

**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.

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Section B – General Information

S/N o.	Items	Details
i.	Company Name	FBNQuest Capital Limited
ii.	Date of Incorporation	April 12, 2002
iii.	RC Number	446599
iv.	License Number	933
v.	Company Physical Address	16, Keffi Street, off Awolowo Road, Ikoyi, Lagos
vi.	Company Website Address	www.fbnquest.com/capital
vii.	Financial Year End	December 31
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 – FBN Holdings Plc
ix.	Name and Address of Company Secretary	Isaac Nwankwo 16, Keffi Street, off Awolowo Road, Ikoyi, Lagos
x.	Name and Address of External Auditor(s)	KPMG Professional Services KPMG Tower Bishop Aboyade Cole Street Victoria Island Lagos
xi.	Name and Address of Registrar(s)	The Company Secretariat, FBNQuest Capital Limited 16, Keffi Street, off Awolowo Road, Ikoyi, Lagos
xii.	Investor Relations Contact Person (E-mail and Phone No.)	Isaac Nwankwo isaac.nwankwo@fbnquest.com 01-2798300
xiii.	Name of the Governance Evaluation Consultant	D CSL Corporate Services Limited
xiv.	Name of the Board Evaluation Consultant	D CSL Corporate Services Limited

Section C - Details of Board of the Company and Attendance at Meetings

1. Board Details:

S/N o.	Names of Board Members	Designation (Chairman, MD, INED, NED, ED)	Gender	Date First Appointed/ Elected	Remark
1.	Oyewale Ariyibi	Chairman, NED	Male	2/5/2017	
2.	Tseyi Hammond	Managing Director, ED	Male	1/8/2019	
3.	Adekunle Awojobi	NED	Male	2/5/2017	
4.	Ike Onyia	NED	Male	2/5/2017	
5.	Ijeoma Agboti-Obatoyinbo	NED	Female	5/3/2018	
6.	Abdullahi Ali-Gombe MNI	INED	Male	14/05/2021	

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2. Attendance at Board and Committee Meetings:

S/N o.	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.	Oyewale Ariyibi	5	5	Nil	Chairman, Board of Directors	-	-
2.	Tseyi Hammond	5	5	Board Business Development Committee	Member	4	4
3.	Adekunle Awojobi	5	4	Board Audit & Risk Committee	Member	4	4
				Board Governance & Nominations	Chairman	4	4

				Committee			
				Board Business Development Committee	Member	4	4
4.	Ike Onyia	5	5	Board Audit & Risk Committee	Chairman	4	6
				Board Governance & Nominations Committee	Member	4	4
				Board Business Development Committee	Member	4	4
5.	Ijeoma Agboti-Obatoyinbo	5	5	Board Governance & Nominations Committee	Member	4	4
				Board Business Development Committee	Chairperson	4	4
6.	Abdullahi Ali Gombe	5	3	Board Audit & Risk Committee	Member	Nil He was appointed into the Board Committee on 5 th Nov 2021	Nil He was appointed into the Board Committee on 5 th Nov 2021
				Board Governance & Nominations Committee	Member	Nil He was appointed into the Board Committee on 5 th Nov 2021	Nil He was appointed into the Board Committee on 5 th Nov 2021

Section D - Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1.	Tseyi Hammond	Managing Director	Male
2.	Agnes Okwudiafor	Head, Operations	Female
3.	Olufemi Oladipo	Chief Financial Officer	Male
4.	Segun Ilesanmi	Head, Risk Management & Compliance	Male

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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</i></p>	<p>i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? Yes/No</p> <p>If yes, when was it last reviewed?</p>	<p>Yes.</p> <p>The Board Charter was last reviewed on December 17, 2019</p>

<p>Company”</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 experience of the directors’ ranges from 20 years to 31 years with experience in administration, accounting & finance, management, asset management, sales, consulting, and private equity.</p>
	<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.</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>Oyewale Ariyibi: FBN Insurance Limited</p> <p>Tseyi Hammond: FBNQuest Securities Limited Notore Chemical Industries Plc</p> <p>Mr. Adekunle Awojobi: FBNQuest Trustees Limited Anchorage Leisures Limited</p> <p>Mr. Ike Onyia FBNQuest Asset Management Limited FBNQuest Funds Limited</p> <p>Mrs. Ijeoma Agboti-Obatoyinbo FBNQuest Funds Limited</p>

	<p>iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? Yes/No</p> <p>If yes, provide the names of the Committees.</p>	No
<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>	No
	<p>ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?</p>	None
	<p>iii) Is the Chairman an INED or a NED?</p>	NED
	<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>	No
	<p>v) When was he/she appointed as Chairman?</p>	May 2, 2017
	<p>vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No</p> <p>If yes, specify which document</p>	Yes. The roles and responsibilities of the Chairman are clearly defined in the Board Charter.

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Principles	Reporting Questions	Explanation on application or deviation
<p>Principle 4: Managing Director/ Chief Executive Officer</p> <p><i>“The Managing Director/Chief Executive Officer is the head of management delegated by the Board to run the affairs of the Company to achieve its strategic objectives for sustainable corporate</i></p>	<p>i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? Yes/No If no, in which documents is it specified?</p>	Yes.
	<p>ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter, and as they occur? Yes/No</p>	Yes.
	<p>iii) Which of the Board Committee meetings did the MD/CEO attend</p>	Board Business Development Committee.

<i>performance”</i>	during the period under review?	
	iv) Is the MD/CEO serving as NED in any other company? Yes/no . If yes, please state the company(ies)?	Yes. FBNQuest Securities Limited Notore Chemical Industries 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 <i>Executive Directors support the Managing Director/Chief</i> <i>Executive Officer in the operations and management of the Company</i>	i) Do the EDs have contracts of employment? Yes/no	The Company presently has no Executive Directors apart from the MD.
	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?	The Company presently has no Executive Directors apart from the MD
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter, and as they occur? Yes/No	The Company presently has no Executive Directors apart from the MD.
	iv) Are there EDs serving as NEDs in any other company? Yes/No If yes, please list	The Company presently has no Executive Directors apart from the MD.
	v) Are their memberships in these companies in line with Board-approved policy? Yes/No	The Company presently has no Executive Directors apart from the MD.
Principle 6: Non-Executive Directors <i>Non-Executive Directors bring to bear their knowledge, expertise, and independent judgment on issues of strategy and performance on the Board</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? Yes/No If yes, where are these documented?	Yes. The roles and responsibilities of the NEDs are defined in the Board Charter.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities, and terms of engagement? Yes/No	Yes.
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter, and as they occur? Yes/No	Yes.

	<p>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</p>	<p>Yes. The information is provided quarterly, and as often as is required.</p>
	<p>v) What is the process of ensuring completeness and adequacy of the information provided?</p>	<p>Information provided to the Directors are reviewed and can be independently verified by the NEDs.</p>
	<p>vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? Yes/No</p>	<p>Yes.</p>
<p>Principle 7: Independent Non-Executive Directors</p>	<p>i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? Yes/No</p>	<p>Yes</p>

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Principles	Reporting Questions	Explanation on application or deviation
<p><i>Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence"</i></p>	<p>ii) Are there any exceptions?</p>	<p>No.</p>
	<p>iii) What is the process of selecting INEDs?</p>	<p>The selection process is contained in the Board Governance & Nominations Committee Charter.</p>
	<p>iv) Do the INEDs have letters of appointment specifying their duties, liabilities, and terms of engagement? Yes/No</p>	<p>Yes</p>
	<p>v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter, and as they occur? Yes/No</p>	<p>Yes</p>
	<p>vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?</p>	<p>Yes. This is done annually via an attestation of independence by the INED.</p>

	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentage shareholding?	No
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? Yes/No If yes, provide details.	No
	ix) What are the components of INEDs remuneration?	Director's fee and 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?	BL, LLB with over 12years experience.
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	No
	iv) Who does the Company Secretary report to?	The Company Secretary reports to the Chairman, Board of Directors
	v) What is the appointment and removal process of the Company Secretary?	The Company Secretary is appointed and removed by the Board in line with Section 333 of the Companies & Allied Matters Act, 2020
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Managing Director and Board of Directors appraise the Company Secretary
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. This is documented in the Board Charter.
	ii) Who bears the cost for the independent professional advice?	The Company
	iii) During the period under review, did the Directors obtain any independent professional advice? Yes/No If yes, provide details.	None reported to the Company

Principle 10: Meetings of the Board <i>“Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the</i>	i) What is the process for reviewing and approving minutes of Board meetings?	The Minutes are reviewed and adopted by the Directors at a subsequent Board meeting.
	ii) What are the timelines for sending the minutes to Directors?	The draft Minutes are circulated amongst the Directors 2 weeks after the meeting to which the Minutes relate.
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	Directors who do not meet the minimum attendance required are not eligible for renewal of tenure.

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Principles	Reporting Questions	Explanation on application or deviation
<i>strategic objectives of the Company”</i>		
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 Minutes are reviewed and adopted by members of the Committee at a subsequent meeting of the relevant Board Committee
	iii) What are the timelines for sending the minutes to the directors?	The draft Minutes are circulated amongst the members of the Committee at least 1 week before the subsequent 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	a) Board Governance & Nominations Committee b) Board Governance & Nominations Committee c) Board Audit & Risk Committee d) Board Audit & Risk Committee
	vi) What is the process of appointing the chair of each committee?	The Chair of each Board Committee is appointed by the Board of Directors.

Committee responsible for Nomination and Governance	
vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	1:3
viii) Is the chairman of the Committee a NED or INED?	NED
ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	Yes. It is reviewed as often as necessary in line with the structure of the Company's business.
x) How often are Board and Committee charters as well as other governance policies reviewed?	The Charters are reviewed every 3 years.
xi) How does the committee report on its activities to the Board?	The Committee presents its report to the Board every quarter, and as necessary for adhoc matters.
Committee responsible for Remuneration	
xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	1:3
xiii) Is the chairman of the Committee a NED or INED?	NED
Committee responsible for Audit	
xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? Yes/No	Yes
xv) Are members of the Committee responsible for Audit financially literate? Yes/No	Yes
xvi) What are their qualifications and experience?	Members of the Board Audit Committee have experience ranging from 25years – 30years. They are qualified in areas of administration, accounting & finance, business management, audit, consulting, and asset management.
xvii) Name the financial expert(s) on the Committee responsible for Audit	Adekunle Awojobi

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Principles	Reporting Questions	Explanation on application or deviation
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	The Internal Auditor's report is reviewed quarterly.
	xix) Does the Company have a Board approved internal control framework in place? Yes/No	Yes
	xx) How does the Board monitor compliance with the internal control framework?	The Board monitors quarterly via the Board Audit & Risk Committee.
	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 External Auditors present their post audit report which consists of key audit matters etc. to the Committee after every interim or year-end audit.
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	Yes. The non-audit services are specifically listed under Appendix B of the Charter of the Board Audit & Risk Committee.
	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?	This was achieved at the 14 th meeting of the Board Audit & Risk Committee held in March 2021.
	Committee responsible for Risk Management	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	NED
	xxv) Is there a Board approved Risk Management framework? Yes/No? If yes, when was it approved?	Yes. The framework was approved at the Company's 62 nd meeting of the Board held 28 th July 2020.
xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	The Risk Management controls are reviewed every 3 years. It was last reviewed in March 2021	

	xxvii) Does the Company have a Board approved IT Data Governance Framework? Yes/No If yes, how often is it reviewed?	Yes. The framework is reviewed every 3years.
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	The reports are reviewed quarterly.
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? Yes/No	Yes, he is a member of Senior Management. Yes, he possesses relevant qualifications and experience for the role.
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	Four
Principle 12: Appointment to the Board <i>“A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board”</i>	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes
	ii) What criteria are considered for their appointment?	The Board Governance & Nominations Committee considers the qualifications, knowledge, skill, and experience of each appointee to the Board
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	This process is evaluated by the Board Governance & Nominations Committee.
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED	a. Yes b. Yes c. Yes

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Principles	Reporting Questions	Explanation on application or deviation
	d) NED e) EDs	d. Yes e. Yes
	v) Please state the tenure	3 years, subject to further re-election
	vi) Does the Board have a process to ensure that it is refreshed	Yes

	periodically? Yes/No?	
<p>Principle 13: Induction and Continuing Education</p> <p><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></p>	i) Does the Board have a formal induction programme for new directors? Yes/No	Yes
	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	Yes. The date of induction was Friday, 15 th October, 2021
	iii) Are Directors provided relevant training to enable them effectively to discharge their duties? Yes/No If yes, provide training details.	Yes. The Directors attended trainings on: AML/CFT Corporate Governance.
	iv) How do you assess the training needs of Directors?	Training needs are assessed as part of the Board and Governance appraisal.
	v) Is there a Board-approved training plan? Yes/No	No. However, relevant trainings have been identified.
	vi) Has it been budgeted for? Yes/No	Yes
<p>Principle 14: Board Evaluation</p> <p><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></p>	i) Is there a Board-approved policy for evaluating Board performance? Yes/No	Yes
	ii) For the period under review, was there any Board Evaluation exercise conducted? Yes/No	Yes
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	External. October, 2021
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	Yes. The Board Evaluation report was presented in October 2021.
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	Yes
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	Yes

Principle 15: Corporate Governance Evaluation <i>“Institutionalizing a system for evaluating the Company’s corporate governance practices ensures that its governance standards, practices and processes are adequate and effective”</i>	i) For the period under review, has the Company conducted a corporate governance evaluation? Yes/No If yes, provide date of the evaluation.	Yes. October 2021 (as part of the Board Appraisal)
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	Yes
	iii) If yes, please indicate the date of last presentation.	October 2021
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investor’s portal? Yes/No	Yes.
Principle 16: Remuneration Governance	i) Is there a Board-approved Directors’ remuneration policy? Yes/No If yes, how often is it reviewed?	Yes.

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Principles	Reporting Questions	Explanation on application or deviation
<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>	ii) Provide details of directors’ fees, allowances and all other benefits paid to them during the period under review	Breakdown of total remuneration paid to Chairman as follows: Sitting allowances - N500,000.00 Breakdown of total remuneration paid to INED as follows: Fees - N2,475,725 Sitting allowances – N300,000
	iii) Is the remuneration of NEDS presented to shareholders for approval? Yes/No If yes, when was it approved?	Yes, at the Company’s last annual general meeting as part of the Annual Report and Accounts.
	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	Yes, there is a guaranteed fixed pay and performance bonus, which is based on the Company’s performance.

	linked to company performance?	Not to a large extent, only performance bonus is linked to Company's performance and individual 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
Principle 17: Risk Management	i) Has the Board defined the company's risk appetite and limit? Yes/No	Yes
<i>"A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"</i>	ii) How often does the company conduct a risk assessment?	Quarterly
	iii) How often does the board receive and review risk management reports?	Quarterly.
Principle 18: Internal Audit	i) Does the company have an Internal Audit function? Yes/No If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	Yes
<i>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems"</i>	ii) Does the company have a Board-approved internal audit charter? Yes/No	Yes
	iii) Is the head of internal audit a member of senior management? Yes/No	No

	iv) What is the qualification and experience of the head of internal audit?	ICAN, ACFE. The Chief Audit Executive has over 12years experience.
	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	Yes

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Principles	Reporting Questions	Explanation on application or deviation
	adequacy and effectiveness of management, governance, risk, and control environment; deficiencies observed and management mitigation plans? Yes/No	
	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. Plan is underway to commission an assessment.
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Board Audit & Risk Committee
Principle 19: Whistleblowing <i>“An effective whistleblowing 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. The Whistleblowing Policy was last reviewed on March 11, 2021
	ii) Does the Board ensure that the whistleblowing mechanism and process are reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower? Yes/No	Yes

	<p>iii) Is the Audit committee provided with the following reports on a periodic basis?</p> <p>a) Reported cases b) Process and results of Investigated cases</p>	Yes
<p>Principle 20: External Audit</p> <p><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></p>	<p>i) Who makes the recommendations for the appointment, re-appointment, or removal of external auditors?</p>	The Board (through the Board Audit Committee) recommends to the Shareholders
	<p>ii) Who approves the appointment, re-appointment, and removal of External Auditors?</p>	The Shareholders
	<p>iii) When was the first date of appointment of the External auditors?</p>	2021
	<p>iv) How often are the audit partners rotated?</p>	Maximum of 5 years
<p>Principle 21: General Meetings</p> <p><i>“General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the Company’s business, governance, and performance. They provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest”</i></p>	<p>i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?</p>	Twenty-One days
	<p>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</p>	Yes
<p>Principle 22: Shareholder Engagement</p> <p><i>“The establishment of a system of regular dialogue with shareholders balance</i></p>	<p>i) Is there a Board-approved policy on shareholders’ engagement? Yes/No If yes: a) when was it last reviewed? b) Is the policy hosted on the company’s website?</p>	No. The Company has a single shareholder whose representatives are in regular communication with Management.

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Principles	Reporting Questions	Explanation on application or deviation
<i>their needs, interests and expectations with the objectives of the Company”</i>	ii) How does the Board engage with Institutional Investors and how often?	The Company being a wholly owned subsidiary has regular engagements with the parent entity.
<p>Principle 23: Protection of Shareholder Rights</p> <p><i>“Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance”</i></p>	i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company’s activities? Yes/No	Yes
<p>Principle 24: Business Conduct and Ethics</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? 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 the following:</p> <ol style="list-style-type: none"> 1. Board 2. Senior management 3. Other employees 4. Third parties 	<p>Yes</p> <p>Yes</p> <p>Yes</p>
	ii) When was the date of last review of the policy?	July 23, 2021
	iii) Has the Board incorporated a process for identifying, monitoring, and reporting adherence to the COBE? Yes/No	Yes

	iv) What sanctions were imposed for the period under review for non-compliance with the COBE?	None, there was no case of non-compliance.
Principle 25: Ethical Culture <i>“The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence”</i>	i) Is there a Board- approved policy on insider trading? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy?	Does not apply.
	ii) Does the company have a Board approved policy on related party transactions? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all the following: 1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify)	Yes a. March 2021 b. Quarterly reports are presented to the Board. c. The Policy is applicable to the Board and senior management
	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	All related party transactions are reported to the Board.

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Principles	Reporting Questions	Explanation on application or deviation
	iv) Does the company have a Board approved policy on conflict of interest? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all the following: 1. Senior management 2. Other employees (Specify)	Yes. a) The Policy was last reviewed on March 11, 2021. b) The Board monitors compliance via the Board Audit & Risk Committee c) Yes.
Principle 26: Sustainability	i) Is there a Board-approved sustainability policy? Yes/No	Yes, as part of the larger FBN Holdings Group.

<p><i>“Paying adequate attention to sustainability issues including environment, social, occupational and community health and safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development”</i></p>	<p>If yes, when was it last reviewed?</p>	
	<p>ii) How does the Board monitor compliance with the policy?</p>	<p>Updates on sustainability are presented as part of quarterly updates to the Board.</p>
	<p>iii) How does the Board report compliance with the policy?</p>	<p>No reporting on sustainability is required by the Company</p>
	<p>iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?</p>	<p>Yes. 24th May 2021</p>
<p>Principle 27: Stakeholder Communication</p> <p><i>“Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions”</i></p>	<p>i) Is there a Board-approved policy on stakeholder management and communication? Yes/No</p>	<p>Yes</p>
	<p>ii) Does the Company have an up-to-date investor relation portal? Yes/No If yes, provide the link.</p>	<p>No, the Company has just one majority shareholder.</p>
<p>Principle 28: Disclosures</p> <p><i>“Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice”</i></p>	<p>i) Does the company’s annual report include a summary of the corporate governance report? Yes/No</p>	<p>Yes.</p>
	<p>ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.</p>	<p>No.</p>

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Section F – Certification

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

Chairman, Board of Directors


Name: **Mr. Oyewale Ariyibi**

Signature: 

Date: **March 24 2022**

Chairman, Board Governance & Nominations Committee

Name: **Mr. Adekunle Awojobi**

Signature: 

Date: **March 16, 2022**

Managing Director/CEO


Name: **Tseyi Hammond**

Signature: 

Date: **16th March, 2022**

Company Secretary

Name: **Isaac Nwankwo**

Signature: 

Date: **16th March, 2022**