

CORPORATE GOVERNANCE REPORTING TEMPLATE FOR ISSUES OF SECURITIES TO THE PUBLIC

TO BE FILLED IN LINE WITH THE REQUIREMENTS OF THE CODE OF CORPORATE GOVERNANCE PRACTICES FOR ISSUERS OF SECURITIES TO THE PUBLIC, 2015

Company Name (in full): Equity Group Holdings PLC

Reviewer's Name: Mary Wamae (Group Executive Director)

Stock Code: KE0000000554

Sector: Banking

Year - 2020

Date of Financial Year End: 31 December 2020

 Company market to book ratio at end of financial year
 No of outstanding shares at end of financial year
 Closing price of stock at end of financial year
 Net sales as per Income Statement at end of financial year
 Net profit as per Income Statement at end of financial year
 Total debt (short and long term) as per Balance Sheet at end of financial year
 Total equity as per Balance Sheet at end of financial year
 Total no. of Board members at end of financial year

Company Details to be Provided:

 0.99X
 3773674802
 Kes. 36.55
 Kes. 93.7B
 Kes. 20.1B
 Kes. 97.1B
 Kes. 138.6B
 8

Chairman Signature:

CEO Signature:

Executive Director Signature:

No. of independent directors at end of financial year

6

No. of non-executive directors at end of financial year

6

 Mandatory or
'apply or
explain'

Part No.

Question

Kenya Code Reference

Application - FA, PA or NA - See Notes 1, 2, 3&4

Application or Explanation - Note 3 & 4

Source of Information

	A	INTRODUCTION				
M	A.1	Has the company developed and published a Board Charter which is periodically reviewed and which sets out the Board responsibility for internal control?	1.1.2, 2.6.2, 6.3.2	FA	The Group has developed a Board Charter, and published the same on the Group's website. The Charter focuses on various topics such as : Powers and Responsibilities of the Board, Induction of Board members, Board development, Board evaluation, Remuneration for Board members, Board succession planning, Relationship between the Board and Management, Annual Board Workplan, Subsidiary governance, Limitation on Directorships, Removal/Resignation from office, Board & Committee meetings, Governance Audits, Dispute Resolution, Compliance with Laws and Regulations, Liability of Board members and other pertinent Policies	Group Board charter
M	A.2	Do the Board Charter or company documents distinguish the responsibilities of the board from management in line with Code requirements?	1.1.2, 2.3.1, 2.3.2, 2.6.2	FA	The Board Charter provides that the Board shall provide clear objectives and policies within which Senior Management should operate. These should cover all aspects of operations, including strategic planning, credit administration and control, asset and liability management encompassing the management of liquidity risk, interest rate risk and market risk, accounting and internal control systems, service quality, automation plan, prevention of money laundering, profit planning and budget planning, including approval of the Group's annual budget, capital adequacy and human resource development.	Group Board charter
A or E	A.3	Is there a statement indicating the responsibility of Board members for the application of corporate governance policies and procedures of the company?	1.1.6	FA	Yes. The Board Charter indicates that the governance of the Company vests in the Board. The principal role of the Board is to formulate and oversee the implementation of the Company's strategic objectives, risk strategy, corporate governance and corporate values in order to achieve the Company's mission and vision	Group Board charter
M	A.4	How has the Board ensured all directors, CEOs and management are fully aware of the requirements of this Code?	1.1.6	FA	The Code is available on eBoard and can be accessed by Directors and members of senior management at any time. The Board receives governance trainings which also cover the requirements of the Code	Company's eBoard
M	A.5	Do company documents indicate the role of the Board in developing and monitoring the company strategy?	Part II - Overview, 2.3	FA	Yes. The Board Charter states that the principal role of the Board is to formulate and oversee the implementation of the Company's strategic objectives, risk strategy, corporate governance and corporate values in order to achieve the Company's mission and vision	Group Board charter
A or E	A.6	Does the company strategy promote sustainability of the company?	2.3.6	FA	Yes. Our double bottom line approach enables us to run a viable commercial business while also creating social and environmental value for our stakeholders. Our social engine, the Equity Group Foundation (EGF), continues to scale the impact and significance of our purpose driven social initiatives. Our six pillars of Education and Leadership Development, Food and Agriculture, Health, Enterprise Development and Financial Inclusion, Energy and Environment and Social Protection, have grown in scale and scope reaching new milestones in 2020.	Group's Integrated Report 2020

M	A.7	Are all board committees governed by a written charter/terms of reference, disclosing its mandate, authority, duties, composition, leadership and working processes?	2.2.2	FA	Yes. All Committees are governed by a written Charter detailing the mandate, duties, responsibilities and composition of each Committee. The Charters are reviewed regularly by the respective Committees and approved by the Board	Committee Charters and TORs
	B	BOARD OPERATIONS and CONTROL				
M	B.1	Has the Board established a Nomination Committee comprised mainly of independent and non-executive Board members?	2.1.2, 2.2.2	FA	The Board has established a Governance, Nominations & Compensation Committee, which is currently composed of 7 members, 4 of whom are independent non-executive directors	Group's Integrated Report 2020/Governance Nominations & Remuneration Committee Charter/TORs
M	B.2	Is the chairperson of the Nomination Committee an independent director?	2.2.3	FA	Yes	Group's Integrated Report 2020/Governance Nominations & Remuneration Committee Charter/TORs
M	B.3	Has the board adopted and published procedures for nomination and appointment of new Board members?	2.1.1, 2.1.7	FA	Yes. The Board has established and approved a Board Appointments Policy and Procedure. The purpose of this Policy is to set out the roles and responsibilities of the Board, Management and shareholders in the Board appointment process. The Policy also sets out procedures to guide the Board in the identification, vetting, selection and recommendation of suitable candidates for appointment or election to the Board by shareholders. The policy also sets out the process to be followed for re-appointment to the Board.	Board Charter/Board Appointments Policy and Procedure
M	B.4	Is the Board size adequate for the exercise of the company business?	2.1.4	FA	Yes. The Board consisted of 8 directors as at 31 December 2020	Group Integrated Report 2020
A or E	B.5	Has the board adopted a policy to ensure the achievement of diversity (including age, race and gender) in its composition?	2.1.2, 2.1.3, 2.1.5, 2.5.1	FA	Yes. The Board has approved Board Diversity Policy and Skills Matrix to ensure the Board comprise of individuals with a balance of skills, diversity and expertise and who collectively possess the necessary qualifications commensurate with the size, complexity and risk profile of the Company	Board Charter/Board Diversity Policy & Skills Matrix
M	B.6	Do the Board members represent a mix of skills, experience, business knowledge and independence to enable the discharge of their duties?	2.2.1	FA	The Group is committed to having a great 'mix' of qualified individuals appointed to the Board, as diversity is not only a strength but also provides great competitive edge. Diversity is observed through differentiation in the age of Directors, their gender, professional qualifications, as well as their nationality. Additionally, there is diversity in terms of the highest education (academic) level achieved;. Many are members of professional bodies.	Group Integrated Report 2020
M	B.7	Has the board adopted and applied a policy limiting the number of board positions each Board member may hold at any one time?	2.1.6	FA	Yes. Except for a corporate director, Board members are not allowed to hold the position of a director in more than two other public listed companies at any one time. An Executive Director is restricted to one other directorship of a public listed company.	Group Board Charter
M	B.8	Have any Alternate Board members been appointed? If so, have the Alternate Director/s been appointed according to regulation and Code requirements?	2.1.6, 2.1.7	FA	There were no alternate Board members in 2020	Group Integrated Report 2020
M	B.9	Are independent directors at least one-third of the total number of Board members?	1.1.2, 2.1.3, 2.4.1	FA	Yes. As at 31 December 2020, there were 6 independent Board members out of a total of 8 Board members	Group Integrated Report 2020
A or E	B.10	Does the Board have policies and procedures to annually assess the independence of independent Board members?	2.4.1	FA	Yes. The Board has developed parameters for determining the independence of directors. Therough an annual evaluation process the Board assesses the independence of Board members to ensure that the Board always benefits from independent and objective judgment.	Group Integrated Report 2020
M	B.11	Do all independent Board members have a tenure of less than 9 years?	2.4.2	FA	Yes. The Group Code of Corporate Governance states that independent Board members have a maximum cumulative term of 9 years. Upon lapse of 9 years the Director may continue to serve but must be re-designated as a non-independent Director	Group Board charter
M	B.12	Is the Board comprised of a majority of non-executive board members?	2.1.3	FA	Yes. The Group Board Charter states that the Board shall be composed of both Executive and Non-Executive Directors, with the majority being Non-Executive Directors. The number of Independent Non-Executive Directors shall be at least one third of the total number of Board members. Out of 8 Directors, 6 are non-executive	Group Board charter

M	B.13	How does the Board ensure a smooth transition of Board members?	2.1.8	FA	The Group has a Board approved Board Succession Policy and Plan. The purpose of this Policy is to ensure that there is a systematic way for ensuring that there is Board continuity and that any vacancies on the Board, both planned or unplanned are filled as quickly as possible with individuals whose skills, experience and backgrounds are consistent with the gaps identified in the Board Diversity Policy and Skills Matrix and that the potential Board members are a good fit for the Board.	Group Board Charter/Board Succession Policy and Plan
M	B.14	Has the Board established an effective Audit Committee according to Code requirements?	2.2.4, 6.5.1, 2.1.7	FA	Yes. The Committee is currently composed of 4 Independent and Non-Executive Directors, 2 of whom are Certified Public Accountants.	Group Integrated Report 2020
M	B.15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	2.3.3	FA	Yes	Board Charter Group Integrated Report 2020
M	B.16	Is the Chairman of the Board a non-executive board member?	2.3.4	FA	Yes	Board Charter Group Integrated Report 2020
A or E	B.17	Has the Board established procedures to allow its members access to relevant, accurate and complete information and professional advice?	2.3.5	FA	Yes The Group Board Charter provides that the Chairperson, working closely with the Group Chief Executive Officer ('GCEO'), the Group Executive Director ("GED") and Company Secretary is responsible for ensuring that the Board receives accurate, timely and high-quality supporting information about the Company's performance at appropriate intervals and in an appropriate manner to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company.	Group Board Charter
M	B.18	Has the Board adopted a policy on managing conflict of interest?	2.3.8	FA	Yes. The Board has an approved Conflict of Interest Policy and it has been disclosed on the Group's website	Group's Conflict of Interest Policy/Group Integrated Report 2020
M	B.19	Has the Board adopted a policy on related party transactions to protect the interests of the company and all its shareholders and which meets the requirements of the Code?	2.3.7	FA	Yes. The Group has an approved Related Party Transactions Policy. The Policy is designed to ensure that Equity Group Holdings Plc (the "Group" or the "Reporting the Group exercises appropriate oversight and control in regard to related party transactions to protect the Group from conflicts of interest which may arise from dealings between the Group and related parties as well as for alignment with the effective control systems for managing any exposure.	Related Party Transactions Policy Group Integrated Report 2020
M	B.20	Has the company appointed a qualified and competent company secretary who is a member in good standing of ICPSK?	2.3.9	FA	Yes. The Company Secretary is a member of good standing with the ICPSK	Group Board Charter Group Integrated Report 2020
A or E	B.21	Has the Board adopted policies and processes to ensure oversight of sustainability, environmental and social risks and issues?	2.3.2, 2.3.6	FA	The Group has implemented frameworks for considering Environmental, Social and Governance (ESG) issues in assessing our relationships with customers and suppliers.	Group Integrated Report 2020
A or E	B.22	Has the Board developed an annual work-plan to guide its activities?	2.6.3	FA	Yes. The Board has an approved Annual Work Plan to guide the activities of the Board during the year	Board Annual Work Plan
M	B.23	Has the Board determined, agreed on its annual evaluation process and undertaken the evaluation or the performance of the Board, the Board Committees, the CEO and the company secretary?	2.6.4, 2.8	FA	Yes. The Board undertakes annual evaluation which is conducted by an independent 3rd Party with Corporate Governance expertise. The year 2020 Board Evaluation was carried out and the Evaluation reports discussed with the respective Boards	Group Integrated Report 2020
A or E	B.24	Has the Board established and applied a formal induction program for in-coming members?	2.7.1	FA	Yes. The Board has an approved Board Induction and Development Policy. The purpose of this Policy is to provide a structured process for the induction, identification of Board development needs and the framework for fulfilling such development needs. New Board members are inducted upon appointment to the Board	Board Charter Board Induction and Development Policy Group Integrated Report 2020

A or E	B.25	Do Board members participate in on-going corporate governance training to the extent of 12 hours per year?	2.7.3	FA	<p>Yes. The Board Induction and Development Policy provides that Board members shall have access to continuous professional development courses on relevant issues and additional business awareness sessions to enable them to maintain, deepen and update their knowledge and skills and to fulfil their responsibilities. The Chairperson regularly reviews and agrees with each Board member on his or her development needs.</p> <p>In 2020 directors participated in the following training programs: Business Continuity Management; • Anti-Money Laundering Laws & Regulations (AML); • Risk Appetite Framework - Balancing Risk Appetite and Strategy Execution; and • New Directors underwent extensive induction in line with the Group Board Induction and Development Policy.</p>	Board Induction and Development Policy Group Integrated Report 2020
A or E	B.26	Has the Board set up an independent Remuneration Committee or assigned to another Board committee the responsibility for determination of remuneration of directors?	2.9.2	FA	<p>Yes. The Board has established the Governance, Nominations and Compensation Committee; with one of its roles being recommending to the Board the remuneration packages offered to its Executive and Non-Executive Directors, taking into account the Group's compensation and risk framework and appraisal structures.</p>	Governance, Nominations and Compensation Committee Charter/TORs
M	B.27	Has the Board established and approved formal and transparent remuneration policies and procedures that attract and retain Board members?	2.9.1	FA	<p>In compliance with the Group's Board Charter, the Board reviews and recommends the remuneration structure of Directors annually, subject to Shareholder's approval. The Executive Directors remuneration package comprises core fixed elements (base salary, pension and other benefits). Executive Directors are eligible to participate in the Group's bonus scheme which is anchored on achievement of key business performance indicators, but are not entitled to earn fees or other allowances. Non-Executive Directors are entitled to fees for attending Board and Committee meetings, as well as an out of station per diem for attending to Group's business outside their usual place of business. Non-Executive Directors do not earn a salary and they do not participate in the Group's bonus schemes nor the Group's pension plan.</p>	Group Board Charter Group Integrated Report 2020
M	B.28	How does the Board ensure compliance with all applicable laws, regulations and standards, including the Constitution and internal policies?	2.10, 2.10.1, 2.10.2	FA	<p>Yes. the Group has established the framework to ensure compliance with statutory and legal requirements and Group's policies and procedures; The Group has ensured compliance with all applicable laws and regulations from all the regulators including CMA, CBK, NSE and the Registrar of Companies. At Board level, the Group Board Risk & ALCO oversees the Group's compliance with applicable Laws as well as internal Policies</p>	Group's Integrated Report, 2020
M	B.29	In the past year, has the Board organized a legal and compliance audit to be carried out on a periodic basis?	2.10.3	FA	<p>Yes. The Group has organized for a legal and compliance audit to be carried out every two years.</p>	Group's Integrated Report, 2020
A or E	B.30	Has the Board subjected the company to an annual governance audit?	2.11.1	FA	<p>Yes. The company is subject to an internal annual governance self assessment and bi-annual external governance audit</p>	Group's Integrated Report, 2020
	C	RIGHTS of SHAREHOLDERS				
M	C.1	Does the governance framework recognize the need to equitably treat all shareholders, including the minority and foreign shareholders?	3.0 Overview, 3.2.1	FA	<p>Yes. The Board has put mechanisms to ensure that there is equitable treatment of all holders of the same class of issued shares as well as minority and foreign Shareholders</p>	Group's Integrated Report, 2020 and Group Corporate Governance Framework

M	C.2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholders' rights?	3.1.1	FA	Through the creation of investor relations function that collects investor feedback and communication, publication of financial results on the Group's website as well as in national publications on a quarterly basis and shareholders are allowed to interact with senior management during Group's results presentations and at any other time, upon request.	Group's Integrated Report, 2020
M	C.3	How does the Board facilitate shareholders participation at the AGM?	3.1.1	FA	The Board ensures that shareholders are notified (through Group's website and publications on newspapers with nationwide reach) on an upcoming AGM, at least 21 days in advance and shareholders are allowed to participate in the AGM by proxy.	Group's Integrated Report, 2020
A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	3.2.1	FA	Yes. The Group recognises and protects the rights of all shareholders and treat them equitably. Over and above the basic voting rights accorded to shareholders, the shareholders are involved in approving major strategic and corporate decisions of the Group which have a material impact on the equity or economic interests or share ownership rights of existing shareholders.	Group's Integrated Report, 2020
A or E	C.5	Is there evidence that the Board proactively provides information to shareholders and the media, (and in a timely basis) on corporate affairs and corporate governance?	3.1.1, 3.4.1	FA	Yes. The Group communicates to shareholders by publishing information in daily newspapers of nationwide circulation, the Group's website and through investor briefings. AGM notices are communicated at least 21 days in advance.	Group's Website, Group's Intergrated Report, 2020
D STAKEHOLDER RELATIONS						
A or E	D.1	Does the Board have a stakeholder-inclusive approach in its practice of corporate governance and which identifies its various stakeholders?	4.1.1	FA	Yes. The Group identifies each class of stakeholders and addresses their needs and concerns. The Group has an established Stakeholder Management Policy that commits the Group to building mutually beneficial relationships with all its Stakeholders and to ensuring that a balance is maintained between the individual interests of Stakeholders and those of the Group	Group's Integrated Report, 2020 and Group's Stakeholder Management Policy
A or E	D.2	Has the Board developed policies, procedures and strategies to manage relations with different/key stakeholder groups?	4.1.2, 4.1.3, 4.1.5, 4.2.1	FA	Yes. The Group has an established Stakeholder Management Policy that commits the Group to building mutually beneficial relationships with all its Stakeholders and to ensuring that a balance is maintained between the individual interests of Stakeholders and those of the Group	Group's Integrated Report, 2020 and Group's Stakeholder Management Policy
A or E	D.3	How does the Board take into account the interests of key stakeholder groups prior to making decisions?	4.1.4	FA	The Board takes into account the interests of key stakeholders through maintaining open channels of communication and feedback, regular interaction with Regulators, allocating sufficient to shareholders during the AGM to raise points of concern. These initiatives inform the Board on the issues that stakeholders are most concerned with and these are considered when formulating the Group's strategy.	Group's Integrated Report, 2020
M	D.4	How does the Board ensure effective communications with stakeholders?	4.2, 4.2.1	FA	The Group publishes all disclosure requirements in newspapers with nationwide circulation, Group's website and annual report, quarterly release and publication of financial results, participation in investor briefing and stakeholders have access to Senior Management at any time, upon request.	Group's Integrated Report, 2020; Group's Stakeholder Management Policy Group's Website
M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	4.3.1	FA	Yes. The Board has an approved Dispute Resolution Policy, as well as the Speak Up (Whistle Blowing) Policy that is also available on the Company's website.	Group's Integrated Report, 2020; Group's Website
E ETHICS AND SOCIAL RESPONSIBILITY						
A or E	E.1	Does the Board ensure that all deliberations, decisions and actions are founded on the core values (responsibility, accountability, fairness and transparency) underpinning good governance and sustainability?	5.1.1	FA	Yes. The 4 ethical values are enshrined in the Board Charter as forming the basis of Corporate governance. Further, the Groups' ethical standards as formulated in the Group's Code are integrated into all the Group's strategies , policies and operations.	Group Board Charter

M	E.2	Has the Board developed a Code of Ethics and Conduct (which includes sustainability) and has it worked to ensure its application by all directors, management and employees?	2.6.1, 5.2.2, 5.2.3, 5.2.4	FA	Yes. The Board developed a Code of Ethics and Conduct, which is disclosed on the Group's website. The Code of Ethics has been cascaded down to all employees, noting that it is to be strictly adhered to, so as to ensure the highest ethical standards are achieved.	Group Website
A or E	E.3	How does the Board ensure that compliance with the Ethics Code and Conduct is integrated into company operations?	5.2.3	FA	Ethics and social responsibility are enshrined in the Company's policies and procedures and espoused in the Group's corporate social responsibility institutionalized in its affiliate, Equity Group foundation. The Board ensures compliance with the Code of Ethics by cascading the Code of Ethics to all members of staff and providing that all members of staff (inclusive of senior management and directors) are to strictly adhere to the provisions of the Code. The Group has developed the Whistleblowing Policy, which permits stakeholders to report instances of non-observance of the prescribed ethical standards.	Code of Ethics , Speak Up Policy (Whistleblowing Policy)
A or E	E.4	Does the Board incorporate ethical and sustainability risks and opportunities in the risk management process?	5.2.1	FA	Yes. The Group has formulated a Code of Ethics and Conduct, which has been cascaded down to all employees, as well as established a Board Charter, to guide in the activities of the Group.	Group Code of Ethics, Group Website, Board Charter and Group's Integrated Report, 2020
A or E	E.5	How is the company performance on ethics assessed, monitored and disclosed to internal and external stakeholders?	5.2.4, 5.2.5	FA	Compliance with Ethical codes and conduct by the employees is factored in the Performance Evaluation with the weighting with respect to values being a significant measure in the overall score card of each employee. In addition, the Board receives quarterly reports on the fraud incidences both internal and external and the actions taken by the Company and its subsidiaries in mitigating the same are recorded in detail in the Committee and Board Minutes. Governance Audits are carried out to assess performance on ethics and the results shared with all relevant stakeholders	Group's Integrated Report, 2020 Group website
A or E	E.6	Has the company established and implemented a whistle blowing policy?	5.2.5	FA	Yes. The Group has established the Speak Up (Whistle Blowing) Policy which is published on the Group website	Speak Up (Whistle Blowing) Policy and Procedure; Group's Website and Group's Integrated Report, 2020
A or E	E.7	Has the Board/or management developed policies on corporate citizenship and sustainability and strategies for company use?	5.3.1, 5.4	FA	Yes. The Group Corporate Governance Framework stipulates the Group's commitment to good corporate citizenship. The Framework Provides that The Group Board and each Subsidiary Board (collectively "the Boards") shall ensure that the Group's strategies promote the sustainability of the Group and that the Group protects, enhances and invests in the well-being of the economy, society and the environment. Each Board shall give attention to ESG as a means of underpinning sustainability. The Group underscores its commitment to being a good corporate citizen and ensuring that it effectively balances the need for long-term sustainability and prosperity of the Group with that of the community on which it relies for its ability to generate economic value with the requirement for short-term competitiveness and financial gain.	Group Corporate Governance Framework Group's Integrated Report 2020,

M	E.8	Does the Board consider not only the financial performance but also the impact of the company's operations on society and the environment?	5.3.2, 5.3.3	FA	<p>Yes.</p> <p>At Equity, social and relationship capital represents in broad terms the Group and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information and collaborate to enhance individual and collective well-being. For us, social and relationship capital includes:</p> <ul style="list-style-type: none"> • Shared norms, common values and behaviours. • Key stakeholder relationships, and the trust and willingness to engage that Equity has developed and strives to build and protect with customers, suppliers, business partners, and other external stakeholders. • Our social license to operate. <p>Our Creating Shared Value [CSV] strategy relates to social development initiatives, such as education, leadership development, enterprise development and financial inclusion, food and agriculture, health, as well as energy and environment; which are delivered to all communities in which we have operations. We also work together with various levels of government to improve public policy models in the many countries where we operate.</p>	Group's Integrated Report, 2020
A or E	E.9	Does the Board monitor and report activities leading to good corporate citizenship and sustainability to demonstrate they are well coordinated?	5.4.1	FA	<p>Yes.</p> <p>The Group discloses the various activities and initiatives undertaken to promote good corporate citizenship under the Social and Relationship Capital section of the Group's Annual Integrated Report</p>	Group's Integrated Report, 2020
	F	ACCOUNTABILITY, RISK MANAGEMENT AND INTERNAL CONTROL				
M	F.1	Does the Audit Committee and the Board consider and review the financial statements for integrity of the process and for truthful and factual presentation?	6.1, 6.1.1a	FA	Yes. The Group Audit Committee is appointed by the Board and is responsible for providing independent oversight on the integrity of the financial statements of the Group	Group's Integrated Report, 2020
M	F.2	Does the Annual Report contain a statement from the Board explaining its responsibility for preparing the accounts and is there a statement by the external auditor about his/her reporting responsibilities?	6.1.2	FA	<p>Yes.</p> <p>This is contained in the Group Integrated Report</p>	Group's Integrated Report, 2020
A or E	F.3	Does the board or audit committee have a process in place to ensure the independence and competence of the Company's external auditors?	6.1.1b	FA	<p>On an annual basis, the Auditors are appointed by the shareholders and approved by the CBK. The Board selects Auditors only from the big 4 because of the size and complexity of the company, and on a competitive basis before recommending such appointment to the General Meeting. The Auditors also present annually an Audit Plan that is considered by the Board Audit Committee and approved by the Board. The Audit Plan contains the profile of the audit team to be deployed including their levels of experience and competencies.</p> <p>The Auditors have also noted under the Independent Auditors' Report in the Integrated Report that they are independent of the Group in accordance with the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to their audit of financial statements in Kenya.</p> <p>The Board Audit Committee (the Committee) is appointed by the Group Board (the Board). The Committee assists the Board in the oversight of the external auditors' qualifications, independence and performance.</p>	Group's Integrated Report, 2020
M	F.4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	6.1.3	FA	Yes. The shareholders formally appoint the external auditor at the AGM in a transparent process.	Group's Integrated Report, 2020

A or E	F.5	Is the Company working towards the introduction of integrated reporting (incorporating financial and non-financial information) or is the company's Annual Report prepared on an integrated basis using a framework available from the Integrated Reporting Council, The Global Reporting Initiative, G4 Sustainability Guidelines and/or Sustainability Accounting Standards Board standards?	6.1.5	FA	The Group's Annual Report is prepared on an integrated basis using the IFRS-9 format	Group's Integrated Report, 2020
A or E	F.6	Has the Board established an effective risk management framework which is inclusive of key risks as well as foreseeable risks, environmental and social risks and issues ?	6.2.1	FA	Yes. The Group's Integrated Risk Management policy (IRM) stipulates guidelines, which ensure that Risk Management and Compliance standards are consistent across Subsidiaries, Departments, and Product lines. The IRM policy serves to harmonize Risk and Compliance policies across the Group outlining various aspects such as Risk Appetite Setting, Risk Evaluation, and Risk Reporting.	Group's Integrated Report, 2020
M	F.7	Has the Board established and reviewed on a regular basis the adequacy, integrity and management of internal control systems and information systems (including for compliance with all applicable laws, regulations, rules and guidelines)?	6.3.1, 6.3.2, 6.3.3	FA	The Group Integrated Risk Management Policy outlines the risk management framework, risk appetite setting framework, risk evaluation and reporting, and harmonises risk policies across the Group. Assurance is affirmed by the Risk department, Internal audit, Compliance and Enforcement teams and external audits, The Central Bank, Capital Markets Authority and Nairobi Securities Exchange reviews, as well as Cross Border Supervisory Colleges and Credit Rating Agencies' reviews.	Group's Integrated Report, 2020
M	F.8	Does the Board annually conduct a review on the effectiveness of the company's risk management practices and internal control systems and report this to shareholders?	6.4.1	FA	Yes. In line with the Equity 3.0 strategy, the Group continues to leverage on technology and innovation to review risks in a wholistic approach and the same is reported to stakeholders.	Group's Integrated Report, 2020
M	F.9	Has the Board established an effective internal audit function according to Code requirements and which reports directly to the Audit Committee?	6.5.2	FA	Yes. In compliance with the CMA Code and the Audit Committee Charter, the Board has established a permanent internal audit function with sufficient resources and the head of internal audit reports directly to the Board and is responsible for providing assurance to the Board that the internal controls are operating effectively.	Group's Integrated Report, 2020
A or E	F.10	Does the Board disclose details of Audit Committee activities ?	6.5.2	FA	Yes. The mandate of the Audit Committee is disclosed in the Integrated Report.	Group's Integrated Report 2020
	G	TRANSPARENCY and DISCLOSURE				
M	G.1	Does the company have policies and processes to ensure timely and balanced disclosure of all material information as required by all laws, regulations and standards and this Code.	7.0 Overview, 7.1.1	FA	Yes. The company discloses material information through the Group's website, the Integrated Report, publication of financial information and filing with the Company's Registry.	Group's Website Group's Integrated Report, 2020
A or E	G.2	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's governance, the Board and the Audit Committee?	7.1.1	FA	Yes. The Integrated Report has detailed the prescribed disclosures in 7.1.1 relating to the company's governance, the Board and the Audit Committee.	Group's Integrated Report, 2020
A or E	G.3	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's mission, vision and strategic objectives?	7.1.1	FA	Yes. The Integrated Report has detailed the Group's vision, mission and strategic objectives	Group's Integrated Report, 2020
A or E	G.4	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to remuneration and whistleblowing?	7.1.1	FA	Yes. The Integrated Report discloses the remuneration particulars of directors, as well as information on the Group's (Speak Up) Whistle Blowing	Group's Integrated Report, 2020
A or E	G.5	As a minimum, does the company website disclose current information on all areas prescribed in 7.1.1 (Board Charter, Whistleblowing Policy, Code of Ethics and information on resignation of directors)?	7.1.1	FA	Yes. The Company's website discloses current information on directors, as well as the Board Charter, Whistle Blowing Policy and Code of Ethics	Group's Integrated Report, 2020 Group's Website
A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.1.1?	7.1.1	FA	Yes. The Group's Integrated gives a comprehensive detail of the Group's operating environment, which in turn influenced the Group performance.	Group's Integrated Report, 2020

A or E	G.7	Has the Board provided disclosures as required in 7.1.1 on compliance with laws, regulations and standards; ethical leadership, conflict of interest, corporate social responsibility and citizenship?	7.1.1	FA	The Board is committed to adhering to the laws and regulations, promotion of ethical leadership, management and avoidance of conflict of interest and enhancement of corporate social responsibility and citizenship through the adoption of relevant policies and the disclosure of the policies in the Group's website and the Group's Integrated Report.	Group's Integrated Report, 2020 Group's website
A or E	G.8	Has the Board made all required disclosures, including confirming requirements of 7.1.1 which include that a governance audit was carried out and that there are no known insider dealings?	7.1.1	FA	The Board has made all the required disclosures through the Group's website and the Integrated Report. It has confirmed that there were no known insider dealings and governance audit was undertaken in the year 2018 with the next audit to be carried out for the year 2020.	Group's Integrated Report, 2020
A or E	G.9	Has the Board disclosed the company's risk management policy, company procurement policy, policy on information technology as per 7.1.1?	7.1.1	FA	Yes. The Company has disclosed the Integrated Risk Management Policy, Procurement Policy, IT Policy and Conflict of Interest Policy in the Company's website.	Group's website
M	G.10	Has the Board disclosed information on shareholders, including the key shareholders, including shareholding by directors and senior management and the extent of their shareholdings as required in 7.1.1 and on stakeholder who influence company performance and sustainability?	7.1.1	FA	Yes. Through the Group's Integrated Report, the Board has provided details on the key shareholders and the number and percentage of shares held by them, as well as shareholding of directors.	Group's Integrated Report, 2020
M	G.11	Has the Board disclosed all related-party transactions?	7.1.1t	FA	Yes. The Board has disclosed all related-party transactions in the Group's Integrated Report	Group's Integrated Report, 2020
M	G.12	Does the Board include in its Annual Report a statement of policy on good governance and the status of the application of this Code?	1.1.3, 7.1.1r	FA	Yes. The Integrated Report contains a detailed Corporate Governance statement which enumerates the extend to which the Group has complied with the Code.	Group's Integrated Report, 2020

- Note 1

The Reporting Template shall be used by companies to report on their application of the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code). The completion of the Reporting Template and its filing with the Capital Markets Authority (CMA) will fulfill the reporting requirements of the Code at 1.1.3 paragraph 2. All elements marked in green are mandatory and MUST be complied with. Failure to fully apply will result in regulatory sanctions. When completing column 'F' for MANDATORY ITEMS, 'FA' will mean 'Fully Complied With', 'PA' will mean 'Partially Complied With' and 'NA' will mean 'Not Complied With'.
- Note 2

Column 'F' should be marked as follows: 'FA' - Full Application, PA - Partially Applied or 'NA' - Not Applied. Full application of this Code is required by the Code. Therefore anything less than 'full application' is considered 'non compliance or non-application' of the Code. A response of PA or NA is non-compliance and requires an explanation to be provided with a firm commitment to moving towards full compliance. See also Note 4.
- Note 3

An explanation of how the Code provision is applied is required in column 'G' and shall be supported by evidence of how application has been achieved. If the provision is NOT applied, an explanation for why it is not applied or only partially applied is required in column 'G'. For each question, column 'G ' must be completed.
- Note 4

If an explanation is required because of non-application of any element of the Code, the explanation must be satisfactory, must be provided to relevant stakeholders including the Capital Markets Authority and shall include:

a: reasons for non-application
b: time frame required to meet each application requirement
c: the strategies to be put in place to progress to full application.