



FINANCIAL REPORTING COUNCIL OF NIGERIA
(Federal Ministry of Industry, Trade & Investment)

**FRC/CG/001: TEMPLATE FOR REPORTING COMPLIANCE WITH THE NIGERIAN
CODE OF CORPORATE GOVERNANCE 2018**

Section A: Introduction

Corporate Governance is a key driver of corporate accountability and business prosperity. The Nigerian Code of Corporate Governance, 2018 (NCCG 2018) seeks to institutionalize corporate governance best practices in Nigerian companies. It is also aimed at increasing entities' levels of transparency, trust and integrity, and create an environment for sustainable business operations.

The Code adopts a principle-based approach in specifying minimum standards of practice that companies should adopt. Where so required, companies are required to adopt the "Apply and Explain" approach in reporting on compliance with the Code. The 'Apply and Explain' approach assumes application of all principles and requires entities to explain how the principles are applied. This requires companies to demonstrate how the specific activities they have undertaken best achieve the outcomes intended by the corporate governance principles specified in the Code.

This will help to prevent a 'box ticking' exercise as companies deliberately consider how they have (or have not) achieved the intended outcomes. Although, the Code recommends practices to enable companies apply the principles, it recognises that these practices can be tailored to meet industry or company needs. The Code is thus scalable to suit the type, size and growth phase of each company while still achieving the outcomes envisaged by the principles.

This form seeks to assess the company's level of compliance with the principles in the NCCG 2018. Entities should explain how these principles have been applied, specify areas of deviation from the principles and give reasons for these deviations and any alternative practice(s) adopted.

Please read the instructions below carefully before completing this form:

- i. Every line item and indicator must be completed.
- ii. Respond to each question with "Yes" where you have applied the principle, and "No" where you are yet to apply the principle.
- iii. An explanation on how you are applying the principle, or otherwise should be included as part of your response.
- iv. Not Applicable (N/A) is not a valid response.

Section B – General Information

S/No.	Items	Details
i.	Company Name	Consolidated Hallmark Insurance Plc
ii.	Date of Incorporation	2 nd August 1991
iii.	RC Number	168762
iv.	License Number	RIC 007
v.	Company Physical Address	266 Ikorodu Road Obanikoro Lagos
vi.	Company Website Address	www.chiplc.com
vii.	Financial Year End	31 st December
viii.	Is the Company a part of a Group/Holding Company? Yes/No If yes, please state the name of the Group/Holding Company	No
ix.	Name and Address of Company Secretary	Rukevwe Falana, 266 Ikorodu Road, Obanikoro, Lagos.
x.	Name and Address of External Auditor(s)	SIAO Professional Services, 18B Olu Holloway Road, Ikoyi Lagos.
xi.	Name and Address of Registrar(s)	Meristem Registrars & Probate Services Ltd, 213 Herbert Macaulay Way, Yaba 101245, Lagos.
xii.	Investor Relations Contact Person (E-mail and Phone No.)	Rukevwe Falana, 08037257707, investorsrelation@chiplc.com
xiii.	Name of the Governance Evaluation Consultant	El-values Advisory, Pearl Apts 26 Chief Gbolahan Owolabi Street Lekki Phase 1, Lagos state.
xiv.	Name of the Board Evaluation Consultant	El-values Advisory, Pearl Apts 26 Chief Gbolahan Owolabi Street Lekki Phase 1, Lagos state.

Section C - Details of Board of the Company and Attendance at Meetings

1. Board Details:

S/No.	Names of Board Members	Designation (Chairman, MD, INED, NED, ED)	Gender	Date First Appointed/ Elected	Remark
1.	Mr. Obinna Ekezie	Chairman	Male	1 st April 2016	
2.	Mr. Eddie Efekoha	Group Managing Director/CEO	Male	1 st March 2007	
3.	Mr. Babatunde Daramola	Executive Director, Finance, Systems and Investment	Male	1 st April 2016	
4.	Mrs. Mary Adeyanju	Executive Director, Operations	Female	27 th July 2016	
5.	Dr Layi Fatona	Non-Executive Director	Male	25 th April 2019	
6.	Mrs. Adebola Odukale	Non-Executive Director	Female	1 st April 2016	
7.	Prince Ben Onuora	Non-Executive Director	Male	1 st April 2016	
8.	Mr. Shuaib Abubakar Idris	Independent Non-Executive Director	Male	24 th October 2016	

2. Attendance at Board and Committee Meetings:

S/No.	Names of Board Members	No. of Board Meetings Held in the Reporting Year	No. of Board Meetings Attended in the Reporting Year	Membership of Board Committees	Designation (Member or Chairman)	Number of Committee Meetings Held in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
1.	Mr. Obinna Ekezie	6	6	NIL	NIL	NIL	NIL
2.	Mrs. Mary Adeyanju	6	6	Board Finance, Investment and General-Purpose Committee	Member	4	4
3.	Mr. Babatunde Daramola	6	6	Board Finance, Investment and General-Purpose Committee	Member	4	4
4.	Prince Ben Onuora	6	6	Board Finance, Investment and General-Purpose Committee	Member	4	4
				Board Establishment Governance and Remuneration Committee	Chairman	7	7
5.	Dr Layi Fatona	6	6	Board Establishment Governance and Remuneration Committee	Member	7	7
				Board Finance, Investment and General-Purpose Committee	Member	4	3

6.	Mrs. Adebola Odukale	6	6	Board Finance, Investment and General-Purpose Committee	Chairman	4	4
				Board Audit, Risk Management and Compliance	Member	4	4
				Statutory Audit Committee	Member	1	1
7.	Mr. Shuaib Abubakar Idris	6	6	Statutory Audit Committee	Member	1	1
				Board Audit, Risk Management and Compliance	Chairman	4	4
				Board Establishment Governance and Remuneration Committee	Member	7	7
8.	Mr. Eddie Efekoha	6	6	Board Audit, Risk Management and Compliance	Member	4	4
				Board Finance, Investment and General-Purpose Committee	Member	4	4

Section D - Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1.	Mr. Eddie Efekoha	Group Managing Director/CEO	Male
2.	Mr. Babatunde Daramola	Executive Director, Finance, Systems, and Investment	Male
3.	Mrs. Mary Adeyanju	Executive Director, Operations	Female
4.	Mr. Mac Ekechukwu	Regional Director (North)	Male
5.	Mrs. Ijeoma Pearl Okoro	Regional Director (East)	Female
6.	Mrs. Ose Oluyanwo	Regional Director (Lagos Mainland)	Female
7.	Mr. Tope Ilesanmi	Regional Director (Lagos Island, Retail and West)	Male
8.	Mrs. Katherine Itua	Divisional Director, Audit and Risk Management	Female
9.	Mr. Jimalex Orjiako	Divisional Director, Technical Division	Male
10.	Mrs. Rukevwe Falana	Group Head, Legal, Compliance and Secretarial	Female
11.	Mr. Gbenga Totoyi	Group Head, Human Resources	Male

Section E – Application

Principles	Reporting Questions	Explanation on application or deviation
Part A - Board of Directors and Officers of the Board		
Principle 1: Role of the Board <i>“A successful Company is headed by an effective Board which is responsible for providing entrepreneurial and strategic leadership as well as promoting ethical culture and responsible corporate citizenship. As a link between stakeholders and the Company, the Board is to exercise oversight and control to ensure that management acts in the best interest of the shareholders and other stakeholders while sustaining the prosperity of the Company”</i>	i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? Yes/No If yes, when was it last reviewed?	Yes, the Board has approved the Charter which sets out its responsibilities and terms of reference it was last reviewed on 29 th October 2019.
Principle 2: Board Structure and Composition <i>“The effective discharge of the responsibilities of the Board and its committees is assured by an appropriate balance of skills and diversity (including experience and gender) without compromising competence, independence and integrity”</i>	i) What are the qualifications and experiences of the directors?	The Board is made of seasoned experienced entrepreneurs and professionals in the fields of insurance, accounting, law banking and forensic analysis.
	ii) Does the company have a Board-approved diversity policy? Yes/No If yes, to what extent have the diversity targets been achieved?	Yes, the Board is a blend of experienced middle-aged and accomplished professionals in the area of insurance, accounting, banking law and forensic analysis.

		We also have a fair mix of gender diversity both on the Board and on the Management leadership team as reflected in the profile provided.
	iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?	Yes, there are. Two of our directors are the MDs/CEOs of other Companies. Details of which as below: 1. Mrs. Adebola Odukale- MD/CEO Capital Express Assurance Limited (Although this is an insurance company, the company is into life insurance while our company is into General insurance, thus there exists no conflict of interest). 2. Dr. Layi Fatona- MD/CEO Niger Delta Exploration and Production Plc.
	iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? Yes/No If yes, provide the names of the Committees.	No, none of them chairs any committee.
Principle 3: Chairman <i>"The Chairman is responsible for providing overall leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board"</i>	i) Is the Chairman a member or chair of any of the Board Committees? Yes/no If yes, list them.	No, the Chairman is not a member or chair of any Board Committee
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review ?	The Chairman does not sit in attendance during any Board Committee meeting.
	iii) Is the Chairman an INED or a NED?	Yes, he is a NED
	iv) Is the Chairman a former MD/CEO or ED of the Company? Yes/No If yes, when did his/her tenure as MD end?	No, he has never been an MD or ED of the Company.

Principles	Reporting Questions	Explanation on application or deviation
	v) When was he/she appointed as Chairman?	He was appointed 1 st April 2016
	vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No If yes, specify which document	Yes, the role of the Chairman is clearly defined in the Board Charter.
Principle 4: Managing Director/Chief Executive Officer <i>"The Managing Director/Chief Executive Officer is the head of management delegated by the Board to run the affairs of the Company to achieve its strategic objectives for sustainable corporate performance"</i>	i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? Yes/No If no, in which documents is it specified?	Yes, he has a contract of employment which sets out his authority and relationship with the Board.
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes, any conflict of interest is declared prior to appointment annually in the Company's annual report and as they occur.
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	He attended all Board Committee meetings i.e., Board Finance, Investment and General-Purpose Committee, Board Audit, Risk Management and Compliance Committee and Board Establishment and Governance Committee.
	iv) Is the MD/CEO serving as NED in any other company? Yes/no . If yes, please state the company(ies)?	Yes, the MD/CEO is serving as NED in other companies namely: 1. Hallmark Finance Company Limited (Formerly known as Grand Treasurers Limited, a Subsidiary of CHI Plc). 2. Hallmark Health Services Limited (Subsidiary of CHI Plc). 3. CHI Microinsurance Limited (Subsidiary of CHI Plc). 4. Planet Capital Limited. 5. Sephine Edefe Nigeria Limited.
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No	Yes, the membership of the MD/CEO in these companies is in line with the Board-approved policies.
Principle 5: Executive Directors <i>Executive Directors support the Managing Director/Chief Executive Officer in the operations and</i>	i) Do the EDs have contracts of employment? Yes/no	Yes, they do.
	ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? Yes/No If no, in which document are the roles and responsibilities specified?	Yes, their roles and responsibilities are stated in their contract of employment

management of the Company	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes, any conflict of interest is declared prior to appointment annually in the Company's annual report and as they occur.
	iv) Are there EDs serving as NEDs in any other company? Yes/No If yes, please list	Yes, the EDs are serving as NEDs in other companies namely: 1. Hallmark Finance Company Limited (Formerly known as Grand Treasurers Limited, a Subsidiary of CHI Plc). 2. Hallmark Health Services Limited (Subsidiary of CHI Plc). 3. CHI Microinsurance Limited (Subsidiary of CHI Plc).
	v) Are their memberships in these companies in line with Board-approved policy? Yes/No	Yes, the memberships of the Eds in these companies are in line with the Board-approved policies.
Principle 6: Non-Executive Directors <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? Yes/No If yes, where are these documented?	Yes, the roles and responsibilities of the NEDs are clearly defined and documented in the Board Charter.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes, they have letters of appointments. They are also given the Directors' Code of Conduct policy and terms of reference document detailing their duties, liabilities, and terms of engagement
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes, any conflict of interest is declared prior to appointment annually in the Company's annual report and as they occur.
	iv) Are NEDs provided with information relating to the management of the company and on all Board matters? Yes/No If yes, when is the information provided to the NEDs	Yes, this is provided first at the point of appointment and periodically during Board and Board Committees meetings and these documents are sent to them prior to these meetings.
	v) What is the process of the ensuring completeness and adequacy of the information provided?	These reports are reviewed and certified by Management through its own process before the information is disseminated and presented during Board and Board Committees meetings and they are equally recorded in the minute book

Principles	Reporting Questions	Explanation on application or deviation
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? Yes/No	Yes, they do.
	i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? Yes/No	Yes, the INED meets the independence criteria prescribed under Section 7.2 of the Code
	ii) Are there any exceptions?	There are no exceptions to the provisions under Section 7.2 of the Code
	iii) What is the process of selecting INEDs?	The process starts with the Board Establishment Governance and Remuneration Committee in accordance with the Board Appointment Policy, Independent Director Policy and the prescribed Code of Corporate Governance. The Board Establishment Governance and Remuneration Committee recommends to the Board who then recommends to the Shareholders for approval/ratification of the Annual General Meeting
	iv) Do the INEDs have letters of appointmentspecifying their duties, liabilities and terms ofengagement? Yes/No	Yes, the INEDs have letters of appointment. They are also given the Directors' Code of Conduct Policy and terms of reference document detailing their duties, liabilities and terms of engagement.
	v) Do the INEDs declare any conflict of intereston appointment, annually, thereafter andas they occur? Yes/No	Yes, any conflict of interest is declared prior to appointment annually in the annual report as they occur.
	vi) Does the Board ascertain and confirm theindependence of the INEDs? Yes/No If yes, how often? What is the process?	Yes, the Board ascertains and confirms the independence of the INEDs through the Board Establishment Governance and Remuneration Committee with the Board Appointment Policy, Independent Director Policy and the prescribed Code of Corporate Governance.
	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentageshareholding?	No, the INED is not a shareholder of the Company.
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? Yes/No	No, he does not have any relationship with the Company.

		If yes, provide details.	
		ix) What are the components of INEDs remuneration?	Annual Directors' Fees
Principle 8: Company Secretary <i>"The Company Secretary support the effectiveness of the Board by assisting the Board and management to develop good corporate governance practices and culture within the Company"</i>	i) Is the Company Secretary in-house or outsourced?		The Company Secretary is in-house
	ii) What is the qualification and experience of the Company Secretary?		The Company Secretary is a qualified Legal Practitioner with over 10 years of experience in company secretarial and legal skills.
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?		Yes, she is a member of the Senior Management in the Company with the position of Head, Legal, Compliance and Secretarial.
	iv) Who does the Company Secretary report to?		The Company Secretary reports to the Board through the Board Chairman and to the Group Managing Director as a member of the Company's Management
	v) What is the appointment and removal process of the Company Secretary?		The appointment and removal of the Company Secretary is done by Directors in accordance with S332 & S333 CAMA 2022 and the Nigerian Corporate Governance.
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?		On the one hand the MD conducts a performance appraisal of the Company Secretary as his direct Company while on the other hand, as part of the Board Performance Evaluation, the Board led by the Chairman conducts a performance appraisal of the Company Secretary.
Principle 9: Access to Independent Advice <i>"Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise"</i>	i) Does the company have a Board-approved policy that allows directors access to independent professional advice in the discharge of their duties? Yes/No If yes, where is it documented?		Yes, the Company has a Board-approved policy that allows directors access to independent professional advice in the discharge of their duties. It can be found in the Board Charter and Terms of reference.
	ii) Who bears the cost for the independent professional advice?		The Company bears the cost for the independent professional advice.
	iii) During the period under review, did the Directors obtain any		Yes, the Board of Directors obtained independent professional advice during the period under review. During the period under review, the Board engaged these professionals, details are as follows:

	independent professional advice? Yes/No If yes, provide details.	i. The Company was reviewed by PWC, its IFRS Consultant who provided a detailed analysis of the implications of the new IFRS 17 on the Company and the expectation required in terms of reporting standards. ii. In furtherance of NAICOM's change in its evaluation approach for insurance Companies from a compliance-based approach to a risk-based approach, the Board in order to better understand the expectations of NAICOM and be fully abreast with the concept of risk-based supervision engaged ISG Consulting Limited to facilitate training on Risk-Based supervision and AML/CFT in it. iii. With the transition into a holding structure and the impact of digitalization on corporate world, the Board had a series of trainings on Key Trends in the digital market space, Transiting to HoldCo Structure and Financial Services Sector Performance and Future Outlook facilitated by Mr. Tobe Nnadozie, Mr. Bolaji Balogun and Dr. Biodun Adedipe respectively. iv. A Board and Corporate evaluation was conducted on the Board, its Committees, and the Company Secretary in the last quarter of 2022 v. The 2021 account was audited by External auditors before submission and publication.
--	--	--

Principles	Reporting Questions	Explanation on application or deviation
Principle 10: Meetings of the Board <i>“Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company”</i>	i) What is the process for reviewing and approving minutes of Board meetings?	The minutes are reviewed extensively during Board meetings and approved by the Board. It is further executed by the Chairman and Secretary and subsequently included in the Board minutes file.
	ii) What are the timelines for sending the minutes to Directors?	The minutes of meetings are sent well ahead of the meeting.
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	The implication is that the attendance will be disclosed in the Annual Report, it will also determine if they are suitable for re-election, and this will also affect their performance rating during the Board performance evaluation.
Principle 11: Board Committees <i>“To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities”</i>	i) Do the Board Committees have Board- approved Charters which set out their responsibilities and terms of reference? Yes/No	Yes, all the Board Committees have terms of Reference.
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	The minutes are reviewed extensively during Board Committee’s meetings and approved by the Committee. It is further executed by the Chairman of that Committee and Secretary and subsequently included into the Committee’s minutes file.
	iii) What are the timelines for sending the minutes to the directors?	The minutes of meetings are sent well ahead of the meeting date.
	iv) Who acts as Secretary to board committees?	The Company Secretary to the Board also acts as the Secretary to the Committees.
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration	1. Nomination and Governance- Board Establishment Remuneration and Governance Committee. 2. Remuneration- Board Establishment Remuneration and

c) Audit d) Risk Management	Governance Committee. 3. Audit- Board Audit, Risk Management and Compliance Committee. 4. Risk Management- Board Audit, Risk Management and Compliance Committee.
vi) What is the process of appointing the chair of each committee?	For the Board Audit, Risk Management and Compliance Committee, it is clearly stated in the terms of Reference/Charter that the Committee will be headed by an INED. The Chairs of the other Committees (Board Establishment Remuneration and Governance Committee and, Board Finance, Investment and General-Purpose Committee) are determined by the Board
Committee responsible for Nomination and Governance	
vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	There are 2 NEDs and 1 INED on the Board Establishment Remuneration and Governance Committee.
viii) Is the chairman of the Committee a NED or INED ?	No, the Chairman is a NED.
ix) Does the Company have a succession plan/policy? Yes/No If yes, how often is it reviewed?	Yes, the Company has a succession plan. The review is done on a need basis.
x) How often are Board and Committee charters as well as other governance policies reviewed?	The Board and Committee Charters are reviewed on a need basis. With regard to the other governance policies, their review is conducted every two (2) years or as the Board deems fit.
xi) How does the committee report on its activities to the Board?	The Committee submits its reports on a quarterly basis and these reports are presented by the Chair during the Board meetings, which are then reviewed and approved by the Board as part of its records.

	Committee responsible for Remuneration	
	xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	There are 2 NEDs and 1 INED on the Board Establishment Remuneration and Governance Committee.
	xiii) Is the chairman of the Committee a NED or INED ?	No, the Chairman is a NED.
	Committee responsible for Audit	
	xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? Yes/No	Yes, the Company has a Board Audit Committee separate from the Statutory Audit Committee.

Principles	Reporting Questions	Explanation on application or deviation
	xv) Are members of the Committee responsible for Audit financially literate? Yes/No	Yes, members of the Audit Committee are financially literate.
	xvi) What are their qualifications and experience?	Yes, the Audit Committee is constituted by experienced accountants and other members who are also financially literate.
	xvii) Name the financial expert(s) on the Committee responsible for Audit	Mr. Shuaibu Abubakar Idris, Mrs. Adebola Odukale for the Board Audit, Risk Management and Compliance Committee. Dr. Tony Anonyai, and Chief James Emadoye for the Statutory Audit Committee.
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	The Statutory Audit Committee reviews the internal auditor's report on an annual basis while the Board Audit, Risk Management and Compliance Committee reviews the internal auditor's reports on a quarterly basis.
	xix) Does the Company have a Board approved internal control framework in place? Yes/No	Yes, the Company has an internal Audit Charter.
	xx) How does the Board monitor compliance with the internal control framework?	An internal Audit Plan is approved by the Board on an annual basis. Furthermore, the Divisional Director of Internal Audit reports directly to the Board on a quarterly basis.
	xxi) Does the Committee responsible for Audit review the External Auditors management letter, Key Audit Matters and management response to issues raised? Yes/No Please explain.	Yes, the external auditors attend the Committee meetings to present these Key Audit Matters and Management Letter and receive feedback from the Committee and responses from Management. The papers/presentations are usually circulated ahead of the Committee meetings for the Committee members to review.
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	Yes, there is a policy on this.
	xxiii) How many times did the Audit Committee hold discussions with the head of internal audit function and external auditors without the management during the period under review?	The Audit Committee discussed with the Head of the Internal Audit function and the External Auditor once.
	Committee responsible for Risk Management	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	The Chairman is an INED
	xxv) Is there a Board approved Risk Management framework? Yes/No If yes, when was it approved?	Yes, there is an internal Audit Charter for Audit and Risk Management Group. It was approved in 2019.

	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	The Committee reviews the adequacy and effectiveness of the Risk Management Controls in place quarterly. The last review 25 th January 2023.
	xxvii) Does the Company have a Board- approved IT Data Governance Framework? Yes/No If yes, how often is it reviewed?	Yes, the Company has an IT policy. It was last reviewed on 31st May 2018.
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	Reports are provided on a quarterly basis to the Committee. These Reports are also circulated to members prior to the meetings.
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? Yes/No	Yes, the CRO attends all the meetings of the Board Audit, Risk Management and Compliance Committee
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	The CRO attended all the meetings held during the period under review.
Principle 12: Appointment to the Board <i>"A written, clearly defined, rigorous, formal and</i>	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes, there is a Board Appointment Policy.
	ii) What criteria are considered for their appointment?	The criteria considered for their appointment include: 1. Age, qualification, and country of principal residence. 2. Whether the appointment is executive, non-executive or independent any proposed specific area of responsibility. 3. Work experience and occupation the preceding ten years. 4. Current directorships and appointments with statutory or regulatory authorities in the preceding five years. 5. Shareholding in the company and its subsidiaries. 6. Any real or potential conflict of interest including whether there is an interlock of director. 7. Whether or not such a person is disqualified from being a director under the Companies and Allied Matters Act 2020 and other industry

		and applicable laws. 8. Availability of the person to devote time to attend Board and Board Committees' meetings.
--	--	---

Principles	Reporting Questions	Explanation on application or deviation
<i>transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i>	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	The Board Establishment Remuneration and Governance Committee is responsible for reviewing the suitability of a nominee for appointment as a Director against the criteria stated above and recommend deserving nominees to the Board for approval
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	a. Chairman- Yes b. MD/CEO- No c. INED- Yes d. NED- Yes e. Eds- No
	v) Please state the tenure	The defined tenure are as follows: i. The Chairman: Not more than 3 terms of 3 years each i.e., 9 years. ii. MD/CEO: A full-time employee of the company and in accordance with the regulations of the National Insurance Commission. iii. INED: Not more than 3 terms of 3 years each i.e., 9 years. iv. NEDs: Not more than 3 terms of 3 years each i.e., 9 years. v. Eds: Full time employees of the company.
	vi) Does the Board have a process to ensure that it is refreshed periodically? Yes/No?	Yes, the Board undergoes refresher courses and new ideas are shared
Principle 13: Induction and Continuing Education <i>"A formal induction programme on joining the Board as well as regular training assists Directors to effectively discharge their duties to the Company"</i>	i) Does the Board have a formal induction programme for new directors? Yes/No	Yes, there is a formal induction programme for directors
	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	No new director was appointed during the period under review.
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	The Board Establishment, Governance & Remuneration Committee is responsible for overseeing directors' development and continuing education programmes of the Board. Furthermore, the Committee works with the Company Secretary to organise an annual Board Retreat/training which is aimed at keeping the Board abreast with best practices. During the period under review, a retreat was organised and below were the training topics: - Financial Services Sector Performance and Future Outlook - Risk-Based Supervision & AML/CFT - Key Trends in the digital market space

	iv) How do you assess the training needs of Directors?	Assessment is done based on the report from the Board Performance evaluation.
	v) Is there a Board-approved training plan? Yes/No	Yes, a training plan is prepared for the directors annually and approved by the Board
	vi) Has it been budgeted for? Yes/No	Yes, it has
Principle 14: Board Evaluation <i>"Annual Board evaluation assesses how each Director, the committees of the Board and the Board are committed to their roles, work together and continue to contribute effectively to the achievement of the Company's objectives"</i>	i) Is there a Board-approved policy for evaluating Board performance? Yes/No	Yes there is; it is contained in the Board Charter
	ii) For the period under review, was there any Board Evaluation exercise conducted? Yes/No	The Board evaluation exercise for the year under review is currently ongoing.
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	The Board evaluation exercise was conducted by an external consultant in January 2021.
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	No, it has not. The Board evaluation is currently ongoing and would be concluded by February 2023.
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	The report would be discussed as soon as the evaluation is concluded.
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	Yes, the result of the evaluation for each Director that was put up for re-election will be considered in the re-election process.
Principle 15: Corporate Governance Evaluation <i>"Institutionalizing a system for evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective"</i>	i) For the period under review, has the Company conducted a corporate governance evaluation? Yes/No If yes, provide date of the evaluation.	Yes, a corporate governance evaluation is currently ongoing and would be concluded by February 2023.
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	Yes, the result of the evaluation for each Director that was put up for re-election will be considered in the re-election process.
	iii) If yes, please indicate the date of last presentation.	Yes, a corporate governance evaluation was conducted in January 2021.

Principles	Reporting Questions	Explanation on application or deviation
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? Yes/No	Yes
Principle 16: Remuneration Governance <i>"The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term"</i>	i) Is there a Board-approved Directors' remuneration policy? Yes/No If yes, how often is it reviewed?	Yes, there is. The policy is reviewed every two (2) years or as the Board deems fit.
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	Sitting allowance Directors' Fee
	iii) Is the remuneration of NEDS presented to shareholders for approval? Yes/No If yes, when was it approved?	The remuneration of directors are presented to shareholders. It was approved at the Shareholders' Annual General Meeting held on 7 th June 2022.
	iv) What portion of the NEDs remuneration is linked to company performance?	Their remunerations are not linked to the performance of the company.
	v) Is there a Board-approved remuneration policy for Executive and Senior management? Yes/No If yes, to what extent is remuneration linked to company performance?	Yes, there is. Their entitlement from profit sharing is linked to corporate performance.
	vi) Has the Board set KPIs for Executive Management? Yes/No	Yes, it has.
	vii) If yes, was the performance measured against the KPIs? Yes/No	Yes, it was.
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors' fees? Yes/No	no, they do not.

	ix) Which of the following receive sitting allowance and/or fees: a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff	None of the listed categories receives sitting allowances or fees.
	x) Is there a Board-approved clawback policy for Executive management? Yes/No If yes, attach the policy.	Yes, there is a board approved claw back policy
Principle 17: Risk Management <i>"A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"</i>	i) Has the Board defined the company's risk appetite and limit? Yes/No	Yes, it has.
	ii) How often does the company conduct a risk assessment?	The company conducts risk assessment on a monthly basis
	iii) How often does the board receive and review risk management reports?	The Board receives and reviews risk management report on a quarterly basis.
Principle 18: Internal Audit <i>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems"</i>	i) Does the company have an Internal Audit function? Yes/No If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	Yes, it does.
	ii) Does the company have a Board-approved internal audit charter? Yes/No	Yes, it does.
	iii) Is the head of internal audit a member of senior management? Yes/No	Yes, she is a senior management staff.

Principles	Reporting Questions	Explanation on application or deviation
	iv) What is the qualification and experience of the head of internal audit?	She holds a Bachelor's degree in Economics/ Education from the University of Ibadan. A chartered accountant and fellow of the institute of Chartered Accountants of Nigeria, her wealth of experience spans over a decade, most of which was spent at the foremost audit/consultancy firm, Akintola Williams Deloitte at the senior management level. She is also a member of the AMP 27 class of the Lagos Business School.
	v) Does the company have a Board-approved annual risk-based internal audit plan? Yes/No	Yes, it does.
	vi) Does the head of the internal audit function report at least once every quarter to the committee responsible for audit, on the adequacy and effectiveness of management, governance, risk and control environment; deficiencies observed and management mitigation plans? Yes/No	Yes, she does.
	vii) Is there an external assessment of the effectiveness of the internal audit function at least once every three years by a qualified independent reviewer appointed by the Board? Yes/No If yes, when was the last assessment?	Yes, there is. The last assessment was held in June 2019.
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	On the one hand, the MD undertakes and approves the performance of the Head of Internal Audit as the direct report and member of the management of the Company while on the other hand, as part of the Board Performance Evaluation, the Board led by the Chairman conducts a performance appraisal of the Head of Internal Audit.
Principle 19: Whistleblowing <i>"An effective whistleblowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence"</i>	i) Does the company have a Board-approved whistleblowing framework? Yes/No If yes, when was the date of last review	Yes, it has. It was last reviewed in October 2022.
	ii) Does the Board ensure that the whistleblowing mechanism and are process reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower?	Yes, it does. There is a dedicated email and anonymous box for whistleblowing. Furthermore, the anonymity of the whistleblower is maintained in strict confidence at all times.

	Yes/No	
	iii) Is the Audit committee provided with the following reports on a periodic basis? a) Reported cases b) Process and results of Investigated cases	So far, there have been no reported cases.
Principle 20: External Audit <i>"An external auditor is appointed to provide an independent opinion on the true and fair view of the financial statements of the Company to give assurance to stakeholders on the reliability of the financial statements"</i>	i) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	The Board Audit Risk Management and Compliance Committee makes the recommendation for the appointment, re-appointment and removal of external auditors.
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	Shareholders approve the appointment, re-appointment and removal of external auditors at the Annual General Meeting.
	iii) When was the first date of appointment of the External auditors?	Our external auditors were first appointed in 2015.
	iv) How often are the audit partners rotated?	They are re-appointed every year but rotated with the guidelines of the code of corporate governance.
Principle 21: General Meetings <i>"General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the Company's business, governance and performance. They</i>	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	The notice of the AGM, annual report and other relevant information was published 21 days before the date of the AGM
	ii) Were the Chairmen of all Board Committees and the Chairman of the Statutory Audit Committee present to respond to Shareholders' enquiries at the last meeting? Yes/No	Yes, the Chairmen of all the Board Committees and the Chairman of the Statutory Audit Committee were present to respond to Shareholders' enquiries at the last meeting.

<i>provide</i> <i>shareholders with an opportunity to exercise their ownership rights and express</i>		
--	--	--

Principles	Reporting Questions	Explanation on application or deviation
<i>their views to the Board on any areas of interest"</i>		
Principle 22: Shareholder Engagement <i>"The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company"</i>	i) Is there a Board-approved policy on shareholders' engagement? Yes/No If yes: a) when was it last reviewed? b) Is the policy hosted on the company's website?	Yes, there is a Board approved policy on Shareholder's engagement. a) The policy was last reviewed in July 2021. b) The Policy is integrated on our website.
	ii) How does the Board engage with Institutional Investors and how often?	The Board engages with its institutional investors during the Annual General Meeting.
Principle 23: Protection of Shareholder Rights <i>"Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance"</i>	i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? Yes/No	The Board ensures that adequate and timely information is provided to the shareholders on the Company's activities through its periodic publication on the Nigerian Exchange website and National dailies. The unaudited accounts of the Company are published on a quarterly basis while the audited account is published on an annual basis and General meetings are held annually and if necessary extra-ordinary General meeting are equally convened.

Principle 24: Business Conduct and Ethics <i>“The establishment of professional business and ethical standards underscore the values for the protection and enhancement of the reputation of the Company while promoting good conduct and investor confidence”</i>	i) Does the company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards? Yes/No If yes: a) Has the COBE been communicated to all internal and external Stakeholders? Yes/No b) Is the COBE applicable to any or all of the following: 1. Board 2. Senior management 3. Other employees 4. Third parties	Yes, it does. The COBE has been communicated to all relevant stakeholders and is applicable to the Board. Although this policy is not applicable to senior management and other employees, the staff handbook which was equally reviewed and approved by the Board Establishment Remuneration and Governance Committee governs the business conduct and ethics of Senior Management and other employees. a) Yes, it has been communicated to stakeholders. b) Yes, it is applicable to the listed persons.
Principle 25: Ethical Culture <i>“The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of</i>	ii) When was the date of last review of the policy?	There was no new changes that warranted its review.
	iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No	Yes, this is done by the Board Establishment Remuneration and Governance Committee THROUGH Board evaluation.
	iv) What sanctions were imposed for the period under review for non-compliance with the COBE?	None because there was no case of non-compliance during the period under review.
	i) Is there a Board-approved policy on insider trading? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy?	Yes, there is. a) It was last reviewed in October 2022 b) 15 days before the Board sits to consider the financials at the Company at an upcoming meeting, the Company Secretary puts out a publication on the NGX website and sends an email reminding all those considered as insiders.

<i>interest and other corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence”</i>	ii) Does the company have a Board approved policy on related party transactions? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all of the following:	Yes, it is incorporated into our insider trading policy. It was last reviewed in October 2022. Full disclosure is done on an occurrence basis and annually in the annual report. It is applicable to the Board and Senior Management.
--	--	--

Principles	Reporting Questions	Explanation on application or deviation
	1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify)	
	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	Disclosures are made on an occurrence basis.
	iv) Does the company have a Board-approved policy on conflict of interest? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all of the following: 1. Senior management 2. Other employees (Specify)	Yes, it has a conflict-of-interest policy. It was last reviewed in October 2022. Disclosures are made on an occurrence basis and annually in the annual report. The staff handbook governs conflict of interest in relation to senior management and other employees.
Y	i) Is there a Board-approved sustainability policy? Yes/No If yes, when was it last reviewed?	Yes, it was introduced in 2020
	ii) How does the Board monitor compliance with the policy?	In line with existing regulations and best corporate practices, the Company publishes a sustainability report in its annual accounts.
	iii) How does the Board report compliance with the policy?	In line with existing regulations and best corporate practices, the Company publishes a sustainability report in its annual accounts.
	iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?	Yes, there is board approved diversity policy. It was last reviewed in July 2021.
Principle 27: Stakeholder Communication <i>“Communicating and interacting with stakeholders keeps them conversant with the</i>	i) Is there a Board-approved policy on stakeholder management and communication? Yes/No	Yes, there is.
	ii) Does the Company have an up-to-date investor relation portal? Yes/No If yes, provide the link.	Yes, it has. https://chiplc.com/investor-relations/

activities of the Company and assists them in making informed decisions"		
Principle 28: Disclosures <i>"Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"</i>	i) Does the company's annual report include a summary of the corporate governance report? Yes/No	Yes, it does.
	ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.	No, the Company was not fined.

Section F – Certification

We hereby make this declaration in good faith and confirm that the information provided in this form is true.

Chairman of the Board of Directors

Name: Mr. Obinna Ekezie

Signature: 

Date: 30th January 2023

Chairman of the Committee responsible for Governance

Name: Prince Ben Onuora

Signature: 

Date: 30th January 2023

Managing Director/Chief Executive Officer

Name: Mr. Eddie A. Efekoha

Signature: 

Date: 30th January 2023

Company Secretary/Chief Compliance Officer

Name: Mrs. Rukevwe Falana

Signature: 

Date: 30th January 2023