



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 creates 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
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i.	Company Name	MCNICHOLS CONSOLIDATED PLC
ii.	Date of Incorporation	26 TH APRIL 2004
iii.	RC Number	509201
iv.	License Number	
v.	Company Physical Address	7, JEMINAT LAALU STREET, AREPO, OGUN STATE
vi.	Company Website Address	www.mcnicholsplc.com
vii.	Financial Year End	31 ST DECEMBER, 2022
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	S.E NOMUOJA & CO. 12B, FAGBA CRESCENT, AGIDINGBI, IKEJA, LAGOS
x.	Name and Address of External Auditor(s)	Gbenga Badejo & Co, Plot 8A, Ajumobi Olorunje Street, Off Acme Road, Ikeja, Lagos.
xi.	Name and Address of Registrar(s)	CORONATION REGISTRARS LIMITED, 10 AMODU OJIKUTU STREET, VICTORIA ISLAND, LAGOS
xii.	Investor Relations Contact Person (E-mail and Phone No.)	EPHRAIM NWAIMO 08150475075 mcnicholsinvestors@yahoo.com
xiii.	Name of the Governance Evaluation Consultant	
xiv.	Name of the Board Evaluation Consultant	

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	OLUSEGUN LAYODE	CHAIRMAN/NED	MALE	16 TH APRIL 2019	
2	CHIMARAOKE EKPE	MANAGING DIRECTOR/ED	MALE	26 TH APRIL 2004	
3	ONYEBUCHI AGUBESI	NED	MALE	24 TH AUGUST 2007	
4	NNEKA BRIGGS	NED	FEMALE	24 TH AUGUST 2007	
5	OZURUMBA AFIGBO	INED	MALE	17 TH AUGUST 2015	
6	HILDA NKOR	INED	FEMALE	29 TH JULY 2021	
7	NZAKOR ATULOMAH	INED	MALE	29 TH JULY 2021	

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	OLUSEGUN LAYODE	5	5	-	-	-	-
2	CHIMARAOKE EKPE	5	5	-	-	-	-
3	ONYEBUCHI AGUBESI	5	4	AUDIT	MEMBER	4	3
				GOVERNANCE & REMUNERATION	CHAIRMAN	1	1
4	NNEKA BRIGGS	5	4	GOVERNANCE & REMUNERATION	MEMBER	1	1
					MEMBER		
5	OZURUMBA AFIGBO	5	4	AUDIT	MEMBER	4	3
				FINANCE & RISK MANAGEMENT	CHAIRMAN	2	2
6	HILDA NKOR	5	5	GOVERNANCE & REMUNERATION	MEMBER	1	1
7	NZEAKOR ATULOMAH	5	4	FINANCE & RISK MANAGEMENT	MEMBER	1	1

Section D - Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1	CHIMARAOKE EKPE	MANAGING DIRECTOR	MALE
2	EPHRAIM NWAIMO	HUMAN RESOURCES MANAGER	MALE
3	BOLAJI ABBAS	CHIEF ACCOUNTANT	MALE
4	TEMITOPE ADEBAYO	FINANCE MANAGER	MALE

5	MICHAEL ATOYEBI	PRODUCTION MANAGER	MALE
6	SEGUN OLATUNDUN	MARKETING MANAGER	MALE

Principles	Reporting Questions	Explanation on application or deviation
Part A - Board of Directors and Officers of the Board		
<p>Principle 1: Role of the Board</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? Yes/No YES If yes, when was it last reviewed?</p>	<p>YES. It was reviewed last in 2022</p>
<p>Principle 2: Board Structure and Composition</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>Mr. Olusegun Layode has BSc, MBA, FCA. He is experienced in finance and business process reengineering, change management and corporate strategies.</p> <p>Mr. Chimaraoke Ekpe has BSc, MBA. He has extensive experience in business consulting & operations management. He has facilitated several courses locally and internationally in business management and entrepreneurship.</p> <p>Ven. Onyebuchi Agubesi has BSc, BA. He has extensive experience in international procurement, information technology and data analysis.</p> <p>Mrs. Nneka Briggs has BA. She has extensive experience in customer relationship management in the Airline industry.</p> <p>Mr. Ozurumba Afigbo has B.Eng, ACA. He has extensive experience in banking, management consulting & financial advisory.</p> <p>Mrs. Hilda Nkor has a BSc degree with vast experience in banking, health and in corporate sectors. As a consultant, she has conducted board assessment and evaluation for over 35 corporate organisations.</p> <p>Mr. Nzeakor Atulomah has LLB, BL, MBA. He has vast experience in business and commercial law, corporate governance and enterprises management.</p>
	<p>ii) Does the company have a Board-approved diversity policy? Yes/No YES If yes, to what extent have the diversity targets been achieved?</p>	<p>YES</p> <p>Board diversity has been achieved both in gender and in corporate business experiences shown in the directors' qualifications above.</p>
	<p>iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?</p>	<p>NO</p>

	<p>iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? Yes/No</p> <p>If yes, provide the names of the Committees.</p>	<p>NO</p> <p>MD is not a member of any of the board committees.</p>
<p>Principle 3: Chairman</p> <p><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></p>	<p>i) Is the Chairman a member or chair of any of the Board Committees? Yes/no</p> <p>If yes, list them.</p>	<p>NO</p> <p>Chairman is not in any of the board committees.</p>
	<p>ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?</p>	<p>NONE</p>
	<p>iii) Is the Chairman an INED or a NED?</p>	<p>The chairman is a NED</p>
	<p>iv) Is the Chairman a former MD/CEO or ED of the Company? Yes/No</p> <p>If yes, when did his/her tenure as MD end?</p>	<p>NO</p>
	<p>v) When was he/she appointed as Chairman?</p>	<p>16TH APRIL 2019</p>
	<p>vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No</p> <p>If yes, specify which document</p>	<p>YES</p> <p>BOARD CHARTER</p>
<p>Principle 4: Managing Director/ Chief Executive Officer</p> <p><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></p>	<p>i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? Yes/No</p> <p>If no, in which documents is it specified?</p>	<p>YES</p>
	<p>ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No</p>	<p>NO CONFLICT OF INTEREST</p>
	<p>iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?</p>	<p>NONE</p>
	<p>iv) Is the MD/CEO serving as NED in any other company? Yes/no.</p> <p>If yes, please state the company(ies)?</p>	<p>NO</p>
	<p>v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No</p>	<p>NO</p> <p>The MD is not a member of any other company</p>
<p>Principle 5: Executive Directors</p> <p><i>Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company</i></p>	<p>i) Do the EDs have contracts of employment? Yes/no</p>	<p>YES</p>
	<p>ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? Yes/No</p> <p>If no, in which document are the roles and responsibilities specified?</p>	<p>YES</p>
	<p>iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No</p>	<p>NO</p> <p>The company has not had any ED with a conflict of interest.</p>
	<p>iv) Are there EDs serving as NEDs in any other company? Yes/No</p> <p>If yes, please list</p>	<p>NO</p>
	<p>v) Are their memberships in these companies in line with Board-approved policy? Yes/No</p>	<p>NO</p> <p>The company has no ED as a board member of</p>

		another 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 on the Board</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? Yes/No If yes, where are these documented?	YES Board Charter.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	YES
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	THERE IS NO CONFLICT OF INTEREST
	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 AT COMMITTEE, BOARD MEETINGS AND WHENEVER THE NEED ARISES
	v) What is the process of ensuring completeness and adequacy of the information provided?	The NEDs have the opportunity and authority to interrogate the officers of the company on any information provided to them.
	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?	SELECTION IS THROUGH THE GOVERNANCE AND REMUNERATION COMMITTEE
	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	THERE IS NO CONFLICT OF INTEREST
	vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?	YES THE OUTLINE GIVEN BY THE FRCN IS STRICTLY FOLLOWED
	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentage shareholding?	1 INED out of the 3 INEDs is a shareholder. The percentage of the shareholding is 0.0039%
	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?	SITTING ALLOWANCE AND DIRECTOR'S FEE
Principle 8: Company Secretary <i>"The Company Secretary support the effectiveness of the Board by assisting the Board and management to develop good corporate</i>	i) Is the Company Secretary in-house or outsourced?	OUTSOURCED
	ii) What is the qualification and experience of the Company Secretary?	LED BY A FELLOW OF THE INSTITUTE OF CHARTERED SECRETARIES AND ADMINISTRATORS OF NIGERIA
	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

governance practices and culture within 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 PROCESS OUTLINED IN CAMA
	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?	NO It is not a documented policy yet, but the conventional practice is that the directors have the free hand to seek independent professional advise whenever they need to do so.
	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.	NO
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 THE PREVIOUS BOARD MEETING ARE REVIEWED & APPROVED AT NEXT BOARD MEETINGS
	ii) What are the timelines for sending the minutes to Directors?	TWO WEEKS BEFORE THE BOARD MEETING
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	ALL DIRECTORS ARE COMPLIANT. THE DEFAULTING DIRECTOR WILL BE CONSIDERED FOR REMOVAL.
Principle 11: Board Committees <i>"To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities"</i>	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? Yes/No	YES
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	MINUTES OF THE PREVIOUS COMMITTEE MEETING ARE REVIEWED & APPROVED AT NEXT COMMITTEE MEETING.
	iii) What are the timelines for sending the minutes to the directors?	The minutes of previous meeting are sent to directors before the next meeting date.
	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) REMUNERATION AND GOVERNANCE COMMITTEE b) REMUNERATION AND GOVERNANCE COMMITTEE c) AUDIT COMMITTEE d) FINANCE AND RISK MANAGEMENT COMMITTEE
	vi) What is the process of appointing the chair of each committee?	APPOINTED BY THE BOARD BASED ON EXPERIENCE IN THE RELEVANT COMMITTEE
	Committee responsible for Nomination and Governance	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	1 TO 2
	viii) Is the chairman of the Committee a NED or INED?	NED

ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	YES Whenever a need for review arises
x) How often are Board and Committee charters as well as other governance policies reviewed?	THEY ARE REVIEWED EVERY 3 YEARS
xi) How does the committee report on its activities to the Board?	REPORT IS PRESENTED TO THE BOARD BY THE CHAIRMAN AT THE NEXT BOARD MEETING AFTER THE COMMITTEE MEETING
Committee responsible for Remuneration	
xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	1 TO 2
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	NO
xv) Are members of the Committee responsible for Audit financially literate? Yes/No	YES
xvi) What are their qualifications and experience?	SOME ARE CHARTERED ACCOUNTANTS, OTHERS HAVE EXPERIENCE SERVING IN AUDIT COMMITTEES OF OTHER COMPANIES
xvii) Name the financial expert(s) on the Committee responsible for Audit	OZURUMBA AFIGBO GODSLOVE OKORIE
xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	QUARTERLY
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 MANAGEMENT AND INTERNAL AUDIT REPORTS
xxi) Does the Committee responsible for Audit review the External Auditors management letter, Key Audit Matters and management response to issues raised? Yes/No Please explain.	YES. The Board Audit Committee is in charge of the stated matters
xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	EXTERNAL AUDITORS ARE NOT INVOLVED IN NON-AUDIT SERVICES
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?	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 29 June 2022
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	Quarterly. October 26, 2022
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? Yes/No If yes, how often is it reviewed?	No
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	The company does not have an 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?	All the 5 meetings
Principle 12: Appointment to the Board <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>	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	YES
	ii) What criteria are considered for their appointment?	SKILLS, EXPERIENCE AND CHARACTER ARE CONSIDERED
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	When there is a vacancy, the skills and experience required are outlined, required people are sought and character is factored in before the nomination committee interviews the prospective candidate(s)
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	NO
	v) Please state the tenure	
	vi) Does the Board have a process to ensure that it is refreshed periodically? Yes/No?	NON-EXECUTIVE DIRECTORS ARE PRESENTED FOR RE-ELECTION ANNUALLY AT THE AGM
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.	NO
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	YES Training Program: <u>BOARD OPERATION</u> <u>EFFECTIVENESS</u> Date: 14/04/2022
	iv) How do you assess the training needs of Directors?	Training needs are determined through; a. Board members interactions. b. When the company ventures into new project area.

	v) Is there a Board-approved training plan? Yes/No	No
	vi) Has it been budgeted for? Yes/No	No. A budget is determined whenever a training need is identified.
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	YES
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	Internal 1st Quarter, 2022
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	YES 28 January 2022
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	YES
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	YES
	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.
ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No		YES
iii) If yes, please indicate the date of last presentation.		25th March 2022
iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? Yes/No		YES
Principle 16: Remuneration Governance <i>"The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term"</i>	i) Is there a Board-approved Directors' remuneration policy? Yes/No If yes, how often is it reviewed?	YES, LAST REVIEWED 2022
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	Directors' Fee of N125,000 per Director Directors' Sitting Expenses of N125,000 per Director
	iii) Is the remuneration of NEDS presented to shareholders for approval? Yes/No If yes, when was it approved?	YES AT THE LAST GM OF THE COMPANY ON JULY 27TH 2022
	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?	NO
	vi) Has the Board set KPIs for Executive Management? Yes/No	YES The Board approves an annual budget to which it holds management responsible to

		deliver on.
	vii) If yes, was the performance measured against the KPIs? Yes/No	YES The Board reviews budget versus actual performance on a quarterly basis.
	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
Principle 17: Risk Management	i) Has the Board defined the company's risk appetite and limit? Yes/No	YES
<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>	ii) How often does the company conduct a risk assessment?	Quarterly
	iii) How often does the board receive and review risk management reports?	AT LEAST TWICE A YEAR
Principle 18: Internal Audit	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
<i>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems"</i>	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	NO However, the head of internal audit has direct access to the MD and Audit Committee
	iv) What is the qualification and experience of the head of internal audit?	The head of internal has BSc degree in Accountancy. Experienced in internal audit
	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?	NO

	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Audit Committee
Principle 19: Whistleblowing <i>"An effective whistle-blowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence"</i>	i) Does the company have a Board-approved whistleblowing framework? Yes/No If yes, when was the date of last review	YES 25th March 2022
	ii) Does the Board ensure that the whistleblowing mechanism and are process reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower? Yes/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	THERE HAS NOT BEEN ANY CASES THAT REQUIRE INVESTIGATION SO FAR.
Principle 20: External Audit <i>"An external auditor is appointed to provide an independent opinion on the true and fair view of the financial statements of the Company to give assurance to stakeholders on the reliability of the financial statements"</i>	i) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	THE BOARD
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	THE GENERAL MEETING
	iii) When was the first date of appointment of the External auditors?	28TH OCTOBER 2020
	iv) How often are the audit partners rotated?	Rotation is expected every 5 years.
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?	27 DAYS
	ii) Were the Chairmen of all Board Committees and the Chairman of the Statutory Audit Committee present to respond to Shareholders' enquiries at the last meeting? Yes/No	YES
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 documented policy. The Board encourages shareholders to attend the general meetings to engage with the company to answer all shareholder questions. The Board ensures that all questions by shareholders are satisfactorily answered.
	ii) How does the Board engage with Institutional Investors and how often?	THERE IS NOT MUCH ENGAGEMENT WITH INSTITUTIONAL INVESTORS
Principle 23: Protection of Shareholder Rights <i>"Equitable treatment of shareholders and the protection of their statutory</i>	i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? Yes/No	YES

<p>and general rights, particularly the interest of minority shareholders, promote good governance"</p>		
<p>Principle 24: Business Conduct and Ethics</p> <p>"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"</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? Yes/No</p> <p>If yes:</p> <p>a) Has the COBE been communicated to all internal and external Stakeholders? Yes/No</p> <p>b) Is the COBE applicable to any or all of the following:</p> <ol style="list-style-type: none"> 1. Board 2. Senior management 3. Other employees 4. Third parties 	<p>i. YES</p> <p>a. NO</p> <p>b. The COBE is applicable to all the listed parties.</p>
	<p>ii) When was the date of last review of the policy?</p>	<p>2020</p>
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No</p>	<p>YES</p>
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p>The sanctions are varied depending on the non-compliant status</p>
<p>Principle 25: Ethical Culture</p> <p>"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"</p>	<p>i) Is there a Board- approved policy on insider trading? Yes/No</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>YES</p> <p>a. 2022</p> <p>b. AFFECTED PARTIES ARE PERIODICALLY REMINDED</p>
	<p>ii) Does the company have a Board approved policy on related party transactions? Yes/No</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>c) Is the policy applicable to any or all of the following:</p> <ol style="list-style-type: none"> 1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify) 	<p>YES</p> <p>A. 2022</p> <p>B. CONTINUOUS MONITORING OF ALL PARTIES</p> <p>C. YES, ALL.</p>
	<p>iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?</p>	<p>IF THERE IS A TRANSACTION AT BOARD LEVEL IT IS REFLECTED IN THE ANNUAL REPORT FOR OTHERS ON THE COMPANY'S WEBSITE</p>
	<p>iv) Does the company have a Board-approved policy on conflict of interest? Yes/No</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>c) Is the policy applicable to any or all of the following:</p> <ol style="list-style-type: none"> 1. Senior management 2. Other employees (Specify) 	<p>YES</p> <p>A. 2022</p> <p>B. CONTINUOUS MONITORING OF ALL PARTIES</p> <p>C. YES, ALL.</p>

<p>Principle 26: Sustainability</p> <p><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></p>	i) Is there a Board-approved sustainability policy? Yes/No If yes, when was it last reviewed?	YES 2022
	ii) How does the Board monitor compliance with the policy?	MONITORING IS DONE THROUGH THE GOVERNANCE BOARD COMMITTEE
	iii) How does the Board report compliance with the policy?	IT IS STATED IN THE ANNUAL REPORT
	iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?	YES 2022
<p>Principle 27: Stakeholder Communication</p> <p><i>"Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"</i></p>	i) Is there a Board-approved policy on stakeholder management and communication? Yes/No	NO
	ii) Does the Company have an up to date investor relation portal? Yes/No If yes, provide the link.	YES www.mcnicholsplc.com mcnicholsinvestors@yahoo.com
<p>Principle 28: Disclosures</p> <p><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></p>	i) Does the company's annual report include a summary of the corporate governance report? Yes/No	YES
	ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.	NO

Section E – Application

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: OLUSEGUN LAYODE



Signature:

Date: 27/01/2023

Chairman of the Committee responsible for Governance

Name: ONYEBUCHI AGUBESI

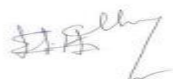


Signature:

Date: 27/01/2023

Managing Director/Chief Executive Officer

Name: CHIMARAOKE EKPE



Signature:

Date: 27/01/2023

Company Secretary/Chief Compliance Officer

Name: S.E NOMUOJA & Co. (BENEDICTA SADARE)



Signature:

Date: 27/01/2023