

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) SANLAM KENYA PLC

Reviewer's Name

Stock Code KE000000414

Sector INSURANCE

Year - 2017

Date of Financial Year End 31 DECEMBER

Chairman Signature

CEO Signature

Company Secretary Signature

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

No. of independent directors at end of financial year

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

Company Details to be Provided:

0.99

144,000,000

27.75

7,374,761,000

53,045,000

1,030,741,000

4,051,950,000

8

2

7

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	Charter has been developed and approved; reviewed annually	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	Charter outlines role of the Board.	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	Statement is in the Charter.	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	Board Reports and Management Training	BOARD MINUTES
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	Documented in Board Charter.	BOARD CHARTER
A or E	A.6	Does the company strategy promote sustainability of the company?	2.3.6	FA	The company has a Five Year Strategy	5 YEAR STRATEGIC PLAN
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	Documented in Board and Committee Charters.	COMMITTEE CHARTERS
	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	Committee Charter and meeting minutes.	NOMINATION & REMUNERATION COMMITTEE
M	B.2	Is the chairperson of the Nomination Committee an independent director?	2.2.3	FA	Committee meeting minutes.	SUSAN MUDHUNE
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	Committee Charter	Clause 4.1 of the HR, Nomination and Remuneration Charter
M	B.4	Is the Board size adequate for the exercise of the company business?	2.1.4	FA	Board minutes/ board calendar	BOARD CHARTER
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	NA	Board is in discussions regarding the appointment of an additional female director	
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	Skills diversity is a key requirement in selecting directors	Nomination and Remuneration Committee minutes
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	Clause 3 of the Board Charter	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		
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	NA	Board is in discussions regarding the appointment of	
A or E	B.10	Does the Board have policies and procedures to annually assess the independence of independent Board members?	2.4.1	NA	This policy and procedures will be developed in Q2 2018.	
M	B.11	Do all independent Board members have a tenure of less than 9 years?	2.4.2	FA	Board Charter defines term of office	BOARD CHARTER
M	B.12	Is the Board comprised of a majority of non-executive board members?	2.1.3	FA	Board has only 1 Executive member.	CR12
M	B.13	How does the Board ensure a smooth transition of Board members?	2.1.8	FA	Board Succession plan is part of the Board Charter	BOARD CHARTER
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	Audit committee is in place; minutes available	
M	B.15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	2.3.3	FA	Chairman is different from CEO	ANNUAL REPORT
M	B.16	Is the Chairman of the Board a non-executive board member?	2.3.4	FA	Chairman is non executive	CR12
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	All Board members have access to E-Board which is the Board depository of information and to external	BOARD CHARTER
M	B.18	Has the Board adopted a policy on managing conflict of interest?	2.3.8	FA	board minutes include a disclosure of Directors'	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	Declaration of interests stated in minutes.	Disclosure at the Board Meetings annually and in the Financial Statements

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		CPS REG NO 1898
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	BOARD CHARTER	BOARD CHARTER
A or E	B.22	Has the Board developed an annual work-plan to guide its activities?	2.6.3	FA	Addendum Board Charter	BOARD CHARTER
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	Integrated in E-Board	E-BOARD
A or E	B.24	Has the Board established and applied a formal induction program for in-coming members?	2.7.1	FA	Integrated in E-Board	PAST INDUCTION PROGRAMS
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	PA	ICPSK TRAININGS, CENTRE FOR CORPORATE GOVERNANCE TRAININGS	ATTENDANCE CERTIFICATES
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	As a function of the Human Resources, Nomination and Remuneration Committee	NOMINATIONS COMMITTEE CHARTER
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	Benchmarked against Director	2017 DIRECTORS FEE SURVEY
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	Oversight by Group Head of Le	BOARD 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	NA	Scheduled for 12 June 2018 to	COMPLIANCE REVIEW PLAN
A or E	B.30	Has the Board subjected the company to an annual governance audit?	2.11.1	NA	To be undertaken in 2018	
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 treated equal	ARTICLES OF ASSOCIATION/ AGM
M	C.2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholders' rights?	3.1.1	FA	Shareholders receive financial	ARTICLES OF ASSOCIATION/ AGM
M	C.3	How does the Board facilitate shareholders participation at the AGM?	3.1.1	FA	Shareholders are given an opportunity to ask and have their questions answered and	AGM MINUTES
A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	3.2.1	FA	ALL ARE ORDINARY SHARES	
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	THROUGH PRESS RELEASES	PRESS REPORTS/ WEBSITE/ FINAN
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 Board has adopted a stakeholder inclusive approach	ANNUAL REPORT - Page 60
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	The Board has adopted a stakeholder inclusive approach	ANNUAL REPORT - Pages 17 and 60
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	Decisions are based on assessment of impact to all stakeholders	BOARD MINUTES/ ANNUAL REPORT Page 17
M	D.4	How does the Board ensure effective communications with stakeholders?	4.2, 4.2.1	FA	addresses stakeholder interests	BOARD CHARTER
M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	4.3.1	FA	Staff handbook outlines staff r	STAFF HANDBOOK; ALL CONTRAC
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	Applied across the business	BOARD MINUTES; MANAGEMENT MEETING MINUTES
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	CODE OF ETHICS POLICY	CODE OF ETHICS POLICY
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 electronically sign off the Code of Ethics Annually	CODE OF ETHICS 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	Included in the risk framework	RISK FRAMEWORK
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	Integrity issues are handled firmly; zero tolerance to breaches	ETHICS POLICIES
A or E	E.6	Has the company established and implemented a whistle blowing policy?	5.2.5	FA	Whistleblowing policy is available	STAFF HANDBOOK
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	NA	Policies will be developde in 2018	
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	Strategic plan incorporates corporate citizenship	STRATEGIC PLAN
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	Marketing function oversee corporate social responsibility including sustainability	MARKETING DEPARTMENT GOALS

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	Annually at the February meetings before Results publication BOARD MINUTES
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	Statements are included in annual report ANNUAL REPORT Pages 66 and 80
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	External auditor reports to the Board. Board evaluates the external auditor BOARD MINUTES
M	F.4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	6.1.3	FA	External auditor appointed at AGM AGM MINUTES
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	NA	The company is developing the integrated reporting framework to be implemented in 2018
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 ERM and Risk Appetite Statement is presented at all Board meetings 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	Through the Audits carried out quarterly by Internal Audit INTERNAL AUDIT REPORTS
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	Disclosed in Annual report Page 28 - 29 of Annual Report
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	Internal audit reports to Board Audit Committee AUDIT COMMITTEE CHARTER
A or E	F.10	Does the Board disclose details of Audit Committee activities?	6.5.2	FA	Activities are disclosed Disclosed on page 58 of Annual Report
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	Disclosures are made in a timely manner Material disclosures are published in the local dailies within 24 hours eg resignation of GCEO
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	This is disclosed Corporate Governance Report - pages 56-62
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	This is disclosed Page 4 of the Annual Report
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	This is disclosed Pages 67-68
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	This is applied and disclosed on the website Details of changes of directors contained in website. Whistleblowing and Code of ethics are published
A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.1.1?	7.1.1	PA	Included in the Board Papers Board Papers
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	This is disclosed Corporate Governance report on Page 56 of Annual Report
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	NA	This is disclosed Governance Audit will be conducted in 2018
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	PA	Disclosed in Annual report Page 154 - 175 of Annual Report
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	All are disclosed Page 61 of the Annual report
M	G.11	Has the Board disclosed all related-party transactions?	7.1.1t	FA	All are disclosed PAGE 149 of Annual Report
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	Statement is applied Page 56 of the Annual report

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: