



**FINANCIAL REPORTING COUNCIL OF NIGERIA**  
*(Federal Ministry of Industry, Trade & Investment)*

**FRC/CG/001: TEMPLATE FOR REPORTING COMPLIANCE WITH THE NIGERIAN  
CODE OF CORPORATE GOVERNANCE 2018**

**Section A: Introduction**

Corporate Governance is a key driver of corporate accountability and business prosperity. The Nigerian Code of Corporate Governance, 2018 (NCCG 2018) seeks to institutionalize corporate governance best practices in Nigerian companies. It is also aimed at increasing entities' levels of transparency, trust and integrity, and create an environment for sustainable business operations.

The Code adopts a principle-based approach in specifying minimum standards of practice that companies should adopt. Where so required, companies are required to adopt the "Apply and Explain" approach in reporting on compliance with the Code. The 'Apply and Explain' approach assumes application of all principles and requires entities to explain how the principles are applied. This requires companies to demonstrate how the specific activities they have undertaken best achieve the outcomes intended by the corporate governance principles specified in the Code.

This will help to prevent a 'box ticking' exercise as companies deliberately consider how they have (or have not) achieved the intended outcomes. Although, the Code recommends practices to enable companies apply the principles, it recognises that these practices can be tailored to meet industry or company needs. The Code is thus scalable to suit the type, size and growth phase of each company while still achieving the outcomes envisaged by the principles.

This form seeks to assess the company's level of compliance with the principles in the NCCG 2018. Entities should explain how these principles have been applied, specify areas of deviation from the principles and give reasons for these deviations and any alternative practice(s) adopted.

**Please read the instructions below carefully before completing this form:**

- i. Every line item and indicator must be completed.
- ii. Respond to each question with "Yes" where you have applied the principle, and "No" Where you are yet to apply the principle.
- iii. An explanation on how you are applying the principle, or otherwise should be included as part of your response.
- iv. Not Applicable (N/A) is not a valid response.

**Section B – General Information**

S/No.	Items	Details
i.	Company Name	Sovereign Trust Insurance Plc
ii.	Date of Incorporation	February 26, 1980
iii.	RC Number	RC 31962
iv.	License Number	037
v.	Company Physical Address	17, Adetokunbo Ademola Street Victoria Island Lagos
vi.	Company Website Address	www.stiple.com
vii.	Financial Year End	December 31 <sup>st</sup> 2020
viii.	Is the Company a part of a Group/Holding Company? <b>Yes/No</b> If yes, please state the name of the Group/Holding Company	No
ix.	Name and Address of Company Secretary	Equity Union Limited, 11, C1PM Avenue Central Business District Alausa Ikeja Lagos
x.	Name and Address of External Auditor(s)	PKF 205A, Ikorodu Road Obanikoro Lagos.
xi.	Name and Address of Registrar(s)	Meristem Registrars Limited 213 Herbert Macaulay Way Adekunle Yaba, Lagos.
xii.	Investor Relations Contact Person (E-mail and Phone No.)	Segun Bankole <a href="mailto:segun.bankole@stiple.com">segun.bankole@stiple.com</a> 08099929157
xiii.	Name of the Governance Evaluation Consultant	DCSL Corporate Services Limited
xiv.	Name of the Board Evaluation Consultant	DCSL Corporate Services Limited

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

**1. Board Details:**

S/No.	Names of Board Members	Designation (Chairman, MD, INED, NED, ED)	Gender	Date First Appointed/Elected	Remark
1.	Mr. Oluseun O. Ajayi	Chairman	Male	7 <sup>th</sup> June, 2016.	Appointed
2.	Ms. Emi Faloughi	NED	Female	8 <sup>th</sup> December, 2015	Appointed
3.	Ms. Omozusi Iredia	NED	Female	7 <sup>th</sup> April, 2016	Appointed, F
4.	Mr. Abimbola Oguntunde	NED	Male	19 <sup>th</sup> December, 2017	Appointed

5.	Mr. Odoh Shedrack Chiedozie	NED	Male	29 <sup>th</sup> November, 2019	Appointed
6.	Col. Musa Shehu (RTD.)	INED	Male	25 <sup>th</sup> August, 2011	Appointed
7.	Mr. Olaotan Soyinka	MD/CEO	Male	14 <sup>th</sup> September, 2015	Appointed
8.	Mrs. Ugochi Odemelam	ED	Female	14 <sup>th</sup> December, 2015	Appointed
9.	Mr. Jude A. Modilim	ED	Male	1 <sup>st</sup> November, 2017	Appointed

## 2. Attendance of Board and Committee Meetings:

S/No.	Names of Board Members	No. of Board Meetings Held in the Reporting Year	No. of Board Meetings Attended in the Reporting Year	Membership of Board Committees	Designation (Member or Chairman)	Number of Committee Meetings Held in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
1.	Mr. Oluseun O. Ajayi	3	3				
2.	Ms. Emi Faloughi	3	3	Enterprise Risk Mgt. & Governance/ Finance, Investment & General Purpose/Audit & Compliance	Member	2	2
						4	4
						4	4
3.	Ms. Omozusi Iredia (Resigned on the 31 <sup>st</sup> day of August, 2020)	3	2	Finance, Investment & General Purpose/Audit & Compliance	Chairman	4	3
						4	3
4.	Mr. Abimbola Oguntunde	3	3	Enterprise Risk Mgt. & Governance/ Finance, Investment & General Purpose	Member (Now Chairman of the FIGPC Committee)	2	2
						4	4
5.	Mr. Odoh Shedrack Chidozie	3	3	(Member of ERM&FIGPC	FIGPC ERM	4	4
6.	Col. Musa Shehu (RTD.)	3	3	Enterprise Risk Mgt. & Governance	Chairman	2	2
7.	Mr. Olaotan Soyinka	3	3	Finance, Investment & General Purpose	Member	4	4
8.	Mrs. Ugochi Odemelum	3	3	Enterprise Risk Mgt. & Governance	Member	2	2
9.	Mr. Jude A. Modilim	3	3	Finance, Investment & General Purpose	Member	4	4
10.	Mr. Babatunde Adaramaja			Audit & Compliance	Chairman	4	4
11.	Mr. Emmanuel Oluwadare			Audit & Compliance	Member	4	4

12	Mr. Oluwale Ashaolu			Audit & Compliance	Member	Newly appointed member	
13	Ms. Emi Faloughi	3	3	Audit & Compliance	Member	4	4

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

**1. Senior Management:**

S/No.	Names	Position Held	Gender
1.	Olaotan Soyinka	MD/CEO	Male
2.	Ugochi Odemelam	ED, Marketing & Business Development	Female
3.	Jude Modilim	ED, Technical Operations	Male
4.	Kayode Adigun	GM/ Divisional Head, Finance & Administration	Male
5.	Sanni Oladimeji	DGM/Head, Risk Management & Compliance	Male
6.	Segun Bankole	DGM, Sales & Corporate Communications	Male
7.	Emmanuel Anikibe	DGM/Head, Sales & Client Service	Male
8.	Olalekan Oguntunde	AGM/Head, ICT	Male
9.	Samuel Oseni	AGM/Head, Internal Audit	Male
10.	Tajudeen Rufai	AGM/Head, Reinsurance	Male
11.	Angela Onochie	AGM/Head, Eastern Area Operations	Female
12.	Lucas Durojaiye	AGM/Head, Northern Area Operations	Male
13.	Abisola Asaju	AGM/Head, General Internal Services	Female
14.	Gbeminiyi Olaitan	AGM/Head, Finance & Accounts	Male
15.	Victoria Eze	AGM/Head, Sales & Client Services 2	Female
16.	Akinwunmi Akinrinmade	AGM/Head, Energy	Male
17.	Ebinyu Faloughi	AGM/Head, Motor	Female

## Section E – Application

Principles	Reporting Questions	Explanation on application or deviation
<b>Part A - Board of Directors and Officers of the Board</b>		
<p><b>Principle 1: Role of the Board</b></p> <p><i>"A successful Company is needed by an effective Board which is responsible for providing entrepreneurial and strategic leadership as well as promoting ethical culture and responsible corporate citizenship. As a link between stakeholders and the Company, the Board is to exercise oversight and control to ensure that management acts in the best interest of the shareholders and other stakeholders while sustaining the prosperity of the Company"</i></p>	<p>i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? <b>Yes/No</b> If yes, when was it last reviewed?</p>	<p>Yes. Board provides the Company with entrepreneurial leadership within a framework of prudent and effective controls which enables risk to be assessed and managed while deploying the company's resources to profitable use. The Charter was approved by the Board on March 6, 2019 and was last reviewed in 2018</p>
<p><b>Principle 2: Board Structure and Composition</b></p> <p><i>"The effective discharge of the responsibilities of the Board and its committees is assured by an appropriate balance of skills and diversity (including experience and gender) without compromising competence, independence and integrity"</i></p>	<p>i) What are the qualifications and experiences of the directors?</p>	<p>The Directors of the company have numerous degrees, postgraduate and professional qualifications such as BSc, MBA, MSc, ACIL, AIN, FCA and significant cognate experiences in their respective fields of endeavours</p>
	<p>ii) Does the company have a Board-approved diversity policy? <b>Yes/No</b> If yes, to what extent have the diversity targets been achieved?</p>	<p>Yes. The Board has substantially met its diversity targets as it has appropriate diversity in terms of experience, skills, gender, ethnicity and age relevant for promoting better decision making and effective governance.</p>
	<p>iii) Are there directors holding concurrent directorships? <b>Yes/No</b> If yes, state names of the directors and the companies?</p>	<p>Yes. The list of directors with concurrent directorships and the companies is attached herewith as appendix 1.</p>
	<p>iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? <b>Yes/No</b>  If yes, provide the names of the Committees.</p>	<p>No. Board committees are chaired by Non-Executive and Independent directors</p>
	<p>i) Is the Chairman a member or chair of any of the Board Committees? <b>Yes/no</b> If yes, list them.</p>	<p>No. The Chairman is not a member and does not chair any committee</p>
	<p>ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?</p>	<p>The Chairman was not in attendance at any committee meeting during the period under review</p>
	<p>iii) Is the Chairman an INED or a NED?</p>	<p>The Chairman of the company is a NED and not involved in the day-day operations of the company</p>

	<p>iv) Is the Chairman a former MD/CEO or ED of the Company? <b>Yes/No</b> If yes, when did his/her tenure as MD end?</p> <p>v) When was he/she appointed as Chairman?</p>	<p>Yes. The Chairman is a former MD/CEO of this Company. His tenure as CEO ended on December 10, 2009.</p> <p>The Chairman was appointed on June 7, 2016</p>
	<p>vi) Are the roles and responsibilities of the Chairman clearly defined? <b>Yes/No</b> If yes, specify which document</p>	<p>Yes. The roles and responsibilities of the Chairman is clearly defined in the approved Board Charter.</p>

Principles	Reporting Questions	Explanation on application or deviation
<b>Principle 4: Managing Director/Chief Executive Officer</b>  <i>"The Managing Director/Chief Executive Officer is the head of management delegated by the Board to run the affairs of the Company to achieve its strategic objectives for sustainable corporate performance"</i>	i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? <b>Yes/No</b> If no, in which documents is it specified?	Yes. The MD/CEO has an employment contract which set out his authority and relationship with the Board
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes. MD/CEO declared conflict of interest on appointment and annually thereafter as well as they occur
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	MD/CEO attended meetings of The Finance, Investment & General Purposes Committee during the review period.
	iv) Is the MD/CEO serving as NED in any other company? <b>Yes/no</b> . If yes, please state the company(ies)?	Yes. The MD/CEO is serving as an NED on the Board of STI Lending Ltd as a representative of Sovereign Trust Insurance Plc. Sovereign Trust Insurance Plc owns 43% of shares in STI Lending Limited.
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? <b>Yes/No</b>	Yes. Membership of MD/CEO is in line with Board approved policies and does not affect discharge of his responsibilities
<b>Principle 5: Executive Directors</b>  <i>Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company</i>	i) Do the EDs have contracts of employment? <b>Yes/no</b>	Yes. Executive Directors have contracts of employment.
	ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? <b>Yes/No</b> If no, in which document are the roles and responsibilities specified?	Yes. The roles, responsibilities and authority of Executive Directors are contained in their respective contracts of employment
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes. Executive Directors declared conflict of interest on appointment and annually thereafter as well as they occur
	iv) Are there EDs serving as NEDs in any other company? <b>Yes/No</b> If yes, please list	No. Executive Directors are not serving as NED in any other company
	v) Are their memberships in these companies in line with Board-approved policy? <b>Yes/No</b>	N/A. Executive Directors are not serving as NED in any other company
<b>Principle 6: Non-Executive Directors</b>  <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? <b>Yes/No</b> If yes, where are these documented?	Yes. The roles and responsibilities of the NEDs are clearly defined and documented in the approved Board Charter and Letters
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	Yes. The NEDs have letters of appointment stating their duties, terms of engagement and liabilities
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes. Non-Executive Directors declared conflict of interest on appointment and annually thereafter as well as they occur
	iv) Are NEDs provided with information relating to the management of the company and on all Board matters? <b>Yes/No</b> If yes, when is the information provided to the NEDs	Yes. NEDs are provided with timely detailed information on management of the Company and on all Board matters. The information is provided quarterly or as otherwise required.

	v) What is the process of ensuring completeness and adequacy of the information provided?	There is in place a robust Management Information System which ensures completeness and adequacy of information provided to the Board in a timely manner
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? <b>Yes/No</b>	Yes. The NEDs have unhindered access to the EDs, Company Secretary and the Internal Auditor.
<b>Principle 7: Independent Non-Executive Directors</b>	ij) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? <b>Yes/No</b>	Yes. The INED fully meets the independence criteria prescribed under section 7.2.1 – 7.2.9 of the Code.

Principles	Reporting Questions	Explanation on application or deviation	
Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence"	i) Are there any exceptions?	No exception to the independence criteria.	
	ii) What is the process of selecting INEDs?	The Governance Committee makes recommendations to the Board after due consideration of independence criteria, following which the Board seeks approval of industry regulator, NAICOM and the Shareholders.	
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	Yes. The INED has a letter of appointment stating his duties, terms of engagement and liabilities	
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	Yes. The INED declared conflict of interest on appointment and annually thereafter as well as they occur	
	vi) Does the Board ascertain and confirm the independence of the INEDs? <b>Yes/No</b> If yes, how often? What is the process?	Yes. The Board Governance Committee through direct enquiry from INED, news scanning and 3 <sup>rd</sup> party confirmation, ascertains and Confirms the independence of the INED annually	
	vii) Is the INED a Shareholder of the Company? <b>Yes/No</b> If yes, what is the percentage shareholding?	No. The INED is not a Shareholder of the Company.	
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? <b>Yes/No</b> If yes, provide details.	No. The INED does not have any other relationship with the Company apart from being INED.	
	ix) What are the components of INEDs remuneration?	Director's Fee and Sitting Allowance only.	
	<b>Principle 8: Company Secretary</b>  "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) Is the Company Secretary in-house or outsourced?	The Company Secretary is outsourced
		ii) What is the qualification and experience of the Company Secretary?	Equity Union Limited is a corporate entity managed by qualified lawyers and operates as Company Secretaries & Nominees Services. The Managing Partner is a fellow (FCIS) and a past member of the Governing Council of the Chartered Institute of Secretaries and Administrators of Nigeria (ICSAN).
iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?		N/A. The Company Secretary is outsourced and not member of senior management	
iv) Who does the Company Secretary report to?		The Company Secretary reports functionally to the Board through the Chairman and administratively reports to the MD/CEO	
v) What is the appointment and removal process of the Company Secretary?		The Board appoints and has responsibility for the removal of the Company Secretary. The	

appointment goes through a rigorous selection process similar to that of a new director and handled by the Board Governance Committee

	vii) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board undertakes and approves the performance evaluation of the Company Secretary
<b>Principle 9: Access to Independent Advice</b> <i>"Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise"</i>	i) Does the company have a Board-approved policy that allows directors access to independent professional advice in the discharge of their duties? <b>Yes/No</b> If yes, where is it documented?	Yes. This is documented in the approved Board and Committee Charters in order to ensure that directors, NEDs in particular discharge their responsibilities effectively.
	ii) Who bears the cost for the independent professional advice?	The Company bears the cost of the independent professional advice
	iii) During the period under review, did the Directors obtain any independent professional advice? <b>Yes/No</b> If yes, provide details.	No. There was no request for such during the review period
<b>Principle 10: Meetings of the Board</b> <i>"Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the</i>	i) What is the process for reviewing and approving minutes of Board meetings?	Minutes of the previous meetings are sent promptly to directors and reviewed and adopted at commencement of the next meeting.
	ii) What are the timelines for sending the minutes to Directors?	Minutes of meeting are sent at least 2 weeks before the date of the next meeting
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	This would reflect in the annual report and Board Evaluation report. This also forms a criteria when considering them for re-election

Principles	Reporting Questions	Explanation on application or deviation
strategic objectives of the Company"		
<b>Principle 11: Board Committees</b> "To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdication of its responsibilities"	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? <b>Yes/No</b>	Yes. The Board Committees have Board approved Charters which sets out delegated oversight responsibilities of the Board
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	Minutes of the prior meetings are sent promptly to members and reviewed and adopted at commencement of the next meeting.
	iii) What are the timelines for sending the minutes to the directors?	Minutes of meeting are sent at least 2 weeks before the date of the next meeting
	iv) Who acts as Secretary to board committees?	Equity Union Limited
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management	a. Enterprise Risk Management & Governance b. Finance, Investment & General Purpose c. Audit & Compliance Committee d. Enterprise Risk Management & Governance
	vi) What is the process of appointing the chair of each committee?	Chairmen of Committees are appointed by the Board taking into consideration skills, experience and knowledge for effective decision making
	<b>Committee responsible for Nomination and Governance</b>	
	vii) What is the proportion of NEDs to NEDs on the Committee responsible for Nomination and Governance?	25%
	viii) Is the chairman of the Committee a NED or INED?	In view of experience and competence, the chairman was INED during the review period but the committee has been reconstituted with NED as the chairman
	ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	Yes. The Company has a succession plan to ensure transparency in the filling of Board vacancy and the policy is reviewed every 3 years
x) How often are Board and Committee charters as well as other governance policies reviewed?	These are reviewed every 3 years or as otherwise required.	
xi) How does the committee report on its activities to the Board?	The Committee chairmen report quarterly on its activities to the Board	
<b>Committee responsible for Remuneration</b>		
xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	25%	
xiii) Is the chairman of the Committee a NED or INED?	INED	
<b>Committee responsible for Audit</b>		

	xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? <b>Yes/No</b>	No. Only a Statutory Audit Committee is in place.
	xv) Are members of the Committee responsible for Audit financially literate? <b>Yes/No</b>	Yes. The members are financially literate
	xvi) What are their qualifications and experience?	Members have various degrees, postgraduate and professional qualifications such as HND, BSC, MBA, PHD, ACS, ACCA, ACIT, FCIT, ACA, FCA, CFA, CFE, FCIM, as well as robust cognate experiences in their respective fields of endeavours
	xvii) Name the financial expert(s) on the Committee responsible for Audit	Mr. Babatunde Adaramaja, Mr. Emmanuel O. Oluwadare and Mr. Oluwole Ashaolu.

Principles	Reporting Questions	Explanation on application or deviation
	xvii) How often does the Committee responsible for Audit review the internal auditor's reports?	The Committee reviews the Internal Audit report on a quarterly basis.
	xix) Does the Company have a Board approved internal control framework in place? <b>Yes/No</b>	Yes. There is Board approved Internal Control Framework in place.
	xx) How does the Board monitor compliance with the internal control framework?	The Board receives and reviews the internal audit report on a quarterly basis. The internal audit report describes the strength and quality of internal controls including identification and resolutions of issues raised in the reports.
	xxi) Does the Committee responsible for Audit review the External Auditors management letter, Key Audit Matters and management response to issues raised? <b>Yes/No</b> Please explain.	Yes. The Audit Committee reviews the management letter, key audit matters and management response to the issues raised.
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? <b>Yes/No</b>	Yes. There is Board approved policy on the nature, extent and terms under which the external auditor may perform non-audit services
	xxiii) How many times did the Audit Committee hold discussions with the head of internal audit function and external auditors without the management during the period under review?	Once during the period under review
	<b>Committee responsible for Risk Management</b>	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	In view of experience and competence, the chairman was INED during the review period but the committee has been reconstituted with NED as the chairman
	xxv) Is there a Board approved Risk Management framework? <b>Yes/No?</b> If yes, when was it approved?	Yes. There is Board approved Risk Management Framework and was updated and approved in 2019
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	The review is done on a quarterly basis and the last review was on November 24, 2020.
	xxvii) Does the Company have a Board-approved IT Data Governance framework? <b>Yes/No</b> If yes, how often is it reviewed?	Yes. There is Board approved IT Data Governance Framework and it is reviewed annually
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	The Committee receives quarterly reports in this regard
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? <b>Yes/No</b>	Yes. The CRO is a member of Senior Management and has relevant qualification such as FCA, certified risk management professional and with over 20 years' experience for the role

	<p>xx) How many meetings of the Committee did the CRO attend during the period under review?</p>	<p>The CRO attended the two meetings held during the period under review</p>
<p><b>Principle 12: Appointment to the Board</b></p> <p><i>"A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i></p>	<p>i) Is there a Board-approved policy for the appointment of Directors? <b>Yes/No</b></p>	<p>Yes. There is a Board approved policy on appointment of directors</p>
	<p>ii) What criteria are considered for their appointment?</p>	<p>The criteria includes experience, specialist knowledge, integrity and personal qualities as well as meeting the board's diversity targets</p>
	<p>iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?</p>	<p>The Board's Enterprise Risk Management and Governance Committee is charged with the responsibility of leading the process for Board appointments and for identifying and recommending suitable candidates for the consideration and approval of the Board based on approved criteria. The Committee undertakes background checks and recommends candidates for potential appointment as Directors.</p> <p>The appointment of Directors is subject to the approval of the National Insurance Commission (NAICOM) and shareholders at the Annual General Meeting.</p>
	<p>iv) Is there a defined tenure for the following:</p> <p>a) The Chairman</p> <p>b) The MD/CEO</p> <p>c) INED</p>	<p>Their tenure is defined in line with former NIACOM 2009 Code of Corporate Governance and the Board Charter</p>

Principles	Reporting Questions	Explanation on application or deviation
	d) NED e) EDs  v) Please state the tenure	For Chairman, NED and INED - Not more than 3 terms of 3 years each. For MD/CEO – Not more than 2 terms of 5 years each For EDs – Not more than 3 terms of 4 years each
	vi) Does the Board have a process to ensure that it is refreshed periodically? <b>Yes/No?</b>	Yes. The Board is refreshed periodically to maintain effectiveness.
<b>Principle 13: Induction and Continuing Education</b>  <i>"A formal induction programme on joining the Board as well as regular training assists Directors to effectively discharge their duties to the Company"</i>	i) Does the Board have a formal induction programme for new directors? <b>Yes/No</b>  ii) During the period under review, were new Directors appointed? <b>Yes/No</b> If yes, provide date of induction.	Yes. There is an induction programme for new directors for proper understanding of the nature of the Company, its business and the markets in which it operates  Yes. A director was appointed and the induction will be conducted soon. His appointment was recently approved by NAICOM and ratified by shareholders at the AGM which held on the 26 <sup>th</sup> day of November, 2020
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? <b>Yes/No</b> If yes, provide training details.	Yes. Directors participate in relevant trainings to enable them effectively perform their responsibilities. The training details are contained in appendix 2.
	iv) How do you assess the training needs of Directors?	Through the outcome of the Board performance evaluation exercise and new developments in regulatory and operating environment
	v) Is there a Board-approved training plan? <b>Yes/No</b> vi) Has it been budgeted for? <b>Yes/No</b>	Yes. There is a Board- approved training plan Yes. It was budgeted for.
<b>Principle 14: Board Evaluation</b>  <i>"Annual Board evaluation assesses how each Director, the committees of the Board and the Board are committed to their roles, work together and continue to contribute effectively to the achievement of the Company's objectives"</i>	i) Is there a Board-approved policy for evaluating Board performance? <b>Yes/No</b>  ii) For the period under review, was there any Board evaluation exercise conducted? <b>Yes/No</b>	Yes and as contained in the Board Charter  No. The Board had just changed its policy to conduct the exercise every 3 years to annually. The last exercise was conducted for 2018 FY
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	N/A. It was not conducted during the review period.
	iv) Has the Board Evaluation report been presented to the full Board? <b>Yes/No</b> If yes, indicate date of presentation.	N/A. It was not conducted during the review period.
	v) Did the Chairman discuss the evaluation report with the individual directors? <b>Yes/No</b>	N/A. It was not conducted during the review period.
	vi) Is the result of the evaluation for each Director considered in the re-election process? <b>Yes/No</b>	N/A. It was not conducted during the review period

<b>Principle 15: Corporate Governance Evaluation</b> <i>"Institutionalizing a system for evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective."</i>	i) For the period under review, has the Company conducted a corporate governance evaluation? <b>Yes/No</b> If yes, provide date of the evaluation.	No. The Board had just changed its policy to conduct the exercise every 3 years to annually. The last exercise was conducted for 2018 FY
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? <b>Yes/No</b>	N/A. It was not conducted during the review period.
	iii) If yes, please indicate the date of last presentation.	N/A. It was not conducted during the review period.
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and investor portal? <b>Yes/No</b>	N/A. It was not conducted during the review period.
<b>Principle 16: Remuneration Governance</b>	i) Is there a Board approved Directors' remuneration policy? <b>Yes/No</b> If yes, how often is it reviewed?	Yes. There is Board approved remuneration policy and it is reviewed every two years or as otherwise required.

Principles	Reporting Questions	Explanation on application or deviation
<p>"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"</p>	i) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	<p>Chairman Fee – N800,000</p> <p>Chairman Sitting Allowance – N300,000</p> <p>NEDs &amp; INED Fee – N600,000 Each</p> <p>NEDs &amp; INED Sitting Allowance – N225,000 Each</p>
	ii) Is the remuneration of NEDs presented to shareholders for approval? <b>Yes/No</b> If yes, when was it approved?	Yes. It was approved at the 2019 AGM held on November 26, 2020.
	iii) What portion of the NEDs remuneration is linked to company performance?	None. No policy relating to such
	iv) Is there a Board-approved remuneration policy for Executive and Senior management? <b>Yes/No</b> If yes, to what extent is remuneration linked to company performance?	Yes. There is Board approved remuneration policy for executive and senior management. In addition to fixed pay, EDs and Senior Management receive a Performance bonus of 5% of net profit after tax on meeting set targets
	v) Has the Board set KPIs for Executive Management? <b>Yes/No</b>	Yes. There are KPIs for Executive Management as set by the Board.
	vi) If yes, was the performance measured against the KPIs? <b>Yes/No</b>	Yes. Performance was measured against set KPIs
	vii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors fees? <b>Yes/No</b>	No. They do not receive sitting allowance for attending meetings as they receive remuneration and fee
	<p>ix) Which of the following receive sitting allowance and/or fees:</p> <p>a. MD/CEO</p> <p>b. ED</p> <p>c. Company Secretary</p> <p>d. Other Senior management staff</p>	None of them received sitting allowance as they receive remuneration and fee
x) Is there a Board-approved clawback policy for Executive management? <b>Yes/No</b> If yes, attach the policy.	Yes. There is Board approved clawback policy to recover "Incentive-Based Compensation" from EDs & Key Management staff upon the occurrence of certain "Triggering Events" and it is attached as appendix 3	
<p><b>Principle 17: Risk Management</b></p> <p>"A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"</p>	i) Has the Board defined the company's risk appetite and limit? <b>Yes/No</b>	Yes. The Board has defined risk appetite and limit
	ii) How often does the company conduct a risk assessment?	Risk assessment is conducted annually
	iii) How often does the board receive and review risk management reports?	Quarterly
<p><b>Principle 18: Internal Audit</b></p> <p>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal"</p>	i) Does the company have an Internal Audit function? <b>Yes/No</b> If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	Yes. There is Internal Audit function in place to safeguard assets and assure compliance with laws and regulations
	ii) Does the company have a Board-approved internal audit charter? <b>Yes/No</b>	Yes. The Internal Audit has an audit charter approved by the Board

control systems"	iii) Is the head of internal audit a member of senior management? <b>Yes/No</b>	Yes. The Internal Audit Function is headed by an Assistant General Manager, a senior management staff of the Company
	iv) What is the qualification and experience of the head of internal audit?	The head of Internal Audit has relevant qualifications such as HND, MBA, AIN, FCA with over 20 years cognate experience.
	v) Does the company have a Board-approved annual risk-based internal audit plan? <b>Yes/No</b>	Yes. The internal audit has an annual risk-based audit plan and approved by the Audit Committee.
	vi) Does the head of the internal audit function report at least once every quarter to the committee responsible for audit, on the	Yes. The Internal Auditor reports quarterly to the Audit Committee on the effectiveness of the internal processes and systems such as risk management and internal control.

Principles	Reporting Questions	Explanation on application or deviation
	adequacy and effectiveness of management, governance, risk and control environment; deficiencies observed and management mitigation plans? <b>Yes/No</b>	The internal audit department reports directly to the Audit Committee quarterly while having a line of communication with the MD/CEO and the Chairman of the Board
	vi) Is there an external assessment of the effectiveness of the internal audit function at least once every three years by a qualified independent reviewer appointed by the Board? <b>Yes/No</b> If yes, when was the last assessment?	Yes. Arkounting Professional Services Limited undertook last assessment in year 2019
	vii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Audit Committee.
<b>Principle 19: Whistleblowing</b> "An effective whistle-blowing framework for reporting any legal or unethical behaviour minimises the Company's exposure and prevents recurrence"	i) Does the company have a Board-approved whistleblowing framework? <b>Yes/No</b> If yes, when was the date of last review	Yes. There is Board approved whistleblowing policy to report perceived unethical conduct or wrong doing of employees, management, directors, and other stakeholders by an employee or other persons to appropriate authority, and it was last reviewed in 2018
	ii) Does the Board ensure that the whistleblowing mechanism and process reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistle-blower? <b>Yes/No</b>	Yes. The Board ensures that the whistleblowing mechanism process is reliable, accessible to all stakeholders and guarantees the anonymity of the whistle-blower. It provides an assurance mechanism that all disclosures will be handled seriously, treated as confidential and managed without fear of reprisal of any form
	iii) Is the Audit committee provided with the following reports on a periodic basis? a) Reported cases b) Process and results of Investigated cases	Yes, but there was no reported case during the period
<b>Principle 20: External Audit</b> "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) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	The Audit Committee makes recommendations to the Board for the appointment, re-appointment or removal of external auditors
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	The appointment, re-appointment and removal of external auditors is ratified and approved by shareholders at the AGM.
	iii) When was the first date of appointment of the External auditors?	The External Auditor was appointed on November 26, 2020
	iv) How often are the audit partners rotated?	Audit partners are rotated every 5 years
<b>Principle 21: General Meetings</b> "General Meetings are	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	21 days' notice is given before the date of Annual General Meeting and relevant information dispatched accordingly

<p>important platforms for the Board to engage shareholders to facilitate greater understanding of the Company's business, governance and performance. They provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest"</p>	<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? <b>Yes/No</b></p>	<p>Yes. They were all present at the last annual general meeting held on November 26, 2020.</p>
<p><b>Principle 22: Shareholder Engagement</b>          "The establishment of a system of regular dialogue with shareholders balance</p>	<p>i) Is there a Board-approved policy on shareholders' engagement? <b>Yes/No</b>          If yes:          a) when was it last reviewed?          b) Is the policy hosted on the company's website?</p>	<p>Yes. There is Board approved policy on shareholders' engagement and it is not due for review as it was in place in 2020. The policy is hosted on the Company's website @ <a href="http://www.stiple.com">www.stiple.com</a>.</p>

Principles	Reporting Questions	Explanation on application or deviation
<p>their needs, interests and expectations with the objectives of the Company"</p>	<p>ii) How does the Board engage with Institutional Investors and how often?</p>	<p>The Board Chairman meets and interacts with Institutional investors annually or as the need arises</p>
<p><b>Principle 23: Protection of Shareholder Rights</b></p> <p>"Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance"</p>	<p>i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? <b>Yes/No</b></p>	<p>Yes. Adequate and timely information on the Company's activities is provided to the shareholders through prompt release of the quarterly and annual financials as well as consistent press releases on the activities of the company</p>
<p><b>Principle 24: Business Conduct and Ethics</b></p> <p>"The establishment of professional business and ethical standards underscore the values for the protection and enhancement of the reputation of the Company while promoting good conduct and investor confidence"</p>	<p>ii) Does the company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards? <b>Yes/No</b></p> <p>If yes:</p> <p>a) Has the COBE been communicated to all internal and external Stakeholders? <b>Yes/No</b></p> <p>b) Is the COBE applicable to any or all of the following:</p> <ol style="list-style-type: none"> <li>1. Board</li> <li>2. Senior management</li> <li>3. Other employees</li> <li>4. Third parties</li> </ol>	<p>Yes. There is Board approved Code of Business Conduct and Ethics. The Objective of this Code of Business and Ethical Conduct is to promote a culture of Ethics and Compliance in our Company and to define the way and manner we shall conduct our business in a way that truly reflects the values we profess. The Code has been communicated to all internal and external stakeholders and it is applicable to the listed stakeholders.</p>
	<p>iii) When was the date of last review of the policy?</p>	<p>The policy was last reviewed in 2012 and currently undergoing review</p>
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? <b>Yes/No</b></p>	<p>Yes. The Code provided the process for identifying, monitoring and reporting adherence. All stakeholders are encouraged to report violation to the code. An Investigation Committee investigates a reported violation of the code confidentially, make a determination whether the Code or the law has been violated, and recommend appropriate corrective action</p>
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p>Caution and Warning letters to members of staff that breached the Code.</p>
<p><b>Principle 25: Ethical Culture</b></p> <p>"The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other</p>	<p>ii) Is there a Board-approved policy on insider trading? <b>Yes/No</b></p> <p>If yes:</p> <p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p>	<p>Yes. There is Board approved policy for insider trading. The policy was last reviewed in 2018 and the Company Secretary and Governance Committee monitors compliance with the policy.</p>

<p>Corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence"</p>	<p>i) Does the company have a Board approved policy on related party transactions? <b>Yes/No</b>          If yes:          a) When was the last date of review?          b) How does the Board monitor compliance with this policy?          c) Is the policy applicable to any or all of the following:          1. Board          2. Senior management          3. Other employees (Specify)          4. Third parties (Specify)</p>	<p>Yes. There is Board approved policy on related party transactions and it was last reviewed in 2020. The Company Secretary and Governance Committee monitor compliance with the policy. The policy is applicable to all listed stakeholders including contract staff and contractors</p>
	<p>ii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?</p>	<p>The Company Secretary, Governance Committee and Audit Committee ensure adequate disclosure</p>

Principles	Reporting Questions	Explanation on application or deviation
	iv) Does the company have a Board-approved policy on conflict of interest? <b>Yes/No</b>  If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all of the following: 1. Senior management 2. Other employees (Specify)	Yes. There is Board approved policy on Conflict of Interest. The policy was last reviewed in 2020 and the Company Secretary and Governance Committee monitors compliance with the policy. The policy is applicable to listed stakeholders including contract staff
<b>Principle 26: Sustainability</b>  <i>"Paying adequate attention to sustainability issues including environment, social, occupational and community health and safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development"</i>	i) Is there a Board-approved sustainability policy? <b>Yes/No</b> If yes, when was it last reviewed?  ii) How does the Board monitor compliance with the policy?  iii) How does the Board report compliance with the policy?  iv) Is there a Board-approved policy on diversity in the workplace? <b>Yes/No</b> If yes, when was it last reviewed?	Yes. There is Board approved policy on Sustainability aimed at developing strategic partnerships and implementing best practice to reduce the impact of our operations on the environment and people. The policy is not due for review as it was in place in 2020  The Company Secretary and Governance Committee monitors compliance with the policy  A Compliance report is contained in the annual reports  Yes. There is Board approved diversity policy and it is not due for review as it was in place in 2020
<b>Principle 27: Stakeholder Communication</b>  <i>"Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"</i>	i) Is there a Board-approved policy on stakeholder management and communication? <b>Yes/No</b>  ii) Does the Company have an up to date investor relation portal? <b>Yes/No</b> If yes, provide the link.	Yes. There is Board-approval policy on stakeholders' management and communication to ensure that material information are disclosed in a timely, consistent and appropriate manner.  Yes. <a href="http://www.stiple.com">www.stiple.com</a>
<b>Principle 28: Disclosures</b>  <i>"Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"</i>	i) Does the company's annual report include a summary of the corporate governance report? <b>Yes/No</b>  ii) Has the company been fined by any regulator during the reporting period? <b>Yes/No</b> If yes, provide details of the fines and penalties.	Yes. The annual report contains a summary of the corporate governance report  No. The Company was not fined for any infraction by any regulator during the reporting period

**Section F – Certification**

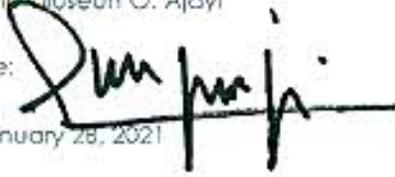
We hereby make this declaration in good faith and confirm that the information provided in this form is true.

**Chairman of the Board of Directors**

Name: Mr. Oluseun O. Ajayi

Signature:

Date: January 28, 2021

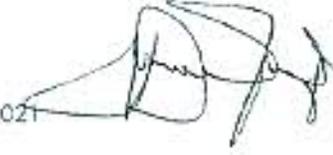


**Chairman of the Committee responsible for Governance**

Name: Mr. Odoh Shedrack Chidozie

Signature:

Date: January 28, 2021

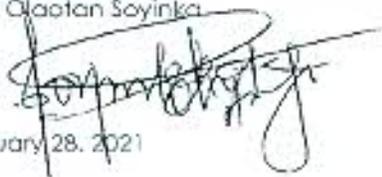


**Managing Director/Chief Executive Officer**

Name: Mr. Olatan Soyinka

Signature:

Date: January 28, 2021



**Company Secretary/Chief Compliance Officer**

Name: Equity Union Limited

Signature:

Date: January 28, 2021



**APPENDIX 1 – SOVEREIGN TRUST INSURANCE PLC - CONCURRENT DIRECTORSHIP**

<b>S/N</b>	<b>DIRECTOR</b>	<b>OTHER COMPANY</b>
1.	MR. OLUSEUN AJAYI - CHAIRMAN	SOVEREIGN INVESTMENTS LIMITED (CEO)
2.	MR. ABIMBOLA OGUNTUNDE - NED	DEVTAGE CONSULTING LIMITED (CEO)
3.	MS. EMI FALOUGHI - NED	STI LEASING LIMITED (NED) M.E. SOLUTIONS LIMITED (NED)
4.	COL. MUSA SHEHU (RTD.) - INED	NONE
5.	MR. ODOH SHEDRACK CHIEDOZIE - NED	STI LEASING LIMITED (NED) MORNING SIDE CAPITAL PARTNERS LIMITED (NED)
6.	MR. OLAOTAN SOYINKA – MD/CEO	STI LEASING LIMITED (NED)
7.	MRS. UGOCHI ODEMELAM - ED	NONE
8.	MR. JUDE MODILIM – ED	NONE

APPENDIX 2: SOVEREIGN TRUST INSURANCE PLC  
LIST OF DIRECTORS TRAINING IN 2020  
2020

S/N	NAME	STATUS	COURSE TITLE	FACILITATOR	LOCATION	DATE
1	Jude Modilim	Executive Director	Anti-Money Laundering/Combating Financial Terrorism	WCOSSIN Consult Limited	Lagos	13-Feb-20
2	Oaolan Soyinka	MD/CEO	2020 Retreat for the Chief Executive Office	Nigerian Insurers Association	Lagos	February 27 - 28, 2020
3	Jude Modilim	Executive Director	2020 Retreat for the Chief Executive Office	Nigerian Insurers Association	Lagos	28-Feb-20
4	Ugochi Odemielam	Executive Director	2020 Retreat for the Chief Executive Office	Nigerian Insurers Association	Lagos	28-Feb-20
5	Jude Modilim	Executive Director	The Impact of Covid-19 on the Insurance Industry in Africa	Coronal Clark Nigeria Limited	Online	09-Apr-20
6	Jude Modilim	Executive Director	FTIC Leadership Series: Post Crisis Recovery - Preparing for the New Normal	FTIC	Online	23-Apr-20
7	Ugochi Odemielam	Executive Director	FTIC Leadership Series: Post Crisis Recovery - Preparing for the New Normal	FTIC	Online	23-Apr-20
8	Oaolan Soyinka	MD/CEO	FTIC Leadership Series: Post Crisis Recovery - Preparing for the New Normal	FTIC	Online	23-Apr-20
9	Jude Modilim	Executive Director	Post Covid-19: Impact on The Insurance Industry	FTIC	Online	03-May-20
10	Ugochi Odemielam	Executive Director	Post Covid-19: Impact on The Insurance Industry	FTIC	Online	03-May-20
11	Oaolan Soyinka	MD/CEO	Post Covid-19: Impact on The Insurance Industry	FTIC	Online	03-May-20
12	Jude Modilim	Executive Director	CIN/UBS Seminar for the Top Echelon of the Insurance Industry	CIN/UBS	Online	08-Jul-20
13	Ugochi Odemielam	Executive Director	CIN/UBS Seminar for the Top Echelon of the Insurance Industry	CIN/UBS	Online	08-Jul-20
14	Oaolan Soyinka	MD/CEO	CIN/UBS seminar for the Top Echelon of the Insurance Industry	CIN/UBS	Online	08-Jul-20
15	Jude Modilim	Executive Director	Knowledge Sharing Session (KSS) on the highlight of CAMA 2020	Risk Management & Compliance Department	Online	18-Sep-20
16	Ugochi Odemielam	Executive Director	Knowledge Sharing Session (KSS) on the highlight of CAMA 2020	Risk Management & Compliance Department	Online	18-Sep-20
17	Oaolan Soyinka	MD/CEO	Knowledge Sharing Session (KSS) on the highlight of CAMA 2020	Risk Management & Compliance Department	Online	18-Sep-20
18	Jude Modilim	Executive Director	Political Violence and Terrorism (Including Kidnap & Ransom)	Chartered Insurance Institute of Nigeria	Online	September 24 - 25, 2020
19	Jude Modilim	Executive Director	2020 Insurance Professionals' Forum	Chartered Insurance Institute of Nigeria	Online	November 4 - 7, 2020
20	Oaolan Soyinka	MD/CEO	2020 Insurance Professionals' Forum	Chartered Insurance Institute of Nigeria	Online	November 4 - 7, 2020