



## **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	<b>Rand Merchant Bank Nigeria Limited (RMBN)</b>
ii.	Date of Incorporation	<b>May 8, 2012</b>
iii.	RC Number	<b>1031371</b>
iv.	License Number	<b>MBB/000003</b>
v.	Company Physical Address	<b>3<sup>rd</sup> Floor, East Tower, Wings Office Complex, 17a Ozumba Mbadiwe Street, Victoria Island, Lagos</b>
vi.	Company Website Address	<b>www.rmb.com.ng</b>
vii.	Financial Year End	<b>31<sup>st</sup> December</b>
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	<b>Yes. The company is part of a Group structure given that it has a subsidiary in Nigeria.</b> <b>Also, the company is part of the FirstRand Group in South Africa.</b>
ix.	Name and Address of Company Secretary	<b>Abiola Baruwa</b> <b>3<sup>rd</sup> Floor, East Tower, Wings Office Complex, 17a Ozumba Mbadiwe Street, Victoria Island, Lagos</b>
x.	Name and Address of External Auditor(s)	<b>PricewaterhouseCoopers (PwC).</b> <b>Landmark Towers 5B, Water Corporation Road Victoria Island Lagos Nigeria</b>
xi.	Name and Address of Registrar(s)	<b>This is not applicable as RMBN is not a listed company and all her shares are held by the FirstRand Group.</b>
xii.	Investor Relations Contact Person (E-mail and Phone No.)	<b>This would not apply to the Bank given that all its shares are held by the FirstRand Group.</b>
xiii.	Name of the Governance Evaluation Consultant	<b>Ernst &amp; Young</b>
xiv.	Name of the Board Evaluation Consultant	<b>Ernst &amp; Young</b>

## 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	James Formby	Chairman	Male	July 27, 2018	
2	Michael Larbie	MD/CEO	Male	November 22, 2012	
3	Dalu Ajene	DMD/ED	Male	September 26, 2018	
4	Bayo Ajayi	CFO/ED	Male	April 25, 2018	
5	Taiwo Gabriel	CRO/ED	Male	February 10, 2022	
6	Philip Spangenberg	NED	Male	December 18, 2014	
7	Theo Thomas	NED	Male	September 5, 2018	

8	Ebrahim Motala	NED	Male	April 15, 2016	
9	Remi Odunlami	NED	Female	January 17, 2014	
10	Annerie Cornelissen	NED	Female	May 20, 2019	
11	Samuel Ogbu	INED	Male	August 14, 2018	
12	Felicia Kemi Segun	INED	Female	May 22, 2018	
13	Babatunde Savage	INED	Male	June 11, 2013	
14	Foluke Alakija	INED	Female	September 1, 2021	
15	Stella Ojekwe-Onyejeli	INED	Female	November 19, 2021	
16	Emmarentia Brown	NED	Female	January 28, 2022	

## 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 Required to be attended in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
1	James Formby	4	4	0	Chairman	0	0
2	Michael Larbie	4	4	1	Member	4	4
3	Philip Spangenberg	4	4	3	Member	12	12
4	Theo Thomas	4	4	1	Member	1	1
5	Ebrahim Motala	4	4	3	Member	9	9
6	Samuel Ogbu	4	4	4	Member	13	13
7	Felicia Kemi Segun	4	4	4	Member	13	13
8	Dalu Ajene	4	4	2	Member	8	8
9	Bayo Ajayi	4	4	2	Member	8	8
10	Babatunde Savage	4	4	4	Member	13	13
11	Remi Odunlami	4	4	4	Member	16	16
12	Annerie Cornelissen	4	4	1	Member	4	4
13	Foluke Alakija*	4	1	0	Member	0	0
14	Stella Ojekwe-Onyejeli**	4	0	0	Member	0	0

\* Mrs. Foluke Alakija was appointed in Q4 2021 when the Board had one (1) more board meeting in 2021 and she attended the last board meeting.

\*\*Mrs. Stella Onyejeli was appointed in Q4 2021 after all Board meetings were concluded, hence her non-attendance of Board meetings in 2021.

N.B.: Both Mr. Taiwo Gabriel and Mrs. Emmarentia Brown were appointed in 2022, hence their attendance status was not included here.



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

### 1. Senior Management:

S/No.	Names	Position Held	Gender
1	Michael Larbie	Managing Director/Chief Executive Officer	Male
2	Dalu Ajene	ED, Deputy Managing Director	Male
3	Bayo Ajayi	ED, Chief Financial Officer	Male
4	Taiwo Gabriel	ED, Chief Risk Officer	Male
5	Ngover Ihyembe-Nwankwo	Head, Coverage	Female
6	Chidi Iwuchukwu	Co-Head, Banking Division	Male
7	Ayotunde Jegede	Head, Human Capital	Female
8	Jennifer Martins-Okundia	General Counsel	Female
9	Funsho Odukoya	Head, Operations	Male
10	Adeyemi Adedayo	Head, Business Technology	Male
11	Yetunde Ogunremi	Head, Balance Sheet Management and Treasury	Female
12	Jide Onifade	Head, Credit	Male
13	Taiwo Shote	Co-Head, Banking Division	Male
14	Nadia Zakari	Head, Markets Division	Female

15	Femi Fatobi	Internal Auditor	Male
16	Abiola Baruwa	Company Secretary	Female
17.	Bunmi Odufuwa	Chief Compliance Officer	Female

## 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>"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"</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><b>Yes. June 2021</b></p>
<p><b>Principle 2: Board Structure and Composition</b></p> <p>"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 "</p>	<p>i) What are the qualifications and experiences of the directors?</p>	<p><b>Please find attached the Directors' Profile.</b></p> <p> RMBN Board Directors Photos an</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><b>Yes. 100% of the diversity targets have been achieved.</b></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><b>Yes. Please find attached document containing the requested details.</b></p> <p> Multiple Directorship.pdf</p>


Principles	Reporting Questions	Explanation on application or deviation
	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.	<b>No.</b>
<b>Principle 3: Chairman</b>  <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>	i) Is the Chairman a member or chair of any of the Board Committees? <b>Yes/no</b> If yes, list them.	<b>No.</b>
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?	<b>None.</b>
	iii) Is the Chairman an INED or a NED?	<b>NED.</b>
	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?	<b>No.</b>
	v) When was he/she appointed as Chairman?	<b>19 September 2018</b>
	vi) Are the roles and responsibilities of the Chairman clearly defined? <b>Yes/No</b> If yes, specify which document	<b>Yes. The Board Charter</b>
<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?	<b>Yes.</b>
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes.</b>
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	<ul style="list-style-type: none"> <li>• <b>Governance, Nominations and Ethics Committee (as an invited attendee).</b></li> <li>• <b>Board Credit Committee (member).</b></li> <li>• <b>Board Risk and Compliance Committee (as an invited attendee).</b></li> <li>• <b>Remuneration Committee (as an invited attendee).</b></li> </ul>
	iv) Is the MD/CEO serving as NED in any other company? <b>Yes/no.</b> If yes, please state the company(ies)?	<b>Yes.</b> <ul style="list-style-type: none"> <li>• <b>First National Bank (FNB), Ghana</b></li> <li>• <b>RMB Nigeria Stockbrokers Limited</b></li> </ul>
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? <b>Yes/No</b>	<b>Yes. The membership of the MD/CEO in these companies is not in contravention of any Board-approved policies.</b>

Principles	Reporting Questions	Explanation on application or deviation
<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>	<b>Yes.</b>
	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?	<b>Yes.</b>
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes.</b>
	iv) Are there EDs serving as NEDs in any other company? <b>Yes/No</b> If yes, please list	<b>Yes.</b> <b>Mr. Larbie and Mr. Gabriel are NEDs in RMB Nigeria Stockbrokers Limited</b>
	v) Are their memberships in these companies in line with Board-approved policy? <b>Yes/No</b>	<b>Yes. The membership of the EDs in these companies is not in contravention of any Board-approved policies.</b>
<b>Principle 6: Non-Executive Directors</b>  <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? <b>Yes/No</b> If yes, where are these documented?	<b>Yes, the roles and responsibilities of the NEDs are clearly defined in their contracts.</b>
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	<b>Yes, they have contracts which include their duties and terms of engagement.</b>
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes.</b>
	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	<b>Yes. Information relating to the management of the company and on all Board matters are provided to the NEDs on a quarterly basis and also as requested by the NEDs.</b>
	v) What is the process of ensuring completeness and adequacy of the information provided?	<b>The process includes:</b> <ul style="list-style-type: none"> <li>- <b>The NEDs and the Management team have agreed on the level and quality of information required by the NEDs and Management ensures that all relevant information provided are complete in this regard. All other additional and/or adhoc information required by the NEDs are also provided by Management.</b></li> <li>- <b>The completeness and accuracy of all information provided by Management are verified by both internal and external audit reports.</b></li> </ul>
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? <b>Yes/No</b>	<b>Yes.</b>
<b>Principle 7: Independent</b>	i) Do the INEDs meet the independence criteria	<b>Yes.</b>



Principles	Reporting Questions	Explanation on application or deviation
<b>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>	prescribed under Section 7.2 of the Code? <b>Yes/No</b>	
	ii) Are there any exceptions?	<b>No.</b>
	iii) What is the process of selecting INEDs?	<ul style="list-style-type: none"> <li>• <b>Candidates are interviewed by the Governance, Nomination and Ethics Committee.</b></li> <li>• <b>The most suitable candidate is thereafter recommended to the Board, by the Governance, Nomination and Ethics Committee (GNEC).</b></li> <li>• <b>GNEC's selection process also includes ensuring that the suitable candidate has the qualifies listed in 7.1 of the NCCG 2018 and does not have any connection with the Bank as listed in S.7.2 of NCCG 2018.</b></li> <li>• <b>Once the Candidate is approved by the Board, the Central Bank of Nigeria's approval is also obtained.</b></li> </ul>
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	<b>Yes.</b>
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes.</b>
	vi) Does the Board ascertain and confirm the independence of the INEDs? <b>Yes/No</b> If yes, how often? What is the process?	<b>Yes. Quarterly before Board and Board Committee Meetings and annually via declaration of conflict of interest. Both Quarterly and annual confirmation/declaration are documented.</b>
	vii) Is the INED a Shareholder of the Company? <b>Yes/No</b> If yes, what is the percentage shareholding?	<b>No.</b>
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? <b>Yes/No</b> If yes, provide details.	<b>No.</b>
	ix) What are the components of INEDs remuneration?	<b>Directors' Fee and Sitting Allowance.</b>
<b>Principle 8: Company Secretary</b>  <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?	<b>In-house.</b>
	ii) What is the qualification and experience of the Company Secretary?	<b>LLB, BL, LLM and Associate, Institute Chartered Secretaries and Administrators of Nigeria (ICSAN).</b>
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	<b>Yes.</b>
	iv) Who does the Company Secretary report to?	<b>The Board of Directors.</b>
	v) What is the appointment and removal process of the Company Secretary?	<b>The Bank adheres to the provisions of the Companies and Allied Matters Act, 2020 in this regard.</b>
	vi) Who undertakes and approves the performance	<b>The Board of Directors.</b>



Principles	Reporting Questions	Explanation on application or deviation
	appraisal of the Company Secretary?	
<b>Principle 9: Access to Independent Advice</b> <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? <b>Yes/No</b> If yes, where is it documented?	<b>Yes. This is contained in the Bank's Board Charter.</b>
	ii) Who bears the cost for the independent professional advice?	<b>The cost is borne by the Bank.</b>
	iii) During the period under review, did the Directors obtain any independent professional advice? <b>Yes/No</b> If yes, provide details.	<b>No.</b>
<b>Principle 10: Meetings of the Board</b> <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?	<ul style="list-style-type: none"> <li>• <b>The Board minutes are prepared by the company secretariat team.</b></li> <li>• <b>The minutes are reviewed further by the Committees/Board Chairpersons.</b></li> <li>• <b>The Board minutes are finally approved at the Board and Committee meetings.</b></li> </ul>
	ii) What are the timelines for sending the minutes to Directors?	<b>Within 24 hours after the minutes are reviewed by the Committees/Board Chairpersons.</b>
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	<b>Frequency of meeting attendance is one of the criteria for re-election of a Director, as stated in the Board Charter.</b>
<b>Principle 11: Board Committees</b> <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? <b>Yes/No</b>	<b>Yes.</b>
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	<ul style="list-style-type: none"> <li>• <b>The Board Committee minutes are prepared by the company secretariat team.</b></li> <li>• <b>The minutes are reviewed further by the Chairpersons of the Committees.</b></li> <li>• <b>The Board Committees' minutes are finally approved at the Committee meetings.</b></li> </ul>
	iii) What are the timelines for sending the minutes to the directors?	<b>Within 24 hours after the minutes are reviewed by the Board Committees Chairpersons.</b>
	iv) Who acts as Secretary to board committees?	<b>The Company Secretary.</b>
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management	<ul style="list-style-type: none"> <li>a) <b>Governance, Nominations and Ethics Committee.</b></li> <li>b) <b>Remuneration Committee.</b></li> <li>c) <b>Board Audit Committee.</b></li> <li>d) <b>Board Risk and Compliance Committee.</b></li> </ul>
	vi) What is the process of appointing the chair of each committee?	<b>The Chairpersons of each Committee are appointed by the members of the Committee. The Board Committee members consider the provisions of the NCCG 2018 in determining the chair of each of the Committees.</b>

Principles	Reporting Questions	Explanation on application or deviation
<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?	<b>INEDs - 3. NED - 2.</b>
	viii) Is the chairman of the Committee a NED or INED ?	<b>INED</b>
	ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	<b>Yes. It is reviewed on a Biennial basis.</b>
	x) How often are Board and Committee charters as well as other governance policies reviewed?	<b>Biennially</b>
	xi) How does the committee report on its activities to the Board?	<b>The Committee Chairpersons report their activities to the Board quarterly at Board meetings.</b>
<b>Committee responsible for Remuneration</b>		
	xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	<b>INEDs - 3. NED - 2.</b>
	xiii) Is the chairman of the Committee a NED or INED ?	<b>INED.</b>
<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>	<b>The Bank is private limited liability company and does not require a Statutory Audit Committee. It however has a Board Audit Committee.</b>
	xv) Are members of the Committee responsible for Audit financially literate? <b>Yes/No</b>	<b>Yes.</b>
	xvi) What are their qualifications and experience?	<p><b>Please refer to the attached Directors' Profile for profiles of the following directors:</b></p> <ul style="list-style-type: none"> <li>• <b>Mr. Babatunde Savage;</b></li> <li>• <b>Mr. Samuel Ogbu;</b></li> <li>• <b>Mrs. Remi Odunlami;</b></li> <li>• <b>Ebrahim Motala;</b></li> <li>• <b>Foluke Alakija; and</b></li> <li>• <b>Mrs. Stella Ojekwe-Onyejeli</b></li> </ul> <div style="text-align: center;">  <p>RMBN Board Directors Photos an</p> </div>
	1. Name the financial expert(s) on the Committee responsible for Audit	<b>All members are financial experts.</b>
	1. How often does the Committee responsible for Audit review the internal auditor's reports?	<b>Quarterly.</b>

Principles	Reporting Questions	Explanation on application or deviation
	2. Does the Company have a Board approved internal control framework in place? <b>Yes/No</b>	<b>Yes.</b>
	3. How does the Board monitor compliance with the internal control framework?	<b>Through internal audit reports, compliance monitoring reports, risk management reports and quarterly updates at Board Committees' meetings.</b>
	4. 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.	<b>Yes.</b> <b>The External Auditors management letter, Key Audit Matters and Management response to issues raised are presented to the Committee for deliberation at its Board Committee meetings.</b>
	5. Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? <b>Yes/No</b>	<b>No.</b> <b>There is specific requirement on this in the CBN Code of Corporate Governance and the Board is guided by this provision.</b>
	6. 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?	<b>Once in a year in terms of defined frequency but also at quarterly meetings where the Head of Internal Audit is always asked about any particular concern for the attention of the Board.</b>
<b>Committee responsible for Risk Management</b>		
	7. Is the Chairman of the Risk Committee a NED or an INED?	<b>NED</b>
	8. Is there a Board approved Risk Management framework? <b>Yes/No?</b> If yes, when was it approved?	<b>Yes.</b> <b>September 2020.</b>
	9. How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place?  Date of last review	<b>During its quarterly meetings and as may be requested on an adhoc basis.</b>  <b>March 2022.</b>
	10. Does the Company have a Board-approved IT Data Governance Framework? <b>Yes/No</b> If yes, how often is it reviewed?	<b>The bank has a Board-approved IT Governance Framework</b>  <b>Biennially</b>
	11. How often does the Committee receive and review compliance report on the IT Data Governance Framework?	<b>Quarterly.</b>
	12. Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? <b>Yes/No</b>	<b>Yes.</b>

Principles	Reporting Questions	Explanation on application or deviation
	13. How many meetings of the Committee did the CRO attend during the period under review?	<b>There were 4 meetings held in the period under review. The CRO attended all the meetings.</b>
<b>Principle 12: Appointment to the Board</b>  <i>"A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i>	i) Is there a Board-approved policy for the appointment of Directors? <b>Yes/No</b>	<b>Yes. Directors' appointments are handled by the Governance, Nominations and Ethics Committee as contained in its Charter.</b>
	ii) What criteria are considered for their appointment?	<b>The Board adheres to the criteria stipulated by the CBN regulations (fit and proper persons regulations) on appointment of Directors. Please use link below to access the CBN's fit and persons criteria:</b>  <a href="https://www.cbn.gov.ng/out/2015/fprd/revised%20fit%20and%20proper%20-%20combined-final%20oct%202015.pdf">https://www.cbn.gov.ng/out/2015/fprd/revised%20fit%20and%20proper%20-%20combined-final%20oct%202015.pdf</a>
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	<b>The Governance, Nominations and Ethics Committee shortlists only candidates that have been verified, by both internal and external background checks, to be persons of integrity.</b>
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	<b>Yes.</b>
	v) Please state the tenure	<b>a) The Chairman- 3 terms of 4 years each. b) The MD/CEO- 10 years. c) INEDs-3 terms of 3 years each. d) NEDs- 3 terms of 4 years each. e) EDs - 10 years.</b>
	vi) Does the Board have a process to ensure that it is refreshed periodically? <b>Yes/No?</b>	<b>Yes.</b>
<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>	<b>Yes.</b>
	ii) During the period under review, were new Directors appointed? <b>Yes/No</b> If yes, provide date of induction.	<b>Yes.</b>
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? <b>Yes/No</b> If yes, provide training details.	<b>Yes.</b>  <ol style="list-style-type: none"> <li>1. Training on the Bank's Products.</li> <li>2. Environmental, Social and Governance (ESG) Training.</li> <li>3. Training for Independent Directors.</li> <li>4. Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Training.</li> <li>5. Training on Ethics and Modern Slavery.</li> <li>6. Training on Board Effectiveness.</li> </ol>
	iv) How do you assess the training needs of Directors?	<b>The Directors' training needs are assessed based on the following pillars:</b>  <ul style="list-style-type: none"> <li>• Individual director notification of knowledge gap to enhance their roles on the Board.</li> <li>• Knowledge gap identified in the Board Evaluation report provided by External Auditors.</li> <li>• Committee specific trainings to further enhance performance.</li> <li>• Unsolicited Board training which promotes best global practices.</li> </ul>

Principles	Reporting Questions	Explanation on application or deviation
	v) Is there a Board-approved training plan? <b>Yes/No</b>	<b>Yes.</b>
	vi) Has it been budgeted for? <b>Yes/No</b>	<b>Yes.</b>
<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>	<b>Yes. The Governance, Nominations and Ethics Committee assists the Board on evaluation of Board Performance, as contained in its charter.</b>
	ii) For the period under review, was there any Board Evaluation exercise conducted? <b>Yes/No</b>	<b>Yes.</b>
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	<b>Yes. The Board Evaluation was done externally by E&amp;Y and dated March 2022.</b>
	iv) Has the Board Evaluation report been presented to the full Board? <b>Yes/No</b> If yes, indicate date of presentation.	<b>Yes. 9 March 2022</b>
	v) Did the Chairman discuss the evaluation report with the individual directors? <b>Yes/No</b>	<b>Yes.</b>
	vi) Is the result of the evaluation for each Director considered in the re-election process? <b>Yes/No</b>	<b>Yes.</b>
	<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>		<b>Yes.</b>
iii) If yes, please indicate the date of last presentation.		<b>9 March 2022.</b>
iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? <b>Yes/No</b>		<b>Yes.</b>
<b>Principle 16: Remuneration Governance</b> <i>"The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic</i>	i) Is there a Board-approved Directors' remuneration policy? <b>Yes/No</b> If yes, how often is it reviewed?	<b>Yes.</b>  <b>It is reviewed periodically particularly where necessary changes are required in the policy.</b>
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	<b>EDs – These earn salary and annual bonus where an annual bonus sharing is declared. They do not earn sitting allowances.</b>  <b>NEDs – NEDs appointment from other companies within the FirstRand Group do not earn directors' fees or sitting allowances;</b>  <b>External NEDs and INEDs – they earn sitting allowances, directors fees and reimbursables for official travel costs.</b>

Principles	Reporting Questions	Explanation on application or deviation
objectives and positive outcomes in the short, medium and long term"	iii) Is the remuneration of NEDs presented to shareholders for approval? <b>Yes/No</b> If yes, when was it approved?	<b>No. The Bank's NEDs are mainly employees in the FirstRand Group and are therefore not remunerated.</b>
	iv) What portion of the NEDs remuneration is linked to company performance?	<b>No portion of NEDs remuneration is linked to company performance. They are not remunerated.</b>
	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?	<b>Yes. See attached document for details of how remuneration is linked to performance.</b>   remuneration linked to performan
	vi) Has the Board set KPIs for Executive Management? <b>Yes/No</b>	<b>Yes, as stated in their respective annual Performance Development Plans.</b>
	vii) If yes, was the performance measured against the KPIs? Yes/No	<b>Yes.</b>
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or director fees? <b>Yes/No</b>	<b>No.</b>
	ix) Which of the following receive sitting allowance and/or fees: a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff	<b>None of the listed staff receives sitting allowance.</b>
	x) Is there a Board-approved clawback policy for Executive management? <b>Yes/No</b> If yes, attach the policy.	<b>Yes.</b>   Clawback.pdf
<b>Principle 17: Risk Management</b>  "A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"	i) Has the Board defined the company's risk appetite and limit? <b>Yes/No</b>	<b>Yes.</b>
	ii) How often does the company conduct a risk assessment?	<b>This is reviewed biennially with the proviso for adhoc changes within the review cycle.</b>
	iii) How often does the board receive and review risk management reports?	<b>Quarterly and adhoc reports are also provided based on prevailing circumstances.</b>
<b>Principle 18: Internal Audit</b>	i) Does the company have an Internal Audit function? <b>Yes/No</b> If no, how has the Board obtained adequate assurance on the	<b>Yes.</b>

Principles	Reporting Questions	Explanation on application or deviation
<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>	effectiveness of internal processes and systems?	
	ii) Does the company have a Board-approved internal audit charter? <b>Yes/No</b>	<b>Yes.</b>
	iii) Is the head of internal audit a member of senior management? <b>Yes/No</b>	<b>Yes</b>
	iv) What is the qualification and experience of the head of internal audit?	<b>Bsc. MBA, ACA, ACIT, ACCA &amp; CFE.</b> <b>19 years' experience.</b>
	v) Does the company have a Board-approved annual risk-based internal audit plan? <b>Yes/No</b>	<b>Yes</b>
	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>	<b>Yes</b>
	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?	<b>Yes. The last assessment was done in 2020.</b>
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	<b>Chairman of the Board Audit Committee.</b>
<p><b>Principle 19: Whistleblowing</b> <i>"An effective whistle-blowing framework for reporting any illegal or unethical behavior minimizes the Company's exposure and prevents recurrence"</i></p>	i) Does the company have a Board-approved whistleblowing framework? <b>Yes/No</b> If yes, when was the date of last review	<b>Yes. November 2021.</b>
	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>	<b>Yes.</b>
	iii) Is the Audit committee provided with the following reports on a periodic basis?  a) Reported cases b) Process and results of Investigated cases	<b>Yes.</b>
<p><b>Principle 20: External Audit</b></p>	i) Who makes the recommendations for the appointment, re-appointment	<b>The Board of Directors.</b>



Principles	Reporting Questions	Explanation on application or deviation
<p>"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"</p>	or removal of external auditors?	
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	<b>The Shareholders at Annual General Meetings.</b>
	iii) When was the first date of appointment of the External auditors?	<b>January 1, 2012.</b>
	iv) How often are the audit partners rotated?	<b>Every 7 years.</b>
<p><b>Principle 21: General Meetings</b></p> <p>"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"</p>	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	<b>22 days.</b>
	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>	<b>Yes. However please note that the Bank being a Private Limited Liability Company does not have a Statutory Audit Committee.</b>
<p><b>Principle 22: Shareholder Engagement</b></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? <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><b>Yes. Note however that, the Bank is a private limited liability company whose shares are held entirely by the FirstRand Group.</b></p> <p><b>a. 2020;</b></p> <p><b>b. Yes, it is on the Bank's website</b></p>
	ii) How does the Board engage with Institutional Investors and how often?	<b>The Bank is a private limited liability company whose shares are held entirely by the FirstRand Group. Engagements are done through annual general meetings and strategy sessions held annually.</b>
<p><b>Principle 23: Protection of Shareholder Rights</b></p>	i) Does the Board ensure that adequate and timely information is provided to the shareholders on the	<b>Yes.</b>

Principles	Reporting Questions	Explanation on application or deviation
<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>Company's activities? <b>Yes/No</b></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>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? <b>Yes/No</b></p> <p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p><b>Yes.</b></p> <p><b>Yes.</b></p> <p><b>It is applicable to all the stated categories.</b></p> <p><b>November 2021.</b></p> <p><b>Yes.</b></p> <p><b>None.</b></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"</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>b) How does the Board monitor compliance with this policy?</p>	<p><b>Yes.</b></p> <p><b>a) November 2021.</b></p> <p><b>b) Through quarterly reports to the Board Governance, Nominations and Ethics Committee.</b></p> <p><b>Related party transactions are covered in the insider trading policy.</b></p> <p><b>a) September 2021.</b></p> <p><b>b) Through quarterly reports to the Board Governance, Nominations and Ethics Committee and the Board Credit Committee.</b></p> <p><b>c) The policy applies to all the stated categories.</b></p>

Principles	Reporting Questions	Explanation on application or deviation
<i>and promotes good ethical conduct and investor confidence"</i>	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)	
	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	<b>The Board ensures that:</b>  <b>1. Annual Declarations on Related Party Transactions and Conflict of Interests are obtained from all Directors;</b> <b>2. Directors' Declarations on Related Party Transactions and Conflict of Interests are sought before all Board and Board Committees' meetings.</b>
	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)	<b>Yes.</b> <b>a) November 2021.</b> <b>b) Through quarterly reports to the Board Governance, Nominations and Ethics Committee</b> <b>c) It applies to all employees.</b>
<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?	<b>Yes.</b>  <b>Last reviewed in November 2021.</b>
	ii) How does the Board monitor compliance with the policy?	<b>Through quarterly reports to the Board Risk and Compliance Committee.</b>
	iii) How does the Board report compliance with the policy?	<b>Compliance with the policy is reported in the Bank's annual report.</b>
	iv) Is there a Board-approved policy on diversity in the workplace? <b>Yes/No</b> If yes, when was it last reviewed?	<b>Yes. 2017.</b>
<b>Principle 27: Stakeholder Communication</b>  <i>"Communicating and interacting with stakeholders keeps them</i>	i) Is there a Board-approved policy on stakeholder management and communication? <b>Yes/No</b>	<b>Yes.</b>
	ii) Does the Company have an up to date investor relation portal? <b>Yes/No</b>	<b>No. The Bank is a private limited liability company whose shares are held entirely by the FirstRand Group, therefore this provision would not apply.</b>

Principles	Reporting Questions	Explanation on application or deviation
conversant with the activities of the Company and assists them in making informed decisions"	If yes, provide the link.	
<b>Principle 28: Disclosures</b> "Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"	i) Does the company's annual report include a summary of the corporate governance report? <b>Yes/No</b>  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.	<b>Yes.</b>  <b>Yes. The Bank was penalized N5 million by the Central Bank of Nigeria as a result of late submission of certain daily returns. This penalty is being appealed.</b>

## Section F – Certification

We hereby make this declaration in good faith and confirm that the information provided in this form is true.

### Chairman of the Board of Directors

Name: Mr. James Formby

Signature:



Date: 18- March -2022

### Chairman of the Committee responsible for Governance

Name: Mrs. Felicia Kemi Segun

Signature:



Date: 18- March - 2022

### Managing Director/Chief Executive Officer

Name: Mr. Michael Larbie

Signature:



Date: 18-March-2022

### Chief Compliance Officer

Name: Mrs. Bunmi Odufuwa

Signature:



Date: 18 – March – 2022