



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	STACO INSURANCE PLC
ii.	Date of Incorporation	10th July 1991
iii.	RC Number	RC. 167274
iv.	License Number	
v.	Company Physical Address	209, Herbert Macaulay Way, Ebute Metta, Lagos
vi.	Company Website Address	www.stacopl.com
vii.	Financial Year End	31st 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	Jackson, Etti & Edu RCO Court, 3-5 Sinari Daranijo Street, Off Ajoye Adeogun Street, Victoria Island, Lagos
x.	Name and Address of External Auditor(s)	PKF Accountants & Business Advisers, PKF House, 205A Ikorodu Road, Obanikoro, Lagos.
xi.	Name and Address of Registrar(s)	United Securities Limited 2 Abebe Village Road, Iganmu, Lagos.
xii.	Investor Relations Contact Person (E-mail and Phone No.)	Jide Omotere jideomotere@stacopl.com 08023147828
xiii.	Name of the Governance Evaluation Consultant	DCSL Corporate Services Limited
xiv.	Name of the Board Evaluation Consultant	DCSL Corporate Services Limited

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. Muhammad Sidi-Aliyu	Chairman	Male	April 2016	
2.	Mr. Omotola Talabi	NED	Male	April 2016	
3.	Mr. Helen Emore	INED	Female	April 2016	
4.	Mr. Bayo Fakorede	Ag. MD	Male	February 2011	
5.	Mr. Tayo Ajibulu	ED	Male	August 2015	

6.	Prince Samuel Turoti	NED	Male	April 2016	
7.	Dr. Sakiru Oyefeso	NED	Male	July 1991	

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. Muhammad Sidi-Aliyu	4	4	None	-	-	-
2.	Omotola Talabi	4	4	Finance Investment and General-Purpose Committee	Chairman	3	3
				Enterprise Risk and Governance Committee	Member	4	4
3.	Helen Emore	4	4	Finance Investment and General-Purpose Committee	Member	3	3
				Enterprise Risk and Governance Committee	Chairman	4	4
4.	Bayo Fakorede	4	4	Finance Investment and General-Purpose Committee		3	3
				Enterprise Risk and Governance Committee		4	3

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
5.	Tayo Ajibulu	4	4	Finance Investment and General-Purpose Committee		3	-
				Enterprise Risk and Governance Committee		4	3
6.	Prince Samuel Turoti	4	0	Enterprise Risk and Governance Committee	Member	4	0
7.	Dr. Sakiru Oyefeso	4	0	Enterprise Risk and Governance Committee	Member	4	0

Section D - Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1.	Bayo Fakorede	Acting Managing Director	Male
2.	Tayo Ajibulu	Executive Director, Management Services	Male
3.	Jide Omotere	Chief Financial Officer	Male
4.	Ahmed Tihamiyu	Chief Compliance Officer	Male
5.	Ade Adetayo	Head of Brokers' Marketing	Male
6.	Tunji Nosiru	Head of Technical	Male
7.	Sogo Ajibade	Head of Public sector and Direct Marketing	Male
8.	Wunmi Lawal	Head of Claim and re-insurance	Female
9.	Taiwo Famakinwa	Head of Internal Audit	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 an approved Charter prepared by DCSL Corporate Services Limited. The Charter was last reviewed in year 2021 by the Board.
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 of the Company is composed in such a way that facilitates the diversity of experience without compromising the independence, compatibility, integrity and availability of members.
	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 Company provides equal opportunities in recruitment, training, career development, promotions, etc to people from different background irrespective of their gender, ethnicity, religion, or physical disability.
	iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?	Yes Mohammed Sidi Aliyu Omotola Talabi – Elektron Energy Helen Emore
	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
Principle 3: Chairman <i>"The Chairman is responsible for providing overall</i>	i) Is the Chairman a member or chair of any of the Board Committees? Yes/no If yes, list them.	No

Principles	Reporting Questions	Explanation on application or deviation
<i>leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board"</i>	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?	None
	iii) Is the Chairman an INED or a NED?	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
	v) When was he/she appointed as Chairman?	2019
	vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No If yes, specify which document	YES. The roles and responsibilities of the Chairman are defined under the Board Charter of the Company
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
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	The Finance, Investment & General-Purpose Committee and the Enterprise Risk Management and Governance Committee
	iv) Is the MD/CEO serving as NED in any other company? Yes/no. If yes, please state the company(ies)?	NO
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No	The MD is not a serving as a director in any other company
Principle 5: Executive Directors <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? Yes/no	Yes
	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
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes
	iv) Are there EDs serving as NEDs in any other company? Yes/No If yes, please list	NO
	v) Are their memberships in these companies in line with Board-approved policy? Yes/No	NO ED is a director in any other company
Principle 6: Non-Executive Directors <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance</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 defined in the Board Charter of the Company and their appointment letters.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes

Principles	Reporting Questions	Explanation on application or deviation
<i>on the Board</i>	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes
	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. Information relating to the management of the company and Board matters are usually provided to NEDs during the Board and Committees' meetings as well as through written communications from the management.
	v) What is the process of ensuring completeness and adequacy of the information provided?	In addition to the reports provided to the NEDs, supplementary information are provided to NEDs whenever the need for further clarification arises.
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? Yes/No	Yes
Principle 7: Independent Non-Executive Directors <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? Yes/No	Yes
	ii) Are there any exceptions?	NO
	iii) What is the process of selecting INEDs?	INEDs are selected in accordance with the Board Charter of the Company, the Companies and Allied Matters Act and other relevant regulations
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes
	vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?	Yes
	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentage shareholding?	NO
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? Yes/No If yes, provide details.	NO
	ix) What are the components of INEDs remuneration?	The components of INEDs remuneration include Director fee, travel allowance and sitting allowances.
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</i>	i) Is the Company Secretary in-house or outsourced?	Outsourced
	ii) What is the qualification and experience of the Company Secretary?	The Company Secretary is a firm consisting of a team of lawyers and qualified company secretaries. The firm also provides company secretarial services to other public

Principles	Reporting Questions	Explanation on application or deviation
culture within the Company"		companies.
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	Company Secretary is not an employee of the Company
	iv) Who does the Company Secretary report to?	The Board
	v) What is the appointment and removal process of the Company Secretary?	The appointment and removal of the Company Secretary is subject to the provisions of the Companies and Allied Matters Act, the Board Charter and the approval of the Board.
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board
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 Board Charter allow directors (through their Committees) to seek independent professional advice at the expense of the Company subject to the approval of the Board.
	ii) Who bears the cost for the independent professional advice?	The Company
	iii) During the period under review, did the Directors obtain any independent professional advice? Yes/No If yes, provide details.	Yes The details of the independent professional advice obtained during the period under review are as follows: a. CardinalStone Partners Limited – financial related matters b. Rehoboth Risk Management Service Co. Ltd. – company/business operation restructuring
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?	Minutes of Board meeting are usually forwarded to directors and are reviewed and adopted during the next Board meeting.
	ii) What are the timelines for sending the minutes to Directors?	2 weeks
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	According to the Board Charter, each director is expected to attend 75% of the Board meeting annually. The attendance record of directors will be considered as a criteria for the re-election of Director(s).
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</i>	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? Yes/No	Yes. The responsibilities and terms of reference of Board Committees are provided under the Board Charter.
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	The minutes of Board Committees are forwarded to members and, are reviewed and approved at the subsequent Committee meeting.

Principles	Reporting Questions	Explanation on application or deviation
responsibilities"	iii) What are the timelines for sending the minutes to the directors?	2 weeks
	iv) Who acts as Secretary to board committees?	The Company Secretary
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management	a) Nomination and Governance: The responsibility for nomination and governance of the company is handled by the Enterprise Risk Management and Governance Committee. It is worthy of note that the Board is seriously considering the separation of the risk management and Governance Committees to comply with the provisions of the NCCG 2018 relating to the directors' composition of the Committees. b) Remuneration: This function is being handled by the Finance, Investment and General-Purpose Committee c) Audit Committee: There is an Audit Committee. However, for the year under review the functions of the Audit Committee was merged with the Finance, Investment and General-Purpose Committee. d) Risk Management: The responsibility for risk management of the company is handled by the Enterprise Risk Management and Governance Committee.
	vi) What is the process of appointing the chair of each committee?	The Chair of each committee is usually a Non-Executive Director nominated and voted for by members of each committee, and are persons who possess the requisite skills and experience.
	Committee responsible for Nomination and Governance	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	1:1
	viii) Is the chairman of the Committee a NED or INED ?	INED
	ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	Yes. The Company's succession plan is reviewed yearly
	x) How often are Board and Committee charters as well as other governance policies reviewed?	Yearly

Principles	Reporting Questions	Explanation on application or deviation
	xi) How does the committee report on its activities to the Board?	The Company Secretary prepares the report of the committees' meetings. The report is forwarded to the chair of the committee, who reviews same and presents the report to the Board at the subsequent Board meeting.
	Committee responsible for Remuneration	
	xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	1:1
	xiii) Is the chairman of the Committee a NED or INED ?	NED
	Committee responsible for Audit	
	xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? Yes/No	Yes
	xv) Are members of the Committee responsible for Audit financially literate? Yes/No	Yes
	xvi) What are their qualifications and experience?	The Committee predominantly consists of individuals who are well-versed in accounting and financial management.
	xvii) Name the financial expert(s) on the Committee responsible for Audit	Prince Samuel Turoti
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	-
	xix) Does the Company have a Board approved internal control framework in place? Yes/No	Yes
	xx) How does the Board monitor compliance with the internal control framework?	Through the Board's Audit Committee. For the year under review, the internal control framework was reviewed and considered by the Finance, Investment & General-Purpose Committee (which was merged with the Audit Committee, as at that time).
	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
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	No
	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?	For the year under review, this function was carried out by the Finance, Investment & General-Purpose Committee (which was merged with the Audit Committee, as at that time). The Committee had a discussion with the

Principles	Reporting Questions	Explanation on application or deviation
		head of internal function once.
	Committee responsible for Risk Management	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	INED
	xxv) Is there a Board approved Risk Management framework? Yes/No? If yes, when was it approved?	Yes
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	The Risk Management Framework is reviewed during the Enterprise Risk Management and Governance Committee meetings. The last review was on the 3rd November 2021.
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? Yes/No If yes, how often is it reviewed?	Yes
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? Yes/No	Yes
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	3
Principle 12: Appointment to the Board	a. Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes. This is contained in the Board Charter
<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>	b. What criteria are considered for their appointment?	a. Relevance of the candidate's experience and knowledge in the Insurance Industry. b. Record of competence, diligence, integrity, willingness and ability to be independent and objective as well as to serve actively as a director. c. Limited insider relationships and links with competitors. d. A track record of success in business or other field of endeavour.
	c. What is the Board process for ascertaining that prospective directors are fit and proper persons?	By conducting due diligence on the prospective directors.
	d. Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	Yes, The Board Charter provides for the tenure of the MD/CEO. NEDs and EDs.
	e. Please state the tenure	a. MD/CEO – 2 terms of 5 years each

Principles	Reporting Questions	Explanation on application or deviation
		b. INEDs – to be determined at the AGM where the appointment is ratified c. NEDs – 3 terms of 3 years each d. EDs – 3 terms of 4 years each
	e. Does the Board have a process to ensure that it is refreshed periodically? Yes/No?	Yes
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
	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	Yes. The appointment of the director is yet to be approved by NAICOM.
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	Yes. The Chief Compliance Officer prepares an Annual Training Calendar which is presented to the Board at the first Board meeting of each year for approval.
	iv) How do you assess the training needs of Directors?	Trainings needs are identified based on the requisite skills needed by members to function effectively. As well as trainings required by regulations.
	v) Is there a Board-approved training plan? Yes/No	Yes
	vi) Has it been budgeted for? Yes/No	Yes. It is usually budgeted for at the beginning of the year.
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
	ii) For the period under review, was there any Board Evaluation exercise conducted? Yes/No	No
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	No
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	No
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	No
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.	No
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	No
	iii) If yes, please indicate the date of last presentation.	
	iv) Is the summary of the Corporate Governance Evaluation included in the	No

Principles	Reporting Questions	Explanation on application or deviation
	annual reports and Investors portal? Yes/No	
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. The Board-approved Directors' remuneration policy is reviewed by the Board as it deems fit.
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	Annual NEDs and INED fee – ₦100,000 (for each director) Sitting allowance: For Committee meeting – Chairman ₦200,000; Members ₦150,000 For Board meeting – Chairman ₦250,000; Members ₦200,000
	iii) Is the remuneration of NEDs presented to shareholders for approval? Yes/No If yes, when was it approved?	Yes. However, no AGM has been held during the period under review.
	iv) What portion of the NEDs remuneration is linked to company performance?	None
	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
	vi) Has the Board set KPIs for Executive Management? Yes/No	Yes
	vii) If yes, was the performance measured against the KPIs? Yes/No	
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors' fees? Yes/No	No
	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
	x) Is there a Board-approved clawback policy for Executive management? Yes/No If yes, attach the policy.	No. However, the company is in the process of preparing same
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	No
	ii) How often does the company conduct a risk assessment?	At every risk management committee meeting
	iii) How often does the board receive and review risk management reports?	At the risk management committee meetings. For the period under review, the report was consider 3 times.
Principle 18: Internal Audit <i>"An effective internal audit function provides assurance to the Board on the</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

Principles	Reporting Questions	Explanation on application or deviation
effectiveness of the governance, risk management and internal control systems"	ii) Does the company have a Board-approved internal audit charter? Yes/No	Yes
	iii) Is the head of internal audit a member of senior management? Yes/No	Yes
	iv) What is the qualification and experience of the head of internal audit?	HND, MBA, FCA
	v) Does the company have a Board-approved annual risk-based internal audit plan? Yes/No	Yes
	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
	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. This is assessment is currently ongoing.
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Audit Committee
Principle 19: Whistleblowing "An effective whistle-blowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence"	i) Does the company have a Board-approved whistleblowing framework? Yes/No If yes, when was the date of last review	Yes
	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/No	Yes
	iii) Is the Audit committee provided with the following reports on a periodic basis? a) Reported cases b) Process and results of Investigated cases	Yes, if any
Principle 20: External Audit "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) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	The recommendation for the appointment, re-appointment or removal of the External Auditors is usually done by the Audit Committee.
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	The shareholder subject to the recommendation of the Statutory Audit Committee. Where necessary, the Board of Directors approves the appointment, re-appointment, and removal of External Auditors, subject to the ratification of members at the Annual General Meeting.
	iii) When was the first date of appointment of the External auditors?	The External Auditors were changed. The new external auditors were appointed

Principles	Reporting Questions	Explanation on application or deviation
		July 2020.
	iv) How often are the audit partners rotated?	Audit Partners are rotated after five (5) continuous years of service to the Company to guarantee the required independence and may be re-appointed after seven (7) years cool-off period.
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 provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest"</i>	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	At least 21 days before the general meeting. However, no general meeting was held in the year under review
	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	No general meeting was held in the year under review
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?	No
	ii) How does the Board engage with Institutional Investors and how often?	
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	Yes. Disclosures were made on the Issuer's portal of the Nigerian Stock Exchange and the Company's website whenever the need arises.
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. Yes. The COBE is applicable to all the afore-mentioned parties.
	ii) When was the date of last review of the	The COBE was not reviewed under the

Principles	Reporting Questions	Explanation on application or deviation
	policy?	year under review.
	iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No	NO
	iv) What sanctions were imposed for the period under review for non-compliance with the COBE?	Violation of the Policy attracts sanction(s), and it may even lead to the dismissal of the erring party. However, no sanction was imposed during the period under review.
Principle 25: Ethical Culture <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>	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 The Policy is yet to be reviewed The Board monitor compliance through reports at the Board Committee meetings.
	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: 1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify)	Yes Yet to be reviewed Through Committee Applicable to all listed persons
	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	It is part of the disclosure policy of the company. Director(s) involved are exempted from voting if it occurs. Disclosures are also made to NAICOM, NGX and SEC
	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 2019 Through Committee Yes. Applicable to all specified persons.
Principle 26: Sustainability <i>"Paying adequate attention to sustainability issues including environment, social, occupational and community health and safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development"</i>	i) Is there a Board-approved sustainability policy? Yes/No If yes, when was it last reviewed?	Yes Not reviewed recently
	ii) How does the Board monitor compliance with the policy?	The Board monitor compliance with the Policy by ensuring that employees are not discriminated against based on - age, race, religion, sex, or country of birth.
	iii) How does the Board report compliance with the policy?	

Principles	Reporting Questions	Explanation on application or deviation
	iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?	Yes
Principle 27: Stakeholder Communication "Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"	i) Is there a Board-approved policy on stakeholder management and communication? Yes/No ii) Does the Company have an up to date investor relation portal? Yes/No If yes, provide the link.	Yes The Company is working on this with NGX
Principle 28: Disclosures "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) Does the company's annual report include a summary of the corporate governance report? Yes/No ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.	Yes No

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. Muhammad Sidi-Aliyu**

Signature:



Date: **30th January, 2022**

Chairman of the Committee responsible for Governance

Name: **Ms. Helen Emore**

Signature:



Date: **30th January, 2022**

Managing Director/Chief Executive Officer

Name: **Mr. Bayo Fakorede**

Signature:



Date: **30th January, 2022**

Company Secretary/Chief Compliance Officer

Name: **Jackson, Etti & Edu**

Signature:

JACKSON, ETTI & EDU

Signature: **Company Secretary**

Date: **30th January, 2022**