

Schedule 2 – to be completed by all authorised firms.

Ref No.	Question:	Response (Check appropriate box)	Why is your firm not in compliance with this requirement?	What is your firm doing, or intending to do, to bring itself into compliance with this requirement?
3.1.2	Is every member of the governing body an individual who is approved to exercise either the executive governance function or the non-executive governance function?	Yes	N/A	NA
3.1.3	Does every independent non-executive member of the board meet all of the eligibility requirements set out at CTRL 3.1.3(1)?	Yes	Yes	
3.1.4	Does the governing body have responsibility for approving and overseeing the implementation of the firm's strategic objectives, corporate governance framework and corporate culture?	Yes	NA	NA
3.1.5	A governing body cannot relieve itself of an obligation under the CTRL Rules by repudiating the obligation or allocating it to another person or body – is this rule observed?	Yes	NA	NA
3.1.6(2)	Has the governing body given the senior executive function a written document that sets out his or her responsibilities?	Yes	NA	NA
3.1.6(2)	Has the senior executive function acknowledged, in writing, having received that document, and confirmed in the acknowledgement that he or she understands, and undertakes to carry out, those responsibilities?	Yes	NA	NA
3.1.6(4)	Has the senior executive function given to each individual who exercises a controlled function for the firm a written document that sets out that individual's responsibilities and in line with CTRL 3.1.6(11) <sup>(1)</sup> ?	Yes	NA	NA
3.1.6(5)	Has the senior executive function obtained the governing body's approval (or the approval of the body's audit committee, if any) in relation to the content of the document given to the individual who exercises the internal audit function <sup>(2)</sup> ?	Not Applicable	To ensure financial oversight, we have a regional audit team that conducts local audits. Reports are presented to local management and the governing body in a timely manner.	
3.1.6(6)	Has the senior executive function consulted with the governing body (or the body's risk committee, if any) in relation to the content of the document given (pursuant to CTRL 3.1.6(5)) to the individual who exercises the risk management function <sup>(3)</sup> ?	Not Applicable	We don't have a dedicated local risk committee, but regional risk committee oversees us. Local management and the governing body are promptly informed of any risk-related issues.	
3.1.6(8)	Has each individual who has received a written document pursuant to CTRL 3.1.6(5) acknowledged, in writing, having received that document, and confirmed in the acknowledgement that he or she understands, and undertakes to carry out, those responsibilities?	Yes	NA	NA
3.1.7(a)	Is the governing body satisfied that it has access to sufficient information and independent advice about the firm's affairs to make informed decisions and discharge its responsibilities effectively?	Yes	NA	NA
3.1.10	Has the governing body put in place a code of conduct or code of ethics for all employees that defines acceptable and unacceptable behaviour, and reminds them not to engage in illegal activity?	Yes	NA	NA
3.1.11	Has the governing body put in place a written document setting out its own governance structure?	Yes	NA	NA
3.1.12(e)	Has the governing body approved the organisational structure and corporate governance framework through which the firm is managed and controlled?	Yes	NA	NA
3.1.12(f)	Has the governing body ensured that the firm has succession plans for its key functions?	Yes	NA	NA
3.1.12(g)	Has the governing body established direct and independent contact with the firm's internal audit function?	Not Applicable	NA	NA
3.1.12(g)	Has the governing body established direct and independent contact with the firm's risk function?	Not Applicable	NA	NA
3.1.12(h)	Has the governing body ensured that the firm has effective policies, procedures and controls to deter, prevent, detect, report and remedy fraud, and ensured that appropriate resources are allocated for that purpose?	Yes	NA	NA
3.1.14(1)(a)	Has the governing body approved strategic and business plans appropriate to the nature, scale and complexity of the firm's business?	Yes	NA	NA
3.1.14(1)(b)	Are the strategic and business plans required at CTRL 3.1.14(1)(a) reviewed and if necessary updated periodically?	Yes	NA	NA
3.1.15	During the past year, have all decisions about the appointment, remuneration, disciplining or dismissal, or the assessment of the performance of the individuals cited in Rule 3.1.15 been made in accordance with that rule?	Yes	NA	NA
3.1.16(1)	Has the governing body established, for itself and the whole firm, a remuneration policy appropriate to the nature, scale and complexity of the firm's business?	Yes	NA	NA
3.1.16	Does the remuneration policy required under CTRL 3.1.16(1) meet all the requirements set out at CTRL 3.1.16?	Yes	NA	NA
3.1.17(1)	Has the governing body established a business resilience and continuity plan to ensure, so far as practicable, that the firm can continue to fulfil its obligations under the law applicable in the QFC in the event of an interruption?	Yes	NA	NA
3.1.17(2)	Is the business resilience and continuity plan required under CTRL 3.1.17(1) periodically reviewed?	Yes	NA	NA
3.1.17(3)	Is the business resilience and continuity plan required under CTRL 3.1.17(1) periodically tested at intervals not longer than 18 months?	Yes	Yes	
3.1.18(1)	Has the governing body ensured that the firm's corporate governance framework, and of its risk management framework, is designed: a) to avoid conflicts of interest (or to mitigate such conflicts if it is not possible to avoid them); and b) to deal effectively with any conflict of interest that arises?	Yes	NA	NA

3.1.18(2)(a)	Does the firm's corporate governance framework, and of its risk management framework require that any conflict of interest that arises must be reported: a) to the firm's senior management, or, if the firm is a branch, to the body that is responsible for the branch; and b) if it is not addressed within a reasonable time by the senior management, to the firm's governing body?	Yes	NA	NA
3.1.18(2)(b)	Has the senior management given the governing body, every 6 months, a written summary of all conflicts of interest addressed by the senior management during the period?	No	Although we have a conflict of interest policy established, we are pleased to report that there were no incidents necessitating disclosure to the governing body this year.	
3.1.19	Has the governing body put in place arrangements to ensure that the firm's corporate governance framework and risk management framework are reviewed at least once every 3 years by either the firm's internal auditor or an independent and objective external reviewer <sup>(4)</sup> ?	Yes	We have established processes to ensure that the firm's corporate governance framework and risk management framework are reviewed at least once every three years.	
3.1.20	Has the governing body of the firm (and each committee of the governing body where applicable) maintained appropriate records of its deliberations and decisions, sufficient to show that the body or committee is effective and has carried out its responsibilities?	Yes	NA	NA
3.1.21	Is the governing body satisfied (taking specific account of the measures at CTRL 3.1.21(2)) that each employee to whom a responsibility is allocated within the firm's internal controls framework is sufficiently free from influence for the framework to be effective in achieving its purposes?	Yes	NA	NA
3.3.13 (c)	Does the Risk committee receive regular reports about the firm's risk profile, measurement against the approved risk appetite and risk limits; and any limit breaches and actions taken as a result of such breaches?	Not Applicable	Please be informed that, as a Category B firm, there is no obligation for us to establish a risk committee	NA
6.4.3 (2)	Has the firm established an internal audit function that provides independent and objective assurance on the effectiveness of risk management, internal control and governance processes?	Not Applicable	To maintain financial oversight, we have a regional audit team that performs local audits, and the findings are promptly reported to local management and the governing body.	
7.1.2	Does the firm have a documented risk management framework approved by the governing body?	Yes	Yes	
7.1.2 (2)	Does the risk management framework comprise of appropriate strategies, policies, procedures and controls to manage different types of material risks as per CTRL 7.1.2, and provide the firm's governing body with a comprehensive firm-wide view of material risks?	Yes	The risk management framework consists of suitable strategies, policies, procedures, and controls designed to manage various types of material risks in accordance with CTRL 7.1.2. This framework also provides the firm's governing body with a comprehensive overview of material risks across the organization.	
7.1.2 (5)	Does the risk management framework reflect the firm's business objectives and the business plan approved by the firm's governing body, and meets the requirements under 7.1.2(5)? The framework must include: a. a risk appetite statement; b. a risk management strategy; c. a risk management function dedicated to the framework; d. a management information system to support the effectiveness of the framework; and e. a robust review process to ensure that the framework remains effective	Yes	The risk management framework complies with the requirements outlined in 7.1.2(5)	
7.1.7 (4)	Is the risk management strategy documented in writing and reviewed at least once in every year?	No	At the local level, we do not conduct an annual review of the risk management strategy; however, at the regional level, it is reviewed on a quarterly basis.	
7.1.8	Has the firm's senior management ensured that appropriate risk management training is available to individuals at all levels throughout the firm?	Yes	Since senior management are also employees, they engage in the company's training programs covering various risk types.	

Note

<sup>1</sup> Note CTRL Rule 3.1.6(12) – "The allocation of responsibilities referred to in this rule is separate from operational authorities and limits exercised by the individual who exercises the firm's senior executive function and the firm's senior management (such as limits on loan approvals, underwriting, claims handling, investments, or signing cheques)."

<sup>2</sup> An authorised firm that is a QFC bank, or a QFC insurer (other than a QFC captive insurer) must have an individual who is approved to exercise the internal audit function

<sup>3</sup> An authorised firm that is a QFC bank, or a QFC insurer (other than a QFC captive insurer) must have an individual who is approved to exercise the risk management function

<sup>4</sup> The firm must give a copy of the report to the Regulatory Authority within 30 days after the firm's governing body receives the report as per 3.1.19 (3)