



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	Chemical and Allied Products PLC
ii.	Date of Incorporation	September, 21 1965
iii.	RC Number	4551
iv.	License Number	It is not a requirement for the Company
v.	Company Physical Address	2, Adeniyi Jones Avenue, Ikeja, Lagos
vi.	Company Website Address	www.capplc.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	Yes. UAC of Nigeria PLC
ix.	Name and Address of Company Secretary	Ms. Ayomipo Wey 2, Adeniyi Jones Avenue, Ikeja, Lagos
x.	Name and Address of External Auditor(s)	KPMG Professional Services KPMG Tower, Bishop Aboyade Cole, Victoria Island, 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.)	Mrs. Lolade Bashiru Head, Strategy & Transformation lbashiru@capplc.com +234 816 446 6440
xiii.	Name of the Governance Evaluation Consultant	DCSL Corporate Services Limited The Statement Hotel, Suite AO5, Plot 1002, 1st Avenue, Off Shehu Shagari Way, CBD, Abuja.
xiv.	Name of the Board Evaluation Consultant	Deloitte & Touche Civil Towers, Plot GA 1 Ozumba Mbadiwe Avenue Victoria Island, Lagos

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	Mrs. Awuneba Ajumogobia	Chairperson/INED	Female	August 1, 2019	Board Chair
2	Mrs. Bolarin Okunowo	Managing Director	Female	December 1, 2021	Managing Director
3	Ambassador Kayode Garrick (Retired at the AGM of June 16, 2022)	INED	Male	March 21, 2013	INED
4	Mrs. Muhibat Abbas	NED	Female	May 31, 2019	NED
5	Mrs. Udo Okonjo	INED	Female	August 1, 2019	INED
6	Dr. Vitus Ezinwa	NED	Male	June 17, 2021	NED
7	Mr. Folasope Aiyesimoju	NED	Male	October 5, 2021	NED
8	Mr. Yomi Adenson	ED	Male	April 1, 2022	ED
9	Mrs. Ifeoma Chuks – Adizue	ED	Female	April 1, 2022	ED
10	Dr. Babs Omotowa	INED	Male	June 17, 2022	INED

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	Awuneba Ajumogobia	6	6	Not a member of any Committee as she is the Chairperson of the Board	Board Chairperson	Not a member of any Committee as she is the Chairperson of the Board	Not a member of any Committee
2	Bolarin Okunowo	6	6	1	Member of the Risk Management Committee	4	4
	Ambassador Kayode Garrick (No longer a member, retired at the AGM of June 16, 2022)	6	2 (Retired at the AGM of June 16, 2022)	3	Risk Management Committee (Member) Board Audit Committee (Member) Remuneration and Governance Committee (Member)	2 4 2	2(Retired at the AGM of June 16, 2022) 2 (representing 100% attendance until his retirement) 1 (representing 100% attendance until his retirement)
4	Muhibat Abbas	6	6	4	Risk Management Committee Board Audit Committee (Chair) Statutory Audit Committee Remuneration and Governance Committee (Member)	4 4 4 2	4 4 4 1 (No longer a member and this represents 100% attendance)

5	Udo Okonjo	6	6	3	Board Audit Committee (Member)	4	4
					Statutory Audit Committee	4	4
					Remuneration and Governance Committee (Chair)	2	2
6	Dr. Vitus Ezinwa	6	6	3	Risk Management Committee (Member)	4	2 (representing 100% attendance from the date of becoming a member)
					Board Audit Committee	4	1 (representing 50% attendance from the date of becoming a member)
					Remuneration and Governance Committee (Member)	2	2
7	Folasope Ayesimoju	6	6	1	Risk Management Committee (Chair)	4	4
8	Yomi Adenson (Member with effect from April 1, 2022)	6	5 (representing 100% attendance) (Appointed Executive Director, Finance and Risk with effect from April 1, 2022)	1	Risk Management Committee (Member)	4	3 (Representing 100% attendance since his appointment)

9	Ifeoma Chuks – Adizue (Member with effect from April 1, 2022)	6	5 (representing 100% attendance) (Appointed Executive Director, Commercial with effect from April 1, 2022)	Not a member of any Committee	Not a member of any Committee	Not a member of any Committee	Not a member of any Committee
10	Dr. Babs Omotowa (Member with effect from June 17, 2022)	6	3 (Appointed as INED with effect from June 17, 2022)	2	Risk Management Committee (Member) Remuneration and Governance Committee (Member)	4 2	2 representing 100% attendance from the date of becoming a member) 1 (representing 100% attendance from the date of becoming a member)

Section D – Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1	Bolarin Okunowo	Managing Director/Chief Executive Officer	Female
2	Yomi Adenson	Executive Director, Finance and Risk	Male
3	Ifeoma Chuks-Adizue	Executive Director, Commercial	Female
4	Jethro Iruobe	Head, Human Resources	Male
5	Ayomipo Wey	Company Secretary/General Counsel	Female
6	Olalekan Aluko	Head, Operations	Male
7	Lolade Bashiru	Head, Strategy and Transformation	Female

Section E – Application

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 If yes, when was it last reviewed?</p>	<p>Yes, the Board has an approved Charter.</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>The Board has members who are:</p> <ol style="list-style-type: none"> i. a Chartered Accountant with over 30 years cognate experience, ii. a Legal Practitioner with 30 years' experience, iii. a Chartered Accountant with over 17 years' experience, iv. a Chartered Accountant with 30 years' experience, v. a Finance Professional with 20 years' experience, vi. a Human Resources professional with 26 years' experience vii. a Business Administrator with over 20 years' experience viii. a seasoned Commercial Professional with over 17 years' experience ix. a Finance Professional with over 17 years' experience
	<p>ii) Does the company have a Board-approved diversity policy? Yes/No If yes, to what extent have the diversity targets been achieved?</p>	<p>Yes, the Board has an approved diversity policy.</p> <p>The Board comprises 5 female and 4 male. The Board members come from different tribes in Nigeria and are adherents of Islam and Christianity. The Board members possess qualifications in diverse fields i.e. Finance, Law, Accountancy, Economics, Human Resources and Business Administration.</p>
	<p>iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?</p>	<p>Yes.</p> <p>Mrs. Awuneba Ajumogobia –</p> <ul style="list-style-type: none"> • Airtel Africa PLC • Grange Education Limited by Guarantee

Principles	Reporting Questions	Explanation on application or deviation
		<ul style="list-style-type: none"> • University of Ibadan Research Foundation <p>Mrs. Bolarin Okunowo -</p> <ul style="list-style-type: none"> • Wema Bank PLC <p>Mrs. Muhibat Abbas –</p> <ul style="list-style-type: none"> • Leonine Investment Services Limited • Business Nest Investment <p>Udo Okonjo –</p> <ul style="list-style-type: none"> • Fine and Country West Africa <p>Dr. Vitus Ezinwa –</p> <ul style="list-style-type: none"> • UAC of Nigeria PLC • Grand Cereals Limited • HR Network Africa <p>Mr. Folasope Aiyesimoju –</p> <ul style="list-style-type: none"> • UAC of Nigeria PLC • MDS Logistics Limited • Grand Cereals Limited • UAC Foods Limited • UPDC PLC • Juven Holdings • Foodpro Limited <p>Mrs. Ifeoma Chuks – Adizue</p> <ul style="list-style-type: none"> • FINCA Microfinance Bank Limited <p>Mr. Yomi Adenson</p> <ul style="list-style-type: none"> • Quality Education for All Students (QEFAS) preparatory school in Nigeria <p>Mr. Babs Omotowa</p> <ul style="list-style-type: none"> • President and Director, Nigeria University of Technology Management. • Chairman, Monserrado Oil and Gas B.V • Independent Non-Executive Director, Pearhill Technology <ul style="list-style-type: none"> • Independent Non-Executive Director, Stanbic IBTC PLC
	<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>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>ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?</p> <p>iii) Is the Chairman an INED or 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>None</p> <p>INED</p> <p>No.</p>

Principles	Reporting Questions	Explanation on application or deviation
	v) When was he/she appointed as Chairman?	August 1, 2019
	vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No If yes, specify which document	Yes. The Chairman's roles and responsibilities are defined in the Board Governance Charter and Letter of Appointment.
Principle 4: Managing Director/Chief Executive Officer "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) 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. Her contract of employment sets out her authority and relationship with the Board
	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?	Risk Management Committee and Remuneration and Governance Committee
	iv) Is the MD/CEO serving as NED in any other company? Yes/no. If yes, please state the company(ies)?	Yes. Wema Bank PLC
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No	Yes.
Principle 5: Executive Directors Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company	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. Their roles and responsibilities are defined in their Contracts of Employment.
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes, conflict of interest is declared upon appointment and on an annual basis
	iv) Are there EDs serving as NEDs in any other company? Yes/No If yes, please list	Yes. Ifeoma Chuks -Adizue - FINCA Microfinance Bank Limited Yomi Adenson - Quality Education for All Students (QEFAS) preparatory school in Nigeria
	v) Are their memberships in these companies in line with Board-approved policy? Yes/No	Yes.
Principle 6: Non-Executive Directors Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board	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 are clearly defined in the Board Governance Charter and in their respective letters of appointment.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes, each NED has a letter of appointment.
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes. NEDs declare conflict of interest upon appointment and on an annual basis.
	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, this is provided on an ongoing basis. The Board Books for Board and Committee Meetings contain sufficient information about the management and affairs of the company. Additionally, NEDs are provided with quarterly Unaudited Accounts and periodic Internal Audit Report.

Principles	Reporting Questions	Explanation on application or deviation
	v) What is the process of ensuring completeness and adequacy of the information provided?	Prior to the start of each year, Management outlines its plans for the Company and provides reports and updates on progress on a regular basis.
	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. There are no exceptions.
	iii) What is the process of selecting INEDs?	The process includes the profiling of candidates who are not shareholders, have not served in the Company in any capacity before and not a representative of any shareholder. The Company takes guidance from the provisions of relevant laws on factors affecting independence in the selection process.
	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. INEDs declare conflict of interest upon appointment and on an annual basis.
	vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?	Yes. Confirmation is done annually. A questionnaire is filled out by the INEDs. The completed questionnaires are then assessed by the Company Secretary, the Remuneration and Governance Committee and the Board.
	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentage shareholding?	No. The Company currently has 3 INEDs, who do not hold shares in the Company.
	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?	1) Director's Fees 2) Sitting Allowances 3) Travel 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 culture within the Company"</i>	i) Is the Company Secretary in-house or outsourced?	The Company Secretary is In-House.
	ii) What is the qualification and experience of the Company Secretary?	LLB; BL; LLM. The Company Secretary is a Legal Practitioner with 16 years cognate experience.
	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?	To the Board (through the Chairperson) on functional matters, and To the MD/CEO on administrative and other matters.
	v) What is the appointment and removal process of the Company Secretary?	The appointment and removal of the Company Secretary is in line with Section 333 of the

Principles	Reporting Questions	Explanation on application or deviation
		Companies and Allied Matters Act (CAMA), 2020.
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board of Directors (through the Remuneration and Governance Committee)
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. Policy on Accessing Independent Professional Advice.
	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?	The Board Reviews the Minutes of its last Meeting at the subsequent Meeting and approves same thereat.
	ii) What are the timelines for sending the minutes to Directors?	Two weeks after the Meeting.
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	Such Directors will be advised accordingly and meeting attendance is a consideration in the performance evaluation of each board member.
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?	The Board Committee Minutes are reviewed by the Committee at subsequent Meetings and approved thereat.
	iii) What are the timelines for sending the minutes to the directors?	Two weeks after the Meeting.
	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	The Remuneration and Governance Committee is responsible for matters relating to nomination, governance and remuneration. The Board Audit Committee is responsible for matters relating to Audit. The Risk Management Committee is responsible for matters relating to risk management.
	vi) What is the process of appointing the chair of each committee?	The Chairmen of the respective Committees are appointed by the Board.
	Committee responsible for Nomination and Governance	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	2 INEDs and 1 NED.
	viii) Is the chairman of the Committee a NED or INED?	The Chairman of the Remuneration and Governance Committee is an INED.
	ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	Yes. It is reviewed when the need arises.

Principles	Reporting Questions	Explanation on application or deviation
	x) How often are Board and Committee charters as well as other governance policies reviewed?	From time to time to bring the provisions in line with relevant laws.
	xi) How does the committee report on its activities to the Board?	A report of the meeting is prepared by the Chairman of each committee (assisted by the Company Secretary), and presented by the Chairman to the Board
	Committee responsible for Remuneration	
	xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	2 INEDs and 1 NED.
	xiii) Is the chairman of the Committee a NED or INED ?	The Chairman of the Remuneration and Governance Committee is an INED.
	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?	A Chartered Accountant, A Legal Practitioner with at least 30 years' experience and a Human Resource Professional.
	xvii) Name the financial expert(s) on the Committee responsible for Audit	Mrs. Muhibat Abbas. She is a Fellow of the Institute of Chartered Accountants of Nigeria and has over thirty years' experience in Internal Audit, Financial Accounting, Management Accounting, Treasury Management and Pension Fund Administration.
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	On a quarterly basis.
	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?	The Head of Risk and Compliance makes compliance reviews and reports on the outcomes at every Risk Management and Audit Committee Meeting.
	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 management letter, key audit matters (if any) and management's response are reviewed by the Board Audit Committee and the Statutory Audit Committee.
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	Yes.
	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 with the External Auditors and once with the Internal Auditors.
	Committee responsible for Risk Management	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	The Chairman of the Risk Management Committee is a NED
	xxv) Is there a Board approved Risk Management framework? Yes/No? If yes, when was it approved?	Yes

Principles	Reporting Questions	Explanation on application or deviation
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	Quarterly October 2022
	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?	The I.T. Data Governance Policy is reviewed by the Risk Management Committee on an annual basis.
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? Yes/No	The Head of the Risk and Compliance Unit has the relevant experience, but not a member of Senior Management
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	4
Principle 12: Appointment to the Board	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes
<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>	ii) What criteria are considered for their appointment?	Qualifications, expertise, experience and diversity.
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	The Board applies the provisions of Section 283 of the Companies and Allied Matters Act, 2020 in the appointment of its Directors.
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	The Company applies the provisions of Section 285 of the Companies and Allied Matters Act, 2020, in the tenure of all its Directors and Principle 7.2.9 of the NCCG 2018, in the tenure of its INEDs. EDs TENURE ARE AS CONTAINED IN THEIR CONTRACTS OF SERVICE. THE NEDs ARE ROTATED IN ACCORDANCE WITH THE PROVISIONS OF CAMA, AND MAY STAND FOR RE-ELECTION UNTIL THEY ATTAIN THE AGE OF 70 YEARS. THERE IS NO DEFINED TENURE FOR THE CHAIRMAN
	v) Please state the tenure	The preceding response is applicable here.
	vi) Does the Board have a process to ensure that it is refreshed periodically? Yes/No?	Yes.
	Principle 13: Induction and Continuing Education	i) Does the Board have a formal induction programme for new directors? Yes/No
<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>	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	Yes. Mrs. Ifeoma Chuks-Adizue– April 1, 2022 Mr. Yomi Adenson– April 1, 2022 Dr. Babs Omotowa June 17, 2022
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	Yes. The Directors are provided with relevant trainings to enable them effectively discharge their duties. In 2022, some of the Directors attended the Institute of Directors Company Directions Course (Building Effective Directors) which was meant to create the tools to deepen corporate governance practice through multi-sectoral and multi-generational collaborations.

Principles	Reporting Questions	Explanation on application or deviation
	iv) How do you assess the training needs of Directors?	We benchmark the output of Directors against best practice and the current regulations to organize trainings that meet their needs. Also, the result of the Board Evaluation Exercise is used to determine relevant training for Directors.
	v) Is there a Board-approved training plan? Yes/No	Yes.
	vi) Has it been budgeted for? Yes/No	Yes.
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. Deloitte and Touche has been appointed as consultant for the period ended December 31, 2022, and the Board evaluation has commenced in January 2023. It is expected that evaluation would be concluded by end of February 2023 and a report would be presented at the March 2023 Board Meeting.
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	External by Deloitte and Touche. The evaluation of the Board for the 2022 financial year commenced in January 2023 and is expected to be concluded by end of February 2023.
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	Upon conclusion of the Board evaluation, the report will be presented by Deloitte and Touche to the Board at the March 2023 Board Meeting.
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	The evaluation work plan envisages that discussions will be held between the Chairperson and individual directors at the end of the process.
	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.	Yes. D CSL Corporate Services Limited has been appointed as consultant for the period ended December 31, 2022, and the corporate governance evaluation has commenced in January 2023. It is expected that evaluation would be concluded by end of February 2023 and a report would be presented at the March 2023 Board Meeting.
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	Upon conclusion of the Corporate Governance evaluation, the report will be presented by DCSL Corporate Services Limited.
	iii) If yes, please indicate the date of last presentation.	This will be presented at the March 2023 Board Meeting.

Principles	Reporting Questions	Explanation on application or deviation
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? Yes/No	Yes. This will be contained in the Company's Annual Report for 2022.
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. It is reviewed when the need arises.
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	Basic Salary: This is part of the gross salary package for the Managing Director and Executive Directors only. Directors Fees: This is paid annually to Non-Executive Directors only. Travel Allowances: This is paid annually to Non-Executive Directors only. Sitting Allowances: This is paid to Non-Executive Directors only after attendance at each meeting.
	iii) Is the remuneration of NEDs presented to shareholders for approval? Yes/No If yes, when was it approved?	Yes. At the Annual General Meeting on June 16, 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?	Yes. Bonuses payable are linked to individual and corporate performance.
	vi) Has the Board set KPIs for Executive Management? Yes/No	Yes.
	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? 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.	Yes. The Clawback policy is attached.
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	Yes.
	ii) How often does the company conduct a risk assessment?	Annually.
	iii) How often does the board receive and review risk management reports?	Quarterly.
Principle 18: Internal Audit <i>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk</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.
	ii) Does the company have a Board-approved internal audit charter? Yes/No	Yes.

Principles	Reporting Questions	Explanation on application or deviation
<i>management and internal control systems"</i>	iii) Is the head of internal audit a member of senior management? Yes/No	The Internal Audit function is outsourced and performed by an audit firm, PricewaterhouseCoopers.
	iv) What is the qualification and experience of the head of internal audit?	The Internal Audit function is outsourced to a leading audit firm, PricewaterhouseCoopers, a global firm with track record and experience 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 given that the internal audit function is outsourced.
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Internal Audit function is outsourced and performed by PricewaterhouseCoopers..
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. December 2020
	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.
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 Statutory Audit Committee.
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	The Company's Shareholders in General Meeting.
	iii) When was the first date of appointment of the External auditors?	June 17, 2021.
	iv) How often are the audit partners rotated?	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</i>	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	Thirty-Four (34) 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.

Principles	Reporting Questions	Explanation on application or deviation
<p>shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest"</p>		
<p>Principle 22: Shareholder Engagement</p> <p>"The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company"</p>	<p>i) Is there a Board-approved policy on shareholders' engagement? Yes/No</p> <p>If yes:</p> <p>a) when was it last reviewed?</p> <p>b) Is the policy hosted on the company's website?</p> <p>ii) How does the Board engage with Institutional Investors and how often?</p>	<p>Yes.</p> <p>It was last reviewed and approved in February 2021.</p> <p>Yes. The Policy is hosted on the Company's website. www.capplc.com</p> <p>The Investor Relations Section of the Company's website contains information on the Company's Audited Accounts. As a Company listed on the Main Board of the Nigerian Exchange Limited ("NGX"), CAP PLC is required to notify the NGX via the Issuer's Portal of any event that has occurred in the Company of which Shareholders should be aware.</p>
<p>Principle 23: Protection of Shareholder Rights</p> <p>"Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance"</p>	<p>i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? Yes/No</p>	<p>Yes.</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>ii) When was the date of last review of the policy?</p> <p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No</p> <p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p>Yes, the Company has an approved Code of Business Conduct.</p> <p>Yes, it has been communicated to all internal and external stakeholders.</p> <p>The COBE is applicable to all Board Members, Senior Management, Other Employees and third parties.</p> <p>March 2022</p> <p>Yes.</p> <p>Sanctions for breach of Company Policy are imposed in line with the provisions of the Company's Handbook and policies.</p>

Principles	Reporting Questions	Explanation on application or deviation
<p>Principle 25: Ethical Culture</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? Yes/No</p> <p>If yes:</p> <ol style="list-style-type: none"> When was the last date of review? How does the Board monitor compliance with this policy? 	<p>Yes. December 2015.</p> <p>The Board monitors Compliance through the Company Secretary who obtain details of dealings in the Company's Securities at relevant times from the Registrars. The Secretariat follows the applicable regulations in the NGX Rulebook to ensure that there is no incidence of Insider Trading.</p> <p>The Company Secretary also regularly notifies the Board and all insiders of Closed Periods for trading in the company's shares.</p>
	<p>ii) Does the company have a Board approved policy on related party transactions? Yes/No</p> <p>If yes:</p> <ol style="list-style-type: none"> When was the last date of review? How does the Board monitor compliance with this policy? Is the policy applicable to any or all of the following: <ol style="list-style-type: none"> Board Senior management Other employees (Specify) Third parties (Specify) 	<p>Yes.</p> <p>December 2020.</p> <p>The Board monitors Compliance via the Audit Committee and the Finance Team.</p> <p>The Policy is applicable to all Board Members, Senior Management, Other Employees (both those on full employment and those on contracts) and third parties (this includes the Company's Contractors, Consultants, Distributors of its products etc).</p>
	<p>iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?</p>	<p>The Board ensures that related party transactions (if any) are stated in the Annual Reports.</p>
	<p>iv) Does the company have a Board-approved policy on conflict of interest? Yes/No</p> <p>If yes:</p> <ol style="list-style-type: none"> When was the last date of review? How does the Board monitor compliance with this policy? Is the policy applicable to any or all of the following: <ol style="list-style-type: none"> Senior management Other employees (Specify) 	<p>Yes.</p> <p>December 2020</p> <p>The Company administers questionnaire to all its employees to conflict of interest (if any). The</p> <p>The directors are also required to fill and submit a declaration form on an annual basis (or as frequently as conflict arises) and submit same to the Board through the Company Secretary.</p> <p>The Policy is applicable to Senior Management and Other Employees (who are on full time employment and on those who are on part time employment).</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"</i></p>	<p>i) Is there a Board-approved sustainability policy? Yes/No</p> <p>If yes, when was it last reviewed?</p>	<p>Yes.</p> <p>The Sustainability Policy was reviewed and approved in March 2022.</p>
	<p>ii) How does the Board monitor compliance with the policy?</p>	<p>Through reports presented at Board and Committee Meetings by Management.</p>
	<p>iii) How does the Board report compliance with the policy?</p>	<p>The Board Reports on Sustainability in its Annual Reports</p>

Principles	Reporting Questions	Explanation on application or deviation
<i>contributing to economic development"</i>	iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?	Yes. The diversity in the workplace policy was reviewed in April 2022.
Principle 27: Stakeholder Communication <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? Yes/No	Yes.
	ii) Does the Company have an up to date investor relation portal? Yes/No If yes, provide the link.	Yes. https://www.capplc.com/investor-relations/annual-reports/
Principle 28: Disclosures <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? 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 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

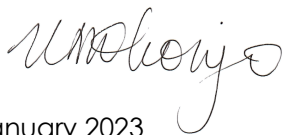
Name: Awuneba Ajumogobia

Signature: 

Date: 23 January 2023

Chairman of the Committee responsible for Governance

Name: Udo Okonjo

Signature: 

Date: 12 January 2023

Managing Director/Chief Executive Officer

Name: Bolarin Okunowo

Signature: 

Date: 12 January 2023

Company Secretary

Name: Ayomipo Wey

Signature: 

Date: 12 January 2023



CLAWBACK POLICY

FOR

CHEMICAL AND ALLIED PRODUCTS PLC



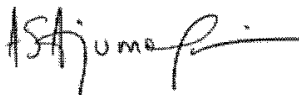
PREPARED BY:

DCSL

DCSL Corporate Services Limited

Approvals

This Policy was approved by:

Name	Representing	Signature	Date
Mr. David Wright	Managing Director		December 3, 2020
Mrs. Udo Okonjo	Chairperson, Board Remuneration and Governance Committee		January 6, 2021
Mrs. Awuneba Ajumogobia	Chairperson, Board of Directors		February 4, 2021

*The sign-off of this document authorizes the immediate implementation of the Clawback Policy of **Chemical and Allied Products Plc***

TABLE OF CONTENT

Pages

1.	Introduction.....	4
2.	Objective.....	4
3.	Coverage.....	4
4.	Administration.....	4
5.	Definitions.....	4
6.	Procedure.....	5
7.	Sources of Recoupment/Recovery.....	6
8.	Process of Recoupment/Recovery.....	6
9.	Exceptions.....	7
10.	Review	7

1. INTRODUCTION

This Policy is intended to ensure a culture of focused, diligent and responsible Management which discourages conduct detrimental to the growth of Chemical and Allied Products Plc and ensures that incentive-based compensation paid by the Company to Executive Directors and Key Management Staff is based on accurate and genuine financial data and results.

2. OBJECTIVE

This policy shall provide requisite guidelines to the Board of Directors of Chemical and Allied Products Plc ("**CAP Plc**") on the recovery of "Incentive-Based Compensation" upon the occurrence of certain "Triggering Events" and in line with the provisions of Principle 16.9 and 16.10 of the Nigerian Code of Corporate Governance, 2018 (NCCG).

3. COVERAGE

This Policy applies to all Executive Directors and other Key Management Staff (KMS) of CAP Plc. The Key Management Staff whose incentive-based compensation is covered by this policy include other key management staff.

This Policy shall continue to apply to any Employee designated as a Key Management Staff in any financial year, until the date he or she ceases to be a Key Management Staff of CAP Plc.

4. ADMINISTRATION

The Policy shall be administered by the Board Remuneration and Governance Committee ("**the Committee**") unless the Board of Directors otherwise determines.

5. DEFINITIONS

The following defined terms are used in this Policy:

5.1 Incentive-Based Compensation

This includes any compensation, including cash and equity, which is granted, earned or vested based wholly or in part upon the attainment of any financial measure and it is considered received in the financial year in which the applicable financial result is achieved, regardless of the actual payment date.

5.2 Triggering Events- These include the following:

- a. **Accounting Restatement** - This is the process of revising previously issued Audited Financial Statements to correct one or more errors that are material to those Financial Statements.
- b. **Misconduct**- This includes the following: (i)
 - Theft or embezzlement, or attempted theft or embezzlement, of money or property or assets of the Company.
 - Material breach of the Employee's employment contract or any employment-related undertaking provided in writing and signed by the Employee prior to, concurrently with or post the execution of his or her employment agreement.

- Gross negligence or willful misconduct in the performance of the Employee's duties.
- Breach of any fiduciary duty owed to the Company, including, without limitation, engaging in competing activities while employed by the Company;
- Employee's willful refusal to perform assigned duties for which the Employee is qualified as directed by the Employee's supervising officer or the Board.

5.3 Financial Reporting Measures

These are the requirements that are determined and presented in accordance with the accounting principles used in preparing the Company's Financial Statements and any measures derived wholly or in part from such financial information.

5.4 Vested Benefits

Financial Incentive granted to employees who have met the conditions required to receive a full and or partial incentive.

6. PROCEDURE ON RESTATEMENT OF FINANCIAL RESULTS

Following the effective date of this Policy, if CAP Plc is required to prepare an accounting restatement due to material non-compliance with any financial reporting requirement under Nigerian laws/regulations, the Committee in its sole discretion shall seek to recover any Incentive-Based Compensation paid, granted or awarded to or received or earned by or vested in favour of any current or former Executive Director or Key Management Staff, if any of the following occur:

- a. All or a portion of the Audited Financial Statements are materially restated for any period during the previous years or the financial year in which the restatement occurs.
- b. The amount of Incentive-Based Compensation paid or payable to the Executive Director/Key Management Staff would have been less if the original Audited Financial Statements were correct at the time the amount of Incentive-Based Compensation was first determined.
- c. The Incentive-Based Compensation became payable to the Executive Director/Key Management Staff in connection with the achievement of any financial performance measures for previous years or the financial year in which the restatement occurs.
- d. The Board has determined that the Executive Director or Key Management Staff has willfully committed an act of fraud, dishonesty or recklessness in the performance of his or her duties which contributed to the non-compliance that resulted in CAP Plc having to restate the Financial Statements.

7. PROCEDURE FOR RECOUPMENT/RECOVERY

Following the effective date of this Policy, if the Committee determines that an Employee who was awarded Incentive-Based Compensation has committed an act constituting Misconduct, the Committee may, recommend to the Board the following remedial action against such Employee:

- a) The recovery of any or all the Incentive Compensation that such Employee was awarded and paid during the previous years prior to the date of Misconduct and ending three (3) financial years following such Misconduct.

- b) The cancellation of some or all the Employee's then outstanding vested but unsettled Incentive Compensation awards and outstanding unvested Incentive Compensation awards.

8. SOURCES OF RECOUPMENT/RECOVERY

Any recovery under this Policy may be from the following sources:

- a. direct repayment by the Executive Director or Key Management Staff
- b. deduction from Salary
- c. vested or unvested Incentive compensation awards.
- d. future payments of incentive compensation
- e. cancellation of outstanding equity awards

9. TIME PERIOD COVERED BY POLICY

This Policy applies to any Incentive-Based Compensation paid, granted, awarded, received, or earned by any former or current Executive Director or Key Management Staff in the current period and previous financial years.

10. PROCESS OF RECOUPMENT/RECOVERY

Before the Committee decides to recommend recovery to the Board pursuant to this Policy, it shall provide the Executive Director or Key Management Staff the opportunity to be heard at the meeting of the Committee where the decision is to be taken.

If the Board determines to seek recovery of excess compensation pursuant to this Policy, it shall through the Committee inform the concerned Executive Director or Key Management Staff in writing of the decision and require that the said Executive Director or Key Management Staff repay the excess compensation to CAP Plc within a specified time.

If the concerned Executive or Key Management Staff does not within such specified time repay the excess compensation to CAP Plc, and the Committee determines that the concerned Executive Director or Key Management Staff is unlikely to repay CAP Plc, the Committee may recommend to the Board that legal proceedings be instituted against the Executive Director or Key Management Staff for such repayment if it deems it in the interest of CAP Plc to do so.

11. EXCEPTIONS

The Committee shall not seek recoupment/recovery if it determines;

- (i) That to do so would be unreasonable
- (ii) That the amount involved is insignificant and or immaterial,
- (iii) That it would be better for the Company not to do so.

In making such determination, the Committee shall take into account such considerations as it deems appropriate, including;

- a) The likelihood of success versus the cost and effort involved,
- b) Whether the assertion of a claim may prejudice the interests of the Company, including in any related proceeding or investigation
- c) the passage of time since the occurrence of the act in respect of the misconduct or fraud.
- d) Any pending legal proceeding relating to the applicable misconduct or fraud.

12. REVIEW OF POLICY

The Board Remuneration and Governance Committee shall review this Policy from time to time, as the need arises, to ensure that it remains consistent with the law and applicable regulations, and Code of Corporate Governance principles and practices subject to the approval of the Board.