



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.stiplc.com
vii.	Financial Year End	December 31 st 2021
viii.	Is the Company a part of a Group/Holding Company? Yes/No 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 segun.bankole@stiplc.com 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 th June, 2016.	Appointed
2.	Ms. Emi Faloughi	NED	Female	8 th December, 2015	Appointed
3.	Mr. Abimbola Oguntunde	NED	Male	19 th December, 2017	Appointed
4.	Mr. Shedrack Chiedozie Odoh	NED	Male	29 th November, 2019	Appointed

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

Attendance at Board and Committee Meetings:

S/No.	Names of Board Members	No. of Board Meetings Held in the Reporting Year	No. of Board Meetings Attended in the Reporting Year	Membership of Board Committees	Designation (Member or Chairman)	Number of Committee Meetings Held in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
1.	Mr. Oluseun O. Ajayi	5	5				
2.	Ms. Emi Faloughi	5	5	Enterprise Risk Mgt. & Governance. Finance, Investment & General Purpose. Nomination, Remuneration & Governance. Statutory Audit & Compliance	Member Member Member Member	3 5 Nil (created in Dec. 2021) 4	3 5 Nil 4
3.	Mr. Abimbola Oguntunde	5	5	Finance, Investment & General Purpose. Enterprise Risk Mgt. & Governance Board Audit & Compliance. Nomination, Remuneration & Governance.	Chairman Member Member Member	5 3 Nil (created in Dec. 2021) Nil (created in Dec. 2021)	5 3 Nil Nil
4.	Mr. Shedrack Chidozie Odoh	5	5	Enterprise Risk Mgt. & Governance Nomination, Remuneration & Governance Finance, Investment & General Purpose Board Audit & Compliance	Chairman Chairman Member Member	3 Nil (created in Dec. 2021) 5 Nil (created in Dec. 2021)	3 Nil 5 Nil
5.	Col. Musa Shehu (RTD.)	5	4	Statutory Audit & Compliance Board Audit & Compliance	Member Chairman	4 Nil (created in Dec. 2021)	4 Nil

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
6.	Mr. Olaotan Soyinka			Enterprise Risk Mgt. & Governance.	Member	3	2
		5	5	Finance, Investment & General Purpose.	Member	5	5
				Enterprise Risk Mgt. & Governance.	Member	3	3
7.	Mrs. Ugochi Odemelum	5	5	Enterprise Risk Mgt. & Governance	Member	3	3
8.	Mr. Jude A. Modilim	5	5	Finance, Investment & General Purpose	Member	5	5
9.	Mr. Emmanuel Oluwadare						
		-	-	Statutory Audit & Compliance	Chairman	4	4
		-	-	Statutory Audit & Compliance	Member	4	4
10.	Mr. David Oluwole Ashaolu						
11.	Mr. Lanre Oyeniyi	-	-	Statutory Audit & Compliance	Member (Appointed in May 27, 2021)	4	2

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 Odemelum	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
Part A - Board of Directors and Officers of the Board		
Principle 1: Role of the Board <i>"A successful Company is headed by an effective Board which is responsible for providing entrepreneurial and strategic leadership as well as promoting ethical culture and responsible corporate citizenship. As a link between stakeholders and the Company, the Board is to exercise oversight and control to ensure that management acts in the best interest of the shareholders and other stakeholders while sustaining the prosperity of the Company"</i>	i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? Yes/No If yes, when was it last reviewed?	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
Principle 2: Board Structure and Composition <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>	i) What are the qualifications and experiences of the directors?	The Directors of the company have numerous degrees, postgraduate and professional qualifications such as BSc, MBA, MSc, ACII, AIIN, FCA and significant cognate experience in their respective fields of endeavours. Please Appendix 1
	ii) Does the company have a Board-approved diversity policy? Yes/No If yes, to what extent have the diversity targets been achieved?	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. See Appendix 1
	iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?	Yes. The list of directors with concurrent directorships and the companies is attached herewith as appendix 2.
	iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? Yes/No If yes, provide the names of the Committees.	No. Board committees are chaired by Non-Executive and Independent directors. For independence and objectivity, the Board Charter prohibit the MD/CEO and EDs from being Chairman of any Board Committee
Principle 3: Chairman <i>"The Chairman is responsible for providing overall leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board"</i>	i) Is the Chairman a member or chair of any of the Board Committees? Yes/no If yes, list them.	No. The Chairman is not a member and does not chair any committee in order to avoid any influence or dominance over the Board and/or Management
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?	The Chairman was not in attendance at any committee meeting during the period under review

Principles	Reporting Questions	Explanation on application or deviation
	iii) Is the Chairman an INED or a NED?	The Chairman of the company is a NED and not involved in the day-day operations of the company
	iv) Is the Chairman a former MD/CEO or ED of the Company? Yes/No If yes, when did his/her tenure as MD end?	Yes. The Chairman is a former MD/CEO of this Company. His tenure as CEO ended on December 10, 2009.
	v) When was he/she appointed as Chairman?	The Chairman was appointed on June 7, 2016
	vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No If yes, specify which document	Yes. The roles and responsibilities of the Chairman are clearly defined in the approved Board Charter.
Principle 4: Managing Director/Chief Executive Officer <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? Yes/No If no, in which documents is it specified?	Yes. The MD/CEO has an employment contract which sets 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? Yes/No	Yes. The 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, Statutory Audit & Compliance Committee and Enterprise, Risk Management Committee during the review period.
	iv) Is the MD/CEO serving as NED in any other company? Yes/no . If yes, please state the company(ies)?	Yes. The MD/CEO is serving as an NED on the Board of STI Leasing Ltd as a representative of Sovereign Trust Insurance Plc. Sovereign Trust Insurance Plc owns 43% of shares in STI Leasing Limited.
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No	Yes. Membership of MD/CEO is in line with Board approved policies and does not affect discharge of his responsibilities
Principle 5: Executive Directors <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? Yes/no	Yes. Executive Directors have contracts of employment.
	ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? Yes/No If no, in which document are the roles and responsibilities specified?	Yes. 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? Yes/No	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? Yes/No If yes, please list	No. Executive Directors are not serving as NEDs in any other company

Principles	Reporting Questions	Explanation on application or deviation
	v) Are their memberships in these companies in line with Board-approved policy? Yes/No	No. Executive Directors are not serving as NEDs in any other company
Principle 6: Non-Executive Directors <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board</i>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? Yes/No If yes, where are these documented?	Yes. The roles and responsibilities of the NEDs are clearly defined and documented in the approved Board Charter and their Letters of appointment
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	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? Yes/No	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? Yes/No 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? Yes/No	Yes. The NEDs have unhindered access to the EDs, Company Secretary and the Internal Auditor.
Principle 7: Independent Non-Executive Directors <i>Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence</i>	i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? Yes/No	Yes. The INED fully meets the independence criteria prescribed under section 7.2.1 – 7.2.9 of the Code.
	ii) Are there any exceptions?	No exception to the independence criteria.
	iii) 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? Yes/No	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? Yes/No	Yes. The INED declared conflict of interest on appointment and annually thereafter as well as they occur

Principles	Reporting Questions	Explanation on application or deviation
	vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?	Yes. The Board Governance Committee through direct enquiry from INED, news scanning and 3 rd party confirmation, ascertains and Confirms the independence of the INED annually
	vii) Is the INED a Shareholder of the Company? Yes/No 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? Yes/No 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.
Principle 8: Company Secretary "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?	The Company Secretary is outsourced and not a 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
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board undertakes and approves the performance evaluation of the Company Secretary
Principle 9: Access to Independent Advice "Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise"	i) Does the company have a Board-approved policy that allows directors access to independent professional advice in the discharge of their duties? Yes/No If yes, where is it documented?	Yes. This is documented in the 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

Principles	Reporting Questions	Explanation on application or deviation
	ii) During the period under review, did the Directors obtain any independent professional advice? Yes/No If yes, provide details.	No. There was no request for such during the review period
Principle 10: Meetings of the Board <i>"Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company"</i>	i) What is the process for reviewing and approving minutes of Board meetings?	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 criterion when considering them for re-election.
Principle 11: Board Committees <i>"To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities"</i>	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? Yes/No	Yes. The Board Committees have Board approved Charters which set out delegated oversight responsibilities of the Board. The charters clearly defines committees accountability and performance measurement
	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. Nomination, Remuneration & Governance b. Nomination, Remuneration & Governance c. Audit & Compliance Committee d. Enterprise Risk Management
	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
	Committee responsible for Nomination and Governance	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	25%
	viii) Is the chairman of the Committee a NED or INED?	The chairman of the Committee is a NED
	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 orderly identification, selection and

Principles	Reporting Questions	Explanation on application or deviation
		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 chairman reports quarterly on its activities to the Board or as requested by the Chairman during Board meetings
	Committee responsible for Remuneration	
	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?	The chairman of the Committee is a NED
	Committee responsible for Audit	
	xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? Yes/No	Yes. The Company has a Board Audit Committee separate from the Statutory Audit Committee
	xv) Are members of the Committee responsible for Audit financially literate? Yes/No	Yes. The members are financially literate
	xvi) What are their qualifications and experience?	Members have various degrees, postgraduate and professional qualifications such as BSC, MBA, PHD, ACA, FCIT, FCA, 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. Shedrack Chiedozie Odoh, Mr. Emmanuel O. Oluwadare and Mr Oluwale Ashaolu.
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	The Committee reviews the Internal Audit reports on a quarterly basis.
	xix) Does the Company have a Board approved internal control framework in place? Yes/No	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 reports on a quarterly basis. The internal audit report describes the strength and quality of internal controls including identification and resolution 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? Yes/No 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? Yes/No	Yes. There is Board approved policy on the nature, extent and terms under which the external auditor may perform non-audit services

Principles	Reporting Questions	Explanation on application or deviation
	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
	Committee responsible for Risk Management	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	The Chairman of the Risk Management is a NED
	xxv) Is there a Board approved Risk Management framework? Yes/No? 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 15/12/2021
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? Yes/No 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? Yes/No	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
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	The CRO attended the three meetings held during the period under review
Principle 12: Appointment to the Board	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes. There is a Board approved policy on appointment of directors
<i>"A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i>	ii) What criteria are considered for their appointment?	The criteria include experience, specialist knowledge, integrity and personal qualities as well as meeting the board's diversity targets
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	The Board's Nomination, Remuneration 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. The appointment of Directors is subject to the approval of the National Insurance Commission (NAICOM) and shareholders at the Annual General Meeting.

Principles	Reporting Questions	Explanation on application or deviation
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	Their tenure is defined in line with NIACOM Corporate Governance Guidelines vis-à-vis NCCG 2018 and the Board Charter
	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? Yes/No?	Yes. The Board is refreshed periodically to maintain effectiveness.
Principle 13: Induction and Continuing Education "A formal induction programme on joining the Board as well as regular training assists Directors to effectively discharge their duties to the Company"	i) Does the Board have a formal induction programme for new directors? Yes/No	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
	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	No. No new director was appointed during the reporting period
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	Yes. Directors participate in relevant training to enable them effectively perform their responsibilities. The training details are contained in appendix 3.
	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? Yes/No	Yes. There is a Board- approved training plan
	vi) Has it been budgeted for? Yes/No	Yes. It was budgeted for.
Principle 14: Board Evaluation "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"	i) Is there a Board-approved policy for evaluating Board performance? Yes/No	Yes and as contained in the Board Charter
	ii) For the period under review, was there any Board Evaluation exercise conducted? Yes/No	Yes. The Board Evaluation Exercise for the period under review (2021 FY) commenced on January 11, 2022.

Principles	Reporting Questions	Explanation on application or deviation
effectively to the achievement of the Company's objectives"	ii) If yes, indicate whether internal or external. Provide date of last evaluation.	External. The last evaluation for 2020 FY commenced on March 5, 2021 and concluded within the month.
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	Yes. 2020 FY Board Evaluation was presented at the full Board meeting held on May 26, 2021.
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	Yes. The Chairman discussed the evaluation report with each member of the Board.
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	Yes. The evaluation result was considered in re-election of directors.
Principle 15: Corporate Governance Evaluation "Institutionalizing a system for evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective"	i) For the period under review, has the Company conducted a corporate governance evaluation? Yes/No If yes, provide date of the evaluation.	Yes. The corporate governance evaluation Exercise for the period under review commenced on January 11, 2022 and the report would be presented and considered at the next Board meeting.
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	Yes. 2020 FY Corporate Governance Evaluation done in March 2021 was presented and considered by the Board.
	iii) If yes, please indicate the date of last presentation.	2020 FY Corporate Governance Evaluation done in March 2021 was presented at the full Board meeting held on May 26, 2021.
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? Yes/No	Yes. 2020 FY Corporate Governance Evaluation done in March 2021 was included in the annual report and investors portal.
Principle 16: Remuneration Governance "The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term"	i) Is there a Board-approved Directors' remuneration policy? Yes/No If yes, how often is it reviewed?	There is Board approved remuneration policy and it is reviewed every two years or as otherwise required.
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	Chairman Fee – N800,000 Chairman Sitting Allowance – N300,000 NEDs & INED Fee – N600,000 Each NEDs & INED Sitting Allowance – N225,000 Each
	iii) Is the remuneration of NEDs presented to shareholders for approval? Yes/No If yes, when was it approved?	Yes. It was approved at the 2020 AGM held on May 27, 2021.
	iv) What portion of the NEDs remuneration is linked to company performance?	None, No policy relating to such
	v) Is there a Board-approved remuneration policy for Executive and Senior management? Yes/No If yes, to what extent is remuneration linked to company performance?	Yes. 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

Principles	Reporting Questions	Explanation on application or deviation
	vi) Has the Board set KPIs for Executive Management? Yes/No	Yes. There are KPIs for Executive Management as set by the Board.
	vii) If yes, was the performance measured against the KPIs? Yes/No	Yes. Performance was measured against set KPIs
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors' fees? Yes/No	No. They do not receive sitting allowance and/or directors' fee for attending meetings.
	ix) Which of the following receive sitting allowance and/or fees: a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff	None of them receive sitting allowance and outsourced Company Secretary receives only professional fee for their services
	x) Is there a Board-approved clawback policy for Executive management? Yes/No 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 4
Principle 17: Risk Management <i>"A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"</i>	i) Has the Board defined the company's risk appetite and limit? Yes/No	Yes. The Board has defined risk appetite and limit. Our risk appetite is defined for different risk categories and illustrated using qualitative and quantitative measures for monitoring, escalating and reporting the identified risks.
	ii) How often does the company conduct a risk assessment?	Risk assessment is conducted annually either by facilitated workshops or questionnaires involving members of staff.
	iii) How often does the board receive and review risk management reports?	Quarterly
Principle 18: Internal Audit <i>"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems"</i>	i) Does the company have an Internal Audit function? Yes/No If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	Yes. 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? Yes/No	Yes. The Internal Audit has an audit charter approved by the Board
	iii) Is the head of internal audit a member of senior management? Yes/No	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, AFIN, FCA with over 20 years cognate experience.
	v) Does the company have a Board-approved annual risk-based internal audit plan? Yes/No	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 adequacy and effectiveness of management, governance, risk and control	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 while

Principles	Reporting Questions	Explanation on application or deviation
	environment; deficiencies observed and management mitigation plans? Yes/No	having a line of communication with the MD/CEO and the Chairman of the Board
	vii) Is there an external assessment of the effectiveness of the internal audit function at least once every three years by a qualified independent reviewer appointed by the Board? Yes/No If yes, when was the last assessment?	Yes. External assessment conducted by Arkounting Professional Services Limited and undertook last assessment in year 2019
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Audit Committee.
Principle 19: Whistleblowing "An effective whistle-blowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence"	i) Does the company have a Board-approved whistleblowing framework? Yes/No If yes, when was the date of last review	Yes. There is Board approved whistleblowing policy to report perceived unethical conduct or wrongdoing of employees, management, directors, and other stakeholders by an employee or other persons to appropriate authority, and it was last reviewed in 2020
	ii) Does the Board ensure that the whistleblowing mechanism and are process reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower? Yes/No	Yes. The Board ensures that the whistleblowing mechanism process is reliable, accessible to all stakeholders and guarantees the anonymity of the whistleblower. 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
Principle 20: External Audit "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 2 years (NAICOM)
Principle 21: General Meetings "General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the"	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
	ii) Were the Chairmen of all Board Committees and the Chairman of the Statutory Audit Committee present to respond to	Yes. They were all present at the last annual general meeting held on May 27, 2021.

Principles	Reporting Questions	Explanation on application or deviation
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"	Shareholders' enquiries at the last meeting? Yes/No	
Principle 22: Shareholder Engagement "The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company"	i) Is there a Board-approved policy on shareholders' engagement? Yes/No If yes: a) when was it last reviewed? b) Is the policy hosted on the company's website? ii) How does the Board engage with Institutional Investors and how often?	Yes. There is Board approved policy on shareholders' engagement and it was reviewed in 2021. The policy is hosted on the Company's website @ www.stiplc.com . The Board Chairman meets and interacts with Institutional investors annually or as the need arises
Principle 23: Protection of Shareholder Rights "Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance"	i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? Yes/No	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
Principle 24: Business Conduct and Ethics "The establishment of professional business and ethical standards underscore the values for the protection and enhancement of the reputation of the Company while promoting good conduct and investor confidence"	i) Does the company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards? Yes/No If yes: a) Has the COBE been communicated to all internal and external Stakeholders? Yes/No b) Is the COBE applicable to any or all of the following: 1. Board 2. Senior management 3. Other employees 4. Third parties ii) When was the date of last review of the policy? iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No	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. The policy was last reviewed in 2012 and currently undergoing review 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

Principles	Reporting Questions	Explanation on application or deviation
	iv) What sanctions were imposed for the period under review for non-compliance with the COBER?	Caution and Warning letters to members of staff that breached the Code.
Principle 25: Ethical Culture <i>"The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence"</i>	i) Is there a Board-approved policy on insider trading? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy?	Yes. There is Board approved policy for insider trading. The policy was last reviewed in 2021 and the Company Secretary and Nomination, Remuneration and Governance Committee monitor compliance with the policy.
	ii) Does the company have a Board approved policy on related party transactions? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all of the following: 1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify)	Yes. There is Board approved policy on related party transactions and it was last reviewed in 2020. The Company Secretary and Nomination, Remuneration & Governance Committee monitor compliance with the policy. The policy is applicable to all listed stakeholders including contract staff and contractors
	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	The Company Secretary, Nomination, Remuneration & Governance Committee and Audit Committee ensure adequate disclosure
	iv) Does the company have a Board-approved policy on conflict of interest? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all 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 Nomination, Remuneration & Governance Committee monitor compliance with the policy. The policy is applicable to listed stakeholders including contract staff
Principle 26: Sustainability <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? Yes/No 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
	ii) How does the Board monitor compliance with the policy?	The Company Secretary and Nomination, Remuneration & Governance Committee monitor compliance with the policy
	iii) How does the Board report compliance with the policy?	A Compliance report is contained in the annual reports
	iv) Is There a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?	Yes. There is Board approved diversity policy and it is not due for review as it was in place in 2020

Principles	Reporting Questions	Explanation on application or deviation
Principle 27: Stakeholder Communication <i>"Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"</i>	i) Is there a Board-approved policy on stakeholder management and communication? Yes/No	Yes. There is Board-approved policy on stakeholders' management and communication to ensure that material information are disclosed in a timely, consistent and appropriate manner.
	ii) Does the Company have an up to date investor relation portal? Yes/No If yes, provide the link.	Yes. www.stiplc.com
Principle 28: Disclosures <i>"Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"</i>	i) Does the company's annual report include a summary of the corporate governance report? Yes/No	Yes. The annual report contains a summary of the corporate governance report
	ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.	Yes. During the reporting period, the Company was fined by the Security & Exchange Commission for violating rule 401 of SEC rules and regulations regarding disclosure requirement. A penalty of N1,242,000 was paid for this infraction.

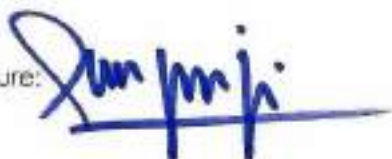
Section F – Certification

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, 2022

Chairman of the Committee responsible for Governance

Name: Mr. Shedrack Chiedozie Odoh

Signature:



Date: January 28, 2022

Managing Director/Chief Executive Officer

Name: Mr. Olaotan Soyinka

Signature:



Date: January 28, 2022

Company Secretary/Chief Compliance Officer

Name: Equity Union Limited

Signature:



EQUITY UNION LIMITED
(Corporate Secretaries/Nominees)

Date: January 28, 2022

BOARD OF DIRECTORS

The Board of Directors of **Sovereign Trust Insurance Plc** is made up of reputable Nigerians with impressive track records of professional and business achievements. They are:

1. **MR. OLUSEUN O. AJAYI, Chairman**

Mr. Seun Ajayi is a Chartered Insurer spanning four decades in the insurance industry in Nigeria. He is both an Associate of the Chartered Insurance Institute of London (ACII) and Nigeria (ACIIN) respectively. An astute professional who has devoted his entire working life to the practice of insurance. Mr. Ajayi is the Co-Founder and Pioneer MD/CEO of the company.

He has attended various Management and Leadership Development Programmes at different times in the course of his career including the Management Programme at the London School of Insurance. He is also an alumnus of the Lagos Business School having completed the Chief Executive Programme, (CEP). Mr. Ajayi has also attended leadership programmes at the IESE Business School of the University of Navarra, Spain, the University of Nottingham Business School, and the London Business School, respectively. Back home, he attended a Leadership Training Programme at the Administrative College of Nigeria, (ASCON). He is also a graduate of History and Politics from the University of Ibadan.

Under his leadership, the company consistently experienced steady and remarkable accomplishments and he successfully transitioned the company from a Limited Liability Underwriting Firm to a Publicly Quoted Company in November 2006.

He brings to bear an overwhelming wealth of experience and he sits on the Board of other several companies in the country.

2. **Ms. EMI FALOUGHI, Non-Executive Director**

Ms. Emi Faloughi is a seasoned professional with vast years of experience in the Oil and Gas Industry ranging from developing system solutions in support of Contracting and Procurement processes. Over the years, she has successfully put together and managed an ever evolving cross functional global network of IT specialists, Contracting & procurement experts and SAP Business Improvement Analysts.

She holds a first degree in Communications and Spanish from London Guildhall University, United Kingdom and a Masters degree in urban planning from Hunter College, New York, United States of America. She is currently the Vice President of TEEOF Holdings Ltd; a company with a diverse portfolio spanning the entertainment and realty sectors.

3. **Mr. BIMBO OGUNTUNDE, Non-Executive Director**

Mr. Abimbola Oguntunde is the Managing Partner of Devtage Consulting & CEO of the Devtage Group, a global management consulting, technology, and corporate training & development company with offices in North America and EMEA (including Lagos, Nigeria). He currently serves as a non-executive director of Sovereign Trust Insurance Plc with specific responsibilities for capital raising, business transformation & reorganization. Abimbola, an experienced Banker, economist and certified Project Manager, with over 30 years' experience in the banking industry, management consulting and the international public sector, has held top management positions at leading institutions (UBA, Sterling and Diamond Bank) in the financial services industry.

He has acquired international working exposure, having a stint with the Ministry of Government Services, Ontario Public Services (OPS). He studied Economics at the University of Lagos where he graduated with a first class and subsequently obtained a master's degree in Economics from the same institution. He also holds an MBA in International Banking and Finance with Distinction from the University of Birmingham, United Kingdom.

4. COL. MUSA SHEHU (Rtd.), OFR, Independent Director

Col. Musa Shehu (Rtd.) retired from Nigeria Army in 1999 after several years of meritorious service in Nigeria. He was on the country's entourage on several military peace keeping and observer missions outside Nigeria at different times during his military career. Some of the countries include Chad Republic, Iran and Iraq.

In the course of his military career, he also served as Military Administrator of Rivers State between 1996 and 1998, and of Plateau State from 1998 to 1999. Col. Musa Shehu (Rtd.) is a non-executive director on the Board of Sovereign Trust Insurance Plc. Currently, he is the Secretary-General of the Arewa Consultative Forum.

5. MR. OLAOTAN SOYINKA, Managing Director/CEO

Mr. Olaotan Soyinka is an erudite and well-grounded Underwriter with over 20 years cognate experience. He is an Associate of the Chartered Insurance Institute of Nigeria. He is a Graduate of Insurance from University of Lagos and also holds an MSc degree in Marketing from the same university. He joined Sovereign Trust Insurance Plc in March 1998. A seasoned Professional who has plied his trade in both Marketing and Technical Divisions of the organization. He is bringing to bear his overwhelming wealth of experience in providing instructive leadership to the company while taking it to the next phase of its growth stage. Soyinka is an alumnus of the Lagos Business School having successfully completed the Senior Management Programme of the Institution. He is also a member of the prestigious Ikoyi Club 1938.

6. MRS. UGOCHI ODEMELAM, Executive Director, Marketing & Business Development

Mrs. Ugochi Odemelum graduated from the Federal Polytechnic, Nassarawa. She holds an MBA from ESUT Business School. She is also a member of the Nigerian Institute of Management (NIM), a registered member of the Chartered Insurance Institute of Nigeria (CIIN) and Chartered Insurance Institute of London (CII London). She is an Alumnus of the Lagos Business School having successfully completed the Senior Management Programme (SMP), and the Advanced Management Programme (AMP), of the Institution respectively. She has also attended series of management and development programmes both at local and international levels. She is an Alumnus of the Kellogg School of Management, Chicago, USA.

She joined Sovereign Trust Insurance Plc in 1995. Her cognate 20 years working experience cut across the banking and insurance profession. Her experience at Sovereign Trust spans several divisions, Area office operations and other committee works.

7. MR. JUDE A. MODILIM, ED, Technical Operations

He was until his appointment as Executive Director, Technical, the Assistant General Manager/Group Head, Business Development with International Energy Insurance Plc, IEI. While in IEI, he carried out various functions in different capacities.

Between 2007 and 2008, he was the Group Head, Retail for Insurance PHB, (Now KBL). He had a short stint with Industrial and General Insurance Company Limited as a Manager in charge of Telecommunications Marketing. Jude equally had a long spell with NICON Insurance Plc totaling 15 years where he held various positions within the organization.

Jude Modilim is coming on Board with a considerable wealth of experience that has traversed various facets of Insurance and it is hoped that same will be utilized in galvanizing the organization to the next level of its growth agenda.

8. SHEDRACK CHIEDOZIE ODOH

Shedrack Chiedozi Odoh is a fellow of the Institute of Chartered Accountants of Nigeria. He holds a Bachelor's degree in Finance from the University of Port Harcourt and an MBA from the University of Lagos. He started his working career with Citibank Nigeria before moving to Central Bank of Nigeria and subsequently to UBA Plc and to Mobil Producing Nigeria Unlimited.

He has rich senior management experience in banking and oil & gas industries in Nigeria. His core expertise is in Logistics Chain Management, Financial Controls and Treasury Management. He attended the Senior Management Program of the Lagos Business School. He has also benefited from numerous professional and managerial trainings by Kenan - Flagler Business School of the University of North Carolina and OGCI Houston, Texas. The organization will be relying on his vast wealth of experience in fortifying the growth agenda of Sovereign Trust Insurance Plc in the days ahead.

APPENDIX 2 – CONCURRENT DIRECTORSHIP

S/N	DIRECTOR	OTHER COMPANY
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. SHEDRACK CHIEDOZIE ODOH - NED	NONE
6	MR. OLAOTAN SOYINKA – MD/CEO	STI LEASING LIMITED (NED)
7.	MRS. UGOCHI ODEMELAM - ED	NONE
8.	MR. JUDE MODILIM – ED	NONE

APPENDIX 3: SOVEREIGN TRUST INSURANCE PLC

S/N	NAME	STATUS	COURSE TITLE	FACILITATOR	LOCATION	DATE
LIST OF DIRECTORS TRAINING IN 2021						
1	Simbo Oguntunde	Non-Executive Director	Accelerating Insurance Business Growth and Market Penetration: Leadership Imperatives for the Insurance Industry Post COVID-19	FTC in Collaboration with NAICOM	Online	September 23 - 24, 2021
	Simbo Oguntunde	Non-Executive Director	2021 Insurance Directors Conference	College of Insurance and Financial Services	Online	November 24, 2021
	Simbo Oguntunde	Non-Executive Director	IFRS 17 Awareness Workshop for CEOs & Non-Executive Directors	National Insurance Commission	Online	March 1, 2021
2	Emi Falaghi	Non-Executive Director	2021 Insurance Directors Conference	College of Insurance and Financial Services	Online	November 24, 2021
	Emi Falaghi	Non-Executive Director	IFRS 17 Awareness Workshop for CEOs & Non-Executive Directors	National Insurance Commission	Online	March 1, 2021
	Emi Falaghi	Non-Executive Director	Improving the performance of the Audit Committee	DCSL Corporate Services Limited	Online	July 29 - 30, 2021
	Emi Falaghi	Non-Executive Director	Accelerating Insurance Business Growth and Market Penetration: Leadership Imperatives for the Insurance Industry Post COVID-19	FTC in Collaboration with NAICOM	Online	September 23 - 24, 2021
3	Jude Modim	Executive Director	Leadership during Turbulent Times	FTC	Online	January 27, 2021
	Jude Modim	Executive Director	Lagos State Occupational Health and Safety Leadership Involvement Compliance Training and Audit for Insurance and Other Financial Institutions	Nigerian Insurers Association in collaboration with Lagos State Safety Commission	Online	February 9, 2021
	Jude Modim	Executive Director	A Two Day Webinar Training on Digital 201 - Insurtech Trends and The Digital Revolution	Nigerian Insurers Association in collaboration with Insurtech	Online	February 18 - 19, 2021
	Jude Modim	Executive Director	IFRS 17 Awareness Workshop	National Insurance Commission	Online	March 1, 2021
	Jude Modim	Executive Director	47TH AID Conference and Annual General Assembly	African Insurance Organisation	Lagos	September 4 - 8, 2021
	Jude Modim	Executive Director	Accelerating Insurance Business Growth and Market Penetration: Leadership Imperatives for the Insurance Industry Post COVID-19	FTC in Collaboration with NAICOM	Online	September 23 - 24, 2021
	Jude Modim	Executive Director	2021 Insurance Directors Conference	College of Insurance and Financial Services	Online	November 24, 2021
	Jude Modim	Executive Director	In-Plant Training on Marine and Aviation Insurance	MAG Claims Recoveries Ltd.	Online	May 19, 2021
	Jude Modim	Executive Director	Knowledge Sharing Session on Retire Well Batch 2	Starbrite BFC Pension	Online	June 22, 2021
	Jude Modim	Executive Director	Knowledge Sharing Session on My Kidney, My Health	Sunu Health Ltd.	Online	July 19, 2021
4	Olaotan Soyinka	MD/CEO	Leadership during Turbulent Times	FTC	Online	January 27, 2021
	Olaotan Soyinka	MD/CEO	Lagos State Occupational Health and Safety Leadership Involvement Compliance Training and Audit for Insurance and Other Financial Institutions	Nigerian Insurers Association in collaboration with Lagos State Safety Commission	Online	February 9, 2021
	Olaotan Soyinka	MD/CEO	IFRS 17 Awareness Workshop for CEOs & Non-Executive Directors	National Insurance Commission	Online	March 1, 2021
	Olaotan Soyinka	MD/CEO	Accelerating Insurance Business Growth and Market Penetration: Leadership Imperatives for the Insurance Industry Post COVID-19	FTC in Collaboration with NAICOM	Online	September 23 - 24, 2021
	Olaotan Soyinka	MD/CEO	2021 Insurance Professionals Forum	Chartered Insurance Institute of Nigeria	Abokuta	November 3 - 6, 2021
	Olaotan Soyinka	MD/CEO	Knowledge Sharing Session on My Kidney, My Health	Sunu Health Ltd.	Online	July 19, 2021
	Olaotan Soyinka	MD/CEO	Accelerating Insurance Business Growth and Market Penetration: Leadership Imperatives for the Insurance Industry Post COVID-19	FTC in Collaboration with NAICOM	Online	September 23 - 24, 2021
5	Shedrack Odoh	Non-Executive Director	2021 Insurance Directors Conference	College of Insurance and Financial Services	Online	November 24, 2021
	Shedrack Odoh	Non-Executive Director	Improving the performance of the Audit Committee	DCSL Corporate Services Limited	Online	July 29 - 30, 2021
	Shedrack Odoh	Non-Executive Director	IFRS 17 Awareness Workshop for CEOs & Non-Executive Directors	National Insurance Commission	Online	March 1, 2021
	Shedrack Odoh	Non-Executive Director	Knowledge Sharing Session on My Kidney, My Health	Sunu Health Ltd.	Online	July 19, 2021
6	Ugachi Odemellem	Executive Director	Knowledge Sharing Session on My Kidney, My Health	Sunu Health Ltd.	Online	July 19, 2021

APPENDIX 4



CLAWBACK POLICY

FOR

SOVEREIGN TRUST INSURANCE PLC

PREPARED BY:



Approvals

This Policy was approved by:

Name	Representing	Signature	Date
MR. OLUSEUN AJAYI	Chairman, Board of Directors		August 20, 2020
COL. MUSA SHEHU (RTD)	Chairman, Board Enterprise Risk Management and Governance Committee		August 20, 2020
MR. OLAOTAN SOYINKA	Managing Director/CEO		August 20, 2020

The sign-off of this document authorizes the immediate implementation of the Clawback Policy of Sovereign Trust Insurance Plc

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1. INTRODUCTION

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

2. OBJECTIVE

This policy shall provide requisite guidelines to the Board of Directors of Sovereign Trust Insurance Plc ("**STI Plc**") on the recovery of "Incentive-Based Compensation" upon the occurrence of certain "Triggering Events" and in line with the provisions of Principle 16.9 of the Nigerian Code of Corporate Governance, 2018 (NCCG) and National Insurance Commission Implementation Guidelines for Corporate Governance 2019.

3. COVERAGE

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

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

4. ADMINISTRATION

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

5. DEFINITIONS

The following defined terms are used in this Policy:

5.1 Incentive-Based Compensation

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

5.2 Triggering Events- These include the following:

- a. **Accounting Restatement** - This is the process of revising previously issued Audited Financial Statements to correct one or more errors that are material to those Financial Statements.
- b. **Misconduct**- This includes the following:

- Theft or embezzlement, or attempted theft or embezzlement, of money or property or assets of the Company.
- Material breach of the Employee's employment contract or any employment-related undertaking provided in writing and signed by the Employee prior to concurrently with or post the execution of his or her employment agreement.
- Gross negligence or willful misconduct in the performance of the Employee's duties.
- Breach of any fiduciary duty owed to the Company, including, without limitation, engaging in competing activities while employed by the Company;
- Employee's willful refusal to perform assigned duties for which the Employee is qualified as directed by the Employee's supervising officer or the Board.

5.3 Financial Reporting Measures

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

5.4 Vested Benefits

Financial Incentive granted to employees who have met the conditions required to receive a full, instead of partial incentive.

6. PROCEDURE ON RESTATEMENT OF FINANCIAL RESULTS

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

- a. All or a portion of the Audited Financial Statements are materially restated for any period during the preceding three (3) financial years or the financial year in which the restatement occurs.
- b. The amount of Incentive-Based Compensation paid or payable to the Executive Director/Key Management Staff would have been less if the original Audited Financial Statements were correct at the time the amount of Incentive-Based Compensation was first determined.
- c. The Incentive-Based Compensation became payable to the Executive Director/Key Management Staff in connection with the achievement of any financial performance measures for the preceding three (3) financial years or the financial year in which the restatement occurs.

- d. The Board has determined that the Executive Director or Key Management Staff has willfully committed an act of fraud, dishonesty or recklessness in the performance of his or her duties which contributed to the non-compliance that resulted in STI Plc having to restate the Financial Statements.

7. PROCEDURE FOR RECOUPMENT/RECOVERY

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

- a) The recovery of any or all the Incentive Compensation that such Employee was awarded and paid during the preceding three (3) financial years prior to the date of Misconduct and ending three (3) financial years following such Misconduct.
- b) The cancellation of some or all the Employee's then outstanding vested but unsettled Incentive Compensation awards and outstanding unvested Incentive Compensation awards.

8. SOURCES OF RECOUPMENT/RECOVERY

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

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

9. TIME PERIOD COVERED BY POLICY

This Policy applies to any Incentive-Based Compensation paid, granted, awarded, received, or earned by any former or current Executive Director or Key Management Staff in the current period and the last three (3) preceding financial years.

10. PROCESS OF RECOUPMENT/RECOVERY

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

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

If the concerned Executive or Key Management Staff does not within such specified time repay the excess compensation to STI Plc, and the Committee determines that the concerned Executive Director or Key Management Staff is unlikely to repay STI Plc, the Committee may recommend to the Board that legal proceedings be instituted

against the Executive Director or Key Management Staff for such repayment if it deems it in the interest of STI Plc to do so.

11. NO ADDITIONAL PAYMENTS

In no event shall STI Plc be required to award Executive Directors or Key Management Staff an additional payment or incentive if the restated or accurate financial results would have resulted in a higher incentive compensation.

12. EXCEPTIONS

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

- (i) That to do so would be unreasonable
- (ii) That it would be better for the Company not to do so.

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

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

Any pending legal proceeding relating to the applicable misconduct or fraud.

13. REVIEW OF POLICY

The Board Enterprise Risk Management and Governance Committee may review this Policy at any time and from time to time in its sole discretion subject to the approval of the Board of Directors.