

A pair of hands is shown from the wrist up, palms facing up, holding a small, green, conical evergreen tree. The tree has a thin, brown trunk and a dense, rounded canopy of green needles. The hands are positioned in the center-left of the frame, with the fingers slightly curled around the base of the tree. The background is a light blue gradient with some faint, abstract white lines.

ANNUAL REPORT 2 0 2 4

Your Security Is Our Responsibility

NITOL INSURANCE COMPANY LIMITED

ANNUAL REPORT 2024



NITOL INSURANCE COMPANY LIMITED

Police Plaza Concord, Tower - 2, (5th & 6th Floor), Plot - 2, Road - 144, Gulshan - 1, Dhaka - 1212.
Tel: 88-02-55045202-05, e-mail: info@nitolinsurance.com, www.nitolinsurance.com

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AGM INVITATION AND NOTICE

LETTER OF TRANSMITTAL

All the Shareholders;
Insurance Development & Regulatory Authority (IDRA);
Registrar of Joint Stock Companies & Firms;
Bangladesh Securities & Exchange Commission;
Dhaka Stock Exchange PLC.;
Chittagong Stock Exchange PLC.;
Mahfel Huq & Co., Chartered Accountants, Statutory Auditor;
Md. Abdul Hannan, FCMA; Cost & Management Accountants, BSEC CG Auditor;
Md. Anowar Hossain, ACA; Chartered Accountants; IDRA CG Auditor;
Chairman, Audit Committee.

Re: Annual Report for the year ended 31 December 2024.

Dear Sir/Madam,

We are pleased to enclose a copy of the Annual Report along with the Auditors' Report and Audited Financial Statements as at 31 December 2024 including Statement of Financial Position, Revenue Accounts, Statement of Profit or Loss and other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year ended 31 December 2024 along with notes thereon of Nitol Insurance Company Limited and all related statements for your kind record and necessary measures.

Information given in our Annual Report 2024 is complete, accurate and in line with the Bangladesh Securities and Exchange Commission (BSEC) and the Insurance Development & Regulatory Authority (IDRA) regulations and the International Financial Reporting Standards (IFRS). We hope that the report will be useful to you today and tomorrow.

Thank you.

Yours sincerely,



Md. Mijanur Rahman, FCS
AMD & Company Secretary,
Nitol Insurance Company Limited

NOTICE OF THE 26th ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting (AGM) of Nitol Insurance Company Limited will be held by using digital platform through the link <https://nitolins26thagm.virtu-alagmbd.com> on Tuesday, 19 August 2025 at 11:00 a.m. (BST) to transact the following business:

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Audited Financial Statements for the year ended 31st December 2024 together with the Auditors' Report thereon.
2. To declare dividend for the year ended 31st December 2024 as recommended by the Board of Directors.
3. To elect/re-elect Directors.
4. To appoint Statutory Auditors for the year 2025 and fix their remuneration.
5. To appoint Corporate Governance Compliance Auditor for the year 2025 and fix their remuneration.
6. To appoint Insurers Corporate Governance Guidelines (ICGG) Compliance Auditor for the year 2025 and fix their remuneration.

SPECIAL BUSINESS:

7. To change the name of the Company to "Nitol Insurance PLC." from "Nitol Insurance Company Limited".

Pursuant to the Companies Act, 1994 (2nd Amendment Act, 2020), to adopt the change of registered name of the Company to **"Nitol Insurance PLC."** from **"Nitol Insurance Company Limited"** and to amend Clause-I of the Memorandum of Association of the Company and other relevant clauses of the Memorandum and Articles of Association of the Company.

The draft of the Special Resolution proposed to be passed is given below:

"Resolved that proposal of changing of registered name of the Company to "Nitol Insurance PLC." from "Nitol Insurance Company Limited" in accordance with the Companies Act, 1994 (2nd Amendment Act, 2020) and the amendment in the Clause-I of the memorandum of Association and Articles of Association of the Company, be and hereby approved subject to approval of the regulatory authorities.

Further resolved that the old name of the Company will be replaced by the new name in all the statutory/title documents, licenses and other relevant documents".

BY ORDER OF THE BOARD OF DIRECTORS



Md. Mijanur Rahman FCS
AMD & COMPANY SECRETARY

Dated: July 27, 2025

GENERAL SHAREHOLDERS' INFORMATION

AGM Date	: Tuesday, 19 August 2025
Time	: 11:00 am
Meeting Venue	: i) Digital platform, Police Plaza Concord, Tower - 2, (5th & 6th Floor), Plot # 2, Road # 144, Gulshan - 1, Dhaka - 1212. ii) Web-link for joining AGM through digital platform: https://nitolins26thagm.virtualagmbd.com
Record Date	: 24 June 2025
Financial Year	: 01 January 2024 – 31 December 2024
Dividend Recommended	: 10% (5% Cash and 5% stock dividend)
Dividend Payment Date	: As per BSEC Guideline (within 30 days of approval)
Listing on Stock Exchanges	: Both DSE & CSE
Trading Code	: NITOLINS
Category	: A
Investors' Enquiry	: Phone: +88-02-55058455-57 Email: info@nitolinsurance.com mijanur_cs@nitolinsurance.com
Special Attention	: AGM invitation will be sent to all shareholders through Electronic Mail (Email), Two Daily Newspapers (English and Bangla), SMS and Company website https://www.nitolinsurance.com/

PROPOSED RESOLUTIONS

Ordinary Resolution

Agenda - 01

To receive, consider and adopt the audited financial statements of the Company for the year ended 31 December 2024, together with the Directors' Report and the Auditors' Report thereon.

কোম্পানির ৩১ ডিসেম্বর ২০২৪ তারিখে সমাপ্ত বছরের পরিচালকমন্ডলীর প্রতিবেদন, নিরীক্ষিত আর্থিক বিবরণীসমূহ এবং নিরীক্ষকের প্রতিবেদন গ্রহণ ও অনুমোদন;

Proposed Resolution

Resolved That

The Directors' Report and the Audited Financial Statements of the Company for the year ended December 31, 2024 together with the Auditor's Report thereon were received, considered and adopted.

প্রস্তাবিত সিদ্ধান্ত

সিদ্ধান্ত হয় যে, কোম্পানির ৩১ ডিসেম্বর ২০২৪ তারিখে সমাপ্ত বছরের পরিচালকমন্ডলীর প্রতিবেদন, নিরীক্ষিত আর্থিক বিবরণীসমূহ এবং নিরীক্ষকের প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন করা হলো।

Agenda - 02

To declare dividend for the year ended 31st December 2024 as recommended by the Board of Directors.

২০২৪ সালের জন্য লভ্যাংশ ঘোষণা;

Resolved That

As recommended by the Board of Directors of the Company, 10% Dividend (5% Stock and 5% Cash) was declared for all shareholders for the year 2024.

প্রস্তাবিত সিদ্ধান্ত

সিদ্ধান্ত হয় যে, কোম্পানির পরিচালনা পর্ষদের সুপারিশ মোতাবেক ২০২৪ সালের সকল শেয়ারহোল্ডারের জন্য ১০% লভ্যাংশ (৫% বোনাস এবং ৫% নগদ) ঘোষণা করা হলো।

Agenda - 03

To elect/re-elect Directors
পরিচালকগণের নির্বাচন/পুনঃ নির্বাচন

Proposed Resolution - 1

Resolved That

In accordance with the provision of Article No. 112, 113 & 114 of the Articles of Association of the Company. Mr. A K M Monirul Hoque retired from the office of Director and being eligible for re-election, was re-elected as Director from Group-A Sponsors Director.

প্রস্তাবিত সিদ্ধান্ত - ১

সিদ্ধান্ত হয় যে, কোম্পানীর আর্টিকেল অব এসোসিয়েশন এর আর্টিকেল ১১২, ১১৩ এবং ১১৪ এর বিধান মোতাবেক জনাব এ কে এম মনিরুল হক পরিচালক পদ থেকে অবসর গ্রহণ করেন এবং পুনঃনির্বাচিত হওয়ার যোগ্য বিধায়, গ্রুপ-১ উদ্যোক্তা পরিচালকগণের মধ্য হতে পরিচালক হিসেবে পুনঃনির্বাচিত হলেন।

Proposed Resolution - 2

Resolved That

In accordance with the provision of Articles 112, 113 & 114 of the Articles of Association of the Company, Mr. Zobair Humayun Khandaker and Mrs. Nazme Ara Hossain retired from the office of Director and, being eligible for re-election, was re-elected as Director from Group-B Shareholders.

প্রস্তাবিত সিদ্ধান্ত - ২

সিদ্ধান্ত হয় যে, কোম্পানীর আর্টিকেল অব এসোসিয়েশন এর আর্টিকেল ১১২, ১১৩ ও ১১৪ এর বিধান মোতাবেক জনাব জেবায়ের হুমায়ুন খন্দকার এবং জনাবা মিসেস নাজমে আরা হোসাইন পরিচালক পদ হতে অবসর গ্রহণ করেন এবং পুনঃনির্বাচিত হওয়ার যোগ্য বিধায়, গ্রুপ-বি শেয়ার হোল্ডারগণের মধ্য হতে পরিচালক হিসেবে পুনঃনির্বাচিত হলেন।

Agenda - 04

To appoint Statutory Auditors for the year 2025 and fix their remuneration.

২০২৫ সালের জন্য স্ট্যাটুটরি অডিটর নিয়োগ অনুমোদন ও তাদের পারিশ্রমিক নির্ধারণ;

Resolved That

M/s. Mahfel Huq & Co., Chartered Accountants, of BGIC Tower (4th Floor), 34 Topkhana Road, Paltan, Dhaka, was appointed as the Statuary Auditor for the year ended 2025 and to continue until conclusion of the next AGM. The remuneration has been fixed of Tk. 2,00,000/- (Taka Two lac) only for the year ended 2025.

প্রস্তাবিত সিদ্ধান্ত

সিদ্ধান্ত হয় যে, মেসার্স মাহফেল হক এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস, বিজিআইসি টাওয়ার (৫ম তলা), ৩৪ তোপখানা রোড, পুরানা পল্টন, ঢাকা-কে কোম্পানীর সংবিধিবদ্ধ নিরীক্ষক হিসাবে ৩১ ডিসেম্বর ২০২৫ সালের জন্য ও পরবর্তী বার্ষিক সাধারণ সভা সমাপ্ত পর্যন্ত সময়ের জন্য কোম্পানীর নিরীক্ষকপদে নিয়োগ প্রদান করা হলো। ২০২৫ সালের জন্য পারিতোষিক ২,০০,০০০/- (দুই লক্ষ) টাকা নির্ধারণ করা হলো।

Agenda - 05

To appoint Corporate Governance Compliance Auditor for the year 2025 and fix their remuneration.

বিএসইসি'র ২০২৫ সালের জন্য কমপ্লায়েন্স অডিটর নিয়োগ অনুমোদন ও তাদের পারিশ্রমিক নির্ধারণ;

Proposed Resolution Resolved That

Mr. Md. Abdul Hannan FCMA was appointed as the Compliance Auditor of the Company for the year ending 2025 and to continue until conclusion of the next AGM at a remuneration of Tk. 35,000/- (Taka thirty five thousand) only.

প্রস্তাবিত সিদ্ধান্ত

সিদ্ধান্ত হয় যে,

জনাব মোঃ আবদুল হান্নান, এফসিএমএ কে ২০২৫ সালের সমাপ্তি বৎসরের জন্য ও পরবর্তী বার্ষিক সাধারণ সভা সমাপ্ত পর্যন্ত সময়ের জন্য কমপ্লায়েন্স অডিটর হিসেবে ৩৫,০০০/- টাকা (পঁয়ত্রিশ হাজার) পারিশ্রমিকে নিয়োগ করা হলো।

Agenda - 06

To appoint Insurers Corporate Governance Guidelines (ICGG) Compliance Auditor for the year 2025 and fix their remuneration.

আইডিআরএ'র ২০২৫ সালের জন্য কমপ্লায়েন্স অডিটর নিয়োগ অনুমোদন ও তাদের পারিশ্রমিক নির্ধারণ;

Proposed Resolution Resolved That

Mr. Md. Anowar Hossain ACA was appointed as the Compliance Auditor of the Company for the year ended 2025 and to continue until conclusion of the next AGM at a remuneration of Tk. 25,000/- (Taka Twenty five thousand) only.

প্রস্তাবিত সিদ্ধান্ত

সিদ্ধান্ত হয় যে, জনাব মোঃ আনোয়ার হোসাইন, এসিএ কে ২০২৫ সালের জন্য ও পরবর্তী বার্ষিক সাধারণ সভা সমাপ্ত পর্যন্ত সময়ের জন্য কমপ্লায়েন্স অডিটর হিসেবে ২৫,০০০/- টাকা (পঁচিশ হাজার) পারিশ্রমিকে নিয়োগ করা হলো।

SPECIAL BUSINESS:

Agenda - 07

To change the name of the Company to “Nitol Insurance PLC.” from “Nitol Insurance Company Limited”.

কোম্পানির নাম "নিতল ইস্যুরেন্স কোম্পানী লিমিটেড" থেকে "নিতল ইস্যুরেন্স পিএলসি" করার জন্য।

Proposed Resolution

“Resolved that proposal of changing of registered name of the Company to “Nitol Insurance PLC.” from “Nitol Insurance Company Limited” in accordance with the Companies Act, 1994 (2nd Amendment Act, 2020) and the amendment in the Clause I of the memorandum of Association and Articles of Association of the Company, be and hereby approved subject to approval of the regulatory authorities.

Further resolved that the old name of the Company will be replaced by the new name in all the statutory/title documents, licenses and other relevant documents”

প্রস্তাবিত সিদ্ধান্ত

কোম্পানি আইন, ১৯৯৪ (দ্বিতীয় সংশোধনী আইন, ২০২০) এবং কোম্পানির স্মারকলিপি এবং সংস্থার ধারা ১ এর সংশোধন অনুসারে কোম্পানির নিবন্ধিত নাম “নিতল ইস্যুরেন্স কোম্পানী লিমিটেড” থেকে “নিতল ইস্যুরেন্স পিএলসি” করার প্রস্তাবটি নিয়ন্ত্রক কর্তৃপক্ষের অনুমোদন সাপেক্ষে অনুমোদিত হবে এবং এতদ্বারা অনুমোদিত হবে।

আরও সিদ্ধান্ত নেওয়া হয়েছে যে “সমস্ত বিধিবদ্ধ/শিরোনাম নথি, লাইসেন্স এবং অন্যান্য প্রাসঙ্গিক নথিতে কোম্পানির পুরাতন নাম নতুন নাম দ্বারা প্রতিস্থাপিত হবে”।

The background features a dark green field with a pattern of binary code (0s and 1s) in a lighter green. Overlaid on this are large, semi-transparent geometric shapes: a large circle in the upper right and a large triangle in the lower left, both in a medium green shade. The text 'THE REPORT' is centered in the white space between these shapes.

THE REPORT

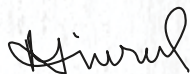
WELCOME TO INTEGRATED ANNUAL REPORT FOR THE YEAR 2024

Greetings on behalf of Nitol Insurance Company Limited (NICL). We extend a cordial welcome you to our integrated annual report for the year ended 31 December 2024.

At NICL, we have always believed that an important aspect of our integrated reporting journey has been our focus on providing both a detailed update on our business strategies, as well as a transparent and candid narration on our outlook. As a part of our integrated reporting framework, throughout this report, we have also explained the challenges and uncertainties the organization are likely to face in pursuing its growth strategy. We have focused on being balanced and transparent.

We are proud to adhere to the guiding principles and content elements of the International 'Integrated Report' Framework and, in doing so, sustained a reporting practice that only fosters greater levels of trust with our stakeholder.

Thank you for your interest in our integrated annual report 2024.



A K M Monirul Hoque
Chairman

ACHIEVEMENTS

Achieved Award in
4th ICC Emerging
Asia Insurance
Conclave 2023



Achieved 2nd Place
at Bima Mela-2022
in Barishal



Achieved
ICMAB Best
Corporate
Award 2021



ACHIEVEMENTS

Achieved
3rd Emerging Asia
Insurance
Award 2021



Achieved
ICMAB Best
Corporate
Award 2020



Achieved
ICMAB Best
Corporate
Award 2019



ACHIEVEMENTS

Achieved
ICSB National Award for
Corporate Governance
Excellence 2019



Achieved
Bangladesh
Master Brand
Award 2019



Achieved
Emerging Asia
Insurance
Award 2019,
Bangkok



ACHIEVEMENTS

Achieved
Bangladesh
Master Award
2018



Achieved
Emerging Asia
Insurance
Award 2018



Achieved
ICMAB Best
Corporate
Award 2018

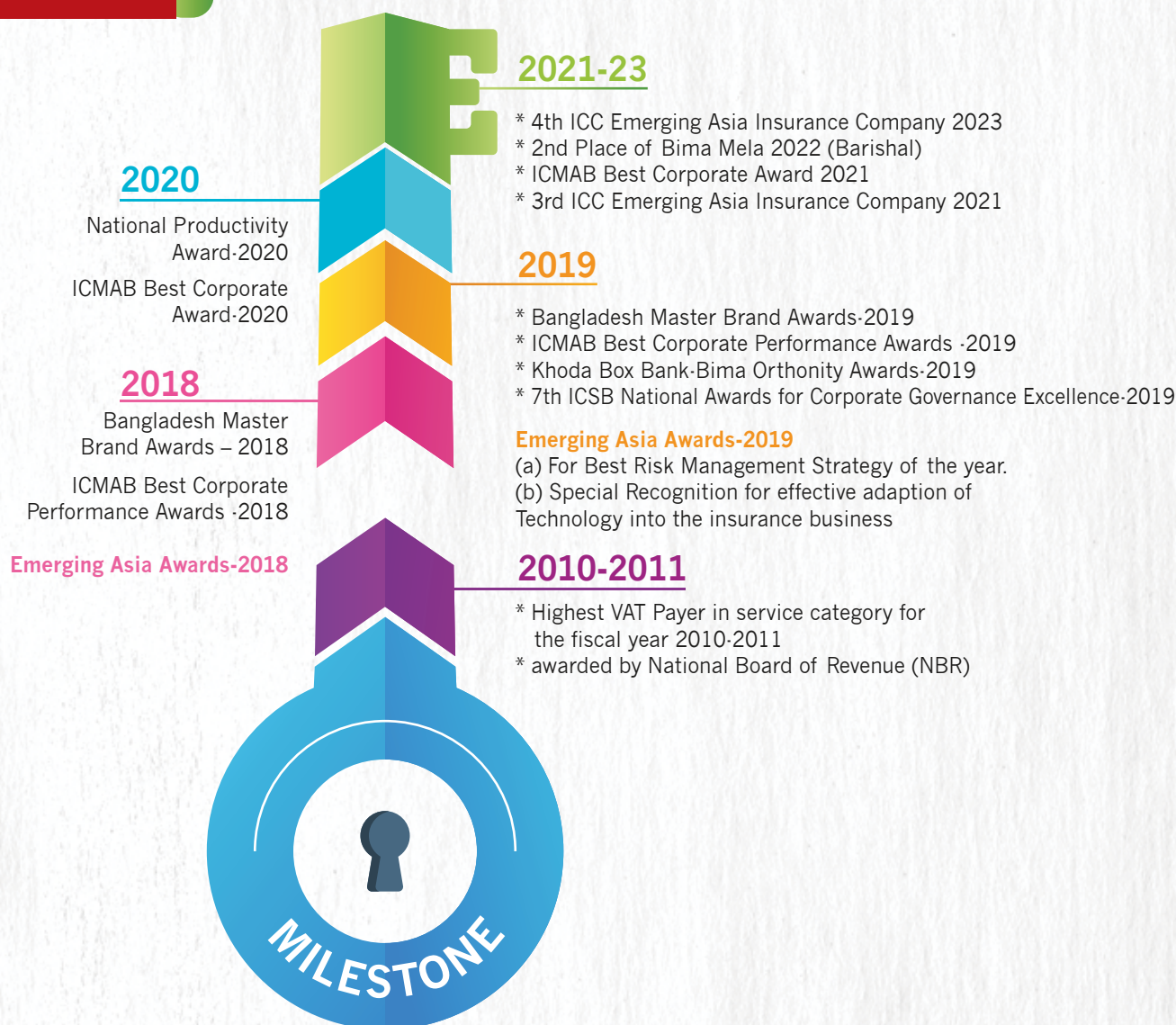


KEY HIGHLIGHTS - 2024



KEY MILESTONE

Certificate of Incorporation	: October 4, 1999
Certificate of Commencement of Business	: October 4, 1999
Certificate No. of Registration	: C-38743(701)/99
Certificate of Registration from CCI	: November 18, 1999
Authorized Capital	: Tk. 50 Crore
Total Paid-up Capital	: Tk. 402,076,390
Total Paid-up Number of Share	: 40,207,639 @ Tk. 10 each
Initial Paid-up Capital on October 04, 1999	: Tk. 6 Crore
Paid-up Capital from IPO	: Tk. 9 Crore
Date of approval of raising of capital of Tk. 9 Crore from SEC	: June 23, 2005
Date of Listing of Dhaka Stock Exchange PLC (DSE)	: November 29, 2005
Date of Listing of Chittagong Stock Exchange PLC (CSE)	: October 10, 2005
First Trading in DSE & CSE	: November 29, 2005



INTEGRATED REPORT

BASIS AND ADOPTION OF INTEGRATED REPORTING



OUR APPROACH

We are pleased to present our shareholders with the Annual Report 2024 in the form of an 'Integrated Report' for Nitol Insurance Company Limited (NICL). At NICL, transparency is key to strengthen the bond of trust with all our stakeholders. We are committed to offer them a holistic and comprehensive view of our value creation process. We do this through Integrated Reporting (IR), a framework crafted by the International Integrated Reporting Council (IIRC) that is today recognized as the global best practice for corporate reporting.

Our Integrated Reporting (IR) framework is a blend of qualitative and quantitative information. It covers financial and non-financial resources. It offers insights into our strategy and matters that are material to us. It also covers the challenges and associated risks in achieving our objectives in context to the external operating environment.

Note: Some of the IR related data in this Integrated Annual Report may be estimated by the management.

Reporting Principle

The financial and statutory data presented in this report comply with the requirements of the Bangladesh Securities and Exchange Commission (BSEC), the Insurance Development and Regulatory Authority (IDRA) regulations, the International Financial Reporting Standards (IFRS) and other applicable laws & regulations in Bangladesh. The Report is also guided by the Value Reporting Foundation's (VRF's) integrated reporting framework.

The report follows the guiding principles and content element requirements of IIRC's Integrated Reporting (IR) framework. The financial and statutory data presented in this report also comply with the requirements of:

- * The Companies Act, 1994 (and the Rules made there under).
- * Rules & regulations of Insurance Development and Regulatory Authority (IDRA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies).
- * Rules & regulations of Bangladesh Securities and Exchange Commission (BSEC).
- * Rules & regulations of Stock Exchanges.
- * The International Financial Reporting Standards (IFRSs).
- * Secretarial Standards, and
- * Other applicable laws & regulations in Bangladesh.

The Report is also guided by the Value Reporting Foundation's (VRF's) integrated reporting framework.

SUSTAINABILITY DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs)

We believe this Report shows that we are creating sustainable value and prosperity for our stakeholders. The Global Goals are more relevant now than ever before and integrating these into our reporting suite is a prioritized endeavor at NICL.

Reporting Period, Scope and Boundary

The Report covers the key statutory financial information and activities of the Company for the year 2024. All material events during the period have been included. Comparative figures and notable events of past years have been reported to provide a holistic view to stakeholders.

Approach to Materiality

We have identified imminent issues that are material to our operations, along with their possible impact on our value creation, to enable investors and other stakeholders to take informed decisions on their engagement with the Company.

Board Approval

The Board, supported by the leadership team, accepts responsibility for the integrity and completeness of this Integrated Reporting (IR). The Board and the executive management in assistance with a dedicated reporting team have put in their collective minds in the preparation, presentation and validation of information of this Report. The Board is of the opinion that this Report provides a fair and balanced view of our performance and prospects within the IR framework.

RESPONSIBILITY STATEMENT OF INTEGRATED REPORTING

This integrated report is our concise message about how the strategy, governance, performance and prospects of Nitol Insurance Company Limited (NICL) lead to the value creation process over the short, medium and long term from the perspective of its external environment.

Acknowledgement of Our Responsibility for Integrated Report- 2024

- i) We acknowledge our responsibility to ensure the integrity of the Integrated Report 2024;
- ii) We acknowledge that we have applied our collective mind in preparation and presentation of this integrated report;
- iii) This integrated report is presented in accordance with the International Framework;
- iv) Our management and those charged with governance were directly involved in the process of preparation and presentation of this integrated report; and
- v) We are constantly on the lookout for further development of our integrated report in future.

Matters under Consideration

Considering the limited uptake of the Integrated Reporting Framework, following factors have been superseded (as and where applicable) in this integrated report:

Conflict with local rules & regulations (e.g. IDRA's rules & regulations, Securities Laws, Companies Act, Tax & VAT rules etc.);

Directors' liability concerns;

Inconsistency with the prevailing reporting approaches;

Sign-off fatigue and additional reporting burden;

Skepticism about the benefits provided by the statement;

Contradiction with principles-based approach; and

Limited understanding of the term 'collective mind'.

We are very pleased to publish the Integrated Report 2024 for better understanding of our business and to provide improved information to the users of this report. We also believe that our integrated reporting enhances the way we think, plan and report.

Sincerely yours,



S. M. Mahbubul Karim

Chief Executive Officer

Nitol Insurance Company Limited

The background features a dark green gradient with several large, overlapping circles in a lighter shade of green. Faint, vertical columns of binary code (0s and 1s) are visible across the entire image, creating a digital or data-themed aesthetic.

COMPANY OVERVIEW



OUR VISION

Our vision is the Apex of Success. We have to reach to that goal by our modern thinking, hard labour, time-worthy decision, modernization & digitalization, sincerity and unparalleled services. We are committed to our slogan ***"Your Security Is Our Responsibility"***



OUR MISSION

- To provide the financial security to our clients, with utmost good faith, sincerity and dedications.
- To provide service to the insuring community, according to their need and expectation.
- To conduct business fairly, honestly and with transparency.



OUR OBJECTIVES

- To follow utmost good faith & other principles of insurance strictly
- Achieve customer trust through quick settlement of claims and best services.
- Good governance for sustainable growth
- Transparency in disclosures
- Protection of investment of our shareholders
- Welfare of our employees
- Revenue collection for the government
- Ethical and moral social order

CORE VALUES

Core values consist of 6 key elements and these values keep us close with our Business Partner. It helps us to build a strong sense of fraternity among all the Executives and Employees of the Company. These values make us different are as follows:

TRANSPARENCY

We encourage and inculcate total transparency and communicate openly & honestly with all our stakeholders and clients. We accept our individual and team responsibilities and we make support business decisions through experience and good judgment.

CLIENTS FOCUS

We are dedicated to satisfying clients needs and honoring commitments that we have made to them. Our clients are our partners and we remain committed to build strong relationship with them which is based on trust. the trust is our core value.

INTEGRITY

We are committed to employ the highest ethical standards, demonstrating honesty and fairness in all our actions.

RESULT FOCUS

We are result focused. We strive to timely, tenaciously and consistently execute well developed plans, goals and objectives and we accept responsibility for the results they deliver.

PROFESSIONALISM & EXCELLENCE

We believe in developing a highly motivated, valued and diverse workforce. We strive constantly to be the best in quality and in everything we do in order to meet and exceed the highest expectations of our clients.

TEAMWORK

We are committed to a team-work environment where every individual is a valued member, treated with respect, encouraged to contribute and recognized and rewarded for his/her efforts.



YOUR SECURITY IS OUR RESPONSIBILITY



OUR MOTTO



OUR ETHOS

Company's ethos refers to the trustworthy and credibility. It can be explained by the key word NIRAPOD which means safety and security in Bengali. This is our first own product on Motor Insurance. It can be used as an acronym within the company as follows:

- | | |
|----------|------------------------------|
| N | - Never give up |
| I | - Intelligent and Innovative |
| R | - Respect for each other |
| A | - Attitude |
| P | - Professional |
| O | - Ownership |
| D | - Discipline |

MARKETING STRATEGY AND APPROACH

Our Priorities

- Digital Innovation as a Differentiator
- Strategic Alliances & Product Expansion
- Tech & Risk Management Excellence
- KYC & Relationship Marketing
- Inbound & Digital First
- Content & Awareness Building
- Channel & Agent Engagement
- Strategic PR & Brand Recognition

OUR STRENGTHS

- Dedicated B2B Service Team
- Online Insurance/App Service
- Online Claim Management Using AI
- Good Solvency Margin
- Adequate Re-insurance Arrangement with Local and Foreign Re-insurers
- Sound Liquidity Position
- Strong It & Branch Network
- Experienced Top Management
- Good Fixed Asset Investment

CORPORATE CULTURE

- NICL has created a platform for human capital with diversified backgrounds and developed a culture of mutual respect with a slogan 'We are a Family'.
- Our main strength is innovation & creativity of our human capital. NICL has a strong creative team who owns their job and work for development.
- NICL encourages its employees to feel others' emotion to build a humanistic & mature human capital.
- We always believe in positivity and encourage our human resources to be optimistic & progressive and avoid creeping.
- NICL embraces a robust corporate social responsibility culture to improve surrounding communities, environment & stakeholders as well as benefit its own employees.
- NICL offers a very employee-friendly work environment. They are very responsible and loyal to the Company. Their contribution is well-counted which is the spunk to our value creation process.

CORPORATE RESPONSIBILITY



Equipped with a team of experienced professionals, this Company is always ready to cater for all your insurance needs. NICL provides protection to your property and cover unfortunate losses. We look forward to reaching you through our personalized care and assure you of quality services at the most competitive price.



CODE OF CONDUCT

In accordance with the approved and agreed Code of Conduct, NICL's employees shall:

- Act with integrity, competence, dignity and in an ethical manner when dealing with clients, prospects, colleagues, agencies and public.
- Act and encourage others to behave in a professional and ethical manner that will reflect positively on NICL's employees, their profession and on NICL at large.
- Strive to maintain and improve the competence of all in the business.
- Use reasonable care and exercise independent professional judgment.
- Not restrain others from performing their professional obligations.
- Maintain knowledge and comply with all applicable laws, rules and regulations.
- Disclose all conflicts of interest.
- Deliver professional services in accordance with NICL policies and relevant technical and professional standards.
- Respect the confidentiality and privacy of customers, people and others with whom they do business.
- Not engage in any professional conduct involving dishonesty, fraud, deceit, misrepresentation or commit any act that reflects adversely on honesty, trustworthiness or professional competence.



ETHICAL PRINCIPLES

Despite being the 3rd Generation non-life insurance company in the country, NICL has a continuous process of screening the business and short-listing risk-based products and services. In this regard, the numbers of customers have been increasing day by day in last 25 years since its inception due to timely payment of insurance claims and remaining compliant with existing rules.

PATTERN OF SHAREHOLDING

The pattern of shareholding as on December 31, 2024 with category and name wise details:

A) Parent/Subsidiary/ Associate Company and other related: Nil

B) Shareholding by Directors, Sponsors and Public Shareholders:

Sl.	Name of the Directors	No. of Shares	Position in the Board	(%)
1.	A K M Monirul Hoque	Chairman	3216607	8
2.	Zobair Humayun Khandaker	Vice Chairman	2814531	7
3.	Mr. Mahmudul Hoque Shamim	Director	2412455	6
4.	Ms. Nazme Ara Husain	Director	3216608	8
5.	Ms. Naeema Hoque	Director	804996	2
6.	Mr. Md. Murad Hossain	Director	804152	2
7.	Md. Mamunur Rashid, FCMA	Independent Director	Nil	-
8.	Md. Shoharab Ali Khan, FCMA	Independent Director	Nil	-
	(A) Total Shareholding Position of Board of Directors			33
	Public- Individual			41.36
	Institution			25.64
	Government			-
	Foreign			-
	(B) Total Holding by Public Sponsor & Shareholders			67
	Total = A+B			100

C) Shareholding by CEO, CFO, CS and HIAC

Status	Number of Shares	%
Chief Executive Officer (CEO)	Nil	Nil
Company Secretary, Chief Financial Officer, Head of Internal Audit and their Spouse and minor Children	Nil	Nil

D) Shareholding by top five Executives of the Company:

Shares held by top five Executives of the Company	Nil	Nil
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E) Shareholding Ten Percent (10%) more voting rights : Nil

CORPORATE DIRECTORY

Certificate of Incorporation

October 4, 1999

Certificate of Commencement of Business

October 4, 1999

Certificate No. of Registration

C-38743(701)/99

Certificate of Registration from CCI

November 18, 1999

Authorized Capital

Tk. 50 Crore

Total Paid-up Capital

Tk. 402,076,390

Total Paid-up Number of Share

40,207,639 @ Tk. 10 each

Initial Paid-up Capital on October 04, 1999

Tk. 6 Crore

Paid-up Capital from IPO

Tk. 9 Crore

Date of approval of raising of capital of Tk. 9 Crore from SEC

June 23, 2005

Date of Listing of Dhaka Stock Exchange Ltd. (DSE)

November 29, 2005

Date of Listing of Chittagong Stock Exchange Ltd. (CSE)

October 10, 2005

First Trading in DSE & CSE

November 29, 2005

CORPORATE PROFILE

REGISTERED OFFICE AND HEAD OFFICE

Nitol Insurance Company Limited
Police Plaza Concord, Tower - 2
(5th & 6th Floor), Plot - 2, Road - 144
Gulshan - 1, Dhaka - 1212
Tel: 88-02-55045202-05
e-mail: info@nitolinsurance.com
www.nitolinsurance.com
Hotline: 09643214070

MEMBERSHIP

Bangladesh Insurance Association (BIA)
International Chamber of Commerce Bangladesh (ICCB)
Bangladesh Association of Publicly Listed Company (BAPLC)
Metropolitan Chamber of Commerce & Industry (MCCI)
Bangladesh Employers Federation (BEF)
Dhaka Chamber of Commerce and Industry (DCCI)
Bangladesh Malaysia Chamber of Commerce & Industry (BMCCI)
India-Bangladesh Chamber of Commerce & Industry (IBCCI)
Bangladesh China Chamber of Commerce & Industry (BCCCI)

NAME OF REINSURANCE BROKERS

1. J. B. Boda Insurance & Reinsurance Brokers Pvt. Ltd., India
2. Protection Insurance Services W.L.L., Bahrain
3. Manoj Reinsurance Brokers Ltd., Dubai
4. Risk Care Insurance Broking Services Private Ltd., India
5. Salasar Service Insurance Brokers Ltd., India
6. K.M. Dastur Reinsurance Brokers Pvt. Ltd.: KMD
7. Indo Arab Insurance & Reinsurance Brokers Limited, Dubai
8. Heritage Insurance Brokers Pvt. Ltd., India
9. Bharat Re Insurance Brokers, India
10. Fulcrum Global Reinsurance Brokers Pte. Ltd., India
11. Aspire Reinsurance Brokers Limited, India
12. Mahendra Reinsurance Brokers Limited, India
13. Pioneer Reinsurance Brokers Limited, India
14. Tyser

NAME OF REINSURERS

- | | |
|---|--|
| 1. Sadharan Bima Corporation | 11 KENYA RE, Kenya |
| 2. BMIIC Re, Cayman Islands | 12 UZBEKINVEST, Uzbekistan |
| 2 QBE, Australia/UK | 13 KLAPTON RE, Zambia |
| 3 WAICA RE (BMIIC), Sierra Leone | 14 GLOBAL RE, Dubai |
| 4 GIC Re, Bhutan | 15 Worldwide Re, Trinidad W.I |
| 5 Oman RE, Oman | 16 SM RE, UAE |
| 6 SOPAC (AM Frist Stamp), American Samoa | 17 KLAPTON Insurance, Comoros |
| 7 Asian Reinsurance Corporation, Thailand | 18 ION Insurance Group, Coastrica, Latin America |
| 8 National Insurance Co, Ltd, India | 19 TITAN CAPITAL, Costa Rica |
| 9 CICA RE, Togo | 20 IIC NV, Curacao |
| 10 HIMALYN RE, Nepal | |

CORPORATE PROFILE

NATURE OF BUSINESS

All kind of Non-Life Insurance

CREDIT RATING

Rated 'AA+' (Double A Plus) for the year 2023 and for the 3rd Quarter 2024 by Credit Rating Information and Services Limited (CRISL)

AUDITOR

Mahfel Huq & Co.
Chartered Accountants
34 Topkhana Road,
BGIC Tower (4th floor),
Dhaka 1000, BANGLADESH .
Phone: (+88) 02 9553143
Email: info@mahfelhuq.com

COMPLIANCE AUDITOR (BSEC)

Md. Abdul Hannan, FCMA
Cost & Management Accountants
Road # 03, House # 157
2nd floor, DOHS, Mohakhali, Dhaka

COMPLIANCE AUDITOR (IDRA)

Md. Anowar Hossain, ACA
Chartered Accountants
Partner, Hossain & Hossain
House # 21, Road # 6,
Block # D, Niketan Gulshan, Dhaka

TAX ADVISOR

Mabs & J
Chartered Accountants
Income Tax Practitioner
21 Purana Paltan Line
(4th & 7th Floor),
Dhaka 1000

BANKER

Jamuna Bank Limited
Dutch-Bangla Bank Limited
The City Bank Limited
Mutual Trust Bank Limited
Shahjalal Islami Bank Limited
Sonali Bank Limited

OVERSEAS CLAIM SETTLING AGENT

W. E. Cox Claims Group (Europe) Limited
Gravesend, Kent, United Kingdom

PRODUCTS & SERVICES



PROPERTY INSURANCE

Fire Insurance Including Allied Perils
Hotel Owner's All Risks Insurance
Property Damage All Risks (PDAR) Insurance
Power Plant Operational Package Insurance
Householders Comprehensive Insurance
Industrial All Risks (IAR) Insurance
Including Machinery Breakdown &
Business Interruption



MOTOR INSURANCE

Private Vehicle Insurance
Nirapod Comprehensive Private Car Insurance
Commercial Vehicle Insurance
Motor Cycle Insurance
Motor Trade Insurance



MARINE INSURANCE

All types of Marine Cargo Import and
Export Insurance
All types of Marine Hull Insurance
Goods-in-Transit Insurance



AVIATION INSURANCE

Aviation Hull Insurance



MISCELLANEOUS (FINANCIAL) INSURANCE

Cash-in-Safe (CIS) Insurance
Cash-on-Counter (COC) Insurance
Cash-in-Transit (CIT) Insurance
Safe Deposit Box (Bank Locker's) Insurance
Money Insurance (MI) for Bank only



MISCELLANEOUS (HEALTH) INSURANCE

The Health Plan Insurance Contract
(Hospitalization)
Hajj and Umrah Insurance



MISCELLANEOUS (PERSONAL ACCIDENT) INSURANCE

Personal Accident (PA) Insurance
People's Personal Accident (PPA) Insurance
Personal Accident (Air) Insurance
Sorbojoneen Suroksha Bima (SSB)



MISCELLANEOUS (LIABILITY) INSURANCE

Burglary and House Breaking (BG) Insurance
Workmen's Compensation (WC) Insurance
Fidelity Guarantee (FG) Insurance
All Risk (AR) Insurance
Clinical Trials and/or Human
Volunteers Studies Insurance
Camera Insurance
Public Liability Insurance
Product Liability Insurance
Commercial General Liability including
Automobile & Employer's Liability



ENGINEERING INSURANCE

Contractor's All Risks (CAR) Insurance
Erection All Risks (EAR) Insurance
Boiler and Pressure Vessel (BPV) Insurance
Machinery Breakdown (MBD) Insurance
Deterioration of Stock (DOS) Insurance
Life, Hoist and Crane Insurance
Electronic Equipment Insurance (EEI)
Contractors Plant and Machinery (CPM) Insurance



OVERSEAS MEDICLAIM INSURANCE

Business and Holiday (B&H) Tour
Employment and Study (E&S)
Corporate Frequent Travel (CFT)



AGRO BASED INSURANCE

Livestock insurance



BRANCH & ADDRESS

Amtali Branch

Faria Complex, (1st Floor) Hospital Road,
Amtali Chowrasta, Amtali, Barguna.
Mobile: 01721534462
Email: dalim@nitolinsurance.com

Barishal Branch

160/139 Parera Road (2nd Floor)
Bibir Pukur, Barisal
Mobile : +88 01727247333
Email : jahid_barisal@nitolinsurance.com

Bijoy Nagar Branch

Skylark Point (5th Floor)
24/A Bijoy Nagar, Dhaka 1000
Phone : 88-02-48318166
Fax : 88-02-8318716
Email : hafizur@nitolinsurance.com

Bogura Branch

Nurul Haque Tower, (2nd Floor)
Borogola More, Bogura.
Mobile : 01725-494848
Email : hai@nitolinsurance.com

Chattogram Branch

Yunusco City Centre (10th Floor)
809 CDA Avenue, GEC More,
Chattogram
Mobile : 01819312862
Email : ashraf@nitolinsurance.com

Cumilla Branch

Sattar Khan Complex (4th Floor)
Kandir Par, Cumilla-3500
Mobile : 01711972062
Email : muzammel@nitolinsurance.com

Dhanmondi Branch

CNS Tower (2nd Floor),
43/R/5-A West Panthapath,
Dhaka 1205
Phone :41024841, Fax : 02-41024837
Email : wahid@nitolinsurance.com

Dilkusha Branch

City Centre (18th Floor)
90/1, Motijheel C/A, Dhaka 1000
Mobile : 01774568553
Fax : 02-9570266
Email : alimuddin@nitolinsurance.com

Dinajpur Branch

Bahadur Bazar
T&T Road, Dinajpur
Mobile : 01797815619
Email : mokhlesur@nitolinsurance.com

Faridpur Branch

Babul Brothers Tower (2nd Floor)
3-B Niltuli, MujibSarak, Faridpur.
Mobile: 01711982457
Email : shahidulislam@nitolinsurance.com

Gulshan Branch

Sheba House (5th Floor)
House 34, Road 46, Gulshan 2,
Dhaka 1212
Phone : 02-58812849
Fax : 58815027
Email : haditul@nitolinsurance.com

Jamalpur Branch

Dulal Tower (3rd Floor) Modhupur Road
Jamalpur Sadar, Jamalpur
Mobile: 01721286936
Tel: +8802998822173
Email : mahbubur_jml@nitolinsurance.com

Jashore Branch

Jess Tower (3rd Floor),
39, M.K. Road, Jashore.
Mobile : 01712787112
Email : milonkhan@nitolinsurance.com

Joydevpur Branch

Bagdad Tanzania Tower (3rd Floor)
Tangail Road, Chandana Chowrasta,
Gazipur
Mobile : 01713-142773
Email : tariq@nitolinsurance.com

Kawran Bazar Branch

City Centre (18th Floor)
90/1, Motijheel C/A, Dhaka 1000
Mobile : 01716437381
Email : sakerahmed15@nitolinsurance.com

Mohakhali Branch

Rupayan Centre (5th Floor),
72 Mohakhali C/A, Dhaka-1212
Mobile : 01713142760
Fax: 88-02-9881751
Email : altafossain@nitolinsurance.com

Mirpur Branch

Jahangir Tower (1st Floor),
Plot # M-5, Section-14,
Mirpur, Dhaka-1206
Phone : 88-02-58054563
Email: shamim@nitolinsurance.com

Narayangonj Branch

127 (Old), 194 (New)
BB Road (2nd Floor), Narayangonj
Phone : 02224433953,
Fax : 02224433954
Email : amiruzzaman@nitolinsurance.com

Narsingdi Branch

Sultan Uddin Nuri Market, Jailkhana
Moor, Velanagar, Narsingdi.
Mobile: 01715-136448
Email : sohelahmed@nitolinsurance.com

Khulna Branch

Chamber Mansion (2nd Floor)
5, K.D.A. Commercial Area,
Jashore Road, Khulna.
Phone : 02-477729177
Fax : 02-477723352
Email : rakibhasan@nitolinsurance.com

Kushtia Branch

Lovely Tower (6th Floor)
55/1 N.S Road, Kushtia
Mobile : 01746142698
Email : nazim@nitolinsurance.com

Rajshahi Branch

Jamal Super Market (2nd Floor)
96 Miapara, Word No 12,
Boalia, Rajshahi
Phone & Fax : +8802588857980
Email : atiqur@nitolinsurance.com

Rangpur Branch

Shorif Building/Asir Building (1st Floor)
Station Road, Rangpur
Mobile : 01711452898
Fax : 0521-56211
Email : prodip@nitolinsurance.com

Sylhet Branch

Barbhuiya Siddique Plaza (2nd Floor),
Zindabazar, Sylhet.
Mobile : 01728969149
Fax : 0821-727885
Email : nozmul@nitolinsurance.com

Uttara Branch

Rajuk Rajib Cosmo Shopping Complex
(7th Floor), Holding # 71, Sector # 7,
Azampur, Uttara, Dhaka 1230
Mobile : 01730315777
Email : momeen@nitolinsurance.com

Mymensingh Branch

30/01, C.K. Gosh Road
(4th Floor), Mymensingh
Mobile : 01765001588
Email : abdussalam@nitolinsurance.com

MESSAGE FROM THE CHAIRMAN



A K M MONIRUL HOQUE
CHAIRMAN

“ Board reviews the activities of the sub-committees regularly and advises the sub-committees as and when required which is conveyed to the CEO and thus the overall performance of the company is achieved...

”

Bismillahi-r-Rahmani-r-Rahim
Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh

Dear Shareholders,

At the very outset, on behalf of the Board of Directors and as the Founder Chairman of Nitol Insurance Company Limited (NICL), I would like to extend my heartiest welcome to all our valued stakeholders to the 26th Annual General Meeting of NICL. I am deeply grateful for your unwavering trust and incredible support, which serve as a continuous source of inspiration for us to strive towards a sustainable and resilient future.

BANGLADESH ECONOMY AND NICL BUSINESS

The economy faced severe inflation and touched the highest point of 11.38% in November 2024 against 9.49% in November 2023. Moody's Ratings downgraded Bangladesh's ratings to B2; changes the outlook to negative. The ADB estimated GDP growth at 5.8% for FY24, down from the 6.1% projected in April 2024, but consistent with the growth rate in FY23.

Despite the instability of the non-life insurance market you will be delighted to know that your company being compliant with the rules and regulations underwrote a gross premium of Tk. 632.32 million against Tk. 670.13 million in 2023. The slightly reduce of the business were main causes due to the political unrest war in Europe, Middle East, etc in the last year. Nitol Insurance Company Limited now can underwrite the larger risks in collaboration with the world's best reinsurers. In the risk management process we have to shift adequate risk to the state owned reinsurers Sadharan Bima Corporation (SBC) and Overseas rated Reinsurers as well.

KPIs TO MEASURE THE ACHIEVEMENT AGAINST STRATEGIC OBJECTIVES

NICL strategic objectives are of three types-(i) Process Focus; (ii) Business Focus and (iii) People/Learning Focus and each of the strategic objectives has detail values of performance. The achievement of the strategic objectives of NICL is being measured through the key performance indicators (KPIs) namely Policy Rates, Precise Underwriting Process and Risk Management, Customer Acquisition Cost, Claim Settlement Ratio, Loss Ratio, Combined Ratio, Customer Retention Rate, Average Revenue per Customer (ARPC), Profitability Ratio, Expenses Ratio etc.

DIRECTORS' ROLE IN ACHIEVING NICL'S OBJECTIVES

The Board of Directors are responsible for the overall performance of the company to its Hon'ble shareholders. With a view to achieving the performance of the company through the Management led by the Chief Executive Officer (CEO), with defined role, which is followed up by the Directors of different subcommittees of the Board, The Board also reviews the activities of the sub-committees regularly and advises the sub-committees as and when required which is conveyed to the CEO and thus the overall performance of the company is achieved.

EVALUATION OF PERFORMANCE OF BOARD, SUBCOMMITTEES AND BOARD MEMBERS

Everyone is accountable to the board and accordingly the Board of Directors are also accountable to its vigilant shareholders. The Board values and records the presence of each Director in all the meetings including the subcommittee meetings and also records their effective role in all the meetings.

Presently through an instruction, the code of conduct of the Chairperson, other Board Members, and role of CEO is executed. The Audit Committee, the Nomination & Remuneration Committee (NRC), Investment Committee, Risk Management Committee and Policyholder Protection and Compliance Committee are formed. The Independent Directors are being governed by the Corporate Governance Code issued by BSEC and Insurers Corporate Governance Guidelines. However, NICL is in the process to further develop the system of evaluation of performance of the Board Members including the Members on the sub-committees.

APPROPRIATION OF PROFIT

You will be pleased to know that NICL started its business with the capital of Tk. 60 million only and collected another Tk. 90 million from market with a total paid-up capital of Tk. 150 million only. With the prudent business activities and shareholders continuous support. NICL could increase its paid-up capital to a significant level of Tk. 402.08 million gradually. Hitherto, your company has been continuing a very good track record in payment of cash dividend to you. With that intent, from the divisible profits of 2024, the Board of Directors recommended for 10% (5% cash & 5% Stock) dividend for declaration in the 26th Annual General Meeting and with a view to strengthen the general

reserve of the company against all foreseeable odds, transferred Tk. 10,530,000 to General Reserve to secure steady dividend payment in future.

INSURANCE BUSINESS IN RURAL AND SOCIAL SECTOR

Nitol Insurance has been thriving underwriting of insurance risks in the rural and social sector covering small and medium enterprise (SME) business through its branch network at the remote areas of the country and as well as through bancassurance. You would be happy to know that as part of social welfare commitment NICL provides its insurance umbrella for marginal cattle farmers across the country. Besides NICL is also working on health insurance to meet the people's requirement.

INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)

IDRA is keen to run the insurance industry with positive move and has already issued an important regulations for both life and non-life insurers the much awaited Solvency Margin Regulations along with the relevant Gazette Notification for its implementation.

BANGLADESH INSURANCE ASSOCIATION (BIA)

The Executive Committee of Bangladesh Insurance Association (BIA), has been reformed. The new management of BIA would take required steps to remove the obstacles of our insurance industry.

SADHARAN BIMA CORPORATION (SBC)

Sadharan Bima Corporation (SBC) being the only state-owned non-life insurer of all the public properties and reinsurer of the private sector insurers, to the extent it accepts risks of the individual private sector insurer of Bangladesh issuing distinct certificates of coverage to every private insurers. Nitol Insurance Company Limited pays substantial amount of reinsurance premium to SBC every year under treaty and also places facultative portion of risk paying relevant premium to that extent as SBC wants to receive. NICL wants to maintain the accounts with SBC at an updated position always.

CENTRAL RATING COMMITTEE (CRC)

The Central Rating Committee (CRC) headed by the Chairman, IDRA, as envisaged in Section 17 of Insurance Act, 2010, determines the rates of premium for non-life insurance business in consultation with the Committee, and the insurers

are bound to comply with such rates. NICL is always appreciative to the Authority for taking positive measures about the premium rates.

CAPITAL MARKET STABILIZATION FUND (CMSF)

The BSEC constituted Capital Market Stabilization Fund (CMSF) with the unclaimed or undistributed or unsettled cash or stock dividend or non-refunded public subscription money or un-allotted rights shares from the issuer of listed securities lying with them for more than three years, has shown its performance to make the bourses vibrant. NICL has been transferring the required amount of unclaimed dividend to the CMSF in compliance with the rules of the Fund on a regular basis.

RESEARCH AND DEVELOPMENT

It is indeed very tough for unveiling new non-life insurance products in absence of sufficient insurance database in the country. With its professional and expert risk writers, NICL has been working on it, particularly for development of personal lines business. It is actively pursuing unconventional lines of businesses such as Cyber Liability, Pollution Legal Liability and Area Yield Crop Insurance. These areas represent emerging risks in the modern world, and NICL sees opportunities for growth in these areas. NICL is also extending its R&D work to develop Crop and Livestock Insurance products in the micro insurance level and its viability in the context of the tough weather environment of Bangladesh due to global warming like drought, sudden and prolonged flood, tornados and unusual frequent cyclones etc. This initiative aligns with the company's broader strategy of diversification and adaptation to changing market dynamics and demonstrates its commitment to serving a broader segment of the population and increase insurance awareness.

HUMAN CAPITAL

NICL has always emphasized on efficiency relying on the robustness inculcated through its highly qualified personnel in all departments including branches, who have rendered keen services over the years to reach its present position. Therefore, fostering suitable human resources development remains one of our key priorities in order to provide better services to clients.

We invest regularly to enhance professionalism by participating in various training, workshop, seminar and fieldworks. NICL guarantees the corporate culture for all its members of the staff, both at head office and branches, with pertinent rewards which ultimately limit the employee turnover.

OUTLOOK 2025

In 2024, Bangladesh faced various challenges in its economy along with higher inflation, an alarmingly high rate of non-performing loans (NPLs) in the banks, grounded bourses, low balance of payments and massive depreciation of taka. The interim government with its members trying to reform the different institutes to address the problems in view of a long term positive intent.

CONCLUSION

We always acknowledge our sincere gratitude to all our valued policyholders and shareholders for their tremendous support and trust to NICL. We are extending our sincere thanks to the banks and financial institutions with whom we have extensive daily dealings; along with the Regulators, IDRA, Dhaka and Chittagong Stock Exchanges, BAPLC, NBR, FRC, BSEC, BIA, Sadharan Bima Corporation (SBC), Bangladesh Bank, related Government bodies and stakeholders for their persistent co-operation and support. I would like to extend my

wholehearted thanks to the honorable members of the Board for their continuous co-operation and valuable advices to administer the affairs of the company smoothly and also to the different Sub-Committees of the Board for performing their defined roles in a befitting manner. On behalf of the Board of Directors, I would like to take the opportunity to express our sincere thanks to the Chief Executive Officer (CEO) and also to the members of the staff of the company for their sincere dedication and persistent effort in achieving the goal set for them. I am confident and encouraged that the way they are serving the company, it would reach to a further height and will be continuing its operation as one of the leading nonlife insurance company in Bangladesh insurance industry.

May Allah (SWT) protect us and guide us towards a prosperous future. Ameen.

Thank you all.



A K M Monirul Hoque
Chairman

COMPOSITION OF BOARD OF DIRECTORS & IT'S COMMITTEES

Board of Directors

Chairman
A K M Monirul Hoque

Vice Chairman
Zobair Humayun Khandaker

Directors
Ms. Naeema Hoque
Mahmudul Hoque Shamim
Md. Murad Hossain
Ms. Nazme Ara Husain

Independent Directors
Md. Mamunur Rashid, FCMA
Md. Shoharab Ali Khan, FCMA

Committees

Executive Committee

Chairman
Ms. Naeema Hoque

Members
Zobair Humayun Khandaker
Mahmudul Hoque Shamim

Audit Committee

Chairman
Md. Mamunur Rashid, FCMA

Members
Zobair Humayun Khandaker
Mahmudul Hoque Shamim
Md. Shoharab Ali Khan, FCMA

Nomination and Remuneration Committee (NRC)

Chairman
Md. Mamunur Rashid, FCMA

Members
A K M Monirul Hoque
Ms. Naeema Hoque
Zobair Humayun Khandaker
Mahmudul Hoque Shamim
Md. Shoharab Ali Khan, FCMA

Committees

Investment Committee

Chairman
A K M Monirul Hoque

Member
Zobair Humayun Khandaker
Ms. Naeema Hoque
Mahmudul Hoque Shamim
Md. Murad Hossain

Member (Ex-officio)
S.M. Mahbubul Karim

Risk Management Committee

Chairman
A K M Monirul Hoque

Member
Md. Murad Hossain
Md. Shoharab Ali Khan, FCMA

Policyholders Protection & Compliance Committee

Chairman
A K M Monirul Hoque

Member
Zobair Humayun Khandaker
Ms. Naeema Hoque
Md. Mamunur Rashid, FCMA

Claims Committee

Chairman
A K M Monirul Hoque

Members
Zobair Humayun Khandaker
S.M. Mahbubul Karim

CODE OF CONDUCT FOR THE CHAIRMAN, DIRECTORS' AND CEO

INTRODUCTION

The Code of Conduct (the “Code”) has been formulated by the Board of Directors of Nitol Insurance Company Ltd (NICTL) to set forth principles and ethical standards for the Chairman of the Board, other Board Members and Chief Executive Officer in accordance with the Code No. 1(7) (a) of the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code-2018 & Serial No. 6.5 of Insurer Corporate Governance Guideline, 2024 issued by Insurance Development and Regulatory Authority (IDRA).

The Chairman is appointed by the Board with primary regard to his / her skills, expertise and experience relevant to the role and in accordance with the Memorandum and Articles of Association of the company. The Chairman provides leadership to the Board in matters relating to the effective execution of all Board responsibilities. He or she is expected to spend whatever time necessary to fulfill his or her duties. The Chairman presides over Board and General Meetings of the Company. He or she is expected to ensure that the Board is well informed and effective; that members, individually and as a group, have the opportunity to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the Board and the Company. Additionally, the Chairman must ensure that General Meetings are conducted efficiently and that shareholders have adequate opportunity to air their views and obtain answers to their queries.

In addition to the above, the responsibilities of the Chairman are to:

1. Provide effective leadership in formulating the strategic direction for the Company and the Board. He or she has overall responsibilities in the execution of the strategic, financial and operating plans and policies and the annual and long term business and financial results of the Company.
2. Monitor workings of the Board especially the conduct of Board meeting. This includes work with the Company Secretary to schedule Board and Board Committee meetings, liaise with the MD/CEO and the Company Secretary on the agenda, ensure that all relevant issues for the effective running of the company's business are on the agenda and ensure that

Directors receive accurate, timely and clear information in particular about the company's performance, to enable the Board to make sound decisions, monitor effectively and provide sensible advice to achieve the company's objectives.

3. Work with the Board in establishing appropriate Board Committee structures including the assignment of Directors to Board Committees and the appointment of Chairman of each Board Committee and Code of Conduct. The Code of Conduct should set out matters relating to the authority (in particular whether the Board Committee has the authority to act on behalf of the Board or simply has the authority to examine a particular issue and report back to the Board with a recommendation), functions, membership, operations and responsibilities of such Board Committees, and other matters that the Board may consider appropriate.
4. Ensure the independence of the Board in discharging its duties. This includes encouraging Non-Executive Directors of the Board to meet regularly to deliberate on matters of concern and ensuring that the Board may engage independent advisors as required (subject to the proper approval process).
5. Ensure that the Board and individual Directors fully exercise their responsibilities and fully comply with applicable policies, laws, regulations, rules, directives and guidelines.
6. Consider and address the development needs of individual directors and the Board as a whole; maintain the necessary depth and breadth of knowledge and skills to enhance the effectiveness of the Board as a team.
7. Work with the Board in establishing the performance criteria and evaluation for the Board, the various Board Committees, individual Directors, the MD/CEO and the senior management team. Within the evaluation framework, the Chairman shall encourage regular Board discussions and assessments of the MD/CEO and the senior management team's performance.
8. Promote effective relationships and open communication between the Board and senior management team, in relation to corporate governance matters and corporate performance.

9. Represent the Company and the collective views of the Board externally and overseeing the public relations, including relations with key clients, government officials, other public organizations and the public generally.

The primary function of the MD/CEO is to direct and supervise the business and affairs of the Company. In terms of the financial, business and administrative authorities vested upon him by the board, the MD/CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.

The specific duties and responsibilities of the MD/CEO are as follows:-

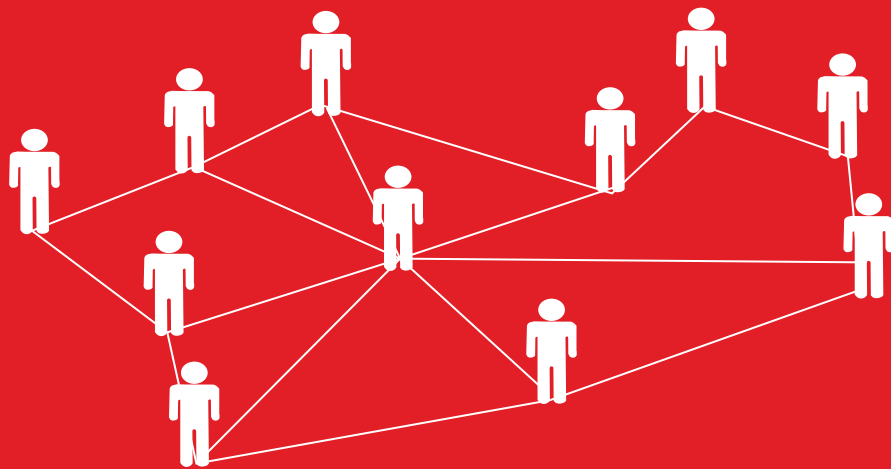
Develop the long-term vision for the Company.

1. Guide strategic planning process to develop and recommend strategic plans to the Board to ensure the company's profitable growth and achievement of its business objective and secure Board's approval for the business plan annually.
2. Take full responsibility for the setting and achievement of the company's objectives and one-year budgetary targets for all key performance indicators. Successfully implement the business and operational plans of the company including ensuring that resource allocation is correct, day-to-day operations run effectively and that financial monitors and controls are in place to measure progress towards stated efficiency and productivity goals.
In addition, the Chairman is encouraged to use his or her best endeavors to promote the company's business in Bangladesh and overseas. Besides, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the company.
3. Review and report regularly to the Board on the overall progress and results against operating and financial objectives and initiate courses of action for improvement.
4. Continuously collect and analyze information on the current business and economic climate and trends, and on conditions in markets, technologies, products and people which may present risk or opportunity to the company. Ensure that this intelligence is communicated appropriately and influences the company short-term behavior and long-term directions. Foster a culture which enables the company to respond to new developments.
5. Ensure that processes and systems are in place

to enable the MD/CEO to keep the Board fully informed on all material undertakings and activities of the company and any material external factors emanating from industry, financial markets, governments and regulators.

6. Act as a liaison between Management and the Board. Work closely with the Chairman to ensure that Board and Board Committee meetings are focused on the right issues, and that information provided to the Board is timely and complete in order to enable them to discharge their responsibilities. Participate in Board discussions of the company.
7. Authorize commitment of corporate resources in the ordinary course of business in order to pursue the approved strategic plans and objectives of the company provided that major commitments, exposures and risks will be reported to the Board on a regular and timely basis.
8. Ensure effective disclosure policy, internal controls and risk management systems are in place.
9. Manage and oversee the required disclosure and other communications between the company, shareholders, stakeholders and the public.
10. Act as the principal spokesperson for the company for the financial and investment community and shareholders.
11. Ensure effective communications and appropriate relationships are maintained with all stakeholders, including shareholders, the Board, management, employees, customers, suppliers, regulators and public bodies.
12. Establish and regularly review with the Board a plan for senior management
13. Develop succession to provide the continuity of leadership required by the company in future.
14. Create a positive work climate that is conducive to attract, retain and motivate.
15. Top-quality employees at all levels and foster a culture of personal accountability in balance with an acceptance of the importance of teamwork.
16. Together with the Management team, identify strategic opportunities for the company, including strategic collaboration, alliances, mergers, acquisitions and
17. Dispositions and pursue and negotiate the same. Besides, the Managing Director / CEO may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the company.

PROFILE OF DIRECTORS





A K M MONIRUL HOQUE

CHAIRMAN

Mr. A K M Monirul Hoque started his business career in 1982 by establishing a partnership vocational training center, Swift Engineering and Technological Training Center (SETTC), to develop the skills of people in various fields such as driving, computing, typing and tailoring along with shorthand and so on. Mr. Hoque founded this institution when he was twenty years old, while pursuing a Bachelor of Commerce (B.COM) Degree in the University of Dhaka (also known as Dhaka University). He also has a Master of Commerce (M.COM) with concentration in Management from Dhaka University. In 1984, Mr. Hoque joined Nitol Motors Limited (NML), the sole distributor of the distinguished Indian company called TATA MOTORS LTD (TML). He was the Executive Director and Head of Marketing at NML and involved with the sales and promotion of products for over twenty years.

Mr. A K M Monirul Hoque is the Founder Chairman of Nitol Insurance Company Limited (NICL), a Non-life Public Limited Insurance Company, established in 1999.

Mr. Hoque loves exploring new countries and has travelled almost all over the world. He attends seminars and symposiums worldwide to gain knowledge and implement it in his work. Apart from travelling, Mr. Hoque enjoys playing golf and snooker regularly. He loves to watch sports such as football, tennis, and Formula1; cricket is his favorite sport. Mr. Hoque is an active and social person.

Mr. Hoque is blessed with two daughters.

Bangladesh Insurance Association (BIA):

Executive Committee (EC) Member: since 2011

Vice President: 2017-2018, 2019-2020, 2021-2022, 2023-October 2024

General Body Member:

Federation of Bangladesh Chambers of Commerce & Industry (FBCCI)

International Chamber of Commerce Bangladesh (ICCB)

India Bangladesh Chamber of Commerce and Industry (IBCCI)

Bangladesh Malaysia Chamber of Commerce and Industry (BMCCI)

Metropolitan Chamber of Commerce and Industry (MCCI)

Dhaka Chamber of Commerce & Industry (DCCI)

Bangladesh Association of Publicly Listed Companies (BAPLC)

Bangladesh China Chamber of Commerce and Industry (BCCCI)

SAARC Chamber of Commerce and Industry (SCCI)

Club Member:

Dhaka Club Limited (DCL)

Gulshan Club Limited (GCL)

Uttara Club Limited (UCL)

Baridhara Cosmopolitan Club Limited (BCCL)

Kurmitola Golf Club

And many others...

ZOBAIR HUMAYUN KHANDAKER

VICE CHAIRMAN

Date of Joining
09.06.2015

Position: Board Member

Roles within the Company:

- Member of Executive Committee, Audit Committee, NRC, Investment Committee, Policyholder Protection & Compliance Committee, Claims Committee



Mr. Zobair Humayun Khandaker was born in September 21st 1970. His Father, late Humayun Kabir Khandaker, was a successful Industrialist & past Sponsor shareholder/Director of the company. Mr. Zobair did his BBA from University of California, Los Angeles & MBA from Indiana University, USA. He is now engaged with various National & Multinational Organisations as well as he is a Director Wahyd Group Inc. (USA) and Chairman of ASTOLABE LUXURY TRAVEL (Thailand).

organizations across Bangladesh. Through her multifaceted involvement, Mr. Zobair not only brings a global perspective to the boardroom but also demonstrates a commitment to enhancing societal well-being, embodying the ethos of corporate social responsibility. His diverse experiences and broad network position him as a valuable asset, contributing to the company's strategic growth and impact in both the insurance sector and the wider community.

Mr. Zobair Humayun Khandaker's invaluable contributions to the Board of Nitol Insurance are underscored by his extensive participation in both national and global seminars and symposiums. These engagements have equipped him with a deep understanding of cutting-edge international practices, enriching the company with innovative customer-centric products and reinforcing robust systems, processes, and practices. His role extends beyond the corporate sphere as an avid traveler and active participant in various social and welfare

MS. NAEEMA HOQUE

DIRECTOR & CHAIRMAN,
EXECUTIVE COMMITTEE

Date of Joining
14.06.2017

Position: Board Member

Roles within the Company:

- Member of Executive Committee, Nomination & Remuneration Committee (NRC), Investment Committee, Policyholder Protection & Compliance Committee,



Ms. Naeema Hoque completed her Bachelor of Arts (BA) and Master of Arts (MA) in Philosophy from University of Dhaka (also known as Dhaka University). She is the former Senior Vice President of Bangladesh Handicraft Association (Banglacraft) and has been an EC member since 1995. She was also the Treasurer from 2013–2015.

Ms. Hoque has engaged in boutique business since 1992 and was involved in various activities of Banglacraft for over three decades. She was a key member in organizing The First Banglacraft All Members Showcase, which was inaugurated by Honorable Prime Minister in 1999.

Ms. Hoque is involved with many social and charitable organizations. She is the life member of Uttara Club Limited (UCL), Baridhara Cosmopolitan Club Limited (BCCL), Baridhara Society (BS), Gulshan Society and many more.

Ms. Hoque has supported the company in its stewardship of transparency and timely disclosure by placing an emphasis on adopting the highest governance standards, while also ensuring robust compliance with regulations.

She is blessed with two daughters.



MAHMUDUL HOQUE SHAMIM

DIRECTOR

Date of Joining
04.10.1999

Position: Board Member

Roles within the Company:

- Member of Executive Committee, Audit Committee, Nomination & Remuneration Committee, Investment Committee, Policyholder Protection & Compliance Committee

Mr. Mahmudul Hoque Shamim is a renowned businessman. He is a Sponsor Shareholder Director of the Company. He has completed M.Com & C.A. (Course completed) and is also Fellow of Institute of Management Consultant Bangladesh (IMCB). He is a Director of Alight Real Estate Ltd. & L-Tech Bd. Ltd. He is a member of Army Golf Club. The spouse of Mr. Mahmudul Hoque Shamim is Mrs. Amena Hossain Lucky (B.Sc., Hons., M.Sc.). They have two children; they are Mr. Ahnaf Shahriar Hoque (Son) & Arisha Hoque (Daughter).

Mr. Shamim, a member of the Board, has attended numerous seminars and conferences throughout the world, exposing her to cutting-edge international techniques and approaches that have led to the initiation and development of several novel customer-centric products across the portfolio of the company, while also leading to the reinforcement of

corporate processes, systems, and protocols. His prominence as an established expert gives the firm room to explore new avenues of thought and do things in a way that is truly original. His expertise has allowed Nitol Insurance to develop a suite of solutions that not only meets customer needs but frequently goes above and beyond their expectations.



MD. MURAD HOSSAIN

DIRECTOR

Date of Joining
07.03.2024

Position: Board Member

Roles within the Company:

- Member of Risk Management Committee

Mr. Md. Murad Hossain's professional journey is marked by academic excellence and practical expertise. Graduating with a Bachelor Degree from National University, showcases his commitment to quality education. With a keen understanding of cross-border transactions, Mr. Ripon enriches NICL's Board with invaluable international exposure. His expertise not only enhances the board's strategic decision making processes but also strengthens the company's ability to navigate global markets effectively. Mr. Ripon's blend of academic achievement, industry experience, and deep knowledge of international trade positions him as a valuable asset, contributing to NICL's continued success and competitiveness in the insurance industry.

He has over 30 years of working experience in different fields. He is an active member of some non-political, social, cultural and religious organizations.



MS. NAZME ARA HUSAIN

DIRECTOR

Ms. Nazme Ara Husain
Director

Date of Joining
20.06.2021

Position: Board Member

Ms. Nazme Ara Husain, wife of Late Mr. Md. Anwar Husain FCMA, was a successful Industrialist & past Sponsor shareholder/Director of the company. She has completed her Master's Degree in Psychology at Dhaka University and Bachelor's Degree from Collage of Home Economics. She was a Director of Nita Company Ltd. form 28/09/1991 to 10/02/2020. She is also Treasurer of Bangladesh Women Chamber of Commerce & Industries and also active member of some non-political, social, cultural and religious organizations.

Born into a business family, she has been making a unique contribution to the country's economy since 1991 by engaging herself in the country's export-oriented vehicle and insurance business. Mrs. Husain has been involved in various social and cultural organizations and has been playing an important role in the development of the society. She is not only a successful woman entrepreneur but also a majestic woman. She is the mother of 2 daughters.

Ms. Nazme Ara Husain is blessed with two daughters Natasha Husain, Radiologist (USA) & Bipasha Husain, MBA (USA) and both are married living in USA. She traveled most of the European countries, USA, Middle East and some Southeast Asian countries.

MD. MAMUNUR RASHID FCMA

INDEPENDENT DIRECTOR

Date of Joining
07.03.2024

Position: Board Member

Roles within the Company:

- Member of Audit Committee, NRC, Investment Committee,



Md. Mamunur Rashid FCMA a Fellow Member and Immediate Past President of the Institute of Cost & Management Accountants of Bangladesh (ICMAB). His academic brilliance was revealed when Mr. Rashid obtained his undergraduate degree in Bachelors of Commerce in the year 1987 and his postgraduation degree in Masters of Commerce (Management) in the year 1989, securing First Class 2nd Position and First Class 4th Position respectively both under the educational guidance and accreditation of University of Dhaka.

Presently Mr. Rashid is serving as Additional Managing Director at X-Index Companies. He is also serving as the Independent Director and Chairman of Audit Committee at West Zone Power Distribution Co. Ltd- An enterprise of Bangladesh Power Development Board and Board member of several sister concern of Index Companies. He has been serving as the Senior Vice President of Bangladesh Ceramics Manufacturers and exporters Association (BCMEA) and the GB member of Federation of Bangladesh Chamber & Commerce Industry (FBCCI).

His career lifted off when he started as an officer of Bangladesh Steel & Engineering Corporation (BSEC) in the year 1989. After that he accumulated a wealth of experience via serving in the following influential designations and esteemed organizations: He served as Chief Financial Officer at Kazi Farms Group,

Director of Finance at Sheba Phone, CFO & Company Secretary at Summit Power Limited, Chief Accountant at BRAC-Aarong, and Finance Manager at Desh Group of Companies. He also served in Government organizations namely, Bangladesh Power Development Board (BPDB) and Bangladesh Parjatan Corporation (BPC).

Mr. Rashid served as the President of the Institute of Cost & Management Accountants of Bangladesh (ICMAB) in 2022 and as an Executive Secretary to the South Asian Federation of Accountants (SAFA) for the year 2013. He has been blessed with his wife Jesmin Sultana and two daughters Tanha & Tahiya.



MD. SHOHARAB ALI KHAN, FCMA

INDEPENDENT DIRECTOR

Date of Joining
07.03.2024

Position: Board Member

Roles within the Company:

- Member of Audit Committee, NRC, Investment Committee, Risk Management Committee

Md. Shoharab Ali Khan FCMA, a fellow Member (Membership No. - 0285) of the Institute of Cost & Management Accountants of Bangladesh (ICMAB). Mr. Shoharab obtained his post- graduation degree in Masters of Commerce (Accounting) in the year 1989 from University of Dhaka and MBA (Finance & Banking) from Southeast University. Currently, Mr. Shoharab is working as Group Chief Accounts Controller at United Group.

He was served as A Financial Management Specialist (Individual Consultant) on Rural Water, Sanitation and Hygiene for Human Capital Development Project. Funded by World Bank & AIIB under Department of Public Health Engineering (DPHE).

He was also served as the Chief Financial Officer & Company Secretary on Khulna Power Company Ltd (KPCL) (Publicly listed Company with DSE & CSE, Executive Director (Finance) Ashugonj Power Station Company Limited (APSCL, Finance Manager, Social Development Foundation (SDF) IDA Funded Project. Accounts Manager, Bangladesh Arsenic Mitigation Water Supply Project (BAMWSP) IDA Funded Project. Chief Accountant, Lexco Limited (100% export

oriented finished leather manufacturing Public Limited Company). Finance Controller, Anudip Services Pvt Ltd. and Accounts Officer, Financial & Technical Monitoring Cell of Bangladesh Agricultural Research Council (BARC).

Ha has earned over 35 years of experiences in the financial areas in Commerce, Business and Industrial Management.



S.M. MAHBUBUL KARIM

MANAGING DIRECTOR & CEO

Mr. Karim did his Masters Degree (MSS) in Public Administration from the University of Dhaka in 1985. He has started his insurance career with United Insurance Co. Ltd. in 1986. He worked there till 2000 and held the responsibility of Re-insurance and Specialized Underwriting as the Department Incharge. In July 2000 he joined Nitol Insurance Co. Ltd. and held responsibility of Underwriting, Reinsurance & Claims Department as in-charge. In 2006, he took the responsibility of "Company Secretary". He became the Managing Director & CEO of Nitol Insurance Co. Ltd. on 1st January, 2012. He has 39 (Thirty Nine) years long of practical job experience in leading private non-life insurance companies having wide experience in Underwriting, Reinsurance, Claims, HRD and Secretarial & Corporate Affairs. He attended various training programmers on insurance & re-insurance at home & abroad i.e. Management of Reinsurance Portfolio at National Insurance Academy (NIA), Pune, India, Risk Underwriting & Re-insurance conducted jointly by ACR Retakafu, Malaysia & J.B. Boda Brokerage Agencies, Malaysia, attended training programmes organized by Bangladesh Insurance Academy, jointly with Asian Re and Munich Re on Reinsurance and Specialized Underwriting, attended training programme on Corporate Governance organized by Dhaka Stock Exchange Ltd. and also attended various insurance related courses and seminars organized by Bangladesh Insurance Academy and

Bangladesh Insurance Association. He has been selected by the Bangladesh Insurance Association (BIA) as a resource person to provide lecture at the training program of Insurance Officials of Private Insurance Companies conducted by Bangladesh Insurance Association (BIA). He is a member of the Central Rating Committee (CRC). He is also a member of the Technical Sub-Committee of the Bangladesh Insurance Association (BIA). He is a member of Bangladesh Insurance Forum (BIF).



MESSAGE FROM THE MANAGING DIRECTOR & CEO

“ We are utterly focused on Executing against each of our five strategic priorities and this is unlocking the clear competitive advantages that come from NICL’s Overall Policy i.e our customer base, our sale, and our diversification ”

S. M. MAHBUBUL KARIM
CHIEF EXECUTIVE OFFICER

Bismillahi-r-Rahmani-r-Rahim

**Dear Shareholder and Well-wishers,
Assalamu Alaikum**

The year 2024 was a complex and evolving landscape for Nitol Insurance Company Limited. We navigated a confluence of challenges, including Increasing claims, persistent inflationary pressures impacting currency valuation, rising operational and service costs, and the lingering effects of political uncertainty. These factors, compounded by the global economic climate stemming from the 2023-24 dollar crisis and the war in Ukraine, Israel, Palestine, Lebanon, significantly influenced our industry. Remitting funds abroad for reinsurance premiums, a critical component of our business, was particularly challenging. We addressed these hurdles through strategic measures and a steadfast commitment to our stakeholders.

We have shown consistent and reliable positive momentum, through disciplined, compliance, and right Cost control. We have made further progress against our existing targets, which we are now on track to meet or exceed. We have successfully concerted to deliver across NICL's five strategic priorities i.e. Customer, Growth, Efficiency, Sustainability and Digital Technology.

We are utterly focused on executing against each of our five strategic priorities and this is unlocking the clear competitive advantages that come from NICL's overall policy i.e. our customer base, our scale, and our diversification.

We are investing ourselves to accelerate this advantage. To make it easier for our customers to buy from us, we developed different products which have delivered more personalized interactions. And we can see that this investment is working. For example, NIRAPOD – a unique product of motor vehicle insurance solution, the pilot project of which completed 5 years successfully and Clinical Trial – as an insurance solution which will be the great comfort to Pharmaceutical Industry when someone is going to research/launch any medicine/vaccine because our Clinical Trials insurance solutions provide protection for the sponsors/organizers of clinical trials for drug and medical device testing, covering their legal liability to pay compensation in the event of an injury to a trial participant. Apart from this, 'Protecting Livelihood and Investment of our Farmers' - we have

started to underwrite the “Livestock Insurance” for Cows and Buffaloes as piloting project in 2023, keeping in mind our Government policy on Agriculture. As a new product we have tailored DRONE insurance & actively thinking to proceed for Health & Medical and also Cyber Insurance which are demand of the time.

Besides, that we are preparing ourselves by going immediately to full automation digitally to match with market to give insurance solution precisely to the customers as an insurance provider of Bangladesh. In this connection we have update our existing website by professional vendor. Launching Apps named Insuprio to connect with our customer easily. Also add an AI Chatbot named Insurobo to get info about us. To modernize our work process we have made the agreement by signing Memorandum of Understanding (MOU) with Insuretech Companies and already started working together on our different projects.

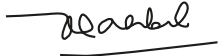
In 2024, the NICL demonstrated its capacity to sustain extreme shocks while maintaining a solid performance our gross premium of Tk. 632.2 million with underlying earnings standing at TK 95.78 million. We have a strong Solvency Margin of 2.77 times confirmed its resilience. Our commitment to customers remains paramount, especially at times of hardship. We want more customers to stay with us for longer, so we can look after more of their needs, brilliantly. And we are making good progress.

NICL's 2024 financial results are the result of its successful transformation, which also translates into an improved customer satisfaction. Our company is now reshaped to a simpler and more focused organization, closer to its customers and with the right scale across the country and preferred segments, Motor, Marine, Fire and Miscellaneous. While I am immensely proud of what the team has achieved this year, we shall have a long way to go. Delivering on our commitments to our customers and shareholders and continuing to improve our performance and that takes time. What we will not be changing are the values that underpin our work, the important touchstones of care, commitment, community and confidence that help guide the way we do things. We want to make sure the service we offer our customers is all they could hope for. Aiming to do the right thing, as well as doing things right, will be central to our long-term success.

We manage our operation with timely initiatives and by abiding the rules and regulation of the Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange PLC. (DSE), Chitagong Stock Exchange PLC. (CSE) as well as other relevant authorities. Our credit rating is stable at AA+ (pronounced as double A plus) by Credit Rating Information & Services Ltd.(CRISL) which reflects our financial strength and claim paying ability.

Before concluding, I would like to thank our Board of Directors for their continued guidance, the relevant Government body and regulators for their co-operation on and facilitation, and our shareholders & other Stakeholders and Media for their continuing trust and support.

We sincerely look forward to welcoming you at our 26th Annual General Meeting (AGM).



S. M. Mahbubul Karim
Chief Executive Officer

EXECUTIVE MANAGEMENT



EXECUTIVE MANAGEMENT (HEAD OFFICE)



S.M. Mahbubul Karim
Managing Director & CEO



Brig Gen Mesbah ul Alam Chowdhury (Retd)
Additional Managing Director
Head of HR Department & Corporate Business



Tapas Kumar Podder
Additional Managing Director
Head of Operation Division



Mohammad Monirul Islam
Additional Managing Director
Head of Re-Insurance & Specialized Underwriting



Md. Altaf Hossain
Deputy Managing Director
Chief Financial Officer (CFO)



Mahbub Alam
Deputy Managing Director
Head of Claims Department



Md. Liakat Hossen, FCMA
Deputy Managing Director
Head of Internal Audit and Compliance



Md. Mijanur Rahman FCS
Assistant Managing Director
Company Secretary



Md. Abdul Wahab
Assistant Managing Director
Head of Underwriting Department



Abu Ahmed Suman CERT CII (UK)
Vice President
Head of IT and
Digital Marketing



Muhammad Mozaffar Bhuiyan
Assistant Vice President
Head of Branch Control &
Co-ordination Department

EXECUTIVE MANAGEMENT (BRANCH)



Mominul Islam
Additional Managing Director
Head of Uttara Branch



Haditul Islam (Hedayet)
Additional Managing Director
Head of Gulshan Branch



Md. Ashraf Ullah
Additional Managing Director
Head of Chattogram Zonal Office



Md. Wahidur Rahman
Additional Managing Director
Head of Dhanmondi Branch



Saker Ahmed
Deputy Managing Director
Head of Karwan Bazar Branch



G.M. Alimuddin
Deputy Managing Director
Head of Dilkusha Branch



Md. Abdul Hai Sarder
Deputy Managing Director
Head of Bogura Branch



Md. Hafizur Rahman
Deputy Managing Director
Head of Bijoy Nagar Branch



Md. Altaf Hossain
Deputy Managing Director
Head of Mohakhali Branch

EXECUTIVE MANAGEMENT (BRANCH)



Tariq Mahmud
Assistant Managing Director
Head of Joydevpur Branch



Md. Atiqur Rahman
Assistant Managing Director
Head of Rajshahi Branch



M. Muzammel Hoque
Assistant Managing Director
Head of Cumilla Branch



Md. Shamim Hossain
Assistant Managing Director
Head of Mirpur Branch



Md. Abdus Salam
Executive Vice President
Head of Mymensingh Branch



Md. Shohidul Islam
Senior Vice President
Head of Faridpur Branch



Md. Nozmul Hoque Chowdhury
Vice President
Head of Sylhet Branch



Prodip Kumar Ghosh
Vice President
Head of Rangpur Branch



Md. Mokhlesur Rahman
Vice President
Head of Dinajpur Branch

EXECUTIVE MANAGEMENT (BRANCH)



Md. Shohel Ahmed
Deputy Vice President
Head of Narshingdi Branch



Mekarrom Mustafa Khan Milon
Assistant Vice President
Head of Jashore Branch



Md. Amiruzzaman
Assistant Vice President
Head of Narayangonj Branch



Dewan Jahid Hossain
Manager
Head of Barishal Branch



Md. Rakib Hasan
Deputy Manager
Head of Khulna Branch



Nazim Mahmud
Head of Kushtia Branch



Md. Mahbubur Rahman
Head of Jamalpur Branch



Md. Firoj Ahmed Dalim
Head of Amtali Branch

CODE OF CONDUCT FOR SENIOR MANAGEMENT TEAM

RESPONSIBILITIES OF THE CHIEF FINANCIAL OFFICER (CFO)

The CFO of the company has to be a graduate from a recognized university or equivalent, having at least 5 years experience in handling financial and corporate affairs of a listed company and member of recognized body of professional accountants. CFO is responsible to prepare financial statements, budgets, operational reporting and interpreting, evaluating operating results, establishing internal control procedures to safe-guard company's assets. CFO presents the financial position relating to the period which has been over, and the period which has to come that is the financial position attained and the financial projection i.e. where the company will be. Therefore CFO plays a very important role as he controls the reflection of performance, which is reported to different authorities and the organization is assessed by them, and he must perform his job with professional competency and integrity, so that the financial statements give credible information to its users. The code of corporate governance provides the guidelines and opportunity to do this.

Responsibilities towards Shareholders

The Chief Financial Officer is required to provide all the necessary data to be presented in the Director's Report. For this purpose Chief Financial Officer must ensure the following: The financial statement, prepared by the management of company, present fairly its states of affairs, the results of its operation, cash flows and changes in equities. Proper books of accounts of the company have been maintained. Appropriate accounting policies have been consistently applied in preparation in financial statements and accounting estimates are based on reasonable and prudent judgment. International accounting standards, as applicable in Bangladesh, have been followed in preparation of financial statements and any departure there from has been adequately disclosed. The system of internal control is sound in design and has been effectively implemented and monitored. There are no significant doubts upon the company's ability to continue as going concern. There has been no material departure from the best practice of corporate governance as detailed in the listing regulations.

Internal and External Reporting

Chief Financial Officer has extensive responsibilities for internal and external reporting. All the information required for decision-making by the Board of Directors and Chief Executive is processed and furnished by the Chief Financial Officer. Apart from

this, external reporting requirement is fulfilled by Chief Financial Officer, the accounts and financial statements are signed by the Chief Financial Officer before they are sent to concerned authorities.

RESPONSIBILITIES OF HEAD OF INTERNAL AUDIT & COMPLIANCE (HIAC)

Head of Internal Audit must be professionally qualified and suitably experienced and member of recognized body of professional accountants. Head of Internal Audit and Compliance is widely responsible to examine and evaluate company's financial and internal control systems, management procedures to ensure that records are accurate and controls are adequate to protect against fraud and waste. He plays an important role to appraise company's operations, evaluating its efficiency, effectiveness, and compliance with corporate policies and procedures, laws, and government regulations. He is also responsible to submit reports to Board and management on how well accounting policies are working and where changes should be made.

1. The main responsibilities of the Head of internal Audit and Compliance is to carry out an independent appraisal of the effectiveness of the policies, procedures and standards by which the company's financial, physical and information resources are managed. Ensure an independent audit mechanism to monitor the effectiveness of the organizational and procedural controls. Examine and evaluate the financial system of the company to ensure that it is being run efficiently and economically.
2. Examine and evaluate the adequacy and effectiveness of the organization's governance, risk management process, system of internal control structure and the quality of performance to achieve the company goals and objectives.
3. Reviewing the reliability and integrity of financial and operating information and the means to identify measure, classify and report such information.
4. Review the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports and whether the company is in compliance.
5. Review specific operations at the request of the Audit Committee or management, as

appropriate.

6. Monitor and evaluate the effectiveness of the organization's risk management system.
7. Review the internal control statement by the senior management used by the external auditor for audit planning.
8. Prepare the audit plan on annual basis to cover all key functions based on risk rating subject to approval by Audit Committee, Leading the comprehensive and risk based teams to perform audit checks across different sections and conduct physical audit based on the audit plan. Prepare reports through compilation of findings and recommendations thereon and advising management of appropriate remedial action.
9. Responsible for monitoring/reviews and surveillance, identifying the corrective course of action to management. The significant deficiencies identified by the audit team should be reported to the board on a periodic basis. The Audit Committee of the board should be the cell to whom such report should be forwarded for review. Contribute to the overall work of the Internal Audit department with respect to implementation of policies and procedures.
10. The deficiencies identified during the audits should be notified to the appropriate level and significant audit findings should be reported to the Managing Director level. At the end of the year there should be a summary report on the audit findings and corrective actions taken which should be forwarded to the Audit Committee of the board and the Managing Director.
11. Monitoring and evaluating the effectiveness of the organization's risk management system.
12. Reviewing the quality of performance of external auditors and the degree of coordination with internal audit.

Assumes any other responsibilities when deemed necessary and/or advised by the competent authority and Board, also accountable for adherence to company policies and procedures.

RESPONSIBILITIES OF THE COMPANY SECRETARY (CS)

The Company Secretary is responsible for ensuring the compliance of the company in relation to financial and legal practices, as well as issues of corporate governance. He/she acts as a point of communication between the management, board of directors, company shareholders, reporting in a timely and accurate manner on company

procedures and developments. The Company Secretary is responsible for:

1. Performs as the bridge between the Board, Management and Shareholders on strategic and statutory decisions and directions.
2. Acts as a quality assurance representative in all information streams towards the Shareholders/Board.
3. Responsible for ensuring that appropriate Board procedures are followed and advises the Board on Corporate Governance matters. Acts as the Disclosure Officer of the Company and monitors the compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives, etc. issued by BSEC or Stock Exchange(s) applicable to the conduct of the business activities of the company so as to protect the interests of the investors and other stakeholders.
4. Support the chairman in the smooth functioning of the Board. Receive agenda items from other Directors/staff and ensure appropriate agenda items are tabled at Board meetings. This is done in consultation with the Chief Executive Officer and the Chair.
5. The company secretary is closely involved in preparing the schedule of board and committee meetings for the year. The company secretary prepares the agendas for these meetings in conjunction with the chairperson and key executives. The company secretary should ensure that information is dispatched timorously to all directors to enable them to prepare adequately for these meetings. The company secretary takes the minutes of these meetings and should ensure that they are distributed as soon as possible thereafter to aid directors in implementing the decisions. He/ She confirm that Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) are run effectively .This includes checking that a quorum is present. Also make sure that agendas and minutes of AGMs and EGMs are circulated timely.
6. The company secretary must ensure that the directors and management operate within an authority framework approved by the board and reviewed and updated from time to time.
7. Maintain strict confidentiality of information, manage situations like conflict of interest, identify problems and implement or recommend solutions.
8. Maintain liaise with various corporate bodies Chambers/other bodies, Regulators.

SWOT ANALYSIS

STRENGTHS

NICL is well reputed and well known to insurance industry. It provides excellent and consistent quality services in each and every sector of its operations to the clients and makes the client satisfy. The Board of directors and the top management of NCIL are very experienced and well-known in the Insurance sector of Bangladesh. They are contributing heavily towards the growth and development of the Company. The higher management is formed by the experienced corporate personnel and professional staffs. Claim Paying Ability (CPA) rating of Nitol Insurance Company Limited (NICL) to 'AA+' (pronounced as Double A Plus). The above rating has been largely assigned in consideration of profitable underwriting performance, good solvency, good liquidity, good IT infrastructure, good re-insurance arrangement with local and foreign re-insurers, experienced top management etc. A range of new products have been introduced for different market segments. The Company has its own highly valued commercial spaces, which contribute a lot in Company's profit margin.

WEAKNESSES

Like any other business, the goal and objective of the insurance industry are also to make a profit. Insurance companies don't include everything and everyone in their plan like vulnerable businesses. However, if they do cater to such businesses, then their insurance plan is very expensive. Maintaining management expenses as per IDRA's guidelines. A scope of product and service diversification is limited, Insurance awareness is poor and agents are not skilled enough.

OPPORTUNITIES

Bangladesh is a medium income generating country and its economy is expanding rapidly, so the need of Insurance sector is growing up. Demand for insurance protection for properties, motors, crops, livestock, fisheries and equipments are increasing day by day. Various agricultural insurance services are becoming common these days. IDRA is going to implement number of new insurance products relating to Motor Insurance, Health Insurance, Crop and Cattle Insurance, etc. These are all the key opportunities for the Insurance sector to penetrate in the market. Moreover, digital data protection insurance may also create an opportunity for insurance companies.

THREATS

- Too Many Companies In Small Market
- Volatility In Intermediate Trade
- Emergance of Foreign Companies
- Unethical Business Practic

OUR ACTIONABLE STRATEGIES:

NICL creates actionable strategies to convert its Weakness into Strengths and Threats into Opportunities. Before strategies setting, we consider SWOT analysis as shortly given below:

	OPPORTUNITIES (EXTERNAL, POSITIVE)	THREATS (EXTERNAL, NEGATIVE)
Strengths (Internal, Positive)	Strength- Opportunity Strategies Which of the Company's strengths can be used to maximize the opportunities we identified?	Strength-Threat Strategies How can we use the Company's strengths to minimize the threats we identified?
Weaknesses (Internal, Negative)	Weakness-Opportunity Strategies What actions can be taken to minimize the Company's weaknesses using the opportunities we identified?	Weakness-Threat Strategies How can we minimize the Company's weaknesses to avoid the threats we identified?

PESTEL ANALYSIS

A sound insurance industry is important for a proper economic system, economic growth and promoting higher employment amongst other factors. Should such a system be uneven, especially in the non-life business sector of insurance, it may lead to higher risks in the economic decisions taken by companies and individuals. Hence, the insurance industry is beneficial for the economic system as a whole since it provides the ability to transfer, pool and mutualise risks, which helps to keep a country economically stable

A PESTEL Analysis (also termed as PESTEL) looks at the macro trends in the surrounding environment of a certain business or organization. At NICL, we have analysed the significant external factors through PESTEL Analysis, which include political, environmental, social, technological, economic, and legal & regulatory that impact our business and our response against those risks.

PESTEL FRAMEWORK

POLITICAL	ECONOMIC	SOCIAL
<ul style="list-style-type: none"> Stable political environment; Proactive govt. policies to stabilise economy; Public sector investment in large infra projects; Predictable or unpredictable regulations; Russia-Ukraine war, Middle east war; IMF Loan; etc. 	<ul style="list-style-type: none"> Higher Inflation; Challenges on external trade front; Volatility in currency exchange rates; Rising interest rate regime with revision in policy rates; Supply chain disruptions impelling inflationary pressures; etc. 	<ul style="list-style-type: none"> Contribution towards meeting the SDGs; Increased awareness around health and wellbeing; Rising urbanization; etc.
OUR RESPONSE		
Moderate	High	Moderate

TECHNOLOGICAL	ENVIRONMENTAL	LEGAL
<ul style="list-style-type: none"> Dependency on technological innovation and adaption; Emergence of Fintech and digital-first insurance companies; Growing cyber threats; UMP to bring Discipline in Insurance Sector; etc. 	<ul style="list-style-type: none"> Growing focus on greener insurance and green workplace and influence to invest green industry; Contribution towards meeting the SDGs; Climate change Intensifies; etc. 	<ul style="list-style-type: none"> NICL considers whether there are any legal compliance requirements; Licenses and permits, including for product launch; Stringent laws regarding customer privacy and data protection; Legal and regulatory authorities have been proactive in taking various regulatory actions; etc.
OUR RESPONSE		
Moderate	Moderate	High



REDRESSAL OF INVESTORS' COMPLAINTS

Consistent and clear communication related to financial and strategic information enhance shareholders' expectations and go a long way in establishing and maintaining trust. By understanding and aligning with shareholders' expectations and positioning our value proposition accordingly, we remain the best to manage their expectations.

Complaints received throughout the year, related to shares, not receiving of Annual Reports and dividends timely are resolved lawfully in time. The proxy form is affixed with the annual report in order to nominate proxy to attend and vote on behalf of shareholders who are unable to attend the shareholders' meeting.

The shareholders' meetings proceed in accordance with the order of agenda to give shareholders the opportunity to study the information on the given agenda before the poll. The Company have maintained regular communication with the shareholders through periodic updates of performance and at any other time when it believes, it needs to be done in the best interest of shareholders.

Annual Report of each year, quarterly financial statements and other important information are posted on NITOL's website <https://www.nitolinsurance.com/> Investors' inquiries related to corporate affairs and payment of dividend should be sent to the following address:

SHARE DEPARTMENT

Nitol Insurance Company Ltd
Police Plaza Concord Tower (2)
Level – 5 & 6 (Duplex)
Gulshan-1, Dhaka-1212, Bangladesh

NITOL follows the following principles in dealing with the Investors:

- Protection of investors' interest
- Fair treatment to all investors
- Equal opportunity for all type of investors
- Resolution of investors' complaints in time
- Investors' are informed about the resolution of their complaints
- Investors' are dealing with Friendliness
- Stakeholder's Perspectives

COMMUNICATION TO SHAREHOLDERS

Throughout the year we communicate with Shareholders in the following ways:

- By Publishing Price Sensitive Information (PSI) in National dailies and in Online News Portal
- By releasing PSI via website of DSE, CSE and in Company website: <https://www.nitolinsurance.com/>
- By publishing Press Release about Company's important events in the newspapers;
- By issuing notices to the Shareholders for holding Annual General Meeting every year and Extra- Ordinary General Meeting (as and when necessary)
- By sending the Annual Reports of the Company every year
- By sending the Right Offer Document (ROD) as and when required
- By publishing Financial Statements in the newspapers
- By holding General Meetings of Shareholders
- Electronic and other means of communications with Shareholders.

ENTITY ANALYSIS

A comprehensive picture of NICL can be found through analyzing the competencies of entity, where we endeavor to link our key factor of competencies across the value chain as well as improve the overall business model. Thus this analysis allows us to leverage our key strengths and helps us to mitigate the various risk factors while exploiting the opportunities.

Key Competencies



Strong Financial Foundation

Concrete Capital Base

- Maximization of shareholder's value by ensuring the optimal capital allocation and robust capital position

Prudent Asset Liability Management

- Optimum fund management practices to optimize asset liability gap

Attractive ROA and ROE

- Maintain sound financial performance and shareholders return



Infrastructure

Most Advanced mode of Core UMP Software

- Time to Time upgradation of core UMP software
- Strong monitoring procedure against external threads

Ideal branch location

- To ensure customer convenient branch placement as per market requirement

Ongoing service delivery infrastructure

- Induction of Automation through investment in latest technology



Customer Centric

Excellent Service Quality and need based product portfolio

- Provide service to customers through new and innovative products
- Innovate new products and service to ensure continued granular penetration
- Arrange training, counselling and facilitating service to expand the horizon

Instant Services to customers

- Customization of core insurance software automation of App based insurance services
- Emphasize on less tier approval process and improve efficiency

Ethical values and Transparency

- Extensive code of ethics and morale in the company policy
- Conduct regular training programs on code of ethics and values

The background features a vibrant green color palette with black geometric shapes, including a large diagonal band and rectangular blocks. Faint, vertical columns of binary code (0s and 1s) are visible in the background, creating a digital or data-themed aesthetic.

PERFORMANCE AT A GLANCE

AT A GLANCE

OPERATIONAL AND FINANCIAL HIGHLIGHTS

(KEY PERFORMANCE INDICATORS OF NICL)

FINANCIAL HIGHLIGHTS

(5 Years at a glance)

Figure in BDT

PARTICULARS	2024	2023	2022	2021	2020
OPERATIONAL POSITION					
Gross Premium	632,319,581	670,124,097	610,818,804	602,388,897	682,728,676
Re-Insurance Premium	250,899,300	308,664,714	263,319,323	242,312,630	205,509,810
Net Premium	381,420,281	361,459,383	347,499,481	360,076,267	477,218,866
Underwriting Profit	95,770,055	72,076,051	85,025,001	132,057,374	105,150,108
Investment & Other Income	38,979,082	44,195,725	53,287,410	55,779,028	80,037,398
Claim Paid	88,607,498	107,240,426	97,062,327	139,857,053	189,843,342
Net Profit Before Tax	109,571,703	87,791,036	111,728,274	159,854,558	157,779,448
Tax Provision	30,550,177	28,393,572	26,061,191	42,133,682	43,440,146
Net Profit After Tax	79,021,527	59,397,464	85,667,083	117,720,876	114,339,302
Net Operating Cash Flow	0.22	0.16	(0.12)	0.37	1.21
FINANCIAL POSITION					
Total Assets	1,930,755,264	1,842,065,981	1,958,677,122	1,937,271,444	1,878,224,981
Fixed Assets	489,277,675	516,151,525	237,649,661	236,612,269	251,678,729
Total Reserve & Surplus	670,890,134	619,004,338	750,784,539	764,786,394	783,253,170
Advance for Office Space	239,220,170	239,220,170	239,220,170	239,220,170	239,220,170
FDR & BGTB	437,604,953	567,985,772	851,004,016	938,563,780	895,000,000
Cash & Cash Equivalents	26,117,601	22,467,191	40,731,215	35,942,165	38,191,083
Net Asset Value	1,259,865,150	1,223,061,643	1,207,892,583	1,172,485,050	1,094,971,813
Net Asset Value (PS)	31.33	30.42	30.04	29.16	27.23
FINANCIAL RATIO					
Earnings Per Share (EPS)	1.97	1.48	2.13	2.93	2.84
EQUITY POSITION					
Paid-up Capital	402,076,390	402,076,390	402,076,390	402,076,390	402,076,390



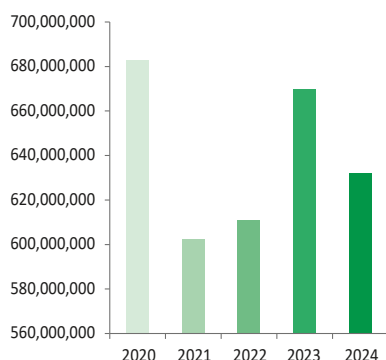
EVALUATION OF QUARTERLY PERFORMANCE

Figure in BDT (Million)

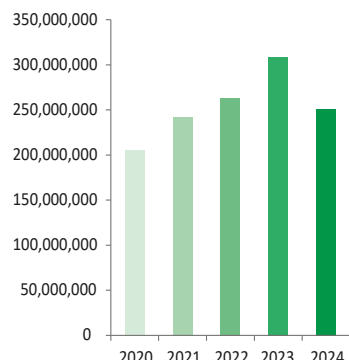
Particulars	2024					2023				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross Premium	158.72	167.17	135.95	70.47	632.31	165.20	192.85	152.39	159.68	670.12
Net Premium	91.89	103.13	80.44	105.96	381.42	93.74	100.10	84.92	82.7	361.46
Net R/I Commission Earned	15.53	28.39	10.05	35.60	89.57	14.40	39.21	14.35	21.61	89.57
Investment and Other Income	16.19	10.89	9.84	2.05	38.97	17.26	13.16	11.65	2.19	44.20
Claim	26.64	51.62	13.86	(2.87)	89.25	24.64	35.02	23.99	23.59	107.24
Agency Commission	17.99	40.08	16.88	4.74	79.69	18.35	26.12	20.20	20.34	85.01
Management (Mgt) Expenses	55.91	52.27	56.00	27.17	191.35	53.40	69.09	52.17	34.78	209.44
Mgt Expenses with Claim & Agency Commission	100.56	125.99	86.75	46.99	360.29	96.39	130.24	96.37	78.71	401.71
Opening Reserve for Unexpired Risk	146.69	151.88	147.91	224.41	670.89	140.16	143.77	149.16	148.28	581.37
Closing Reserve for Unexpired Risk	145.90	145.90	145.90	181.31	619.00	143.77	149.16	148.28	145.90	587.11
Net Profit Before TAX	22.26	11.32	16.93	59.06	109.57	25.39	16.89	15.42	30.14	87.79
Provision for Income TAX	5.34	5.84	7.03	7.62	25.83	5.72	0.25	2.63	19.79	28.39
Net profit after tax	16.92	10.74	9.89	41.47	79.02	19.67	16.59	12.97	10.35	59.40
EPS	0.42	0.27	0.26	1.02	1.97	0.49	0.41	0.32	0.26	1.48

GRAPHICAL PRESENTATION OF FINANCIAL PERFORMANCE

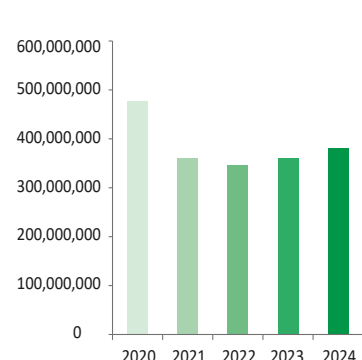
GROSS PREMIUM



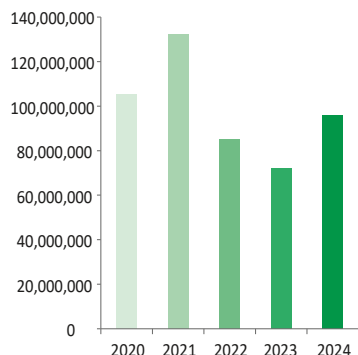
RE-INSURANCE PREMIUM



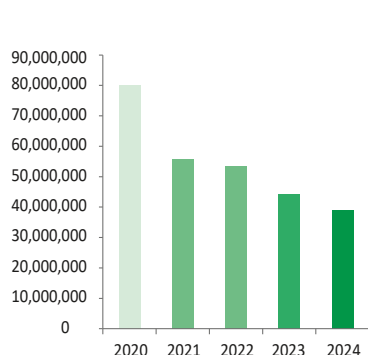
NET PREMIUM



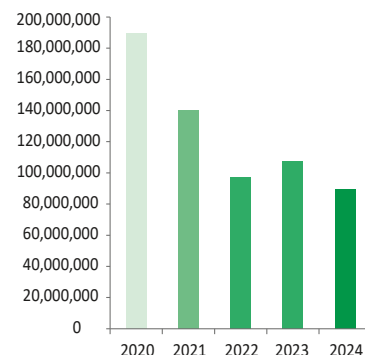
UNDERWRITING PROFIT



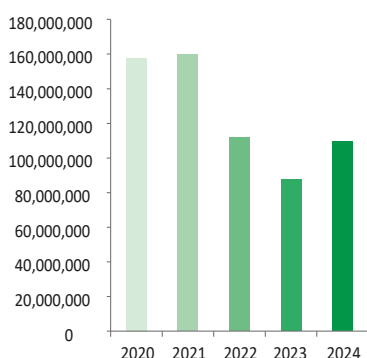
INVESTMENT & OTHER INCOME



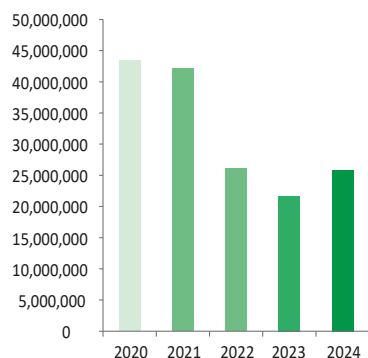
CLAIM PAID



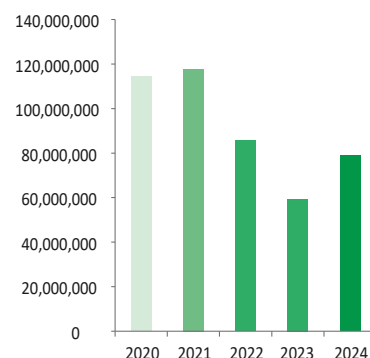
NET PROFIT BEFORE TAX



TAX PROVISION

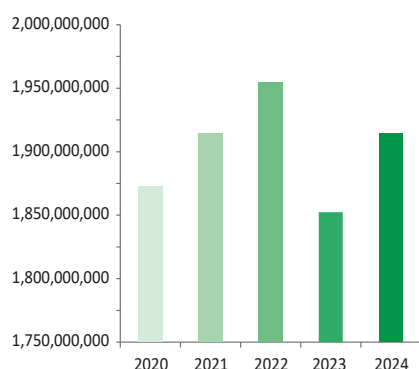


NET PROFIT AFTER TAX

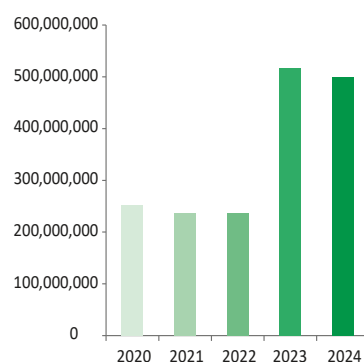


GRAPHICAL PRESENTATION OF FINANCIAL PERFORMANCE

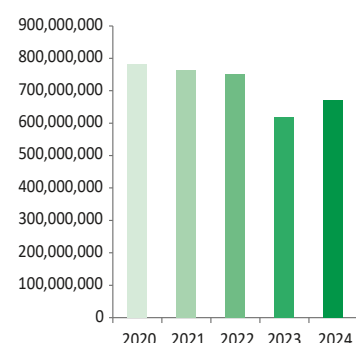
Total Assets



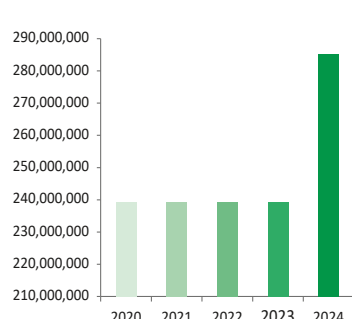
Fixed Assets



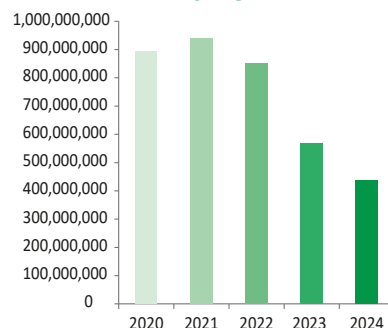
Total Reserve & Surplus



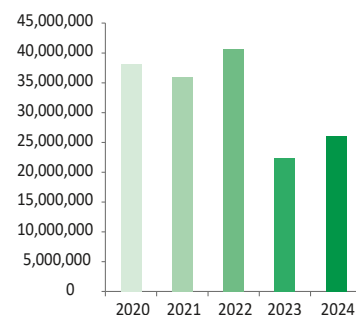
Advance for Office Space



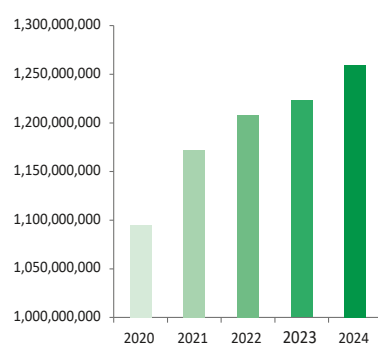
FDR & BGTB



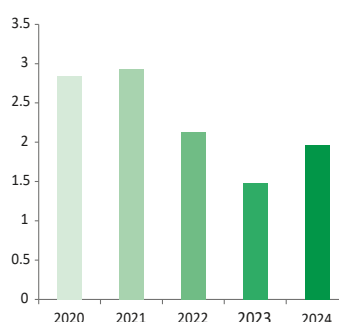
Cash & Cash Equivalents



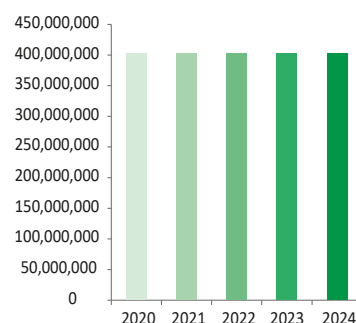
Net Asset Value



Earnings Per Share (EPS)



Paid-up Capital





DISCLOSURES PERTAINING TO SOLVENCY MARGIN

The solvency margin represents the financial cushion an insurer must maintain to ensure it can meet policy holder obligations under both normal and adverse conditions. It is the excess of an insurer's admissible assets over its liabilities, providing a safeguard against unexpected losses. In Bangladesh, the Insurance Development and Regulatory Authority (IDRA) mandates solvency margin requirements for both life and non-life insurance companies to enhance financial stability and policyholder protection. Non-life insurers must maintain sufficient capital to cover underwriting risks, investment risks, and catastrophic events like natural disasters or large claims. A strong solvency margin ensures that an insurer can honor claims even in economic downturns, reducing insolvency risks. IDRA's risk-based capital framework requires insurers to regularly assess their financial health and take corrective measures if their solvency margin falls below the prescribed threshold. Compliance with solvency regulations boosts policyholder confidence and industry stability.

Available, Required Solvency Margin and Solvency Ratio

Available solvency margin of Nitol Insurance Company Ltd is BDT 44.11 Crore against Required solvency margin BDT 15.91 Crore and Solvency ratio is 2.77 times.

As per available IDRA draft Non-life Insurance Solvency Margin provisions, 2024 required solvency margin, available solvency margin and solvency ratios are shown below:

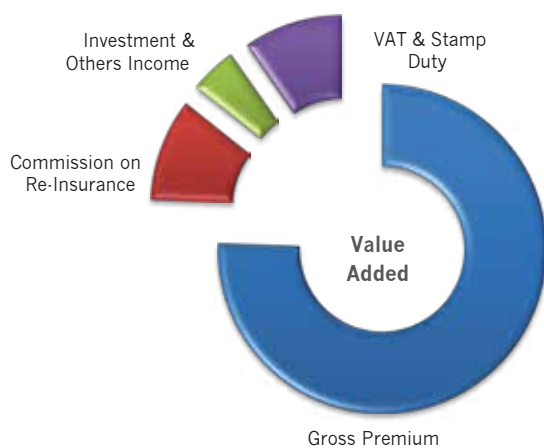
Particulars	Amount (Taka Crore)
Assets after adjustment	180.40
Total Liabilities	17.31
Other Shareholders Liabilities	118.98
Available Solvency Margin (ASM)	44.11
Solvency margin required (higher of RSM-1 or RSM-2)	15.91
Solvency ratio (times)	2.77



VALUE ADDED STATEMENT

Value Added	Taka in Million
Gross Premium	632.32
Commission on Re-Insurance	83.95
Investment & Others Income	38.97
VAT & Stamp Duty	70.6
Total	825.84

Distributon of Value Additon	Taka in Million
Re-Insurance Premium Ceded	250.90
Management Expenses	216.54
Agency Commission	79.69
Net Claims	89.26
Unexpired Risk Adjustment	0.93
Income Tax to Governmenmt	30.56
Dividend to Distribution	42.22
VAT & Stamp Duty	70.60
Reserve & Surplus	45.14
Total	825.84





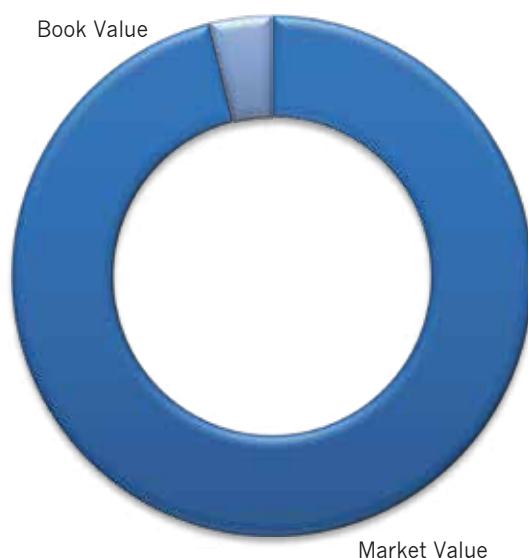
MARKET VALUE ADDED STATEMENT

This statement shows the difference between the market value of a company and the capital contribution by the investors.

A positive MVA indicates that the company could add the value to the shareholders wealth. The following statement indicates the MVA at the year ended on 31st December 2024.

MARKET VALUE ADDED STATEMENT

Particulars	Number of Share	Rate	Total Value (in Taka)
Market Value	40,207,639	25.00	10,051,909,750.00
Book Value	40,207,639	10.00	402,076,390.00
Market Value Added			9,649,833,360.00

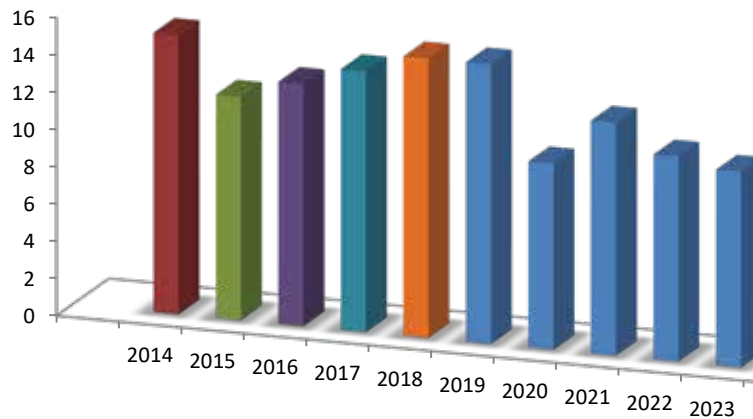


RECORD OF DIVIDEND PAYMENTS



The Company started its journey in 1999 and was able to pay the dividend to its shareholders since 2000. The last ten years historical record of payment of dividends is given hereunder as general disclosure to the stakeholders of the Company.

Year	Paid up Capital	Dividend (%)	AGM/ Rising of Share Capital Held on
2014	402,076,390.00	15	AGM Date - 09/06/2015
2015	402,076,390.00	12	AGM Date - 05/06/2016
2016	402,076,390.00	13	AGM Date - 14/06/2017
2017	402,076,390.00	14	AGM Date - 08/05/2018
2018	402,076,390.00	15	AGM Date - 05/05/2019
2019	402,076,390.00	15	AGM Date - 27/07/2020
2020	402,076,390.00	10	AGM Date - 20/06/2021
2021	402,076,390.00	12.5	AGM Date - 24/04/2022
2022	402,076,390.00	11	AGM Date - 20/06/2023
2023	402,076,390.00	10.5	AGM Date - 27/06/2024





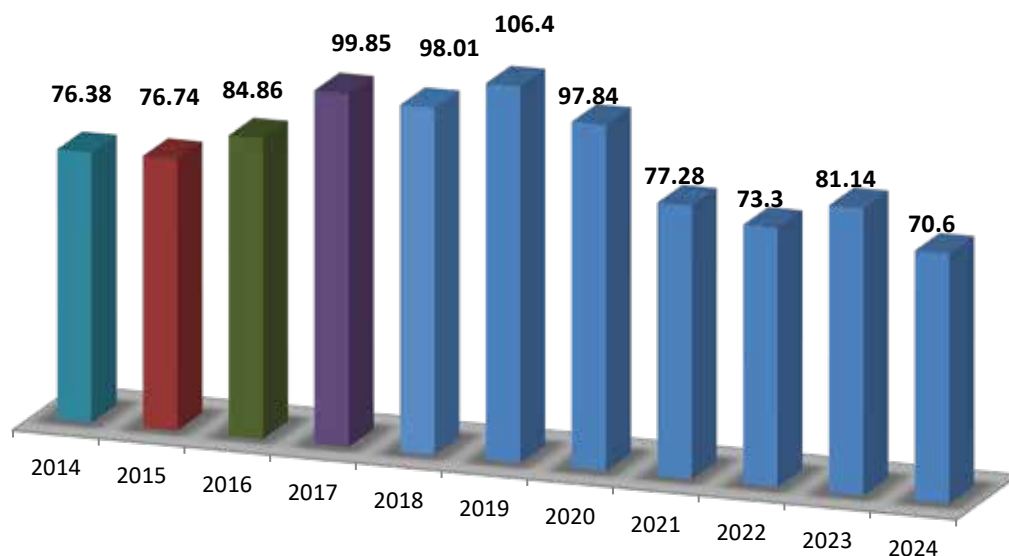
CONTRIBUTION TO THE NATIONAL EXCHEQUER

Nitol Insurance Company Limited recognizes that the Company has the responsibilities of the national economic development and in this connection; the management has the pleasure as they have contributed to the National Exchequer is consistency. For this Company paid VAT & Tax by complying country's relevant laws, rules & regulations.

The Company deducts Income Tax on Various Account, like Agency Commission, Salary, Supplier and VAT on various Account likes VAT deducted on Survey Fee, Clients and suppliers and deposited the same to the National Exchequer.

Nitol Insurance Company Limited also made an economic impact by creating employment and trained them to serve the country. In 2012 the company has been awarded by Bangladesh Govt. as best VAT payer Insurance Company in Bangladesh. NICL is paying satisfactory dividend to its shareholders.

VAT & STAMP DUTY PAYMENT





SHARE PERFORMANCE

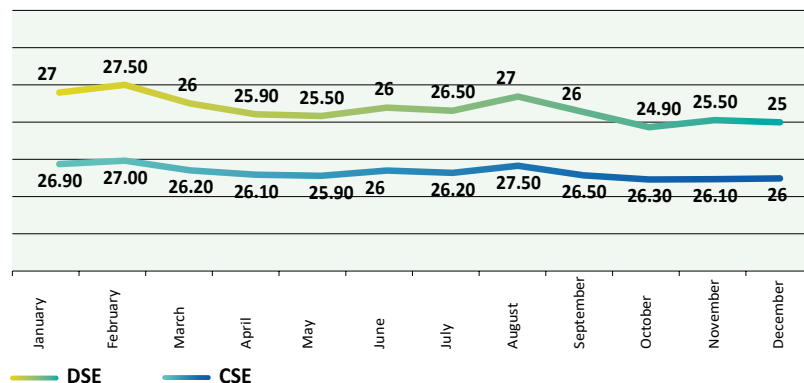
Nitol Insurance Company Ltd has been listed at both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 29 November 2005. NITOL's market information snapshot is given below:

Particulars	DSE	CSE
Trading Code	NITOLINS	NITOLINS
Sector	Insurance	General Insurance
Scrip Code	25727	11021
First Trading Date	29 November 2005	29 November 2005
Electronic Share	Yes	Yes

STOCK MARKET PERFORMANCE

Particulars	31 December 2024	31 December 2023
Market capitalization–DSE (BDT)	892.61 (Million)	892.61 (Million)
Market capitalization–CSE (BDT)	892.61 (Million)	1000.01 (Million)
No. of Shares	40207639	40207639
EPS (BDT)	1.97	1.17
Price earnings ratio (times)	20.32	25.52
NAV per share	31.33	30.42
Dividend payout ratio (%)	.50	.90
Share price – DSE (BDT)	25.00	37.70
Share price – CSE (BDT)	22.50	35.00

MONTH END
SHARE PRICES
(DSE & CSE) FROM
JANUARY TO
DECEMBER 2024





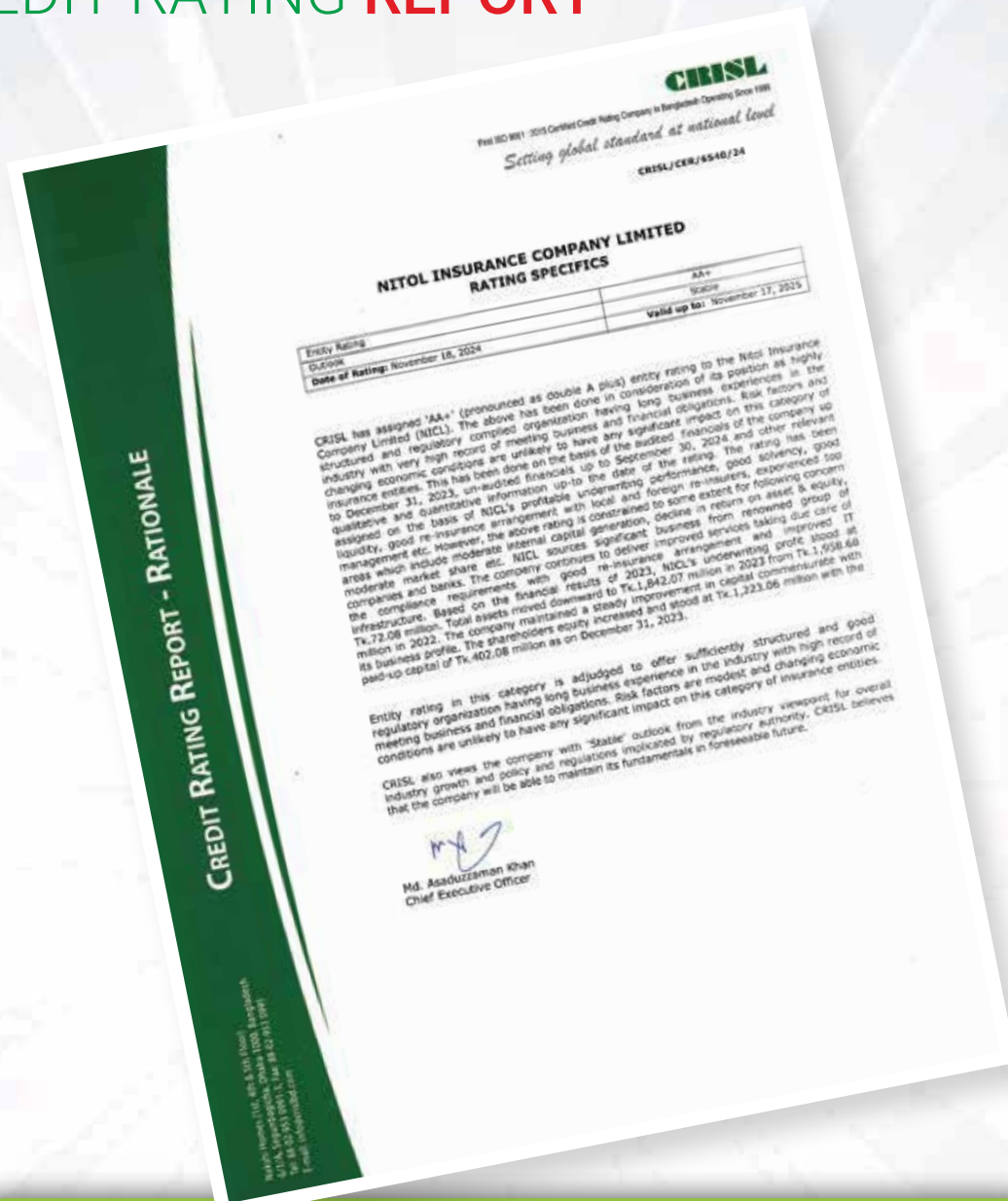
NON-LIFE INSURANCE MARKET SHARE & NITOL INSURANCE SHARE

Our constantly increasing market share in other verticals is a hallmark of our customer's trust and faith in our services.

During the year, we gained market share across segments like Fire, Marine, Motor, Aviation, Crops, Livestock, Engineering and Miscellaneous. We sustained the 'industry leadership' position in channels and customer service and streamlining processes. We have seen numerous benefits accrue as we continue to invest in Deep Tech. Market share forecasting models are helping us to identify micro-segments to drive profitable growth. Customer One View is helping us to understand our customers better and has improved our policy density and wallet share. Real-time notification of risk has helped us in limiting our catastrophe losses.

According to the IDRA's Annual Report-2023-24, the gross premium of non-life insurance companies rose 0.84% to Tk 5,953.28 crore in 2023. Among the non-life insurers, state-run Sadharan Bima Corporation holds the most market share with 28.86% Nitol Insurance holds 1.13% market share in the country in 2023. In 2024, Nitol Insurance Company's gross premium stood at Tk 63.23 crore, an decrease of 0.01% over the previous year due to political crisis in the last year.

CREDIT RATING REPORT



Nitol Insurance Company Limited was rated by Credit Rating Information and Services Limited (CRISL) on the basis of the audited financials up to December 31, 2023 as well as un-audited financials up to September 30, 2024 and other relevant qualitative and quantitative information up to the date of rating. CRISL has upgraded the Claim Paying Ability (CPA) rating of Nitol Insurance Company Limited (NICTL) to 'AA+' (pronounced as Double A Plus). The above rating has been largely assigned in consideration of profitable underwriting performance, good solvency, good liquidity, good IT infrastructure, good re-insurance arrangement with local and foreign re-insurers, experienced top management etc. CPA rating in this category is adjudged to offer very high claim paying ability. Protection factors are strong, Risk is modest but may vary slightly over time due to underwriting and/or economic conditions. CRISL also views the company with "Stable" outlook from the industry viewpoint for overall industry growth and policy and regulations implicated by regulatory authority. CRISL believes that the company will be able to maintain its fundamentals in foreseeable future.

The background is a dark green to black gradient with vertical columns of binary code (0s and 1s) in a lighter green. Overlaid on this are several abstract shapes: a solid black rectangle in the top left, a large green shape with a jagged top edge and a large circular cutout in the lower half, and a smaller green shape in the top right. The text 'STATUTORY REPORTS' is centered in white, bold, sans-serif font within the green shape.

STATUTORY REPORTS

A background image showing a business meeting with hands signing documents. Overlaid on this are several semi-transparent icons: a shield with a checkmark, a document, a bar chart, a pie chart, a checklist, and a group of people. The text 'DIRECTORS' REPORT' is centered in the lower half of the image.

DIRECTORS' **REPORT**

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

**Dear Shareholders,
Assalamu Alaikum Wa Rahmatullah Wa Barakatuhu**

I am honored and privileged to welcome you to the 26th Annual General Meeting of Nitol Insurance Company Limited, on behalf of the Board of Directors and myself. I would like to thank you for your continued patronage and support over the 26 years. I want to offer my sincere gratitude and admiration for your continued faith and unwavering support for the company despite the prevailing awkward situation. I would like to take this opportunity to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2024 and the Auditor's Report thereon for kind consideration and adoption. 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 2024. In fact, the year 2024 is very significant in the life of the company in terms of political unrest, performance and achievements not only within the industry but also in the entire economy.

I have placed these documents before you to be received, considered and adopted by you as per AGENDA-ONE (01) OF THIS ANNUAL MEETING of the General Body of the Company. They are prepared in compliance with referrals stated below.

The reports of the Board of Directors of the Company be and is hereby approved vide resolution no 5 of the Board of Directors' meeting no. 177th held on May 12, 2025.

REFERRALS – AS PER LAWS OF THE LAND

In compliance with the provisions of Section 184 of the Companies Act 1994, including Condition no. 1(5) of the Corporate Governance Code 2018(CG Code/the Code) issued by BSEC and IAS-1 referring to section 27 & 76 of Insurance Act, 2010 and Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange (BSEC) Rules 1987 along with other related sections, subsections, rules and

regulations in this purpose pursued accordingly to prepare, approve and submit the Directors' Report before the respected shareholders of the company for their consideration and adoption as a norm of Corporate Democracy.

Besides, the Audited Financial Statements in this the Annual Report of the Directors' is presented and submitted as per Presentation of Financial Statements Codes as adopted by Financial Reporting Council (FRC).

GLOBAL ECONOMY

The global economy demonstrated resilience in 2024, achieving an estimated growth rate of 3.2%, as projected by the International Monetary Fund (IMF). While this figure represents a stable expansion, it remains below the pre-pandemic average of 3.8%, reflecting a gradual adjustment to post-pandemic conditions, geopolitical uncertainties, and shifting monetary policies.

INFLATION AND MONETARY POLICY

Inflation saw a notable decline, decreasing from 6.7% in 2023 to 5.8% in 2024, driven by tight monetary policies, stabilizing supply chains, and moderating energy prices. This allowed major central banks, including the U.S. Federal Reserve and the European Central Bank, to begin easing interest rates after a period of aggressive tightening.

REGIONAL ECONOMIC TRENDS

United States: The U.S. economy showed robust growth at 2.8%, supported by strong labor markets, resilient consumer spending, and technology-driven investments.

Eurozone: The region's growth slowed to 1%, impacted by high borrowing costs and weak consumer demand.

China: China's economy faced moderated expansion, influenced by structural challenges and a transition to a consumption-driven model.

India: India remained the fastest-growing major economy, with GDP rising 7.2%, fueled by government infrastructure spending and recovering rural demand.

KEY CHALLENGES AND RISKS

Despite positive growth, structural challenges persist:

Geopolitical Tensions: Ongoing conflicts and trade restrictions affected global supply chains.

High Debt Levels: Rising public and corporate debt poses risks to fiscal sustainability.

Sluggish Productivity: Weak investment and demographic shifts in developed economies could slow long-term growth.

OUTLOOK FOR 2025

Looking ahead, the global economy is expected to stabilize further, with projected growth remaining moderate but steady. Continued policy efforts will be essential to support investment, manage inflationary pressures, and promote sustainable growth.

GLOBAL INSURANCE

Global economic growth has remained resilient over the last year, and interest rates higher in the face of inflation persistence. In this environment, we estimate that global gross domestic product increased by 2.7% in real terms in 2024. There is regional divergence with the US growing above trend and the euro area below, which we expect will narrow come 2025 as cyclical factors redirect growth rates back to trend. On the inflation front, while the worst of the post-pandemic global inflation crisis is over, upside risks remain, which could continue to put upward pressure on insurance claims. Central banks, meanwhile, will likely continue to prioritise inflation containment over growth. Another uncertainty is that when accounting for population changes due to immigration, real GDP per capita figures point to deeper underlying weaknesses in some advanced markets. This could accentuate social polarisation/tensions and widen protection gaps.

In non-life business, global inflation pressures have driven premium rates higher, as insurers seek to offset rising claims costs, especially in property and motor lines. We expect hard market conditions to continue this year but to ease heading into 2025 as claims inflation softens. Non-life premiums grew by 3.9% in real terms in 2024, up from 0.8% in 2023, the improvement primarily driven by rate hardening. Rate increases in personal lines have exceeded those in commercial lines, which are easing after years of hard market conditions. Alongside social inflation pressures (mostly in the US), the persistence of services inflation could continue to impact casualty lines like motor and general liability, with still-high

wage and healthcare costs in advanced economies feeding into persistent claims inflation. In some markets, wage growth has lagged premium rate increases. This could make coverage less affordable but so far, there has been little indication that insurance uptake rates have been compromised.

The profitability of non-life sector remains on an upward trend. After rising to 6% in 2023, we estimate that insurers' return on equity will improve to about 10% in 2024 and 10.7% in 2025, with progress on both the underwriting and investment fronts. We see underwriting results turning positive, supported by high premium rates, rising exposures and easing claims growth as inflation moderates. Investment returns will continue to benefit from the higher interest rates, while the cost of capital will remain broadly stable. Nevertheless, insurers should remain alert to potential new inflation shocks. For example, geopolitical conflicts that disrupt global supply chains can rekindle claims inflation. In addition, social inflation has been a key concern for liability insurers in the US since 2015. Of late, there have been signs of social inflation in Australia also.

BANGLADESH ECONOMY – PROMISING WITH NUMBER OF POSITIVE INDICATORS

Like many other countries in the world, Bangladesh has nearly overcome the adverse effects of COVID-19. However, geopolitical instability, such as the Russia-Ukraine war and the Israel-Gaza crisis, has created significant challenges for developing countries, including Bangladesh. Despite these global challenges, Bangladesh achieved a growth of 5.78 percent in FY 2022-23 and 5.82 percent in FY 2023-24.

Global geopolitical and economic crises and disruptions in the supply chain of essential goods have led to an imbalance in aggregate demand and supply, which has created rising inflation in many countries. Inflationary pressures have been observed in Bangladesh too, due to various external and internal factors. The general inflation rate rose to 9.73 percent in the FY 2023-24, where inflation rate on food items was 10.65 percent and on non-food items it was 8.86 percent.

The gross foreign exchange reserves of Bangladesh dropped to USD 26.82 billion at the end of June 2024, as compared to USD 31.20 billion at the end of June 2023. This decline was due to the factors such as the rise in prices of fuel and other essential commodities in the global market, increased interest rates in developed countries, etc. However, the present interim government is trying its best to

control the inflation and stabilise the economy, and take the economy on the highway of high growth.

Experts have been saying for a long time that Bangladesh is one of the most untapped insurance markets in terms of penetration rate. There is no reason why, in line with the country's impressive GDP growth, the insurance industry should also not grow by remedying its manifold problems and, most important, by tapping the hitherto untapped segments of the market.

It is known to all that the insurance sector plays a critical role in financial and economic development of an economy. By reducing uncertainty and the impact of large losses, the sector can encourage new investments, innovation, and competition.

MARKET SUMMARY

Our non-life insurance market continues to be extremely overcrowded when compared with developing countries including our neighbors. Currently, there are 81 insurance private companies – 35 life and 46 non-life – in the insurance sector of Bangladesh. Of them, 58 companies are listed on the stock exchanges. The situation has obviously given rise to intense and unhealthy competition among the existing players. At the same time, with deteriorating standards of clients' services, public trust in insurance continues to diminish. Much needs to be done to remedy the situation.

RISK AND CONCERN

Non-life Insurance business involves the assumption of risks of many types -Physical as well as moral risks. Physical risks are identified as those caused by natural catastrophes, accidental losses and man-made disasters. The key to proper management of insurance business risks to ensure proper management of insurance business risks is to ensure proper selection of risks as well as of the client through a vetting process known as underwriting. Non-life insurance business also closely follows the country's economic development and any slowdown in the economic activities also has an adverse impact on the insurance industry's growth. NICL, being aware of these business risks practices, does several activities to protect its interests.

PRODUCTS AND SERVICES

The products and services of the Company are shown in a separate under Chapter - 3.

FINANCIAL STATEMENTS

The financial statements prepared by the

management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity. Audited Financial Statements are shown in the report Chapter - 9.

BOOKS OF ACCOUNT

The financial statements prepared by the management of the company maintained proper Books of Accounts. The directors oversee whether adequate accounting records are being maintained with vouchers relevant to any entry in good order. The books of accounts are kept at the registered office of the Nitol Insurance Company Limited.

ACCOUNTING POLICY

In preparation of financial statements appropriate accounting policies have been consistently applied and the accounting estimates are based on reasonable and prudent judgments by the management of the company. The directors supervise for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these Financial Statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

IAS AND IFRS

International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

COST OF GOODS SOLD; GROSS PROFIT MARGIN & NET PROFIT MARGIN: N/A

NICL is not a manufacturing company. It is a Non-Banking Financial institution dealing with non-life insurance in Bangladesh. Cost of Goods Sold, Gross Profit Margin & Net Profit Margin is not considered to prepare a Financial Statement. Therefore, comparative analysis of financial performance is elaborately discussed in the presentation on Financial Highlights on a separate page in this Annual Report.

FIVE YEARS FINANCIAL ANALYSIS

Comparative analysis 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 have been given in the interpretation of the annual accounts chapter for the better understanding of the shareholders. In view with above preceding five years key operating,

financial summarized data and graphical representation are also shown in the contents under Chapter - 4.

OPERATING RESULT OF THE COMPANY

During the year 2024, Nitol Insurance attained Gross Premium income of Tk. 632.32 million as

against Tk. 670.19 million in 2023 an decrease of 5%. The reasonable decrease in Gross Premium income is not increasing new business from the private sector due to political unrest and small growth of net premium caused by low retention of larger risks. Class wise Financial Achievement in 2024 compared to 2023 is shown below:

Class	Gross Premium		Net Premium	
	2023	2024	2023	2024
Fire	253,475,390	251,054,330	72,793,092	114,980,515
Marine	223,817,025	208,039,887	157,235,488	147,160,786
Motor	131,783,313	111,893,760	123,899,352	107,395,640
Miscellaneous	61,048,369	61,331,604	7,531,451	11,883,370

FINANCIAL RESULTS DETERIORATED

Not any other indicators of financial results deteriorated after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.

VARIANCE OF FINANCIAL PERFORMANCES

NICL disclosed quarterly financial performances for the year - 2024. There were some variances in the financial results from quarter to quarter. But they are not very significant ones. There is NO significant variance between Quarterly Financial performances and Annual Financial Statements. Quarterly Performance are shown in the Chapter - 4.

COMPARE WITH LAST YEAR'S OPERATING RESULT

There were some variances in the financial results from last year. But they are not very significant ones. Besides, a Management's Discussion and Analysis signed by the CEO 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 the last year's success of the Company is shown in this Chapter.

EARNINGS PER SHARE (EPS)

Net profit after tax of the company stands at Tk 79.02 million during the year 2024. Earnings per share after tax of Tk. 1.97 compared to Tk. 1.48 per share in the previous year.

DIVIDEND (AGENDA- TWO (02) OF THIS AGM)

The Company has been paying a prestigious dividend consistently since the inception to fulfill the shareholder's interest. The Board of Directors in its 177th Board Meeting held on 12.05.2025 recommended 10% (5% cash & 5 % Stock) dividends to the shareholders from available profit during the year 2024.

DIVIDEND DISTRIBUTION POLICY:

As per the instruction of the Board of Directors of the company, the management is following a policy regarding dividends to be paid to the shareholders in a manner that shall be in line with and inconsistent with the actual income as well as the practices of the insurance industry. The 'Dividend Distribution Policy' approved by the board is shown as a separate chapter in this Annual Report.

Disclosure on Dividend Distribution: NICL pays off the dividend to the securities holder within 30 (thirty) days of declaration or approval and submits a compliance report to the Exchange and to the Commission in respect of dividend payment within 7 (seven) working days.

Interim Dividend: For your kind information, we also would like to remind you that 'NO' bonus share or stock dividend has been declared by the Board as interim dividend for the year and hence there was no effect on the company's financial position.

Disclosure on Unclaimed/Undistributed Dividend: NICL is listed with DSE on November 29, 2005 and with CSE on October 10, 2005. After being listed with the exchanges, the Company distributed its Dividend among the shareholders (as per record dates). Unfortunately, we could not send the Dividends of some of our shareholders due to several reasons. The unclaimed/undistributed dividend of the company is 37,92,420 as on 31st December 2024.

The list of shareholders who did not claim for their Dividends is disclosed on the website of the Company, which we could not distribute due to their incomplete information at their respective BO Accounts. As per BSEC notification, a Company must send their unclaimed / undistributed dividends older than three (3) years to Capital Market Stabilization Fund (CMSF).

THE PATTERN OF SHAREHOLDING

A report on the pattern of shareholding disclosing the aggregate number of shares along with name-wise details as on 31 December 2024 is shown in the chapter-3.

BOARD OF DIRECTORS

There are 8 (Eight) Directors on the Board of the company. Mr. A K M Monirul Hoque is the Chairman and Mr. Zobair Humayun Khandaker is the Vice-Chairman of the Board.

APPOINTMENT OF DIRECTORS:

Resume of Appointing Directors: As per BSEC Notification NO. BSEC/ CMRRCD/ 2009-193/ 3/Admin-/104, dated 05 February 2020 and Corporate Governance Code-2018 Condition No 1(5) xxiv (a), we have also made a disclosure to the Directors Profile at the beginning of this Annual Report in case of appointment or re-appointment of any member of the Board of Directors, about their primary

employment and other engagement including directorship in other companies and their expertise fields in the resume of such member of the Board of Directors. The same is also disclosed on the website of the Company.

RETIREMENT AND RE-ELECTION OF DIRECTORS: (AGENDA-THREE (03) OF THIS AGM)

As per the Companies Act, 1994, each year one-third of the Directors (except Independent Director) retire from office at the Annual General Meeting (AGM) and if eligible, may offer themselves for re-election by shareholders at the Annual General Meeting. In line with the requirement of the Company Act, 1994, the following Directors will retire at the 26th AGM on a seniority basis as follows:

GROUP – 'A'

In accordance with the provision of the Articles of Association of the Company, One director from Group-A: Mr. A K M Monirul Hoque will retire from the office by rotation at the 26th Annual General Meeting and be eligible for reappointment. He wish to be re-elected for the position of Director of the Company.

GROUP – 'B'

In accordance with the provision of the Articles of Association of the Company two directors from 'Group-B' Directors namely (a) Zobair Humayun Khandaker (b) Ms. Nazme Ara Husain will retire from office by rotation at the 26th Annual General Meeting. Besides, in place of two vacant posts of Directors, No General Shareholder has offered their candidature for appointment as Director.

Election of Directors by Public Subscribers: With a view to informing all public subscribers, we have arranged to publish notification in 2 (two) national dailies for election from public shareholders at this AGM pursuant to the Articles of Association of the Company and The Insurance Rules, 1958, rules 15 (B)(3)]. The Notice was published in the Page-02 of Daily Financial Express and in the Page-08 of the Daily Bonik Barta on May 15, 2025. However, no Public Subscribers applied since no one met the primary requirement for the position. Hence none is eligible for election as Public Shareholder Director in this AGM.

BOARD MEETING AND ATTENDANCE

During the year, the Board of Directors Meeting and the attendance records are shown in the chart below:

Name of the Meeting	Number of meetings held in 2024	Number of meetings held in 2023
Board of Directors	6	5
Audit Committee	4	4
Nomination and Remuneration Committee	2	1
TOTAL	12	10

Attendance by each Director: During the year 2024, Six (06) Board of Directors Meeting Held.

Sl.	Name of the Directors	BoD Meeting	
		Held	Attended
1.	A K M Monirul Hoque	6	6
2.	Zobair Humayun Khandaker	6	6
3.	Ms. Naeema Hoque	6	6
4.	Mr. Mahmudul Hoque Shamim	6	6
5.	Ms. Nazme Ara Husain	6	6
6.	Mr. Md. Murad Hossain	6	6
7.	Md. Mamunur Rashid FCMA	6	6
8.	Md. Shoharab Ali Khan FCMA	6	6

DIRECTORS' REMUNERATION – AS PRESCRIBED BY LAWS OF THE LAND AND NRC POLICY

As per IDRA Reference letter No. 53.03.0000.009.18.014.18.123, dated 31 May 2018, directors are eligible for remuneration of BDT 8,000 for attending each meeting. The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 8,000 (BDT eight thousand only) per head per Meeting of the Board and Committees. During the year 2024, a total amount of BDT 5,42,800/- including VAT & TAX was given to the Directors as Remuneration/Meeting Attendance Fees, Travel expenses and others.

Loan or Advance to Directors: In the year 2024, NICL has NOT made any loans or advances or any debit balances (including guarantee or security in connection with a loan) to any other Directors of the company and transactions with Associate/ Sister Concern of NICL under the head of Current Account with refer to the Commission's Notification no. SEC/ CMMRRCD/ 2006-159/Admin/ 02-10 Dated, 10 September 2006.

RELATED PARTY DISCLOSURE

The transactions with other entities that fall within

the definition of related party contained in International Accounting Standards (IAS-24). All transactions involving related parties arising in the normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions applicable to the third parties. Details of transactions with related parties as at December 31, 2024 are shown in a Note of the financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis presents a detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on required topics suggested by the CGC-2018 condition no 1(5) (xxv) of the Code are depicted in this chapter signed by the CEO of the Company.

LIQUIDITY MANAGEMENT

Our core liquidity policy is to retain sufficient liquidity in the form of unencumbered liquid assets and cash to meet potential funding requirements arising from a range of possible stress events. To manage the risks, we have a range of liquidity policies and measures in place.

RESERVE FUND

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

SOLVENCY MARGIN

Under section 43 of Insurance Act 2010, we have maintained the required solvency margin. Both short-term and long-term solvency of the company has reached such a level that is needed for meeting the requirement of the new Insurance Act 2010 as well as for getting the satisfaction of the financial analysts and the rating agencies.

SHAREHOLDERS VALUE

NICL remains fully committed to the delivery of higher shareholders' value. The higher profitability underpins the value of the shareholders derived from investing in the shares of NICL. The total number of shareholders of the company as of 31 December 2024 was 3,089 as per record.

ANNUAL GENERAL MEETING

The 26th Annual General Meeting (AGM) of the company will be held on 19. 08. 2025 (Tuesday), the Meeting to be arranged through a Digital Platform as per permission given by the Bangladesh Securities & Exchange Commission through its Letter No. BSEC/ICAD/SRIC/2024/318/87 dated March 27, 2024 for the Companies that remain in list of 'A' Categories for last 5 Years.

CREDIT RATING

NICL has been taking the Credit Rating from a renowned Agency, Credit Rating and Information Services Ltd. (CRISL) with prior consent and approval of the company's Board of Directors. The Board of Directors believes that Credit Rating can bring transparency, confirm the compliance of rules and regulations of both the Company and Regulatory Authorities, protect the Company and can open the door for achieving excellence. As per the Audited Financial Statement of 2023 as well as unaudited financials up to September 2024 and basis on the previous data, strength and performance, we achieved Double A plus (AA+) with "Stable Outlook" which entails "High Claims Paying Ability," protection factors are good and there is an expectation of variability in risk over time due to economic and underwriting conditions. A certificate in this regard is shown at this Annual Report.

CORPORATE GOVERNANCE

The Board of Directors of the Company firmly believes that practice of Good Corporate Governance and transparency is a 'sine qua non or condicio sine qua non' for ensuring a disciplined and a sustainable company as well as economy of the Country. Thus, there is a full-fledged Commitment of the Board, towards incorporating Corporate Governance and Transparency in all spheres of operations and management of the Company.

The corporate governance's framework of the Company is based on an effective independent Board. This includes, among others, not being limited to accountability, disclosures, transparency, justice and uprightness. We stand for all these virtues of good governance and expect the same from our competitors, customers, patrons, and regulators. The Company has complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Pursuant to the clause 5 of Corporate Governance Code (the Code) dated 3 June 2018; we attach the compliance status of the Company. A certificate, on compliance with the conditions as per clause 7(i) of the same notification, from a practicing Chartered Accountant has also been presented on a page in this annual report. The compliance status report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 are disclosed as per Annexure-B and Annexure-C.

NICL also complied with the Corporate Governance Guideline-2023 issued by IDRA. Besides, this Annual Report contains a separate Report on Corporate Governance and Compliances of the Company.

AUDIT COMMITTEE REPORT

Pursuant to the clause 5(7) of the Code, dated June 03, 2018 the activities of the Audit Committee, including reports (if any) as per condition no 5(6)(a) and 5(6)(b), have been shown in a separate chapter of this Annual Report.

NRC REPORTS

Pursuant to the clause 6(5)(c) of the Code, dated June 03, 2018 the activities of the NRC, NRC Policy and Performance Evaluation Criteria thereof have been shown in separate chapters of this Annual Report.

REDRESSED OF MINORITY

We would like to assure you all 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.

We confirm that 'No' situation arose with minority shareholders since they were protected from abusive actions by, or in the interest of controlling shareholders acting either directly or indirectly and with no effective means of redress.

EFFECTIVE INTERNAL CONTROL

We would further like to ratify that the system of internal control is sound in design and has been effectively implemented and monitored. An effective internal control system also requires that an appropriate control structure is set up with control activities defined at every business level. The Board of directors has the responsibility for approving the review of overall business strategies and significant policies of the internal control system.

INFORMATION TECHNOLOGY

Nitol Insurance Company Limited confirmed a high-quality Information Technology (IT) system to build up its capable employees by giving house training and also external training in home. With that intent the IT department was also built with IT professionals having knowledge of both software and hardware. With enthusiastic training and working experience the IT Department has become capable of making required software by them to meet up the demands of the other department. The IT professionals with their ever-changing needs are constantly innovating and producing in-house programs to meet the day-to-day business operations of the company. It has magnificently activated a Wide Area Network (WAN) to connect the entire branch office situated all over the Country.

EXTERNAL STATUTORY AUDITORS (AGENDA-FOUR (04) OF THIS AGM)

Statutory Auditors' Report: With the recommendation of the Board of Directors, the shareholders confirmed the appointment of the external auditor specifying remuneration of its service. In the last AGM, M/s. Mahfel Huq & Co., Chartered Accountants was appointed as external Auditor in the 25th AGM held on 27.06.2024 for auditing the Accounts of the year 2024. There is 'NO' qualification, reservation, adverse remark or disclaimer passed by the statutory auditors for the year ended 31 December, 2024.

M/s. Mahfel Huq & Co., Chartered Accountants have

completed a period of One years audit of the company. So, Board of Directors Recommended, M/s. Mahfel Huq & Co. Chartered Accountants for reappointment as Statutory Auditors in the Company for the year 2025. Under section 210 of the Companies Act 1994, the matter is presented in this Annual General Meeting to consider the appointment of Auditors and fix their remuneration under the guidelines of ICAB.

M/s. Mahfel Huq & Co., Chartered Accountants are recommended by the Board to be appointed for Auditing the Accounts of the Company for the year 2025 with remuneration of Tk. 2,00,000 only including VAT and AIT.

APPOINTMENT OF COMPLIANCE AUDITORS AS PER CGC-2018 ISSUED BY BSEC (AGENDA-FIVE (05) OF THE AGM NOTICE)

COMPLIANCE AUDITORS

Compliance Auditors' Report: There is no adverse remark or disclaimer passed by the Compliance auditors for the year ended 31st December, 2024. The Compliance Auditors' remarks the Corporate Governance Compliance of the Company as the satisfactory one.

Md. Abdul Hannan FCMA, Chartered Cost & Management Accountant was appointed for the year 2024 as Compliance Auditor in the 25th AGM of the Company held on 27.06.2024 for certification on compliance on Corporate Governance Code-2018 applicable in Bangladesh.

Md. Abdul Hannan FCMA, Chartered Cost & Management Accountant is recommended by the Board for certification on compliance on Corporate Governance Code -2018 applicable in Bangladesh for the year 2024 with remuneration of Tk. 35,000/- (Thirty thousand taka) only excluding VAT and AIT.

APPOINTMENT OF COMPLIANCE AUDITORS AS PER IDRA CORPORATE GOVERNANCE GUIDELINE-2023 (AGENDA-SIX (06) OF THE AGM NOTICE)

M/S. Hossain & Hossain, Chartered Accountants is recommended by the Board for certification on compliance as per Corporate Governance Guideline-2023 issued by IDRA applicable in Bangladesh for the year 2025 with remuneration of Tk. 25,000/- (Twenty Five thousand taka) only excluding VAT and AIT.

SPECIAL REGULATION

To change the name of the Company to “Nitol Insurance PLC.” from “Nitol Insurance Company Limited”. (AGENDA-Seven (07) OF THE AGM NOTICE)

Pursuant to the Companies Act, 1994 (2nd Amendment Act, 2020) to adopt the change of registered name of the Company to “Nitol Insurance PLC.” from “Nitol Insurance Company Limited” and to amend Clause I of the memorandum of Association and Articles of Association of the Company and other relevant of the MOA & AOA of the Company.

GOING CONCERN

The Board of Directors has reviewed the Company’s business plan and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements are prepared based on the basis of going concern concept. Thus, there is no significant doubt upon the company’s ability to continue as a going concern. During the year 2024, no significant and material orders were passed by the regulators, courts or tribunals, that impacted the going concern status of the Company, or which can potentially impact the Company’s future operations.

Financial statements are generally prepared under the assumption that the business will remain a “going concern”, that is, it is expected to continue to generate a positive return on its assets and meet its obligations in the ordinary course of business. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. NICL is running well above the level of different parameters set by the respective guidelines of IDRA except for a few ratios.

ACKNOWLEDGEMENT-THANKS TO ALL STAKE-HOLDERS

The members of the Board of Directors of Nitol Insurance Company limited like to express gratitude to honorable shareholders, and valued business partners for their patronage and support. The Directors also express their thanks and profound appreciation for the immense support and cooperation they received from the office of the Chairman, Insurance Development & Regulatory Authority (IDRA), and all concerned Government Offices Including the Ministry of Finance, Ministry of Commerce, Sadharan Bima Corporation, Bangladesh Bank, all Nationalized Bank, Commercial Bank and Financial Institutions, Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange PLC. (DSE), Chittagong Stock Exchange PLC. (CSE), Central Depository Bangladesh Limited (CDBL), National Board of Revenue (NBR), Bangladesh Insurance Association, and Bangladesh Association of Publicly Listed Companies (BAPLC) The Board Members also pleased to put on record their appreciation for the commitment and dedication extended by the management of the Company.

On behalf of the Board of Directors



Chairman

A K M Monirul Hoque

EXECUTIVE COMMITTEE REPORT

DEAR SHAREHOLDERS, ASSALAMUALAIKUM

On behalf of all the members of the Executive Committee of Nitol Insurance Company Ltd (NICTL), I take this opportunity to welcome you all to this Annual Gathering Meeting of the Company and take the privilege of presenting the Executive Committee Report before you.

COMPOSITION

The Executive Committee ('EC/ the Committee') of Nitol Insurance Company Limited is appointed by the Board of Directors (the Board). There are Three (3) members in the Committee. All the members are appointed by the Board of Directors. The Committee comprises the following Directors of the Company as on 31 December, 2024.

Sl. No.	Name	Position
1.	Ms. Naeema Hoque	Chairman
2.	Zobair Humayun Khandaker	Member
3.	Mahmudul Hoque Shamim	Member

AUTHORITY

The Committee assists the Board of Directors by discharging their duties since the executive committee has the power to act on behalf of the board as per Articles of Association of the Company. The executive committee is a standing committee that often acts as a steering committee for the full board. Functioning as a steering committee, the executive committee prioritizes issues for the full board to address. Although the executive committee comprises senior-level directors of the Company, the committee reports to the board.

ACTIVITIES:

The executive committee functions as an extension of the board of directors. The committee acts as the board's eye and ears when the board can't gather in full. The members of the Committee are Board members who voted into the executive committee. The committee meets and acts frequently when the entire board can't; the committee hence makes decisions in between meetings and resolves any urgent issues facing the Company.

They're still ultimately accountable to the board.

- The Committee resolves urgent matters
- Makes decisions between Board meetings
- Meets more frequently than the board
- Accountable to Board of Directors

The Committee, along with the management, reviewed the functions and management procedures of the Company, and necessary actions were taken

to improve the same. Taking everything into consideration, the Executive Committee is satisfied that the internal control and procedures in place for assessing and managing risks are adequately designed and operated effectively to safeguard the assets of the company.

The Committee is further satisfied that the Company is doing well. On the whole, the Committee is really grateful for the trust you have put in us and would like to convey our sincere gratitude to our valued stakeholders for their continued support which leads us towards the way of success.

Finally, the Executive Committee would like to express sincere thanks to the members of the Board, key management personnel and all employees for their utmost dedication for achieving transparency in performance and all sorts of cooperation extended to the Committee in discharge of its responsibilities.

On behalf of the Executive Committee,



Ms. Naeema Hoque
Chairman,
Executive Committee

REPORT OF AUDIT COMMITTEE

For the year ended on 31st December, 2024

COMPOSITION OF THE COMMITTEE

The Committee presently comprises Four (4) Members of who two (2) are Independent Directors and the other Two (2) are Non-Executive Directors with Md. Mamunur Rashid FCMA as the Chairman of

the Committee. The Company Secretary functions as the Secretary to the Committee. All Committee Members are financially literate and able to interpret financial statements and assess the adequacy of the internal control processes.

ATTENDANCE AT MEETINGS OF AUDIT COMMITTEE

Sl. No.	Name	Position	Meeting held	Meeting
1	Md. Mamunur Rashid, FCMA	Chairman	4	4
2	Zobair Humayun Khandaker	Member	4	4
3	Mahmudul Hoque Shamim	Member	4	4
4	Md. Shoharab Ali Khan, FCMA	Member	4	4

ACTIVITIES OF THE COMMITTEE

Audit Committee performed the following activities during the year:

REVIEW OF QUARTERLY REPORTS

The committee reviewed quarterly financial statements of the company with appropriate suggestions and recommendations.

REVIEW OF FINANCIAL REPORTING

The committee reviewed the quarterly and annual financial statements of the company, focusing on the following issues:

- Significant changes to accounting policies and practices;
- Significant adjustments arising from the audits;
- Compliance with applicable financial reporting standards and other regulatory requirements, and
- The going concern assumption of the company.

REVIEW OF RELATED PARTY TRANSACTIONS

The Audit Committee reviewed transactions relating to the related parties and disclosure has also been made in the notes of the financial statements for the financial year ended on 31st December, 2024.

Prepare Audit Committee Report and Place to the Board The Audit Committee prepares the annual Audit Committee Report and places it to the Board. The report specifies the summary of activities performed by the committee, performance of the

internal audit services and also the number of meetings conducted and attendance status there at.

REVIEW OF INTERNAL CONTROL AND COMPLIANCE

The Audit Committee reviewed the Risk Management and Corporate Governance framework and the methodologies applied thereof. It also reviewed the compliance with established internal policies, standards, guidelines and procedures and other applicable laws & regulations.

MONITORING INTERNAL AUDIT

- The Audit Committee suggested for competent and qualified human resources in Internal Audit team;
- The Committee also ensured full, free and unrestricted access to all activities, records, property for Internal Audit;
- The Committee approved yearly internal audit plan being satisfied on the plan and methodologies applied;
- The Committee ensured that appropriate actions have been taken to implement the audit recommendations; and
- The Committee guided Internal Audit for any action plan or further review if it is deemed necessary.

ACTIVITIES RELATED TO EXTERNAL AUDIT

- Overseen External Audit performance;
- Reviewed financial statements with management, external auditors, audit findings

and recommendations before submitting to the Board for approval or adoption;

- Overseen whether appropriate action has been taken based on the audit findings and recommendations;
- Reviewed matter relating to the reappointment and audit fee of the statutory auditor and Ensured independence of the external auditor.
- Furthermore, the Audit Committee acted on any other matters as directed by the Board which are not in conflict with the Corporate Governance Code Mandated by BSEC.

The Committee is of the opinion that adequate controls, procedures, risk management and compliance monitoring systems are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is satisfactorily managed.

PREPARE AUDIT COMMITTEE REPORT AND PLACE TO THE BOARD

The minutes of the Committee meetings were placed subsequently before the Board for its approval, on a regular basis, which contained all issues along with various suggestions and recommendations to the Management and the Board.

With thanks and best regards,



(Md. Mamunur Rashid FCMA)

Chairman, Audit Committee

REPORT ON NOMINATION AND REMUNERATION COMMITTEE

(For the year ended as on 31st December, 2024)

The Nomination and Remuneration Committee (“the Committee”) is a sub-committee of the Board which is independent but appointed by and accountable to the Board of Directors of the Company and to the shareholders according to the conditions of the “Corporate Governance Code, 2018” of the Bangladesh Securities and Exchange Commission dated June 03, 2018 (“the Code”). This report is presented in accordance with the Code which sets out the role of the Committee and the functions carried out during the year ended December 31, 2024 (“the year under review”).

The Nomination and Remuneration Committee (NRC) monitors the Management in identifying the Company’s needs for personnel at all levels and in determining their selection, recruitment, transfer or replacement and promotion criteria. This committee is based on the NRC Charter, which was developed primarily in compliance with the Corporate Governance principles of Bangladesh Securities & Exchange Commission while also incorporating Insurance Development & Regulatory Authority.

Nitol Insurance Company Limited has always been passionate about human assets management and takes responsibility for developing employee prospective and leveraging people skills in the company. The Company carefully preserves its large pool of knowledgeable, experienced, disciplined, clear-thinking, and enthusiastic individuals who drive ongoing development and innovation within defined risk bounds. The business continues to benefit from them and focuses on establishing Human Resource policies and procedures targeted at developing personnel and assuring their active participation in achieving corporate goals.

THE COMPOSITION OF THE COMMITTEE

The Board of Directors of NICL has duly constituted a Nomination & Remuneration Committee (NRC), as per the requirements of the BSEC Codes of Corporate Governance and Corporate Governance Guideline of IDRA. The NRC is a sub-committee of the Board and operates independently to ensure the rights of the Company’s valuable 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 committee comprises of the following Directors of the company:

1. Mr. Md. Mamunur Rashid FCMA,
Chairman (Appointed as on 28 October 2023)
2. Mr. Mr. AKM Monirul Hoque, Member
3. Ms. Naeema Hoque, Member
4. Mr. Zobair Humayun Khandaker, Member
5. Mr. Mahmudul Hoque Shamim, Member
6. Mr. Md. Shoharab Ali Khan FCMA,
Member (Appointed as on 28 October 2023)

PURPOSE AND AUTHORITY OF THE COMMITTEE

One of the key responsibilities of the NRC is to assist the Board in formulating policy for the formal and continued process of considering the remuneration/honorarium of Directors and top-level executives. The NRC fulfills a guiding role to the Management to help identify the Company’s needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria. This report of the NRC is prepared according to the requirements of the Corporate Governance codes of BSEC and Corporate Governance Guideline of IDRA. It covers nomination and remuneration policies, evaluation criteria and activities of the NRC.

TERMS OF REFERENCE

The NRC has performed its duties as assigned to it by the Board which is based on the Charter of NRC formulated in accordance with the Corporate Governance Code of BSEC as well as Corporate Governance Guidelines of IDRA.

ROLES AND RESPONSIBILITIES

NRC was set up under the CG Code of BSEC& CG Guideline of IDRA and the Terms of Reference of NRC is under review of Board. Abiding by it, the Company follows a nomination and remuneration policy, the framework of which relies on standards that are recognizable in the market context and sufficient to meet the current and future needs of

the Company. The Broad criteria in that respect for Directors and top-level executives and all other employees of the Company are as follows:

(a) Nomination Criteria

- Following the Company policies as well as guidelines and applicable country regulations.
- Following a selection process that is transparent in all respects.
- Following a process that is compatible with international standards and local best practices.
- Recognize core competencies of the respective personnel for the different levels of management and employees of the Company.
- Follow diversity in age, maturity, qualification, expertise and gender disciplines.

(b) Recruitment & selection guidelines

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:

- 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 meaningful contributions 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 and IDRA. The Board appoints Independent Director/s upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.
- Top-level Executives: NRC identifies and recommends candidate(s) for top-level executives upon thorough scrutiny by the Chief Executive Officer, 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, Chief Financial Officer, Company Secretary, Head of Internal Audit & Compliance, the Head of Human Resources,

and same level/ ranked/ salaried officials of the Company.

- Other Employees: NRC sets a guideline to identify the Company's needs for employees at different levels and empowers the relevant management of the Company's HRD for the selection, transfer, replacement and promotion of respective employees based on the Company's internal processes.

(c) Remuneration criteria

- The structure, scale and composition of remuneration/honorarium are 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 senior management, reflecting short and long-term performance goals and objectives of the Company.
- The remuneration, including bonuses, compensation, and benefits (in whatever form) payable to the top-level executives and other employees are determined by the NRC based on the respective Company policies and guidelines, which are ratified by the Board as and when required.
- The remuneration to be paid to the Non-Executive Directors is in accordance with the Company's policies and guidelines.
- The NRC recommends the Board meeting attendance fees, and honorarium, including incidental expenses, if any. 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.

(d) Evaluation Criteria

- (a) Independent Director and Non-Executive Director:** The evaluation of the performance of the Independent Directors and Non-Executive Directors is carried out at least once a year by the Board of Directors, according to the following criteria:

- (i) Attendance at the Board meetings and committee meetings
- (ii) Participation in the Board meetings and

committee meetings.

(iii) Contribution to improving the corporate governance practices of the Company.

(b) 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.

(e) Meeting in FY 2024

The Committee held Two (02) formal meeting during the year. The Board of Directors receives a copy of the minutes of each meeting of the Committee.

ATTENDANCE AT MEETINGS OF NOMINATION & REMUNERATION COMMITTEE

Sl. No.	Name	Position	Meeting held	Meeting
1	Md. Mamunur Rashid, FCMA	Chairman	2	2
2	A K M Monirul Hoque	Member	2	2
3	Ms. Naeema Hoque	Member	2	2
4	Zobair Humayun Khandaker	Member	2	2
5	Mahmudul Hoque Shamim	Member	2	2
6	Md. Shoharab Ali Khan, FCMA	Member	2	2

(f) Governance Status with the BSEC Code

- The NRC is a sub-committee of the Board.
- The Committee assisted and reported to the Board in formulating HR policies.
- The Committee was constituted of the required members along with Two Independent Director.
- ToR of the NRC clearly set forth in writing covering the areas stated at condition No. 6(5)(b) of the BSEC Code.
- The Company Secretary performed as the Secretary of the Committee.
- The required members' presence, including one Independent Director, was in place ensuring the quorum of the meetings. The reason for absence was duly recorded in the minutes.
- The Board appointed an Independent Director as the Committee Chairman.
- The Chairman of NRC attended the Company's

AGM to answer the queries of shareholders.

- Two meeting was conducted in 2024.
- The NRC's ToR was approved by the Board in accordance with the BSEC Code, and the Committee performed accordingly.
- The Company disclosed the Nomination and Remuneration Policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

With thanks and best regards,



(Md. Mamunur Rashid FCMA)

Chairman

Nomination & Remuneration Committee (NRC)

MANAGEMENT'S DISCUSSION AND ANALYSIS

In compliance with code 1(5) (XXV) of the BSEC codes of Corporate Governance, the management discussion and analysis are presented.

(A) ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the (International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 2020, and other applicable laws and regulations in Bangladesh. In addition, cash flows from operating activities are prepared under the direct method prescribed by the Securities and Exchange Rules, 2020.

The financial statements have been prepared on a historical cost basis, except for debt and equity financial assets and contingent considerations that have been measured at fair value. The financial statements provide comparative information in respect of the previous period.

In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not impact the company's financial statements going forward. The details of the significant accounting policies are available in a Note of the financial statements.

(B) CHANGES IN ACCOUNTING POLICIES AND ESTIMATION

In 2024, there was no significant change in accounting policies and estimations except for some amendments and interpretations applied. However, this does not have any material impact on the Company's financial statements. In addition, the Company has not adopted any standards, interpretations, or amendments that have been issued early, even those that are not yet effective.

(C) COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE:

Financial Performance	2024	2023	2022	2021	2020
Gross Premium Income	632,319,581	670,124,097	610,818,804	602,388,897	682,728,676
Net Premium Income	381,420,281	361,459,383	347,499,481	360,076,267	477,218,866
Claim Paid	88,607,498	107,240,426	97,062,327	139,857,053	189,843,342
Underwriting Profit	95,770,055	72,076,051	85,025,001	132,057,374	105,150,108
Investment & Other Income	38,979,082	44,195,725	53,287,410	55,779,028	80,037,398
Net Profit Before Tax	109,571,703	87,791,036	111,728,274	159,854,558	157,779,448
Net Profit After Tax	79,021,527	59,397,464	85,667,083	117,720,876	114,339,302
Earnings Per Share (EPS)	1.97	1.48	2.13	2.93	2.84
Net Asset Value (PS)	31.33	30.42	30.04	29.16	27.23
Paid-up Capital	402,076,390	402,076,390	402,076,390	402,076,390	402,076,390

The Company's gross premium for the year 2024 decreased by 5%. On the other side underwriting income increased by 32%. Our most premium generating business classes are Fire, Marine, Motor

and Miscellaneous. In addition, Nitol is trying its level best to enhance our underwriting capabilities so that we can generate significant premiums from other unexplored niches.

CASH FLOWS MOVEMENT

Cash Flow	2020	2021	2022	2023	2024
Collection from premium and other income	610,542,237	476,637,289	503,438,355	541,267,026	534,623,791
Income Tax paid	54,170,461	31,162,226	40,987,968	25,094,386	20,849,359
Payment for Management Exp. Re-Ins. & Claim	507,713,877	430,683,954	467,104,298	509,851,311	504,934,035
Net cash flow from operating activities	4,653,911	14,793,109	48,657,899	6,315,329	8,840,397
Net cash flow from investing activities	58,242,573	27,430,048	15,575,151	20,254,788	36,357,787
Net inflows/(out flows) for the year	104,53,946	4,248,918	4,789,050	18,264,023	3,650,409
Opening Cash and Bank balance	27,737,137	38,191,083	95,942,165	40,731,205	22,467,192
Closing Cash and Bank balances	38,191,683	35,942,165	40,731,215	22,467,192	26,117,6010

DIVIDEND

Given the performance of the Company, the Board of Directors has recommended a 5% cash & 5% Stock dividend for the year ended 31st December 2024, to be approved in the ensuing 26th Annual General Meeting.

(D) FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBAL ECONOMY

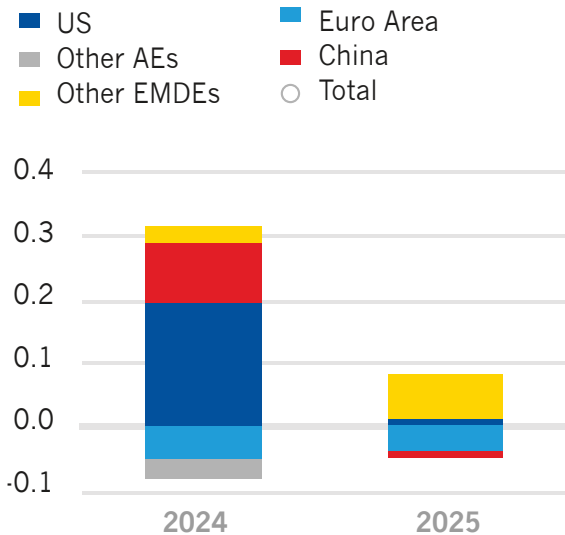
Despite gloomy predictions, the global economy remains remarkably resilient, with steady growth and inflation slowing almost as quickly as it rose. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, an energy and food crisis triggered by Russia's war on Ukraine, a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

GROWTH AND INFLATION

Forecasts for growth have been marked upwards, while inflation has been revised down and is continuing its downward trend.

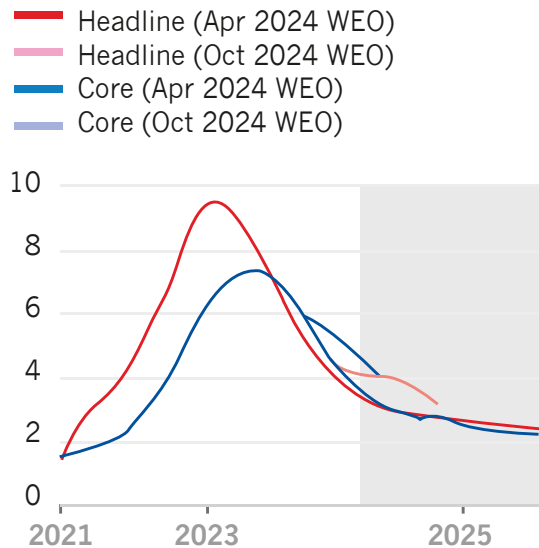
World real GDP growth revisions

(vs. Oct 2023 WEO Percentage point)



Global Median Inflation

(percent :y/y)



Source : IMF, World Economic Outlook, and IMF staff Calculations

It is apparent that the economic condition would not go well in Bangladesh like the world economy at large in the year 2024. The International Monetary Fund (IMF) has lowered the projection of gross domestic products growth for Bangladesh to 5.8% for the first half year of 2024. The inflation rate is quite higher than it was expected. Recent declaration of the price hike of both electricity and gas for the industries would impact further on inflation. The essential commodity prices have already gone up beyond the earning capacity of general people to expense for services like insurance in Bangladesh. The ongoing dollar shortage in the banking sector is posing a threat to local textile millers and spinners as they have difficulties in opening letter of credit to import raw materials and cotton to feed the country's readymade garment industry. However, we do

believe that Bangladesh will definitely be able to tide over the difficulties posed by the ensuing crisis.

RISK AND RISK MANAGEMENT PLAN OF THE COMPANY

Risk is an integral part of every business. Nitol Insurance Company Limited (NICL) 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. Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plans of the company are furnished below. The risk landscape of the Company encompasses risk arising from Non-Life Insurance Business is provided in following risk areas, including but not limited to:

- | | |
|----------------------------|---------------------------|
| 1.Strategic Risk | 10. Investment Risks |
| 2.Operational Risk | 11. Liquidity Risk |
| 3.Business Risk | 12. Interest Rate Risk |
| 4.Underwriting Risks | 13. Market Risk |
| 5.Reinsurance Risks | 14. Equity Risk |
| 6. Claims Risk | 15. Inflation Risk |
| 7. Credit Risk | 16. Foreign Exchange Risk |
| 8. Management Expense Risk | 17. Human Resources Risk |
| 9. IT Security Risk | 18. Reputation Risk |
| | 19. Regulatory 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 NICL has its own risk mitigation strategies, what makes the Company almost number one company in the Country in terms of claim payment ratio.

Risk	Mitigation Strategies
Strategic Risk	<ul style="list-style-type: none"> Strategies and operating performance are assessed regularly by the Board Operating, financial and strategic business information is reviewed. Product wise strategies and key initiatives are considered. Once the strategy is set, it is implemented throughout the year.
Operational Risk	<ul style="list-style-type: none"> Credit, market and liquidity risk are considered while operational strategies are set NICL aims to create and sustain shareholder value to execute its business strategies. NICL maintains a formal enterprise-wide operational risk management framework that emphasizes a strong risk management. For this NICL also maintains Regulatory Capital as per section 21, 23 and 24 of Insurance Act-2010 along with Solvency Margin rules and notifications.
Business Risk	<ul style="list-style-type: none"> NICL maintains a number of policies and practices to manage insurance risk. Sound product design is considered as an essential element. Reinsurance 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 adjudication practices, ongoing monitoring of experience, and stress-testing scenario analysis.
Under-writing Risk	<ul style="list-style-type: none"> NICL 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 reinsurers' advice. Sometimes, a 'Customer Need Analysis' Form is used to identify customer requirements and sell the most appropriate policy. Frequent expense studies and product profitability studies are carried out.
Re-insurance Risk	<ul style="list-style-type: none"> The outstanding Reinsurance receivables are reviewed frequently. A very close and professional relationship is maintained with all reinsurers. A specific portion of premium is reinsured with some renowned foreign reinsurers. To reinsurance with foreign reinsurers, only reinsurers with 'A' or above ratings are used as reinsurers and a globally trusted and stable portfolio of reinsurance companies which are rated highly by Standard & Poor's. Changes to the ratings of reinsurance companies are continuously monitored.

Risk	Mitigation Strategies
Claim Risk	<ul style="list-style-type: none"> 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 as well as by the Committee for this purpose. Closed file reviews are also carried out periodically to identify any control lapses.
Credit Risk	<ul style="list-style-type: none"> All other receivables, including reinsurance receivables are reviewed on a Quarterly basis and recoveries made on time. Any investments in any other entity are carried out only with the explicit approval of the Investment Committee.
Management Cost Risk	<p>Management Cost of a Non-Life Insurance Company is determined by the Insurance Rules-1958 (Section-39), along with section 62-63, Insurance Act-2010. The allowed cost does not match with the present cost structure of the Company. So the real management cost is higher than the recognized one by the National Board of Revenue (NBR). As a result NICL has to pay tax on its expenses. This compels the company to pay more tax that reduces its profit. This risk can only be minimized if the Government enact rules and regulations regarding this issue.</p> <ul style="list-style-type: none"> For this what the Company can do is only to stake strategies to increase Premium Income. Raises voice in various forums, meetings and seminars of NBR , BIA , IDRA etc
IT Security Risk	<p>NICL maintains its Domain Controller (Domain Server) to manage domain users and deliver information and software services to other computers linked by the network. The Company also has Application Server, FTP Server, and Database Server, Stand by Server, Backup Server, and IP-PBX Phone Server. The IT department maintains-</p> <ul style="list-style-type: none"> All these servers are located in a secured server room. Proper security measures have been taken to ensure data security and data integrity. The sensitive information is kept in a restricted area in the networking environment. Unauthorized access and electronic tampering is controlled strictly. Security system of the network is under dual administrative control.
Investment Risk	<ul style="list-style-type: none"> A target asset allocation limits are set by the Board Adherence to target is reviewed periodically by the Board, the CEO, and the CFO with investment staff. 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 They are reviewed by the Internal Audit and the Risk and Compliance Department on a monthly basis. Legal reserves are maintained for unexpired risks.
Liquidity Risk	<ul style="list-style-type: none"> The Company follows the Asset and Liability Management guidelines set out in the Company Investment Policy which is reviewed by the Board regularly. NICL's responses 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 investments is matched as far as possible, with its outgoing commitments and obligations. Regular monitoring of its liquid resources is conducted by the Board.

Risk	Mitigation Strategies
MARKET RISK – Interest Rate Risk	<ul style="list-style-type: none"> Interest rate risk is managed within NICL's asset vs. liability management process and controlled via interest rate sensitivity limits. The Company follows the Asset and Liability Management guidelines set out in the NICL Investment Policy. The guidelines are reviewed by the Board and the respective committee regularly. Macro-economic indicators and their impact on the NICL's Investment Portfolio are monitored closely by the Board, Management and the respective committee regularly. Necessary changes are made to the asset allocation and the maturity mix of investments on a periodic basis. Investments are classified into different categories as required by International Accounting Standards (IAS) considering both the intention and ability of the Company to hold such investments.
MARKET RISK – Equity Price Risk	<ul style="list-style-type: none"> Total exposure to equity investments is made strictly within the agreed target asset allocation and sectoral equity limits. In this regard Insurance Act and IDRA rules and Regulations 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 Investment Committee on a quarterly basis. Impact from market movement is monitored on a daily basis and warnings sent to the CEO and CFO of high impact volatilities.
Inflation Risk	<ul style="list-style-type: none"> The risk of varies in inflation rates is, now, considered in NICL's internal underwriting assessment model.
Foreign Exchange Risk	<ul style="list-style-type: none"> To deal with foreign partners, NICL carefully monitors and controls the price verification and exchange rates to pay the reinsurance premium and claims recovery. It involves a procedure regarding foreign exchange risk identification measurement of foreign exchange and limits setting for risk control.
Human Resources Risk	<p>For Making Staff Turnover Ratio Low</p> <ul style="list-style-type: none"> Addressing Labor issues Accommodating flexible work arrangement Motivating employees with motivational tools. Counseling employees as and when they need counseling. Conduct exit interviews to reduce grievance in the Company Periodically carrying out induction programmers. Analysis on worker and staff turnover is reviewed by the Management and the Board. Employee surveys are carried out on a periodic basis. <p>For Retaining Key People in the Company</p> <ul style="list-style-type: none"> Remuneration packages are aimed to be in line with the industry to retain and attract qualified and talented staff. Salary surveys are conducted periodically to ensure competitive salaries are given to the staff Regular Management meetings are conducted to convey the key decisions taken at the top management level and to communicate what is happening in the Company to all members of the Management Team.

Risk	Mitigation Strategies
Reputational Interest Rate Risk	<ul style="list-style-type: none"> The Company's Reputational Risk Management Policy is approved by the respective committee of the Board. The Company also has defined and documented processes to approve new products and new business. These processes involve committees with representation from the businesses and control functions, and include consideration of all aspects of a new product, including reputational risk. The Branch-level committee is designated to review reputational risk issues and to identify issues to be brought to the Reputational Risk Committee of the Head Office.
Regulatory Risk	<ul style="list-style-type: none"> The Company Secretary (CS) works as the Chief Compliance Officer (CCO) and provides an annual compliance and governance report to the Audit Committee of the Board stating the results of the annual process and setting out an opinion on the strength of the governance framework and regulatory risk management at the company. Communicating and advising on compliances by the Board and top management of the Company. Legal requirements and emerging compliance is analyzed by the Corporate Affairs Department. Reporting significant issues and findings to senior management and the Board. 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 Board Affairs Departments, in certain circumstances a calendar is also prepared in this regard. Liaising with regulators, as appropriate, regarding new or revised legislation, or regulatory guidance or regulatory examinations. Additionally, the Board Affairs 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. Finally, while it is not possible to completely eliminate legal risk, the Board Affairs Department, too, works closely with business units and other corporate areas to draft and negotiate legal agreements to manage those risks, to provide advice on the performance of legal obligations under agreements and applicable legislation, and to manage litigation to which the Company is a party.

FUTURE PLAN

It is expected that with the valued suggestions of the board of Directors, the Shareholders and relentless efforts and dedicated services of the employees, the Company will be able to upgrade the position in near future. Prudent and Judicious financial management combined with stringent austerity measures by all concerned is also warranted to improve the profitability and viability of the company. The management is optimizing investment by investing in low-risk investment option in order to increase investment income and establish effective cost control system in order to increase shareholder dividend. The management is also focusing to recruit skilled sales professional to cater more business in coming years. Bancassurance will be one of the key focus areas for insurance business in upcoming years. NICL is eligible for bancassurance and we have plan to on board three large scale bank in 2025 which could

accelerate NICL overall business and positive impact on profitability.

Acknowledgement:

We also like to thank the members of the Board and Management Team for the commitment in expediting and implementing the company strategy and unwavering support that enabled the Company emerge as a financially sound enterprise. We would like to recognize the dedicated and unflinching services of all the members of the company with deep appreciation.

Thanking you,

On behalf of the Management



S. M. Mahbubul Karim
Chief Executive Officer

GOVERNANCE



GOVERNANCE

STATEMENT OF BOARD OF DIRECTORS ON THE RESPONSIBILITY TO ESTABLISH APPROPRIATE SYSTEM OF INTERNAL CONTROL

The Board of Directors, representing the shareholders, oversees the Company's day-to-day operations and is accountable to them. During the Annual General Meeting (AGM), the directors present a report to shareholders detailing the Company's performance, future plans, and strategies. One of the Board's key responsibilities is to establish and maintain an effective internal control system and evaluate its performance. The Company's management is tasked with implementing, operating, monitoring, and enhancing the system to ensure compliance with the Board's established controls.

The Board acknowledges its overall responsibility for the Company's internal control systems, designed to ensure efficiency, effectiveness, reliability, timeliness, completeness, and compliance with relevant laws and regulations. Given the complexity and diversity of all transactions, which extend beyond national borders, the Board is committed to maintaining robust internal controls to manage risks within acceptable limits, thereby mitigating potential losses or damage to the Company's reputation. Additionally, the Board recognizes the importance of a sound risk management strategy in achieving the Company's objectives.

The Board recognizes that no system or structure can be entirely flawless, and therefore the Company's internal control system is designed to manage or minimize risks to an acceptable level rather than completely eliminate them. As such, the internal control system of the Company can only provide reasonable, not absolute, assurance that it is achieving its goals and objectives and generating potential returns for shareholders.

The Board has also established a continuous process of monitoring and following-up to identify any deviations from internal controls during the Company's daily operations. This is an integral part of the internal control process to ensure that errors are corrected and the control mechanism is further strengthened. The processes and guidelines of the Company are regularly reviewed and updated to meet the needs of changing business environments and regulatory guidelines.

On behalf of the Board of Directors,



A K M Monirul Hoque
Chairman

DECLARATION BY CEO AND CFO

April 19, 2025

The Board of Directors
Nitol Insurance Company Limited
Police Plaza Concord, Tower - 2 (5th & 6th Floor)
Plot - 2, Road - 144, Gulshan-1, Dhaka-1212.

Subject: Declaration on Financial Statements for the year ended December 31, 2024.

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 June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1) The Financial Statements of Nitol Insurance Company Limited for the year ended on December 31, 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 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, 2024 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,



S.M. Mahbubul Karim
Chief Executive Officer (CEO)



Md. Altaf Hossain
Chief Financial Officer (CFO)

STATEMENT OF CORPORATE GOVERNANCE BY CS

Corporate governance is the system by which companies are directed and controlled in the best interest of all the stakeholders, thereby ensuring greater transparency and better & timely financial reporting. Other words, corporate Governance is the framework of business principles, structures and controls within which the company, its Management, directors and shareholders operate. Corporate governance is often a unique framework built around the organization's mission and values. Large corporations and publicly listed companies often use corporate governance to create internal business policies due to the layers of management involved in the company. Its aim is to ensure:

- Accountability
- Transparency of responsibility
- Effective relationship between shareholders and board of directors
- The containment of risk within the company's risk capacity

The Board of Directors of the NICL set proper governance policy, which includes setting out Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to the shareholders on their stewardship.

Nitol Insurance endeavors to ensure benchmark corporate governance processes and practices. The Company has a strong legacy of following fair, transparent and ethical governance practices.

- Good governance results in better business results
- Good governance converts plans into performance
- Good governance maximizes shareholder value

At Nitol Insurance, good governance practices form part of business strategy, focusing on long-term value creation and protecting stakeholders' interests by applying due care and diligence in business decisions. Shareholder value as an objective is embedded into all aspects of corporate governance. Therefore, our corporate governance is a set of principles that ensures we are governed in the best interest of all the stakeholders-the shareholders, society, employees, and the government.

At Nitol Insurance, our business is driven by strong ethics and sound corporate governance. Our

corporate governance philosophy stems from our value of openness and transparency, which is fundamental to our decision making process and one of our core management beliefs. Our corporate governance is further strengthened by adopting a uniform Code of Conduct for the Board members and senior management, the Board processes, the Rules on Prevention of Insider Dealing and transparent disclosures. This statement presents the Company's governance framework and the structures and processes that strive to ensure a continued commitment to sound governance.

CORPORATE GOVERNANCE FRAMEWORK

A high level of ethics, compliance and governance culture is fundamental to the effective delivery of our business and ensures long-term business growth. Our governance principles are:

- Adherence to the letter and spirit of the law
- Complete transparency in our operations
- Pro-active communication with our stakeholders

We have a tri-faceted governance framework which is as follows:

GOVERNANCE BY SHAREHOLDERS

Shareholders appoint and authorize the Board of Directors, approve the audited financial accounts and appointment of statutory auditors and hold the Board accountable for their oversight and business conduct.

GOVERNANCE BY BOARD & SUB-COMMITTEES

The Board and its Committees take up specific responsibilities as per the law and their charters to determine the right level of delegation, control measures, approve strategies, investments and targets for the business. In addition, the Board exercises oversight over the executive management to ensure that they fulfill their duties by the recommendations and targets set by the Board.

GOVERNANCE BY MANAGEMENT TEAM

The Executive Leadership Team or Management Team of the Company leads the day-to-day affairs and management of the business with full compliance with the laws of the land, the mandates of the board, and adherence to the Company's Code of Conduct.

The governance framework aims to deliver management effectiveness, reduce risk, and

promote the best corporate culture. Dedicated towards standing true to the highest level of integrity and exemplifying the highest standard of business conduct, good Corporate Governance is the underlying force for the Company, driving sustainable and responsible business operations with transparency, accountability and compliance.

STATUTORY ADHERENCE

The legal and regulatory standards underlying this framework are the Companies Act 1994, Insurance Act 2010, Insurance Rules 1958, the Listing Regulations of the Dhaka and Chittagong Stock Exchanges, Notification on Corporate Governance of the Bangladesh Securities and Exchange Commission (BSEC), Corporate Governance Code, 2018 and other applicable laws of the land. Apart from this, there is a robust set of internal controls, risk management processes and Code of Conduct further strengthening the Company's corporate governance. There is also a robust process of compliance management where compliance is recorded, audited and certified at the granular level to ensure complete adherence to the laws of the land.

CORPORATE GOVERNANCE FRAMEWORK

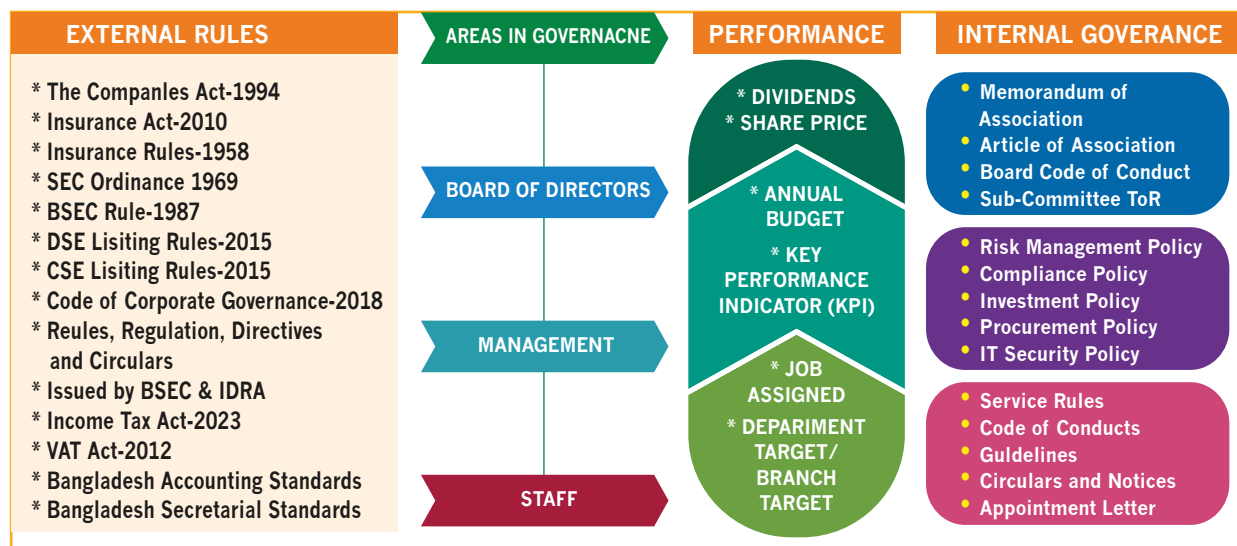
The management is always aware to ensure a continued commitment for getting the essence of sound corporate governance. Corporate Governance framework has been developed and enhanced based on the basic principles and best practices outlined in the following:

- The Companies Act 1994
- Insurance Act -2010 and Insurance Rules -1958
- Corporate Governance Code of BSEC-2018(the

Code/ CGC)

- IDRA Corporate Governance Guideline-2023 by IDRA
- Listing Regulations of exchanges -2015
- BSEC Ordinance 1969 and Rules1987
- Other applicable rules and regulations issued by BSEC, DSE and CSE applicable rules and regulations issued by IDRA applicable rules and regulations issued by Bangladesh Bank
- Laws of the land and
- Local and global best practices.
- IAS and IFRS
- Bangladesh Secretarial Standards issued by ICSB
- Articles of Association of NICL
- Standards of Business Conduct,
- Policies and Guidelines of the Company
- Policies of Risk Management and Internal Control of the Company
- Policies of Delegated Authorities of the Company

The Board and management had always been fully adhered to the corporate governance principles and best practices. The Board also believes that sound corporate governance framework and practices may work positively in establishing company reputation which is a valuable asset for the company. As a result, adherence to sound corporate governance gets significant priority at all times both in and out the Boardroom. The Board reviews the standards of business conduct, Terms of Reference (ToR) from time to time for applying the highest standards of governance, embracing best corporate practices. The NICL is governed by its Governance Policy Framework which is depicted here:



BOARD OF DIRECTORS

The Board of Directors is the apex authority of the Company, responsible for policy formulation, approving the business plan, business sustainability facilitating high-performance culture, providing guidance, and supporting the management to run the organization effectively within the framework of internal controls ensuring the interests of stakeholders. In fostering a responsible culture, the Company's Board ensures that it adopts practices and policies by the principles and recommendations of the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission and the Company's governing regulations. A qualified fellow Chartered Secretary performs the function of Company Secretary to assist the board.

SIZE OF THE BOARD

The Board is committed to promoting long-term value creation and is accountable to shareholders for the performance of NICL. The Board of Directors of the Company comprises 8 (Eight) members including 02 (Two) Independent Directors. All of the Directors are Non-Executive Directors. All Directors have sound knowledge about general insurance industry, managerial expertise and sound academic and professional knowledge. They are well conversant with corporate governance. Directors are appointed /approved (if appointed by the Board) by the Shareholders in the Annual General Meetings and are accountable to the Shareholders.

COMPOSITION OF THE BOARD

Policy on Appointment of Directors

All the Directors of Company bear the qualification as per Companies act-1994, the Insurance Act-2010, BSEC Notifications; Memorandum of Association of the Company and others related laws of the land. All the Directors of the Company have been appointed by the Board and subsequently approved by the General Body of the Shareholders as prescribed by the laws. Each Sponsor Director holds minimum 2% shares of the total paid-up Capital of the Company and the Board all time holds minimum 30% of the same as per prescription of the BSEC. Two (2) Directors are representing Sponsor Shareholders as allowed by the Insurance Act-2010(Section-76). Four (04) Directors are representing Public Shareholders. They are elected from 'Public Shareholders' are appointed as prescribed by the Insurance Act-2010 (Section-76). However, the Independent Directors are not holding any shares of the Company. Two (2) Independent Directors are appointed as per Insurance Act – 2010

applicable in the Country. One Chairman and One Vice-Chairman is elected among the board members as prescribed in section 79 of the Insurance Act-2010.

BSEC Notification regarding CGC-2018 has been strictly maintained and followed by the Company to appoint Board of Directors. All the Directors, except Independent Director, hold at least 2% shares of the Company before accommodated on the Board. As per Company Law of the land, 1/3 of the Directors are fall retirements in ration; at least one-third directors, accepting the Independent Directors, of total number of directors on the Board of directors of NICL shall be liable to retirement by rotation and be eligible for appointed by the general body of the Company.

Criteria for Appointment of Independent Directors:

With a view to having true independence, the Board has decided that its Independent Directors do not hold any Share of the Company, not associate with the promoters/sponsors of the Company or any of its directors. The Company also strictly adheres to follow others conditions prescribed in Corporate Governance Code-2018 and other notifications issued by the Commission from time to time in this connection. Appointment of the Chief Executive Officer (CEO): As per law, The Chief Executive Officer (CEO) of the Company is appointed for the period of three (3) years subject to approval from IDRA. The office of CEO is not subject to retirement by rotation and may be extended for further three years by IDRA.

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS

The Company has a written Code of Conduct of the Board of Directors. It is shown in separate Chapter-3 of this Annual Report.

DIRECTOR ELECTION AND BOARD RENEWAL

The Board, in consultation with the Nomination Committee, regularly reviews its succession plans. Directors are generally elected for a three-year term. Retiring directors are not automatically re-appointed. Public shareholder Directors are always elected as per Memorandum of Association, Insurance Act -2010, Insurance Rules -1958 and Regulation of IDRA for the same thereof.

DIVERSIFIED COMPOSITION OF THE BOARD

Diversity

NICL's Board and workforce are individuals with a range of skills, backgrounds and experiences. NICL values diversity and inclusion, and recognizes the

organizational capabilities and business performance these bring.

THE CHAIRMAN

The Board of Directors elects the Chairman of the Company, who will lead the Company according to the article of the Company. All meetings of the Company and the Board are presided over by the Chairman. Mr. A K M Monirul Hoque is the Chairman of Nitol Insurance Company Limited, a role he has assumed since 2005. The chairman of the board manages and leads the board of directors of the company. His responsibilities include chairing Board meetings and facilitating open and effective discussions at those meetings (including with management). The chairman leads the board and acts as a direct liaison between the board and the management of the company, through the Chief Executive Officer (CEO). The duality of Chairman and the CEO has been maintained by the Company strictly. Position of the Chairman and CEO are clearly defined.

Roles and responsibilities of the Chairman

- The Chairman's responsibility is defined through the Articles guided by the Board, the Company's Code of Conduct and the Code of Corporate Governance.
- As Chairman of the Board of Directors (or Chairman of any Committee formed by the Board) he does not personally possess the jurisdiction to apply policy-making or executive authority, nor does he participate in or interfere with the administration or operational and routine affairs of the Company.
- The Board functions as per the Memorandum & Articles of Association of the Company, along with other applicable laws which the Chairman must ensure.
- The Chairman presides over meetings of the Board and Company (at the AGM) and ensures good corporate governance in the conduct of the Board and the Company.
- Representing the Company (while in consultation with the Board and Managing Director), the Chairman liaisons with relevant stakeholders representing the Company as a responsible corporate citizen.
- The Chairman may assume any responsibility that the Board assigns within the relevant rules, regulations, acts and articles.

THE VICE CHAIRMAN

Mr. Zobair Humayun Khandaker is elected as the Vice-Chairman of the Company by the board members as prescribed in section 79 of the Insurance Act-2010.

THE ROLE AND RESPONSIBILITIES OF THE BOARD

The Board of Directors is appointed to act on behalf of the shareholders to run the day-to-day affairs of the business. The board is directly accountable to the shareholders and each year the company will hold an annual general meeting (AGM) at which the directors need to provide a report to shareholders on the performance of the company, what its future plans and strategies are and also submit themselves for re-election to the board. The objects of the company are defined in the Memorandum of Association and regulations are laid out in the Articles of Association. The board of directors' key purpose is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. In addition to business and financial issues, the board of directors must deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

It is important that board meetings are held periodically so that directors can discharge their responsibility to control the company's overall situation, strategy and policy, and to monitor the exercise of any delegated authority, and so that individual directors can report on their particular areas of responsibility. Directors look after the affairs of the company, and are in a position of trust. Directors of the Company ensure that proper books of account are kept.

The Board of the NICL formulates strategic objectives and policies for the Company and supervises management action in implementing those objectives of the Company. The Board of Directors is in full control of the Company's affairs and is also accountable to the Shareholders.

The Board firmly believes that the success of the Company depends largely on the prevalence of a credible corporate governance practice. The reporting system of the company (NICL) and its relationship among the regulator, shareholder, director, CEO and other stakeholders are depicted

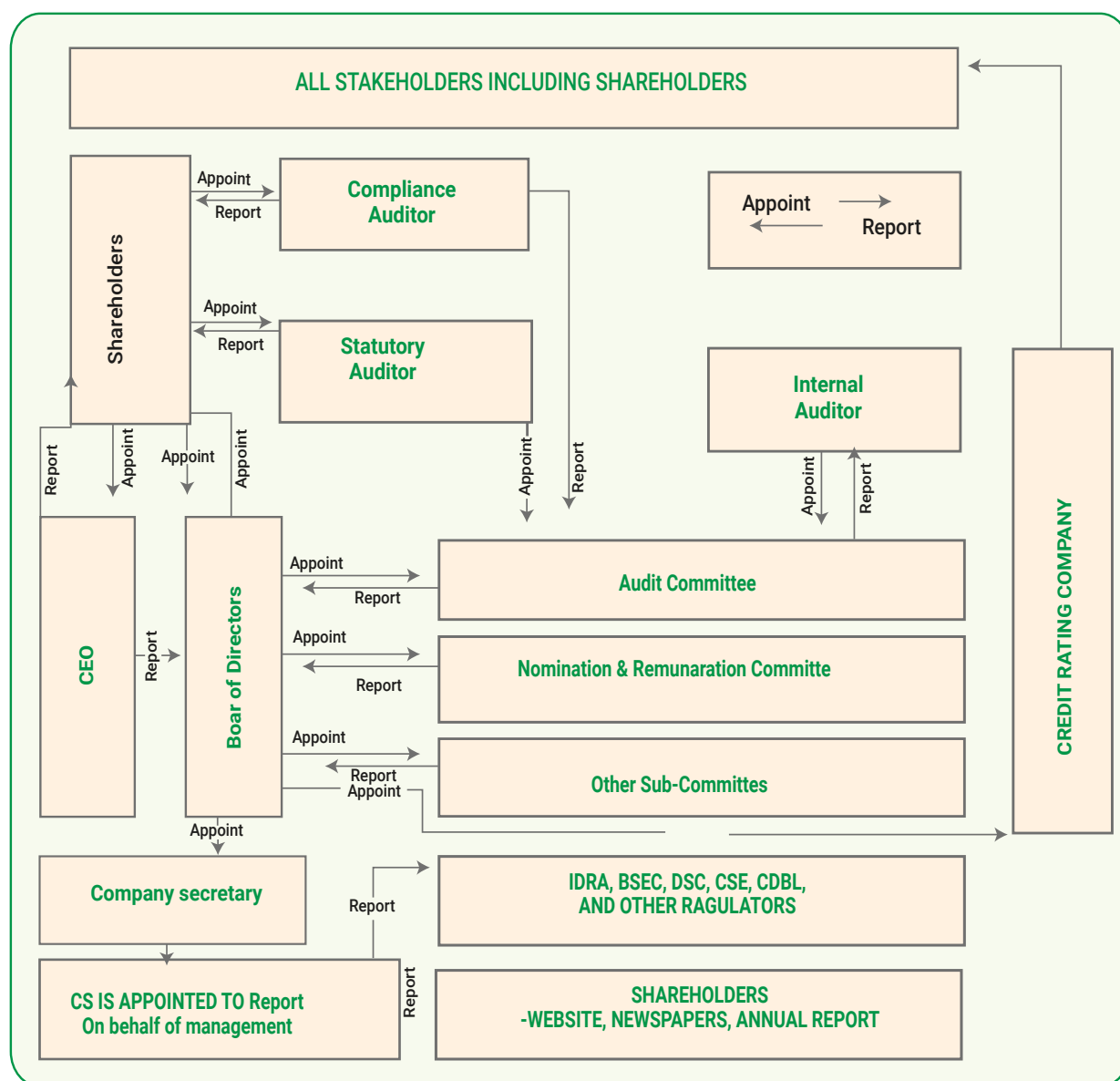
in the following diagram:

The Company's policy is to maintain optimum combination of Directors from both Sponsors and Public Subscribers.

The Chief Executive Officer of the Company is a non-shareholder Ex-officio Member and the Board

has appointed a prescribed number of Independent Directors as per Insurance Act, 2010.

The Board ensures that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders.



COMMITTEE(S)

To effectively dispense its obligations, the Board has constituted various committees that are listed below. Each committee has its terms of reference as a charter:

EXECUTIVE COMMITTEE (EC)

Executive Committee of the Company act as a liaison for the board, it makes decisions on the board's behalf and it functions as a collaboration outlet.

AUDIT COMMITTEE (AC)

The Audit Committee was established as a sub-committee of the Board and has jurisdiction over NICL. The Audit Committee assists the Board. The audit committee is comprised of 4 (Four) members of the Board including an Independent Director who is the Chairman of the Committee. The committee does the following activities:

- Oversee financial reporting process
- Oversee appointment, remuneration, and evaluation of auditors
- Evaluate internal financial controls, internal audit function, and risk management systems

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee (NRC) was established as a sub-committee of the Board. The NRC assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives as well as a policy for formal process of considering remuneration of directors, top level executives. The Terms of Reference (TOR) of the NRC clearly sets forth in writing covering the areas stated at the condition No. 6(5) (b) i.e., Role of the NRC as prescribed in the Corporate Governance Code-2018.

The nomination and remuneration policy and the evaluation criteria of the committee are adopted by the Committee are shown in a separate chapter in this Annual Report. The committee does the following activities:

- Review and approve the remuneration philosophy for Directors and other employees.
- Review and approve policies on Board diversity and effectiveness.
- Oversee the talent management and HR processes and principles of the Company.

INVESTMENT COMMITTEE (IC)

As per Insurers Corporate Governance Guideline-2023 issued by Insurance Development and Regulatory Authority (IDRA), an Investment Committee (IC) is formed. The Committee is comprised of 6 (Six) members of the Board including an Independent Director and CEO is the Ex-Officio Member. Mr. A K M Monirul Hoque is the Chairman of this Committee.

RISK MANAGEMENT COMMITTEE (RMC)

As per Insurers Corporate Governance Guideline-2023 issued by Insurance Development and Regulatory Authority (IDRA), a Risk Management Committee (RMC) is formed. The Committee is comprised of 3 (three) members of the Board including an Independent Director. Mr. A K M Monirul Hoque is the Chairman of this Committee.

POLICYHOLDER PROTECTION & COMPLIANCE COMMITTEE (PPCC)

As per Insurers Corporate Governance Guideline-2023 issued by Insurance Development and Regulatory Authority (IDRA), a Policyholder Protection & Compliance Committee (PPCC) is formed. The Committee is comprised of 4 (Four) members of the Board including an Independent Director. Mr. A K M Monirul Hoque is the Chairman of this Committee.

MANAGEMENT TEAM

The senior management plays a significant role in managing the business as per the norms of corporate governance, the Company's Code of Conduct and ensures that adequate internal controls are in place and supported through a strong internal control framework. In addition to the legal framework guiding the discharge of functions of the management team, the values underlie and function as the organization's moral compass. The implementation of the Board's plans, strategies and policies is carried out by the management team led by the CEO.

The management team reports to the Board and has the responsibility of implementing the policies and decisions of the Board, overseeing the day-to-day business operations, and developing, coordinating, and implementing business and corporate strategies. The management team is accountable to the board to achieve the business performance as per the annual operating plan approved by the Board and deliver maximum return for all stakeholders.

MANAGEMENT COMMITTEE DOES THE FOLLOWING ACTIVITIES:

- Setting the strategic direction to guide and direct the activities of the organization
- Ensuring the effective management of the organization and its activities
- Monitoring the activities of the organization to ensure they are in keeping with the founding principles, objects and values

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer (“CEO”) is responsible for leading the development and execution of the Company’s long-term strategy to create shareholder value. The CEO’s leadership role also entails being ultimately responsible for all day-to-day management decisions and implementing the Company’s long and short-term plans. The CEO acts as a direct liaison between the Board and management of the Company and communicates to the Board on behalf of management. The CEO also speaks on behalf of the Company to shareholders, employees, Government authorities, other stakeholders and the public. Sections in the Companies Act-1994 for the Managing Director, Sections in the Insurance Act-2010 for the CEO, The Regulation for CEO by the IDRA, the Articles of Association of the Company and the Board Terms of Reference recognize the role and position of the Chief Executive Officer of the Company and the duties and obligations of the role. They empower the Board to entrust such responsibilities on the CEO who is the senior most executive officer of the Company.

The CEO reports to the Chairman of the Board of Directors on all matters pertaining to the day-to-day management of the Company’s business, its direction and operations in accordance with the policies and objectives set by the Board. The CEO and NICL have written agreements setting out her employment terms. For other Top Executives, the agreements (read appointment letter) are between NICL and the Executives personally. The Board assesses each executive’s performance on an annual basis. The process for evaluating Executive performance and remuneration is set out in Performance Evaluation Criteria. Performance evaluations for the CEO and NICL’s Executives took place in FY24 in accordance with the criteria disclosed in the Remuneration Committee Report.

ROLES AND RESPONSIBILITIES OF CEO

- The CEO is responsible for driving business operations and entrusted with the responsibility

of developing and executing the Company’s long-term strategies with a view to creating sustainable shareholder value.

- The CEO leadership role entails being ultimately responsible for all day-to-day management decisions and for implementing the Company’s long- and short-term plans.
- The 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.
- The CEO also engages on behalf of the Company with shareholders, employees, other stakeholders and the public at large.
- Oversees fundraising planning and implementation, including identifying resource requirements, researching funding sources, establishing strategies to approach funders, submitting proposals and administrating fundraising records and documentation.
- The CEO has to maintain the proper liaison with the authorities like, IDRA, BSEC, DSE, CSE, Bangladesh Bank, NBR and other Authorities. The CEO must be able to maintain their laws, rules, regulations, circulars and other orders.

APPOINTMENT OF CFO, CS, HIAC, CHIEF INVESTMENT OFFICER AND CHIEF RISK OFFICER:

The Company has appointed Mr. Md. Altaf Hossain as Chief Financial Officer, Mr. Md. Mijanur Rahman FCS, ABIA as Company Secretary and Mr. Md. Liakat Hossain FCMA as Head of Internal Audit of the company as per requirement of the Corporate Governance Code-2018 issued by Bangladesh Securities and Exchange Commission (BSEC). Besides, the Company has appointed Mr. Md. Liakat Hossain FCMA as the Chief Investment Officer of NICL and Mr. Md. Abdul Wahab, Head of Underwriting as the Chief Risk Officer of NICL as per requirement of the Insurer’s Corporate Governance Guideline-2023 issued by IDRA.

ROLE OF THE COMPANY SECRETARY

The Company Secretary is responsible for ensuring proper information flow within the Board and its Committees and between the Senior Management and Non-executive Directors. He is also responsible for advising the Board through the Chairman on all governance matters. He fulfills the regulatory requirements of the Company. He keeps the records of compliance status imposed by the BSEC and IDRA. First one has been shown in the compliance report on BSEC Corporate Governance Code. The authority of both the appointment and removal of

the Company Secretary is vested on the Board as a whole.

ROLE OF THE HEAD OF AUDIT & INTERNAL CONTROL

The Head of Audit & Internal Control is responsible for reporting to the Board Audit Committee regarding any deviation from standard accounting and internal control system of the Company. He is also responsible for ensuring regulatory compliance of the Company. The authority of the appointment of the Head of Audit and Internal Control is vested on the Board.

COMMUNICATION WITH SHAREHOLDERS

The Company provides a balanced level of communication between the Company and its Stakeholders. The Company has a Board and Share Department to communicate with the Stakeholders. Shareholders may communicate with this Department at any time for any sort of information and query. The Company disseminates its all-Price Sensitive Information (PSI) within 30 minutes of the decision to the BSEC and the Stock Exchanges under the signature of Managing Director or Company Secretary through fax/e-mail and by special messenger, and through courier services in special cases and immediately publishes the same in 2 newspapers (one Bengali & one English) and one any on line portal. The shareholders are provided routine services by the Company Secretary in the matters of CDBL RT-14, reporting to IDRA, BSEC, DSE and CSE, payment of dividend, reissue of dividend warrant when warrants expire in the hand of shareholders, issue of certificates on tax deduction from dividend etc.

FINANCIAL REPORTING AND TRANSPARENCY

Financial Statements have been prepared in line with the International Accounting Standards, Securities of Exchange Rules-1987 and relevant Rules and Regulation as applicable in Bangladesh. The Company keeps constant supervision on submission of Quarterly, half yearly and annual financial statements with comprehensive details to the respective authorities. As per BSE Corporate Governance Code dated 3 June 2018 and International Accounting Standard (IAS 34) the interim financial reports are intended to provide an update on the quarterly financial statements audited or unaudited.

DISCLOSURE ON AUDITORS' ENGAGEMENTS: as per CGC, Clause-7

M/s. Mahfel Huq & Co., Chartered Accountants is the external/statutory auditor of the Company for

the year 2024. They carry out systematic examination of books and records of the Company and ascertain, verify and report upon the facts regarding the financial operation and the results of the Company. To comply with the corporate governance properly; the Company did not engage its statutory auditors to perform the following services:

- Appraisal or valuation services or fairness opinion
- Financial Information System design and implementation
- Bookkeeping or other service related to the accounting records or financial statements
- Broker-dealer services
- Internal Audit Services
- Any other service that the Audit Committee determines
- Tax Consultancy
- No partner or employees of the external audit firms shall possess any share of the Company; they audit at least during the tenure of the audit assignment of the Company.
- Certification services on compliance of corporate governance. External/Statutory auditors are appointed by the shareholders in the Annual General Meeting and fix their remuneration thereof;

M/s. Abdul Hannan & Co, Cost Accountants & Management Consultants is the Compliance auditors of the Company for the year 2024. As per BSEC notification they are not engaged in other services related with the Company including Scrutinizer of the Annual General Meeting.

M/s. Hossain & Hossain, Chartered Accountants, is the Compliance auditors of the Company for the year 2024. As per Insurers Corporate Governance Guidline 2023 of IDRA, they are not engaged in other services related with the company.

SHAREHOLDER MEETINGS

The Company values and places great emphasis on shareholder meetings. The Annual General Meetings allow the Board and management to connect with shareholders and get their feedback on the performance and governance of the business. The Company ensures timely and adequate notices and disclosures for all shareholder meetings.

OUR CORPORATE RESPONSIBILITY PRINCIPLES

- Commitment to conduct business in an honest, ethical and lawful manner. A Code of Conduct guides ethical decisions for all members of the

Board, which dictates our ethical behavior and manifests our value system that promotes business transparency and builds shareholder trust.

- Commitment to protect the health and safety of our members, the environment, and our communities.
- Commitment to provide a workplace where all employees can fulfill their potential based on merit and ability.
- To transform sustainably the lives of all those we touch by nurturing and empowering them to maximize their true potential, this is reflected in our commitment to sustainable development and to constantly add value for our shareholders, employees, and society.
- Create value for our stakeholders while continually improving our performance as a good corporate citizen with active engagement in CSR activities

FINANCIAL REPORTING

The pillar of a successful information structure crucial for any organization is its financial reporting system. The Company has a robust financial reporting procedure with all financial statements made by International/Bangladesh Financial Reporting Standards (IFRS/ BFRS), Companies Act, 1994, Securities and Exchange Rules, 1987, and other applicable financial legislation. Financial data is captured from the financial reports segment of the enterprise resource planning system. Financial statements are reviewed by the CFO, CEO and Audit Committee regularly. In addition, external auditors examine the financial reports by local financial reporting policies and Company procedures. Upon completion of internal scrutiny, financial statements are placed before the Board for final review and approval.

STATUTORY AUDIT

Based on the Audit Committee's suggestions, the Board endorses the appointment of an auditor upon shareholders' approval at the Annual General Meeting. The appointment of the statutory auditor is regulated by the Companies Act, 1994, Securities & Exchange Rules, 1987, and BSEC Codes of Governance, 2018. Shareholders not only approve the appointment of the statutory auditor but also fix their remuneration. As per the BSEC order, a statutory auditor cannot remain in office for three consecutive years. Therefore, NICL maintains the complete independence of the statutory auditor. Before submitting the financial statements to the Board for approval, the Audit Committee meets with the statutory auditor to ensure the statutory

auditor's independence.

Further, to ensure adequate regulatory alignment, a Compliance Certificate is obtained from a licensed practicing professional who certifies based on his audit that the Company has duly complied with all the regulatory requirements, as stipulated in the CG Code of Bangladesh Securities and Exchange Commission (BSEC). Such a report is presented to the shareholders and forms a part of the Company's

Annual Report. The appointment of the compliance auditor is also subject to the approval of shareholders at the Annual General Meeting.

TRANSPARENT DISCLOSURES

Financial statements are prepared following the various applicable laws and regulations, some of which include:

- International/Bangladesh Financial Reporting Standards (I/BFRS)
- Companies Act, 1994
- Securities and Exchange Rules, 1987
- BSEC directives (issued from time to time)

The management is responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error. Accounting estimates are made which are rational as per circumstances, with use of correct accounting policies and interpretations. The reports are then reviewed accordingly by respective authorities on a regular basis. The external auditor attends the Audit Committee meetings to review the quarterly financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Company policies.

The Board reviews the financial statements of the Company at the end of every quarter. The quarterly financial statements, along with the notes, are published in two leading daily newspapers, as well as on the Company's website. Furthermore, half-yearly and annual financial statements are also dispatched to all shareholders on a timely basis. Directors prepare the Directors Report, which is an essential part of the Annual Report, as it discloses the financial performance as well as non-financial information regarding the Company's growth, productivity,

responsibilities and other information, in compliance with BSEC notification. The Company also abides by the applicable regulations in respect to price sensitive information (PSI).

WELL-DEFINED SHAREHOLDERS' RIGHTS

For managing successful and productive relationships with shareholders, it is imperative to reinforce the importance of maintaining transparency and accountability. The Board ensures through the Company Secretary that shareholders of the Company are treated justly and honorably, and their rights are firmly protected. The Company Secretary is the bridge between shareholders and the Company's Board of Directors, delivering services to its valued shareholders and conforming to applicable laws and Articles of Association of the Company to safeguard the well defined rights of shareholders. Shareholders are routinely informed on all material developments on all significant issues and changes in business, catering to the continuous requirement of disclosures so that

shareholders can make informed decisions. Overall, at NICL, we uphold our commitment to good corporate governance and pledge to continue to work in meeting the best interests of our shareholders and all other stakeholder groups.

Yours Faithfully,



Md. Mijanur Rahman FCS
AMD & Company Secretary

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

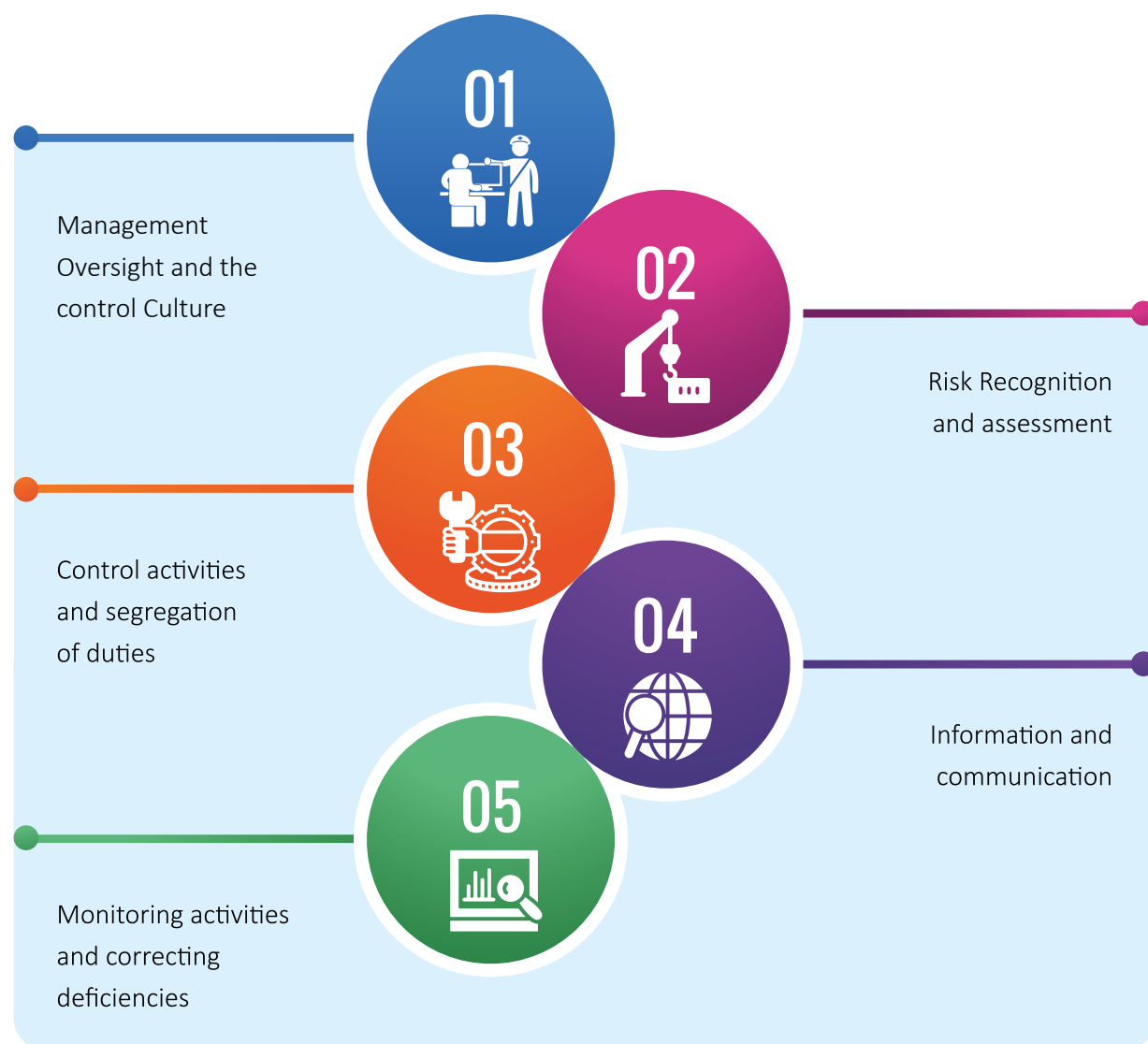
entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

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:

Management and Audit Committee/ Auditor's comments/ assurance on the Internal Controls of the organization



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 of 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 risk, 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 NICL 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 NICL'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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

INTERNAL CONTROL, FINANCIAL REPORTING AND CORPORATE GOVERNANCE

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the Company keeps proper books of accounts of all the transactions and prepare financial statements, which give a true and fair view of the state of its affairs and profit/ loss for the year.

The Board of Directors accept responsibility for the integrity and objectivity of the financial statements. It ensures that the estimation and judgment relating to the financial statements were made on a prudent and reasonable basis so that they reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's true state of affairs.

The Board of Directors confirm that the International Financial Reporting Standard (IFRS) and International Accounting Standards, as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts.

The Board also confirms that the Company keeps accounting records, which discloses with reasonable accuracy, the financial position of the Company, and which enables it to ensure that the financial statements comply with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 1987, the requirements of the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958, and Listing Regulations of Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC and amendments thereto.

RESPONSIBILITY FOR INTERNAL CONTROL SYSTEMS

To ensure this, the Company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The internal control and compliance department of the Company conducts periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

RESPONSIBILITY FOR CORPORATE GOVERNANCE

At NICL, we view the governance and oversight of our distinctive business model and prudent strategy as key to the ongoing creation and delivery of value to our stakeholders, particularly in an economic environment that remains both uncertain and challenging.

At our Company, the Board's primary role is to

provide leadership, ensure that it is appropriately managed and deliver long-term shareholder's value. It also sets the Company's strategic objectives and provides direction as a whole. A number of key decisions are reserved for and may only be made by the Board, which enables it and the executive management to operate within a clear governance framework.

At NICL, we have also established and embraced - both in letter and spirit - our Code of Conduct, signed by each and every member as an acceptance to adhere to the principles of the Code during all business dealings. The Code also sets out guidance on the best practices in the form of principles and provisions on how we should adopt and follow good governance practices. It has been the Board's view that the Company's governance regime has been fully compliant with the best practices set out in the Code during the year under review.

OPINION OF EXTERNAL AUDITORS

The statutory auditors of the Company, Mahfel Huq & Co., Chartered Accountants, have carried out annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data, minutes of shareholders and Board meetings, relevant policies and expressed their opinion.

Moreover, in compliance with the conditions of the revised Corporate Governance Code (CGC)-2018 issued by Bangladesh Securities and Exchange Commission (BSEC) and Corporate Governance Guideline-2023 for Insurance Companies issued by IDRA, M/S Abdul Hannan & Co. Cost Mgt Accountants, Chartered Secretaries Firm, have examined the compliance with the said conditions/guidelines of Corporate Governance and certified that Nitol Insurance Company Ltd has complied with the conditions of Corporate Governance Code/Guideline stipulated in the above mentioned notification.

The auditors have also followed the notifications issued by the Bangladesh Securities and Exchange Commission (BSEC) and other regulatory bodies in relation to the Company's financial reports and disclosures. M/S Hossain & Hossain, Chartered Accountants have Examined the Compliance of IDRA and Certified that Nitol Insurance Company Limited has Complied with the Insurer Guideline of IDRA-2023

DIVIDEND DISTRIBUTION POLICY

This policy will be applicable to Nitol Insurance Company Limited (NICL). This policy is for payment of dividend to shareholders of the company.

The Company pays dividends in BDT. Future dividends will depend on a variety of factors including NICL's earnings, financial condition, applicable capital and solvency requirements, prevailing financial market conditions and the general economic environment. Proposals for dividend payments are made at the discretion of the Board of Directors and are submitted for approval to the Shareholders' Meeting (AGM). The dividend proposed by the Board of Directors in any particular year may vary considerably depending on a variety of factors (as noted above) which may have an impact on this target from one year to another. In assessing the dividend to be paid in any given year, Management tries to strike the appropriate balance between (i) prudent capital management, (ii) reinvestment of previous results to support business development and (iii) an attractive dividend for shareholders.

The Board of Directors recommend/declare and distribute dividend as per the provisions of Companies Act, 1994, Articles of Association of the Company and BSEC's guidelines/ notifications.

- (i) Interim dividend will be paid to the entitled shareholder within 30 days of record date.
- (ii) Final dividend will be paid within 30 days of approval of shareholders at the Annual General Meeting.
- (iii) The Company shall ensure that the amount of cash dividend shall be deposited in a scheduled bank in a separate account within stipulated time specified by the regulators and pay directly to the bank account of entitled shareholder as available in BO account maintained with Depository Participant (DP) or provided by shareholder in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN). In case of margin loan, cash dividend will be paid off to Consolidated Customers' Bank Account (CCBA) as provided by the merchant banker or portfolio manager within stipulated time prescribed by the Company.
- (iv) Undistributed/unclaimed cash dividend shall be deposited in a scheduled bank in a separate

account and dividend including interest thereon for a period of 3 years the declaration or approval shall be transferred to the fund as directed or prescribed by BSEC.

- (v) The Company shall credit stock dividend or bonus shares directly to the BO account or issue bonus share certificate of the entitled shareholder, as applicable, within 30 days of declaration or approval, as the case may be, subject to clearance of the Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC and Central Depository Bangladesh Ltd (CDBL).
- (vi) Undistributed bonus shares shall be held in a Suspense BO account under Block Module with CDBL and unclaimed bonus shares for a period of 3 years from the date of declaration or approval shall be transferred in dematerialized form to the BO account as directed or prescribed by BSEC.
- (vii) 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.
- (viii) The company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

The Board shall review this policy on annual basis or as and when required by the law. The Board is authorized to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 1994 and BSEC's Regulations/Notification or Guidelines etc.. In the event of any conflict between the provisions of this Policy and of the Companies Act, 1994 or Listing Regulations or BSEC's guidelines or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, or rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy. The Company shall make appropriate disclosures as required under the BSEC's guideline/directive dated 14 January 2021.



STATEMENT OF GOING CONCERN AND LIQUIDITY MANAGEMENT

Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue its operation for the foreseeable future. The significance of this principle becomes apparent when the value of a running business is compared with the value of one being liquidated.

The moment a business is declared liquidated, all debts become immediately due in full, tangible assets are worth only what they will be sold for in an auction or force-sale, and the intangible assets (such as goodwill) become worthless. In the financial statements we have presented the position and it is ensured that all reasonable steps have been taken to continuing the company as a going concern and also continuity of business unit principle.

Accounts have been prepared based on the going concern concept to present a realistic financial reports. Without the 'going concern' concept, financial statements would have to be prepared on break-up basis.

As a Non-life insurance Company, our core business generates liquidity primarily through premium income. NICL's exposure is to liquidity risk steps mainly from two sources: the need to cover potential extreme loss events and regulatory constraints that limit the flow of funds within the Company.

The Company is maintaining an overall assets

liquidity profile that exceeds requirements to fund potential liabilities under adverse scenarios. NICL also actively manages and monitors the matching of asset positions against its commitments, together with the diversification and credit quality of its investments against established targets.

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

NICL has actively managed the liquidity risks to ensure that we can satisfy the financial obligation of the Company. Company's most of the amount are invested in the form of FDR, purchase office space and also a huge cash balances. The NICL liquidity stress test are reviewed regularly and the Company's Audit Commi ee approve their main assumptions in the time successfully.

The Company's liquidity remained strong with to total cash inflows of Tk. 534,623,791.00 in 2024 against Tk. 541,267,026.00 in 2023. The Total cash and cash equivalents as at the end of 2023 is Tk. 40,731,215.00 against Tk. 22,467,191.00 in 2024.

COMPLIANCE CERTIFICATE



A. Hannan & Co.
Cost & Management Accountants

Operation Office:
Road # 03, House No # 157 (2nd Floor)
DOHS Mohakhali, Dhaka-1206

Independent Compliance Report on Corporate Governance for the Year Ended December 31, 2024
Nitol Insurance Company Limited

Introduction

We have examined the compliance status of Nitol Insurance Company Limited with the Corporate Governance Code as stipulated in the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, for the year ended December 31, 2024. The responsibility for compliance with the Code rests with the Company's management. Our examination was limited to reviewing the procedures and implementations adopted by the management to ensure adherence to the Code's requirements.

Scope of Examination

Our assessment included:

1. Scrutiny and verification of compliance with the Corporate Governance Code issued by BSEC.
2. Evaluation of adherence to the Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB), insofar as they align with the Code.
3. Verification of whether proper books and records have been maintained as per the Companies Act 1994, securities laws, and other applicable regulations.

Basis of Opinion

We obtained all necessary information and explanations required for our examination. Based on our due scrutiny and verification, we hereby report the following:


Opinion

- a) Compliance with Corporate Governance Code: In our opinion, the Company has complied with the conditions of the Corporate Governance Code as stipulated in the aforementioned BSEC notification.
- b) Adherence to Bangladesh Secretarial Standards (BSS): The Company has complied with the provisions of the relevant BSS issued by ICSB, as required under the Code.
- c) Maintenance of Books and Records: Proper books and records have been maintained by the Company in accordance with the Companies Act 1994, securities laws, and other relevant legal and regulatory requirements.
- d) Governance Framework: The governance practices of the Company are satisfactory and in line with the prescribed standards.

Conclusion

Based on our examination, we confirm that Nitol Insurance Company Limited has adhered to the Corporate Governance Code, BSS, and statutory requirements for the year ended December 31, 2024.

Place: Dhaka
May 27, 2025


Md. Abdul Hannan FCMA
Enrollment No. 0926

Corporate Office: G.P.Ja-166 (2nd Floor), T&T School Road, Mohakhali Wireless, Gulshan, Banani, Dhaka-1212
Mobile: 01712 29 21 98, **E-Mail:** ahannanco@gmail.com, info@ahannanco.org, **Website:** www.ahannanco.org

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018, issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

Condition No.	Title	Compliance Status		Remarks If any
1.	Board of Directors			
1 (1)	Size of the Board of Directors 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).	-	Complied	The NICL Board is comprised of 8 Directors.
1 (2)	Independent Directors			
	All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following	-	Complied	There are 2 (Two) independent Directors in NICL Board.
1 (2) (a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	-	Complied	
1 (2) (b)	Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director			
1 (2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	-	Complied	The Independent Directors are not holding 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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	-	Complied	
1 (2) (b) (iii)	who has not been an executive of the company in immediately preceding 2(two) financial years;	-	Complied	
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	-	Complied	
1 (2) (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	-	Complied	
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	-	Complied	
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;	-	Complied	
1 (2) (b) (viii)	who is not independent director in more than 5 (five) listed companies;	-	Complied	
1 (2) (b) (ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and	-	Complied	
1 (2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	-	Complied	
1 (2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	-	Complied	The appointments made by the board and duly approved at AGM
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	-	Complied	
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: 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]: Provided further that the independent director shall not be subject to retirement by rotation as per the (কোম্পানি আইন 1994, 1994 সনের 18 নং আইন) (Company act 1994)	-	Complied	
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;	-	Complied	The qualification and background of IDs justify their abilities as such.

Condition No.	Title	Compliance Status		Remarks If any
1 (3) (b)	Independent director shall have the following qualifications:			
1 (3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	-	Complied	The qualification and background of IDs justify their abilities as such.
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	-	Complied	
1 (3) (b) (iii)	Former or existing 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: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	-	Complied	
1 (3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	Complied	
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;	-	Complied	
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	-	Complied	
1 (3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	Complied	Not Applicable (No Special Case arose)
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;	-	Complied	
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;	-	Complied	
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	-	Complied	
1 (4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	-	Complied	
1 (4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	Complied	
1 (5)	The Directors' Report to Shareholders the Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994): -			
1 (5) (i)	An industry outlook and possible future developments in the industry;	-	Complied	
1 (5) (ii)	The segment-wise or product-wise performance;	-	Complied	
1 (5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	-	Complied	
1 (5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	-	Complied	
1 (5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	Not Applicable
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	-	Complied	
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	-	Complied	
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
1 (5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	-	Complied	
1 (5) (x)	A statement of remuneration paid to the directors including independent directors;	-	Complied	

Condition No.	Title	Compliance Status		Remarks If any
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;	-	Complied	
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained	-	Complied	
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	-	Complied	
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;	-	Complied	
1 (5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	-	Complied	
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;	-	Complied	
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;	-	Complied	
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;	-	Complied	
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	-	Complied	
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	Complied	
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;			
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	-	Complied	
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: -	-	Complied	
1 (5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);			Not Applicable
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)	-	Complied	
1 (5) (xxiii)(c)	Executives; and			
1 (5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	-	Complied	
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -	-	Complied	
1(5)(xxiv)(a)	a brief resume of the director			
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	-	Complied	
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	-	Complied	
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:	-	Complied	
1(5)(xxv)(a)	accounting policies and estimates on for preparation of financial statements;	-	Complied	
1(5)(xxv)(b)	changes in accounting policies and estimates on, 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;	-	Complied	
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;	-	Complied	
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	-	Complied	
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	-	Complied	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	-	Complied	
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;	-	Complied	

Condition No.	Title	Compliance Status		Remarks If any
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	-	Complied	
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.	-	Complied	
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;	-	Complied	
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.	-	Complied	
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
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).	-		Not Applicable
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);	-	Complied	
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;	-	Complied	
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: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	-	Complied	
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	-	Complied	
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).	-	Complied	No such event occurred.
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: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	-	Complied	
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:	-	Complied	
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	-	Complied	
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;	-	Complied	
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;	-	Complied	

Condition No.	Title	Compliance Status		Remarks If any
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	-	Complied	
4	Board of Directors' Committee. - For ensuring good governance in the company, the Board shall have at least following subCommittees:			
4 (i) (i)	Audit Committee; and	-	Complied	
4 (ii) (ii)	Nomination and Remuneration Committee.	-	Complied	
5	Audit Committee. -			
5(1)	Responsibility to the Board of Directors.	-	Complied	
5 (1) (a)	The company shall have an Audit Committee as a sub-Committee of the Board;	-	Complied	
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;	-	Complied	
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.	-	Complied	
5 (2)	Constitution of the Audit Committee			
5 (2) (a)	The Audit Committee shall be composed of at least 3(three) members;	-	Complied	
5 (2) (b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	-	Complied	
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;	-	Complied	
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 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-	Complied	
5 (2) (e)	The company secretary shall act as the secretary of the Committee;	-	Complied	
5 (2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	-	Complied	
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;	-	Complied	
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.	-	Complied	
5 (3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	-	Complied	
5 (4)	Meeting of the Audit Committee	-	Complied	
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;	-	Complied	
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.	-	Complied	
5 (5)	Role of Audit Committee the Audit Committee shall: -			
5 (5) (a)	Oversee the financial reporting process;	-	Complied	
5 (5) (b)	monitor choice of accounting policies and principles;	-	Complied	
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;-	-	Complied	
5 (5) (d)	oversee hiring and performance of external auditors;	-	Complied	
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;	-	Complied	
5 (5) (f)	review along with the management, the annual financial statements before submission to the Board for approval;	-	Complied	

Condition No.	Title	Compliance Status		Remarks If any
5 (5) (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	-	Complied	
5 (5) (h)	review the adequacy of internal audit function;	-	Complied	
5 (5) (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	-	Complied	
5 (5) (j)	review statement of all related party transactions submitted by the management;	-	Complied	
5 (5) (k)	review Management Letiers or Letier of Internal Control weakness issued by statutory auditors;	-	Complied	
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	-	Complied	
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: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	-	-	Not Applicable
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.	-	Complied	
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 (6) (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 subCommittee of the Board;	-	Complied	
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;	-	Complied	
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).	-	Complied	
6 (2)	Constitution of the NRC			
6 (2) (a)	The Committee shall comprise of at least three members including an independent director;	-	Complied	
6 (2) (b)	At least 02 (two) members of the Committee shall be non-executive directors;	-	Complied	
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board;	-	Complied	
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee;	-	-	
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.

Condition No.	Title	Compliance Status		Remarks If any
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 event occurred.
6 (2) (g)	The company secretary shall act as the secretary of the Committee;	-	Complied	
6 (2) (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-	Complied	
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.	-	Complied	
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;	-	Complied	
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 event occurred.
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 member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	-	Complied	
6 (4)	Meeting of the NRC			
6 (4) (a)	The NRC shall conduct at least one meeting in a financial year;	-	Complied	
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such event occurred.
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);	-	Complied	
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.	-	Complied	
6 (5)	Role of the NRC			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-	Complied	
6 (5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	Complied	
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 13 the remuneration of the directors, top level executive, considering the following:	-	Complied	
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;	-	Complied	
6 (5) (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	Complied	
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;	-	Complied	
6 (5) (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	Complied	
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;	-	Complied	
6 (5) (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	-	Complied	
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	-	Complied	
6 (5) (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	-	Complied	
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.	-	Complied	
7	External or Statutory Auditors. -	-	Complied	
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			

Condition No.	Title	Compliance Status		Remarks If any
7 (1) (iii)	book-keeping or other services related to the accounting records or financial statements;	-	Complied	
7 (1) (iv)	broker-dealer services;	-	Complied	
7 (1) (v)	actuarial services;	-	Complied	
7 (1) (vi)	internal audit services or special audit services;	-	Complied	
7 (1) (vii)	any service that the Audit Committee determines;	-	Complied	
7 (1) (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	-	Complied	
7 (1) (ix)	any other service that creates conflict of interest.	-	Complied	
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; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	-	Complied	
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.	-	Complied	
8 (1)	The company shall have an official website linked with the website of the stock exchange.	-	Complied	
8 (2)	The company shall keep the website functional from the date of listing.	-	Complied	
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).	-	Complied	
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 shall such certificate shall be disclosed in the Annual Report.	-	Complied	
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.	-	Complied	
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.	-	Complied	



বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ কর্তৃক জারিকৃত বীমাকারীর কর্পোরেট গভর্ন্যান্স গাইডলাইন রিপোর্ট

আমরা বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ ১৯ অক্টোবর ২০২৩ তারিখে জারিকৃত “বীমাকারীর কর্পোরেট গভর্ন্যান্স গাইডলাইন” অনুসারে নিটল ইস্যুরেন্স কোম্পানী লি. এর ৩১ ডিসেম্বর ২০২৪ তারিখে সমাপ্ত বছরের কর্পোরেট গভর্ন্যান্স এর সার্বিক পরিস্থিতি পর্যবেক্ষণ করেছি। উক্ত কর্পোরেট গভর্ন্যান্স পরিপালন করা মূলতঃ সংশ্লিষ্ট কোম্পানীর দায়িত্ব। আমাদের পর্যবেক্ষণ শুধুমাত্র কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক কর্পোরেট গভর্ন্যান্স নিশ্চিত করার জন্য প্রদেয় তথ্যের ভিত্তিতে সম্পাদন করা হয়েছে। কোম্পানী প্রদত্ত তথ্যসমূহ যাচাই-বাছাই পূর্বক আমরা এই মর্মে প্রত্যয়ন করছি যে -

১. নিটল ইস্যুরেন্স কোম্পানী লি. বীমা আইন ২০১০ এর ধারা ৭৬(১)এর বিধানাবলীর আলোকে পরিচালক পর্ষদে পরিচালকের সংখ্যা সংক্রান্ত শর্তটি যথাযথভাবে প্রতিপালন করেছে এবং এর পরিচালনা পর্ষদের সংখ্যা মোট আট(৮)।

২. নিটল ইস্যুরেন্স কোম্পানী লি. পরিচালকের নিয়োগ ও পুনঃনিয়োগের ক্ষেত্রে গাইডলাইনের ৬.২ ধারা অনুসারে বীমা আইন, ২০১০ এবং এতদসংশ্লিষ্ট বিধি-বিধান ও কর্তৃপক্ষের নির্দেশনা অনুসরণ করেছে। এছাড়া পরিচালক(গণ) এর দায়িত্ব পালনের সক্ষমতা সুনিশ্চিত করার জন্য এই গাইডলাইনের ধারা ৬.২(ক)(১), ৬.২(ক)(২), ৬.২(ক)(৩), ৬.২(ক)(৪), ৬.২(ক)(৫) যথাযথভাবে প্রতিপালন করেছে মর্মে কোম্পানী আমাদের নিশ্চিত করেছে। উক্ত কোম্পানী বীমা আইন ২০১০ এর ধারা ৭৯ অনুসারে পরিচালনা পর্ষদের সভাপতি ও সহ-সভাপতি নির্বাচিত করেছে এবং গাইডলাইনের ৬.২(খ)(১), ৬.২(খ)(২), ৬.২(খ)(৩), ৬.২(খ)(৪) ধারাগুলিও অনুসরণ করেছে।

৩. এছাড়াও উক্ত কোম্পানি নিরপেক্ষ পরিচালক নিয়োগের ক্ষেত্রে ৬.৩(ক)(১), ৬.৩(ক)(২), ৬.৩(ক)(৩), ৬.৩(ক)(৪), ৬.৩(ক)(৫), ৬.৩(ক)(৬), ৬.৩(ক)(৭), ৬.৩(ক)(৮), ৬.৩(ক)(৯) ধারাগুলি যথাযথভাবে প্রতিপালন করেছে মর্মে আমাদের নিশ্চিত করেছে। গাইডলাইনের ৬.৩(খ)(১), ৬.৩(খ)(২), ৬.৩(গ)(৩) ধারাগুলিও কোম্পানীটি প্রতিপালন করেছে। উক্ত কোম্পানী নিরপেক্ষ পরিচালকের যোগ্যতা ও অভিজ্ঞতার বিষয়ে ধারা ৬.৩(গ)(১), ৬.৩(গ)(২), ৬.৩(গ)(৩), ৬.৩(গ)(৪), ৬.৩(গ)(৫), ৬.৩(গ)(৬) যথাযথভাবে প্রতিপালন করেছে মর্মে আমাদের নিশ্চিত করেছে।

৪. নিটল ইস্যুরেন্স কোম্পানী লি. ধারা ৬.৪ এ বর্ণিত বীমাকারীর দীর্ঘমেয়াদি লক্ষ্য অর্জনে প্রয়োজনীয় নীতিসমূহ ও কর্পোরেট গভর্ন্যান্স কাঠামো তৈরীর শর্তগুলিও যথাযথভাবে প্রতিপালন করেছে। এছাড়াও, উক্ত কোম্পানী ধারা ৬.৫ এ বর্ণিত পরিচালনা পর্ষদের চেয়ারম্যান, সদস্য, কোম্পানীর মূখ্য নির্বাহী কর্মকর্তাসহ সকল কর্মকর্তা/কর্মচারীর জন্য একটি আচরণ নীতিমালা ও প্রণয়নের শর্তাবলি যথাযথভাবে পালন করেছে।

৫. নিটল ইস্যুরেন্স কোম্পানী লি. ৭.১(১), ৭.১(২), ৭.১(৩), ৭.১(৪), ৭.১(৫) মোতাবেক অডিট কমিটি, মনোনয়ন এবং সম্মানী/পারিশ্রমিক কমিটি, বিনিয়োগ কমিটি, ঝুঁকি ব্যবস্থাপনা কমিটি এবং গ্রাহক সুরক্ষা ও অভিযোগ প্রতিকার কমিটি প্রণয়ন করেছে।

৬. নিটল ইস্যুরেন্স কোম্পানী লি. এর ধারা ৭.২(ক), ৭.২(খ), ৭.২(গ), ৭.২(ঘ), ৭.২(ঙ), ৭.২(চ), ৭.২(ছ) মোতাবেক পর্ষদের সাব-কমিটি হিসাবে অডিট কমিটি রয়েছে এবং সে অনুযায়ী কমিটির চেয়ারপার্সন, সভা এবং ভূমিকাসহ সকল কার্যক্রম পরিচালিত হচ্ছে।





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৭. নিটল ইন্স্যুরেন্স কোম্পানী লি. এর পরিচালনা পর্ষদের একটি উপ কমিটি হিসাবে সিনিয়র ম্যানেজমেন্টসহ সকল-কর্মকর্তা কর্মচারীর যোগ্যতা, দক্ষতা, অভিজ্ঞতা, স্বকীয়তা নির্ধারণ এবং তাদের পারিশ্রমিক/সম্মানী/বেতনের (যেখানে যেটি প্রযোজ্য) মানদণ্ড/নীতি প্রণয়নে পরিচালনা পর্ষদকে প্রয়োজনীয় সহায়তা প্রদানের জন্য মনোনয়ন এবং পারিশ্রমিক কমিটি (NRC) রয়েছে। কোম্পানী ধারা ৮(ক), ৮(খ), ৮(গ), ৮(ঘ), ৮(ঙ) এ বর্ণিত নির্দেশনা মোতাবেক মনোনয়ন এবং সম্মানী/পারিশ্রমিক কমিটির চেয়ারপার্সন, সভা এবং ভূমিকা সংক্রান্ত ধারাগুলি যথাযথভাবে প্রতিপালন করেছে।

৮. নিটল ইন্স্যুরেন্স কোম্পানী লি. ধারা ৯(ক), ৯(খ), ৯(গ) এ বর্ণিত বিনিয়োগ কমিটির গঠন, সভা এবং ভূমিকা সংক্রান্ত ধারাগুলি যথাযথভাবে প্রতিপালন করেছে।

৯. নিটল ইন্স্যুরেন্স কোম্পানী লি. ধারা ১০(ক), ১০(খ), ১০(গ)(১), ১০(গ)(২), ১০(গ)(৩), ১০(গ)(৪), ১০(গ)(৫), ১০(গ)(৬), ১০(গ)(৭) - এ বর্ণিত ঝুঁকি ব্যবস্থাপনা কমিটির গঠন, সভা এবং ভূমিকা সংক্রান্ত ধারাগুলি যথাযথভাবে প্রতিপালন করেছে।

১০. নিটল ইন্স্যুরেন্স কোম্পানী লি. ধারা ১১(ক), ১১(খ)(১), ১১(খ)(২), ১১(খ)(৩), ১১(গ)(১), ১১(গ)(২), ১১(গ)(৩), ১১(গ)(৪), ১১(গ)(৫) এ বর্ণিত গ্রাহক সুরক্ষা ও অভিযোগ প্রতিকার কমিটির গঠন, সভা, এবং ভূমিকা সংক্রান্ত ধারাগুলি যথাযথভাবে প্রতিপালন করেছে।

১১. নিটল ইন্স্যুরেন্স কোম্পানী লি. ধারা ১২(ক), ১২(খ), ১২(গ), ১২.১(ক), ১২.১(খ), ১২.১(গ), ১২.১(ঘ) এবং ১২.২ - এ বর্ণিত উর্ধ্বতন ম্যানেজমেন্ট এবং গুরুত্বপূর্ণ কর্মীর নিয়োগ, ভূমিকা ও দায়িত্ব এবং কর্তব্যসমূহ এবং উক্ত দায়িত্ব-কর্তব্যসমূহের স্পষ্টীকরণ ও নির্ধারণপূর্বক প্রত্যেকটি পদের জন্য চার্টার অব ডিউটিস নথিকরণ এবং এর পরিপালন সংক্রান্ত ধারাগুলি যথাযথভাবে প্রতিপালন করেছে।

১২. গাইডলাইনের ধারা ১২.৩(ক), ১২.৩(খ), ১২.৩(গ), ১২.৩(ঘ), ১২.৩(ঙ), ১২.৩(চ) - এ বর্ণিত বিষয়াদি জেনারেল ইন্স্যুরেন্সের জন্য প্রযোজ্য নয়।

১৩. নিটল ইন্স্যুরেন্স কোম্পানী লি. ধারা ১৩ এ অন্যান্য কমিটি হিসাবে বর্ণিত কমিটিগুলো গঠন করেনি।

১৪. নিটল ইন্স্যুরেন্স কোম্পানী লি. ধারা ১৪(১), ১৪(২), ১৪(৩)(ক), ১৪(৩)(খ), ১৪(৩)(গ), ১৪(৩)(ঘ) এ বর্ণিত প্রকাশযোগ্য তথ্য প্রকাশ করে যথাযথভাবে প্রতিপালন করেছে।

১৫. নিটল ইন্স্যুরেন্স কোম্পানী লি. গাইডলাইনের ধারা ১৫(ক), ১৫(খ), ১৫(গ), ১৫(ঘ), ১৫(ঙ), ১৫(চ), ১৫(ছ), মোতাবেক বীমাকারীর সঠিক ব্যবস্থাপনা ও পরিকল্পনা এবং বীমাকারী ও স্টেকহোল্ডারদের স্বার্থ রক্ষা নিশ্চিত করার জন্য নির্দিষ্ট পদ্ধতিতে স্বার্থ সংশ্লিষ্ট লেনদেনের (Related party transactions) অনুমোদন এবং পরিচালনা করার লক্ষ্যে স্বার্থ সংশ্লিষ্ট লেনদেন (Related party transactions) সনাক্তকরণের জন্য প্রয়োজনীয় সকল বিষয়াদি বিবেচনায় নিয়ে প্রয়োজনীয় নীতিমালা প্রণয়ন করেছে এবং সে অনুযায়ী পরিচালিত হচ্ছে।

১৬. নিটল ইন্স্যুরেন্স কোম্পানী লি. গাইডলাইনের ধারা ১৬ এ বর্ণিত কর্পোরেট সামাজিক দায়বদ্ধতা যথাযথভাবে পালন করেছে।

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CHARTERED ACCOUNTS

১৭. নিটল ইন্স্যুরেন্স কোম্পানী লি. গাইডলাইনের ধারা ১৭(১) অনুযায়ী হুইসেল ব্লোয়িং নীতিমালা প্রণয়ন করেছে।

১৮. নিটল ইন্স্যুরেন্স কোম্পানী লি. গাইডলাইনের ধারা ১৮ মোতাবেক ওয়েবসাইট এ বীমা পরিকল্পনার সুবিধাসহ বিস্তারিত বিবরণ এবং হালনাগাদ প্রয়োজনীয় তথ্য প্রকাশ করা হয়েছে।

১৯. নিটল ইন্স্যুরেন্স কোম্পানী লি. চলতি বছর থেকেই গাইডলাইনের ধারা ১৯ মোতাবেক কর্পোরেট গভর্ন্যান্স বিষয়ক বাৎসরিক প্রতিবেদন কোম্পানীর বার্ষিক প্রতিবেদনে প্রকাশ করে ধারাটি যথাযথভাবে প্রতিপালন করেছে।

আমরা আমাদের প্রয়োজনীয় সকল তথ্য (ব্যাখ্যাসহ) সংগ্রহ করেছি এবং সেগুলো পর্যবেক্ষণ ও পুঙ্খানুপুঙ্খভাবে যাচাই করে, এই মর্মে রিপোর্ট করছি যে, নিটল ইন্স্যুরেন্স কোম্পানী লি. বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ কর্তৃক জারিকৃত “বীমাকারীর কর্পোরেট গভর্ন্যান্স গাইডলাইন” পরিপালন নিশ্চিত করেছে এবং উক্ত কোম্পানীর কর্পোরেট গভর্ন্যান্স সন্তোষজনক।

তারিখ : ০২ জুন ২০২৫।

স্বাক্ষর

মো: আনোয়ার হোসেন এ.সি.এ

অংশীদার

হোসাইন এন্ড হোসাইন

চার্টার্ড অ্যাকাউন্টেন্টস্

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The background is a dark green gradient with vertical columns of binary code (0s and 1s) in a lighter green color. Overlaid on this are large, solid green geometric shapes: a large triangle pointing upwards from the bottom left, and a smaller triangle pointing downwards from the top left. The text 'RISK MANAGEMENT REPORT' is centered in the middle of the page in white, bold, sans-serif capital letters.

RISK MANAGEMENT REPORT

RISK MANAGEMENT REPORT



STATEMENT OF CHIEF RISK OFFICER (CRO)

A series of severe and mutually reinforcing shocks hit the world economy in 2024. The war in Middle East and Ukraine released a new crisis in disrupting food and energy markets, high inflation eroded real incomes and triggered a global cost-of-living crisis, rapid interest rate hikes triggered capital outflows and currency depreciations, and increased balance-of payment pressures and intensified debt sustainability risks.

With the global shocks, Bangladesh economy also faced several unresolved structural issues which include poor tax revenue performance, a fragile banking sector, ineffective public expenditure management, unsuitable trade and industrial policies for economic and export diversification, low FDI, and weak corporate governance. In response to economic issues, insurance sector of Bangladesh has been trying to address new risk aspects along with old others in line with existing as well as new regulatory guidelines. In this backdrop, it can be mentioned here that, Nitol Insurance Company Ltd survived successfully in 2024 and achieved enviable success in all parameters by adopting defined and dynamic strategy.

As a Chief Risk Officer (CRO), I have found NICL stressing through challenging circumstances. The businesses of the Company have been driven with a focus on risk-calibrated profitable growth. Nitol Insurance Company Ltd prudently manage risk by

maintaining a strong risk management culture. The steps taken have enabled the Company to emerge as more dynamic, and this is reflected in the performance of the Company in the year 2024.

AN UPDATE ON OUR KEY RISK PRIORITIES

2024 continued to present a challenging risk landscape, however, we faced this from an intrinsically strong position. Our risk management approach is at the heart of our business and is core to us for achieving sustainable growth and performance. We have made progress on our key priorities, these being:

- (1) **Strengthening the risk culture and conduct:** We remain committed to promoting a healthy risk culture and driving the highest standards of conduct.
- (2) **Continuous enhancement of our information and cyber security (ICS) capabilities and governance:** We have refreshed the ICT Risk Strategy by updating our ICS Target Operating Model to increase focus on accountability, risk ownership, change management and executive empowerment.
- (3) **Managing our environmental, social and governance (ESG) risk:** We continue to advance risk management across the organization with end-to-end reviews of inherent risks and

controls in line with our internal Environmental and Social Risk Catalogue.

(4) Financial Crime Risk: The Company is managing its financial crime risk within acceptable levels, including the Financial Crime Risk Type Framework, Risk and Control Self-Assessments and assurance reviews.

(5) Technology and Innovation: Our technology based capabilities are delivering our strategy of being a digital driven second-line of defense function, supporting first-line driven risk management processes.

CONTEMPORARY AND EMERGENT RISKS

Contemporary Risks refer to themes that may have emerged but are still evolving rapidly and unpredictably, while Emergent Risks refer to unpredictable and uncontrollable outcomes from certain events which may have the potential to adversely impact our business. As part of our continuous risk identification process, we have updated the Company contemporary and emergent repository. Below are anticipated material risk of the Company for the year 2025:

- High inflation
- Global economic downturn
- Expanding array of global tensions
- Emerging markets sovereign risk
- New business structures, channels and competition

RISK MANAGEMENT STRATEGY

- Conduct thematic stress tests and portfolio reviews at a Company, peer, and business level to assess the impact of extreme but plausible events and manage the portfolio accordingly
- Vulnerable sectors are regularly reviewed and exposures to these sectors are managed as part of Credit Risk reviews
- Exposures that may result in material credit impairment and increased risk-weighted assets are closely monitored and managed
- Maximize utilization of Credit Risk mitigation techniques including security/collateral
- We remain vigilant in monitoring geopolitical relationships. Increased scrutiny is applied when on boarding clients in sensitive industries and in ensuring compliance with sanctions
- Close track on emerging trends, opportunities and risk developments in technology that may have implications for the insurance sector
- Strategic partnerships and alliances are being set up with Fintechs to enhance our competitiveness



Mohammad Monirul Islam
Chief Risk Officer



RISK MANAGEMENT FRAMEWORK

In general terms, risk management is the assessment and quantification of the likelihood and financial impact of events that may occur in the customer's world that require settlement by the insurance company; and the ability to spread the risk of these events occurring across other insurance underwriters in the market. Risk management involves managing to achieve appropriate balance between realizing opportunities for gains while minimizing losses. Risk management works typically by involving the application of mathematical and statistical modeling to determine appropriate premium cover and the value of insurance risk. Nitol Insurance Company Limited has overall corporate governance framework and effective systems of risk management. This guideline has been prepared taking into consideration the rules and guidance of Insurance Development and Regulatory Authority (IDRA).

BROADER RISK MANAGEMENT OBJECTIVES

The objective of this guideline is to ensure that Nitol Insurance Company Limited is managed in a sound and prudent manner by having in place systems for identifying, assessing, monitoring, and mitigating the risks that affect their ability to meet their obligations to policyholders.

The risk management practices are aimed to address one or more of these risk management goals as given below:

- Determine the risk profile / appetite of the Company.
- Ensure integration of risk considerations into decision-making processes including promotion of a strong risk management culture supported by a robust risk governance structure.
- Determine the relevant processes and strategies for risk management which include

identification of risks, ongoing measurement and monitoring of risk exposures and ensuring relevant control or risk transfer.

- Develop and monitor mitigation plans for high risk items identified through the self assessment mechanism carried out by respective business functions, loss events and internal / statutory audit findings.
- To ensure adherence to all regulatory mandates as laid down by different regulatory authorities and all critical internal policies / limits.
- Proactive and reactive approach to manage fraud.
- Minimizing reputational risk as identified and assessed as part of a regular assessment and managed on a case-by-case basis.

NICL'S RISK MANAGEMENT POLICY

It is important to not only fulfill regulatory requirements but also improve the financial and operational performance of the Company. The risk management policy has evolved as a key part of the organizational structure. Indeed, it is now more vital for the stability of companies in the long run. Nitol Insurance Company Limited has an all-inclusive outlook on risk management. As a result, all of the activities related to risk management are being driven by the Company's risk management policy, delineating a clear vision for our entire enterprise. The NICL risk management policy covers detailed guidelines for sound risk management. We also adhere to the industry's best practices at the national and international level.

Risk Management Control & Monitor/aspects Of Risk Management Policies/process Of NICL

Nitol Insurance Company Limited takes step in risk management as well as home and abroad considering the followings:

(a) Risk Identification and Measurement

The Company analyzes risk profile to decide what and how much risks are to be retained; taking into consideration its risk appetite and the availability and cost of reinsurance. Department is also mindful of possible gaps in the reinsurance program, resulting in more risks being retained than intended. Another potential material risk is the risk that the reinsurance contract wording does not accurately reflect the intent for the reinsurance cover, or the contract is not legally enforceable. Insurance company may also face credit risk arising from potential defaults by its reinsurers. In addition, they are exposed to liquidity risk in the event of large losses whereby they may have to pay the claims prior to receiving all the reinsurance recoverable.

(b) Risk Control and Mitigation

In designing the reinsurance program, Nitol Insurance Company Limited takes into account relevant factors including business plans and strategies; underwriting philosophy and capabilities; size and profile of each line of business; frequency and size of loss by line of business; geographical distribution of the business; and financial strength. The Company ensures reinsurance contracts cover all applicable lines of business and the limits of cover are adequate. The reinsurance management policy and procedures shall spell out clear criteria for the selection of reinsurers and outline the information that is required to assess the financial soundness of a reinsurer.

(c). Risk Monitoring and Review

The Company monitors that only reinsurers as per reinsurance directive issued by IDRA are used and tracks aggregate exposures to individual reinsurers or groups of related reinsurers against established exposure limits. We monitor the outstanding balances from our reinsurance counterparties and the credit standing of the reinsurers on their panel on an ongoing basis. The Company reviews whether their reinsurance program has, over a period of time, supported their business objectives and strategies, and helped to mitigate their losses within their risk tolerance level. This led to smooth functioning of the core activities as well as reinsurance coverage from home and abroad of the valued clients of the Company.

NICL'S / ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK

At Nitol Insurance Company Limited, our Enterprise Risk Management (ERM) function is in the central to our commitment to unity and proactive risk management. Through continuous monitoring and analysis across various functions, we dynamically respond to internal and external risks and challenges. Integrated with strategic planning, ERM ensures resilience, directly contributing to our sustainable business objectives. Our NITOL team helps to foster risk awareness at every level, safeguarding stakeholders' interest in a changing risk environment.

The risk management framework is applied enterprisewide and consists of three key elements:

- (1) Risk Governance
 - (a) Risk management governance structure
 - (b) Risk management committees
 - (c) Risk culture
- (2) Risk Appetite
- (3) Risk Management Tools

THE DIMENSION / KEY COMPONENTS OF OUR RISK MANAGEMENT FRAMEWORK

Importance of Risk Management taking risk is an integral part of financial intermediation and insurance business. However, failure to adequately access and manage risks may lead to losses endangering the soundness of company and affecting the stability of the overall financial system. Weak risk management is often identified along with weak internal governance as an underlying cause of insurance company's failure. There is a strong link between good corporate governance and sound risk management. It is an essential part of helping the Company to grow and promote sustainability and resilience. The setting of an appropriate risk strategy and risk appetite/ tolerance levels, a holistic risk management approach and effective reporting lines to the management and supervisory functions, enable company to take risks knowingly and treat risks where appropriate.

(a). Risk Culture

The key element of effective risk management of Nitol Insurance Company Ltd is sound and consistent risk culture.

based on a full understanding of the risks it faces and how are managed, considering risk appetite and tolerance. In this regard, we

develop through policies, communication, and training of staff regarding their responsibilities for risk.

(b). Risk Governance & Organization

with the Company's strategies and risk appetite, ensuring a suitable balance between risk and reward to maximize returns for shareholders. To achieve these objectives, the Company relies on its enterprise-wide risk management framework as the foundational structure.

Duties Of The Chief Risk Officer (CRO)

The Chief Risk Officer reports to the Board Risk Management Committee through the Chief Executive Officer (CEO). Risk Management department conducts risk assessment with the assistance of the underwriting department, where new risks are brought for discussion, and thereafter the entire risk universe is re-calibrated with the objective of prioritization for mitigation. An Anti- Money Laundering Policy framed by NICL, which covers the prevention, identification, investigation, and reporting of

fraud is reviewed every year. The Company has declared 'Zero Tolerance' to any non-compliance to the terms and conditions of the Anti-Money laundering policy.

Our risk governance structure is based on the corporate governance guidelines of Insurance Regulatory and Development Authority (IDRA), risk management policy, operational risk management policy and risk appetite framework.

(i) We have three lines of defense:

First line of defense: All functional heads (Risk Owners) **Second line of defense:** Oversight by the Risk Management and Compliance Team **Third line of defense:** Internal Audit Beside this, our risk governance framework is supported by various policies and guidelines at all functional levels.

(ii) Risk Governance Structure of NICL

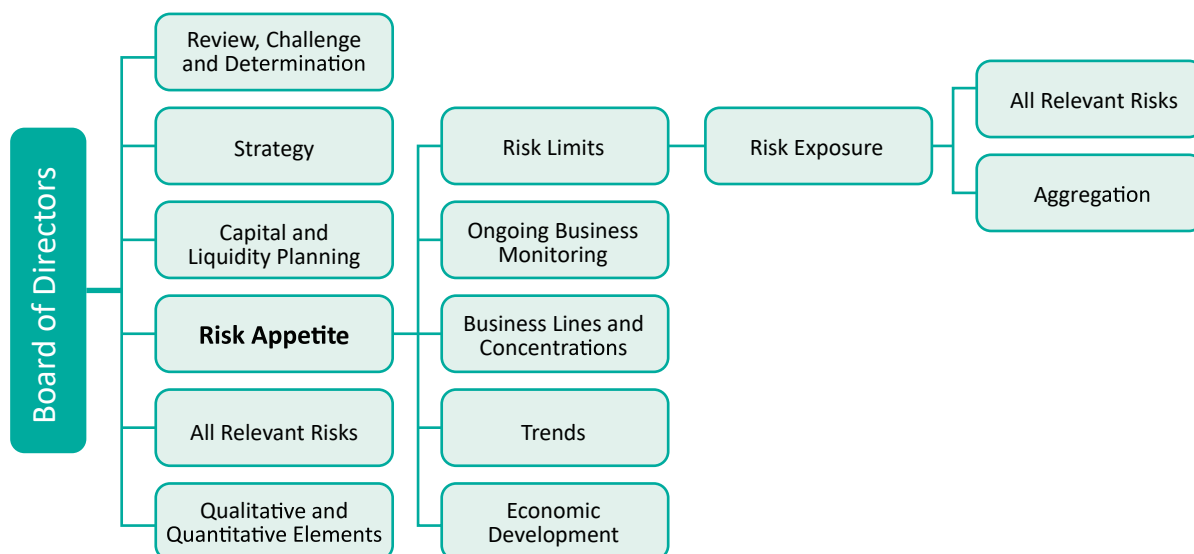
The core objectives of risk management are to align the outcomes of risk-taking activities.

THE CHIEF RISK OFFICER PERFORMS THE FOLLOWING DUTIES:

- Evaluates Company's risk by technical and competitive factors
- Implements policies and procedures to ensure that management operational risks are minimized
- Determines and evaluate a company's risk tolerance
- Creates strategic plans to mitigate risk
- Ensures that the organization complies with regulations and laws
- Generates reports on a company's risks and risk management initiatives
- Quantifies risk limits
- Monitors the progress of risk mitigation activities
- Principal Risks and Uncertainties Faced by the Company
- Information on Risk Mitigation Strategies/Risk Mitigation Methodologies (How to Manage Risks)

(c) Risk Strategy and Risk Appetite

The risk appetite statement plays an important role in cascading the risk strategy through the Company. As per instruction of the IDRA, the Company sends a board approved copy of the same appetite to the IDRA within the prescribed time each year.



(d). Risk Management Tools and Models

In managing investment, market, liquidity, and operational risks, the Company follows the latest six (6) Core Risk Management Guidelines, Stress Testing Guidelines, Recovery Plan and related circulars issued by IDRA. Sound risk management includes different tools and models that are guided by the Company's risk appetite framework and integrated with the Company's strategies and business planning process.



MAJOR RISKS AND UNCERTAINTIES

KEY RISKS/ KEY MATERIAL RISKS

As a general (non-life) insurer, the Company is exposed to a variety of risks. The primary risks are that of frequency of claims as measured by the number of claims in relation to number of policies outstanding and severity of claims as measured by the average amount per claim. The frequency and severity risks vary according to the lines of business.

Key risks include:

RISKS ACCEPTED FROM OUR CUSTOMERS	RISKS FROM OUR INVESTMENTS	RISKS ARISING FROM OUR BUSINESS OPERATIONS
Underwriting Risk In Non-Life Insurance, majority of products are offered for one year period exposing to pricing & reserving risks, underwriting (risk selection), claims experience, risks from lower growth rate for new and renewal business. Product bouquet includes Non-Motor (like Property, Engineering, Marine, Misc. etc.), Motor, Health, Crop and Travel.	Marketing Income from approved investments and safety of investments are important to the Company's ability to be able to meet its obligations towards claims, expenses, etc. and to also meet shareholders expectations. We hence ensure our investment exposures are managed prudently by the investment team through a pre-approved framework/strategy. Balancing our investment risks and rewards exposes us to credit default and market risks (interest rate movements, portfolio value fluctuations and mismatch in assets & liabilities) and Liquidity risks.	Operations Risk Operational risk is the risk of material losses arising from inadequate or failed internal processes, people and systems or external events including legal and regulatory risk. Such Operational failures could impact our ability to effectively service our customers resulting in reputational damage.
Claims Some of the products like workmen's compensation, third party motor claims and liability insurance usually have a long tail claims experience and as per court orders, requires providing for funds accordingly to meet the contractual obligations arising from the policies.	Liquidity Risk Liquidity risk is the inability to pay claims as and when they fall due, on account of insufficient funds or investments tied up in illiquid asset class.	ESG This includes business continuity management and fraud risks.

The Key Risk faced by the Company Broadly the Categorized or below.

RISK TYPE	RISK RESPONSE	MITIGATIONS AND MANAGEMENT
Insurance Risk		
<ul style="list-style-type: none"> • Premium pricing • Reserving • Underwriting • Claims management • Catastrophe • Business mix-acquisition and retention • Capital structure • Solvency • Liquidity 	<ul style="list-style-type: none"> • Channel and Line of Business wise analysis are conducted to monitor business mix • Periodic reserving calculations and assumptions are validated for relevance and accuracy for predicting claims severity and frequency • Portfolio level insurance are preferred in underwriting corporate programs • We maintain adequate Actual Solvency Margin over the regulatory requirement 	<ul style="list-style-type: none"> • Risk segmentation for identifying profitable segments • Monitoring key performance indicators • Specifying deductibles for high risk • Tracking concentration and accumulation • Run Nat Cat models on exposures for different perils • Stringent policy terms & conditions • Appropriate treaty and facultative coverage's in Reinsurance program • Asset-Liability modelling • Stress Testing and Sensitivity analysis for liquidity scenarios • Solvency and Capital Management
Credit Risk		
<ul style="list-style-type: none"> • Default • Reinsurance • Recoveries 	<ul style="list-style-type: none"> • Prudent investment strategy to diversify credit risk exposure • Adequate predictability modelling of future cash inflows and outflows allows us to allocate funds in durations that allow for better return over periods • Reinsurance decisions based on risk retention appetite and capacity determined from business growth plans 	<ul style="list-style-type: none"> • We have a well-diversified investment portfolio and healthy asset quality • Investment limits and thresholds • Assets invested in either sovereign or AAA/ AA rated instruments • Reinsurance protection from reinsurers with good credit rating (B+ and above) • Risks are passed to multiple reinsures in order to avoid accumulation of risk
Market Risk		
<ul style="list-style-type: none"> • Unfavourable movement in interest rates, currency rates and equity • Volatility in market prices • Reinvestment 	<ul style="list-style-type: none"> • Assets and Liabilities of the Company are well matched based on duration • We have exposure to market risk but the expertise of the investment management team and conservative 	<ul style="list-style-type: none"> • Investments are made within the regulatory threshold limits supported by adequate system controls • We have very limited exposure to equity and foreign currency

RISK TYPE	RISK RESPONSE	MITIGATIONS AND MANAGEMENT
	approach to investments that allow the risk to be fairly well managed	<ul style="list-style-type: none"> • Within equity, majority of holdings are in DSE stocks • Majority of the investments comprise of fixed interest securities and within that in Government securities • Adequate liquidity and reserves are maintained • Asset class diversification is also adopted as a strategy to the extent possible
Operational Risk		
<ul style="list-style-type: none"> • People (incl. conduct) • Process • Systems • Regulatory • Legal • Reputation • Business resilience** • Security – Cyber & Data • IT General Controls • Third-Party Frauds • External threats 	<ul style="list-style-type: none"> • Our Code of Conduct and other internal policies and processes set the tone for high level of governance from our staff • We continue to develop system based risk tools in-house moving towards an integrated risk management methodology • To continue to lower operational risk is a priority which allows us to take advantage of latent opportunities whilst curbing preventable losses • We work on preventing frauds through the fraud risk management framework that includes fraud analytics model & tracking mechanism to reduce insurance frauds • All compliance with legal and regulatory related risks are managed through appropriately designed systems and are assessed and monitored continuously at the organizational level to ensure its compliance with respective guidelines • We have a strong Information Technology Governance Controls model to address Technology risks, data and 	<ul style="list-style-type: none"> • Dedicated Operational Risk Management framework for continued Enterprise-wide monitoring and response • Mapping of internal Loss Event database for corrective action and preventive treatment • Event based root cause analysis for design level flaw or operating level failure • Fraud Strategy encompasses Prevention; Detection; Deterrence, Response and awareness plan whilst maintaining an ethical culture and conduct code in investigations • System based triggers for fraud detection and prevention • Help determine Risk Appetite / tolerance limits to develop “alert systems” for senior management • Risks rating based on movements and maturity levels for proactive risk management rather than reactive • Business Continuity Management Systems in place and drills for various scenarios are conducted

RISK TYPE	RISK RESPONSE	MITIGATIONS AND MANAGEMENT
	<p>information security measures and safety mechanisms against cyber threat</p> <ul style="list-style-type: none"> • Our Disaster recovery systems and processes are periodically tested for relevance and effectiveness, through recovery drills • We select our vendors based on their resiliency to support us in ensuring we meet and exceed customer expectations • We attend to customer issues promptly through our customer focus channels • We transfer specific insurable risks to the insurance market for adequate coverage's and optimal premium. 	<ul style="list-style-type: none"> • We have an offsite disaster recovery center for its data backups • We assess our counterparties and key vendors to avoid disruption and help them inculcate best internal control practices • All compliance with legal and regulatory requirements are monitored centrally through a designated compliance function and are assessed and monitored continuously at the organizational level to ensure its compliance with respective regulations • Teams monitor chatter across various media channels including print, social media etc. to identify any statements/ comments/ etc. which are potentially damaging to our reputation • Cyber threats are monitored proactively by an individual Officer through use of various tools and consultants.



INFORMATION ON RISK MITIGATION STRATEGIES/RISK MITIGATION METHODOLOGIES (HOW TO MANAGE RISKS)

OUR RISK RESPONSE AND MITIGATION STRATEGIES

We have well established risk management team, risk management committee and prescribed policies & procedures from the Board for enterprise level risk management. A set of experienced & talented human capital is working in the risk management process. The Company has adopted a sound Risk Mitigation Approach (RMA) to ensure risk exposures within the Company. Risks of the Company are mitigated consistently in line with the Board-approved risk appetite that supports the Company's strategy. The RMA sets standardized practices to promote accountability and necessary oversight for the effective management of all these risk types. Importance of Risk Management taking risk is an integral part of financial intermediation and insurance business. However, failure to adequately access and manage risks may lead to losses endangering the soundness of Company and affecting the stability of the overall financial system. Weak risk management is often identified along with weak internal governance as an underlying cause of insurance Company's failure. There is a strong link between good corporate governance and sound risk management. It is an essential part of helping the company to grow and promote sustainability and resilience. The setting of an appropriate risk strategy and risk appetite/tolerance levels are, a holistic risk management approach and effective reporting lines to the management and supervisory functions, enable Company to take risks knowingly and treat risks where appropriate.

RISK CULTURE

The key element of effective risk management of Nitol Insurance Company Limited is sound and consistent risk culture. We develop an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how are managed, considering risk appetite and tolerance. In this regard, we develop through policies,

communication, and training of staff regarding their responsibilities for risk.

RISK CAPACITY

Nitol Insurance Company Limited considers that Risk Appetite and Risk Tolerance, Risk capacity are the maximum amount of risk an insurance company is able or not to bear considering its available financial resources. Risk appetite describes the absolute risks an insurance company is open to take a priority, considering its exposures and business activities, its business objectives and its obligations to stakeholders. Risk tolerance relates to the maximum amount of risks an insurance company is ready to tolerate above its risk appetite. Risk tolerance shall be based on the use of series of risk limits and indicators that serve as early warning mechanisms to alert management of threats to strategy and objectives.

RISK ASSESSMENT

Risk assessment is the overall process of risk identification, analysis, and evaluation. Risk identification is the starting point for identifying the nature, sources and cost of risk, areas of impacts, events, causes, and potential consequences. Attention should be given not only to existing risks but also to those arising from new activities. Risk analysis involves developing and understanding of the risk that will help to make the decisions most appropriate for risk treatment. Risk analysis involves measuring risk by considering consequences of an unfavorable event and likelihood of such event occurring. Factors that affect consequences and likelihood shall also be identified. Risk evaluation helps in making decisions, based on the outcomes of the risk analysis, in particular to inform senior management. It mainly involves comparing the level of risk found during the analysis process with the Company's risk appetite.

REINSURANCE

Reinsurance is an arrangement where a portion of the risks assumed by a direct insurance entity is ceded to other insurance entities. The mechanisms to transfer risks include traditional reinsurance and other alternative risk transfer approaches. The insurer must specifically demonstrate that material and catastrophic risks are appropriately covered by

reinsurance treaties and facultative arrangements. This forms part of insurance risk.

CLASSIFICATION OF OUR TOP RISKS

NICL’s current top risks are listed below and are grouped based on our macro environment and our internal environment. These risks are not listed in priority or in terms of any rating.

▲ Increase in risk severity ● Severity of risk unchanged ▼ Decline in risk severity		
Our risk rating matrix		
1. Growth Risk		●
2. Strategic Risk		▼
3. Business Resilience Risk		▲
4. People Risk		●
5. Market Management Risk		▼
5. Technology Need Information Security Risk		▲
7. Climate Change		▲

DISCLOSURE OF RISK REPORTING

Despite being the youngest general insurance company in the country, Nitol Insurance Company Limited (NICL) maintains informative, transparent and consistent risk reporting for its valued clients, stakeholders and the industry itself. It has been internationally accepted that substantial narrative reporting, including the disclosure of risk, is important to promote investor protection. NICL stricts to a robust risk management strategy that originated and influenced by corporate governance in order to solidify the risk management framework. This allows the Company to smoothly adapt to the changes in the business environment. The governance of risk management starts with the board and is interwoven around a strong management structure, information system and robust policies.

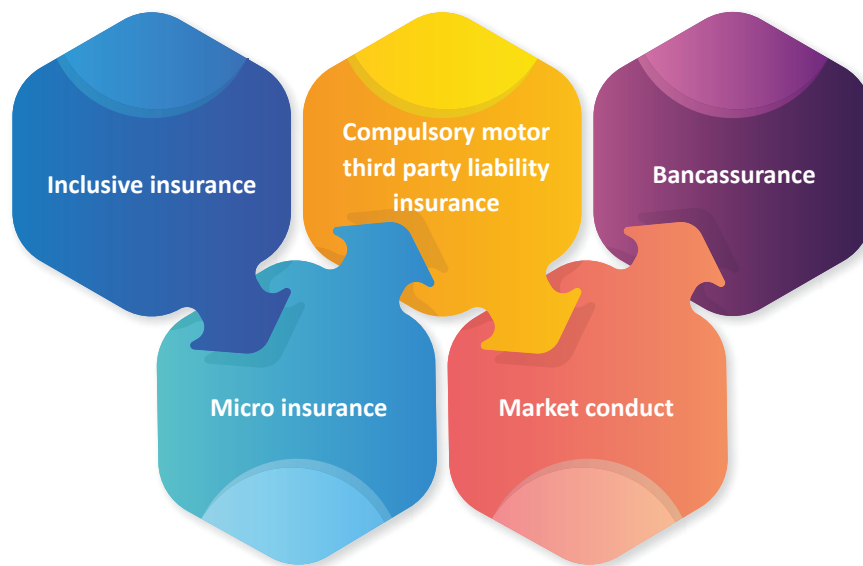
Strong inter-department communication link on risk factors and a culture of collaboration in decision making among the revenue generating units,

independent control and support functions, committees and the senior management help the Company in proper management of organizational risks.

In Bangladesh, the Insurance Development and Regulatory Authority (IDRA) uses supervisory review and reporting to ensure that it is aware of the risks faced by individual institutions and the system as a whole. This process allows the IDRA to:

Communicate with supervised insurers Encourage insurers to discuss emerging issues Help institutions at higher risk return to lower risk categories Create strategic plans to mitigate risk.

The IDRA has established a framework for risk management and corporate governance for insurers. It also drafts legal frameworks for various insurance activities, including:



Insurance companies in Bangladesh are also required to comply with the Money Laundering Prevention Act (MLPA) and the Anti Terrorism Act (ATA). The Bangladesh Bank (BB) issues

instructions and directives to reporting agencies, including insurance companies, to help them comply with these acts.

CLAIMS MANAGEMENT

Nitol Insurance Company Limited marks its **25th Anniversary**; we stand at a proud milestone—celebrating a quarter-century of resilience, reliability, and relentless commitment to our policyholders. Over the years, we have not only grown in size and stature but deepened the trust that anchors our journey in Bangladesh’s insurance sector.

At the heart of this legacy is our Claims Department—where promises made are promises kept. It is here that our commitment to swift, fair, and empathetic claims resolution comes to life, turning policies into protection, and uncertainty into reassurance.

This momentous occasion offers us the opportunity to express our heartfelt gratitude to those who have been part of our journey—our esteemed Clients, respected Board of Directors, Regulatory Authorities, valued Surveyors, stakeholders, and well-wishers. Your unwavering trust and support have been instrumental in shaping who we are today.

As we look to the future, we renew our pledge to serve with integrity, innovation, and excellence—fortifying our foundation for the next 25 years and beyond.

Insurance is fundamentally a contractual arrangement in which the insurer commits to compensating the insured for financial losses as specified in the terms and coverage of the policy. At its core, insurance functions on the principle of risk-sharing, this inherently brings with it the responsibility of timely and fair claims settlement. A well-managed claim experience is not only essential for customer trust but also critical to an insurer’s reputation. Indeed, the claims department acts as the most visible part of an insurance company—where its integrity and efficiency are truly put to the test. Only during the claims process does a policyholder come to understand the actual worth of the assurance they purchased.

An insurance policy is the documentary evidence of this contract, and ‘contract certainty’ is key to building trust between the insurer and the insured. This document must clearly communicate all relevant terms, conditions, exclusions, and warranties relating to the class of insurance in question. Ensuring linguistic clarity and grammatical precision is essential to prevent misinterpretations, especially when assessing losses or identifying the proximate

cause. The policy schedule plays a pivotal role here, as it should be self-contained and comprehensively outline all relevant particulars to avoid any future confusion or miscommunication.

At Nitol Insurance, claims management stands as one of the company’s most critical operational pillars. Especially for a non-life insurance provider dealing with a diverse range of insurance products—both conventional and customized—claims procedures must adapt to the specific nature, origin, and scale of each case. In this context, efficient and responsive claims handling is not just a value-added service but a true differentiator in today’s competitive insurance landscape. The swift and fair settlement of valid claims remains the cornerstone of why customers invest in insurance coverage.

In line with its customer-centric philosophy, **Nitol Insurance Company Limited** has implemented a comprehensive claims management approach designed to deliver reliable service and prompt settlements. The company leverages technology to facilitate a seamless, transparent, and interactive claims process—enabling clients to track progress in real-time and stay informed.

Claims management, as practiced by **Nitol Insurance**, encompasses both administrative and advisory services to assist policyholders in seeking compensation, reimbursement, or other remedies for losses or damages suffered. Together with underwriting, effective claims settlement defines the insurer’s performance and credibility. Through its structured and responsive approach, Nitol Insurance strives to uphold its commitment to excellence and policyholder satisfaction.

Besides settling claims that can be resolved within the financial year, Nitol Insurance Company Limited (NICTL) ensures sufficient provisioning for all unsettled or pending claims that may arise out of reported or unreported incidents. The company follows rigorous reserving practices in accordance with regulatory guidelines to uphold financial integrity and client trust.

The Role of the Claims Department at NICTL:

The claims department plays a pivotal role in upholding the company’s promise of indemnity and is a cornerstone of its after-sales service. A customer-centric claims function directly affects client retention and brand reputation.

The department carries out the following strategic roles:

- **Strategic Differentiation:** Providing a premium-level service in claims processing to establish a competitive edge. Where necessary, certain aspects of claims servicing may be outsourced to maintain service quality and specialization.
- **Cost Governance:** Ensuring claims payouts remain within agreed policy limits and reflect the actual insured loss. Vigilant monitoring helps prevent over-reserving or leakage.
- **Service Excellence:** Meeting or exceeding customer expectations with regard to transparency, responsiveness, and timely resolution of claims.
- **Operational Oversight:** Ensuring adherence to internal service benchmarks and maintaining cost control within defined budgets

Claims Handling Procedure:

In the event of any incident likely to result in a claim, the policyholder must notify the company promptly, either in writing, verbally, or by phone, as per the policy terms.

Upon receiving the claim intimation, the Claims Officer retrieves the policy from the Underwriting Department and verifies the details. The Claims Manager, in consultation with the Managing Director or superior authority, appoints a Govt.-licensed Insurance Surveyor to inspect the site, assess the loss, and submit a Preliminary Report within 7 days. A letter is then issued to the claimant requesting the necessary documents. Once all documents and the Final Survey Report are received, the Claims Manager submits a recommendation.

If the claim amount is up to Tk. 5 lakh, the Managing Director may approve it.

If it exceeds Tk. 5 lakh, it is referred to the Claim Approval Committee, consisting of:

- Chairman
- Vice Chairman
- Director

After final approval, the Accounts Department issues the cheque, which is then handed over to the client, completing the settlement process.

To provide the best possible service to our motor insurance policyholders, we have introduced an innovative **Video Service System** - a first in the

history of the insurance industry in Bangladesh.

Upon receiving accident intimation, we immediately appoint an insurance surveyor who visits the accident site within **12 hours**, anywhere across Bangladesh. The surveyor captures a 1-minute video covering the damaged vehicle, the accident location, and a brief interview with the driver explaining how and when the accident occurred.

This video, along with an on-the-spot estimated loss assessment, is then sent directly to our claims department. This process provides us with a clear and **real-time picture** of the lodged claim, enabling us to process and settle claims promptly and efficiently.

With this groundbreaking initiative, we aim to bring transparency, speed, and convenience to our valued customers—redefining motor claim handling in Bangladesh.

Not only for motor insurance claims, but also in the event of major losses across other lines of insurance, we respond promptly by deploying a dedicated team from our Claims Department, accompanied by an insurance surveyor, to the affected location.

In the case of major losses, we also consider providing an **On-Account Payment**—a partial advance to help mitigate the immediate impact of the loss. It is well understood that when a loss occurs, clients often find themselves in a vulnerable and uncertain situation. At such a critical time, we extend our support like a true friend by offering on-account payments to help ease their immediate financial burden.

This proactive approach underscores our commitment to delivering high-quality service and standing resolutely beside our policyholders when they need us most.

Recognizing its commitment to prompt and fair claims settlement, NICL has received a strong Credit Rating of **AA+ (Double A Plus)** in claims-paying ability from the Credit Rating Information and Services Limited (CRISL), reflecting its consistent financial discipline and operational reliability.

A key distinction between **claims management** and **claims handling** lies in the breadth and depth of their focus:

- **Claims management** involves overseeing the entire life cycle of a claim — from the initial

notification through settlement — with added emphasis on cost control, legal expense monitoring, and strategic evaluation of claims outcomes.

- This function is not limited to handling ongoing claims, but also incorporates forward-looking strategies to mitigate future losses, particularly relevant for self-insured organizations.
- On the other hand, **claims handling** refers more traditionally to the procedural steps involved in processing claims such as verification, negotiation, and final settlement — without integrating wider risk mitigation considerations.

Claims handling, while operationally critical, tends to focus on retrospective action — i.e., what happened, what was lost, and how to settle fairly. However, claims management is increasingly about shaping future outcomes by analyzing past trends, improving operational efficiency, and reducing loss ratios.

From any insurance agreement, policyholders typically expect

- a) Sufficient insurance coverage that appropriately protects their interest without gaps or unreasonable exclusions.
- b) Timely issuance of error-free policy documents, inclusive of clear terms, conditions, endorsements, and warranties.
- c) Efficient and satisfactory settlement of legitimate claims in the event of a loss.

Conversely, direct insurance claims generally involve communication between the insurer and the policyholder, who may not be familiar with insurance intricacies. A poor claim experience could risk customer attrition. Therefore, in high-value or disputed claims, both parties — whether in insurance or reinsurance — may engage legal or technical experts such as **loss adjusters, surveyors, or claims consultants** to resolve matters equitably.

Nitol Insurance maintains a disciplined approach to claims processing — combining operational

efficiency, technological tools, and professional expertise to ensure policyholders are served with integrity and precision.

Client Complaints & Consultancy Services

Nitol Insurance Company Limited, our unwavering dedication lies in safeguarding the interests of our stakeholders while delivering professional, customer-focused insurance solutions. Anchored by our guiding principle — **“Your Security is Our Responsibility”** — we strive to ensure that every interaction reflects our commitment to service excellence.

To meet the evolving needs of our clients, we have built a robust team of technically skilled and highly experienced professionals. Their expertise enables us to provide timely, reliable, and insightful support. We live by the belief that **“Customers are our first priority — and our last”**; their satisfaction is the true measure of our success.

Since our establishment in 1999, this customer-first philosophy has earned us the enduring trust and confidence of our valued clients across the country. We encourage our clients to reach out to our Head Office for any concerns, complaints, or consultancy, particularly on matters such as:

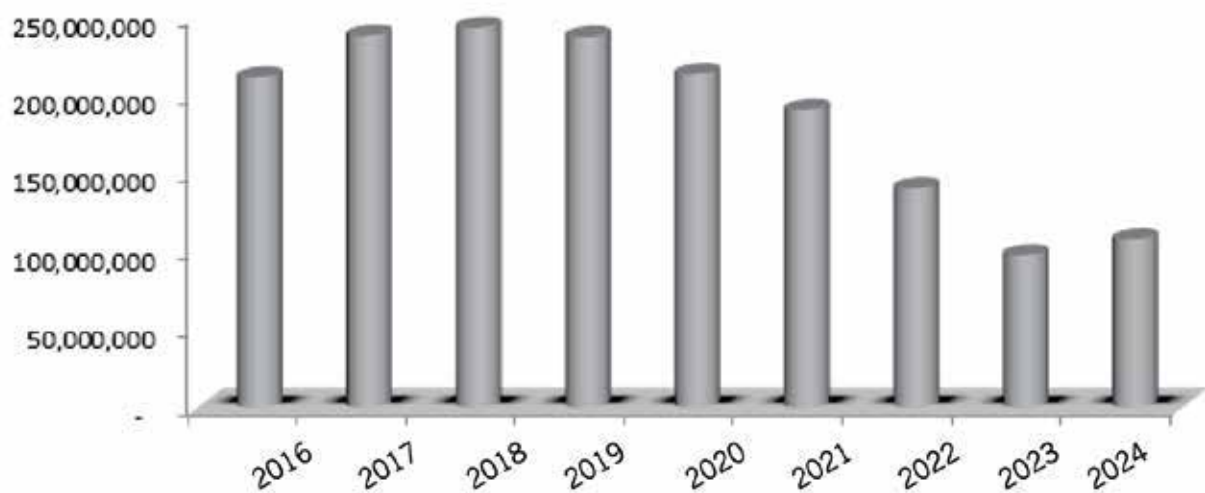
- Risk assessment
- Economical and accurate pricing of insurance
- Reinsurance queries
- Claims status and settlement guidance

Our team is always prepared to offer **technical assistance, advisory services, and expert consultations completely free of charge** — whenever needed.

Every query is treated with the **utmost respect, urgency, and sincerity**, as we aim not only to meet expectations but to exceed them.

With Nitol Insurance, your security isn’t just a promise — **It’s Our Daily Priority.**

The position of last Ten years Net Claims is enumerated below:

PARTICULARS**NET CLAIMS****2016****237,193,737****2017****242,280,671****2018****236,439,071****2019****212,740,047****2020****189,843,342****2021****139,857,053****2022****97,062,327****2023****107,240,426****2024****88,607,498**

BUILDING TRUST THROUGH CLAIM SETTLEMENT



BUILDING TRUST THROUGH CLAIM SETTLEMENT



UNDERWRITING & RE-INSURANCE

(A) Existence of a detailed underwriting manual or guideline

Underwriting is the process of evaluating, prudent financial modeling, feasible risk pricing and acceptance of the risk based on the material facts disclosed by the prospect.

Underwriting process starts with the receipt of material facts/ proposal form, the concerned underwriter analyzes all the information and takes decision whether he/she accepts the risk or not, if it is accepted then he/she has to offer/quote the prospect with premium, relevant terms, conditions & exclusions.

At Nitol Insurance Company Ltd, our underwriting guidelines serve as the bedrock for sound risk management, ensuring that we provide comprehensive coverage to our clients while maintaining the financial stability of our company. These guidelines are designed to be dynamic, reflecting the evolving landscape of the insurance industry and aligning with our commitment to excellence.

- (1) **Risk Assessment and Probable Maximum Loss (PML):** Underwriters evaluate the risk associated with a potential policyholder, borrower, or investment. This involves a comprehensive analysis of various factors depending on the type of underwriting involved. For example, a mortgage underwriting may focus on factors like credit history, income, and the property being finances.
- (2) **Decision making:** Based on the risk assessment, underwriters make informed decisions on whether to approve or deny an application for insurance. They determine the terms and conditions, including the coverage limits. The goal is to strike a balance between attracting business and managing risk effectively.
- (3) **Compliance and Regulatory Adherence:** Underwriters ensure that the proposed transaction complies with applicable laws, regulations, and internal policies. Compliance is a critical aspect of underwriting to mitigate legal and regulatory risks associated with the financial transaction.
- (4) **Documentation review:** Underwriters carefully review documentation submitted by

applicants, which may include financial statements, property appraisals, or other relevant information. This meticulous review helps underwriters gather the necessary data to make informed decisions.

- (5) **Premium Rates:** Bangladesh non-life insurance market is tariff market controlled by Central Rating Committee (CRC) a wing of Insurance Development and Regulatory Authority (IDRA). The premium rates that are not mentioned in tariff are prepared based on a comprehensive analysis of data information and market conditions and then obtain premium rates from International Re-insurance Market which is also vetted from CRC.
 - (6) **Reinsurance Strategy:** Establish clear reinsurance arrangements, both domestically and internationally, to mitigate large exposures and protection against catastrophic losses.
 - (7) **Solvency Protection:** Evaluate the length of time reserves must be held to cover potential claims and ensure adequate capital is in place to protect solvency. These underwriting guidelines are integral to our commitment to excellence, fostering a culture of risk awareness, innovation, and adaptability. Regular reviews and updates will be conducted to ensure their relevance and effectiveness in an ever-changing insurance landscape.
- (B) **Re insurance arrangement with local and reputed foreign companies and its treaty limit.**
- Reinsurance is a critical component of risk management for insurance companies, allowing them to spread their risk exposure to ensure financial stability and solvency. Reinsurance arrangements involve transferring a portion of the risk assumed by the primary insurer (ceding company) to another insurance entity (re-insurer). These arrangements can be made with both local and internationally reputed foreign companies, depending on the ceding company's risk management strategy, regulatory requirements, and the need for diversification of reinsurance partners.

TYPES OF REINSURANCE ARRANGEMENTS

- (1) **Facultative Reinsurance**

This is arranged on a per-risk or per-policy basis, where the ceding company can choose which risks to reinsure and to what extent. It is typically used for high value or unusual risks.

(2) Treaty Reinsurance

Under this arrangement, the re-insurer agrees to accept all risks for a certain period the ceding company. Treaty reinsurance can be further categorized into:

(a) Proportional Treaty Reinsurance

Here, the re-insurer receives a proportional share of all premiums and pays a proportional share of all claims Quota Share and Surplus Share are examples of proportional treaty arrangements.

(b) Non-Proportional Treaty Re-insurance

This type, which includes Excess of Loss and Stop Loss reinsurance, is where the re-insurer is liable for claims that exceed a specified limit on loss occurrence basis.

Treaty Limits

The treaty limit in reinsurance arrangements is a crucial aspect that defines the maximum liability that a reinsurer would assume under the treaty. This limit can be expressed in various ways, depending on the type of treaty:

For Proportional Treaties: The limit might be expressed as a percentage of the premiums or losses. For Non-Proportional Treaties (e.g., Excess of Loss): The limit is usually a monetary amount beyond which the re-insurer will cover the losses.

Nitol Insurance Company Ltd has established a robust risk management framework through strategic partnerships in the form of a reinsurance treaty with a state-owned organization, namely Sadharan Bima Corporation. Additionally, the Company has entered into facultative reinsurance arrangements with esteemed foreign reinsurers. This collaborative approach not only enhances the Company's capacity to manage and mitigate risks effectively but also underscores its commitment to ensuring financial stability and security for its policyholders. The foreign reinsurers enlisted in our facultative reinsurance arrangements bring a wealth of expertise and global perspectives, further fortifying our position in the insurance landscape, which has been shown in the chapter - 3.

TREATY AND FACULTATIVE RE-INSURANCE UTILIZATION

Presently the company has yearly Re-insurance Surplus Treaty Agreement 50% with state owned

only local reinsurer Sadharan Bima Corporation (SBC) and the rest 50% with Overseas Re-Insure(s) through International Re-Insure(s) Brokers, The list of which are as follows:

NAME OF REINSURANCE BROKERS

1. J. B. Boda Insurance & Reinsurance Brokers Pvt. Ltd., India
2. Protection Insurance Services W.L.L., Bahrain
3. Manoj Reinsurance Brokers Ltd., Dubai
4. Risk Care Insurance Broking Services Private Ltd., India
5. Salasar Service Insurance Brokers Ltd., India
6. K.M. Dastur Reinsurance Brokers Pvt. Ltd.: KMD
7. Indo Arab Insurance & Reinsurance Brokers Limited, Dubai
8. Heritage Insurance Brokers Pvt. Ltd., India
9. Bharat Re Insurance Brokers, India
10. Fulcrum Global Reinsurance Brokers Pte. Ltd., India
11. Aspire Reinsurance Brokers Limited, India
12. Mahendra Reinsurance Brokers Limited, India
13. Pioneer Reinsurance Brokers Limited, India
14. Tyser

NAME OF REINSURER

01. BMIIC Re, Cayman Islands
02. QBE, Australia/UK
03. WAICA RE (BMIIC), Sierra Leone
04. GIC Re, Bhutan
05. Oman RE, Oman
06. SOPAC (AM Frist Stamp), American Samoa
07. Asian Reinsurance Corporation, Thailand
08. National Insurance Co, Ltd, India
09. CICA RE, Togo
10. HIMALYN RE, Nepal
11. KENYA RE, Kenya
12. UZBEKINVEST, Uzbekistan
13. KLAPTON RE, Zambia
14. GLOBAL RE, Dubai
15. Worldwide Re, Trinidad W.I
16. SM RE, UAE
17. KLAPTON Insurance, Comoros
18. ION Insurance Group, Coastrica, Latin America
19. TITAN CAPITAL, Costa Rica
20. IIC NV, Curacao

SUSTAINABILITY REPORT



SUSTAINABILITY REPORT

EXECUTIVE MESSAGE ON SUSTAINABILITY

WE FOCUS ON SUSTAINABILITY AS AN IMPORTANT
PART OF OUR BUSINESS STRATEGY.

Dear Shareholders,

At NICL, many decisions are driven by our ambition to become more sustainable every year, influenced by customer expectations and the growing demand for social and environmental involvement. Our shareholders also take sustainability seriously, stimulating us to deliver growth and profitability while advancing our sustainability priorities. That's why we continue to focus on sustainability as a vital part of our business strategy.

In the 2024-2025 financial year, we will accelerate innovation in our Company's products & services and extending our persistence to deliver on our sustainability goals for the planet, customers and people.

PLANET SUSTAINABILITY

By planet sustainability, we mean our focus on achieving net-zero carbon emission. A low carbon economy will positively impact climate and society. Reducing emissions lies at the heart of our efforts.

CUSTOMER SUSTAINABILITY

To meet our customers' changing needs, we are constantly growing our range of sustainable products and services. They are designed to support activities that generate a positive environmental or social impact and contribute to the mitigation of climate risks. These sustainable solutions include insurance products, add-on coverage's, investment products and services related to customer sustainability.

PEOPLE SUSTAINABILITY

Our focus on people sustainability reflect on our aim to actively support our people to remain employable for the long-term, while addressing customer and societal needs. At NICL, we provide employees with a range of opportunities to grow and develop their skills and careers.

We also support employees to protect their physical, mental, financial and social wellbeing. In 2024, we received a number of awards and certifications across the industry, recognizing our commitment to diversity, equity, inclusion and belonging. Sustainability is an integral part of our value system and we are committed to making our own business more resilient as well as helping our customers to be prepared for the future.

There's always something we can do more for the betterment of the future generation and our sustainability framework will continue to evolve. In this report, we share the progress we have made in 2024 across our Planet, Customer and People focused areas, detailing both our quantitative targets and our qualitative ambitions.



S. M. Mahbubul Karim
Chief Executive Officer

SUSTAINABILITY OVERVIEW

BUILDING TOWARDS A SUSTAINABLE FUTURE

Building a sustainable future is about going beyond and leveraging sustainability to create value for the organization, its people and community. The sustainability philosophy of NICL is based on managing ESG related risks and opportunities, the ultimate purpose of which is to create value for the organization, shareholders and stakeholders. This is also the ultimate outcome expected from the statement of purpose “Building Ahead Sustainably” The Sustainability” of economic growth.

OUR MEANING OF SUSTAINABILITY

Sustainability for NICL means committing to long-term value creation that respects and enhances the well-being of people and the planet. We strive to integrate environmental, social, and governance considerations into our operations and investment decisions, driving positive impact while delivering sustainable returns for our stakeholders.

SUSTAINABILITY PERFORMANCE HIGHLIGHTS IN 2024

ENVIRONMENT	SOCIAL	GOVERNANCE
> Recognized as one of the leading Sustainable Companies in Bangladesh	> Around BDT 8.18 Lac has been Spent on CSR	> BDT 70.60 Million Contribution to the National Economy
> Setting and Disclosing Smart targets to Reach Net Zero Emission by 2030	> Claims have been honored around BDT 8.86 crore.	> No Major Non Compliances > Recognized for Exemplary Corporate Governance Practices
> Around 20,000 people have visited the Official Facebook of Nitol Insurance Company Ltd		
> 30% reduction in paper consumption through adoption of digital platforms		
> Reduced electricity use by 20% by optimizing energy management practices.		

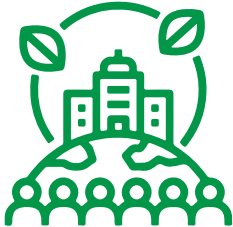
SUSTAINABLE UNDERWRITING

Sustainable underwriting goes beyond traditional risk assessment and financial considerations to include a more comprehensive evaluation of the impact of insurance activities on the environment, society, and corporate governance. When making insurance decisions, Nitol Insurance Company Limited (NICL) considers and assesses the possible effects of environmental risks and climate change.

Building a sustainable future is about going beyond and leverage sustainability to create value for the organization, its people and community. The sustainability philosophy of NICL is based on managing ESG related risks and opportunities, the ultimate purpose of which is to create value for the organization, shareholders and stakeholders. This is also the ultimate outcome expected from the statement of purpose “Building Ahead Sustainably” The Sustainably” of economic growth.

OUR SUSTAINABLE UNDERWRITING APPROACH

Nitol strives to focus on building capabilities and pioneering innovative risk solutions to facilitate its transition toward a low-carbon economy. It aims to create products and services that promote inclusivity across a broad spectrum of society, including SMEs, MSMEs, rural communities, and retail sectors.

 <p>SUSTAINABLE UNDERWRITING</p>	PROPERTY UNDERWRITING <ul style="list-style-type: none">Supporting the business by considering impact on environmentUnderwriting with segments having direct economic and high ESG quotient. E.g.: Affordable Housing, Employability, Financial Inclusion, Healthcare, Digitalisation.Progressively incorporating customers/industries to be less hazardous or those polluting the environmentUnderwriting to provide societal benefits to the underprivileged
	LIABILITY UNDERWRITING <ul style="list-style-type: none">A part of ESG was inherent in liability underwriting due to variable risks. For instance, liability policies in Oil & Gas are charged higher with stricter terms and conditionsESG risks are applicable for Commercial General Liability, Environment Legal Liability, Management Liability and Cyber Liability
	AGRICULTURE AND LIVESTOCK UNDERWRITING <ul style="list-style-type: none">Protecting the insured from adverse weather eventsPromoting sustainable agriculture by incentivising climate friendly cropping techniques and technologyIncentivising farmers for better cattle breed, healthy animals and maintaining good dairy infrastructure through underwriting methods

PROMOTING SUSTAINABLE AGRICULTURE AND DISASTER RESILIENCE CROP INSURANCE



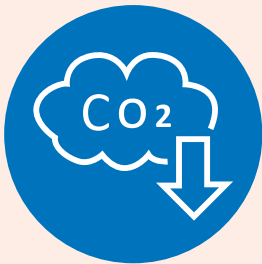
CROP INSURANCE

- We provide insurance coverage to agricultural crops.
- In agricultural underwriting, farm-level practices are considered.
- Incentivising use of clean technology, climate-friendly cropping patterns, and less energy-intensive agricultural practices.



CATTLE INSURANCE

- We encourage and promote cattle identification based on Radio Frequency Identification (RFID) technology, unlike the earlier method of ear tagging which can cause injury. Further, at the time of claim settlement, RFID tagging method ensures identification without ear cutting.
- In cattle insurance, farm infrastructure and healthy farm practices, vaccine management, herd management, and feed & fodder management are taken into consideration.



WEATHER INSURANCE

- A structured approach helps Nitol Insurance to quantify the catastrophic losses in case of extreme weather events. Weather insurance is a parametric product designed at protecting the insured, especially the farming community, from adverse weather conditions. This is aimed at stimulating sustainable farming practices and socio-economic growth in rural areas.
- This protects the farming community against crop losses from natural calamities.
- This encourages customers in deploying scientific farming methods to meet ecological balance and gain better insurance proposition.

CLIMATE RISK MANAGEMENT FRAMEWORK

Nitol Insurance Company Limited has been a responsible corporate organization through its focus on diverse Environmental, Social and Governance (ESG) initiatives. Environment related risks refer to risks posed by the exposure to activities that may potentially cause or be affected by environmental degradation and actions have been taken to address these environmental challenges.

Among these environmental risk drivers, climate change stands out due to its wider impact and ability to exacerbate other environmental risk drivers at a global level. The Company has a Board-approved Climate Risk Management Framework which lays a strong emphasis on the critical areas of the Company w.r.t managing climate changing risk.

The Company has focused on integrating climate change risk management related decisions into its internal operations and also contributed to the climate change, which are the need of the hour, through relevant engagements with customers and investee companies on the subject. The Company continues to maintain a strong focus on governance, strategy, risk management and metrics with respect to climate change risk management.

The Company has a Board-approved Business Continuity Management Policy (BCMP) that details out the actions to be considered in case of extreme events, including natural disasters.

For the assessment of natural catastrophic risk, our organisation has established partnerships with Catastrophe (CAT) modelling firms to employ their CAT models for the evaluation of risks associated with natural disasters. By utilising these models, we initially conduct a risk assessment of the risk location of insured, particularly focusing on locations susceptible to floods, cyclones, storms, landslides, and similar events.

By analysing risk level of the location, our primary objective is to identify and mitigate risks of significant magnitude while still

providing essential coverage to policyholders. The Company has framed a responsible Investing Framework, which would supplement its Investment policy to guide the investment team in taking investment decisions after due consideration of environmental and climate changing aspects.

The Company appropriately factors in certain relevant scenarios which could emanate out of climate risk in the financial planning as a part of its Internal Capital Adequacy Assessment Process (ICAAP). NICL also continues its efforts of reducing Green House Gas (GHG) emissions and ensuring lower energy consumption. The Company reports the carbon emission levels to the Risk Management Committee of the Board through its defined Board-approved Key Risk Indicators curated for that purpose.

NICL shall leverage technology to reduce its environmental footprint in its business operations, including inter-alia investing in energy-efficient technologies, digitizing processes, switching to paperless processes and promoting use of virtual conferencing.

The Company has also identified Climate Change Risk as a distinct risk Category with defined risk tolerance thresholds as a part of the Underwriting Risk Team to monitor the Risk Management Framework.

The Risk Management Function of the Company also plays an active role in industry conferences and seminars on ERM and contributes through its leadership on the subject of risk management which includes climate change risk management.

The Company would continue to review its Climate Risk Management Framework at regular periodic intervals of time to ensure that it adequately factors in concurrent developments. Environmental, Social and Governance (ESG) Report



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

INTEGRATING ESG INTO OUR BUSINESS PRACTICES

Smartly and sustainably fulfilling our commitments. In times of uncertainty, customers and investors alike focus on actions that are resilient and focus on environmental, social and ethical norms. At NICL, we are actively adopting a holistic approach towards ESG and building a better future for all.

Environmental, social and governance (ESG) reporting is no longer just a buzzword nowadays. The focal areas include limitation of harm to environment, greening of market and the supply chain that delivers it, the health and safety of employees, community development and the overall sustainability of the economy. The corporate sector in the past ten years has witnessed a sharp acceleration in the trend toward sustainability in investment management and the embrace of ESG factors in financial analysis. The World Economic Forum's ESG metrics says that it is not only the right thing to do, but also it is the right business thing to do.

As the pandemic made clear, business can only thrive if society thrives. Here the requirement for the companies is to disclose their climate risks. We have long recognized the importance of Environmental, Social and Governance (ESG) related non-financial factors in identifying material risks and growth opportunities. Global Reporting Initiative (GRI) is working to form standards and define materiality to

facilitate incorporation of these factors into the investment process.

NICL feels that the transition from CSR to ESG enabled it to widen the scope of initiatives. Today's business agenda for any responsible company is definitely compliance, eco-efficiency, corporate social responsibility, socially responsible investing, green, clean, sustainability, regenerative, net zero, net positive, and many more. Among those the ESG has been the language used to distinguish investment funds that can screen companies for a high level of sustainability performance.

Our ESG Report highlights our initiatives, efforts and practices as we progress towards becoming a truly sustainable corporate organization. The starting point of our ESG actions is a comprehensive stakeholders' analysis exercise to prioritize actions according to their impact and influences on our business. The framework enables us to continually and closely collaborate with all our stakeholders to address challenges in ESG to ensure meaningful impact. Our approach to ESG is also aligned to the principles of materiality as described in the GRI standards. This report outlines the sustainability efforts, achievements, and future goals of our Company in promoting environmental, social, and governance (ESG) practices.

ENVIRONMENTAL INITIATIVES



Our environmental initiatives are continually focused on making our operations greener and more sustainable to tackle environmental challenges and facilitate our progress towards a low carbon economy. The Company has been measuring its carbon emissions for last year with an objective of reducing its overall carbon emissions.

Our actions towards reducing carbon emissions include using technology to minimize energy consumption, carving our exclusion list towards responsible investment and engaging with the management of investee companies in order to help to drive positive changes including careful evaluation of stakeholders' proposals on various kinds of climate issues. The Company is also actively promoting sustainable underwriting by providing products and value-added services to customers that help them to mitigate risks while achieving climate sustainability.

NICL has taken the following initiatives for a sustainable environment:

• TREE PLANTATION

Through a variety of interventions, Nitol Insurance Company Ltd remains cognizant of its responsibility

to protect and contribute to the natural environment. In observance of World Environment Day, NICL enlightened its workforce on the importance of reducing the detrimental health effects of air pollution. The employee-awareness-raising initiative promoted the use of mass public transport, cycling, walking, tree planting, and the exchange of suggestions for reducing one's personal carbon footprint. NICL effectively executed a nationwide tree planting initiative in 2024. The primary objective of this initiative was to mitigate adverse environmental externalities, with a specific focus on rural regions, while concurrently preventing land contamination and erosion.

- **Energy & Greenhouse Gas (GHG) Emission**

With an ever-increasing demand for energy and the pressing need to adopt renewable energy, we understand it is imperative to develop effective strategies for energy-efficient operations. To enhance operational efficiency and to reduce GHG emissions, the Company conducts regular energy audits at its key offices. Additionally, the Company is transitioning to LED lighting and has 98.4% LED coverage in its office premises.

- **Paperless Initiatives**

We have made significant strides in reducing paper usage by digitizing client documentation and internal processes. Our e-policy platform enables clients to access their policies electronically, reducing the demand for printed materials.

- **Carbon Emissions**

We have not directly emitted any carbon into the atmosphere and we hope we won't do it in the future.

- **Smart Thermostats**

We have already installed smart thermostats

that automatically adjust temperature settings based on occupancy and time of day.

- **Building Automation Systems**

We use smart building management systems to monitor and optimize the performance of central AC units.

- **Waste Management**

Nitol Insurance sensitises the employees to effectively manage waste generated from our business operations.



DISASTER MANAGEMENT REPORT

We have been witnessing erratic weather patterns which cause havoc in the premises of our clients. In order to address this problem, we have stayed the course on our focus on climate risk management. We have been one of the industry's first to blend our technical knowledge with technological innovation to enhance the resilience of clients to fight climate disasters. We offer a holistic disaster engagement solution. We have also designed modules that focus on energy efficiency along with safety for lowering the client's carbon footprint.

CLIMATE RELATED DISCLOSURE

For the third consecutive year, Bangladesh has been identified as the ninth most natural disaster risk country in the world, owing to a combination of diverse exposures, high intensities, and higher vulnerabilities. As per the report of "The World Risk Report 2024 - Focus: Multiple Crises" was published jointly by the Institute for International Law of Peace and Armed Conflict (IFHV) of the Ruhr- University Bochum and an alliance of nine German development organisations, Bündnis Entwicklung Hilft.

Bangladesh is rated as 'very high risk' on the 2024 index, with a score of 27.73 out of 100, up from 27.29 in 2023. Any score above 12.89 indicates 'very high risk'.

The floods in August, 2024 in Bangladesh triggered an unprecedented public health emergency, exposing the incipient fragility of the nation's health-care system. Relentless monsoon rains, coupled with an irreversible deluge from upstream, have inundated vast swathes of Bangladesh, particularly in the southeastern and northeastern districts, displacing millions and incapacitating vital infrastructure. The unparalleled flooding has given rise to a multifaceted public health emergency that requires immediate, strategic, and multifarious intervention.

Flooding disrupted water and sanitation services, turning previously potable water sources into lethal vehicles for widespread waterborne diseases. As the floodwaters combine with an array of contaminants, including human excreta and agricultural and industrial runoff, the probability of an outbreak of cholera, dysentery, hepatitis A, and other enteric diseases are large. The densely crowded makeshift shelters have made the risk of a contagion outbreak particularly alarming, especially in the absence of

any semblance of clean water and adequate sanitation facilities.

LEADING THE WAY IN FLOOD RESPONSE

In response to severe floods affecting Feni, Cumilla, Noakhali, Brahmanbaria, Sylhet, Lakshmipur. These initiatives include expanding service networks, establishing dedicated help desks, and offering critical advisories to ensure the efficient handling of claims and providing humanitarian assistance during natural disasters.



CORPORATE SOCIAL RESPONSIBILITY

COROPORATE SOCIAL RESPONSIBILITY (CRR) OF NICL

Nitol Insurance Company Limited (NICL) actively engages in various socio-economic activities aimed at enhancing the quality of life for the citizens of our nation. NICL consistently supports governmental efforts to address and mitigate the impacts of natural disasters. Corporate Social Responsibility (CSR) is a process in which all companies united to contribute to the welfare of society. We allocate a portion of our profits to immediate and long-term social and environmental initiatives. NICL implements its CSR program in collaboration with the Bangladesh Insurance Association (BIA) and the Insurance Development and Regulatory Authority (IDRA).



NICL has participated in the golf tournament organized BIA and IDRA and the occasion of jatiyo bima dibosh cup golf tournament-2024.



NICL has participated in Corporate Cricket League of daily sharebazar in dhaka among the listed companies of BSEC. We have played two matches one in walton and another is BNICL. We have win one match with BNICL.

Furthermore, NICL is involved in tree plantation programs, free eye checkup camps, and various other community service activities. The Board firmly believes that social responsibility is an integral part of our business activities, recognizing our duty not only to generate wealth but also to promote social and environmental well-being.

Our initiatives include supporting underprivileged individuals and employees with medical treatment and educational opportunities. Additionally, we have established a dedicated fund to assist students across the country in building their careers.

ENVIRONMENTAL & SOCIAL INITIATIVES

At NICL, we are committed to empowering people and ensuring their welfare. We recognize that we have an obligation to be a sustainable business for the benefit of all our stakeholders. People's welfare is at the heart of our business and their well-being is paramount to us. For customers, we strive to offer the best customer experience while continuing to innovate products, platforms and services to be the preferred general insurance provider. For the community, all our initiatives are focused on creating opportunities that offer meaningful development around healthcare, road safety and wellness.

Our employee practices are aimed at building resilience, agility and flexibility while we strive to achieve more diversity and inclusiveness in our journey to being regarded as one of the top employers of Bangladesh. We are focused on "Future of Work" and creating new and empowered methods of working to increase productivity and being seen as a more compelling and differentiated employer brand.

We are doing this by:

- Building a responsible work culture.
- Making our Diversity, Equity and Inclusion (DEI) approach more contemporary and focusing to promote higher representation of diversity in the areas of gender, generation and people with disabilities. We are taking specific efforts on increasing the representation of women at work.
- Focusing on initiatives for all round employee well-being and safety.
- Ensuring fair performance reviews and recognition.
- Talent management – from hiring to learning, leadership development and succession planning. Our business model is centered around customer centricity. Our customer first approach is aimed at using pioneering

technologies while prioritising their long-term interests. Our sustained efforts have resulted in deep customer relationships, satisfaction and loyalty.

Our customer-centric initiatives are based on:

- A robust CRM framework building, renewing and enhancing our customer relationships.
- Redressing customer grievances.
- Focusing on customer satisfaction.
- Financial inclusion.
- Delivering superior experiences through a digital first approach.
- Ensuring we leverage technology for speedy claim settlements.
- Advising customers on opting for sustainable product solutions.
- Educating customers on ESG.

Business growth and community development are interlined at NICL. It is our endeavour to make prosperity scalable so that every citizen can lead a healthy life with equal rights and opportunities. We are making responsible investments in the community to drive inclusive development and social harmony alongside fostering a culture of mutual trust and care. In our pursuit of advancing human development, we have adopted a unified and strategic approach across NICL to ensure maximum impact from our CSR interventions.

We are committed to empower communities through well-devised actions and programmes aimed at:

- Providing access to preventive healthcare.
- Promoting sensible road safety behavior.
- Facilitating health and hygiene with clean drinking water and improved sanitation.
- Inspiring healthy living and wellness.

STATEMENT ON ETHICS AND COMPLIANCE

The Board of Nitol Insurance Company Ltd (NICL) is committed to upholding the highest standards of ethics and compliance by its employees through due diligence. The Code of Conduct reflects the commitment. It majorly addresses all the issues related to conduct and apart from law and regulations touches on prime issues such as Conflict of Interest, Insider Trading, and other general obligations.

OUR CORPORATE CULTURE IS ROOTED IN ETHICAL CONDUCT

At NICL, the code of conduct for business ethics, internal compliance policies and guidelines provide all employees and Board members with clear and practical guidance, enabling them to act in line with the values espoused by our Company. The rules of conduct established by the code are binding for all employees and build the basis for our compliance programs.

Our strong reputation as Bangladesh's most respected general insurance company is built on the trust of our customers, shareholders, employees and the general public. This trust originates from the quality of our products and services, the sustainable impact we create through insurance, the way we inform and advise our customers, the way we approach claims settlement, and the personal conduct and capability of our employees and representatives.

We have a compliance program that articulates standardized processes and controls for communication, monitoring and review. The program is directly supervised by our senior leadership team. Some of the ways we further believe in ethical behavior are in enhancing product quality, building the skills and capabilities of our employees, and constantly testing the robustness of our risk framework.

OUR UN-DEVIATED APPROACH TO COMPLIANCE FULFILLMENT

At NICL, integrity is at the core of our compliance programs and management systems and the basis for the trust of our customers, shareholders, business partners and employees. The compliance function fosters a corporate culture of individual and collective responsibility and ownership for ethical conduct and adherence to the rules by several ways, including:

Advising the Board, managers and employees on business conduct that is lawful, ethical and within the perimeter of the prescribed rules and guidelines.

Identifying and assessing material compliance risks and overseeing the implementation of adequate and effective internal controls to mitigate them.

Providing facility where employees and third parties can speak confidentially to address any irregularities or misdemeanors.

Communicating transparently and trustfully with supervisory authorities, including IDRA

As a Company with nationalistic interests at heart, we focus on ensuring exchequer value through compliance and ethical conduct that is naturally expected from us. As the leader in the general insurance business, we view it as our responsibility to ensure that we comprehensively embrace the principles of insurance excellence. Further, with a customer first philosophy, we always ensure that we keep the best interest of our customers at heart in all our dealings with them. This sense of culture has emerged as a natural and authentic way to ensure compliance with all regulatory rules and guidelines – in both letter and spirit.



SUPPLY CHAIN MANAGEMENT POLICY

We recognise that our impact on the environment extends to our value chains. We work to integrate responsible business practices in our everyday operations. With this, we seek to maximise our value and minimise risks during our interactions with suppliers. At Nitol Insurance Company Limited (NICL), our Suppliers' Code of Conduct is core to

supply chain governance and specifies our position on supply chain management as an ethical and responsible business method. It also sets our approach to due diligence. As a general insurance Company, Nitol Insurance Company Limited operates its business such as fire, marine, motor & miscellaneous insurance in the following manner:



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



If the KYC forms of the prospective clients are found to be correct and in order and filled in absolute faith with all material information, then NICL issues cover notes.



Insured mode of payment like cheque, payment order, draft and bank guarantee will be deposited (except Bank Guarantee) to Company's specific Bank Account.



After detailed verification/ checking of adequate information provided by the insured in support of cover note and KYC form, NICL issues insurance policy in favor of insured.

The Management of NICL rigorously follows up its internal procurement policy and upgrades the policy regularly to ensure strong control and fair treatment of suppliers.

INFORMATION AND CYBER SECURITY

Nitol Insurance Company Limited (NICTL) reinforces its commitment to ensuring data privacy and protecting rights of customers by investing in robust legal and technical security. We understand that implementing effective security systems to counter increasing cyber attacks are a must to protect the organisation and its customers.

With the rise of internet penetration, there is a growing menace of cyber-crimes. The number of cyber-attacks or cyber security incidents have gone up multiple times in the past few years.

NICTL has designed and implemented its information security framework, based on IDRA Cyber Security guidelines, and HIT Frameworks. The Information Security Group at NICTL is managed by Head of Information Technology Officer (HIT). During the year,

there were zero complaints received on breaches of customer data.

OUR GOVERNANCE AND COMPLIANCE PRACTICES

- Periodic internal and external assessments are carried out by
- There is a well-designed internal audit program, an ISMS governance monthly check model, with annual assessments complying with ISO



STANDARDS & IDRA REQUIREMENTS

- Monitoring and management of security strategies include periodic reporting to the Information Security Committee (ISC) of the Company
- This Committee comprises the senior management, including senior officers of Nitol, who quarterly reports to the Board's Risk Management Committee

Cyber Security and Privacy Training and Awareness Security awareness training programmes are conducted which supports our employees, partners, and customers in:

Our Security Awareness practices are as listed below:

- (1) Cyber awareness is imparted to the customers through communication platforms such as emails and social media (Instagram, Facebook, Twitter and LinkedIn).
- (2) Phishing simulation campaigns are rolled out monthly, along with new cyber threat scenarios. Users can complete the training on

email security and pass the assessment.

- (3) Cyber security training is provided to employees during induction on topics like cyber breaches and their impact, importance of Cyber Security and Awareness, E-mail Security – Phishing and Report of Suspicious E-mails, Data Leakage Prevention, User Roles and Responsibilities, Information and Cyber Security Policies and Procedures.
- (4) Mandatory annual cyber security and privacy awareness training programmes are conducted for employees. In the event of failure to complete the training, there is disciplinary action taken.
- (5) Awareness mailers are shared covering policy requirements and cyber security concepts such as secure password practices, email security and cyber security threats.
- (6) Sign-off taken on IT Usage Acceptance Policy, Non-Disclosure and Confidential Agreement (Employees, Partners, and Third-Party Vendors). Supporting the Sustainable Development Goals (SDGs) & Impacts

REPORT ON HUMAN CAPITAL & HUMAN RESOURCE ACCOUNTING

BUILDING PEOPLE, BUILDING BUSINESS

The essence of human resources is: "HR builds people, and people build business." HR ensures the right talent in the workplace. It creates opportunities that facilitate and motivate individual and collective growth, enabling employees to advance their careers. This directly influences organizational productivity as motivated employees strive to achieve their personal career goals.

STRATEGIC PARTNERSHIP

HR at Nitol Insurance Company Limited. acts as a strategic partner to minimize costs and maximize profits, crucial for achieving high productivity. This partnership involves all management decisions and actions impacting the relationship between the organization and its employees. By aligning the workforce with business goals, HR ensures a healthy, safe, productive, and compliant work environment, reinforcing the company's overall efficiency and success.

TALENT MANAGEMENT AND DEVELOPMENT

Nitol Insurance Company Limited. tackles the insurance industry's manpower shortage by developing future leaders through effective succession planning and talent management. Our strategy includes leadership development, continuous learning, mentorship, performance management, and employee engagement, ensuring a steady pipeline of skilled professionals ready to drive the company's success.

TRAINING AND COMPLIANCE

Nitol Insurance Company Limited. prioritizes in-house and external training to foster employee development and comply with government mandates, including guidelines from the Insurance Development & Regulatory Authority (IDRA). By continuously updating HR policies to address industry challenges, the company ensures resilience and adaptability in the evolving insurance landscape.

SERVICE AND INNOVATION

At Nitol Insurance Company Limited, we believe that service is our product, and human resources are our raw materials. We implement appropriate HR management policies and practices to develop our employees, ensuring their optimal contribution to achieving corporate goals. The HR mission is realized through continuous research, learning, development,

and delivery of innovative, results-oriented services, policies, and systems for faculty, administrators, staff, applicants, and external stakeholders.

PROFESSIONAL DEVELOPMENT

In 2024, a significant number of officers and senior executives participated in professional training programs both domestically and internationally. This investment in professional development equips our team to face future challenges and enhances our capability to provide effective and transparent services.

MAIN HUMAN RESOURCE STRATEGY

People First

By prioritizing the well-being and growth of our employees, we naturally pave the way for success.

OWNERS' MINDSET

We empower our team members to take ownership of their roles, fostering a sense of purpose that drives outstanding results.

POSITIVE ATTITUDE

We cultivate an environment where employees take pride in their work and their workplace, fostering a culture of positivity and dedication.

NO LIMITS

We strive daily to achieve exceptional outcomes, pushing beyond boundaries and exceeding expectations.

WORK-LIFE BALANCE

We recognize the importance of a healthy work-life balance and actively support flexible working arrangements and wellness programs, helping our employees maintain their personal well-being while achieving professional success.

MANPOWER SPREAD

At NICL, we place a strong emphasis on ensuring a balanced and effective manpower spread across all levels of the company. Our management team works closely with both sub-staff and branch employees to ensure alignment with the company's goals and support for each team's unique needs.

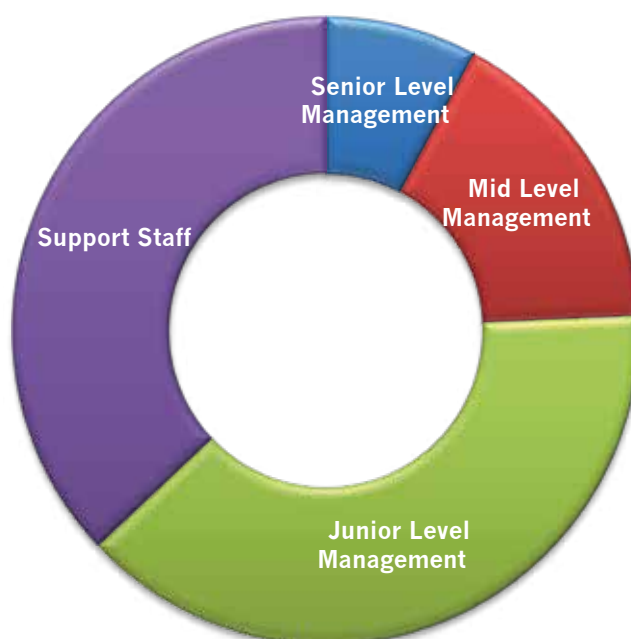
In terms of our branch employee breakdown, we ensure each branch is staffed with skilled individuals

who contribute to its smooth operation while staying connected to the broader company objectives. Similarly, each department is strategically staffed with professionals who are well-equipped to handle their specific responsibilities. This departmental employee breakdown helps us allocate resources

effectively and maintain a strong, efficient workforce. Overall, our manpower distribution reflects our commitment to operational excellence, where every employee, regardless of their role, has the opportunity to thrive and contribute to the success of NICL.

MANPOWER SCENARIO IN 2024

Category	No of Employee
Management Team	9
Senior Level Employees	10
Mid-Level Employees	40
Junior Level Employees	90
Support Staff	87
Total	236



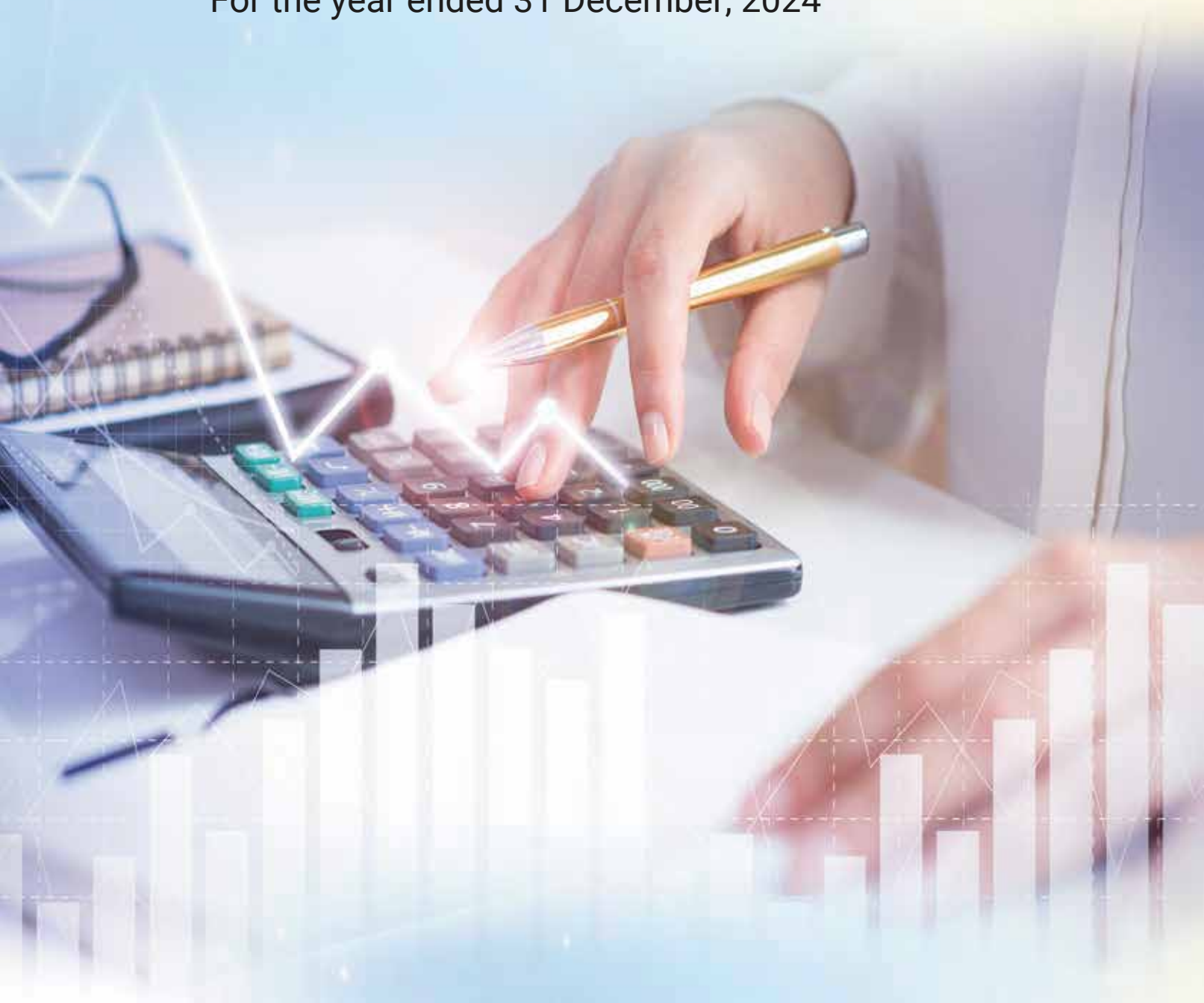
The background is a vibrant green with a subtle pattern of binary code (0s and 1s) in a lighter shade. Two large, overlapping circles are present: a dark green circle on the left and a lighter green circle on the right. The text is centered in the white space between these circles.

AUDITORS' REPORT & FINANCIAL STATEMENTS

AUDITORS'

REPORT & FINANCIAL STATEMENTS of NITOL Insurance Company Limited

For the year ended 31 December, 2024



Independent Auditor's Report To the Shareholders of Nitol Insurance Company Limited

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Nitol Insurance Company Limited ("the Company"), which comprise the Statement of Financial Position (Balance Sheet) as at December 31, 2024, and the Statement of Profit or Loss and Other Comprehensive Income (Profit or Loss Account), Profit and Loss Appropriation Account, Consolidated Revenue Account and its related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and its financial performance and its cash flows for the year that ended in accordance with International Financial Reporting Standards (IFRSs).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance 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	How our audit addressed the key audit matters
Premium Income	
<p>Premium income is the most financially significant item in the statement of profit and loss account & profit and loss appropriation account. The company has reported Net premium income of Tk. 381,420,281 for the year ended December 31, 2024.</p> <p>Gross general insurance premium comprises the total premium received during the accounting period for the entire period of cover for which insurance policy has been issued by contracts with Nitol Insurance Company Limited. As the premium income recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</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.



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	<ul style="list-style-type: none"> 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 of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. <p>Assessed the appropriateness and presentation of disclosures in accordance with relevant accounting standards, Insurance Act 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</p>
See Form XL to the financial Statements	
Estimated liability in respect of outstanding claims whether due or intimated and claim payment	
<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. At the year end, 2024, the total Estimated Liabilities in Respect of Outstanding Claims, Whether Due or Intimated of BDT. 17,916,491 (2023: BDT. 17,264,988) to the financial statements.</p>	<p>We carried out the following substantive procedure around this line 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 cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. Reviewed the claim committee meeting minutes about decision about impending claims. Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.



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See **note 09.00** to the financial statements

Investment

The classification and measurement of investment in securities required judgement and complex estimates. Investment in securities are needs to be classified as held to maturity or held for trading depending on the management intention about the investment. At the year end, the company reported investment of (Bangladesh Govt. Treasury Bond& Investment in Shares) BDT. 151,604,953 (i.e. 2023: BDT. 150,883,388).

- We assessed the processes and controls put in place by the company to identify and confirm the existence of investment.
- We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the investment adjustment.
- Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and circulars issued by IDRA.

See **note no. 15.00** to the financial statements.

OTHER MATTER

The financial statements of the company for the year ended 31st December 2023 were audited by another auditor “Shafiq Basak& Co. Chartered Accountants” who expressed an unmodified opinion on those financial statements.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report. 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are

required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 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



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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.

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

conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, Insurance Act 2010, the Insurance Rules 1958 and other applicable Laws and Regulations, we also report the following:



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

Place: Dhaka
Date: 12 May 2025

Md. AbdusSatter Sarkar, FCA

Partner

Mahfel Huq & Co.

Chartered Accountants

ICAB Enrolment No. 1522

Firm Registration No. P-46323

DVC: 2505131522AS742051

Nitol Insurance Company Limited
Statement of Financial Position (Balance Sheet)
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Shareholders' Equity		1,259,865,149	1,223,061,644
Issued, Subscribed and Paid-up Capital	4.00	402,076,390	402,076,390
Reserve & Contingency Accounts	5.00	857,788,759	820,985,254
Liabilities & Provision		670,890,136	619,004,337
Balance of Funds & Account	6.00	155,197,821	145,904,748
Premium Deposit	7.00	2,395,529	6,376,307
Estimated liability in respect of outstanding claims, whether due or intimated	9.00	17,916,491	17,264,988
Amount due to other persons or bodies carrying on insurance business	10.00	84,472,336	79,718,527
Sundry Creditors	11.00	360,036,930	324,253,139
Unclaimed Dividend	12.00	3,792,420	3,122,119
Deferred Tax	13.00	47,078,608	42,364,509
Total Equity & Liabilities		1,930,755,285	1,842,065,981
Non-Current Assets		650,882,628	667,034,913
Property, Plant & Equipment	14.00	499,277,675	516,151,525
Investment	15.00	151,604,953	150,883,388
Current Assets		1,279,872,657	1,175,031,068
Investment in FDR	16.00	286,000,000	420,500,000
Inventories	17.00	3,632,649	2,870,502
Advance against Office Space	18.00	285,289,361	239,220,170
Interest Receivable Account	19.00	7,287,911	11,140,632
Amount Due from Other Persons or Bodies Carrying on insurance business	20.00	239,757,570	71,284,355
Sundry Debtors	21.00	431,787,565	407,548,218
Cash & Cash Equivalents	22.00	26,117,601	22,467,191
Total Assets		1,930,755,285	1,842,065,981
NET ASSETS VALUE PER SHARE	33.00	31.33	30.42

The annexed notes from 1 to 38 form an integral part of these financial statements.


Md. Mijanur Rahman FCS
Company Secretary


Mahmudul Hoque Shamim
Director



Md. Altaf Hossain
Chief Financial Officer


Zobair Humayun Khandaker
Vice Chairman


S. M. Mahbubul Karim
Chief Executive Officer


A K M Monirul Hoque
Chairman

Signed in terms of our separate report of even date


Md. Abdus Satter Sarkar, FCA
Partner
Mahfel Huq & Co.
Chartered Accountants
ICAB Enrolment No: 1522
Firm Registration No. P-46323
DVC: 2505131522AS742051

Place: Dhaka
Dated: 12 May 2025

Nitol Insurance Company Limited

Statement of Profit or Loss and Other Comprehensive Income (Profit or Loss Account)

For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Operating Profit/(Loss) Transferred from:		95,770,055	72,076,051
Fire Ins. Revenue Account		10,120,273	5,617,262
Marine Ins. Revenue Account		56,603,625	53,192,490
Motor Ins. Revenue Account		23,513,993	7,794,745
Miscellaneous Ins. Revenue Account		5,532,165	5,471,554
Non Operating Income		38,979,082	44,195,725
Interest received & accrued	29.00	36,076,175	41,508,360
Dividend & Shares Income	30.00	1,100,353	1,408,370
Unrealised gain on Investment in Shares		338,682	29,995
Office Space Rent	31.00	940,000	840,000
Other Income	32.00	523,872	409,000
Total Income		134,749,137	116,271,776
Expenses of Management: (Not applicable particular Fund or Account)		25,177,434	28,480,740
Audit fees	28.00	704,000	782,002
Advertisement and Publicity		2,852,193	3,494,221
Subscription and Donation		1,579,026	2,762,556
Legal & Professional Fees		395,233	705,305
Depreciation Expenses	14.00	19,104,182	20,249,056
Director Fees		542,800	487,600
Profit Before Tax		109,571,703	87,791,036
Provision for taxation		30,550,177	28,393,572
Provision for Current Tax	11.01	25,836,078	21,685,471
Deferred Tax Expenses/(Income)	13.00	4,714,099	6,708,101
Profit after tax transferred to profit or loss appropriation account		79,021,527	59,397,464
Earning Per Share (EPS)	27.00	1.97	1.48


The annexed notes from 1 to 38 form an integral part of these financial statements.


Md. Mijanur Rahman FCS
 Company Secretary


Mahmudul Hoque Shamim
 Director



Md. Altaf Hossain
 Chief Financial Officer


Zobair Humayun Khandaker
 Vice Chairman


S. M. Mahbubul Karim
 Chief Executive Officer


A K M Monirul Hoque
 Chairman

Signed in terms of our separate report of even date


Md. Abdus Satter Sarkar, FCA
 Partner
 Mahfel Huq & Co.
 Chartered Accountants
 ICAB Enrolment No: 1522
 Firm Registration No. P-46323
 DVC: 2505131522AS742051

Place: Dhaka
 Dated: 12 May 2025

Nitol Insurance Company Limited
Profit or Loss Appropriation Account
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Opening Balance of Profit and Loss		42,388,273	62,191,514
Appropriation Account			
Net profit after tax for the year brought down		79,021,527	59,397,464
Total		121,409,800	121,588,978
Reserve for Exceptional Losses	23.00	38,142,029	36,145,938
General Reserve	5.02	200,000	200,000
Dividend Paid	8.00	42,218,021	44,228,403
Balance transferred to Statement of Financial Position		40,849,750	41,014,637
Total		121,409,800	121,588,978

The annexed notes from 1 to 38 form an integral part of these financial statements.


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Company Secretary


Mahmudul Hoque Shamim
Director



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Zobair Humayun Khandaker
Vice Chairman


S. M. Mahbubul Karim
Chief Executive Officer


A K M Monirul Hoque
Chairman

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ICAB Enrolment No: 1522
Firm Registration No. P-46323
DVC: 2505131522AS742051

Place: Dhaka
Dated: 12 May 2025

Nitol Insurance Company Limited

Consolidated Revenue Account

For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Balance of Funds & Account at the beginning of the year	6.00	145,904,748	140,159,197
Premium Less Re-insurance		381,420,281	361,459,383
Commission on Re-insurance Ceded		59,309,864	73,563,662
Profit Commission		24,648,032	16,010,000
Total		611,282,925	591,192,242
Claims under Policies, Less Re-insurance		89,259,001	107,240,426
Claims paid during the year		88,607,498	100,335,326
Outstanding Claims at the year end		17,916,491	17,264,988
Less: Outstanding claims at the end of the previous year		(17,264,988)	(10,359,888)
Agent Commission		79,697,706	85,009,837
Expenses of Management	24.00	191,358,342	180,961,180
Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account)		95,770,056	72,076,051
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 100% on Hull & 40% on all other Premium Income of the year	6.00	155,197,821	145,904,748
Total		611,282,925	591,192,242

The annexed notes from 1 to 38 form an integral part of these financial statements.


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 DVC: 2505131522AS742051

Place: Dhaka
 Dated: 12 May 2025

Nitol Insurance Company Limited
Fire Insurance Revenue Account
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Balance of Funds & Account at the beginning of the year	6.00	29,117,237	16,756,908
Premium Less Re-insurance		114,980,515	72,793,092
Commission on Re-insurance Ceded		38,660,670	52,406,533
Profit Commission		19,139,189	13,409,982
Total		201,897,611	155,366,515
Claims under Policies, Less Re-insurance		31,042,867	9,485,148
Claims paid during the year		30,498,869	5,771,209
Outstanding Claims at the year end		6,100,582	5,556,584
Less :Outstanding claims at the end of the previous year		(5,556,584)	(1,842,645)
Agent Commission		33,736,609	35,740,794
Expenses of Management	24.00	81,005,656	75,406,074
Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account)		10,120,273	5,617,262
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	6.00	45,992,206	29,117,237
Total		201,897,611	155,366,515

The annexed notes from 1 to 38 form an integral part of these financial statements.


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Company Secretary


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Director



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Chief Executive Officer


A K M Monirul Hoque
Chairman

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Partner
Mahfel Huq & Co.
Chartered Accountants
ICAB Enrolment No: 1522
Firm Registration No. P-46323
DVC: 2505131522AS742051

Place: Dhaka
Dated: 12 May 2025

Nitol Insurance Company Limited

Marine Insurance Revenue Account
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Balance of Funds & Account at the beginning of the year	6.00	64,215,190	61,448,127
Premium Less Re-insurance		147,160,756	157,235,488
Commission on Re-insurance Ceded		14,580,805	15,828,635
Profit Commission		4,960,300	1,928,211
Total		230,917,051	236,440,461
Claims under Policies, Less Re-insurance		21,119,319	31,643,261
Claims paid during the year		20,889,129	31,474,811
Outstanding Claims at the year end		1,858,250	1,628,060
Less :Outstanding claims at the end of the previous year		(1,628,060)	(1,459,610)
Agent Commission		27,452,157	28,237,991
Expenses of Management	24.00	64,247,939	59,151,529
Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account)		56,603,625	53,192,490
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 100% on Hull & 40% on Cargo Premium Income of the year	6.00	61,494,011	64,215,190
Total		230,917,051	236,440,461

The annexed notes from 1 to 38 form an integral part of these financial statements.


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Mahfel Huq & Co.
Chartered Accountants
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Firm Registration No. P.46323
DVC: 2505131522AS742051

Place: Dhaka
Dated: 12 May 2025

Nitol Insurance Company Limited
Motor Insurance Revenue Account
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Balance of Funds & Account at the beginning of the year	6.00	49,559,741	57,158,987
Premium Less Re-insurance		107,395,640	123,899,352
Commission on Re-insurance Ceded		794,989	-
Total		157,750,370	181,058,339
Claims under Policies, Less Re-insurance		36,935,999	64,954,041
Claims paid during the year		36,571,935	62,531,330
Outstanding Claims at the year end		9,764,408	9,400,344
Less :Outstanding claims at the end of the previous year		(9,400,344)	(6,977,633)
Agent Commission		16,476,380	19,407,112
Expenses of Management	24.00	37,865,742	39,342,700
Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account)		23,513,993	7,794,745
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	6.00	42,958,256	49,559,741
Total		157,750,370	181,058,339

The annexed notes from 1 to 38 form an integral part of these financial statements.



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Partner
Mahfel Huq & Co.
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DVC: 2505131522AS742051

Place: Dhaka
Dated: 12 May 2025

Nitol Insurance Company Limited
Miscellaneous Insurance Revenue Account
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
Balance of Funds & Account at the beginning of the year	6.00	3,012,580	4,795,175
Premium Less Re-insurance		11,883,370	7,531,451
Commission on Re-insurance Ceded		5,273,400	5,328,494
Profit Commission		548,543	671,807
Total		20,717,893	18,326,927
Claims under Policies, Less Re-insurance		160,815	1,157,976
Claims paid during the year		647,565	557,976
Outstanding Claims at the year end		193,250	680,000
Less :Outstanding claims at the end of the previous year		(680,000)	(80,000)
Agent Commission		2,032,560	1,623,940
Expenses of Management	24.00	8,239,005	7,060,877
Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account)		5,532,165	5,471,554
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	6.00	4,753,348	3,012,580
Total		20,717,893	18,326,927

The annexed notes from 1 to 38 form an integral part of these financial statements.


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ICAB Enrolment No: 1522
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DVC: 2505131522AS742051

Place: Dhaka
Dated: 12 May 2025

Nitol Insurance Company Limited
Statement of Changes in Equity

For the year ended 31 December 2024

Particulars	Amount in Taka				
	Share Capital	General Reserve	Reserve for Exceptional Losses	Revaluation Reserve	Retained Earnings
Balance at 01 January 2024	402,076,390	10,330,000	700,958,796	67,308,185	42,388,273
Cash Dividend Paid for the year 2023	-	-	-	-	(42,218,021)
Net Profit after Tax	-	-	-	-	79,021,527
Appropriation made during the year	-	200,000	38,142,029	-	(38,342,029)
Depreciation on Revaluation Reserve	-	-	-	(1,009,623)	1,009,623
Balance at 31 December 2024	402,076,390	10,530,000	739,100,824	66,298,562	41,859,373
					1,259,865,149

For the Year Ended 31 December 2023

Particulars	Amount in Taka				
	Share Capital	General Reserve	Reserve for Exceptional Losses	Revaluation Reserve	Retained Earnings
Balance at 01 January 2023	402,076,390	10,130,000	664,812,858	68,681,821	62,191,514
Cash Dividend Paid for the year 2022	-	-	-	-	(44,228,403)
Net Profit after Tax	-	-	-	-	59,397,464
Appropriation made during the year	-	200,000	36,145,938	-	(36,345,938)
Depreciation on Revaluation Reserve	-	-	-	(1,373,636)	1,373,636
Balance at 31 December 2023	402,076,390	10,330,000	700,958,796	67,308,185	42,388,273
					1,223,061,644

The annexed notes from 1 to 38 form an integral part of these financial statements.


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 Chief Executive Officer


Mahmudul Hoque Shamim
 Director


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 Vice Chairman



A K M Monirul Hoque
 Chairman


Nitol Insurance Company Limited
Statement of Cash Flows
For the year ended 31 December 2024

Particulars	Amount in Taka	
	31-Dec-24	31-Dec-23
A) Cash flows from Operating Activities:		
Cash receipts from Premium and Others Income	534,623,791	541,267,026
Cash payment for Management Exp., Re-Insurance, Claim & Other Exp.	(504,934,035)	(509,857,311)
Income Tax Paid	(20,849,359)	(25,094,386)
Net cash inflow from operating activities	8,840,397	6,315,329
B) Cash flows from Investing activities:		
Interest, Dividend and Rent Received	42,003,121	51,957,589
Advance and Prepayment	(137,915,057)	(16,451,881)
Changes in Investment in Fixed Deposit	134,500,000	283,500,000
Changes in Investment in BGTB	-	-
Changes in Fixed Assets	(2,230,332)	(298,750,920)
Net Cash used by investing activities	36,357,732	20,254,787
C) Cash flows from Financing Activities:		
Cash dividend paid	(41,547,720)	(44,834,140)
Net cash used by financing activities	(41,547,720)	(44,834,140)
D) Net inflows/(out flows) for the year (A+B+C)	3,650,409	(18,264,024)
E) Opening Cash & Cash Equivalents	22,467,191	40,731,215
F) Closing cash & Cash Equivalents (D+E)	26,117,601	22,467,191
Net Operating cash flow per share (Note-34)	0.22	0.16

The annexed notes from 1 to 38 form an integral part of these financial statements.


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Vice Chairman


A K M Monirul Hoque
Chairman

Nitol Insurance Company Limited

Form-"AA"

Classified Summary of Assets

As at 31 December 2024

SL. No.	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
A	Non-Current Assets	650,882,628	667,034,913
	Property, Plant & Equipment	499,277,675	516,151,525
	Investment	151,604,953	150,883,388
B	Current Assets	1,279,872,657	1,175,031,068
	Fixed Deposit with Banks	286,000,000	420,500,000
	Inventories	3,632,649	2,870,502
	Advance against Office Space	285,289,361	239,220,170
	Interest Receivable Account	7,287,911	11,140,632
	Amount due from Other Persons or Bodies Carrying on Insurance Business	239,757,570	71,284,355
	Sundry Debtors	431,787,565	407,548,218
	Cash & Cash Equivalents	26,117,601	22,467,191
	TOTAL ASSETS (A+B)	1,930,755,285	1,842,065,981

Certificate under regulation 7 (a) & (b) of Part 1 of the first Schedule of the Insurance Act 1938.

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 market value.

The annexed notes from 1 to 38 form an integral part of these financial statements.


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 Company Secretary


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 Chairman

Nitol Insurance Company Limited

Notes to the Financial Statements

As at and for the year ended 31 December 2024

1.00 Legal status and Nature of the Company

1.01 Domicile, Legal Form, Country of Incorporation

The Company was incorporated vide incorporation certificate number C-38743(701)/99 on 4th October 1999 as a Public Limited Company under the Companies Act, 1994 and obtained the Certificate of Commencement of business from the Registrar of Joint Stock Companies and Firms, Bangladesh with effect from the same date. However, the Registration Certificate for carrying on insurance business from the Chief Controller of Insurance, Government of Bangladesh, was obtained with effect from 18th November, 1999. The Company was listed with both Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. as a publicly traded company on 29.11.2005 and 10.10.2005 respectively.

1.02 Principal Activities

The principal object of the company is to offer all kinds of insurance other than life insurance. These insurance policies offer to compensate the policyholder's for uncertain future events which adversely affects the policyholder's interest. The consideration under the above activities is insurance premium which is the revenue of the business.

1.03 Address of Registered Office and Principal Place of Business

The registered office of the Company is at Police Plaza Concord, Tower-2 (6th Floor), Plot-2, Road-144, Gulshan-1, Dhaka-1212, Bangladesh and the address of operational head quarter is also at the said Police Plaza Concord, Tower-2 (6th Floor), Plot-2, Road-144, Gulshan-1, Dhaka-1212, Bangladesh.

2.00 Summary of Significant Accounting Policies and Basis of Preparation:

2.01 Basis of Accounting

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standard (FRS) under this council is yet to be issued for public interested entities such as general insurance companies. As the FRS is yet to be issued as per the provision of FRA, the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Insurance Act 2010, The Insurance Rules 1958 and conformity the Companies Act 1994, The Securities and Exchange Rules 1987, the Listing rules of Dhaka stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) and other applicable laws and regulation in Bangladesh.

The financial Statements have been prepared on going concern and accrual basis under the historical cost convention.

2.02 Basis of Preparation

The Statement of Financial Position has been prepared in accordance with the regulations as contained in PART I of the first schedule and as per form "A" as set forth in PART II of same schedule of the Insurance Act 1938. The Revenue Account of each class of non-life insurance business is prepared in accordance with the regulations contained in PART II of the third schedule and as per form "F" set forth in PART II of that schedule of the Insurance Act, 1938 (as amended in Insurance Act 2010). The classified summary of the assets are prepared in accordance with form "AA" as set forth in PART II of the first schedule of the said Act.

2.03 Branch Accounting

The Company has 26 (Twenty six) branches under its umbrella without having any overseas branch during the year ended 31 December 2024. The accounts of the branches are maintained and consolidated at the head office level. Only petty cash books are being maintained at the respective branches for meeting day to day expenses.

2.04 Revenue Recognition

Revenue is recognized in accordance with International Financial Reporting Standards (IFRS-15) unless otherwise mentioned or otherwise guided by the separate IAS/IFRS or by Directives of the Regulatory Authority.

Premium Income

Premium income is recognized when insurance policies are issued. Amount received against issue of the cover notes that have not yet 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 as per circular of the Chief Controller of Insurance.

Gross underwriting business as well as re-insurance thereof and claim settled etc. have been reflected separately for each class of business and net underwriting result thereof have been reflected in the revenue accounts after due consideration of re-insurance ceded.

Necessary adjustment in respect of re-insurance ceded & accepted in Bangladesh has duly been made. Fifty percent of the re-insurable non-life insurance business shall be re-insured with SBC & the remaining fifty percent of such business may be re-insured either with SBC or with any other insurer whether inside or outside Bangladesh.

Public Sector Business (PSB)

As per Government decision effective from April 1990, 100% Public Sector Insurance Business is being under written by SBC, 50% being retained by SBC & the balance is equally distributed to 47 private sector insurance companies. The premium in respect of the Company's share of Public Sector Insurance Business (PSB) is accounted for the year in which the relevant statements of account from SBC is received. The statement of accounts for the period from July 2023 to June 2024 have been received from SBC & the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the PSB has been consistently followed.

Interest Income

Interest on FDRs & Bangladesh Government Treasury Bond (BGTB) are recognized on accrual basis. Interest on STD/SND account & other income are recognized as and when the amount are credited to our account.

Cash Dividend Income & Stock dividend from Investment

Dividend income on investment in shares , if any are recognized as cash & shown in Profit & Loss Accounts. For stock dividend received by the company against its investment, number of shares increased effecting decrease in average cost of investment.

2.05 Reporting Currency and Level of Precision

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

Previous year's year figures have been rearranged wherever considered necessary to conform to the current year's presentation.

2.06 Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into Bangladeshi Taka and recorded at rates of exchange ruling on the date of transaction in accordance with IAS 21: "The Effects of Changes in Foreign Exchange Rates".

2.07 Use of Estimates and Judgments

The preparation of the financial statements in conformity with IAS-8: Accounting Policies, Changes in Accounting Estimates and Errors requires management to make judgments, estimates and

assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumption are reviewed on an ongoing basis. Revision of accounting estimates are recognized in the period in which the estimate is revised and in any future period affected. The most significant areas where estimates and judgments have been made are on provision for outstanding claim, income tax and deferred tax.

2.08 Property, Plant & Equipment

Valuation of Property, Plant & Equipment

Property, Plant & Equipment are stated as per IAS 16 "Property, Plant & Equipment". The cost of acquisition of an assets comprises its purchase price and directly attributable cost of bringing the asset to test working condition for its intended use inclusive of inward freight, duties and non refundable taxes

Recognition of Property, Plant & Equipment

The Company recognizes in the carrying amount of an item of property, plant and Equipment the cost replacing part of such an item when the cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Normal expenditure incurred after the assets have been put into operation such as repair and maintenance other than major replacement, renewals and betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

De-recognition of Property, Plant & Equipment

An item of Property, Plant and Equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss and Other Comprehensive Income in the year the asset is de-recognized.

Depreciation

Property, Plant & Equipment's are depreciated quarterly on reducing balance method. Depreciation has been charged in addition of Property, Plant & Equipment when it has began to use/ available for use and depreciation is charged on disposal of assets when it is retired during the year. The rates of depreciation have been shown in note 19.

Impairment of Assets

In each year the management assess whether there is any indication that the assets may be impaired in accordance with IAS 36. "Impairment of Assets" considering the current economic situation. Management concludes that there is no such indication exists.

Revaluation of Assets

Property, Plant & Equipment (Office spaces, Skylark point, Bijoy Nagar, Dhaka & Younusco City Centre, CDA Avenue Chittagong) have been revalued by the company as on December 31, 2014 which have been conducted by ACNABIN, Chartered Accountants in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain for such revaluation are transferred to the revaluation reserve account as per IAS 16. "Property, Plant and Equipment"

Intangibles Assets

Intangible Assets are recorded at historical cost less accumulated amortization. These are amortized on reducing balance method using the rate @25%.

2.09 Reserve or Contingencies Accounts

Reserve for exceptional losses

As per Para 6 of the 4th schedule of Income Tax Act 2023, to meet the exceptional losses,

Company sets aside 10% of the premium income of the year which it is set aside from the balance of the profit to the Reserve for exceptional losses.

Revaluation Reserve

Revaluation surplus is transferred to revaluation reserve after restating the assets at the revalued amount.

Provision for Unexpired Risks :

Before arriving at the surplus of each class of business, necessary provision for unexpired risk has been made @ 40% on all businesses except Marine Hull business for which 100% provision has been made.

General Reserve

The company creates a general reserve from the current year profit to avoid future contingency.

2.10 Employee Benefit

The Company offers a number of benefit plans for all permanent employees which include Contributory Provident Fund, Gratuity Scheme, Health and Group Insurance Policy which have been accounted for in accordance with the provision of International Accounting Standards (IAS)-19, "Employee's Benefit" the basis of remuneration the above benefits schemes operated by the company are outlined below:

Provident Fund

The Company operates a contributory Provident Fund for its permanent employees, provision for which are being made annually as per rules administered by a Board of Trustees in which eligible employees contribute @ 10% of basic salary. The Company also makes equal contribution to the said Provident Fund. These contributions are invested separately.

Gratuity Scheme

The Company has introduced a funded gratuity scheme for all eligible employees who complete minimum 10 years of service with the Company. The Gratuity is calculated on the last Basic Pay and is payable at the rate of one month Basic Pay for every completed years of service. The Gratuity Trust Rules got recognized from National Board of Revenue in effect from 11.02.2018 under section 2 of PART-2 of Second Schedule of Income Tax Act 2023 (as replaced on Income Tax Ordinance 1984).

Home Loan Scheme

To secure long term commitment of deserving employees, Nitol Insurance Company Limited. has introduced Employees Home Loan Policy. An employee in service with the company for a continuous period of eight years is entitled to avail the loan to purchase residential apartment, land and construction of house thereon.

Car Loan Scheme

To provide transport facility to employees, the company introduced Employees Car Loan Policy. An employee served in the company for a continuous period of two years six months is entitled to avail the loan to purchase car.

Insurance Policy

The permanent employees of the Company are covered under a Personal Accident Scheme, a Group Insurance Scheme etc. premium for which has been charged as Management Expenses.

2.11 Management Expenses

Management expenses have been allocated to the respective business on the basis of proportionate gross premium earned.

2.12 Cash and Cash Equivalents

According to IAS 7 "Statement of Cash Flows" cash comprises cash in hand, demand deposits, cash equivalents on short term, highly liquid investments that are readily convertible to know amounts of cash and those which are subject to an insignificant risk of changes in value. Cash and cash equivalents are not restricted in use and accordingly cash in hand and bank balances have been considered as cash and cash equivalents. The company does not held any foreign currency in cash and cash equivalents during the period.

2.13 Debtors and other Receivables

These are carried at bill amount, unsecured and considered good and collectible.

2.14 Inventories (Stock of Stationery, Forms and Insurance Stamp)

Inventories has been valued as per IAS 2 "Inventories" which has been held for use to provide insurance service. Inventories include stock of stationery, forms and insurance stamp which have no realizable value but bearing cost value and have are bought for giving services to client.

2.15 Provision for Income Tax

The Company has made the income tax provision on the basis of IAS 12 "Income Taxes" and Income Tax Act 2023 as amended from time to time. Provision for income tax represents the sum of the current tax on profit and deferred tax.

Provision for Current Tax

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit as reported in the profit & loss account because it excludes items of income or expenses that are taxable or deductible in succeeding years & it further excludes items that are never taxable or deductible. The Company's liability for the current tax is calculated using tax rates that have been effective on the balance sheet date.

Deferred Taxes

Deferred tax is recognized on differences between the carrying amount of assets & liabilities in the financial statements & the corresponding tax bases used in the computation of taxable profit & are accounted for using the financial position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Adequate provision has been made for deferred tax as reported in the Statement of Profit or Loss and Other Comprehensive Income Appropriation Account.

2.16 Creditors & Accruals

Liabilities are recognized for amounts to be paid in the future for products and services received, whether or not billed by the suppliers.

2.17 Investments

Investments are initially recognized at cost, including acquisition charge associate with the investment.

Bangladesh Govt. Treasury Bond

Bangladesh Govt. Treasury Bond are classified as held to maturity. Any gain or loss on such investments is recognized in the Statement of Profit or Loss and Other Comprehensive Income when the investments are derecognized in accordance with IFRS 9: Financial Instruments: Recognition and Measurement.

Investment in Listed Shares and Securities

These securities are acquired and held primarily for trading purposes and short-term profit generation. They are measured at fair value, with unrealized gains or losses recognized in the profit or loss account in accordance with IFRS 9: Financial Instruments.

Investment in Unquoted Shares and Securities

Investment in Unquoted Shares and Securities is reported at cost under cost method.

2.18 Earnings Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings per Share", which has been shown on the face of the Statement of Profit or Loss and Other Comprehensive Income.

2.19 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average of ordinary shares outstanding during the year. In accordance with IAS 33 "Earnings per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

2.20 Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extraordinary items, the net profit of the year after tax has been considered as fully attributable to the ordinary shareholders.

2.21 Diluted earning per share

Diluted EPS is calculated for any commitment of issuance of equity share which are assumed to be issued under securities or contract that entitle their holders to obtain ordinary shares in foreseeable future.

2.22 Related Party Disclosure

As per IAS 24, Related Parties are considered to be related if one of the party 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 normal course of business are conducted in an arm's length basis at commercial rates on the same terms and conditions as applicable to the valued client. Related party disclosure have been given in note 37.

2.23 Statement of Cash Flows

Cash Flow Statements is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules 1987. The company has recognized the effect of change in foreign currency exchange rates on cash and cash equivalent which are held or due in foreign currency in separate line of Statement of Cash Flows as per paragraph 28 of IAS 7.

A reconciliation of net income or net profit with cash flows from operating activities making adjustment for non- cash items, non-operating items and net changes in operating accruals are disclosed in the note no 34.

2.24 Segment Information

Nitol Insurance Co. Limited. essentially provides all kinds of non-life insurance services to the customers across the country which have different risk profile and returns and are different from those of other business segments. The company accounts for segment reporting of operating result of four primary business segment namely Fire, Marine, Motor and Miscellaneous as per IFRS 8 .

2.25 Lease Recognition

Nitol Insurance Co. Limited. have rented office spaces through deed of agreement which can be canceled by the either parties by giving maximum three month notice. As per definitions of "Lease Term" (Appendix-A of IFRS 16), to recognized lease assets right of use assists should be non cancelable.

2.26 Date of Financial Statements Authorized for Issue:

Financial Statements of the Company for the year ended December 31, 2024 were authorized for issue on 12th May, 2025 in accordance with a resolution of the Board of Directors of the Company.

2.27 Events after the balance sheet date:

There is no material adjusting or non adjusting events after the balance sheet date.

2.28 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). While reporting the financial statements, the company applied all the applicable IASs and IFRSs as adopted by ICAB. Details are given below:

SI No	IAS No	IAS Title	Compliance Status
01	1	Presentation of Financial Statements	Complied
02	2	Inventories	Complied
03	7	Statement of Cash Flows	Complied
04	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	10	Events after the Reporting Period	Complied
06	12	Income Taxes	Complied
07	16	Property, Plant & Equipment	Complied
08	19	Employee Benefits	Complied
09	20	Accounting for Government Grants and Discloser of Government Assistance	Not Applicable
10	21	The Effects of Changes in Foreign Exchange Rates	Complied
11	23	Borrowing Costs	Complied
12	24	Related Party Disclosures	Complied
13	26	Accounting and Reporting by Retirement Benefit Plans	Complied
14	28	Investment in Associates and Joint Ventures	Not Applicable
15	32	Financial Instruments: Presentation	Complied
16	33	Earnings per Share	Complied
17	34	Interim Financial Reporting	Complied
18	36	Impairment of Assets	Complied
19	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
20	38	Intangible Assets	Complied
21	40	Investment Property	Complied
22	41	Agriculture	Not Applicable

SI No	IAS No	IFRS Title	Compliance Status
01	1	Frist-time Adoption of International Financial Reporting Standards	Not Applicable
02	2	Share-based Payment	Not Applicable
03	3	Business Combinations	Not Applicable
04	4	Insurance Contracts	Complied
05	5	Non-current Assets Held for Sale and Discontinued Operations	Complied
06	6	Exploration for and Evaluation of Mineral Assets	Not Applicable
07	7	Financial Instruments: Disclosures	Complied
08	8	Operating Segments	Complied
09	9	Financial Instruments	Complied
10	10	Consolidated Financial Statements	Not Applicable
11	11	Joint Arrangements	Not Applicable
12	12	Disclosure of Interests in other Entities	Not Applicable
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	Not Applicable
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Complied

* In order to comply with certain specific rules and regulations of the IDRA which are different from IAS/IFRSs, some of the requirements specified in these IAS/IFRSs are not applied.

3.00 Additional Information of Financial Statements

Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act 1994 and as per the provision of "The International Accounting Standards Committee" (IASC) and "The International Accounting Standards Board" (IASB).

Components of the Financial Statements

According to IAS 1 "Presentation of Financial Statements" and Insurance Act 1938 (as amended in Insurance Act 2010), the complete set of Financial Statements include the following components :

- i) Statement of Financial Position (Balance Sheet) as at 31 December 2024;
- ii) Statement of Profit or Loss and Other Comprehensive Income (Profit or Loss Account) for the year ended 31 December 2024;
- iii) Profit or Loss Appropriation Account for the year ended 31 December 2024;
- iv) Statement of Changes in Equity for the year ended 31 December 2024;
- v) Statement of cash Flows for the year ended 31 December 2024;
- vi) Consolidated all Business Revenue Account for the year ended 31 December 2024;
- vii) Fire Insurance Revenue Account for the year ended 31 December 2024;
- viii) Motor Insurance Revenue Account for the year ended 31 December 2024;
- ix) Marine Insurance revenue Account for the year ended 31 December 2024;
- x) Miscellaneous Insurance Revenue Account for the year ended 31 December 2024; and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2024."

Comparative Information :

Comparative information has been disclosed in respect of the year 2023 for all numerical information in the financial statements.

Figures of the year 2023 have been rearranged whenever considered necessary to ensure comparability with the current period.

Reporting Period :

Financial Statements of the Company cover one calendar year from 01 January 2024 to 31 December 2024.

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23

4.00 Disclosure of Company's Authorized, Issued, Subscribed and paid up capital:
Authorized Capital :

50,000,000 Ordinary Shares of Tk. 10 each

500,000,000
500,000,000
Issued, Subscribed and Paid-up Capital

15,000,000 Ordinary share of Tk. 10 each

150,000,000

150,000,000

Bonus Share Issued Till Date

25,207,639 Bonus Share of Tk. 10 each

252,076,390

252,076,390

Paid-up Capital
402,076,390
402,076,390

Pursuant to section 6(b) of Insurance Act, 1938 (The Seventh Schedule), and Section 4(A) of Insurance Rules, 1958 and Article 6(D) of Association of the Company, the Company raised its Paid -up Capital from Tk. 6.00 Core to Tk. 15.00 Core through Initial Offering.

Particulars	2024			2023		
	No. of Shares	% of Holding	Taka	No. of Shares	% of Holding	Taka
1. Sponsors & Directors (Group-A)	14,074,349	35.00%	140,743,490	14,074,353	35.00%	140,743,530
2. General (Group-B)	26,133,290	65.00%	261,332,900	26,133,286	65.00%	261,332,860
TOTAL	40,207,639	100%	402,076,390	40,207,639	100%	402,076,390

Classification of shareholder as per their share holding as on 31 December 2024.

GROUP- "A": Sponsors & Directors

Class Interval	No. of shares	No. of shares Holders	% of Holding	% of Total Paid up capital
1 - 5000	.	.	.	.
5001 - 10000	.	.	.	.
10001 - 50000	.	.	.	.
50001 - 100000	.	.	.	.
100001 - 300000	.	.	.	.
300001 - 600000	.	.	.	.
600001 - 1500000	2,414,148	3	17.15	6.00
1500001 - 5000000	11,660,201	4	82.85	29.00
Total	14,074,349	7	100	35.00

GROUP- "B": General

Class Interval	No. of shares	No. of shares Holders	% of Holding	% of Total Paid up capital
1 - 5000	2,889,578	2,572	11.06	7.19
5001 - 10000	1,681,261	224	6.43	4.18
10001 - 50000	4,959,293	224	18.98	12.33
50001 - 100000	2,523,475	32	9.66	6.28
100001 - 300000	4,170,110	23	15.96	10.37
300001 - 600000	1,430,283	3	5.47	3.56
600001 - 1500000	1,187,922	1	4.55	2.95
1500001 - 5000000	7,291,368	3	27.90	18.13
Total	26,133,290	3,082	100	65.00
Grand Total (A+B)	40,207,639	3,089	100	100

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
5.00	Reserve & Contingency Accounts		
	Reserve for Exceptional Losses 5.01	739,100,824	700,958,795
	General Reserve 5.02	10,530,000	10,330,000
	Retained Earnings 5.03	41,859,373	42,388,273
	Revaluation Reserve 5.04	66,298,562	67,308,185
	Closing Balance	857,788,759	820,985,254
5.01	Reserve for Exceptional Losses		
	Opening Balance	700,958,795	664,812,857
	Add: Addition during the year 23.00	38,142,029	36,145,938
	Closing Balance	739,100,824	700,958,795
5.02	General Reserve		
	Opening Balance	10,330,000	10,130,000
	Add: Addition during the year	200,000	200,000
	Closing Balance	10,530,000	10,330,000
5.03	Retained Earnings		
	Opening Balance	42,388,273	62,191,514
	Net profit after taxation	79,021,527	59,397,464
	Transfer to general reserve	(200,000)	(200,000)
	Reserve for exceptional losses 23.00	(38,142,029)	(36,145,938)
	Cash Dividend/Issuance of Bonus Shares 8.00	(42,218,021)	(44,228,403)
	Depreciation on increased value due to revaluation	1,009,623	1,373,636
	Closing Balance	41,859,373	42,388,273

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23

5.04 Revaluation Reserve

Fixed Assets (Office spaces, Skylark Point, Bijoy Nagar, Dhaka & Younusco City Centre, CDA Avenue Chittagong) has been revalued by the company as on August 20, 2014 which have conducted by ACNABIN, Chartered Accountants in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arise due to the revaluation are transferred to the revaluation reserve account as per IAS 16. "Property, Plant and Equipment". The Revaluation Reserve amount is Tk. 67,308,185 has been depreciated of Tk. 1,009,623 @ 2% and the written down value as at 31 December 2024 of Tk. 66,298,562. It has been depreciated of Tk. 1,373,636 @ 2% and the written down value as at 31 December 2023 of Tk. 67,308,185.

6.00 Balance of Funds & Accounts

Fire Insurance Business	45,992,206	29,117,237
Marine Insurance Business	61,494,011	64,215,190
Motor Insurance Business	42,958,256	49,559,741
Miscellaneous Insurance Business	4,753,348	3,012,580
Total	155,197,821	145,904,748

100% reserve has been made only for Marine Hull and 40% reserve has been made for rest of the Classes.

7.00 Premium Deposits

Marine Insurance Business	2,395,529	6,376,307
Total	2,395,529	6,376,307

The amount includes premium received against cover notes for which policies have not been issued within 31 December 2024.

8.00 Dividend Paid

Cash/Stock Dividend	42,218,021	44,228,403
Total	42,218,021	44,228,403

9.00 Estimated Liability in Respect of Outstanding Claims, whether due or intimated

Fire Insurance Business	6,100,582	5,556,584
Marine Insurance Business	1,858,251	1,628,060
Motor Insurance Business	9,764,408	9,400,344
Misc. Insurance Business	193,250	680,000
Total	17,916,491	17,264,988

This is in respect of Motor Insurance Business, Marine Insurance Business, Fire Insurance Business & Misc. Business. All claims of which intimations were received by the company within 31 December 2024, and have been taken into consideration while estimating the liability in respect of outstanding claims.

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
10.00	Amount Due to Other Persons or Bodies Carrying on insurance business		
	Sadharan Bima Corporation	62,478,853	50,867,871
	Foreign Re-insurer 10.01	21,993,483	28,850,656
	Total	84,472,336	79,718,527
10.01	Foreign Re-insurer		
	Asian Reinsurance Corporation, Thailand	6,453,343	10,345,638
	J.B.Boda Insurance & Reinsurance Brokers Pvt. Ltd.	3,817,276	4,415,134
	Protection Insurance Services W.L.L, Bahrain	444,345	11,079,208
	Risk Care Insurance Brokering Services Private Ltd.	-	-
	Manoj Reinsurance Brokers Ltd.	9,792,786	3,010,676
	Fulerum Reinsurance	185,267	-
	Bharat Re	367,697	-
	Aspire Re	686,695	-
	Mahendra Re	246,074	-
	Total	21,993,483	28,850,656
11.00	Sundry Creditors		
	Provision for Audit Fee	927,005	403,005
	Provision for Income Tax 11.01	316,094,175	290,258,098
	Provision for Office Rent	209,874	223,131
	Provision for Gratuity	8,036,506	8,036,506
	Short/Excess Premium	1,748,772	1,717,251
	Advance premium received	9,335,543	2,514,547
	VAT Payable	5,087,056	4,704,269
	Advance Office Rent	852,691	852,691
	Salary & Allowance Payable	8,034,780	8,512,002
	Provident Fund Payable	1,117,803	3,478,381
	Bills Payable	8,592,725	3,553,258
	Total	360,036,930	324,253,139
11.01	Provision for Income Tax		
	Opening Balance	290,258,098	342,657,597
	Add: Provision made during the year 11.01.01	25,836,078	21,685,471
		316,094,175	364,343,068
	Less: Adjustment with Advance Income Tax	-	(74,084,970)
	Closing Balance	316,094,175	290,258,098

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23

11.01.01 Provision made during the year

Current Tax Expenses	25,836,078	21,685,471
Deferred Tax Expenses (Income)	4,714,099	6,708,101
Provision during the year	30,550,177	28,393,572

Provision of Income Tax has been made on taxable income after necessary adjustment in accordance with the provision of Finance Act 2023 and Income Tax Act 2023. The details calculation are given below :

Net Profit	109,571,700	87,791,036
Less : Reserve for Exceptional Loss	(38,142,028)	(36,145,938)
Less : Dividend Income	(1,100,353)	(1,408,370)
Add : Inadmissible (Admissible) Expenses	(2,019,965)	6,840,064
Taxable Income without dividend	68,309,354	57,076,792
Tax @ 37.50%	25,616,008	21,403,797
Tax on Dividend 20%	220,070	281,674
Total	25,836,078	21,685,471

12.00 Unclaimed Dividend

Unclaimed Dividend	12.01	3,792,420	3,122,119
		3,792,420	3,122,119

12.01 Year Wise Unclaimed Dividend

Sl. No.	Particular of Accounts	Year	Amount in Taka (2024)
1	Unclaimed Dividend	2020	501,904
2	Unclaimed Dividend	2021	2,270,340
3	Unclaimed Dividend	2022	348,810
4	Unclaimed Dividend	2023	671,368
Total			3,792,420

Cash Dividend and Stock Dividend as approved by the shareholders in respective Annual General Meeting, Cash Dividend was transferred to the Bank account of shareholder as mentioned in their BO ID through BEFTN. In some cases, dividend returned due to non update of bank information of shareholders in their BO ID.

13.00 Deferred Tax

Opening Balance	42,364,509	35,656,408
Addition/Adjustment made during the year	4,714,099	6,708,101
Closing Balance	47,078,608	42,364,509
Carrying amount	499,277,675	516,151,525
Less: Tax base	373,734,720	403,179,502
Taxable/deductible temporary difference	125,542,955	112,972,023
Effective Tax Rate	37.50%	37.50%
Deferred Tax Liability	47,078,608	42,364,509

Deferred tax assets and liability have been recognised and measured in accordance with the provision of IAS 12 "Income Taxes".

Notes	Particulars	Amount in Taka																																														
		31-Dec-24	31-Dec-23																																													
14.00	Property, Plant & Equipment																																															
	A. Cost																																															
	Opening balance	720,172,864	421,421,944																																													
	Add: Addition during the year	2,230,332	298,750,920																																													
		722,403,196	720,172,864																																													
	Less: Disposal during the year	-	-																																													
	Closing balance	722,403,196	720,172,864																																													
	B. Accumulated depreciation																																															
	Opening balance	204,021,339	183,772,283																																													
	Add: Charged during the year	19,104,182	20,249,056																																													
		223,125,521	204,021,339																																													
	Less: Adjustment for disposal during the year	-	-																																													
	Closing balance	223,125,521	204,021,339																																													
	C. Written down value (A-B)	499,277,675	516,151,525																																													
	* Details are shown in Annexure-A.																																															
15.00	Investment																																															
	Bangladesh Govt. Treasury Bond (BGTB)	147,868,656	147,485,772																																													
	Investment in Shares 15.01	3,736,297	3,397,616																																													
	Closing Balance	151,604,953	150,883,388																																													
15.01	Investment in Shares																																															
	<table><tr><th>Name of Entity</th><th>No. of Shares</th><th>Book Value Taka</th><th>Market Value Taka</th><th>Net Realisable Value</th></tr><tr><td>Share of CDBL</td><td>531,250</td><td>1,250,000</td><td>1,250,000</td><td>1,250,000</td></tr><tr><td>Modern Cement</td><td>3,000</td><td>438,000</td><td>4,200</td><td>4,200</td></tr><tr><td>BRAC Bank Ltd.</td><td>11,547</td><td>589,837</td><td>565,803</td><td>565,803</td></tr><tr><td>CITY Bank Ltd.</td><td>14,611</td><td>491,060</td><td>327,288</td><td>327,288</td></tr><tr><td>Grameenphone Ltd.</td><td>2,000</td><td>805,532</td><td>646,200</td><td>646,200</td></tr><tr><td>Olympic Industries Ltd.</td><td>1,000</td><td>283,853</td><td>158,000</td><td>158,000</td></tr><tr><td>Square Pharma Ltd.</td><td>3,605</td><td>841,155</td><td>784,806</td><td>784,806</td></tr><tr><td>Total</td><td>567,013</td><td>4,699,437</td><td>3,736,297</td><td>3,736,297</td></tr></table>	Name of Entity	No. of Shares	Book Value Taka	Market Value Taka	Net Realisable Value	Share of CDBL	531,250	1,250,000	1,250,000	1,250,000	Modern Cement	3,000	438,000	4,200	4,200	BRAC Bank Ltd.	11,547	589,837	565,803	565,803	CITY Bank Ltd.	14,611	491,060	327,288	327,288	Grameenphone Ltd.	2,000	805,532	646,200	646,200	Olympic Industries Ltd.	1,000	283,853	158,000	158,000	Square Pharma Ltd.	3,605	841,155	784,806	784,806	Total	567,013	4,699,437	3,736,297	3,736,297		
Name of Entity	No. of Shares	Book Value Taka	Market Value Taka	Net Realisable Value																																												
Share of CDBL	531,250	1,250,000	1,250,000	1,250,000																																												
Modern Cement	3,000	438,000	4,200	4,200																																												
BRAC Bank Ltd.	11,547	589,837	565,803	565,803																																												
CITY Bank Ltd.	14,611	491,060	327,288	327,288																																												
Grameenphone Ltd.	2,000	805,532	646,200	646,200																																												
Olympic Industries Ltd.	1,000	283,853	158,000	158,000																																												
Square Pharma Ltd.	3,605	841,155	784,806	784,806																																												
Total	567,013	4,699,437	3,736,297	3,736,297																																												
16.00	Investment in FDR																																															
	Opening Balance	420,500,000	704,000,000																																													
	Add: Addition/Adjustment during the year	(134,500,000)	(283,500,000)																																													
	Closing Balance	286,000,000	420,500,000																																													
17.00	Inventories																																															
	Stock of Printing	353,150	540,400																																													
	Insurance Stamps	3,279,499	2,330,102																																													
		3,632,649	2,870,502																																													
18.00	Advance against Office Space																																															
	Opening Balance	239,220,170	239,220,170																																													
	Addition/(Transferred to PPE)	46,069,191	-																																													
	Closing Balance	285,289,361	239,220,170																																													
19.00	Interest Receivable Account																																															
	Accrued Interest on Fixed Deposit	5,020,835	8,905,334																																													
	Interest Accrued on BGTB	2,267,076	2,235,298																																													
	Total	7,287,911	11,140,632																																													

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
20.00	Amount Due from Other Persons or Bodies Carrying on insurance business		
	Sadharan Bima Corporation	237,647,834	70,306,183
	Continental Insurance Co. Ltd.	-	-
	Republic Insurance Co. Ltd.	-	-
	Foreign Re-insurer 20.01	2,109,736	978,172
	Total	239,757,570	71,284,355
20.01	Foreign Re-insurer		
	Asian Reinsurance Corporation, Thailand	433,444	189,474
	J.B.Boda Insurance & Reinsurance Brokers Pvt. Ltd.	1,240,772	597,148
	Protection Insurance Services W.L.L, Bahrain	435,520	191,550
	Total	2,109,736	978,172
21.00	Sundry Debtors		
	Advance against Office Rent	2,898,965	3,447,084
	Advance against House Loan	10,714,069	11,442,639
	Advance against Agent Commission	4,929,229	604,727
	Advance against Income Tax 21.01	405,625,398	384,776,039
	Security Deposit	1,259,651	639,651
	Car Loan	4,118,186	5,062,163
	Premium Receivable	785,526	786,730
	Office Rent Receivable	801,915	311,915
	Bills Receivable	357,633	180,277
	Forfeited Fund Receivable from PF	296,993	296,993
	Advance against Office Decoration	-	-
	Total	431,787,565	407,548,218
21.01	Advance against Income Tax		
	Advance against Taxes (Co.)	347,000,625	332,454,086
	Tax deduction at Source	58,624,773	52,321,953
	Total	405,625,398	384,776,039
22.00	Cash & Cash Equivalents		
	Cash at Bank	24,511,040	20,811,115
	Cash in Hand	1,606,561	1,656,076
	Total	26,117,601	22,467,191

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
23.00	Reserve for Exceptional Losses		
	Fire Insurance Business 10%	11,498,052	7,279,309
	Marine Insurance Business 10%	14,716,076	15,723,549
	Motor Insurance Business 10%	10,739,564	12,389,935
	Misc. Insurance Business 10%	1,188,337	753,145
	Total	38,142,029	36,145,938

This represents profit set-aside during the year under review @ 10% of premium which is allowed as expenses as detailed below, to meet Exceptional Losses. The aforesaid set-aside of profit has been allowed as expenses by paragraph 6 of 4th Schedule of the Income Tax Act 2023.

24.00 Allocation of Management Expenses

Fire Insurance Business	81,005,656	75,406,074
Marine Insurance Business	64,247,939	59,151,529
Motor Insurance Business	37,865,742	39,342,700
Miscellaneous Insurance Business	8,239,005	7,060,877
Total	191,358,342	180,961,180

All expenses of management wherever incurred directly or indirectly in represent of Fire, Marine, Motor and Miscellaneous Insurance Business of the company transacted in Bangladesh has been fully debited to respective Revenue Accounts and those which do not relate to any particular business have been debited to the Statement of Profit or Loss and Other Comprehensive Income.

25.00 General

a) Contingent Liability

The Company has no sum for which the company was contingently liable as on 31 December 2024.

b) Capital Expenditure Commitment

There was no un -provided commitment of Capital Expenditure as on 31 December 2024.

26.00 Claim not Acknowledged

There was no claim against the company which is not acknowledged as on 31 December 2024.

27.00 Earning per share (EPS)

Net profit Before Tax	109,571,703	87,791,036
Less: Provision for Current Tax	25,836,078	21,685,471
Less: Deferred Tax Expenses/(Income)	4,714,099	6,708,101
Net profit after Tax	79,021,527	59,397,464
Weighted Average No. of outstanding Share	40,207,639	40,207,639
EPS after Tax	1.97	1.48
Restated EPS after Tax		
Net profit after Tax	79,021,527	59,397,464
Weighted Average No. of outstanding Share	40,207,639	40,207,639
Restated EPS after Tax	1.97	1.48

Notes	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
28.00	Audit Fee		
	Statutory Audit	230,000	258,750
	Compliance Audit	69,000	40,252
	Special Audit	345,000	460,000
	PF Audit	60,000	23,000
	Total	704,000	782,002
	As per decision of the Annual General Meeting held on June 27, 2024 the Auditor's remuneration of Tk.333,500/- (Three lac thirty three thousand Five Hundred only) including VAT has been provided in the accounts which is the only sum to be paid to Auditors as remuneration.		
	As per Section 258 as contained in chapter sixteen under heading of Provident Fund of Bangladesh Labour Rules 2015, Operating costs of Provident Fund will bear by the NICL i.e. Audit Fees of TK.34,500 (Thirty four thousand five hundred only) including VAT has been provided in the accounts which is the only sum to be paid to Auditors as remuneration.		
29.00	Interest Received and Accrued		
	Interest on FDR	24,677,681	30,239,646
	Interest on BGTB	10,919,362	10,800,215
	Interest on STD	479,132	468,499
	Total	36,076,175	41,508,360
30.00	Dividend & Shares Income		
	Dividend	1,100,353	1,408,370
	Total	1,100,353	1,408,370
31.00	Office Space Rent		
	Office Rent	940,000	840,000
	Total	940,000	840,000
32.00	Others Income		
	Gain from Assets Disposal	-	-
	Interest on EHLS	471,160	241,914
	Forfeited Fund of PF	-	42,766
	Others Income	52,712	124,320
	Total	523,872	409,000
33.00	Net Asset Value per Share (NAV)		
	Net Assets Value	1,259,865,149	1,223,061,643
	Weighted Average No. of outstanding Share	40,207,639	40,207,639
		31.33	30.42
34.00	Reconciliation of Net Operating Cash Flow under Indirect method:		
	Reconciliation of Net Operating Cash Flow under Indirect method prepared under cluse No. 5 (2e) of notification number BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June 2018 by Bangladesh Securities and Exchange Commission.		
	Net profit before tax	109,571,703	87,791,036
	Depreciation Expenses	19,104,182	20,249,056
	Unrealized loss/gain on Shares Investment	(338,682)	(29,995)
	Increase/Decrease of Balance of Fund, Deposit Premium,	(105,764,830)	(169,331,360)
	Amount due to and from	651,503	6,905,100
	Increase/Decrease of Outstanding claims	10,618,015	(11,849,949)
	Increase/Decrease of Sundry Creditors	(762,147)	(57,471)
	Increase/Decrease of Sundry Debtors	(24,239,347)	72,638,912
	Net cash inflow from operating activities	8,840,397	6,315,329
	Weighted Average No. of outstanding Share	40,207,639	40,207,639
	Net Operating Cash Flow Per Share (NOCF)	0.22	0.16

35.00 Employee details:

During the year, 236 Employees are employed for the full time. As per schedule XI, Part –II of the Companies Act 1994 the employees remuneration slab is given below:

Slab	Number of Employee	
No. of employees received salary below Tk. 3000 per month	-	-
No. of employees received salary Above Tk. 3000 per month	236	183
Total Number of employees		

36.00 Key Management Personnel Compensation

The Compensation of Key management personnel are as follows:

Name of employee	Short term employee benefit	Post/ Termination employment benefits	Other long term benefits
S. M. Mahbubul Karim Chief Executive Officer	Salary Tk. 5,267,742	Group insurance coverage	No
	Bonus Tk. 450,000		
Tapas Kumar Podder Additional Managing Director	Salary Tk. 2,361,600	-	No
	Bonus Tk. 196,800		
Brig Gen Mesbah Ul Alam Chowdhury Additional Managing Director	Salary Tk. 2,400,000	Group insurance coverage	No
	Bonus Tk. 200,000		
Mominul Islam Additional Managing Director	Salary Tk. 2,378,400	Group insurance coverage	No
	Bonus Tk. 198,200		
Mohammad Monirul Islam Deputy Managing Director	Salary Tk. 2,498,400	P.F, Gratuity & Group insurance coverage	No
	Bonus Tk. 217,410		
Haditul Islam Deputy Managing Director	Salary Tk. 3,056,400	P.F, Gratuity & Group insurance coverage	No
	Bonus Tk. 254,700		
Md. Altaf Hossain Chief Financial Officer	Salary Tk. 2,071,200	P.F, Gratuity & Group insurance coverage	No
	Bonus Tk. 171,746		
Md. Mijanur Rahman, FCS Company Secretary	Salary Tk. 901,935	P.F, Gratuity & Group insurance coverage	No
	Bonus Tk. 120,000		
Md. Liakat Hossen, FCMA Head of Internal Audit and Compliance Department	Salary Tk. 2,518,800	P.F, Gratuity & Group insurance coverage	No
	Bonus Tk. 211,022		

37.00 Transactions with Related Parties

Nitol Insurance, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in IAS 24 "Related Party Disclosures". All transactions involving related parties arising in normal course of business are conducted in an arm's length basis at commercial rates on the same terms and conditions as applicable to the valued client.

Name of Related Party	Relationship	Nature of Transaction	Premium Received in 2024
A K M Monirul Hoque	Chairman	Insurance	-
Mrs. Naeema Hoque	Director	Insurance	19,818

38.00 Post Balance Sheet Events

There was no significant event that has occurred between the balance sheet date and the date when the financial statements are authorized for issue by the Board of Directors except that the Board of Directors of Nitol Insurance Company Limited in its 177th Board Meeting held on 12th May 2024 has recommended Cash Dividend @.10% (5% stock and 5% cash) subject to approval of Shareholders in the 26th Annual General Meeting (AGM).

Nitol Insurance Company Limited

Schedule of Property, Plant & Equipment
As on 31 December 2024Annexure-A
Amount in Taka

Particulars	Cost			Rate	Depreciation				Written Down Value as on 31 December 2024	Written Down Value as on 31 December 2023
	Balance as on 01 January 2024	Addition during the year	A dj./disposal during the year		Balance as on 01 January 2024	Addition during the year	A dj./disposal during the year	Balance as on 31 December 2024		
Furniture & Fixture	6,887,863	685,089	-	10%	4,244,336	294,770	-	4,539,106	3,033,846	2,643,527
Office Equipment	9,346,752	-	-	20%	6,545,255	560,299	-	7,105,554	2,241,198	2,801,497
Computer	18,336,827	950,075	-	25%	15,450,268	848,000	-	16,298,268	2,988,634	2,886,559
Software Installation	1,876,703	-	-	25%	1,301,387	143,829	-	1,445,216	431,487	575,316
Air Conditioner	15,254,876	143,542	-	20%	8,736,807	1,314,153	-	10,050,960	5,347,458	6,518,069
Refrigerator	135,750	-	-	20%	114,711	4,207	-	118,918	16,832	21,039
Telephone Installation	1,185,238	-	-	10%	1,002,008	18,323	-	1,020,331	164,907	183,230
Office Car	85,204,734	-	-	20%	50,101,813	7,020,584	-	57,122,397	28,082,337	35,102,921
Office Decoration	91,340,671	260,376	-	10%	37,898,383	5,349,436	-	43,247,819	48,353,228	53,442,288
Electrical Equipment	2,945,500	18,000	-	25%	2,240,847	178,678	-	2,419,525	543,975	704,653
Office Space	244,811,996	110,000	-	2%	76,385,524	3,371,903	-	79,757,427	165,164,569	168,426,472
Land and Development	242,845,954	63,250	-	0%	-	-	-	-	242,909,204	242,845,954
Total	720,172,864	2,230,332	-		204,021,339	19,104,182	-	223,125,521	499,277,675	516,151,525
Revaluation Reserve										
Office Space	102,939,515	-	-	2%	35,631,330	1,009,623	-	36,640,953	66,298,562	67,308,185
Total	102,939,515	-	-		35,631,330	1,009,623	-	36,640,953	66,298,562	67,308,185

Nitol Insurance Company Limited

Statement showing Business Underwritten, Re-Insurance Ceded & Accepted
As on 31st December 2024

FORM-XL

Business	Fire	Marine	Motor	Misc	Total
Private	224,910,728	183,014,383	109,842,534	13,550,402	531,318,047
Public	26,143,602	25,025,504	2,051,226	47,781,202	101,001,534
	251,054,330	208,039,887	111,893,760	61,331,604	632,319,581
R/I Accepted					
Private	-	-	-	-	-
Public	-	-	-	-	-
	-	-	-	-	-
R/I Ceded					
Private	111,252,938	40,838,231	4,498,120	3,409,312	159,998,601
Public	24,820,877	20,040,900	-	46,038,922	90,900,699
	136,073,815	60,879,131	4,498,120	49,448,234	250,899,300
Net Business					
Private	113,657,790	142,176,152	105,344,414	10,141,090	371,319,446
Public	1,322,725	4,984,604	2,051,226	1,742,280	10,100,835
	114,980,515	147,160,756	107,395,640	11,883,370	381,420,281
Commission					
Private	33,736,609	27,452,157	16,476,380	2,032,560	79,697,706
Public	-	-	-	-	-
	33,736,609	27,452,157	16,476,380	2,032,560	79,697,706
R/I Ceded					
Private	55,120,204	15,795,695	794,989	1,584,448	73,295,336
Public	2,679,655	3,745,410	-	4,237,495	10,662,560
	57,799,859	19,541,105	794,989	5,821,943	83,957,896
Net Amount					
Private	(21,383,595)	11,656,462	15,681,391	448,112	6,402,370
Public	(2,679,655)	(3,745,410)	-	(4,237,495)	(10,662,560)
	(24,063,250)	7,911,052	15,681,391	(3,789,383)	(4,260,190)
Claim					
Private	42,702,326	23,941,471	36,411,046	400,000	103,454,843
Public	293,908	6,425,254	160,889	20,783,133	27,663,184
	42,996,234	30,366,725	36,571,935	21,183,133	131,118,027
R/I Ceded					
Private	12,241,523	4,497,225	-	-	16,738,748
Public	255,842	4,980,371	-	20,535,568	25,771,781
	12,497,365	9,477,596	-	20,535,568	42,510,529
Net Claim					
Private	30,460,803	19,444,246	36,411,046	400,000	86,716,095
Public	38,066	1,444,883	160,889	247,565	1,891,403
	30,498,869	20,889,129	36,571,935	647,565	88,607,498

PHOTOGRAPHY & PROPERTIES

MEMORABLE EVENTS



25th Annual
General
Meeting of NICL



Annual
Business
Conference
2025



Annual
Business
Conference
2025

MEMORABLE EVENTS



25th
Year
Celebration
of NICL

A Meeting with
Country Manager
Mr. S.M. Moinul Islam
of Tysers, London



NICL
Cricket Team
at Sharebazar
Corporate
Cricket
2025
(Season-4)

Properties



Police Plaza Concord

Gulshan 1, Dhaka

13000 Sft. Office space at 5th and 6th floor (Duplex)



City Centre

Motijheel C/A, Dhaka

3322 Sft. Office space at 18th



Skylark Point

Bijoy Nagar, Dhaka

1571 Sft. office Space at 5th floor



Rupayan Centre

Mohakhali, Dhaka

1345 Sft. Office Space at 5th floor



Purbachal New City

Sector -03, Road-103, Land 10 Katha



Barbhuiya Siddiq Plaza

Zindabazar, Sylhet

944 Sft. office Space at 2nd Floor



Bagdad Tanzia Tower

Joydevpur Chowrasta, Joydevpur, Gazipur

2150 Sft. office Space at 3rd floor



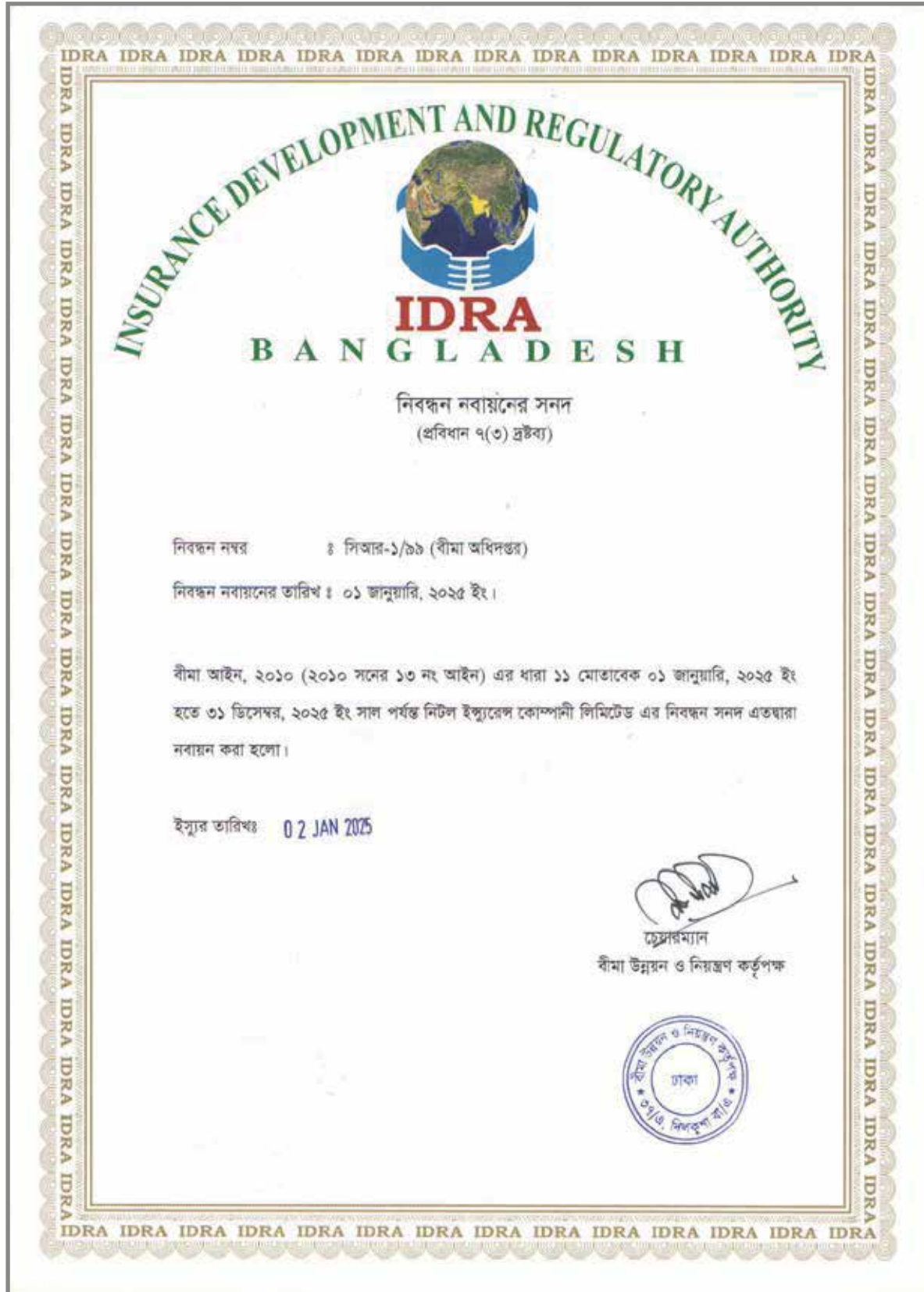
Yunusco City Centre

GEC More, Chattogram

9852 Sft. office Space at 10th floor

Certificates & Membership







বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন Bangladesh Insurance Association

সূত্র : বিআইএ-১(৩৪)/২০২৪-২২৩


তারিখ : নভেম্বর ১৪, ২০২৪

বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর সদস্য পদ হালনাগাদ এর জন্য প্রত্যয়নপত্র

এতদ্বারা প্রত্যয়ন করা যাচ্ছে যে, নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর সদস্য।

এই প্রত্যয়নপত্র ২০২৫ সালের জন্য লাইফ/নন-লাইফ বীমা ব্যবসা করার নিমিত্তে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ-এর নিকট থেকে নিবন্ধন নবায়নের জন্য হালনাগাদ সনদ।

বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর পক্ষে



(মোঃ ওমর ফারুক, এনডিসি)
সেক্রেটারী

মুখ্য নির্বাহী কর্মকর্তা
নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড
পুলিশ প্রাজা কনকর্ড টাওয়ার-২ (লেভেল-৬)
প্লট-০২, রোড ১৪৪
গুলশান-১, ঢাকা-১২১২।

Hossain Tower (9th Floor), Box Culvert Road, 116 Naya Paltan, Dhaka-1000, Bangladesh
Tel : 88 02 222226378, 88 02 48310179, E-mail: biadhaka1988@gmail.com, bia@bdcom.com, Web : www.biabd.org

CREDIT RATING

CREDIT RATING REPORT - RATIONALE



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

Setting global standard at national level

CRISL/CER/6540/24


NITOL INSURANCE COMPANY LIMITED
RATING SPECIFICS

Entity Rating	AA+
Outlook	Stable
Date of Rating: November 18, 2024	Valid up to: November 17, 2025

CRISL has assigned 'AA+' (pronounced as double A plus) entity rating to the Nitol Insurance Company Limited (NICTL). The above has been done in consideration of its position as highly structured and regulatory complied organization having long business experiences in the industry with very high record of meeting business and financial obligations. Risk factors and changing economic conditions are unlikely to have any significant impact on this category of insurance entities. This has been done on the basis of the audited financials of the company up to December 31, 2023, un-audited financials up to September 30, 2024 and other relevant qualitative and quantitative information up-to the date of the rating. The rating has been assigned on the basis of NICTL's profitable underwriting performance, good solvency, good liquidity, good re-insurance arrangement with local and foreign re-insurers, experienced top management etc. However, the above rating is constrained to some extent for following concern areas which include moderate internal capital generation, decline in return on asset & equity, moderate market share etc. NICTL sources significant business from renowned group of companies and banks. The company continues to deliver improved services taking due care of the compliance requirements with good re-insurance arrangement and improved IT infrastructure. Based on the financial results of 2023, NICTL's underwriting profit stood at Tk.72.08 million. Total assets moved downward to Tk.1,842.07 million in 2023 from Tk.1,958.68 million in 2022. The company maintained a steady improvement in capital commensurate with its business profile. The shareholders equity increased and stood at Tk.1,223.06 million with the paid-up capital of Tk.402.08 million as on December 31, 2023.

Entity rating in this category is adjudged to offer sufficiently structured and good regulatory organization having long business experience in the industry with high record of meeting business and financial obligations. Risk factors are modest and changing economic conditions are unlikely to have any significant impact on this category of insurance entities.

CRISL also views the company with 'Stable' outlook from the industry viewpoint for overall industry growth and policy and regulations implicated by regulatory authority. CRISL believes that the company will be able to maintain its fundamentals in foreseeable future.


Md. Asaduzzaman Khan
 Chief Executive Officer

Nakupi Homes (1st, 4th & 5th Floor)
 6/1/A, Segunbagicha, Dhaka-1000, Bangladesh
 Tel: 88-02-933 0991-3, Fax: 88-02-933 0995
 E-mail: info@nitolsd.com

Police Plaza Concord, Tower - 2, (5th & 6th Floor), Plot - 2, Road - 144,
Gulshan - 1, Dhaka - 1212. Tel: 88-02-55045202-05
e-mail: info@nitolinsurance.com, www.nitolinsurance.com

I/We.....

.....being a Member of Nitol Life Insurance Company Ltd., do hereby appoint Mr. /Mrs.

either of them may, in writing, appoint anyone to act as my proxy at the 26th Annual General Meeting of the Company to be held on Tuesday of 19 August 2025 and at any adjournment thereof.

As Witness my/our hand this..... day of.....2025

.....
Signature of Proxy

Revenue
Stamp of
Tk. 20/=

.....
Signature of Shareholder(s)

Folio/BO ID No. of the Shareholder(s):

[illegible]

No. of shares held.....

Notes:

1. A member entitled to attend and vote in the AGM may appoint a proxy to attend and Vote on his / her behalf.
2. The Proxy Form, duly filed and stamped must be deposited at the corporate office of the Company at least 48 hours before of the meeting.
3. Signature of the member(s) must be accordance with the Specimen Signature recorded with the Company.



Police Plaza Concord, Tower - 2, (5th & 6th Floor), Plot - 2, Road - 144,
Gulshan - 1, Dhaka - 1212. Tel: 88-02-55045202-05
e-mail: info@nitolinsurance.com, www.nitolinsurance.com

I/we do hereby record my/ our attendance at the 26th Annual General Meeting (AGM) of the Company being held on Tuesday of 19 August 2025 in link <https://nitolins26thagm.virtualagmbd.com> at Gulshan Police Plaza Leve-6.

Name of the Shareholder(s) / Proxy.....

Folio/BO ID No. of the Shareholder(s):

[illegible]

No. of Shares held:

Signature of Shareholder(s) / Proxy

Note: Please present this attendance slip at the registration counter on or before 11:00 a.m. of the AGM date. Children and Non-Shareholders will not be allowed at the meeting.

Shareholders' Note :



NITOL INSURANCE A SILVER JUBILEE OF *Happiness*

Celebrating 25 Years of Nitol Insurance Company Limited is a story of shared journey. We've weathered storms and built a legacy of trust and security. From humble beginnings, we've grown into a beacon of financial protection, empowering individuals and businesses. Our success story is a testament to the shared journey with our valued clients. We are grateful for your trust and remain dedicated to exceeding your expectations. As we embrace the future, we reaffirm our commitment to excellence, innovation, and integrity. We will continue to lead the way in the dynamic insurance landscape, ensuring every client feels secure. Let's continue to build a brighter future together.

Nitol Insurance: Protecting Your Journey
for 25 Years.





NITOL INSURANCE COMPANY LIMITED
Police Plaza Concord, Tower - 2, (5th & 6th Floor), Plot - 2, Road - 144, Gulshan - 1, Dhaka - 1212.
Tel: 88-02-55045202-05, e-mail: info@nitolinsurance.com, www.nitolinsurance.com