory Authority (IDRA).

c) Investment Income

- i) Interest on FDRs, 5-years, 10- years, 15- years & 20- years Bangladesh Government Treasury Bond (BGTB) are recognized on accrual basis. Interest Income is recognized in the profit or loss account as it accrues and is calculated using the effective interest



rate method. Fees and commission that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument.

ii) Cash Dividend Income and Stock Dividend from Investment

Dividend income on investment in shares are recognized when the company is entitled to dividend from the investee and shown in the statement of profit or loss and other comprehensive income. For stock dividend, the number of related shares of investee increases effecting decrease in average cost of investment.

d) Sale of Fixed Assets

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss arising on the disposal or retirement of an item of property, plant & equipment is determined as the difference between sales proceeds and carrying amount of the assets and is recognized in profit or loss account as per provision IAS-16.

e) Re-Insurance Commission

Re-insurance commissions are recognized as revenue over the period in which the related services are performed.

2.3.24 Benefits, Claims and Expenses Recognition

a) Gross Benefits and Claims

All insurance claims were occurring during the year and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

b) Re-insurance Ceded

Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has duly been made in respective revenue account as per treaty between the company and Sadharan Bima Corporation (SBC) and foreign re-insurances.

c) Re-insurance with Foreign Re-insurer

Fifty percent (50%) of the re-insurable non-life insurance business shall be re-insured with Shadharan Bima Corporation and the remaining fifty percent (50%) of such business may be re-insured either with the SBC or with any other insurer whether in or Bangladesh.

d) Re-insurance Claims

Re-insurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

e) Interest Expense

The company has incurred interest and related expenses on account of overdraft and short term loan. In terms of provision of the International Accounting Standard (IAS) -1 "Presentation of Financial Statements" interest expenses are recognized on accrual basis.

f) Borrowing Costs

In accordance with International Accounting Standard (IAS-23)- borrowing costs include interest on bank overdraft and borrowings, finance charges on finance leases and exchange differences on foreign currency borrowings where they are regarded as an adjustment to interest costs.

g) Provision for Outstanding Claims

For general insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

h) Expenses of Taxes

i) Provision for Income Tax

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time. Applicable rate of income tax for the company is 37.5%.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. Income tax expense comprises current and deferred tax. It is recognized in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

ii) Current Tax

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit 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 succeeding years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates as per Income Tax Ordinance 1984, that have been effective on the balance sheet date.



iii) Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet method. Deferred tax liabilities are generally recognized for all taxable temporary differences and for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which such differences can be utilized. Required provision has been made in during the period.

2.3.25 Accounting for Changes in Accounting Estimates

IAS-8 states that the effect of a change in an accounting estimate is to be applied prospectively/retrospectively by inclusion in the current accounting period and if relevant, in future accounting period. The carrying amount of assets, liabilities or equity may be changed following a change in accounting estimates in the period of the change.

2.3.26 Related Party Disclosure

As per International Accounting Standards (IAS) 24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in (Note: 21.00)

2.3.27 Events after the Financial Position Date

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

The Company has adequate resources to continue in operation for the foreseeable future. For this reason management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient funds and attributable credit facilities to meet the present requirements of its existing business.

2.3.28 Reserve or Contingencies**a) Reserves for Exceptional Losses**

As per Income Tax Ordinance 1984 (ITO) Para-6 of the 4th schedule, 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.

b) General Reserve

The company created a general reserve to avoid future contingency

c) Investment Fluctuation Fund

The company made investment in the capital market having large portfolio and income generated from the investment is credited to profit or loss account as realized basis. The company has created an investment fluctuation fund out of un-realized gain from capital market. As capital market of Bangladesh is volatile and market price of the stock and shares are changed very frequently.

2.3.29 Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity.

The claim of tax liability by the Taxes Appellate Tribunal for the financial years sum up to BDT. 94,652,089. The company has disclaimed the liability and is defending the action by making writ petition with the High Court Division against the tribunal order. Legal advice obtained indicates that it is likely that the tax liability can be avoided.

2.3.30 Contingent Asset

Contingent asset is a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognized. Only when the realization of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

2.3.31 Amount Due to Other Persons or Bodies Carrying on Insurance Business

Any amount is payable to foreign re-insurers, Sadharan Bima Corporation and other private sector insurance companies in respect of reinsurance arrangement with them. It also comprises includes all the amount payable to local insurance companies under co insurance premium.

2.3.32 Branch Accounting

The company has 45 branch offices with no overseas branch as on December 31, 2022. Accounts of the branches are maintained at the head offices which are included in the accompanying financial statements.



2.3.33 Contribution to Worker's Profit Participation Fund

A Workers Profit Participation Fund (WPPF) has been maintaining from 2018 for meeting up its obligation in accordance with Bangladesh Labor Law 2006 as amended 2013. Total sum of Taka. 7,070,768 has been provided in the financial statements in earlier years under the head "Provision for WPPF Fund". Required provision has not been made during the year due to non insertion of any clause in regard to WPPF in Insurance Act 2010.

2.3.34 Consistency of Presentation

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, City General Insurance Company Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. However, we have applied the same accounting and valuation principles in 2022 in the financial statements.

3.0 ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS

3.1 Responsibility for Preparation and Presentation of Financial Statements

The Management and Board of Directors are responsible for the preparation and presentation of the financial statements.

3.2 Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with the International Accounting Standards (IAS) 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 the affect financial statements and revenue and expenses during the year 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.

3.3 Foreign Currency

All foreign exchange transactions are converted to Bangladesh; Taka, at the exchange rate prevailing on the date of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rate". Foreign currency balance have been translated into taka at prevailing rate of cutoff date and the difference between translation value or realization value and initial recognition is recognized in the face in statement of profit and loss and comprehensive income. Insurance contracts which were underwritten in foreign currency are converted to Bangladesh Taka at the rate of exchange prevailing at the time of underwriting and revenue is recognized accordingly.

3.4 Reporting Period

Financial statements of the company cover on calendar year from 1st January, 2022 to 31st December, 2022 (12 Months).

3.5 Application of Judgments, Estimates & Assumptions

According to IFRS confirmation the preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements: In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

Estimates & Assumptions: Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Key estimates and assumptions used in preparation of these financial statements are:

- i) Applicable tax rate for Income Year 2022 will be declared by Finance Act 2022. For the purpose of these financial statements, management has assumed that the existing corporate tax rate (37.50%) will be applicable for Income Year 2022 as well.
- ii) Key measurements about the likelihood and magnitude of outflow of the resources have been used to recognize and measure provisions and contingencies.

In particular, information about significant areas of estimates and critical judgements in applying accounting policies that have the most significant effect on the amount recognized in these financial statements are stated in the following notes:

- | | |
|-----------------------------|---|
| • Note 4 | • Property, plant and equipment |
| • Note 6 | • Stamp in hand and stock of stationery |
| • Note 9 | • Sundry debtors |
| • Note 2.3.12 (i, ii & iii) | • Net defined benefit plans |
| • Note 25 | • Deferred tax liabilities |
| • Note 27 | • Provision for income tax |





3.6 Segment Reporting

Segment reporting is the disclosure of financial detail of key units of our company business such as fire, marine, motor & miscellaneous insurance that is based on certain regulatory requirements. Such segment wise reporting helps the company's stake holder understands revenue expense and other ratios for each business unit and can decide about their investment accordingly.

3.7 Reporting Currency and Level of Precision

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is both functional and presentational currency of the Company. The amounts in these financial statements have been rounded off to the nearest BDT unless otherwise indicated. Because of these rounding off, in some instance the total may not match the sum of individual balances.

3.8 Comparative Information

Comparative information have been disclosed in respect of the year 2022 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current years financial statements. Figure of the year 2022 have been rearranged whenever considered necessary to ensure comparability with the current year.

3.8.1 Significant Deviation in Earnings Per Share (EPS)

EPS has been increased in the current year ended on 31st December, 2022 with comparison to the previous year because the company's premium income has been increased significantly.

3.8.2 Significant Deviation in Net Operating Cash Flow Per Share (NOCFPS)

NOCFPS has been increased in the current year ended 31st December, 2022 with comparison to the previous year because the company's premium income has been increased sharply.

3.8.3 Significant Deviation in Net Assets Value Per share (NAV)

NAV has been increased in the current year ended 31st December, 2022 with comparison to the previous year because the company's investments in share, Govt. Treasury Bond and FDR have been increased.

3.8.4 Materiality and Aggregation

Each material item as considered by management significant has been presented separately in financial statements. No amount has been set off unless the CGICL has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

3.8.5 Authorization Date for Issuing Financial Statements

The financial statements were authorized by the Board of Directors in their 205th meeting held on 13th February, 2023.

3.9 Regulatory Compliances

As required, City General Insurance Company Limited complied with following major legal provision in addition to the Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax and Supplementary Duty Act, 2012

The Value Added Tax and Supplementary Rules, 2016

Securities & Exchange Commission Rules, 1987

Insurance Rules, 1958

Insurance Act, 2010

International Accounting Standards (IAS)

International Financial Reporting Standards (IFRS)

Rules and Regulations issued by the Insurance Development & Regulatory Authority (IDRA)

3.10 General:

Figures appearing in these financial statements have been rounded off to the nearest Taka.



Notes	Particulars	Amount in Taka	
		31 December 2022	31 December 2021

04.00 PROPERTY, PLANT AND EQUIPMENT: TK. 56,030,380

Details of the above have been shown in Annexure-A. Depreciation has been charged on all fixed assets at reducing balance method.

Cost of Fixed Assets as on December 31, 2021	151,162,639	131,186,736
Add: Addition during the year 2022	10,258,018	19,975,903
Less: Disposal during the year 2022	14,709,000	-
Cost of Fixed Assets as on December 31, 2022	146,711,657	151,162,639
Less: Accumulated depreciation as on December 31, 2021	96,399,174	89,209,988
Add: Disposal of accumulated depreciation during the year 2022	12,324,473	-
Less: Depreciation during the year 2022	6,606,576	7,189,186
Balance as on December 31, 2022	56,030,380	54,763,465

05.00 INVESTMENTS: Tk. 529,637,653

A. BD Govt. Treasury Bond:

SL. NO	Particulars of Investment	Amount in Taka	
		31 December 2022	31 December 2021
1	BD Govt. Treasury Bond (deposit with National Bank Ltd.)	200,000,000	86,000,000
Sub-Total		200,000,000	86,000,000

A sum of Tk. 20,00,00,000 was invested in Bangladesh Govt. Treasury Bond at cost kept with National Bank Ltd. as statutory deposit as required under section 23 and 24 of the Insurance Act, 2010 (The First schedule item 2(B)). The above investment consisting eight Bangladesh Govt. Treasury Bond. The details of the each investment is mention below:

Sl. No.	Particulars of Investment					Amount (In Taka) 31 December 2022	Amount (In Taka) 31 December 2021
	Nature of Security	ISIN No.	Interest Rate	Issue date	Maturity date		
10Y BGTB	BD0923341103	12.10%	13.03.2013	13.03.2023	16,000,000	16,000,000	
15Y BGTB	BD0931401154	7.79%	27.04.2016	27.04.2031	9,000,000	9,000,000	
05Y BGTB	BD0926321052	4.25%	18.03.2021	18.03.2026	10,000,000	10,000,000	
10Y BGTB	BD0931401105	5.80%	19.05.2021	19.05.2031	15,000,000	15,000,000	
20Y BGTB	BD0941451207	6.07%	30.06.2021	30.06.2041	14,000,000	14,000,000	
10Y BGTB	BD0931561106	6.08%	19.10.2021	19.10.2031	22,000,000	22,000,000	
10Y BGTB	BD0932111109	8.10%	21.09.2022	21.09.2032	24,000,000	-	
15Y BGTB	BD0937821157	7.98%	27.04.2022	27.04.2037	90,000,000	-	
Grand Total					200,000,000	86,000,000	

Accrued interest on such Bond up to December 31, 2022 has been accounted for.

B. (i) Shares of Listed Companies:

Investment has been recorded at cost. Market value of securities has been determined on the basis of the value of securities of last trading day of the year as follows-

SL. NO	Name of the Company	No. of Share	Cost Value (Tk.)	Market Value (Tk.) 2022	Market Value (Tk.) 2021
1	ACME Prestiside Limited	1,000,000	10,000,000	35,400,000	358,584
2	Anwar Galvanizing Limited				9,173,932
3	Bangladesh Finance Limited				41,180,800
4	Lafarge Holcim Bangladesh Limited	2,207,000	218,520,397	143,013,600	156,917,700
5	Sena Kollan Insurance Company Limited				540,714
6	Apex Footwear Limited	1,540	438,609	403,634	-
7	Bashundhra Paper Mills Limited	38,318	3,216,434	2,896,841	-
8	BATBC	1,600	921,840	829,920	-
9	BEXIMCO	38,000	4,701,324	4,392,800	
10	BPML	72,010	6,369,808	5,443,956	
11	GENEXIL	102,000	11,923,678	8,262,000	
12	INTECH	400	12,692	11,680	
13	LOVELLO	256,100	12,181,922	9,706,190	
14	PRIMETEX	21,000	867,363	840,000	
15	BD finance Securities Ltd.	213,020	9,611,217	9,394,182	
16	GOLDENSON	190,000	3,808,240	3,458,000	
17	ICICL	8,500	85,000	238,850	
18	Runner Auto	65,000	3,431,437	3,146,000	
Sub-Total			286,089,961	227,437,653	208,171,729



The company made investment in the capital market having large portfolio as stated above. It is the companies policy to account for any losses or gain in the profit and loss account on realization basis. Since Bangladesh capital market is very volatile and market price of securities is changed frequently, the securities are valued at fair value according to the IAS 39 & IFRS 13. In this regard the company has created a investment fluctuation fund from un-realized share profit for the year 2022.

B (ii) Shares of Non- Listed Companies:

SL. No	Particulars Of Investment	No. of Shares	Amount in Taka	
			31 December 2022	31 December 2021
1	GMG Airlines Ltd. (Note-05-C)	220,000	6,000,000	7,000,000
2	BD Finance Securities Ltd.	9,327,500	91,000,000	91,000,000
3	Al Faruqe Bags Ltd.	500,000	5,000,000	5,000,000
4	Classic Foils Ltd.	22,400	200,000	200,000
5	Acme Pesticides Limited		-	10,000,000
Sub-Total			102,200,000	113,200,000
Balance as on December 31, 2022 [A+B (i+ii)]			529,637,653	407,371,729

C. GMG Airlines Ltd

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	7,000,000	8,000,000
Add: Addition during the year 2022	-	-
	7,000,000	8,000,000
Less: Written off during the year 2022	(1,000,000)	(1,000,000)
Balance as on December 31, 2022	6,000,000	7,000,000

As per the decision of Board, the total investment in GMG Airlines amounting of TK.1,00,00,000 shall be written off in equal amounts over 10 years starting from 2019. Accordingly an amount of TK.10,00,000 has been written off in financial year 2022.

D. Changes in fair Value with deferred tax adjustment

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Closing Investment Fluctuation Fund December 31, 2022	3,809,711	6,616,479
Opening Investment Fluctuation Fund December 31, 2021	6,616,479	10,629,030
Changes in fair Value with deferred tax adjustment	(2,806,768)	(4,012,551)

06.00 STOCK OF STAMPS AND OTHERS: TK. 1,267,331

A. STAMPS IN HAND

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	1,746,113	622,870
Add: Purchase during the year 2022	3,000,000	5,509,984
Sub Total	4,746,113	6,132,854
Less: Recovery of value on use during the year 2022	3,478,782	4,386,741
Balance as on December 31, 2022	1,267,331	1,746,113

B. STATIONERY : Tk.

	-	2,360,276
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07.00 INTEREST, DIVIDEND AND RENT RECEIVABLE : Tk. 70,756,213

This represents accrued interest on FDR and investment in BD Govt. Treasury Bond made by the company.

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Receivable as on December 31, 2021	67,708,928	66,024,228
Add: Interest accrued as on December 31, 2022	19,522,943	15,902,849
Receivable as on December 31, 2022	87,231,871	81,927,077
Less: Interest received during the year 2022	16,475,658	14,218,149
Balance as on December 31, 2022	70,756,213	67,708,928

08.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 217,214,194

This balance represents the balance receivable from Sadharan Bima Corporation (SBC) and other insurance companies on account of public sector business transacted up to 2nd quarter of 2022, Break up is as under:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	234,343,456	234,343,456
Add: Receivable from SBC and others during the year 2022	12,897,746	11,698,209
	247,241,202	246,041,665
Less: Received from SBC and others during the year 2022	30,027,008	11,698,209
Balance as on December 31, 2022	217,214,194	234,343,456



09.00 SUNDRY DEBTORS: TK. 208,776,577

This consists of the followings:

Particulars		Amount in Taka	
		31 December 2022	31 December 2021
1.	Security deposit with Dhaka Chamber (Note-09.01)	48,064	48,064
2.	Advance against office rent	2,594,370	2,817,757
3.	Advance against VAT (Note-09.02)	7,819,052	7,819,052
4.	Advance against salary (Note-09.03)	5,792,281	8,676,787
5.	Advance income tax payment (Note-09.04)	123,387,312	128,946,970
6.	Advance T.A./ D.A. Bill	-	70,000
7.	Security deposit with CDBL	300,000	300,000
8.	Receivable from BD Finance Security Ltd.	249	1,130,035
9.	IPO share application money	-	637,500
10.	Advance to different parites	2,716,864	1,954,556
11.	Advance to Staff	92,183	412,840
12.	Collection control accounts	65,722,382	110,221,803
13.	Receivable from City brokerage Ltd.	3,820	-
14.	Security deposit on office rent Sathkira branch	100,000	100,000
15.	Security deposit on office rent Gulshan branch	100,000	-
16.	Security deposit on office rent Konabari branch	-	300,000
17.	Security deposit on office rent Motijheel branch	100,000	100,000
18.	Security deposit on office rent Nawabpur branch	-	60,762
Balance as on December 31, 2022		208,776,577	263,596,126

09.01 SECURITY DEPOSIT WITH DHAKA CHAMBER : TK. 48,064

Security deposit with Dhaka Chamber has been carried forward from the previous year without any change.

09.02 ADVANCE AGAINST VAT: TK. 7,819,052

Break up of advance against VAT is as under:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	7,819,052	7,819,052
Add : Advance paid during the year 2022	-	-
Sub Total:	7,819,052	7,819,052
Less: Adjustment during the year 2022	-	-
Balance as on December 31, 2022	7,819,052	7,819,052

The amount is paid to government on account of VAT which is being carried forward since 2001. The company filed a writ petition vide petition no. 7425/2003 against Custom Excise & VAT Department and no verdict has yet been received.

09.03 ADVANCE AGAINST SALARY: TK. 5,792,281

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	8,676,787	10,600,664
Add : Advance paid during the year 2022	2,874,960	3,130,000
Sub Total:	11,551,747	13,730,664
Less: Adjustment during the year 2022	5,759,466	5,053,877
Balance as on December 31, 2022	5,792,281	8,676,787

09.04 ADVANCE INCOME TAX PAYMENT: TK. 123,387,312

Break up is as under:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	128,946,970	98,477,177
Add : Advance income tax paid during the year 2022	22,517,791	60,033,223
Sub Total:	151,464,761	158,510,400
Less: Adjustment during the year 2022	28,077,449	29,563,430
Balance as on December 31, 2022	123,387,312	128,946,970

10.00 CASH & CASH EQUIVALENTS: TK.856,211,741

Breakup of the above amount is as under:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Cash in hand	240,487	293,636
Fixed Deposit Receipt (FDR)	831,151,203	640,396,016
Cash at Bank (STD account and CD account)	24,820,051	12,234,704
Balance as on December 31, 2022	856,211,741	652,924,356



Particulars	Amount in Taka	
	31 December 2022	31 December 2021
11.00 SHARE CAPITAL:		
A. AUTHORISED CAPITAL: 2,000,000,000		
Authorized capital 200,000,000 ordinary shares of Tk.10 each	2,000,000,000	2,000,000,000

B. ISSUED, SUBSCRIBED AND PAID UP CAPITAL: Tk. 681,661,222

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Opening balance 68,166,122 ordinary shares of Tk. 10 each	681,661,222	681,661,222
Balance as on December 31, 2022	681,661,222	681,661,222

The percentage of shareholding as on December 31, 2022 is as follows:

Group Name	No. of Shareholders	No. of Shares	Percentage (%)
Director & sponsor	17	24,581,629	36.061
General public	7,484	35,490,736	52.065
All investors account	8	41,026	0.060
All institution	140	7,968,971	11.691
Non-resident Bangladeshi (NRB)	70	83,760	0.123
Total	7,719	68,166,122	100

Distribution schedule of each class of equity security setting out the number of share holders and percentage :

Share Holding Range	No. of Shareholders	No. of Shares	Percentage (%)
1-500	2,977	476,512	0.699
501-5000	3,451	7,114,371	10.437
5001-10000	596	4,555,511	6.683
10001-20000	357	5,586,419	8.195
20001-30000	107	3,240,261	4.754
30001-40000	58	1,737,798	2.549
40001-50000	48	2,255,634	3.309
50001-100000	64	4,542,906	6.665
100001-1000000	48	15,015,777	22.028
1000001-9999999	13	23,640,933	34.681
Total	7,719	68,166,122	100

12.00 RESERVE FOR EXCEPTIONAL LOSSES: TK. 376,705,801

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	319,914,424	271,573,752
Add : Provision for during the year 2022	56,791,377	48,340,672
Balance as on December 31, 2022	376,705,801	319,914,424

13.00 INVESTMENT FLUCTUATION FUND TK. 3,809,711

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	6,616,479	10,629,030
Add : Provision for during the year 2022	47,477,293	48,351,068
Add : Deferred tax on unrealized loss on share investment (Note no: 25-iv.)	311,655	6,616,479
	54,405,427	65,596,577
Less: Adjustment during the year 2022	(50,595,716)	(58,980,098)
Balance as on December 31, 2022	3,809,711	6,616,479

14.00 BALANCE OF FUNDS AND ACCOUNTS: TK. 229,463,616

The above balance of funds and accounts comprises of the followings:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
1. Fire insurance business	54,608,526	50,068,854
2. Marine cargo insurance business	158,503,506	126,929,848
3. Marine hull insurance business	3,830,176	4,188,707
4. Motor insurance business	10,216,495	11,860,773
5. Miscellaneous insurance business	2,304,913	2,827,728
Balance as on December 31, 2022	229,463,616	195,875,910

The statement of accounts in details are shown in revenue account.



15.00 PREMIUM DEPOSITS: TK. 147,818,386

This represents the amount of premium collected excluding VAT against cover notes for which no policy has been issued up to December 31, 2022. The breakup is as under:

Particulars		Amount in Taka	
		31 December 2022	31 December 2021
1.	Fire insurance business	-	2,165,500
2.	Marine cargo insurance business	147,818,386	12,933,133
3.	Marine hull insurance business	-	6,396,774
Balance as on December 31, 2022		147,818,386	21,495,407

16.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CALIMS WHETHER DUE OR INTIMATED: TK. 7,220,585

This amount consists of as follows:

Particulars		Amount in Taka	
		31 December 2022	31 December 2021
1.	Fire insurance business	1,692,240	2,738,526
2.	Marine cargo insurance business	4,795,653	-
3.	Motor insurance business	732,692	-
Balance as on December 31, 2022		7,220,585	2,738,526

17.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 130,549,343

This balance is due to SBC on account of re-insurance business agreement up to 3rd quarter statement of 2022 submitted to the company. breakup is as under:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	128,816,153	113,470,258
Add : Payable during the year 2022	154,044,710	115,418,690
	282,860,863	228,888,948
Less: Adjustment during the year 2022	152,311,520	100,072,795
Balance as on December 31, 2022	130,549,343	128,816,153

18.00 PROVISION FOR INCOME TAX: TK. 92,390,884

Break up is as under:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	65,346,012	56,802,359
Add : Provision for the year 2022	57,786,254	45,080,224
Add : Prior year adjustment	-	746,164.00
	123,132,266	102,628,747
Less: Adjustment during the year 2022	30,741,382	37,282,735
Balance as on December 31, 2022	92,390,884	65,346,012

19.00 SUNDRY CREDITORS: TK. 59,842,289

Particulars		Amount in Taka	
		31 December 2022	31 December 2021
1.	Audit fees	289,116	685,116
2.	VAT	2,118,788	6,896,152
3.	Provision for workers P.P.F.	7,070,768	7,070,768
4.	PF employee contribution payable	2,891	-
5.	Amount to be distributed as dividend payable	46,074,436	34,415,945
6.	Insurance stamps on deposit premium	138,276	4,035,036
7.	Co insurance premium payable	170,840	-
8.	Incentive bonus payable	-	7,344,768
9.	TDS payable	1,145,764	1,669,764
10.	VDS payable	630,167	1,176,161
11.	Refund premium payable	-	6,468
12.	Fund allocation for motor car	2,030,700	437,100
13.	Fund allocation for motor cycle	170,543	25,000
14.	Employees gratuity payable	-	4,488,071
Balance as on December 31, 2022		59,842,289	68,250,349



20.00 INTEREST INCOME: TK. 53,454,152

Break up is as under:

Particulars		Amount in Taka	
		31 December 2022	31 December 2021
1.	Interest on FDR	41,131,462	40,568,383
2.	Interest on BD Govt. Treasury Bond	12,248,937	4,461,400
3.	Interest on STD Accounts	73,754	305,638
Balance as on December 31, 2022		53,454,152	45,335,421

21.00 RELATED PARTY TRANSACTIONS:

City General Insurance Company Limited, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standards (IAS) 24: related party disclosures. 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. Details of transactions with related parties were as follows:

SL. NO	Name of Related Party	Relationship	Nature of Transaction	Amount (Tk.)
1.	A-One Polymer Ltd.	Director	Insurance Business	12,981,950
2.	Anwar Silk Mills Ltd.	Director	Insurance Business	1,649,274
3.	Hossain Dyeing & Printing Mills Ltd.	Director	Insurance Business	7,396,990
4.	Mehmud Industries (Pvt.) Ltd.	Director	Insurance Business	4,422,078
5.	Anwar Galvanizing Ltd.	Controlled by director	Insurance Business	1,410,157

22.00 NET ASSET VALUE: TK. 1,265,758,319

The offer price of the common stock of City General Insurance Company Ltd. has been determined on the basis of net asset value. The break up is given below:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Investment	529,637,653	407,371,729
Interest, dividend and rent receivable	70,756,213	67,708,928
Amount due from other persons or bodies carrying on insurance business	217,214,194	234,343,456
Sundry debtors	208,776,577	263,596,126
Cash & cash equivalents	856,211,741	652,924,356
Property, plant & equipment	56,030,380	54,763,465
Stock of Stamps and others	1,267,331	4,106,389
Total assets (A)	1,939,894,089	1,684,814,449
Balance of funds and accounts	229,463,616	195,875,910
Premium deposits	147,818,386	21,495,407
Estimated liabilities in respect of outstanding claims whether due or intimated	7,220,585	2,738,526
Amount due to other persons or bodies carrying on insurance business	130,549,342	128,816,153
Sundry creditors	59,842,289	68,250,349
Provision for income tax	92,390,884	65,346,012
Provision for cgic foundation	-	1,967,814
Deffered tax liability	4,812,657	3,882,301
Un-claimed dividend account	2,038,010	1,633,729
Total liabilities (B)	674,135,770	490,006,201
Net assets (A-B)	1,265,758,319	1,194,808,248
Number of shares (C)	68,166,122	68,166,122
Net assets value per share (A-B/C)	18.57	17.53

23.00 NET OPERATING CASH FLOWS PER SHARE: TK. 5.59

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Net cash generated from operating activities	381,127,131	187,300,001
Number of shares	68,166,122	68,166,122
Net Operating cash flow per share	5.59	2.75

24.00 EARNINGS PER SHARE (EPS): TK. 2.25

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Net profit before tax for the year ended 2022	212,609,717	162,611,165
Less: deferred & current tax provision for the year 2022	(59,028,265)	(47,891,347)
Net profit after tax for the year ended 2022	153,581,452	114,719,818
Number of shares	68,166,122	68,166,122
EPS	2.25	1.68



25.00 DEFERRED TAX LIABILITY: TK. 4,812,657

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Balance as on December 31, 2021	3,882,301	7,687,657
Add : Provision for the year 2022 -Note:25(ii+iii)	1,338,029	2,811,123
	5,220,330	10,498,780
Less: Adjustment during the year 2022-Note:25(i+iv)	(407,673)	(6,616,479)
Balance as on December 31, 2022	4,812,657	3,882,301

Calculation of deferred tax items wise

i. Fixed assets carrying amount (annexure-A)	56,030,380	54,763,465
Less: Tax base [IAS-12 (7)] (annexure-B)	50,212,421	48,689,458
Deductible temporary differences	5,817,959	6,074,007
Effective tax rate	37.50%	37.50%
Closing deferred tax liability	2,181,734	2,277,753
Opening deferred tax liability	2,277,753	1,834,809
Deferred tax expense/(income)	(96,018)	442,944
ii. Interest receivable	19,426,697	15,902,849
Less: Tax base	-	-
	19,426,697	15,902,849
Effective tax rate	37.50%	37.50%
Closing deferred tax liability/ (asset)	7,285,011	5,963,568
Opening deferred tax liability	5,963,568	5,280,291
Deferred tax expense/(income)	1,321,443	683,277
iii. Employees gratuity fund	4,537,300	4,493,071
Less: Tax base	-	-
	4,537,300	4,493,071
Effective tax rate	37.50%	37.50%
Closing deferred tax liability	1,701,488	1,684,902
Opening deferred tax liability	1,684,902	-
Deferred tax expense/(income)	16,586	1,684,902
iv. Fair value of the investment	227,437,653	208,171,729
Less: cost price of investment	286,089,963	263,707,486
Accounting base	(58,652,310)	(55,535,757)
Less: Tax base	-	-
Effective Tax Rate	10%	10%
Closing deferred tax liability/ (asset)	(5,865,231)	(5,553,576)
Opening deferred tax liability	(5,553,576)	1,062,903
Deferred tax expense/(income)	(311,655)	(6,616,479)

26.00 DEFERRED TAX EXPENSE/(INCOME): TK. 1,242,011

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
A) Deferred tax expense/(income) from fixed assets carrying amount (Note:25.00-i)	(96,018)	442,944
B) Deferred tax expense/(income) from interest receivable (Note:25.00-ii)	1,321,443	683,277
C) Deferred tax expense/(income) from employees graatuity fund(Note:25.00-iii)	16,586	1,684,902
	1,242,011	2,811,123

27.00 PROVISION FOR INCOME TAX: TK. 57,786,254

Statement of income:

Particulars	Amount in Taka 31 December 2022 Total income	Amount in Taka 31 December 2022 Exempted (Reserve for Exceptional losses)	Amount in Taka 31 December 2022 Taxable income	Amount in Taka 31 December 2021 Taxable income
Income from business or profession:(U/S-28 of Income Tax Ordinance, 1984)	145,458,206	56,791,377	88,666,829	47,239,756
Interest income on BD G.T. Bond,FDR & STD A/C (U/S-22 & 33)	53,454,152		53,454,152	45,335,421
Profit on sale of share	13,275,387		13,275,387	47,529,902
Dividend income from share investment (U/S-33)	13,319,828		13,319,828	18,242,846
Others Income (U/S-33)	1,331,686		1,331,686	5,234,596
Total Income	226,839,258	56,791,377	170,047,881	163,582,520



Computation of Current Tax Provision during the year

Particulars	Amount in Taka 31 December 2022 Total income	Amount in Taka 31 December 2022 Exempted (Reserve for Exceptional losses)	Amount in Taka 31 December 2022 Taxable income	Amount in Taka 31 December 2021 Taxable income
Income tax on business @ 37.50%	88,666,829	37.50	33,250,061	17,714,908
Income tax on interest income @ 37.50%	53,454,152	37.50	20,045,307	17,000,783
Profit on sale of share @ 10%	13,275,387	10.00	1,327,539	4,752,990
Income tax on dividend income from share investment @20%	13,319,828	20.00	2,663,966	3,648,569
Others income @ 37.5%	1,331,686	37.50	499,382	1,962,974
Total tax liability during the year	170,047,881		57,786,254	45,080,224

28.00 UN-CLAIMED DIVIDEND ACCOUNT Tk. 2,038,010

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Closing balance of un-claimed dividend & dividend Bank A/C as at 31.12.2022	2,038,010	1,633,729
Less: Interest income payable on un-claimed dividend accounts	-	(22,780)
Less: Cash warrant dividend distributed to shareholders but not presented at bank	(957,585)	(668,857)
Balance as per cash dividend warrant summary including suspense account	1,080,425	942,092

Breakup is furnished below

Cash disbursement year	Un-distributed Dividend with suspense a/c	Un-distributed Dividend with suspense a/c
2018	-	170,067
2019	327,159	322,720
2020	449,580	449,305
2021	303,687	-
Grand Total	1,080,425	942,092

29.00 RECONCILIATION OF NET INCOME/ NET PROFIT WITH CASH FLOWS FROM OPERATING ACTIVITIES:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Profit before tax	212,609,717	162,611,165
Adjustment:		
Depreciation	6,606,576	7,189,186
Interest income	(53,454,152)	(45,335,421)
Dividend income	(13,319,828)	(18,242,846)
Others income	(420,540)	(5,234,596)
Profit or loss on sales of shares	(13,275,387)	(47,529,902)
Profit/(loss) on sale of fixed assets	(911,145)	-
Un-realized loss on Share	-	33,122,089
Written off (GMG Airlines)	1,000,000	1,021,704
Changes in working capital:		
Increase/(decrease) the balance of fund	33,587,706	64,478,335
Increase/(decrease) the premium deposit	126,322,979	(38,875,364)
Increase/(decrease) of amount due to other persons or body	1,733,190	15,345,895
Increase/(decrease) of outstanding claims	4,482,059	(607,247)
Increase/(decrease) of sundry creditor and others	26,943,162	3,439,657
(Increase)/decrease of stock of stamps & others	2,839,058	(1,123,243)
(Increase)/decrease of advance, deposit & prepayment except AIT, Advance for fixed assets & collection control a/c	71,948,811	115,259,894
(Increase)/decrease of amount due from other persons or body	(3,047,285)	-
Income tax paid	(22,517,791)	(58,219,305)
Net cash generated from operating activities	381,127,131	187,300,001



30.00 KEY MANAGEMENT PERSONNEL COMPENSATION:

The compensation of key management personnel of City General Insurance Company Limited are as follows:

Sl. No	Name of Employee	Short-term employee benefits	Post employment benefits	Other long term benefits	Retirement benefits	Share based payment
1	Md. Shamim Hossain Managing Director & CEO	Salary Tk. 36,60,000 Bonus Tk. 3,60,000	P.F @ 10% of Basic Salary & Gratuity on last basic salary	No	P.F (own+company) contribution & Gratuity	No
2	Md. Hasan Khan Additional Managing Director & Company Secretary	Salary Tk. 15,53,050 Bonus Tk. 1,27,326	P.F @ 10% of Basic Salary & Gratuity on last basic salary	No	P.F (Own+Company) contribution & Gratuity	No
3	A.K.M Mohiuddin Deputy Managing Director & (Head of BDD)	Salary Tk. 13,30,000 Bonus Tk. 1,14,122	P.F @ 10% of Basic Salary & Gratuity on last basic salary	No	P.F (Own+Company) contribution & Gratuity	No
4	Md. Morshed Hasan Assistant Managing Director (Head of Underwriting)	Salary Tk. 15,34,000 Bonus Tk. 1,38,088	P.F @ 10% of Basic Salary & Gratuity on last basic salary	No	P.F (Own+Company) contribution & Gratuity	No
5	Sheikh Azizul Haque Executive Vice President & CFO	Salary Tk. 10,70,756 Bonus Tk. 1,01,732	P.F @ 10% of Basic Salary & Gratuity on last basic salary	No	P.F (Own+Company) contribution & Gratuity	No

Key management personnel compensation included in management expenses and no other remuneration or special payment except as mentioned above was made to the key management personnel during the year 2022.

31.00 SUBSEQUENT EVENT

The Board of Directors in its 205th Meeting held on 13th February, 2023 recommended 10.50% cash dividend on paid up capital of Tk. 68,16,61,222 for the year ended December 31, 2022 and the same will not be considered as a liability in the financial statements which is in compliance with the International Accounting Standard (IAS # 10) para 12.

32.00 AMOUNT TO BE DISTRIBUTED AS DIVIDEND

According to addition of new section 16 (G) in the Income Tax Ordinance 1984 through Finance Act 2020-2021, listed company in the capital market shall retain at least 30% as named "Amount to be distributed as dividend" from net profit after tax in the financial statements and the amount will be $(153,581,452 * 30\%) = \text{BDT } 46,074,436$.

33.00 GENERAL:

- Number of employees received salary up to TK. 8,200 are NIL.
- Number of employees received salary above TK.8,200 are 395.
- The Board of Directors received no remuneration from the company other than fees for attending the board meetings.
- During the year (05) Nos. of board meetings were held.
- All shares have been fully called and paid up.
- There was no preference share issued by the company.
- There was no bank guarantee issued by the company on behalf of their directors or the company itself.



Annexure-A

City General Insurance Company Limited

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at 31st December 2022

Particulars	Cost				Rate	Depreciation				Amount in Taka	
	Balance as on 01 January 2022	Addition during the year	Disposal/ Adjustment During the year	Balance as on 31 December 2022		Addition during the year	Disposal/ Adjustment During the year	Balance as on 31 December 2022	Written Down Value as on 31 December 2022	Written Down Value as on 31 December 2021	
Furniture & fixture	13,131,557	537,483	-	13,669,040	10%	451,071	-	9,438,142	4,230,898	4,144,486	
Office equipment	12,945,240	561,350	-	13,506,590	15%	839,976	-	8,504,445	5,002,145	5,280,770	
Electric installation	3,693,753	-	-	3,693,753	15%	157,916	-	2,798,894	894,859	1,052,776	
Air conditioner	3,548,642	481,430	-	4,030,072	10%	145,925	-	2,507,647	1,522,425	1,186,919	
Telephone	2,940,350	14,906	-	2,955,256	15%	38,765	-	2,731,953	223,303	247,162	
Books	299,137	-	-	299,137	20%	4,537	-	280,988	18,149	22,686	
Motor car	60,359,514	7,200,000	14,049,000	53,510,514	20%	2,689,387	11,751,325	29,300,272	24,210,242	21,997,304	
Office decoration	47,264,660	1,165,349	-	48,430,009	10%	1,924,828	-	30,563,598	17,866,411	18,625,890	
Motor cycle	4,486,855	297,500	660,000	4,124,355	20%	125,283	573,148	2,977,959	1,146,396	1,061,031	
Software	2,492,931	-	-	2,492,931	20%	228,888	-	1,577,379	915,552	1,144,440	
Total	151,162,639	10,258,018	14,709,000	146,711,657		6,606,576	12,324,473	90,681,277	56,030,380	54,763,465	



City General Insurance Company Limited

TAX BASED CALCULATION

As at 31st December 2022

Annexure-B

Particulars	Written down value as on 01.01.22	Addition	Disposal	Total	Rate of dep. (%)	Depreciation	Written down value as on 31.12.22	Written down value as on 31.12.21
Furniture and fixture	4,882,541	537,483	-	5,420,024	10%	542,002	4,878,022	4,882,541
Office equipment	5,090,736	561,350	-	5,652,086	10%	565,209	5,086,878	5,090,736
Electric installation	861,856	-	-	861,856	10%	86,186	775,671	861,856
Air conditioner	974,889	481,430	-	1,456,319	10%	145,632	1,310,687	974,889
Telephone	749,706	14,906	-	764,612	10%	76,461	688,151	749,706
Books	13,966	-	-	13,966	30%	4,190	9,776	13,966
Motor car	19,201,055	7,200,000	-	26,401,055	20%	5,280,211	21,120,844	19,201,055
Office decoration	15,745,048	1,165,349	-	16,910,397	10%	1,691,040	15,219,357	15,745,048
Motor cycle	1,000,686	297,500	-	1,298,186	20%	259,637	1,038,549	1,000,686
Software	168,974	-	-	168,974	50%	84,487	84,487	168,974
Total	48,689,458	10,258,018	-	58,947,476		8,735,055	50,212,421	48,689,458



City General Insurance Company Limited

STATEMENT SHOWING BUSINESS UNDERWRITTEN, RE-INSURANCE CEDED & ACCEPTED

As on 31st December 2022

	Fire	Marine	Marine hull	Motor	Misc	Total
Business						
Private	241,559,694	505,814,790	11,466,147	23,981,954	9,038,120	791,860,705
Public	14,557,192	23,546,624	2,345,331	2,580,913	53,118,181	96,148,241
	256,116,886	529,361,414	13,811,478	26,562,867	62,156,301	888,008,946
R/I Ceded						
Private	107,893,698	115,204,441	7,675,310	925,152	4,445,016	236,143,617
Public	11,701,874	17,898,208	2,305,991	96,477	51,949,004	83,951,554
	119,595,572	133,102,649	9,981,301	1,021,629	56,394,020	320,095,171
Net Business						
Private	133,665,996	390,610,349	3,790,837	23,056,802	4,593,104	555,717,088
Public	2,855,318	5,648,416	39,340	2,484,436	1,169,177	12,196,687
	136,521,314	396,258,765	3,830,177	25,541,238	5,762,281	567,913,775
Commission						
Private	33,193,539	120,598,150	1,749,701	4,469,958	1,709,517	161,720,865
Public	-	-	-	-	-	-
	33,193,539	120,598,150	1,749,701	4,469,958	1,709,517	161,720,865
R/I Earned						
Private	26,782,944	28,650,614	836,010	126,288	1,225,273	57,621,129
Public	1,364,802	3,517,310	126,830	-	3,818,639	8,827,581
	28,147,746	32,167,924	962,840	126,288	5,043,912	66,448,710
Net Amount						
Private	6,410,595	91,947,536	913,691	4,343,670	484,244	104,099,736
Public	(1,364,802)	(3,517,310)	(126,830)	-	(3,818,639)	(8,827,581)
	5,045,793	88,430,226	786,861	4,343,670	(3,334,395)	95,272,155
Claim						
Private	31,989,872	20,204,220	-	4,180,494	-	56,374,586
Public	220,162	889,393	44	90,464	696,633	1,896,696
	32,210,034	21,093,613	44	4,270,958	696,633	58,271,282
R/I Ceded						
Private	4,224,880	-	-	-	-	4,224,880
Public	-	370,590	-	-	663,046	1,033,636
	4,224,880	370,590	-	-	663,046	5,258,516
Net Claim						
Private	27,764,992	20,204,220	-	4,180,494	-	52,149,706
Public	220,162	518,803	44	90,464	33,587	863,060
	27,985,154	20,723,023	44	4,270,958	33,587	53,012,766

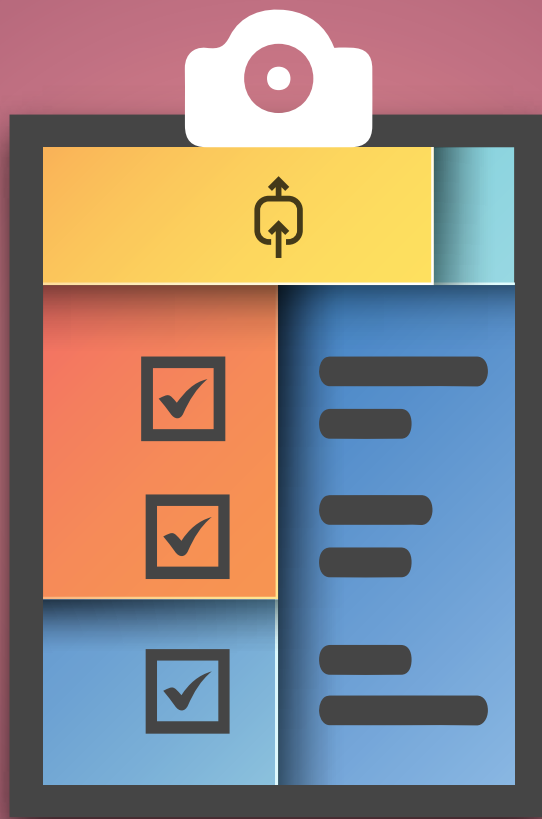


OUR BRANCH NETWORK

Sl.	Branch Name with Address	Name of In-charge	Contact Numbers & Email
1	Agrabad Branch City General Insurance Company Ltd. Manzoor Building (1 st floor) 67, Agrabad C/A, Chattogram.	Mr. Md. Sher Ali Khan Dy. Managing Director & Branch In-charge	Office # 02333315418 Mobile # 01711-421668 Email: agrabad@cityinsurance.com.bd
2	B. B. Avenue Branch City General Insurance Company Ltd. Lily Pond Center, Suit # 16E (16 th Floor) 3, R.K. Mission Road, Dhaka-1203.	Mr. Ahmed Asif EVP & Branch In-charge	Office # 02223387362 Mobile # 01719-686947 Email: bbave@cityinsurance.com.bd
3	Barishal Branch City General Insurance Company Ltd. 47/47, Sadar Road (3 rd floor), Barishal.	Mr. Md. Amanullah Aman Sr. Officer & Branch In-charge	Office # 02478865377 Mobile # 01724-702375 Email: barishal@cityinsurance.com.bd
4	Begum Bazar Branch City General Insurance Company Ltd. 71/72, Begum Bazar Chawk Bazar, Dhaka-1000.	Mr. Ataur Rahman Sr. Manager & Branch In-charge	Office # 7342574 Mobile # 01911-810470 Email: begumbazar@cityinsurance.com.bd
5	Benapole Branch City General Insurance Company Ltd. Rahman Chamber (3 rd Floor), Benapole Bazar, Benapole, Jashore.	Mr. Md. Shahenur Hossain (Rubel) VP & Branch In-charge	Mobile # 01711-267567 Email: benapole@cityinsurance.com.bd
6	Bahaddarhat Branch City General Insurance Company Ltd. Siraj Building (2 nd Floor), 671/D, Sholakbahar, CDA Avenue, Bahaddarhat, Chattogram.	Mr. Mohammad Hayder Ali Manager & Branch In-charge	Office # 031-656770 Mobile # 01820-985141 Email: baddarhat@cityinsurance.com.bd
7	Board Bazar Branch City General Insurance Company Ltd. 1212/A, Meherjan Plaza, 3 rd Floor of Agrani Bank, Board Bazar, Gazipur.	Mr. Apel Mahmood DVP & Branch In-charge	Mobile # 01750-009435 Email: boardbazar@cityinsurance.com.bd
8	Bogura Branch City General Insurance Company Ltd. Siraj Market, Boro Gollar Mor Raja Bazar Road, Bogura.	Mr. Shudhan Kumar Ghosh DM & Branch In-charge	Office # 02589905631 Mobile # 01780-581471 Email: bogra@cityinsurance.com.bd
9	Cumilla Branch City General Insurance Company Ltd. 257/240, Haji Mansion, Monohorpur, Cumilla-3500.	Mr. Md. Mizanur Rahman Dy. Manager & Branch In-charge	Office # 02334405893 Mobile # 01818818776 Email: comilla@cityinsurance.com.bd
10	Dilkusha Branch City General Insurance Company Ltd. 44, Dilkusha C/A, (7 th floor), Dhaka-1000.	Mr. Md. Shafiq Uddin EVP & Branch In-charge	Office # 02223384652 Mobile # 01718-059504 Email: dilkusha@cityinsurance.com.bd
11	Dinajpur Branch City General Insurance Company Ltd. Masjid Market, Chowk Bazar, Dinajpur.	Mr. Md. Mamun Ur Rashid AVP & Branch In-charge	Office # 0258-9923585 Mobile # 01718-836289 Email: dinajpur@cityinsurance.com.bd
12	Elephant Road Branch City General Insurance Company Ltd. Baitul Hossain Bldg. (3 rd Floor) 27, Dilkusha C/A, Dhaka-1000.	Mr. Kazi Tanvir Eyear VP & Branch In-charge	Office # 0222 3387296 Mobile # 01789-794037 Email: elephantroad@cityinsurance.com.bd
13	English Road Branch City General Insurance Company Ltd. 9, North South Road, Bangshal, Dhaka-1000.	Mr. Md. Ahsanul Hoque SVP & Branch In-charge	Office # 47113754 Mobile # 01712-132425 Email: englishroad@cityinsurance.com.bd
14	Faridpur Branch City General Insurance Company Ltd. 4/269, South Alipur, New Market, Faridpur	Mr. Diponkar Pal Manager & Branch In-charge	Mobile # 01723-232255 Email: faridpur@cityinsurance.com.bd
15	Gulshan Branch City General Insurance Company Ltd. Flat-A6, House No. Ta-136, Middle Badda, Dhaka-1212	Mr. Md. Moshir Rahman Sr. Manager & Branch In-charge	Office # 48812114 Mobile # 01921-222810 Email: gulshan@cityinsurance.com.bd

Sl.	Branch Name with Address	Name of In-charge	Contact Numbers & Email
16	Imamgonj Branch City General Insurance Company Ltd. 31-33, Ray Issor Chandro Shil Bahadur Street (5 th Floor), Imamgonj, Dhaka.	Mr. Jahangir Alam DVP & Branch In-charge	Office # 57318671 Mobile # 01913-331505 Email: imamgonj@cityinsurance.com.bd
17	Ishwardi Branch City General Insurance Company Ltd. HMK Building (2 nd Floor) Station Road Ishwardi Bazar, Pabna.	Mr. Md. Masum AVP & Branch In-charge	Office # 02588846462 Mobile # 01711-108804 Email: iswardi@cityinsurance.com.bd
18	Islampur Branch City General Insurance Company Ltd. 101, Mala Corporation, Islampur Road (2 nd Floor), Dhaka-1100.	Mr. Md. A. A. Asiful Islam Chowdhury VP & Branch In-charge	Office # 57392738 Mobile # 01911-754176 Email: islampur@cityinsurance.com.bd
19	Jashore Branch City General Insurance Company Ltd. Bangla Bazar (1 st Floor) M.K. Road, Jashore.	Mr. Sharif Abir Ahmed AVP & Branch In-charge	Office # 02477760153 Mobile # 01712-257409 Email: jessore@cityinsurance.com.bd
20	Kawran Bazar Branch City General Insurance Company Ltd. Hasney Tower (4 th Floor), 3/A, Kawran Bazar C/A, Dhaka.	Mr. Rumi Ahmad Dy. Manager & Branch In-charge	Office # 55013478, 55013476 Fax # 58155980 Mobile # 01621-189492 Email: kawranbazar@cityinsurance.com.bd
21	Khulna Branch City General Insurance Company Ltd. Nizam Chamber, 7, Old Jashore Road, Khulna.	Mr. Md. Anowar Hossain EVP & Branch In-charge	Office # 477726632 Mobile # 01714-304423 Email: khulna@cityinsurance.com.bd
22	Kushtia Branch City General Insurance Company Ltd. Lovely Tower (5 th floor), 55, N. S. Road, Kushtia.	Mosammat Margena Khatun DVP & Branch In-charge	Office # 071-73656 Mobile # 01711-484827 Email: kushtia@cityinsurance.com.bd
23	Local Office City General Insurance Company Ltd. Baitul Hossain Building (3 rd Floor) 27, Dilkusha C/A, Dhaka-1000.	Mr. A. K. M. Mohiuddin Dy. Managing Director & Branch In-charge	Office # 02223390772 & 02223384072 Mobile # 01819-226449 Email: local@cityinsurance.com.bd
24	Malibagh Branch City General Insurance Company Ltd. Haque Chamber (8 th Floor) 3, DIT Avenue, Motijheel, Dhaka-1000.	Abul Kalam Dy. Managing Director & Branch In-charge	Mobile # 01710-912877 & 01676-217271 Email: malibag@cityinsurance.com.bd
25	Mawna Branch City General Insurance Company Ltd. Shahidullah Complex-2 Mymensingh Road, Mawna Chowrasta, Sreepur, Gazipur.	Mr. Md. Ahidul Islam Bhuiyan DVP & Branch In-charge	Mobile # 01715-051294 Email: mawna@cityinsurance.com.bd
26	Manikganj Branch City General Insurance Company Ltd. 56/1, Shahid Rafique Road, Manikganj.	Mr. Md. Salim-Al-Azad Sr. Officer & Branch In-charge	Office # 996610993 Mobile # 01711-934924 Email: manikgonj@cityinsurance.com.bd
27	Mymensingh Branch City General Insurance Company Ltd. 64, Baro Bazar, Mymensingh.	Mr. Md. Hasanuzzaman Sr. Manager & Branch In-charge	Office # 02996667311 Mobile # 01711-612625 Email: mymensing@cityinsurance.com.bd
28	Motijheel Branch City General Insurance Company Ltd. 1/B, DIT Avenue, Motijheel C/A, Dhaka-1000.	Mr. Md. Salim Hossain SEVP & Branch In-charge	Office # 9515806 Mobile # 01776-299322 Email: motijheel@cityinsurance.com.bd
29	Naogaon Branch City General Insurance Company Ltd. Rupali Market, Hotel Potti (Sonar Potti) Naogaon	Most. Shamina Parvin Sr. Ex. Officer & Branch In-charge	Office # 02588882698 Mobile # 01783-646133 Email: naogaon@cityinsurance.com.bd
30	Narayanganj Branch City General Insurance Company Ltd. 53/1, S. M. Maleh Road, (Haji Plaza) Tanbazar, Narayanganj.	Mr. Shariful Islam Branch In-charge	Office # 7630200 Mobile # 01708-726427 Email: narayanganj@cityinsurance.com.bd
31	Narsingdi Branch City General Insurance Company Ltd. 2/E, C&B Road, Narsingdi.	Marjia Begum (Nasima) Manager & Branch In-charge	Office # 02224453064 Mobile # 01711-683291 Email: narsingdi@cityinsurance.com.bd
32	Noapara Branch City General Insurance Company Ltd. Holding No. 628, Green Super Market (1 st floor), Noapara Bus Station, Avaynagar, Jashore.	Md. Mahfuzur Rahman Manager & Branch In-charge	Office: 477770123 Mobile # 01745519319 Email: noapara@cityinsurance.com.bd
33	O.R. Nizam Road Branch City General Insurance Company Ltd. Golden Plaza (4 th Floor) 1692, C.D.A Avenue, East Nasirabad, Chattogram.	Mr. Chowdhury Md. Salehuddin Dy. Managing Director & Branch In-charge	Office # 02334451239 Mobile # 01819-393408 Email: ornizam@cityinsurance.com.bd

Sl.	Branch Name with Address	Name of In-charge	Contact Numbers & Email
34	Pabna Branch City General Insurance Company Ltd. Muktijodha Super Market Complex (2 nd floor) Abdul Hamid Road, Pabna.	Mr. Md. Jakir Hossain VP & Branch In-charge	Office # 02588844312 Mobile # 01765-367229 Email: pabna@cityinsurance.com.bd
35	Rajshahi Branch City General Insurance Company Ltd. Natore Road, Shaheb Bazar, Rajshahi.	Mr. Md. Asik Ahmed AM & Branch In-charge	Office # 02588853091 Mobile # 01716-121541 Email: rajshahi@cityinsurance.com.bd
36	Rangpur Branch City General Insurance Company Ltd. Uthsorgha Bhaban (2 nd Floor) Station Road, Rangpur.	Mr. Md. Jamil Uddin Sr. Manager & Branch In-charge	Office # 02589967737 Mobile# 01721-216860 Email: rangpur@cityinsurance.com.bd
37	Saidpur Branch City General Insurance Company Ltd. Rice Market (Molla Road), Saidpur, Nilphamari.	Mr. Md. Tajul Islam VP & Branch In-charge	Office # 02589957747 Mobile # 0171-2315144 Email: saidpur@cityinsurance.com.bd
38	Satkhira Branch General Insurance Company Ltd. Besides BRTC Bus Counter, Satkhira.	City Mr. Md. Sanny Abdullah Sr. Officer & Branch In-charge	Office # 477741444 Mobile # 01880-404605 Email: satkhira@cityinsurance.com.bd
39	Sherpur Branch City General Insurance Company Ltd. Khairampur Moor, Al-Amin Jewelers (2 nd Floor) Munshi Bazar, Sherpur.	Mr. Md. Khurshed Alam Sr. Manager & Branch In-charge	Mobile # 01717-054865 Email: sherpur@cityinsurance.com.bd
40	Shyamoli Branch City General Insurance Company Ltd. 14, PC Culture Bhaban (4 th Floor) Shyamoli, Dhaka.	Mr. Md. Firoz Shah Alam DVP & Branch In-charge	Office # 48118969 Mobile # 01725-082525 Email: shyamoli@cityinsurance.com.bd
41	Sunamganj Branch City General Insurance Company Ltd. Mobarak Bhaban (1 st floor) G. S. Road, Sunamganj.	Mr. Md. Jamil Ahmed DVP & Branch In-charge	Office # 02996600229 Mobile # 01714-030736 Email: sunamgonj@cityinsurance.com.bd
42	Sylhet Branch City General Insurance Company Ltd. Purbani Shopping Complex (2 nd floor) Room # 11 & 12, East Zindabazar, Sylhet.	Mr. Parvez Ahmed SEVP & Branch In-charge	Office # 02996635696 Mobile # 01712-139156 Email: sylhet@cityinsurance.com.bd
43	Tangail Branch City General Insurance Company Ltd. Main Road, Tangail	Mr. Md. Hafizur Rahman Manager & Branch In-charge	Office # 02997752159 Mobile # 01820-052571 Email: tangail@cityinsurance.com.bd
44	Uttara Branch City General Insurance Company Ltd. House # 41, Road # 2, Sector # 3, AB Super Market, Uttara, Dhaka.	Mr. Meer Walidur Rahim (Mohan) VP & Branch In-charge	Office # 48962162 & 4896211 Mobile # 01718-741518 Email: uttara@cityinsurance.com.bd
45	VIP Road Branch City General Insurance Company Ltd. 169, Shahid Nazrul Islam Sarani, Palton, Dhaka.	Mst. Moni SVP & Branch In-charge	Office # 41052790 Mobile # 01642-004054 Email: vip.br@cityinsurance.com.bd



DISCLOSURE CHECKLISTS

INTEGRATED REPORT CHECKLIST

Sl. No.	Particulars	Content References	Page Nos.
1	Elements of an Integrated Report		
1.1	Organizational overview and external environment		
	An integrated report should disclose the main activities of the organization and the environment of which it operates.	Our Comprehensive Product Range City General Insurance at a glance Dashboard View of Our Capitals Risk Management and Control Environment	38-39 20 103-105 238-243
	An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:		
	The organization's:		
	culture, ethics and values	Ethics, Compliance and Transparency Our Core values Corporate Culture	19 17 42
	ownership and operating structure including size of the organization, location of its operations)	National Footprint Shareholding Pattern Organizational Overview Corporate Information and Branches	36 120 20, 40, 78 24, 294
	principal activities and markets	City General Insurance at a glance	20
	competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, and the intensity of competitive rivalry)	PESTEL Analysis	115
	position within the value chain	Our Business Model	32
	Key quantitative information:		
	The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods	National Footprint Five Years' Financial Performance Highlights	36 25-31
	Significant factors affecting the external environment and the organization's response:	SWOT Analysis PESTEL Analysis	114 115
	The legitimate needs and interests of key stakeholders	Stakeholder connect Materiality Determination process Stakeholder Connect Social and Relationship Capital	121-123 96-98 121-123 109
	Macro and micro economic conditions, such as economic stability, globalization, and industry trends	Chairman's Message Directors' Reports MD & CEO's Statement on the Performance External Sustainability Charters	82-85 150-167 86-88 225-226
	Market forces, such as the relative strengths and weaknesses of competitors and customer demand	SWOT Analysis PESTEL Analysis	114 115
	The speed and effect of technological change	Manufactured Capital Information Technology Intellectual Capital PESTEL Analysis	103, 106 236-237 104, 110 115
	Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems	Human Capital External Sustainability Charters PESTEL Analysis	104, 108 225-226 115

Sl. No.	Particulars	Content References	Page Nos.
	Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached	Natural Capital External Sustainability Charters PESTEL Analysis	111 225-226 115
	The legislative and regulatory environment in which the organization operates	PESTEL Analysis	115
	The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy	PESTEL Analysis	115
1.2	Governance		
	An integrated report should show how does the organization's governance structure support its ability to create value in the short, medium and long term.		
	An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:		
	The organization's leadership structure, including the skills and diversity (e.g., range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure.	Corporate Structure Board of Directors Profile Profile of our Management Team Corporate Governance Statement	40 54-61 68-73 173-198
	Mandatory and voluntary code of corporate governance adopted by the Company	Corporate Governance Statement	173-198
	Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues	Enterprise Risk Management Framework Ethics, Compliance and Transparency	244-245 19
	Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management	Risk Management and Control Environment Corporate Governance Statement	238-243 173-198
	How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders	Corporate Governance Statement Dashboard View of Our Capitals Stakeholder Connect	173-198 103-105 121-123
	Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies	Corporate Governance Statement	173-198
	The responsibility those charged with governance take for promoting and enabling innovation	Corporate Governance Statement Human Capital	173-198 104, 108
	How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals.	Our Business Model Human Capital Human Resource Accounting	32-33 104, 108 214-218
1.3	Stakeholder Identification/relationships		
	An integrated report should identify its key stakeholders and provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interest	Stakeholder Connect Materiality Determination process Our Business Model Social and Relationship Capital	121-123 96-98 32-33 104, 109
	Capitals		
	An integrated report needs to provide insight about the resources and the relationships used and affected by the organization, which are referred to collectively as the capitals and how the organization interacts with the capitals to create value over the short, medium and long term	Our Business Model Dashboard View of Our Capitals Our Operating Context and Opportunities	32-33 103-105 100
	An integrated report need to identify the various forms of capitals which are essential for the success of its business operations.	Our Business Model	32-33
	Example:		
	Financial Capital -The pool of funds that is available to the organization for use in the production of goods or provision of services	Financial Capital MD & CEO's Statement on the Performance	103, 107 86-88

Sl. No.	Particulars	Content References	Page Nos.
	Manufacturing Capital -Manufactured physical objects that are available to the organization for use in the production of goods and provision of services	Manufactured Capital	103, 106
	Intellectual Capital -Organizational Knowledge based intangibles	Intellectual Capital	104, 110
	Human Capital – People’s competencies, capabilities and experience, and their motivations to innovate.	Human Capital Human Resource Accounting	104, 108 214-218
	Social and Relationship Capital – The institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective wellbeing.	Social and Relationship Capital	104, 109
	Natural Capital – All renewable and non-renewable environmental resources and processes that provide goods and services that support the past, current and future prosperity of the organization.	Natural Capital	105, 111
1.4	Business model		
	An integrated report need to describe the business model	Our Business Model	32-33
	An integrated report need to describe the business model, including key:		
	Inputs		
	Business activities	Stakeholder connect,	121-123,
	Outputs	Our Business Model	32-33
	Outcomes		
	Connection to information covered by other Content Elements, such as strategy, risks and opportunities, and performance (including KPIs and financial considerations, like cost containment and revenues).	Dashboard View of Our Capitals Our Business Model Our Strategic Imperatives	103-105 32-33 113
	Business activities		
	An integrated report describes key business activities. This can include:		
	How the organization differentiates itself in the market place (e.g., through product differentiation, market segmentation, delivery channels and marketing	Our Business Model	32-33
	How the organization approaches the need to innovate	Manufactured Capital Intellectual Capital	103, 106 104, 110
	When material, an integrated report discusses the contribution made to the organization’s long-term success by initiatives such as process improvement, employee training and relationships management	MD & CEO’s Statement on the Performance Intellectual Capital Human Capital	86-88 104, 110 104, 108
	An integrated report identifies an organization’s key products and services. There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the Business Models disclosure depending on their materiality.	Our Comprehensive Product Range Our Business Model Trade-offs	38-39 32-33 112
	Outcomes		
	An integrated report describes key outcomes, including:		
	Both internal outcomes (e.g., employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g., customer satisfaction, tax payments, brand loyalty, and social and environmental effects)	Our Business Model Dashboard View of Our Capitals External Sustainability Charters National Exchequer Financial Capital	32-33 103-105 225-226 94 103, 107
	Both positive outcomes (i.e., those that result in a net increase in the capitals and thereby create value) and negative outcomes (i.e., those that result in a net decrease in the capitals and thereby diminish value).	Trade-offs	112
1.5	Performance		
	An integrated report needs to explain the extent to which the organization has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals	Dashboard View of Our Capitals MD & CEO’s Statement on the Performance	103-105 86-88
	An integrated report should contain qualitative and quantitative information about performance that may include matters such as:		
	Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them	Enterprise Risk Management Framework Financial Capital	244-245 103, 107

Sl. No.	Particulars	Content References	Page Nos.
	The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain.	Our Business Model Dashboard View of Our Capitals Stakeholder connect Social and Relationship Capital Financial Capital MD & CEO's Statement on the Performance	32-33 103-105 121-123 104, 109 103, 107 86-88
	Include instances where regulations have a significant effect on performance (e.g., a constraint on revenues as a result of regulatory rate setting) or the organization's non-compliance with laws or regulations may significantly affect its operations.	PESTEL Analysis Economic Value Added Risk Management and Control Environment	115 133 238-243
1.6	Risks and opportunities and Internal Control		
	An integrated report should explain what are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them and effectiveness of the system of internal controls.	Risk Management and Control Environment	238-243
	This can include identifying:		
	The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two.	Risk Management and Control Environment	238-243
	The specific steps being taken to mitigate or manage key risks (e.g.: Risk Management Framework, Risk Management review process and reporting structure) or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs	Risk Management and Control Environment	238-243
	The organization's assessment of the likelihood that the risk or opportunity will come to fruition and the magnitude of its effect if it does.	Risk Management and Control Environment	238-243
	Risk Management Report (Which includes details about risk, root cause, potential impact, response to risk, risk rating).	Risk Management and Control Environment	238-243
	Response on the effectiveness of the internal controls and the board's responsibility for the disclosures on internal controls to safeguard stakeholder interest	Directors Report Corporate Governance Statement Audit Committee Report Statement of Director's Responsibility for Internal Control and Corporate Governance	150-167 173-198 200-204 147-148
1.7	Strategy and resource allocation		
	An integrated report should describe its strategic direction (Where does the organization want to go and how does it intend to get there)	Chairman's Message MD & CEO's Statement on the Performance	82-85 86-88
	An integrated report need to identify:		
	The organization's short, medium and long term strategic objectives	Overall Strategic Objectives	18
	The strategies it has in place, or intends to implement, to achieve those strategic objectives	Chairman's Message MD & CEO's Statement on the Performance	82-85 86-88
	How the entity has positioned in the wider market	MD & CEO's Statement on the Performance Materiality Determination Process Our Business Model	86-88 96-98 32-33
	How the long-term strategies relate to current Business Models	Materiality Determination Process Our Business Model	96-98 32-33

Sl. No.	Particulars	Content References	Page Nos.
	The resource allocation plans it has to implement its strategy	MD & CEO's Statement on the Performance Our Sustainability Strategy	86-88 224
	What differentiates the organization to give it competitive advantage and enable it to create value, such as:	Our Business Model	32-33
	> the role of innovation	Manufactured Capital	103, 106
	> how the organization develops and exploits intellectual capital	Intellectual Capital	104, 110
	> the extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage	Social and Relationship Capital Natural Capital Environmental Related Initiatives Stakeholder connect	104, 109 105, 111 230 121-123
1.8	Outlook		
	An integrated report should explain what challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its Business Models and future performance on	Chairman's Message MD & CEO's Statement on the Performance Risk Management and Control Environment Dashboard View of Our Capitals	82-85 86-88 238-243 103-105
	An integrated report should highlight anticipated changes over time and provides information on:		103-105
	The organization's expectations about the external environment the organization is likely to face in the short, medium and long term	Risk Management and Control Environment PESTEL Analysis	238-243 115
	How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.	MD & CEO's Statement on the Performance	86-88
	The discussion of the potential implications, including implications for future financial performance may include:		
	The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives	SWOT Analysis PESTEL Analysis External Sustainability Charters	114 115 225-226
	Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject.	Our Approach to Integrated Reporting External Sustainability Charters	11-12 225-226
1.9	Basis of preparation and presentation		
	An integrated report should answer the question: How does the organization determine what matters to include in the integrated report and how are such matters quantified or evaluated?	Our Approach to Integrated Reporting Materiality Determination Process	11-12 96-98
	An integrated report describes its basis of preparation and presentation, including:		
	A summary of the organization's materiality determination process:	Materiality Determination Process	96-98
	Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters	Materiality Determination Process	96-98
	Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters.	Our Approach to Integrated Reporting	11-12
	A description of the reporting boundary and how it has been determined	Certificate on compliance of Corporate Governance Our Approach to Integrated Reporting Report on Compliance of BSEC's Notification on Corporate Governance	137 11-12 138-146
	A summary of the significant frameworks and methods used to quantify or evaluate material matters	Our Approach to Integrated Reporting Directors' Report	11-12 150-167

Sl. No.	Particulars	Content References	Page Nos.
2	Responsibility for an integrated report		
	An integrated report should include a statement from those charged with governance that includes: <ul style="list-style-type: none"> • An acknowledgement of their responsibility to ensure the integrity of the integrated report • An acknowledgement that they have applied their collective mind to the preparation and presentation of the integrated report • Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework or, if it does not include such a statement, it should explain: • What role those charged with governance played in its preparation and presentation • What steps are being taken to include such a statement in future reports • The time frame for doing so, which should be no later than the organization's third integrated report that references this Framework. 	Our Approach to Integrated Reporting Statement on Internal Control Report of the Audit Committee Evaluation of the Quarterly Financials by the Audit Committee Responsibility of CEO and CFO in respect of Financial Reporting Certificate on compliance of conditions on Corporate Governance Report on Compliance of BSEC's Notification on Corporate Governance Statement of Director's Responsibility for Internal Control and Corporate Governance	11-12 210 200-204 205 213 137 138-145 147-148
3	Other Qualitative Characteristics of an Integrated Report		
3.1	Consistency and comparability		
	An integrated report should be concise	Materiality Determination Process Our Approach to Integrated Reporting The structure of the report follows a logical sequence, incorporating insights on: City General Insurance at a Glance Profile of the Company Stakeholder connect Risk Management and Control Environment Corporate Governance Statement Financial Statements	96-98 11-12 20 21-22 121-123 238-243 138-146 254-270
3.2	Reliability and completeness		
	An integrated report should include all material matters, both positive and negative, in a balanced way and without material error	Corporate Governance Statement Directors' Report Statement of Director's Responsibility for Internal Control and Corporate Governance	138-146 150-167 147-148
	Example: <ul style="list-style-type: none"> • Selection of presentation formats that are not likely to unduly or inappropriately influence assessments made on the basis of integrated report. 	Our Approach to Integrated Reporting	11-12
	Giving equal consideration to both increases and decreases in the capitals, both strengths and weaknesses of the organization, both positive and negative performance, etc.	Dashboard View of Our Capitals	103-105
	When information includes estimates, this is clearly communicated and the nature and limitations of the estimation process are explained.	Notes to the Financial Statements	271-293
3.3	Consistency and comparability		
	The information in an integrated report should be presented:	Corporate Governance Statement MD & CEO's Statement on the Performance	138-146 86-88

Sl. No.	Particulars	Content References	Page Nos.
	Examples:		
	<ul style="list-style-type: none"> Using benchmark data, such as industry or regional benchmarks 	Ratio Pertaining to The Insurance Sector, Directors' Report	135, 150
	<ul style="list-style-type: none"> Presenting information in the form of ratios 		
	<ul style="list-style-type: none"> Reporting quantitative indicators commonly used by other organizations with similar activities, particularly when standardized definitions are stipulated by an independent organization 		
	<ul style="list-style-type: none"> Reporting the same KPIs if they continue to be material across reporting period. 		
3.4	Materiality		
	An integrated report should disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term	Materiality Determination Process	96-98
		Notes to the Financial Statements	271-293
3.5	Assurance on the Report		
	The policy and practice relating to seeking assurance on the report,	Our Approach to Integrated Reporting	11-12
		Corporate Governance Statement	138-146
	The nature and scope of assurance provided for this particular report	Our Approach to Integrated Reporting	11-12
		Independent Auditor's Report to the Shareholders of City General Insurance Company Limited	254-257
		Evaluation of the Quarterly Financials by the Audit Committee	205
		Responsibility of CEO and CFO in respect of Financial Reporting	213

DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA

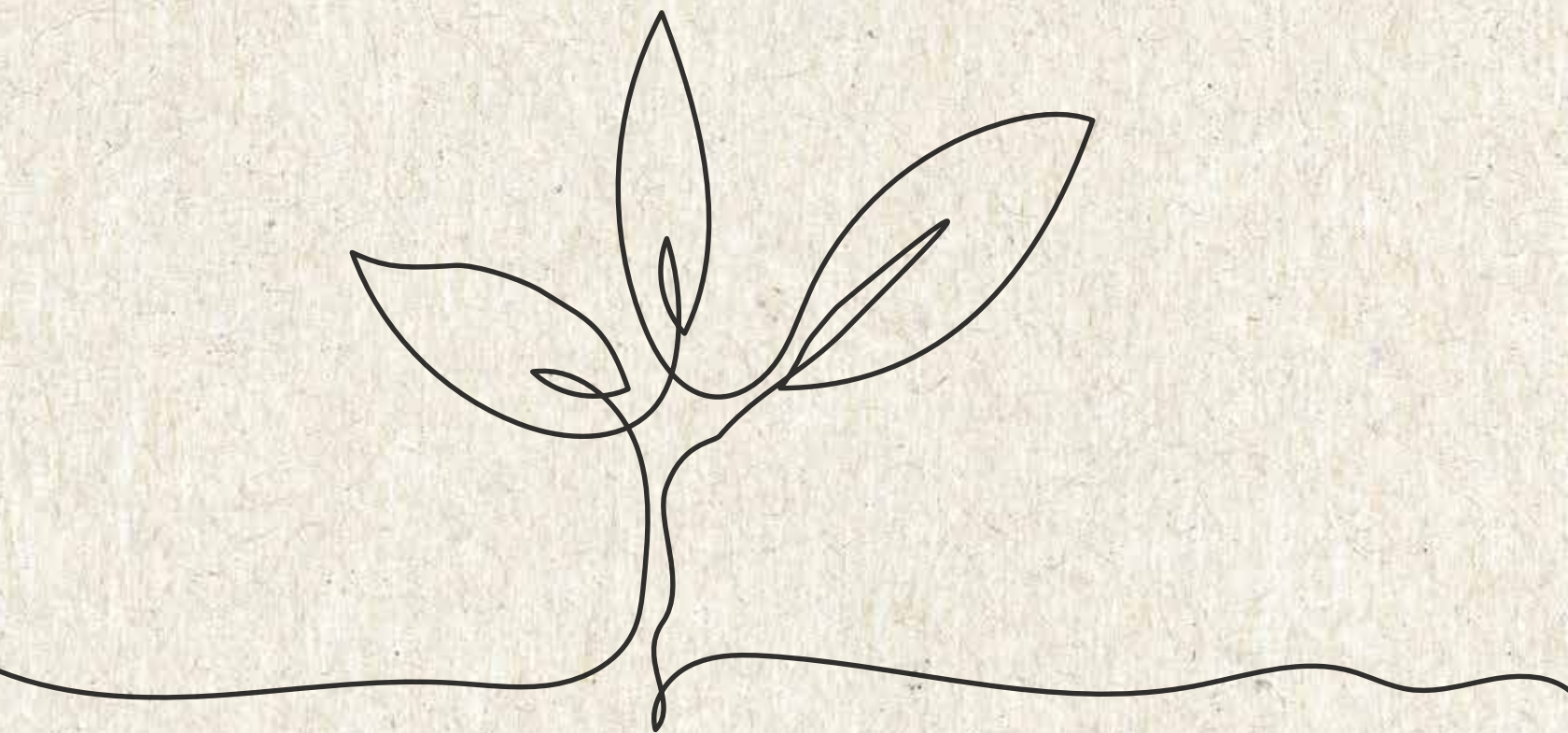
Sl. No.	EVALUATION CRITERIA	Page No.
A	Capitalization and Solvency	
1	External Liability Ratio	N/A
2	Internal Capital General Ratio	135
3	Exceptional Loss Reserve to Net Premium	
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B	Technical	
1	Retention Ratio	135
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C	Profitability	
1	Gross Underwriting Margin Return	135
2	Return on Average Assets (ROAA)	
3	Return on Average Equity (ROAE)	
4	Available Solvency Margin	25
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6	Agency Commission to Net Premium	
7	Underwriting Profit on Gross Premium	
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