

## 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 recognizes 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	Africa Prudential Plc
ii.	Date of Incorporation	March 23, 2006
iii.	RC Number	649007
iv.	License Number	SEC LICENSE dated September 26, 2006
v.	Company Physical Address	220B, Ikorodu Road, Palmgrove, Lagos
vi.	Company Website Address	www.africaprudential.com
vii.	Financial Year End	December 31, 2020
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	No
ix.	Name and Address of Company Secretary	Joseph Jibunoh, 220B, Ikorodu Road, Palmgrove, Lagos
x.	Name and Address of External Auditor(s)	Ernst & Young, 10 <sup>th</sup> & 13 <sup>th</sup> floors, UBA House, 57 Marina Lagos.
xi.	Name and Address of Registrar(s)	Africa Prudential Plc, 220B, Ikorodu Road, Palmgrove, Lagos
xii.	Investor Relations Contact Person (E-mail and Phone No.)	Olufemi Adenuga  E-mail: investorrelation@africaprudential.com Tel: 0700 AFRIPRUD (0700 23747783)
xiii.	Name of the Governance Evaluation Consultant	DCSL Corporate Services Ltd
xiv.	Name of the Board Evaluation Consultant	DCSL Corporate Services Ltd



## 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	Chief Mrs Eniola Fadayomi, MFR	Chairman	Female	April 1, 2012	Non- Executive Director
2	Mr. Emmanuel Nnorom	Non – Executive Director	Male	July 1, 2017	
3	Mr. Peter Elumelu	Non – Executive Director	Male	February 1, 2013	
4	Mr. Samuel Nwanze	Non – Executive Director	Male	April 1, 2012	
5	Madam Ammuna Lawan Ali	Independent Non – Executive Director	Female	April 1, 2012	
6	Mr. Peter Ashade	Non – Executive Director	Male	July 1, 2018	
7	Mr. Obong Idiong	Chief Executive Officer/CEO	Male	July 1, 2018	
8	Mrs Fumbi Chima	Independent Non – Executive Director	Female	September 2, 2020	

\*\*Mrs Fumbi Chima was appointed to the Board as an Independent Executive Director on September 2, 2020. The Securities and Exchange Commission approved her appointment on December 30, 2020.

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



### 1. Senior Management:

S/No.	Names	Position Held	Gender
1	Obong Idiong	Managing Director/CEO	Male
2	Catherine Nwosu	Chief Operating Officer	Female
3	Olufemi Adenuga	Chief Finance Officer	Male
4	Joseph Jibunoh	Company Secretary & Legal Adviser	Male
5	David Ubaka	Head, Internal Audit	Male
7	Idris Oko -Osi	Head, Enterprise Risk Mgt & Compliance	Male
8	Ivy Ikpeme – Mbakwem	Head, Customer Experience Centre	Female
9	Yemisi Otasanya	Head, Digital Technology	Female
10	Juachukwu Ugwu	Ag. Head, Cooperative Business	Male
11	Bamiyo Awonusi	Head, Marketing & Corporate Communications	Female
12	Gabriel Fapojuwo	Head, Strategy, Research & Development	Male
13	Ayodeji Fasore	Head, Product Management	Male



## 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>Yes. The Charter was revised and approved on February 18, 2021 and it incorporates all the principles of the Financial Reporting Council of Nigeria Code of Corporate Governance.</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>The Directors are highly qualified professionals with varied experiences in public and private sectors, financial management, law practice, business management, information and communication technology , digital innovations, and corporate governance.</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>Yes. This embedded in the Board Governance Charter. The Board membership is diverse in gender, skills, experiences, and age. The Board is comprised of 3 female Directors and 5 male Directors. The Chairmanship of the Board is occupied by a female Director with extensive background in public sector management and legal practice. while two other female Directors are Independent Non – Executive Directors with background in information and communications technology, digital innovation, and public service.</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>Yes</p> <p>Mr. Emmanuel Nnorom, a Non-Executive Director is on the Boards of Transcorp Plc, United Capital Plc, Afriland Plc and Transcorp Hotels Plc as NED.</p> <p>Madam Ammuna Lawan Ali is a Non-Executive Director of Unilever Plc</p>
	<p>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.</p>	<p>No</p>
<p><b>Principle 3: Chairman</b></p> <p><i>“The Chairman is responsible for providing overall</i></p>	<p>i) Is the Chairman a member or chair of any of the Board Committees? <b>Yes/no</b> If yes, list them.</p>	<p>No</p>



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 ?	Non
	iii) Is the Chairman an INED or a NED?	NED
	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?	No
	v) When was he/she appointed as Chairman?	The Chairman was appointed to the Board on April 1, 2012
	vi) Are the roles and responsibilities of the Chairman clearly defined? <b>Yes/No</b> If yes, specify which document	Yes.  The role and responsibilities of the Chairman are well defined in the Board Governance Charter.
<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 corporate performance"</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?	Yes.
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes . The MD and all Directors sign the annual Conflict of interest Declaration form.
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	Finance and Investment Committee Product and Projects Committee
	iv) Is the MD/CEO serving as NED in any other company? <b>Yes/no</b> . If yes, please state the company(ies)?	No . The MD is not serving as NED in any other Company during the period under review.
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? <b>Yes/No</b>	The MD/CEO is not serving as NED in any other company during the period under review.
<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>	No. The Company does not have ED apart from the CEO.
	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?	No. The Company does not have ED apart from the CEO
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	No. The Company does not have ED apart from the CEO
	iv) Are there EDs serving as NEDs in any other company? <b>Yes/No</b> If yes, please list	No. There is no ED serving as NED in any other company.
	v) Are their memberships in these companies in line with Board-approved policy? <b>Yes/No</b>	There is no ED serving as NED in any other company.
<b>Principle 6: Non-Executive Directors</b>  <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? <b>Yes/No</b> If yes, where are these documented?	Yes, The MD is currently the only ED. The role of the MD/CEO is well-defined in the Board Governance Charter and his letter of appointment.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	At the moment the Company does not have ED apart from the MD/CEO



Principles	Reporting Questions	Explanation on application or deviation
<i>and performance on the Board</i>	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes . The Conflict of Interest Declaration Form is signed by all Directors at the beginning of the year.
	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	Yes . Prior to Board and Board Committee meeting, NEDs are furnished with Board Reports, through the Board Effects platform and directly to their mails prior to the Board meeting by the Company Secretary.
	v) What is the process of ensuring completeness and adequacy of the information provided?	Board and Committee Meeting Packs are circulated to NEDs prior to Board and Board Committee meetings by the Company Secretary. The packs are arranged serially in line with meeting Agenda. These documents are also uploaded to a Board Portal Called – Board Effects, where NEDs can electronically access the information 24/7
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? <b>Yes/No</b>	Yes.
<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>	Yes. The INEDs do not own shares in the company and are not representatives of any shareholder of the company.
	ii) Are there any exceptions?	No
	iii) What is the process of selecting INEDs?	The Audit and Governance Committee reviews and screen the nomination of INED. The nomination is thereafter recommended to the Board of Directors for approval. A requirement for an INED's appointment is that, he/she will meet the following requirements; Not have shareholding of up to 0.01% of the paid up capital of the company; Not be a representative of a shareholder with significant control on Management; Not being an ex-employee of the Company or Group within the last 5 years; Not being a relative of the Company's Directors, Consultants, Managers, customers, or substantial shareholders; Not being a Director of the company in the last 3 years; Does not act as Consultant to the Company and does not receive any other fee apart from fee received as a Director.
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	Yes
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes. All Directors including INEDs annually sign the Conflict of Interest Declaration Form.
	vi) Does the Board ascertain and confirm the independence of the INEDs? <b>Yes/No</b> If yes, how often? What is the process?	Yes  This is done through Annual Board Evaluation review.
	vii) Is the INED a Shareholder of the Company? <b>Yes/No</b> If yes, what is the percentage shareholding?	No
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? <b>Yes/No</b> If yes, provide details.	No
	ix) What are the components of INEDs remuneration?	Annual Directors' fee, Sitting Allowance, Annual Medical Allowance and official car (every 4 years).



Principles	Reporting Questions	Explanation on application or deviation
<p><b>Principle 8: Company Secretary</b></p> <p><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></p>	i) Is the Company Secretary in-house or outsourced?	In – house
	ii) What is the qualification and experience of the Company Secretary?	The Company Secretary is a Legal Practitioner within the meaning of the Legal Practitioner’s Act, Cap L11, LFN 2004 and has over 20 years post qualification experience, With LLB, (Hons) BL qualifications.
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	Yes
	iv) Who does the Company Secretary report to?	<ul style="list-style-type: none"> <li>- Functionally to the Board, through The Chairman of the Board and</li> <li>- Administratively to the Managing Director/CEO .</li> </ul>
	v) What is the appointment and removal process of the Company Secretary?	The appointment of the Company Secretary is the responsibility of the Board of Directors. The appointment is through a rigorous process similar to that of new Directors. The process of removal of the Company Secretary is In line with Section 33- 340 of the Companies and Allied Matters Act, 2020, the Board Charter, SEC and FRC Codes of Corporate Governance.
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board through, the Chairman of the Board of Directors.
<p><b>Principle 9: Access to Independent Advice</b></p> <p><i>"Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise"</i></p>	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?	Yes  The Board Charter
	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? <b>Yes/No</b> If yes, provide details.	Yes . In respect of: <ol style="list-style-type: none"> <li>1. Board Evaluation Review</li> <li>2. Corporate Governance Review</li> <li>3. External Review of adequacy of the internal audit functions</li> </ol>
<p><b>Principle 10: Meetings of the Board</b></p> <p><i>"Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company"</i></p>	i) What is the process for reviewing and approving minutes of Board meetings?	<p>The Company Secretary circulates the minutes prior to the Board Meeting.</p> <p>During the meeting, the Board will review and approve the minutes subject to amendments, if any. A Director will normally move a motion for adoption of the minutes and is seconded by another Director. The resolution is carried, and the minutes is thereafter, amended, signed by the Chairman and Company Secretary, and filed in the Minutes Book.</p>
	ii) What are the timelines for sending the minutes to Directors?	Minutes of Board meetings are circulated as part of the Board Pack at least 7 days before meeting date..
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	Attendance record is disclosed in the Annual Reports and in line with Section 284 (2) of CAMA 2020, where a Director presents himself for re-election, a record of his attendance at the meetings of the Board during the preceding one year shall be made available to members at the general meeting where he/she is to be re-elected.
<p><b>Principle 11: Board Committees</b></p> <p><i>"To ensure efficiency and effectiveness, the Board</i></p>	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? <b>Yes/No</b>	Yes . Committees terms of reference are contained in the Board Governance Charter.





Principles	Reporting Questions	Explanation on application or deviation
<i>delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities"</i>	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	The Company Secretary circulates the minutes prior to the Committee's Meeting.  During the meeting, the Committee will review and approve the minutes subject to amendments, if any. This is preceded by moving of motion for adoption of the minutes and seconders.
	iii) What are the timelines for sending the minutes to the directors?	Minutes are circulated as part of the Board Pack to Directors at least 7 days to 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) Audit and Governance Committee b) Audit and Governance Committee c) Audit & Governance Committee (d) Finance and Investment Committee
	vi) What is the process of appointing the chair of each committee ?	The Chairman of each Committee is appointed by the Chairman of the Board of Directors.
	<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?	The Audit and Governance Committee is made up of 4 members. 3 of the members are NED while 1 member is an INED.
	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. This is reviewed every 3 year.
	x) How often are Board and Committee charters as well as other governance policies reviewed?	Every 2 - 3 years
	xi) How does the committee report on its activities to the Board?	Committee Reports are circulated in advance of Board Meetings and presented at the meeting by each Committee's Chairman.
<b>Committee responsible for Remuneration</b>		
	xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	The Audit and Governance Committee is made up of 4 members. 3 of the members are NED while 1 member is an INED.
	xiii) Is the chairman of the Committee a NED or INED ?	NED
<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>	Yes
	xv) Are members of the Committee responsible for Audit financially literate? <b>Yes/No</b>	Yes
	xvi) What are their qualifications and experience?	All members of the Committee are financially literate and able to read, understand and interpret financial statements. Each of them possesses degrees/Diploma in Finance, Business Administration and Accounting and have expertise and current knowledge in accounting and financial management and able to interpret financial statements.  Each of the members has over 20 years of business management experience.



Principles	Reporting Questions	Explanation on application or deviation
	xvii) Name the financial expert(s) on the Committee responsible for Audit	The Financial Experts on the Board Audit and Governance Committee are: (1) Mr Samuel Nwanze (BSC, MSC (Finance), Chartered Financial Analyst, Chartered Institute of Management Accountants – UK (2) Mr Emmanuel Nnorom – a Fellow, ICAN and Mr. Mr Peter Ashade – who holds BSC and MBA degrees and a Fellow – ICAN).  Financial Experts on the Statutory Audit Committee are: Mr. Frank Chikezie BSC, MSC, MBA, Financial Consultant, Associate, CIBN, Associate, CIPMN, etc (2) Mr. Tajudeen Adeshina – a BSC holder and an Accountant
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	Every Quarter – 4 times in a year
	xix) Does the Company have a Board approved internal control framework in place? <b>Yes/No</b>	Yes
	xx) How does the Board monitor compliance with the internal control framework?	Review of Quarterly Report from Internal Audit Department.
	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.	Yes . The external audit report and Management letter are normally presented to both the Statutory Audit Committee and the Board by the external Auditors in scheduled meetings.
	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>	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?	4 times during the Quarterly meetings.
Committee responsible for Risk Management		
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	NED
	xxv) Is there a Board approved Risk Management framework? <b>Yes/No?</b> If yes, when was it approved?	Yes July 2020
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	Quarterly – 4 times a year
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? <b>Yes/No</b> If yes, how often is it reviewed?	Yes Every 3 years
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	Quarterly – 4 times in a year
	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>	Yes . The Head of Risk is a member of Senior Management
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	4 meetings on quarterly basis.



Principles	Reporting Questions	Explanation on application or deviation
<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>	Yes . This is provided in the Board Charter and Board Succession Policy.
	ii) What criteria are considered for their appointment?	<p>Persons with high ethical standard and integrity, Willing to act on and be accountable for board decisions, have a proven track record in their chosen field and be of repute, ability to provide wise, thoughtful counsel on a range of issues, have a history of achievements that reflect high standards for themselves and others, committed to driving the success of the Company, able to take tough positions while being part of a team and have an entrepreneurial spirit.</p> <p>In addition, the Company seeks Directors with Specific experience in –</p> <p>Business Management Financial literacy, Financial Expertise, Public Affairs and Government Relations, Accounting and Audit Business Development, Change management, Human Resources Other, Government relations, and technology innovations.</p>
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	<ul style="list-style-type: none"> <li>- Application of criteria stated in the Board Governance Charter and Succession Policy</li> <li>- Conduct of Due Diligence and interview of prospective Directors by the Audit and Governance Committee.</li> <li>- Obtaining Required prior No – Objection Approval of the Securities and Exchange Commission in respect of each Director’s appointment.</li> </ul>
	iv) Is there a defined tenure for the following? a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	<p>Yes Yes Yes yest Yes</p>
	v) Please state the tenure	<p>Chairman -3 terms of 3 years each +final terms of 3 years</p> <p>MD/CEO – 3 terms of 3 years each + final term of 3 years</p> <p>INED – 3 terms of 3 years each</p> <p>NED – 3 terms of 3 years each+final term of 3 years.</p> <p>EDs – 3 terms of 3 years + final term of 3 years.</p>
	vi) Does the Board have a process to ensure that it is refreshed periodically? <b>Yes/No?</b>	Yes . Through trainings and strategic meefings sessions with Management



Principles	Reporting Questions	Explanation on application or deviation
<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>	Yes. New Directors undergo formal induction process, whereby the Board processes and responsibility are well explained to them.
	ii) During the period under review, were new Directors appointed? <b>Yes/No</b> If yes, provide date of induction.	Yes Mrs Fumbi Chima was appointed as INED on September 2, 2020. This appointment was approved by the SEC on 30/12/2020.
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? <b>Yes/No</b> If yes, provide training details.	Yes. During the period under review, Directors attended Euromoney Training on Board Effectiveness.  A Euromoney training program on Board effectiveness was attended online by the Directors on December 8, 2020.
	iv) How do you assess the training needs of Directors?	Review of past training record and current business and regulatory environment.
	v) Is there a Board-approved training plan? <b>Yes/No</b>	Yes. This in part of the Annual Training Budget of the Company
	vi) Has it been budgeted for? <b>Yes/No</b>	Yes.
	<b>Principle 14: Board Evaluation</b> <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? <b>Yes/No</b>
ii) For the period under review, was there any Board Evaluation exercise conducted? <b>Yes/No</b>		Yes. Conducted by external consultant firm.
iii) If yes, indicate whether internal or external. Provide date of last evaluation.		External Board Evaluation has been conducted annually by DCSL Corporate Services in 2018, 2019 and 2020.
iv) Has the Board Evaluation report been presented to the full Board? <b>Yes/No</b> If yes, indicate date of presentation.		Yes. The report was presented to the Board on February 18, 2021. This will form part of the Company's Annual Report.
v) Did the Chairman discuss the evaluation report with the individual directors? <b>Yes/No</b>		The Chairman usually discussed the evaluation report with individual Directors.
vi) Is the result of the evaluation for each Director considered in the re-election process? <b>Yes/No</b>		Yes
<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.
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? <b>Yes/No</b>	Yes. The report was presented to the Board on February 18, 2021. This will form part of the Company's Annual Report.
	iii) If yes, please indicate the date of last presentation.	February 18, 2021
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? <b>Yes/No</b>	Yes.
<b>Principle 16: Remuneration Governance</b>	i) Is there a Board-approved Directors' remuneration policy? <b>Yes/No</b> If yes, how often is it reviewed?	Yes



Principles	Reporting Questions	Explanation on application or deviation
<p><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></p>	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	N42,500,000 (Forty-two million five hundred thousand Naira only).
	iii) Is the remuneration of NEDS presented to shareholders for approval? <b>Yes/No</b> If yes, when was it approved?	Yes. This was approved at the Annual General Meeting held on April 28, 2020.
	iv) What portion of the NEDs remuneration is linked to company performance?	Non
	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?	Yes A discretionary bonus is payable at the end of each financial year, subject to company and individual performance as adjudged by the Board of Directors.
	vi) Has the Board set KPIs for Executive Management? <b>Yes/No</b>	Yes . This is contained in the Annual Budget Plan
	vii) If yes, was the performance measured against the KPIs? Yes/No	Yes
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors' fees? <b>Yes/No</b>	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	No No No No
	x) Is there a Board-approved clawback policy for Executive management? <b>Yes/No</b> If yes, attach the policy.	No. There is no stand alone policy, but the principle is embedded in the Board Governance Charter, Conflict of Interest Policy and other Policies of the Company.
<p><b>Principle 17: Risk Management</b></p> <p><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></p>	i) Has the Board defined the company's risk appetite and limit? <b>Yes/No</b>	Yes
	ii) How often does the company conduct a risk assessment?	Quarterly every 3 months . This is considered by the Finance and Investment Committee.
	iii) How often does the board receive and review risk management reports?	Quarterly every 3 months . This is considered by the Finance and Investment Committee
<p><b>Principle 18: Internal Audit</b></p> <p><i>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems"</i></p>	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?	Yes
	ii) Does the company have a Board-approved internal audit charter? <b>Yes/No</b>	Yes
	iii) Is the head of internal audit a member of senior management? <b>Yes/No</b>	Yes
	iv) What is the qualification and experience of the head of internal audit?	The Internal Auditor is Chartered Accountant and a Fellow, of ICAN with over 2 decades experience. . He also possesses (BSC, MSC).
	v) Does the company have a Board-approved annual risk-based internal audit plan? <b>Yes/No</b>	Yes



Principles	Reporting Questions	Explanation on application or deviation
	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>	Yes . The Head, Internal Audit reports to the Board Audit Committee and the Statutory Audit Committee on quarterly basis.
	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> If yes, when was the last assessment?	Yes  2020
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	Chairman of the Board
<b>Principle 19: Whistleblowing</b>  <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? <b>Yes/No</b> If yes, when was the date of last review	Yes  February 2018
	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>	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 . On quarterly basis.
<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?	The Board of Directors
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	The Annual General Meeting.
	iii) When was the first date of appointment of the External auditors?	March 26, 2018
	iv) How often are the audit partners rotated?	Yearly
<b>Principle 21: General Meetings</b>  <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?	21 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? <b>Yes/No</b>	Yes



Principles	Reporting Questions	Explanation on application or deviation
<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>Yes.</p> <p>2020</p>
	<p>ii) How does the Board engage with Institutional Investors and how often?</p>	<p>Quarterly Investors Forum for presentation of financial performance of the Company and filing of Financial Statements with NSE and SEC.</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>Yes. All relevant information is disclosed in the Annual Report</p>
<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>Yes</p> <p>Yes. All staff and Directors sign the COBE annually.</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
	<p>ii) When was the date of last review of the policy?</p>	<p>October 2020</p>
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? <b>Yes/No</b></p>	<p>Yes</p>
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p>No sanction was imposed as there was no reported case of violation.</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>ii) Does the company have a Board approved policy on related party transactions? <b>Yes/No</b></p> <p>If yes:</p> <p>a) When was the last date of review?</p>	<p>Yes.</p> <p>February 18, 2021</p>	





Principles	Reporting Questions	Explanation on application or deviation
	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)	Every Director and staff are made to fill and sign the Annual Code of Conduct and Conflict of Interest Declarations at the beginning of the year.  Yes Yes Yes Yes
	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	Annual Declaration of Conflict of interest by Directors and staff at the beginning of the year.
	iv) Does the company have a Board-approved policy on conflict of interest? <b>Yes/No</b>  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  October 2020  Annual Declaration of Conflict of interest by Directors and staff at the beginning of the year  Yes  yes
<b>Principle 26: Sustainability</b>  <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? <b>Yes/No</b> If yes, when was it last reviewed?	Yes  2020
	ii) How does the Board monitor compliance with the policy?	This is incorporated into Annual Report which the Board approves before publication.
	iii) How does the Board report compliance with the policy?	Sustainability Report is contained in the Annual Report.
	iv) Is there a Board-approved policy on diversity in the workplace? <b>Yes/No</b> If yes, when was it last reviewed?	Yes. This is embedded in the Board Governance charter.
<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>	Yes
	ii) Does the Company have an up-to-date investor relation portal? <b>Yes/No</b> If yes, provide the link.	Yes  <a href="http://www.africaprudential.com">www.africaprudential.com</a>  <a href="mailto:investorrelation@africaprudential.com">investorrelation@africaprudential.com</a> Tel: 0700 AFRIPRUD (0700 23747783)
<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>	Yes .
	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.	Yes  In 2020, the Company was fined the sum of N2.3million for late return of unclaimed UBA Dividend 69 in Q4 2019 by Securities and Exchange Commission. The fine was duly paid.






### 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  
Governance**

Name: Chief Mrs. Eniola Fadayomi

Signature:   
Date: 18/02/2021


**Chairman of the Committee responsible for**

Name: Mr. Peter Elumelu

Signature:   
Date: 18/02/2021


**Managing Director/Chief Executive Officer  
Officer**

Name: 

Signature:   
Date: 11-01-2021

**Company Secretary/Chief Compliance**

Name: Joseph Jibunoh

Signature:   
Date: 18/02/2021