



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	<i>Cutix Plc</i>
ii.	Date of Incorporation	<i>November 4, 1982</i>
iii.	RC Number	<i>50599</i>
iv.	License Number	<i>Nil</i>

v.	Company Physical Address	<i>17, Osita Onyejianya Street, Umuanuka Otolu Nnewi, Anambra State</i>
vi.	Company Website Address	<i>www.cutixplc.com.ng</i>
vii.	Financial Year End	<i>April 30</i>
viii.	Is the Company a part of a Group/Holding Company? <b>Yes/No</b> If yes, please state the name of the Group/Holding Company	<i>Yes. Cutix is holding Company with Adswitch as a subsidiary</i>
ix.	Name and Address of Company Secretary	<i>Chinwendu Nwokporo Nwokeji Odinaka's Compound, 6, Hajoks Street, Okpuno-Egbu Umudim, Nnewi, Anambra State.</i>
x.	Name and Address of External Auditor(s)	<i>Ngozi Monica Okonkwo &amp; Co (Chartered Accountants) Duplex 11, Ugochukwu Housing Estate Sabmiller Crescent, Off Atani Road Onitsha Anambra State</i>
xi.	Name and Address of Registrar(s)	<i>Crescent Registrars Ltd, 23, Olusoji Idowu Street, Ilupeju, Lagos</i>
xii.	Investor Relations Contact Person (E-mail and Phone No.)	<i>Chinwendu Nwokporo Email: <a href="mailto:secretariat@cutixplc.com.ng">secretariat@cutixplc.com.ng</a> Phone: 046-281-199, 0702-644- 5769</i>
xiii.	Name of the Governance Evaluation Consultant	<i>Corporate Mission Consultants</i>
xiv.	Name of the Board Evaluation Consultant	<i>Corporate Mission Consultants</i>

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

#### **1. Board Details:**

<b>S/No.</b>	<b>Names of Board Members</b>	<b>Designation (Chairman, MD, INED, NED, ED)</b>	<b>Gender</b>	<b>Date First Appointed/ Elected</b>	<b>Remark</b>
1.	<i>Amb Okwudili Nwosu</i>	<i>Chairman</i>	<i>Male</i>	<i>1983</i>	<i>He retired in 2012 and was reappointed to the Board in 2015.</i>
2.	<i>Mrs. Ijeoma Oduonye</i>	<i>MD/CEO</i>	<i>Female</i>	<i>Oct 2018</i>	<i>Nil</i>

3.	<i>Barr (Mrs) Ifeoma Nwahiri</i>	<i>NED</i>	<i>Female</i>	<i>Oct 2005</i>	<i>She retired in 2011 and was reappointed to the Board in 2016</i>
4.	<i>Dr Chidozie Nsoedo</i>	<i>NED</i>	<i>Male</i>	<i>Oct. 2018</i>	<i>Nil</i>
5.	<i>Sir Matthias Umego</i>	<i>NED</i>	<i>Male</i>	<i>Oct. 2018</i>	<i>Nil</i>
6.	<i>Mr. Ariyo Olushekun</i>	<i>NED</i>	<i>Male</i>	<i>Nov 2020</i>	<i>Nil</i>
7.	<i>Mr. Ike Okonkwo</i>	<i>NED</i>	<i>Male</i>	<i>Nov 2020</i>	<i>He retired in 2017 and was re-appointed to the Board in 2020</i>
8.	<i>Mrs. Ijeoma Ezeasor</i>	<i>INED</i>	<i>Female</i>	<i>Nov 2020</i>	<i>Nil</i>
9.	<i>Prince Charles Orizu</i>	<i>INED</i>	<i>Male</i>	<i>Nov 2021</i>	<i>Nil</i>

#### 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.	<i>Amb Okwudili Nwosu</i>	5	5	<i>No</i>	<i>Not a member</i>	4	<i>Nil</i>
2.	<i>Mrs. Ijeoma Oduonye</i>	5	5	<i>No</i>	<i>Not a member</i>	4	<i>In attendance</i>
3.	<i>Barr (Mrs) Ifeoma Nwahiri</i>	5	5	<i>ARC Committee</i>	<i>Chairman/Member</i>	4	4
4.	<i>Mr. Ike Okonkwo</i>	5	5	<i>ARC Committee</i>	<i>Member</i>	4	4
5.	<i>Mr. Ariyo Olushekun</i>	5	5	<i>ARC Committee</i>	<i>Member</i>	4	4
6.	<i>Sir Matthias Umego</i>	5	5	<i>GNC Committee</i>	<i>Chairman/Member</i>	4	4

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
7.	<i>Dr Chidozie Nsoedo</i>	5	5	<i>GNC Committee</i>	<i>Member</i>	4	4
8.	<i>Mrs Ijeoma Ezeasor</i>	5	5	<i>GNC Committee</i>	<i>Member</i>	4	4
9.	<i>Prince Charles Orizu</i>	5	2*	<i>GNC Committee</i>	<i>Member</i>	4	2*

*Note: The CEO is not a member of any Board Committee, but she was in attendance at the meetings of the Committees to answer any question that may be directed to Management by the Committee.*

*\*Shows number of Board/Committee meetings held and attended from the period the new Director joined the Board.*

## **Section D - Details of Senior Management of the Company**

### **1. Senior Management:**

S/No.	Names	Position Held	Gender
1.	Mrs. Ijeoma Oduonye	Chief Executive Officer	Female
2.	Mrs. Uche Igbokwe	Assistant General Manager	Female

## Section E – Application

Principles	Reporting Questions	Explanation on application or deviation
<b>Part A - Board of Directors and Officers of the Board</b>		
<p><b>Principle 1: Role of the Board</b></p> <p><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></p>	<p>i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? <b>Yes/No</b> If yes, when was it last reviewed?</p>	<p><i>Yes. The Charter was reviewed by the Board in February 2021.</i></p>
<p><b>Principle 2: Board Structure and Composition</b></p> <p><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></p>	<p>i) What are the qualifications and experiences of the directors?</p>	<p><i>All the Directors are professionals that are well established in their various fields of endeavour. Profile of Directors of the Company will be published in the 2022 Annual Report and Accounts.</i></p>
	<p>ii) Does the company have a Board-approved diversity policy? <b>Yes/No</b> If yes, to what extent have the diversity targets been achieved?</p>	<p><i>Yes. The diversity target was achieved 100%.</i></p>
	<p>iii) Are there directors holding concurrent directorships? <b>Yes/No</b> If yes, state names of the directors and the companies?</p>	<p><i>Yes.</i></p> <ol style="list-style-type: none"> <li><i>1. Mr. Ariyo Olushekun</i> <ol style="list-style-type: none"> <li><i>i. NASD Plc</i></li> <li><i>ii. First Trust Mortgage Bank Plc</i></li> <li><i>iii. Unity Registrars Ltd</i></li> <li><i>iv. Co-Link Investment Management Ltd</i></li> <li><i>v. Applied Logic Ltd</i></li> </ol> </li> </ol>

Principles	Reporting Questions	Explanation on application or deviation
		2. <i>Dr. Chidozie Nsoedo</i> i. First Systems Refinishes Limited ii. Samhays Limited.
	iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? <b>Yes/No</b> If yes, provide the names of the Committees.	<i>No. The CEO is not a chair of any Board Committee.</i>
<b>Principle 3: Chairman</b> <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? <b>Yes/No</b> If yes, list them.	<i>No. The Chairman is not a member or chair of any Board Committee.</i>
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?	<i>Within the period under review, the Chairman attended the Audit Risk and Compliance and inaugural Statutory Audit Committee meeting for the financial year 2022 and inaugurated the Committee.</i>
	iii) Is the Chairman an INED or a NED?	<i>The Chairman is a Non-Executive Director</i>
	iv) Is the Chairman a former MD/CEO or ED of the Company? <b>Yes/No</b> If yes, when did his/her tenure as MD end?	<i>Yes. The Chairman was a former MD of the Company. His tenure as MD ended in 1994.</i>
	v) When was he/she appointed as Chairman?	<i>He was appointed the Chairman in October 2018.</i>
	vi) Are the roles and responsibilities of the Chairman clearly defined? <b>Yes/No</b> If yes, specify which document	<i>Yes. The roles and responsibilities of the Chairman are clearly defined as contained in the Governance Guide.</i>
<b>Principle 4: Managing Director/Chief Executive Officer</b> <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</i>	i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? <b>Yes/No</b> If no, in which documents is it specified?	<i>Yes. The CEO has a contract of employment that sets out her authority and relationship with the Board.</i>
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<i>There has been no conflict of interest since the appointment of the CEO.</i>
	iii) Which of the Board Committee meetings did the MD/CEO	<i>The CEO attended all the Board Committee meetings held within the period under review.</i>

<b>Principles</b>	<b>Reporting Questions</b>	<b>Explanation on application or deviation</b>
<i>corporate performance”</i>	attend during the period under review?	
	iv) Is the MD/CEO serving as NED in any other company? <b>Yes/no.</b> If yes, please state the company(ies)?	<i>No, the CEO is not serving as a NED in any other Company.</i>
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? <b>Yes/No</b>	<i>No, she is not a NED in any other Company</i>
<b>Principle 5: Executive Directors</b>  <i>Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company</i>	i) Do the EDs have contracts of employment? <b>Yes/no</b>	<i>The Company does not have other EDs except the CEO.</i>
	ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? <b>Yes/No</b> If no, in which document are the roles and responsibilities specified?	<i>The Company does not have other EDs except the CEO.</i>
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<i>The Company does not have other EDs except the CEO.</i>
	iv) Are there EDs serving as NEDs in any other company? <b>Yes/No</b> If yes, please list	<i>The Company does not have other EDs except the CEO.</i>
	v) Are their memberships in these companies in line with Board-approved policy? <b>Yes/No</b>	<i>The Company does not have other EDs except the CEO.</i>
<b>Principle 6: Non-Executive Directors</b>  <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? <b>Yes/No</b> If yes, where are these documented?	<i>Yes. The roles and responsibilities of the NEDs are clearly defined and documented in the Governance Guide. It is also included in the contract of agreement</i>
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	<i>Yes, duties, liabilities and terms of engagement are specified in NED’s letters of appointment.</i>
	iii) Do the NEDs declare any conflict of interest on appointment, annually,	<i>Yes. NEDs declare conflict of interest (if any) on appointment and annually.</i>

<b>Principles</b>	<b>Reporting Questions</b>	<b>Explanation on application or deviation</b>
	thereafter and as they occur? <b>Yes/No</b>	
	iv) Are NEDs provided with information relating to the management of the company and on all Board matters? <b>Yes/No</b> If yes, when is the information provided to the NEDs	<i>Yes. At quarterly Board and Committee meetings. Necessary information is provided latest one week before the meeting.</i>
	v) What is the process of ensuring completeness and adequacy of the information provided?	<i>All papers are reviewed either by the CEO or the Company Secretary before submission to the Board.</i>
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? <b>Yes/No</b>	<i>Yes, they have.</i>
<b>Principle 7: Independent Non-Executive Directors</b> <i>Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence"</i>	i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? <b>Yes/No</b>	<i>Yes, they meet the criteria.</i>
	ii) Are there any exceptions?	<i>No, there is none.</i>
	iii) What is the process of selecting INEDs?	<i>The GNC Committee of the Board leads the process of selecting the INEDs. In identifying suitable INEDs, the Committee considers the candidates on merit and with due regard for the benefits of diversity, gender, balance and mix of appropriate skills and experience to strengthen the capacity of the Board.</i>
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	<i>Yes. The information is contained in their contract agreement.</i>
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<i>Yes. The INEDs declare conflict of interest (if any) on appointment and annually.</i>
	vi) Does the Board ascertain and confirm the independence of the INEDs? <b>Yes/No</b> If yes, how often? What is the process?	<i>Yes. Annually</i> <i>This is ascertained through the Directors shareholding and annual declaration.</i>



<b>Principles</b>	<b>Reporting Questions</b>	<b>Explanation on application or deviation</b>
	vii) Is the INED a Shareholder of the Company? <b>Yes/No</b> If yes, what is the percentage shareholding?	<i>Yes. Prince Charles Orizu has 0.01% of the paid-up share capital of the Company while Mrs. Ijeoma Ezeasor has none.</i>
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? <b>Yes/No</b> If yes, provide details.	<i>No, there is no other relationship with the Company.</i>
	ix) What are the components of INEDs remuneration?	<i>Components of their remuneration include annual fees and sitting allowance for attending Board and Committee meetings.</i>
<b>Principle 8: Company Secretary</b>  <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?	<i>The Company has an in-house Company Secretary.</i>
	ii) What is the qualification and experience of the Company Secretary?	<i>The Company Secretary is a Chartered Secretary with four years post qualification experience and eight years post-graduation experience.</i>
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	<i>The Company Secretary is not a member of senior management in the Company.</i>
	iv) Who does the Company Secretary report to?	<i>The Company Secretary reports directly to the Board but reports to the CEO on Management issues.</i>
	v) What is the appointment and removal process of the Company Secretary?	<i>The Company Secretary is appointed by the Board and the Board is also responsible for her removal.</i>
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	<i>The GNC Committee of the Board undertakes performance appraisal of the Company Secretary subject to the Board approval. The CEO also evaluates the Company Secretary on Management issues.</i>
<b>Principle 9: Access to Independent Advice</b>  <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? <b>Yes/No</b> If yes, where is it documented?	<i>Yes. This is documented in the Governance Guide.</i>
	ii) Who bears the cost for the independent professional advice?	<i>The Company bears the cost.</i>

Principles	Reporting Questions	Explanation on application or deviation
	iii) During the period under review, did the Directors obtain any independent professional advice? <b>Yes/No</b> If yes, provide details.	<i>Yes. The Company received advice from the legal adviser on issues of rent increase.</i>
<b>Principle 10: Meetings of the Board</b>  <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?	<i>Minutes of the previous Board meeting are approved after review at the Board meeting.</i>
	ii) What are the timelines for sending the minutes to Directors?	<i>Minutes of Board and Committee meetings are circulated within three working days after the meeting to the Board/Committee Chairman only. It is circulated to all Directors within two weeks to the next meeting.</i>
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	<i>The implication is that the Directors may not be considered for re-election.</i>
<b>Principle 11: Board Committees</b>  <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? <b>Yes/No</b>	<i>Yes, they have.</i>
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	<i>Minutes of the previous Committee meeting are approved after review at the Board Committee meeting following the previous meeting.</i>
	iii) What are the timelines for sending the minutes to the directors?	<i>Minutes of Committee meeting is sent to the Committee Chairman within three working days after the meeting.</i>
	iv) Who acts as Secretary to Board committees?	<i>The Company Secretary serves as Secretary to the Board Committees.</i>
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management	a) Governance, Nomination & Compensation Committee b) Governance, Nomination & Compensation Committee c) Audit, Risk & Compliance Committee d) Audit, Risk & Compliance Committee
	vi) What is the process of appointing the chair of each committee?	<i>Chairman of each Board Committee is recommended by the Board Chairman and elected by the Board.</i>

Principles	Reporting Questions	Explanation on application or deviation
	<b>Committee responsible for Nomination and Governance</b>	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	<i>The Governance, Nomination &amp; Compensation Committee is made up of two INED and two NEDs.</i>
	viii) Is the chairman of the Committee a NED or INED?	<i>The Chairman of the Committee is a NED.</i>
	ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	<i>Yes. The policy is reviewed every three years.</i>
	x) How often are Board and Committee charters as well as other governance policies reviewed?	<i>Board and Committee Charters are reviewed from time to time to ensure that they meet best practice standards.</i>
	xi) How does the committee report on its activities to the Board?	<i>Board Committees send the report of each meeting to the next Board meeting. The Committee's recommendations are considered by the Board and approved where appropriate.</i>
	<b>Committee responsible for Remuneration</b>	
	xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	<i>The Governance, Nomination &amp; Compensation Committee is made up of two INED and two NEDs.</i>
	xiii) Is the chairman of the Committee a NED or INED?	<i>The Chairman of the Committee is a NED. However, he has opted to relinquish part of his shares in compliance with Code of Corporate Governance requirements that the Chairman will be an INED.</i>
	<b>Committee responsible for Audit</b>	
	xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? <b>Yes/No</b>	<i>Yes. The Company has an Audit, Risk &amp; Compliance (ARC) Committee of the Board.</i>
	xv) Are members of the Committee responsible for Audit financially literate? <b>Yes/No</b>	<i>Yes, they are literate.</i>
	xvi) What are their qualifications and experience?	<i>Members of the Board Audit Committee are businessmen with experience in business management.</i>

Principles	Reporting Questions	Explanation on application or deviation
	xvii) Name the financial expert(s) on the Committee responsible for Audit	<i>Mr. Ariyo Olushekun – Chartered Accountant Mr. Ike Okonkwo - Chartered Accountant</i>
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	<i>The ARC Committee reviews the internal auditor's report quarterly.</i>
	xix) Does the Company have a Board approved internal control framework in place? <b>Yes/No</b>	<i>Yes, it has.</i>
	xx) How does the Board monitor compliance with the internal control framework?	<i>The Board monitors compliance with the internal control framework through the Audit, Risk &amp; Compliance (ARC) Committee of the Board. The Committee sends its report to the Board quarterly.</i>
	xxi) Does the Committee responsible for Audit review the External Auditors management letter, Key Audit Matters and management response to issues raised? <b>Yes/No</b> Please explain.	<i>The Statutory Audit Committee reviews the External Auditors management letter, Key Audit matters and management responses to issues raised in the audited financial statements and make recommendations to the Board.</i>
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? <b>Yes/No</b>	<i>Yes. The Company has Board approved policy that clearly specifies that the external auditor shall not provide non-audit services.</i>
	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?	<i>The Statutory Audit Committee held discussions with the head of internal audit function and external auditors without Management once every year.  The ARC Committee also held its quarterly meeting with the internal auditor.</i>
<b>Committee responsible for Risk Management</b>		
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	<i>The Chairman of the ARC Committee is a NED.</i>
	xxv) Is there a Board approved Risk Management framework? <b>Yes/No?</b> If yes, when was it approved?	<i>Yes.</i>

Principles	Reporting Questions	Explanation on application or deviation
		<i>The Risk Management Framework was reviewed and approved on May 20, 2022.</i>
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	<i>Quarterly</i>  <i>June 2022</i>
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? <b>Yes/No</b> If yes, how often is it reviewed?	<i>Yes.</i>  <i>Biannually and it was reviewed in May 2022</i>
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	<i>Annually</i>
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? <b>Yes/No</b>	<i>The Chief Risk Officer is not a member of senior management in the Company.</i>
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	<i>She attended four meetings of the ARC Committee.</i>
<p><b>Principle 12: Appointment to the Board</b></p> <p><i>“A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board”</i></p>	i) Is there a Board-approved policy for the appointment of Directors? <b>Yes/No</b>	<i>Yes.</i>
	ii) What criteria are considered for their appointment?	<i>The criteria considered for appointment of Directors amongst others include skills requirements of the Board, qualification, health status, age, gender, geographical and ethnic diversity.</i>
	iii) What is the Board process for ascertaining that prospective director are fit and proper persons?	<i>The process is provided in the Company’s Governance Guide and applied by the GNC Committee.</i>
	iv) Is there a defined tenure for the following? a) The Chairman b) The MD/CEO	<i>Yes, there is a defined tenure for all the Directors.</i>

Principles	Reporting Questions	Explanation on application or deviation
	c) INED d) NED e) EDs	
	v) Please state the tenure	<i>Chairman - Three years subject to re-election</i> <i>CEO - Five years subject to a maximum of 2 terms and final 2 years</i> <i>INED - Three years subject to re-election</i> <i>NED - Three years subject to re-election</i> <i>EDs – None or not applicable</i>
	vi) Does the Board have a process to ensure that it is refreshed periodically? <b>Yes/No?</b>	<i>Yes, it has</i>
<b>Principle 13: Induction and Continuing Education</b> <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? <b>Yes/No</b>	<i>Yes, orientation programme is carried out for newly appointed Directors.</i>
	ii) During the period under review, were new Directors appointed? <b>Yes/No</b> If yes, provide date of induction.	<i>Yes, a new Director was appointed at our 38<sup>th</sup> Annual General Meeting held on November 26, 2021.</i> <i>He was inducted on November 30 and December 1, 2021.</i>
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? <b>Yes/No</b> If yes, provide training details.	<i>Yes.</i> <i>The Directors underwent a two-day training on the processes and Charter of the Company, Board process, accounting basis and financial analysis.</i>
	iv) How do you assess the training needs of Directors?	<i>It is the responsibility of the Governance, Nomination &amp; Compensation (GNC) Committee to assess training needs of Directors and recommend to the Board.</i>
	v) Is there a Board-approved training plan? <b>Yes/No</b>	<i>Yes, there is a Board-approved training plan for the Company</i>
	vi) Has it been budgeted for? <b>Yes/No</b>	<i>Yes, it was budgeted for.</i>
<b>Principle 14: Board Evaluation</b> <i>“Annual Board evaluation assesses how each Director, the committees of the Board and the Board</i>	i) Is there a Board-approved policy for evaluating Board performance? <b>Yes/No</b>	<i>Yes, the board performance evaluation policy was approved in November 2021.</i>
	ii) For the period under review, was there any Board Evaluation exercise conducted? <b>Yes/No</b>	<i>Yes.</i>

<b>Principles</b>	<b>Reporting Questions</b>	<b>Explanation on application or deviation</b>
<i>are committed to their roles, work together and continue to contribute effectively to the achievement of the Company's objectives"</i>	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	<i>The Board carried out internal evaluation within the period under review. It was carried out in January 2022.</i>
	iv) Has the Board Evaluation report been presented to the full Board? <b>Yes/No</b> If yes, indicate date of presentation.	<i>Summary of internal Board evaluation was presented to the Board in February 2022.</i>
	v) Did the Chairman discuss the evaluation report with the individual directors? <b>Yes/No</b>	<i>No, He did not.</i>
	vi) Is the result of the evaluation for each Director considered in the re-election process? <b>Yes/No</b>	<i>Yes. The result was considered in the re-election of Directors by the GNC Committee of the Board</i>
<b>Principle 15: Corporate Governance Evaluation</b> <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? <b>Yes/No</b> If yes, provide date of the evaluation.	<i>Yes. The corporate governance evaluation was carried out in August 2020</i>
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? <b>Yes/No</b>	<i>Yes. The result of the corporate Governance Evaluation carried out by external consultant in August 2020 was presented and considered by the Board.</i>
	iii) If yes, please indicate the date of last presentation.	<i>The evaluation was presented to the Board on November 26, 2020</i>
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investor's portal? <b>Yes/No</b>	<i>It was included in the Company's FY 2021 Annual Report and Accounts.</i>
<b>Principle 16: Remuneration Governance</b> <i>"The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of</i>	i) Is there a Board-approved Directors' remuneration policy? <b>Yes/No</b> If yes, how often is it reviewed?	<i>Yes. The Company have remuneration policy.  It depends on the Company's performance and return to stakeholders</i>
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review.	<i>The Directors, except the CEO, were paid annual Directors fees, sitting allowance for attending Board and Board Committee meetings and Sitting expenses for reimbursable travel and hotel expenses for</i>

Principles	Reporting Questions	Explanation on application or deviation
<i>strategic objectives and positive outcomes in the short, medium and long term”</i>		<i>attending Board and Board Committee meetings within the period under review.</i>  <i>The Company also sponsored Directors for training programmes which is aimed at enhancing their performance. Details of the payment will be published in the 2022 Annual Report.</i>
	iii) Is the remuneration of NEDS presented to shareholders for approval? <b>Yes/No</b> If yes, when was it approved?	<i>Yes, it is usually presented to shareholders at the Annual General Meeting.</i>  <i>At the 38<sup>th</sup> Annual General Meeting held in November 2021.</i>
	iv) What portion of the NEDs remuneration is linked to company performance?	<i>None.</i>
	v) Is there a Board-approved remuneration policy for Executive and Senior management? <b>Yes/No</b> If yes, to what extent is remuneration linked to company performance?	<i>Yes, there is.</i>  <i>100%</i>
	vi) Has the Board set KPIs for Executive Management? <b>Yes/No</b>	<i>Yes.</i>
	vii) If yes, was the performance measured against the KPIs? <b>Yes/No</b>	<i>No, performance is not measured against Key Performance Indices.</i>
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors fees? <b>Yes/No</b>	<i>No, they do not receive.</i>
	ix) Which of the following receive sitting allowance and/or fees? a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff	<i>None of them receives sitting allowance and/or fees</i>
	x) Is there a Board-approved clawback policy for Executive management? <b>Yes/No</b> If yes, attach the policy.	<i>Yes.</i>  <i>See attached</i>



<b>Principles</b>	<b>Reporting Questions</b>	<b>Explanation on application or deviation</b>
<b>Principle 17: Risk Management</b> <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? <b>Yes/No</b>	<i>Yes. The Company’s risk appetite and limit are defined in the Company’s Risk Management Framework.</i>
	ii) How often does the company conduct a risk assessment?	<i>The Company conducts risk assessment quarterly and presents risk register to the Audit, Risk &amp; Compliance (ARC) Committee</i>
	iii) How often does the board receive and review risk management reports?	<i>The Board receives and reviews risk management reports quarterly through the ARC Committee</i>
<b>Principle 18: Internal Audit</b> <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? <b>Yes/No</b> If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	<i>Yes, it has.</i>
	ii) Does the company have a Board-approved internal audit charter? <b>Yes/No</b>	<i>Yes, it has.</i>
	iii) Is the head of internal audit a member of senior management? <b>Yes/No</b>	<i>Yes. The head of internal audit is not a member of senior management in the Company.</i>
	iv) What is the qualification and experience of the head of internal audit?	<i>The head of internal audit is a trained professional with four years post qualification experience and eight years post-graduation experience.</i>
	v) Does the company have a Board-approved annual risk-based internal audit plan? <b>Yes/No</b>	<i>Yes, it has.</i>
	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? <b>Yes/No</b>	<i>Yes. The head of internal audit reports to the ARC Committee every quarter.</i>
	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? <b>Yes/No</b>	<i>Yes. It was assessed in July 2020 by an external consultant.</i>

Principles	Reporting Questions	Explanation on application or deviation
	If yes, when was the last assessment?	
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	<i>The Audit, Risk &amp; Compliance Committee of the Board undertakes the evaluation and reports to the Board. The CEO also appraises the head of the unit.</i>
<b>Principle 19: Whistleblowing</b> <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? <b>Yes/No</b> If yes, when was the date of last review	<i>Yes.</i>  <i>The policy was reviewed in May 2022.</i>
	ii) Does the Board ensure that the whistleblowing mechanism and are process reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower? <b>Yes/No</b>	<i>Yes, it does.</i>
	iii) Is the Audit committee provided with the following reports on a periodic basis? a) Reported cases b) Process and results of Investigated cases	<i>a) Yes</i> <i>b) Yes</i>
<b>Principle 20: External Audit</b> <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?	<i>It is the responsibility of the Board to recommend to the Shareholders for appointment, reappointment or removal of external auditors.</i>  <i>The Statutory Audit Committee of the Company recommends to the Board on the appointment, re-appointment and removal of external auditors.</i>
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	<i>The appointment, re-appointment and removal of external auditors are approved by the Shareholders.</i>
	iii) When was the first date of appointment of the External auditors?	<i>The External Auditor was appointed at the 37<sup>th</sup> Annual General Meeting held on November 27, 2020.</i>
	iv) How often are the audit partners rotated?	<i>The External Auditor is less than two years in office. Engagement partner should be rotated every five years</i>
<b>Principle 21: General Meetings</b>	i) How many days prior to the last general meeting were notices, annual reports and any other	<i>At least three weeks before the date of the meeting.</i>

Principles	Reporting Questions	Explanation on application or deviation
<p><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 provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest”</i></p>	<p>relevant information dispatched to Shareholders?</p> <p>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? <b>Yes/No</b></p>	<p><i>Yes. The Chairmen were all present at the meeting.</i></p>
<p><b>Principle 22: Shareholder Engagement</b></p> <p><i>“The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company”</i></p>	<p>i) Is there a Board-approved policy on shareholders’ engagement? <b>Yes/No</b></p> <p>If yes:</p> <p>a) when was it last reviewed?</p> <p>b) Is the policy hosted on the company’s website?</p> <p>ii) How does the Board engage with Institutional Investors and how often?</p>	<p><i>Yes</i></p> <p><i>The policy for Shareholders’ Engagement was approved by the Board on August 27, 2020.</i></p> <p><i>Yes.</i></p> <p><i>At Annual General Meeting and as at when necessary</i></p>
<p><b>Principle 23: Protection of Shareholder Rights</b></p> <p><i>“Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance”</i></p>	<p>i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company’s activities? <b>Yes/No</b></p>	<p><i>Yes.</i></p>

Principles	Reporting Questions	Explanation on application or deviation
<p><b>Principle 24: Business Conduct and Ethics</b></p> <p><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></p>	<p>i) Does the company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards? <b>Yes/No</b></p> <p>If yes:</p> <p>a) Has the COBE been communicated to all internal and external Stakeholders? <b>Yes/No</b></p> <p>b) Is the COBE applicable to any or all of the following:</p> <ol style="list-style-type: none"> <li>1. Board</li> <li>2. Senior management</li> <li>3. Other employees</li> <li>4. Third parties</li> </ol>	<p><i>Yes</i></p> <p>a) <i>Yes</i></p> <p>b) <i>The Code is applicable to all the parties</i></p>
	<p>ii) When was the date of last review of the policy?</p>	<p><i>Code of Business Ethics for the Company was reviewed in November 2021.</i></p>
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? <b>Yes/No</b></p>	<p><i>Yes</i></p>
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p><i>There was no non-compliance to COBE within the period.</i></p>
<p><b>Principle 25: Ethical Culture</b></p> <p><i>“The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence”</i></p>	<p>i) Is there a Board- approved policy on insider trading? <b>Yes/No</b></p> <p>If yes:</p> <p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p>	<p><i>Yes, there is approved insider trading policy</i></p> <p>a) <i>It was last reviewed by Audit, Risk and Compliance (ARC) Committee in June 2022 but was referred for further review in their next meeting.</i></p> <p>b) <i>The Board monitors compliance to the policy through the ARC Committee of the Board.</i></p> <p><i>However, the Company Secretary regularly notifies all the Company’s insiders of the start and close of the Company’s closed trading periods.</i></p>
	<p>ii) Does the company have a Board approved policy on</p>	<p><i>Yes.</i></p>

Principles	Reporting Questions	Explanation on application or deviation
	<p>related party transactions? <b>Yes/No</b> If yes:</p> <p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p> <p>c) Is the policy applicable to any or all of the following:</p> <ol style="list-style-type: none"> <li>1. Board</li> <li>2. Senior management</li> <li>3. Other employees (Specify)</li> <li>4. Third parties (Specify)</li> </ol>	<p>a) <i>The policy was reviewed by the Board in November 2019.</i></p> <p>b) <i>Compliance with the policy is monitored by the Board through the ARC Committee.</i></p> <p>c) <i>The policy is applicable to Directors, key personnel of the Company, nominee of a Director, Shareholders owning up to 5% and above of the total equity of the Company.</i></p>
	<p>iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?</p>	<p><i>The Board ensures that responsible parties disclose related party transactions by publication on the annual reports.</i></p>
	<p>iv) Does the company have a Board-approved policy on conflict of interest? <b>Yes/No</b> If yes:</p> <p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p> <p>c) Is the policy applicable to any or all of the following?</p> <ol style="list-style-type: none"> <li>1. Senior management</li> <li>2. Other employees (Specify)</li> </ol>	<p><i>Yes</i></p> <p>a) <i>Policy on conflict of interest was reviewed in May 2022</i></p> <p>b) <i>Compliance to this policy is monitored by the Board through the ARC Committee.</i></p> <p>c) <i>The policy is applicable to the Directors, Management and all Staff of Cutix Plc.</i></p>
<p><b>Principle 26: Sustainability</b> <i>“Paying adequate attention to sustainability issues including environment, social, occupational and community health and</i></p>	<p>i) Is there a Board-approved sustainability policy? <b>Yes/No</b> If yes, when was it last reviewed?</p>	<p><i>Yes.</i></p> <p><i>The sustainability policy was approved by the Board in November 2020. It will be reviewed in 2023</i></p>
	<p>ii) How does the Board monitor compliance with the policy?</p>	<p><i>The Board Monitors compliance to the Policy through GNC Committee</i></p>
	<p>iii) How does the Board report compliance with the policy?</p>	<p><i>Compliance to the policy is reported in the Company’s Annual report.</i></p>

<b>Principles</b>	<b>Reporting Questions</b>	<b>Explanation on application or deviation</b>
<i>safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development”</i>	iv) Is there a Board-approved policy on diversity in the workplace? <b>Yes/No</b> If yes, when was it last reviewed?	<i>Yes</i>  <i>Policy on equality, diversity and inclusion was reviewed and approved in August 2020.</i>
<b>Principle 27: Stakeholder Communication</b> <i>“Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions”</i>	i) Is there a Board-approved policy on stakeholder management and communication? <b>Yes/No</b>	<i>Yes, there is.</i>
	ii) Does the Company have an up-to-date investor relation portal? <b>Yes/No</b> If yes, provide the link.	<i>Yes. The link to the Company’s investor relation portal is: <a href="https://cutixplc.com.ng/investors/">https://cutixplc.com.ng/investors/</a></i>
<b>Principle 28: Disclosures</b> <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? <b>Yes/No</b>	<i>Yes</i>
	ii) Has the company been fined by any regulator during the reporting period? <b>Yes/No</b> If yes, provide details of the fines and penalties.	<i>None within the period under review</i>


## Section F – Certification

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

**Managing Director/Chief Executive Officer      Company Secretary/Chief Compliance Officer**

Name: Mrs Ijeoma Oduonye

Name: Mrs. Chinwendu Nwokporo



Signature

Date: July 29, 2022.



Signature

Date: July 29, 2022.