

Table of Contents

1.	Purpose	5
2.	The Board of Directors	5
2.1.	Mandate	5
2.2.	Role of the Board	5
2.3.	Chairman of the Board	6
2.4.	Role of the Chairman of a Board Committee	7
2.5.	Role of the Chief Executive Officer	7
2.6.	The Role of Executive Directors	8
2.7.	Executive Management: Delegation & Succession	8
2.8.	Organisation.....	9
2.8.1.	Number	9
2.8.2.	Appointment, Tenure & Removals	10
2.8.3.	Board: Induction and Training	12
2.8.4.	Evaluation & Appraisal	12
2.8.5.	Remuneration.....	14
3.	Proceedings of Directors	14
3.1.	Meetings & Decisions	14
3.2.	Notice, Agenda and Board Papers	15
3.3.	Quorum	16
3.4.	Attendance at Meetings	16
3.5.	Reports to the Board and Minutes	17
3.6.	Secretarial Support	17
3.7.	Resolutions/ Contracts / Register of Seals	18
3.8.	Code of Professional Conduct	19
3.9.	Authority	22
3.10.	Applicable Laws & Regulations	23
4.	Board Governance Structure	23
5.	Board Committees	23
5.1.	Guiding Principles for Board Committees	24
5.2.	Training	26
5.3.	Performance of the Board Committees	26
5.4.	Authority	26
6.	Audit & Governance Committee	26
6.1.	Mandate	26
6.2.	Terms of Reference	27
7.	Finance Investment and Risk Management Committee	32
7.1.	Mandate	32
7.2.	Terms of Reference	33
8.	Statutory Audit Committee	38
9.	Review	39
	Appendix A	40
	Appendix B	42
	Appendix C- Board Appointment Procedure	43

1. Purpose

The purpose of this Board Governance Charter (the “Charter”) is to set out the Governance Framework for the Board and Board Committees of **Africa Prudential Plc.**

2. The Board of Directors

2.1. Mandate

2.1.1. The Board of Directors (the “Board”) is appointed to act on behalf of the shareholders in the overall interest of the Company and shall be accountable to shareholders and other stakeholders.

2.1.2 The Board shall exercise its judgment to act in the best interest of the shareholders and other stakeholders at all times, and conduct themselves in accordance with their fiduciary duties of care and loyalty.

2.2. Role of the Board

2.2.1. The Board provides guidance and policy direction to Management.

2.2.1.1. Key roles of the Board include the following:

2.2.1.1.1. Strategic direction

The Board is responsible for setting the long-term vision and strategy for the Company and ensuring that these plans are successfully executed.

2.2.1.1.2. Policy formulation

The Board is responsible for the formulation of policy as the primary mechanism it will use to guide the operation of the Company.

2.2.1.1.3. **Decision making** The Board acts as the ultimate decision-making body of the Company on behalf of shareholders.

2.2.1.1.4. **Oversight**
The Board, on behalf of shareholders, is responsible for overseeing the management and performance of the business and affairs of the Company and other oversight functions as may be determined by the Board from time to time.

2.2.2. The Board is empowered to establish committees to assist in carrying out its responsibilities. The Board Committees and their terms of reference are set out in this Charter.

2.2.3. The Directors shall be issued an appointment letter setting out the key terms of their appointment and their role.

2.3. **Chairman of the Board**

2.3.1. The Chairman of the Board shall be a Non-Executive Director elected by the Non-Executive Directors on the Board.

2.3.2. **Role of the Chairman of the Board**

2.3.2.1 The Chairman is responsible for the assessment, improvement, development and effective functioning of the Board and provides leadership in every aspect of its work.

2.3.2.2 The Chairman convenes and chairs meetings of the shareholders and the Board.

2.3.2.3 The Chairman ensures that the right mix of skills, knowledge and experience is available among the Directors.

2.3.2.4 The Chairman appoints Board Committee members and their Chairmen on the recommendation of the AGC.

2.3.2.5 The Chairman appoints/re-appoints the Subsidiary Board members including the Chairman and representatives from the Executive Management who will sit on the Subsidiary Boards, on the recommendation of the AGC.

2.3.2.6 The Chairman of the Board shall not be a member of any Board Committee.

2.3.2.7 The Company's Subsidiaries shall be Chaired by Non-Executive Directors.

2.3.2.8 The Chairman ensures that induction programs are conducted for new Directors and a continuing education for Directors is put in place.

2.3.2.9 The Chairman shall sign off on the promotion of all staff of the Company as approved by the Board on the recommendation of the AGC.

2.3.2.10 The Chairman ensures effective communication and relations with the Company's institutional shareholders and strategic stakeholders.

2.3.2.11 The Chairman of the Board shall encourage other Board members to execute their Board responsibilities as defined in this Charter.

2.4. **Role of the Chairman of a Board Committee**

2.4.1 The Chairman of a Board Committee shall be a Non-Executive Director and shall be responsible for the development and effective functioning of his/her Board Committee and provides leadership in every aspect of its work.

2.4.2 The Chairman of a Board Committee convenes and chairs his/her Board Committee meetings.

2.4.3 The Chairman of a Board Committee shall present the report of his/her Board Committee to the Board at Board meetings.

2.5. **Role of the Chief Executive Officer**

2.5.1 The CEO has the overall responsibility for executing decisions of the Board and making decisions within his/her authority limits as defined by the approved Delegation of Authority & Empowerment Policy of the Company.

2.5.2 The CEO updates the Board on the Company's performance in the format provided in Appendices A and B of this Charter or as updated from time to time by the FIRM and provides the Board with such

information about the Company as is necessary for the Board to function effectively.

2.5.3 The CEO provides strategic direction for the Company in conjunction with the Board, Board Committees and Executive Management Team.

2.5.4 The CEO has overall responsibility and has delegated authority from the Board to oversee the performance and day to day management of the Company.

2.5.5 The CEO leads the Executive Management Team and chairs the Executive Management Committee meetings. He/she is answerable to the Board.

2.5.6 The CEO shall ensure that the Company complies with all governance, legal and regulatory requirements applicable to the Company.

2.5.7 The CEO has oversight for risk management and ensures the integrity of the Company's Accounts.

2.5.8 The CEO is the Brand Champion of the Company.

2.6. **The Role of Executive Directors**

2.6.1 The Executive Directors support the CEO in the day to day operations and management of the Company.

2.6.2 The Executive Directors are also responsible for the functions they oversee and are answerable to the Board through the CEO.

2.6.3 The Executive Directors support the CEO in providing strategic direction for the Company in conjunction with the Board, Board Committees and Executive Management Team.

2.6.4 The Executive Directors are members of the Executive Management Team.

2.6.5 The Executive Directors, working with the CEO, provide the Board with such information about the Company as is necessary for the Board to function effectively.

2.7. **Executive Management: Delegation & Succession**

- 2.7.1. The Board can delegate some of its decision-making authority to the CEO and Executive Management Team as defined in the Executive Management Charter, which delegation shall be set out in the Company Delegation of Authority & Empowerment Policy.
- 2.7.2. The Executive Management Team shall consist of the CEO, Executive Director(s), the Chief Finance Officer, the Chief Risk Officer, Head of Corporate Services, Head of Human Resources, Head, Marketing & Corporate Communications and the Company Secretary/Legal Adviser.
- 2.7.3. Appointments of the Company Secretary/Legal Adviser, Head Internal Audit and Executive Directors shall be approved by the Board.
- 2.7.4. The Board, through the AGC, shall ensure that the Company has a succession plan for the CEO and other Executive Management Staff.
- 2.7.5. The AGC shall regularly review the succession plan of the CEO and Executive Management of the Company.
- 2.7.6. The AGC shall report annually to the Board on Executive Management succession planning and make available to the Board on a continuing basis, its recommendation on succession to the CEO and the Executive Management Team.
- 2.7.7. The CEO shall seek and obtain the Chairman's approval for his/her absence from the office.
- 2.7.8. Where the CEO will be unreachable or unable to discharge his/her duties during the period of absence, the CEO shall formally designate who shall act as his/her relief in such instance and shall formally propose such person to the Chairman for approval. In the event the CEO is unable to so designate for any reason, the Chairman shall carry out the designation.
- 2.7.9. No Executive Management meeting shall be postponed as a result of the absence of the CEO from office.
- 2.8. **Organisation**

2.8.1. **Number**

2.8.1.1. The Board shall consist of a minimum of Seven (7) and a maximum of Ten (10) members or such other minimum or maximum number as may be prescribed by the Memorandum and Articles of Association or applicable law from time to time.

2.8.1.2. Non-Executive Directors must be the majority of the Board.

2.8.1.3. At least one (1) Non-Executive Director or such other number as may be prescribed from time to time should be an independent director. An independent director is one who is independent in character and judgment and accordingly free from such material relationships or circumstances with the Company, its management, or substantial shareholders as may, or appear to, impair his/her ability to make independent judgment.

2.8.2. **Appointment, Tenure & Removals**

2.8.2.1. The Board shall have in place a written, clearly defined, formal and transparent procedure for appointment / selection of Directors to the Board.

2.8.2.2. The appointment of Directors shall be in line with the procedure and the general and specific criteria for the appointment of Directors as set out in Appendix C.

2.8.2.3. Only Directors are members of the Board. Any other person is in attendance by invitation.

2.8.2.4. On the recommendation of the AGC, the Board shall approve the appointment and re-appointment of its members.

2.8.2.5. In choosing Directors, the Company will seek individuals who have very high integrity, a good image and reputation, are business savvy, have shareholder orientation, an absence of conflict of interest and a genuine interest in and commitment to the Company. Where possible, the Company will seek individuals with industry expertise in the Company's core business areas.

2.8.2.6. Subject to the annual review, evaluation and recommendation of the AGC, the following are the tenure limits for the Directors:

- 2.8.2.6.1. The tenure for a CEO shall be for an initial term of three (3) years and is renewable for two (2) additional terms of three (3) years each. Renewal of each term of three (3) years shall be subject to the approval of the Board.
- 2.8.2.6.2. The CEO's tenure may be extended after the maximum period of 9 years at the discretion/approval of the parent Board and subject to his/her satisfactory performance evaluation.
- 2.8.2.6.3. The CEO shall not while the agreement relating to his/her appointment remains in force be subject to retirement by rotation but shall (subject to provisions of his/her employment contract) be subject to the same provisions on resignation and removal as the other Directors of the Company.
- 2.8.2.6.4. The tenure for an Executive Director shall be for an initial term of three (3) years and is renewable for two (2) additional terms of three (3) years each. Renewal of each term of three (3) years shall be subject to the approval of the Board.
- 2.8.2.6.5. The Executive Director's tenure may be extended after the maximum period of nine (9) years at the discretion/approval of the parent Board and subject to his/her satisfactory performance evaluation.
- 2.8.2.6.6. The Executive Director shall not while the agreement relating to his/her appointment remains in force be subject to retirement by rotation but shall (subject to provisions of his/her employment contract) be subject to the same provisions on resignation and removal as the other Directors of the Company.
- 2.8.2.6.7. Where an Executive Director is appointed as CEO, the appointment as CEO shall be for a new term of three (3) years which may be renewed further for two (2) terms of three (3) years each, subject to the annual review, evaluation and recommendation of the AGC. The tenure may be extended after the maximum period of nine (9) years at the discretion/approval of the parent Board and subject to his/her satisfactory performance evaluation.

- 2.8.2.6.8. If the CEO or any Executive Director attains the age of retirement (65 years of age or 35 years of service, whichever comes first or as otherwise prescribed by the Company) before serving the maximum term, the executive would retire on attaining the retirement age irrespective of the fact that the executive had not completed his/her tenure as a CEO or Executive Director.
- 2.8.2.6.9. The tenure for a Non-Executive Director shall be for an initial term of three (3) years and is renewable for two (2) additional terms of three (3) years each. Renewal of each term of three (3) years shall be subject the approval of the Board.
- 2.8.2.6.10. The Non-Executive Director's tenure may be extended after the maximum period of nine (9) years at the discretion/approval of the Board and subject to his/her satisfactory performance evaluation.
- 2.8.2.6.11. The tenure for an Independent Non-Executive Director shall be for an initial term of three (3) years and is renewable for two (2) additional terms of three (3) years each. Renewal of each term of three (3) years shall be subject to a performance review and the approval of the Board.
- 2.8.2.6.12. The Performance score of each Director over the immediate past 3 years would be one of the factors taken into consideration in approving a Director's renewal of term.
- 2.8.2.6.13. The foregoing provisions on tenure of Directors are subject to any statutory or regulatory requirements relating to directors' tenure.

2.8.3. **Board: Induction and Training**

- 2.8.3.1. Each new Director shall receive an orientation from the Chairman of the Board or Board appointed Advisor and is expected to maintain the necessary level of expertise to perform his/her responsibilities as Director.

2.8.3.2. The Board, via the AGC, shall make available to the new members of the Board, a suitable induction process and for existing members, ongoing training. The induction shall be carried out within three (3) months of appointment and shall be coordinated by the Company Secretary.

2.8.3.3. The AGC, shall develop from time to time for the approval of the Board, a Board induction & annual training programme. Content of the training programme would be developed based on various considerations including improvement areas identified from the board evaluation, the strategic direction of the Company, changes in the regulatory environment, etc.

2.8.4. **Evaluation & Appraisal**

2.8.4.1. The Board, its Board Committees and individual members of the Board shall be evaluated annually through a formal and rigorous process by an approved external consultant as recommended by the AGC, to determine whether they are functioning effectively.

2.8.4.2. The external consultant shall, as part of the board evaluation, conduct a Directors' self-evaluation and peer to peer review and rating. The peer to peer evaluation should also require the Directors who are evaluating a peer to suggest improvement ideas for the peer being evaluated and rated.

2.8.4.3. The Board should also ensure that an annual corporate governance evaluation is conducted by the same external consultant.

2.8.4.4. The external consultants shall report to the AGC on the outcome of the Board Evaluation and the Corporate Governance evaluation of the Company and their recommendations. The AGC shall present a report of its review to the Board.

2.8.4.5. The Chairman shall communicate and discuss the outcome of the Board evaluation of individual Board members, as undertaken by the external consultants engaged for the appraisal exercise, with the individual Directors. Discussions with Executive Directors will be with the CEO present.

2.8.4.6. The Chairman of the Board oversees the annual evaluation of the performance of the CEO based on KPIs approved by the

Chairman. The assessment of the Governance key performance indicators for the CEO shall be comprised of the following: Board Evaluation Report 40%, Internal Audit Report 30%, Board Chairman's evaluation- 30%.

- 2.8.4.7. The CEO sets the KPIs for the EDs, the Executive Management Team and Subsidiary Executives (including Subsidiary CEOs, Subsidiary EDs, and Subsidiary Executive Management Team). These KPIs are discussed with and approved by the Chairman of the Board
- 2.8.4.8. The CEO performs an annual evaluation for the EDs, the Executive Management Team and Subsidiary Executives (including Subsidiary CEOs, Subsidiary EDs and Subsidiary Executive Management Teams) based on these approved KPIs and the results are presented to the Chairman for his review. The assessment of the Governance key performance indicators for Executive Directors shall be comprised of the following: Board Evaluation Report 40%, Internal Audit Report 30%, Board Chairman's evaluation- 30%.
- 2.8.4.9. The Chairman of the Board discusses the outcome of the annual performance evaluation of each ED, and Subsidiary Executives (including Subsidiary CEOs, Subsidiary EDs and Subsidiary Executive Management Team), with the CEO present.
- 2.8.4.10. The Chairman and the CEO shall assess the Company Secretary annually. The Chairman shall assess the Company Secretary for governance related KPIs.
- 2.8.4.11. The assessment of the Governance key performance indicators for the Company Secretary shall be comprised of the following: Board Evaluation Report 40%, Internal Audit Report 30%, Board Chairman's evaluation- 30%. The assessment of the Governance key performance indicators of subsidiary company secretaries shall be comprised of the following: Board Evaluation Report 40%, Group Company Secretary – 20%, Internal Audit report 20%, Board Chairman- 20%.
- 2.8.4.12. The Chairman shall also assess the Head, Internal Audit annually with input from the AGC.
- 2.8.4.13. The Company Secretary and the Head, Internal Audit report directly to the Chairman and administratively to the CEO

2.8.4.14. The Chairman shall approve the promotion and remuneration of the Head, Internal Audit.

2.8.5. **Remuneration**

2.8.5.1. The remuneration of the Board members shall be evaluated and approved by the Board as follows:

2.8.5.1.1. The form and amount of Non – Executive Director remuneration is approved by the full Board, on the evaluation and recommendation of the AGC.

2.8.5.1.2. Remuneration and incentive policies for CEO, EDs and Subsidiary Boards shall be approved by the AGC with the concurrence of the Chairman of FIRM and the Chairman of the Board.

3. Proceedings of Directors

3.1. **Meetings & Decisions**

3.1.1. Each year, the Board is scheduled to meet on a quarterly basis but could meet more often when necessary as determined by the Chairman.

3.1.2. It is the prerogative of the Chairman to convene a meeting. However, the Board may approve a calendar of Board meetings annually and shall adhere to the same for holding scheduled quarterly meetings.

3.1.3. A meeting of the Board may be held physically or virtually, or a combination of both, with some Directors gathered physically and others joining virtually.

3.1.4. At least once a year, the Board is required to review the Company's long term plans and the principal issues that the Company will face in the future. This will be coordinated by the FIRM which may engage an adviser to facilitate this role subject to the Chairman's approval.

3.1.5. Board and Board Committee decisions may be made at a meeting or obtained via circulation. Where a board resolution is obtained via a circular resolution in writing and signed by all Directors, such a resolution shall be valid and effective upon receipt of the last signature and shall be effective from the date thereof as if it was a resolution passed in a duly convened meeting of the Board of

Directors. Circular resolutions sent by e-mail or other electronic means and approvals given electronically shall be accepted as valid.

3.1.6. Decisions at Board and Board Committee meetings are based on a simple majority of votes. In the case of a tied vote, the Chairman shall have a second or casting vote.

3.2. **Notice, Agenda and Board Papers**

3.2.1. Notice of each Board meeting shall be given to all Directors through the Company Secretary at least fourteen (14) calendar days before the Board meeting. However, Directors reserve the right to waive the fourteen (14) day notice period for a shorter notice period.

3.2.2. The Chairman may call a Board meeting with less than fourteen (14) calendar days' notice for business exigency or emergency reasons. Such meetings shall be regarded as validly called and held, provided that a quorum is formed.

3.2.3. A Board meeting may be held on any day of the week.

3.2.4. The agenda, Board and Board Committee reports and all such other documents as may be required for the meeting shall be circulated to all Directors through the Company Secretary at least seven (7) calendar days before the Board meeting. The agenda will be signed by the Company Secretary.

3.2.5. Except with the prior approval of the Chairman, no item will be presented to the Board for approval if not sent to the Board members at least 48 hours before the Board meeting through the Company Secretary.

3.2.6. Directors are expected to read in advance all materials for the meetings of the Board and the Board Committee(s) on which they serve.

3.2.7. The Chairman shall determine the agenda for each Board meeting. The Board agenda shall include but shall not be limited to the following:

S/No.	Agenda Item
1.	Opening Remarks
2.	Apologies
3.	Review and Adoption of Agenda

4. Minutes
<ul style="list-style-type: none"> • Review of Minutes of the previous meeting • Action Points/Matters Arising
5. Reports of the Subsidiary Board Chairmen
6. Report of the CEO on the Company's Corporate Performance & Financial Highlights including Subsidiaries
7. Reports of the Board Committees
<ul style="list-style-type: none"> • Audit & Governance Committee (AGC) • Finance, Investments and Risk Management Committee (FIRM)
8. Regulatory Compliance Report
9. Matters for Approval and Ratification
10. Sealing Register
11. Proposed date of next Board Meeting
12. Closing

3.3. **Quorum**

3.3.1. Two-thirds of the members shall form a quorum including the Chairman provided that where the quorum results in a fractional number, it shall be rounded up to the nearest whole number.

3.3.2. Where the Chairman is unable to attend due to unforeseen circumstances, the Chairman of the AGC shall chair the meeting in his stead. Where the Chairman of the AGC is also unable to attend the meeting, the members present shall appoint a Director from amongst them to chair the meeting.

3.4. **Attendance at Meetings**

3.4.1. Attendance is mandatory for all Directors. Every Director is required to attend at least seventy-five percent (75%) of all Board and Board Committee meetings annually. Attendance shall be a criterion for the re-nomination of a Director.

3.4.2. Directors are required to notify the Board in advance, through the Company Secretary when they are unable to attend a Board meeting.

3.4.3. The Chairman may invite other persons such as members of the Executive Management Team, advisers and any other person so required to attend any Board Meeting.

3.4.4. Only Directors are members of the Board.

3.5. **Reports to the Board and Minutes**

3.5.1. Reports to the Board shall be signed by by the Company Secretary and the Chairman of the Committee whose report is being presented and sent through the Company Secretary at least seven (7) calendar days before the Board meeting.

3.5.2. Reports shall be sufficiently comprehensive to enable the Board deliberate effectively and make the appropriate decisions.

3.5.3. The Company Secretary shall keep adequate minutes of the proceedings of the Board and will provide these minutes to the Board members following each meeting.

3.5.4. Minutes shall be signed by the Chairman of the Board after adoption of the minutes by the Board members at a subsequent meeting.

3.6. **Secretarial Support**

3.6.1. The Company Secretary shall be appointed by the Board.

3.6.2. The Company Secretary shall report to the Chairman of the Board and administratively to the CEO.

3.6.3. The Company Secretary shall assist the Chairman to determine the annual Board plan and with the administrations of other strategic issues at the Board level.

3.6.4. The Company Secretary shall provide secretarial and administrative support to the Board and the Committees of the Board.

3.6.5. The Company Secretary shall attend all Board and Board Committee meetings and render all necessary secretarial services in respect of these meetings.

3.6.6. Within 48 hours after each meeting, the Company Secretary shall notify in writing, all decisions to the appropriate parties with a copy of such notification forwarded to the respective Chairmen (of the Board and Board Committees).

3.6.7. Approvals / decisions can only be seen to be given when they are communicated in writing by the Company Secretary.

3.7. Resolutions/ Contracts / Register of Seals

3.7.1 All contracts of the Company must be signed in line with the Company's Delegation of Authority & Empowerment Policy and the Company's Contract's Policy as applicable.

3.7.2 Where the Company is entering into any material contract, the key terms of such material contract shall be first approved by the Chairman before the authorised signatories sign such material contracts.

3.7.3 A material contract is any contract that is to be entered into that is not in the ordinary course of business of the Company or which is identified as material in the Delegation of Authority & Empowerment Policy. These include but are not limited to business or company acquisitions or divestments, significant borrowing or lending or other contingent liability such as guarantees, creation of security over a significant company asset or assets, etc.

3.7.4 A register of documents that have been affixed with the Company Seal should be presented for viewing at every Board meeting and regularly updated for the information of the Board.

3.7.5 Only resolutions, or extracts of resolutions,

(i) duly passed by the Board at a meeting or by circularisation; and/or

(ii) resolutions passed by the shareholders in general meetings

may be printed and signed. Such resolutions shall be signed in accordance with the Delegation of Authority & Empowerment Policy.

3.8. Code of Professional Conduct

3.8.1 The Board shall in the course of discharging its responsibilities exercise its best efforts in ensuring that it complies with the Company's Code of Conduct and the following principles and practices:

3.8.1.1 Financial Disclosure

3.8.1.1.1 There shall be a high degree of accountability by Directors to shareholders and other stakeholders of the Company and by the CEO and Executive Management Team to the Board.

3.8.1.1.2 The Board shall ensure compliance with all regulatory requirements to disclose financial information.

3.8.1.1.3 The Board shall regularly provide the shareholders with a balanced and clear report of the Company's performance, position, and prospects in line with regulatory requirements.

3.8.1.1.4 The CEO of the Company shall provide all members of the Board with a balanced and clear report of the Company's performance, position and prospects on a regular basis.

3.8.1.2 **Disclosure Requirements**

3.8.1.2.1 The Board shall ensure that full and comprehensive disclosure of all matters material to investors and stakeholders are duly captured in its annual reports, investor reports and company website.

3.8.1.2.2 There shall be a corporate governance report in the annual report which shall include, amongst others, a summary of the Board & Corporate Governance evaluation, membership of the Committees and a description of its duties and activities during the year.

3.8.1.3 **Conflict of Interest & other Directorships**

3.8.1.3.1 The Board shall ensure that all members are aware of the conflict of interest provision in the Company's Code of Conduct Policy and adhere to the provisions set out therein at all times. In addition the procedures in clauses 3.8.1.3.2 to 3.8.1.3.7 below shall apply.

3.8.1.3.2 Directors shall disclose all existing and new board memberships, conflicts of interests and current shareholding in the Company annually by

filing a disclosure form provided by the Company Secretary at the beginning of each year.

3.8.1.3.3 Prospective Directors and current Directors shall disclose membership and prospective membership on other boards. Directors shall not be members of the boards of competing companies to avoid conflicts of interest, breach of confidentiality, diversion of corporate opportunity and divulgence of corporate information. The Company Secretary shall keep a register of Other Directorships of Board members.

3.8.1.3.4 The CEO and Executive Directors shall obtain the approval of the Chairman of the Board before accepting any prospective board appointment.

3.8.1.3.5 Directors shall disclose promptly, any real or potential conflict of interest that they may have regarding any matter brought before the Board.

3.8.1.3.6 Where a Director is not certain of the existence of a conflict of interest, the Director shall approach the Chairman or the Company Secretary for guidance and advice.

3.8.1.3.7 In the event that Board members have interests that may conflict with specific Board interests, they will be excused from the relevant Board or Board Committee deliberations and decisions.

3.8.1.4 **Relationship with Shareholders**

3.8.1.4.1 The Board shall serve the genuine interests of the Shareholders of the Company and account to them fully.

3.8.1.4.2 The Directors' shall promote effective communications and encourage greater shareholders' participation in meetings and allow shareholders the opportunity to communicate their view on all matters affecting the Company through the Company Secretary or at the Annual General Meetings.

3.8.1.4.3 The Board shall be available at the Company's Annual General Meeting to answer any questions relating to the Company, the Board and Board Committees' activities.

3.8.1.4.4 The Board shall ensure that the statutory and general rights of the shareholders are protected at all times.

3.8.1.4.5 The Board shall ensure that decisions reached at general meetings are implemented.

3.8.1.5 **Commitment to the Highest Business Ethics**

3.8.1.5.1 Driven always by the Company's core values, the Board shall ensure that the Company carries out its business responsibly and in adherence to the highest standards of ethical conduct in accordance with its Code of Conduct policy.

3.8.1.5.2 The Board shall ensure the establishment of professional business and ethical standards and policies that promote good ethical conduct and investor confidence.

3.8.1.5.3 The Board shall put in place mechanisms for monitoring adherence to such policies by the Company.

3.8.1.5.4 The Board of the Company as well as its Executive Management Team shall adopt a zero-tolerance approach to unethical practices and shall champion adherence to an ethical code in all conduct.

3.8.1.5.5 In its dealings with all its stakeholders, the Company shall uphold the highest degree of ethical behavior and must be seen to be conducting its business and pursuing its objectives responsibly.

3.8.1.6 **Prohibition of Insider Trading**

The Board, Management and all insiders of the Company shall refrain from insider trading activities and abide by the provisions of the Companies and Allied Matters Act, Investments and Securities Act and all extant rules and regulations of the Securities and Exchange Commission and the Nigerian Stock Exchange relating to

and or prohibiting insider trading in the securities of the Company or its related subsidiaries as applicable.

3.8.1.7 **Remuneration Policy**

3.8.1.7.1 The Board shall ensure 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.

3.8.1.7.2 The Board shall assume responsibility for the governance of remuneration by setting the direction for how remuneration should be addressed on a Company-wide basis.

3.8.1.7.3 The Board acting through the AGC shall review the remuneration structure of the Board and the Company periodically to ensure that remuneration and reward strategies enable the Company attract, motivate and retain the right skills required to efficiently manage the operations and growth of the Company.

3.8.1.8 **Related Party Transaction Policy**

3.8.1.8.1 the Board shall ensure the disclosure of related party transactions.

3.8.1.8.2 This disclosure shall be made prior to the conclusion of the transaction if they exceed a disclosure threshold approved by the Board

3.8.1.8.3 In the event that Board members have interests in any related party transaction, they shall recuse themselves from the relevant Board or Board Committee deliberations and decisions.

3.9. **Authority**

3.9.1. The Board will have direct access to and receive regular reports from the Executive Management Team of the Company.

3.9.2. The Board will have authority to conduct or direct investigations into any matter relating to the Company's affairs.

3.9.3. The Board has full and free access to the officers and employees of the Company and its subsidiaries.

3.9.4. The Board is authorised to obtain advice and assistance from independent professional advisers in discharging its duties.

3.9.5. The Board is authorised to hire independent legal, financial or other advisers as it may deem necessary in discharging its duties.

3.9.6. The CEO shall be responsible for executing decisions of the Board & Board Committees and ensure compliance with all the Company's governance documents, applicable laws, statutes and regulations.

3.10. **Applicable Laws & Regulations**

The provisions of this Board Charter shall be subject to all applicable laws and regulations and changes to the same as may occur from time to time.

4. **Board Governance Structure**



5. **Board Committees**

The Board shall delegate some of its specific authorities to the Board Committees mentioned below:

- i. Audit & Governance Committee (AGC)

- ii. Finance, Investments and Risk Management Committee (FIRM)

5.1. **Guiding Principles for Board Committees**

5.1.1. Save as may be modified in this section, the provisions of section 3 of this Charter (Proceedings of Directors) shall apply to the Board Committees as if each Committee were the Board.

5.1.2. Board Committee members shall be appointed by the Board Chairman on the recommendation of AGC to serve for renewable terms of two (2) years.

5.1.3. Additionally, the Board Chairman shall ensure that the Board Committees are refreshed from time to time by the rotation of Board Committee members, upon the recommendation of the AGC.

5.1.4. Only Directors are members of the Board Committees. Any other person is in attendance by invitation.

5.1.5. All Board Committees must comprise a majority of Non-Executive Directors.

5.1.6. The AGC shall consist of only Non-Executive Directors some of which shall be INEDs.

5.1.7. Executives shall not be members and shall not be in attendance at AGC meetings save for the following:

5.1.7.1. The AGC may invite the CEO & EDs to be in attendance during specific internal audit deliberations on operational matters.

5.1.7.2. The CEO & EDs should however not be in attendance during the presentation on audit matters relating to executive management leadership, the internal auditor's opinion, compliance philosophy and standards of the Company.

5.1.8. The FIC shall consist of Non-Executive Directors, the CEO and Executive Directors. The Chief Financial Officer may be in attendance by invitation while the Head, Internal Audit shall be in attendance.

5.1.9. The Board Committees shall have a minimum of three (3) members and a maximum of five (5) members.

- 5.1.10. One-third of the members shall form a quorum including the Board Committee Chairman provided that where the quorum results in a fractional number, it shall be rounded to the nearest whole number.
- 5.1.11. In a Committee of three members, the quorum shall be two members including the Board Committee Chairman.
- 5.1.12. The Board Committee Chairman must be included in the formation a quorum.
- 5.1.13. Where the Board Committee Chairman is unable to attend a meeting due to unforeseen circumstances, he/she shall nominate a Director from within the Committee to Chair the meeting in his/her stead.
- 5.1.14. The Board Committees shall meet at least quarterly or more often as may be determined by its Board Committee Chairman.
- 5.1.15. All scheduled quarterly Board Committee meetings shall hold at least fifteen (15) calendar days before a scheduled quarterly Board meeting.
- 5.1.16. It is the Board Committee Chairman's prerogative to convene a meeting.
- 5.1.17. The Board Committee Chairman is responsible for setting the agenda for each meeting.
- 5.1.18. Board Committee decisions/recommendations must be signed by the Chairman of the Committee and sent to the Board through the Company Secretary at least seven (7) days before the Board meeting.
- 5.1.19. Except with the prior approval of the Board Committee Chairman, no item will be presented to the Board Committee for approval if not sent to the Committee members at least 48 hours before the Board Committee meeting.
- 5.1.20. In the event that a particular matter is not captured under any Board Committee's Terms of Reference or Mandate, the Chairman of the Board may, from time to time assign such matter to any Board Committee or set up an ad-hoc committee to address such issues/projects of a specific nature.

5.1.21. The Chairmen of the Board Committees shall be available at the Company's Annual General Meeting to answer questions relating to the Board Committee's work.

5.2. **Training**

The Chairman of each Board Committee shall make available to new members a suitable induction process, and for existing members, ongoing training as determined by the Board Committee.

5.3. **Performance of the Board Committees**

5.5.1. The AGC shall:

5.5.1.1. Review/evaluate the performance of the Board Committees.

5.5.1.2. Evaluate the skills of Directors.

5.5.1.3. Review Committees Terms of Reference annually to ensure there are no gaps or overlaps.

5.4. **Authority**

5.4.1. Each Committee will have authorities as assigned through the Board & Board Committees Governance Charter and approved relevant Company policies.

5.4.2. Each Committee will have direct access to, and receive regular reports from the Executive Management Team of the Company to aid its work.

5.4.3. Each Committee will have authority to conduct investigations into any matter relating to the Committee's Terms of Reference.

5.4.4. Each Committee is authorised to hire independent legal, financial or other advisers as it may deem necessary in discharging its duties, at the expense of the Company.

5.4.5. Regulations for each of the Board Committees incorporating the Terms of Reference for the Committees are presented below.

6. Audit & Governance Committee

6.1 Mandate

The Audit and Governance Committee (AGC) is responsible for carrying out the Board's specific functions and responsibilities as it relates to the following:

- (i) Board governance, appointment and remuneration;
- (ii) oversight of the Company's governance;
- (iii) internal audit and control;
- (iv) monitoring integrity of the financial statements;
- (v) human resource management; and
- (vi) policy formulation as it relates to the Committee's mandate.

6.2 Terms of Reference

6.2.1 Board Nomination

6.2.1.1 Establish procedures for the nomination of Directors.

6.2.1.2 Advise and recommend to the Board the composition of the Board and establish procedures for the nomination of new Directors.

6.2.1.3 Recommend to the Board, Directors for election and re-election.

6.2.1.4 Propose candidates to the Board for all Board positions.

6.2.1.5 Recommend to the Board Chairman, Board Committee members and their Chairman for appointment.

6.2.1.6 Recommend to the Board Chairman, the Subsidiary Board members including the Chairman and representatives from the Executive Management who will sit on the Subsidiary Boards, for appointment/re-appointment.

6.2.2 Recruitments / Promotions / Discipline/ Disengagements

6.2.2.1 Propose to the Board, candidates for the position of CEO, Executive Director (s) and members of the Executive Management Team for the Company and Subsidiaries.

- 6.2.2.2 Recommend to the Board for approval, all recruitments, promotions, redeployments and disengagement of staff of the Company and its subsidiaries from Assistant Vice President and above.
- 6.2.2.3 Approve the promotion of Audit Staff of levels of Senior Associate and above. These promotions must be based on approved promotion eligibility criteria and the approved annual Manpower plan by the Board.
- 6.2.2.4 Recommend, in line with best practice, the Head, Internal Audit for appointment or disengagement by the Board.
- 6.2.2.5 Disengagements shall include resignation, retirement, termination, dismissal, redundancy and invalidation on medical grounds.
- 6.2.2.6 Recruitments shall be in line with the approved Organisational Structure of the Company and its Subsidiaries as applicable.
- 6.2.2.7 Act as the disciplinary committee of staff of the Company and its subsidiaries from Assistant Vice President and above.
- 6.2.2.8 Select and Review appointments of Independent External Auditors and recommend to the Board for approval prior to the Board's recommendation to shareholders for ratification.

6.2.3 **Remuneration**

- 6.2.3.1 The form and amount of Non-Executive Director remuneration is approved by the full Board, on the evaluation and recommendation of the AGC.
- 6.2.3.2 Remuneration and incentive policies for CEO, EDs and Subsidiary Boards shall be approved by the AGC with the concurrence of the Chairman of FIRM and the Chairman of the Board.
- 6.2.3.3 Evaluate and recommend to the Board for approval, the remuneration of the Board Committee members.
- 6.2.3.4 Ensure that the remuneration of the Chairmen of Board Committees shall be higher than other members of the Board Committee

6.2.3.5 Review and recommend to the Board, remuneration for all staff of the Company and Subsidiaries.

6.2.4 **Training**

6.2.4.1 Organise, working with the Company Secretary, Board and Board Committees inductions and trainings.

6.2.4.2 Organise, working with the Company Secretary, trainings for the Board on all aspects of governance practices and compliance to ensure that it can carry out its decision making and oversight functions effectively.

6.2.5 **Appraisal & Evaluation**

6.2.5.1 Review and evaluate the skills of members of the Board using the skills matrix found in Appendix C.

6.2.5.2 Evaluate and appraise through external consultants, the performance of the Board and Board Committees and its members annually. The same external consultant shall also conduct an annual Corporate Governance evaluation.

6.2.5.3 Recommend to the Board for approval, the external consultant to carry out the Board and corporate governance evaluation.

6.2.5.4 Where deemed necessary, organise the conduct of Board and Board Committee self evaluations.

6.2.5.5 Review the performance and effectiveness of the Subsidiary Boards on an annual basis.

6.2.5.6 Provide input to the Board Chairman's assessment of the Head, Internal Audit.

6.2.5.7 Evaluate annually the independence and performance of the External Auditors.

6.2.5.8 Ensure the conduct of external assessment of internal audit functions every 3 years.

6.2.6 **Succession**

6.2.6.1 Ensure that a succession plan exists for Board and members of the Executive Management Team.

6.2.6.2 Review the Executive Management Team succession plan and make recommendations to the Board.

6.2.7 **Policies, Governance & Structure**

6.2.7.1 Recommend the organisation structure of the Company, or any change to the same, to the Board for approval.

6.2.7.2 Recommend to the Board for approval, the Policy and procedures framework for the Company and its subsidiaries.

6.2.7.3 Recommend to the Board for approval, the Board Governance, Board Committee and Executive Management Governance frameworks/mechanisms, and conduct its periodic review as it deems appropriate.

6.2.7.4 Approve recruitment policies, appointment policies and promotion policies of the Company.

6.2.7.5 Review and recommend for Board approval, human resources and governance policies for the Company.

6.2.7.6 Monitor, review and assess the integrity and adequacy of all Company policies.

6.2.7.7 Advise the Board on corporate governance standards and policies.

6.2.7.8 Provide a central source of guidance and advice to the Board and Company on matters of ethics, conflict of interest and good corporate governance.

6.2.7.9 Evaluate the overall system of Corporate Governance for the Company and propose any changes to the Board for approval.

6.2.7.10 Recommend, from time to time, the rotation of board committee members to the Board Chairman.

6.2.7.11 Annually ascertain and confirm the continued independence of

INEDs.

6.2.7.12 Review the Corporate Governance report in the Company's Annual Report.

6.2.7.13 Review and recommend to the Board and Shareholders any changes to the Memorandum and Articles of Association.

6.2.7.14 Deliberate and respond on behalf of the Board to regulatory reports/ comments.

6.2.8 **Compliance, Audit and Control**

6.2.8.1 Ensure that an effective system of audit and internal control is put in place.

6.2.8.2 Ensure compliance with all laws and regulations. Monitor processes designed to ensure compliance by the Company in all respect with legal and regulatory requirements, including disclosure controls and procedures and the impact (or potential impact) of developments related thereto.

6.2.8.3 Monitor and ensure compliance with all internal policies approved by the Board from time to time.

6.2.8.4 Review Audit exception reports relating to the Company's compliance with major policies including Expense and HR policies, company processes and applicable laws and regulations.

6.2.8.5 Evaluate the adequacy of internal audits and internal controls to ensure the integrity of the Company's financial statements and adopt special audit steps in the event of significant control deficiencies, if any, including those reported by the Internal Audit.

6.2.8.6 Review Management's Internal Audit and Control Report and recommend controls that will address control lapses to the Board. Internal Audit reports should be presented directly to the Board without the CEO's review or input.

6.2.8.7 The AGC shall approve the annual internal audit plan as presented by the Head, Internal Audit. The annual risk-based internal audit plan shall:

- 6.2.8.7.1 address the broad range of risks facing the Company, linking this to a risk management framework;
 - 6.2.8.7.2 identify audit priority areas and areas of greatest threat to the Company;
 - 6.2.8.7.3 indicate how assurance will be provided on the Company's risk management process; and
 - 6.2.8.7.4 indicate the resources and skills available or required to achieve the plan.
- 6.2.8.8 To be informed promptly by the CEO, Company Secretary and Internal Auditor, of any regulatory infractions and to review any correspondence of significance with regulators or government agencies and any employee complaints of significance or analysts report which raise significant issues. Obtain explanations from management and consider whether such matters indicate the need for further investigation, modification of policies and/or disclosures and ensure systems are put in place to address any weaknesses.
- 6.2.8.9 Put in place and review the procedures to identify and understand related parties and significant related party transactions, and consider the transparency of the related disclosures.
- 6.2.8.10 Obtain assurance from the Executive Management Team, The Head, Internal Audit and the External Auditors that they know of no significant instances in which the Company's subsidiaries are in breach of applicable legal and regulatory requirements, including disclosures of insider and related party transactions.
- 6.2.8.11 Review with the Company Secretary, legal matters that may have a significant impact on the company's statements, the Company's compliance policies and any significant reports or inquiries received from regulators or government agencies.
- 6.2.8.12 Review Fraud losses and recommend controls that will address these to the Board.
- 6.2.8.13 At least once a year, the AGC will hold a session with the Internal Auditor and the External Auditors, without the presence of Executive Management, to facilitate an exchange of views and concerns that may not be appropriate for open discussions.

- 6.2.8.14 Review the annual audited financial statements and management letter with management, the FIRM and the External Auditors before its submission to the Board for approval.
- 6.2.8.15 Approve the program established by Management that monitors compliance with the Code of Conduct and review the record of such compliance.
- 6.2.8.16 Put in place a Whistle Blowing Policy to be managed by the Head, Internal Audit with reports sent directly to the Head, Internal Audit, having oversight from the AGC.
- 6.2.8.17 Respond to Regulators on behalf of the Board in respect of their exceptions.
- 6.2.8.18 Review and approve the Internal Audit Charter.

7. Finance Investment and Risk Management Committee

7.1 Mandate

The Finance Investment and Risk Management Committee (FIRM) is responsible for discharging the Board's specific functions as it relates to:

- (i) strategic direction and budgeting,
- (ii) oversight on financial matters,
- (iii) the performance of the Company,
- (iv) risk monitoring and management,
- (v) Information Tehcnology (IT) governance, and
- (vi) policy formulation as it relates to the Committees mandate.

7.2 Terms of Reference

7.2.1. Business Strategy & investments

- 7.2.1.1. Formulate and shape the strategy of the Company and make recommendations to the Board for approval.
- 7.2.1.2. Conduct at least one (1) strategy session between the Board and Executive Management annually.

7.2.1.3. Review and recommend investment opportunities or initiatives to the Board.

7.2.1.4. Safeguard the assets and income of the Company.

7.2.1.5. Recommend financial and investment decisions within its approved limits on behalf of the Board.

7.2.1.6. Review the Company's investment portfolio annually or as occasion demands.

7.2.1.7. Review investment/divestment proposals on behalf of the Company and recommend to the Board for approval.

7.2.1.8. Review all the Company's investment proposals irrespective of the amount, before presenting to the Board.

7.2.1.9. Review any new business activity by the Company irrespective of the amount of capital commitment and recommend to the Board for approval.

7.2.1.10. Review from time to time the capital (debt/equity) requirements of the Company and recommend to the Board for approval.

7.2.1.11. Evaluate the continued relevance of and need for any subsidiary and make appropriate recommendations to the Board.

7.2.1.12. Establish triggers / criteria and procedures for dissolving Subsidiaries.

7.2.1.13. In carrying out its functions, the FIRM may engage an adviser on behalf of the Board to facilitate an annual review of the Company's long term plans and the principal issues that the Company will face in the future.

7.2.2. **Financial Performance & Reporting**

7.2.2.1. Monitor and assess the overall integrity of the financial statements and disclosures of the financial condition and results of operations of the Company.

7.2.2.2. Recommend dividend payments to the Board for approval.

7.2.2.3. Assist the Board in discharging its responsibilities on Information Technology (IT) as it relates to financial reporting and the status of the company as a going concern.

7.2.2.4. Monitor and evaluate on a regular basis, the qualifications, independence and performance of the External Auditors, the Internal Auditor and Financial Control Departments as it relates to the Company's Financials.

7.2.2.5. Review the annual audited financial statements and management letter with management, the AGC and the External Auditors before its submission to the Board for approval.

7.2.2.6. Develop and review a Board information system needed for the Board to carry out its oversight role.

7.2.3. **Financial Planning & Budgeting**

7.2.3.1. Review the budget of the Company and make recommendations to the Board for approvals above its limit.

7.2.3.2. Review and recommend to the Board the annual manpower plan for the Company as part of the budget approval process. The manpower plan shall at a minimum include the vacancies, maximum levels, cost implication, etc.

7.2.3.3. Recommend the annual estimated number of staff to be promoted based on agreed promotion eligibility criteria as part of the annual budget exercise.

7.2.3.4. Monitor performance of the Company against budget.

7.2.3.5. Consider and approve extra budgetary expenditure as specified in the Board approved Delegation of Authority and Empowerment policy.

7.2.3.6. Remuneration and incentive policies for CEO, EDs and Subsidiary Boards shall be approved by the AGC with the concurrence of the Chairman of FIRM and the Chairman of the Board.

7.2.3.7. Approve remuneration structure and review remuneration for all staff of the Company, excluding the remuneration of the CEO, EDs and Subsidiary Boards where only the concurrence of the Chairman of the FIRM is required.

7.2.4. **Risk Monitoring and Management**

- 7.2.4.1. Exercise oversight over the process for the identification and assessment of risks across the Company and the adequacy of prevention, detection and reporting mechanisms.
- 7.2.4.2. Monitor, review and assess the integrity and adequacy of the overall risk management framework of the Company.
- 7.2.4.3. Set the Company's appetite and tolerance for risk and recommend risk limits within acceptable tolerance for risk levels to the Board for approval.
- 7.2.4.4. Ensure that risk assessments are performed on a continual basis and ensure that risk management frameworks and methodologies are in place and integrated into the day to day operations of the Company to increase the probability of anticipating unpredictable risks.
- 7.2.4.5. To approve the annual risk management plan for the Company and oversee its implementation and monitor performance. This annual plan should also include a fraud risk plan to consider the Company's fraud exposure and prevention.
- 7.2.4.6. Ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to Directors.
- 7.2.4.7. Review risk limits and periodic risk reports and make recommendations to the Board.
- 7.2.4.8. Recommend all approval limits for Executive Management and Board Committees to the Board for approval.
- 7.2.4.9. Monitor compliance risk and ensure that the Company operates ethically by the review of regulatory compliance reports and ensure systems are put in place to address any weaknesses.
- 7.2.4.10. Advise the Board on any emerging risks that the Company is or could be exposed to and recommend mitigation actions. Risks should include non-financial risks such as staffing and competency, the impact of legislative or regulatory changes on the Company and impact of potential and ongoing litigation.
- 7.2.4.11. Review litigation reports of the Company.

- 7.2.4.12. Discharge the Board's responsibilities for information technology (IT) governance and IT security and ensure it aligns with the Company's objectives, enables the business strategy, delivers value and improves performance.
- 7.2.4.12.1. Approve the IT governance framework for the Company and delegate to management the responsibility for the implementation of the IT governance framework.
 - 7.2.4.12.2. Ensure proactive monitoring and management of cyber threats and attacks as well as adverse social media incidents.
 - 7.2.4.12.3. Monitor management of risks relating to third-party and outsourced IT service providers.
 - 7.2.4.12.4. Monitor value delivery and return on investment of IT.
 - 7.2.4.12.5. Ensure that the information and intellectual property contained in the Company's information systems are protected.
 - 7.2.4.12.6. Ensure that a formal information security management system is in place to ensure the confidentiality, integrity and availability of information including personal data.
 - 7.2.4.12.7. Require independent assurance over IT governance controls supporting outsourced IT services.
 - 7.2.4.12.8. Ensure good governance principles are in place for the acquisition and disposal of IT goods and services.
 - 7.2.4.12.9. Ensure good project management principles are applied for IT projects.
 - 7.2.4.12.10. Ensure that IT risk management includes disaster recovery planning, IT legal risks, compliance to laws, rules, codes and standards.
- 7.2.4.13. Approve the following policies of the Company:
- 7.2.4.13.1. Accounting and Financial policies
 - 7.2.4.13.2. Expense Policies
 - 7.2.4.13.3. Investment policies
 - 7.2.4.13.4. Recommend Dividend policies to the Board for approval
 - 7.2.4.13.5. Risk Management policies
 - 7.2.4.13.6. IT policies
 - 7.2.4.13.7. Any other policies/matters relating to the terms of reference of the committee

8. BOARD PRODUCT AND PROJECTS COMMITTEE

8.1. Mandate

The Board Product and Project Committee (BPPC) is to assist in the sound and robust management of all the Company's projects as it relates to product innovation and development. The aim is to drive the Company's diversification implementation strategy by providing advice and direction where appropriate.

8.2. Terms of Reference

- 8.2.1. Reviewing and recommending to the Board for approval, the Company's Annual Product development plan, other key documents and such as project schedules, risk registers and cost estimates;
- 8.2.2. Provide advice and direction with respect to strategies, plans and objectives for product development, monitor product development programs and performance as appropriate;
- 8.2.3. Developing and recommending new product ideas and changes to existing products, approve products in response to the ever-changing market conditions and needs;
- 8.2.4. To receive assurance that all products are compliant with governing legislation and regulations & any prevailing codes;
- 8.2.5. To receive assurance that all new products are priced for risk in line with the Company's risk tolerance and appetite;
- 8.2.6. To provide guidance and direction on how new products are introduced into the market;
- 8.2.7. To recommend for Board approval the Annual product development budget, consider, evaluate and recommend for Board approval, potential partnerships, joint ventures, strategic alliance or special purpose vehicles with the aim of enhancing product innovation and development;
- 8.2.8. To receive and review regular product development report from the Managing Director/CEO and providing recommendations to assist to deliver in accordance with the product development plan;
- 8.2.9. To procure external professional advice on specific technical areas of any of the Company's products;

- 8.2.10. To ensure that appropriate product assurance activities occur for most of the critical aspects of the product performance and deliverables and to approve management project milestones for all new products;
- 8.2.11. The BPC shall consist of Non-Executive Directors and the CEO while other management staff may be in attendance by invitation.
- 8.2.12. The BPC shall be a minimum of three (3) members and a maximum of five (5) members.
- 8.2.13. One-third of the members shall form a quorum including the Chairman provided that where the quorum results in a fractional number. It shall be rounded to the nearest whole number.
- 8.2.14. Where the BPC consists of three members, the quorum shall be two members including the Chairman.
- 8.2.15. The Chairman of the Committee shall be included in the formation of a quorum.
- 8.2.16. Where the Chairman is unable to attend a meeting due to unforeseen circumstances, he shall nominate a director from within the Committee to Chair the meeting in his stead.
- 8.2.17. The Committee shall meet at least quarterly or as may be determined by its Chairman. It is the Committee Chairman's prerogative to convene a meeting.
- 8.2.18. All decisions of the Board Committee shall be subject to the ratification of the Board, upon recommendation of the Committee.
- 8.2.19. The BPC decisions/recommendations must be signed by the Chairman of the Committee and sent to the Board through the Company Secretary before the Board meeting.
- 8.2.20. Except with the prior approval of the Chairman, no item will be presented to the Board Committee for approval if not sent to the Committee members at least 48 hours before the Board meeting.
- 8.2.21. The Chairman of the Committee together with the Company Secretary shall be responsible for setting the agenda for each meeting.

9. Statutory Audit Committee

- 9.1. The SAC exists as a legal requirement applicable to public/listed companies. It is not a committee of the Board.
- 9.2. The Board Audit & Governance Committee Chairman shall be nominated as a standing member of the SAC and shall report to the Board on the activities of the SAC.

10. Review

This Charter shall be reviewed every three (3) years by the AGC to reassess its adequacy and recommend any proposed changes to the Board for approval.

Appendix A

MONTHLY REPORT		
MONTHLY PERFORMANCE (N'M)		TOTAL
REVENUE FOR THE MONTH		-
PBT FOR THE MONTH		-
OPEX FOR THE MONTH		-
STAFF COST FOR THE MONTH		-
YTD PERFORMANCE (N'M)		
YTD REVENUE		-
YTD PBT		-
YTD OPEX		-
YTD STAFF COST		-
MONTHLY BUDGET PERFORMANCE - %ACHIEVEMENT		
REVENUE FOR THE MONTH (Actual/Budget)		
PBT FOR THE MONTH (Actual/Budget)		
OPEX FOR THE MONTH (Actual/Budget)		
STAFF COST FOR THE MONTH (Actual/Budget)		
YTD BUDGET PERFORMANCE - %ACHIEVEMENT		

YTD REVENUE (Actual/Budget)		
YTD PBT (Actual/Budget)		
YTD OPEX (Actual/Budget)		
YTD STAFF COST (Actual/Budget)		
KEY BALANCE SHEET ITEMS (N'M)		
CASH & SHORT TERM INVESTMENTS		-
FIXED ASSETS – COST		-
TOTAL DEBT - LONG & SHORT TERM LOANS		-
SHAREHOLDERS' FUNDS		-
TOTAL ASSETS		-
MONTHLY REPORT		
KEY OPERATIONS ITEMS		
NUMBER OF STAFF		
NUMBER OF STAFF EXITS		
NUMBER OF STAFF NEW HIRES		
NUMBER OF CONTRACT STAFF		
NUMBER OF CONTRACT STAFF EXITS		
NUMBER OF CONTRACT STAFF NEW HIRES		
NUMBER OF FRAUD RELATED INCIDENTS		
NUMBER OF PENDING LITIGATIONS		
NUMBER OF REGULATORY INFRACTIONS		
FOR THE MONTH		
CURRENT RATIO		
QUICK RATIO		
PBT MARGIN		
GROSS PROFIT MARGIN		
YTD		
CURRENT RATIO		
QUICK RATIO		
PBT MARGIN		
GROSS PROFIT MARGIN		

Appendix B

1. FINANCIAL PERFORMANCE						
MEASURED CRITERIA	COMPONENTS	FREQUENCY	DESCRIPTION/PURPOSE	PREPARED BY	REVIEWED BY	APPROVED BY
EARNINGS	Revenue, PBT	Monthly	Periodic revenue report to track income generation and cost patterns	Finance Officer	CFO	CEO
LIQUIDITY	Current and quick ratios, accounts receivables and accounts payables, accruals, treasury report	Monthly	Ratios computed on a monthly basis, with other items reported monthly	Finance Officer	CFO	CEO
PROFITABILITY	ROE, PBT and Gross Margins	Monthly	Parameters which measure the value the business is creating as it translates to monetary returns. Thus highlighting the viability and continued sustainability of the business	Finance Officer	CFO	CEO
CAPITAL MANAGEMENT	Dividend payments (or retained), CAPEX, bank loans (short & long term)	Quarterly	All activities that may affect the capital of the business. Needed to monitor capital adequacy matters	Finance Officer	CFO	CEO

Appendix C- Board Appointment Procedure

1. Board Nominations

In proposing candidates for Board positions, the AGC shall ensure that:

- 1.1. they are individuals of any gender who have very high integrity, and are business savvy;
- 1.2 possess shareholder orientation and a genuine interest in the Company;
- 1.3 possess a range of qualifications, experience, skills and expertise which will benefit the Company. Directors are expected to demonstrate the following:
 - 1.3.1 Honesty and integrity.
 - 1.3.2 [*insert company business sectors*] industry experience.
 - 1.3.3 Understanding of corporate governance in particular, the role and duties of Directors.
 - 1.3.4 Understanding of risk management processes.

- 1.3.5 Ability to probe and challenge senior management and fellow directors in a frank and collaborative manner.
- 1.3.6 Ability to understand and manage competing views and issues.
- 1.3.7 Communication and social skills
- 1.3.8 Leadership skills and the ability to work well as part of a team.
- 1.3.9 Sound commercial and business judgement.
- 1.3.10 Well-developed strategic skills.
- 1.3.11 Absence of conflict of interest.
- 1.3.12 Sufficient financial literacy to understand the financial position of the Company, and evaluate financial information presented by management.

2. Diversity

- 2.1. The Board and its committees shall be appropriately comprised with the balance of skills & diversity (including experience and gender) without compromising competence, independence and integrity.
- 2.2. The AGC shall continuously monitor and review the Board composition to ensure the appropriate balance of skills and diversity is met.

3. Assessing Prospective Candidates

- 3.1. Once a suitable candidate for appointment as a Director is identified, the AGC will assess that candidate against relevant criteria including skills, qualifications and experience, time and commitment obligations, conflicts of interest and independence, as applicable.
- 3.2. Such candidate(s) shall be presented to the Board after the AGC's assessment along with a recommendation report.
- 3.3. To ensure that the Company gains access to a diverse range of potential candidates meeting the Company's selection criteria, the AGC in addition to conducting its own search, is permitted to, subject to approval of the Board Chairman, engage professional consultants to identify prospective candidates.

4. Appointment Restrictions

The AGC shall not recommend the appointment of the following:

- 4.1. Any retiring Partner of an External Audit firm engaged by the Company, until there has been a cooling off period spanning at least three (3) years from his or her date of retirement.
- 4.2. Any person who has served at a directorate level or above of any relevant regulatory institution that has directly supervised or regulated the Company, until after three (3) years of the disengagement of such person..
- 4.3. The appointment of any person who sits on the Board of any company considered a competitor to the Company.
- 4.4. Any person who is a family member of a Director, where appointment of such person results in more than 2 members of the same family sitting on the Board at the same time.
- 4.5. Any person so disqualified or restricted from being appointed a director by any law or regulation applicable to the Company.

5. Appointment

- 5.1. An offer of appointment to the Board may be made only by the Chairman of the Board with the approval of the Board. Directors, so appointed, must be approved by shareholders at the next annual general meeting.