

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 ISSUES OF SECURITIES TO THE PUBLIC, 2015
ICC INSURANCE GROUP PLC

Reviewer's Name
 Stock Code: KE2000002317
 Sector: INSURANCE
 Year: 2019
 Date of Financial Year End: 31st December 2019
 Chairman Signature
 CEO Signature
 Company Secretary Signature

Company Details to be Provided:
 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
 Total no. of independent directors at end of financial year
 No. of non-executive directors at end of financial year

3
 2,615,578
 2.68
 14,396,887
 321,191
 5,688,277
 7,852,993
 9
 1
 8

Mandatory or apply	Part No.	Question	Kenya Code Reference	Application - FA, PA or NA - See Notes 1, 2, 3&4	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 updated Board Charter is available on the firm's website and sets out the role of the Board pertaining to internal control. The Charter was last updated in 2018.	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 Charter distinguishes the responsibilities of the Board and Management.	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	This is clearly set out in the Board Charter	Annual Reports and the 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 Board members and management are continuously trained on the code and this was reinforced through board training in September 2019.	Register of Attendance
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	This is contained in the board charter and the annual report for the year ended 31st December 2019.	Annual Report and Board Charter
A or E	A.6	Does the company strategy promote sustainability of the company?	2.3.6	FA	Yes it does, Specifically addressed in the Company's growth plans.	Strategy Document (2017-2021)
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	All the Board Committees have written terms of reference	Committees' Terms of Reference
	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	PA	The Board has constituted a nomination Committee which is comprised mainly of non-executive and independent directors.	Annual Report and Terms of Reference
M	B.2	Is the chairperson of the Nomination Committee an independent director?	2.2.3	NA	Currently, the Chair of the Nomination Committee is a non-executive non-independent director. However, the Board is looking to reshuffle the Committee and appoint an independent director as the Chairperson of the Nomination Committee.	This is contained in the Corporate Governance Statement of the Annual Report for the period ending 31st December 2019.
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	The procedure for nomination and appointment of new Board members have been adopted, published and included in the term of Reference.	Governance and Human Resource Committee Terms of Reference
M	B.4	Is the Board size adequate for the exercise of the company business?	2.1.4	FA	The Board is made up of 9 directors of whom 8 are non-executive, 1 independent director. This number is adequate and provides a rich mix of expertise necessary for formulating the right strategies for the business.	Contained in the Annual Reports.
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	Although the Board has not formulated a stand alone Board Diversity Policy, it has nevertheless embraced the principle of Board Diversity in its Board Charter.	Contained in the Board Charter.
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	This has been achieved through the current board composition and actual skills as set out in director profiles.	Contained in the Annual Reports.

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	This is contained in the TOR for Governance and Human Resource Committee. There are no alternate director appointed.	https://ec.co.ke/investor-relation/
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	No Applicable	One of the nine directors appointed is an independent non - executive directors and CC is working on appointing more independent directors.	No Applicable
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	Conducted annually during Board self evaluation and stipulated	The is contained in the Annual Report.
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	The term of the independent directors is in line with the Insurance Act which sets out a 6 year term	Board Charter and Terms of Reference
M	B.11	Do all independent Board members have a tenure of less than 9 years?	2.4.2	FA		Board Charter.
M	B.12	Is the Board comprised of a majority of non-executive board members?	2.1.3	FA	The Board is made up of 9 directors all of whom are non executive. We are in the process of recruiting an executive director.	The is contained in the Annual Reports.
M	B.13	How does the Board ensure a smooth transition of Board members?	2.1.8	FA	A third of the directors retire by rotation annually.	Memorandum and Articles of Association
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	The company has established an audit and risk committee that undertakes all the requirements as set out in the code	Annual Reports and Terms of Reference for the committee
M	B.15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	2.3.3	FA	The functions are distinct and separate	Board Charter
M	B.16	Is the Chairman of the Board a non-executive board member?	2.3.4	FA	The Chair of the Board is a non executive director	Corporate Governance Statement contained in the Annual Report.
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		The Board has periodic meetings set out in the Boardwork plan at which directors receive an up to date information on the company and on a need be basis professional advice is sought to help the Board of directors discern some technical aspects of the information	Board Charter, Minutes board and board management system
M	B.18	Has the Board adopted a policy on managing conflict of interest?	2.3.8	FA	Conflicts of interest policy has been adopted and a register of conflict of interest maintained by the Company Secretary.	Board Charter
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	The Board has put in place and operational Related Party Transactions Policy.	Related Party Transaction Policy
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	The company secretary is qualified and competent in good standing with ICPSK	Corporate Governance Statement contained in the Annual Report.
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 Company has in place Risk Management Governance Framework to ensure oversight of sustainability and CSR Policy under which the company attends to the environmental and social issues risks.	Annual Reports
A or E	B.22	Has the Board developed an annual work-plan to guide its activities?	2.6.3	FA	The Board developed an annual work plan for its activities for the year ended 31st December 2019.	The Board Calendar for 2019 is in the Board Minutes for the last board meeting of the year 2018.
M	B.23	Has the Board determined, agreed on its annual evaluation process and undertaken the evaluation of the performance of the Board, the Board Committees, the CEO and the company secretary?	2.6.4, 2.8	FA	The Board undertook an annual evaluation in 2019 and the consultants have included their opinion in the annual reports.	Contained in the Annual Reports
A or E	B.24	Has the Board established and applied a formal induction program for incoming members?	2.7.1	FA	There is a formal induction program for all new directors	
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	The Board receives training on corporate governance on a continuous basis and at the annual board retreat	Induction Policy
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	This has been assigned to the Governance and Human Resource committee. However, the full Board considers and end the remuneration for re-election or application for the shareholders	Register of board training and minutes
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	There is a director remuneration policy with clear and formal set provisions on remuneration. The compensation to the directors was included in the annual report.	This is contained in the Governance and Human Resource Committee Terms of Reference.

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		The Compliance, Governance and Legal functions provide compliance reports to the Board on a quarterly basis.	Board and Committee minutes	
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		The law firm of Nishchal and Partners Advocates conducted a legal and compliance audit.	Legal and Compliance Audit Report	
A or E	B.30	Has the Board subjected the company to an annual governance audit?	2.11.1	FA		An annual governance audit was undertaken by Unnati LLP.	Annual Reports	
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		All shareholders are treated equally and are able to access company information through the website, newspaper and financial accounts.	Memorandum and Articles of Association	
M	C.2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholder rights?	3.1.1	FA		The company's performance on half year and annually are distributed widely through the website and newspaper. Further public notices to all shareholders in instances where there are changes that are material.		
M	C.3	How does the Board facilitate shareholder participation at the AGM?	3.1.1	FA		The location chosen for the AGM is usually a convenient one and the annual reports are usually uploaded a day before the AGM is held.	https://fsc.co.ke/investor-relations	
A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	3.2.1	FA		All shareholders have similar rights as contained in the articles of Association.	Annual Reports	
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		This is achieved through publication of information and posting the relevant information on the website.	Memorandum and Articles of Association https://fsc.co.ke/investor-relations	
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		The company has mapped out its stakeholders and formulated a policy of stakeholder engagement.	Stakeholder Policy and Annual Reports	
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		Stakeholder plan policy are in place. This has been implemented through policies and procedures under its subsidiaries.	Appropriate policies developed and implemented.	
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 company's key stakeholder interest are taken care of in the company's strategic plan which forms the basis of all key decisions on the board.	Annual Reports and Strategic Plan 2017-2021	
M	D.4	How does the Board ensure effective communications with stakeholders?	4.2, 4.2.1	FA		Hearing regular engagements with the key stakeholders and briefing them on business activities through various mediums.	Annual Report and website	
M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	4.3.1	FA		There are formal internal and external dispute resolution processes.	Various Policies	
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		The Board decisions have been founded on the core values underpinning good governance. The Board fully takes the responsibility of all disclosures in the annual report. Further the Board Charter spells out this in the role and responsibilities of the Board.	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 directors sign off annual and this been embedded in the Human Resource Manual and Procedures.	Code of Professional Conduct and Ethics.	
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		All employees are required to adhere to the code of ethics and are regularly updated on it.	Employee Code of Ethics	
A or E	E.4	Does the Board incorporate ethical and sustainability risks and opportunities in the risk management process?	5.2.1	FA		This is embedded in the risk framework.	Contained in Annual Reports	
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		The company's performance on ethics is disclosed in the company's annual report and is assessed through a formal Governance audit conducted in 2019 by an independent audit firm.	Contained in Annual Reports.	

A or E	E.6	Has the company established and implemented a whistle blowing policy?	5.2.5	FA	Whistleblowing policy has been adopted.	Whistleblowing Policy
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	This is incorporated into the strategic plan	Contained in Annual Reports.
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	The Board has developed policies which include the formation of CIC foundation. The foundation has been mandated to carry out corporate social responsibility activities on behalf of the company	Contained in Annual Reports
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	This is managed by CIC foundation which also reports to the Board and Foundation	Contained in Annual Reports
	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 Audit and Risk committee of the Board reviews the company's financial position on a quarterly basis.	Terms of Reference of Audit and Risk Committee
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	Yes it is in the directors' responsibilities report	Contained in Annual Reports
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	The audit committee assess annually the qualifications, expertise and resources and independence of the group's external auditors. The effectiveness of the audit process, taking due consideration on IFRS guidance for Audit committees on the evaluation of external audit quality including culture, skills character, knowledge, quality, control and judgement	Contained in Annual Reports
M	F.4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	6.1.3	FA	Appointment of Auditor is always included in the AGM as a standing agenda item.	Minutes of the AGM
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, GRI Sustainability Guidelines and/or Sustainability Accounting Standards Board standards?	6.1.5	FA	The company is working towards integrated financial reporting by 2021	Contained in Annual Reports
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	The company has a risk management framework and reports are presented to the audit and risk committee on a quarterly basis. A risk report is included in the Annual Reports	Enterprise Risk Management Framework
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 Board has established a formal and transparent arrangement for reviewing internal control systems through the Audit and Risk committee	Internal Audit Report Risk and Compliance Report
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	This has been included in the annual risk report in the annual report	Contained in Annual Reports
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	An internal audit function is in place headed by the Group Chief Internal Auditor	Contained in Annual Reports
A or E	F.10	Does the Board disclose details of Audit Committee activities?	6.5.2	FA	The constitution of the committee and its function are highlighted in the Annual Reports	Contained in Annual Reports
	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	There is a communication policy with provision on timely and balanced disclosures in compliance with all relevant laws.	Contained in Annual Reports
A or E	G.2	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.2.1 relating to the company's governance, the Board and the Audit Committee?	7.1.1	FA	The information is contained in the Annual Reports on the Corporate Governance statement.	Contained in Annual Reports

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	The Annual Report in the Introductory part emphasizes on the companies' mission, vision and strategic objective. This is reiterated in the Corporate Governance Report in the Annual Report.	Contained in Annual Reports
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	The Annual Reports contain the Directors' remuneration report and the information on the whistleblowing policy.	Contained in Annual Reports
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	The Company website discloses current information on all areas prescribed under 7.1.1.	The Company website, www.diccoke
A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.1.1?	7.1.1	FA	This is included in the Annual Reports through the business review, GCEO and CFO statements.	Contained in Annual Reports
A or E	G.7	Has the Board provided disclosures as required in 7.1.1 on compliance with law, regulations and standards; ethical leadership; conflict of interest; corporate social responsibility and citizenship?	7.1.1	FA	The Board has made these disclosures as outlined in the Director's Report and the Directors Statement of Responsibility as contained in the Annual Report.	Contained in Annual Reports
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	Yes included in the annual reports	Contained in Annual Reports
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	This has been disclosed in the Corporate Governance Statement in the Annual Report.	Contained in Annual Reports
M	G.10	Has the Board disclosed information on shareholders, including the key shareholders, including shareholding by directors and senior management and the status of their shareholdings, as prescribed in 7.1.1 and on related party transactions?	7.1.1	FA	The Corporate Governance Statement prepared and included in the Annual Report for the year ended 31st December 2019 contains a tabular representation of the Company's shareholding including the directors' shareholding and other market segments.	The Corporate Governance Statement contained in the Annual Report for the year ended December 2019.
M	G.11	Has the Board disclosed all related-party transactions?	7.1.1	FA	The Board has disclosed all related party transactions.	Contained in Annual Reports
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, 7.1.1	FA	The Corporate Governance Statement has been prepared and included in the Annual Reports for the year ended 31st December 2019.	Contained in Annual Reports

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 fulfil the reporting requirements of the Code at 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' - Fully Applied, 'PA' - Partly 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 signed and dated by a person authorized to provide relevant statements, 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.

Dated on 21/4/20

Japheth Agathe - Group Chairman

Enghu Wain - Ag. Group Director

Gail O'Connell - Company Secretary