



**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	Polaris Bank Limited
ii.	Date of Incorporation	September 21, 2018
iii.	RC Number	RC 1525101
iv.	License Number	CBBN/000015
v.	Company Physical Address	No 3, Akin Adesola Street, Victoria Island, Lagos
vi.	Company Website Address	www.polarisbanklimited.com
vii.	Financial Year End	December 31
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	Babatunde Osibodu Polaris Bank Ltd No 3, Akin Adesola Street Victoria Island Lagos
x.	Name and Address of External Auditor(s)	PricewaterhouseCoopers Landmark Towers, 5B, Water Corporation Road, Victoria Island, Lagos Nigeria
xi.	Name and Address of Registrar(s)	The Bank has no Registrars as it is a Limited Liability company wholly owned by the Assets Management Corporation of Nigeria (AMCON), an agency of the CBN
xii.	Investor Relations Contact Person (E-mail and Phone No.)	08033204014, polaoye@polarisbanklimited.com 08080266380, cijezie@polarisbanklimited.com
xiii.	Name of the Governance Evaluation Consultant	KPMG Advisory Services
xiv.	Name of the Board Evaluation Consultant	KPMG Advisory Services

## 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	Muhammad K. Ahmad	Chairman	M	September 21, 2018	
2	Innocent C. Ike	Ag. MD	M	September 21, 2018	
3	Abdullahi S. Mohammed	ED	M	September 21, 2018	
4	Segun Opeke	ED	M	September 1, 2020	
5	Abdullahi M. Umar	NED	M	September 21, 2018	
6	Austin Jo-Madugu	NED	M	September 21, 2018	
7	Bata G. Wakawa	NED	M	September 21, 2018	
8	Olu Odugbemi	NED	M	September 21, 2018	

### 2. Attendance at Board and Committee Meetings:

S/No.	Names of Board Members	No. of Board Meetings Held in the Reporting Year	No. of Board Meetings Attended in the Reporting Year	Membership of Board Committees	Designation (Member or Chairman)	Number of Committee Meetings Held in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
1	Muhammad K. Ahmad (Chairman, Board of Directors)	5	5	NIL	NIL	NIL	NIL
2	Innocent C. Ike (Managing Director)	5	5	Board Credit Committee	Member	11	11
				Board Finance and General Purposes Committee	Member	7	7
3	Abdullahi S. Mohammed (Executive Director)	5	5	Board Credit Committee	Member*	11	11
				Board Finance and General Purposes Committee	Member	7	7
4	Segun Opeke (Executive Director)	5	5* Pre-September 1, 2020, he was in attendance at the	Board Credit Committee	Member	11	11* Pre-September 1, 2020, he was in attendance at the meetings not as member but

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
	*Appointed Sept 1, 2020		meetings not as member but as a Directorate Head				as a Directorate Head
				<b>Board Finance and General Purposes Committee</b>	<b>Member*</b> *He has ceased to be a member of the Committee with effect from February 4, 2021 to allow membership of more NEDs than EDs on the Committee	<b>7</b>	<b>7*</b> Pre-September 1, 2020, he was in attendance at the meetings not as member but as a Directorate Head
5	Abdullahi M. Umar (Non-Executive Director)	5	5	<b>Board Finance and General Purposes Committee</b>	<b>Chairman</b>	<b>7</b>	<b>7</b>
				<b>Board Credit Committee</b>	<b>Member</b>	<b>11</b>	<b>11</b>
				<b>Board Audit and Risk Management Committee</b>	<b>Member</b>	<b>8</b>	<b>8</b>
6	Austin Jo-Madugu (Non-Executive Director)	5	5	<b>Board Governance, Nominations and Compensation Committee</b>	<b>Chairman</b>	<b>7</b>	<b>7</b>
				<b>Board Credit Committee</b>	<b>Member</b>	<b>11</b>	<b>11</b>
				<b>Board Finance and General Purposes Committee</b>	<b>Member</b>	<b>7</b>	<b>7</b>
7	Bata G. Wakawa	5	5	<b>Board Credit Committee</b>	<b>Chairman</b>	<b>11</b>	<b>11</b>
				<b>Board Governance, Nominations and Compensation Committee</b>	<b>Member</b>	<b>7</b>	<b>7</b>
				<b>Board Audit and Risk Management Committee</b>	<b>Member</b>	<b>8</b>	<b>8</b>
8	Olu Odugbemi	5	5	<b>Board Audit and Risk Management Committee</b>	<b>Chairman</b>	<b>8</b>	<b>8</b>
				<b>Board Governance, Nominations and Compensation Committee</b>	<b>Member</b>	<b>7</b>	<b>7</b>
				<b>Board Finance and General Purposes Committee</b>	<b>Member</b>	<b>7</b>	<b>7</b>

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

### 1. Senior Management:

S/No.	Names	Position Held	Gender
1	Innocent C. Ike	Ag. Managing Director/CEO	M
2	Abdullahi S. Mohammed	Executive Director, Abuja & Northern Business	M
3	Segun Opeke	Executive Director, Lagos Business	M
4	Femi Aribaloye	Directorate Head, Enterprise-Wide Risk Management	M
5	Babatunde Osibodu	General Counsel/Company Secretary	M
6	Kolade Ojo-Osagie	Directorate Head, South-West & Kwara Business	M
7	Olurotimi Omotayo	Chief Internal Auditor	M
8	Ayobamidele Adeyinka	Chief Digital Auditor	M
9	Charles Oso	Chief Compliance Officer	M
10	Taiwo Olupeka	Group Head, Human Resources & Strategy	M
11	Pius Olaoye	Chief Finance Officer	M
12	Titi Helen Abiodun	Group Head, Resources Group	F
13	Raphael Abiazem	Group Head, South-South Business	M
14	Hassan Umar	Group Head, North-West Group I	M
15	Osazuwa Igbinoba	Group Head, Abuja	M
16	Adebimpe Ihekuna	Group Head, Products & Markets Development	F
17	Anthony Anichebe	Group Head, South East I	M
18	Patrick Umunna	Group Head, Apapa Business	M
19	Rasheed Yusuf	Group Head, South West II	M
20	Olusegun Tawaju	Head, Legal Services Department	M
21	Rotimi Awosika	Group Head, Internal Control	M
22	Chukwudi Onuegbu	Ag. Group Head, South East II	M
23	Kayode Oladipo	Group Head, Island Business	M
24	Olayinka Obikanye	Group Head, North East	M
25	Omoyele Adewole	Treasurer	M
26	Ajodo Ocheja	Group Head, Corporate Banking	M
27	Tolulope Obitayo	Group Head, Operations Group	M
28	Ishaka Abdulsalam	Group Head, North-Central Area	M
29	Muntaka Badru	Group Head, North-West Group II	M
30	Olufemi Ambode	Ag. Group Head, Ikeja/Lagos Public Sector Business	M
31	Tagbo Nnoli	Ag. Chief Information Officer	M
32	Yewande Awujoola Soyawo	Team Lead, Agencies & Parastatals, Public Sector Group	F
33	Abimbola Akorede	Group Head, South West I	M

## 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 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></p>	<p>i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? <b>Yes/No</b> If yes, when was it last reviewed?</p>	<p><b>Yes.</b></p> <p><b>The Board/ Board Committees Charters were reviewed and approved at the Board of Directors meeting of February 4, 2021</b></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><b>The Board of the Bank which is in transition and was appointed by the Central Bank of Nigeria. It is made up of individuals with diverse qualifications and experiences in Public Service, Banking, Strategy &amp; Innovation, Accounting &amp; Finance, Corporate Governance, Risk Management and Business Entrepreneurship, among others.</b></p>
	<p>ii) Does the company have a Board-approved diversity policy? <b>Yes/No</b> If yes, to what extent have the diversity targets been achieved?</p>	<p><b>No.</b></p> <p><b>The Board is in transition and was appointed by the CBN. However, it recognises the need to maintain diversity in Age, Skills, Gender, and Experience as shown in the Board-approved Board Appointment Policy.</b></p>
	<p>iii) Are there directors holding concurrent directorships? <b>Yes/No</b> If yes, state names of the directors and the companies?</p>	<p><b>Yes</b></p> <p><b>Muhammad K. Ahmad (Chairman)</b></p> <ol style="list-style-type: none"> <li>1. International Energy Insurance</li> <li>2. Quanteg Tech</li> <li>3. Data Guard</li> <li>4. Credit Capital</li> <li>5. Buraq Capital</li> <li>6. MTN Nigeria</li> </ol> <p><b>Innocent C. Ike (Managing Director/CEO)</b></p> <ol style="list-style-type: none"> <li>1. Blue Marina Co. Ltd</li> <li>2. Blue Marina Properties Ltd</li> <li>3. Main One Cable Company Ltd</li> </ol> <p><b>Abdullahi S. Mohammed</b></p> <p>Unified Payment Services Ltd (UPSL)</p> <p>Skye Bank Guinea Ltd</p>

		<b>Olu Odugbemi (Non-Executive Director)</b> 1. Strategy & Leadership Development Consulting 2. Mumblakan Heritage 3. SLDC Investment 4. SLDC Training 5. Olu Odugbemu & Co 6. Marvis Dundas Ltd 7. Matal Trust Ltd 8. SLDC Heritage Ltd 9. Matalod Ltd 10. Cockfosters Properties
	iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? <b>Yes/No</b>  If yes, provide the names of the Committees.	<b>No</b>
<b>Principle 3: Chairman</b>  <i>"The Chairman is responsible for providing overall leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board"</i>	i) Is the Chairman a member or chair of any of the Board Committees? <b>Yes/no</b> If yes, list them.	<b>No</b>
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review ?	<b>Nil</b>
	iii) Is the Chairman an INED or a NED?	<b>NED</b>
	iv) Is the Chairman a former MD/CEO or ED of the Company? <b>Yes/No</b> If yes, when did his/her tenure as MD end?	<b>No</b>
	v) When was he/she appointed as Chairman?	<b>September 21, 2018</b>
	vi) Are the roles and responsibilities of the Chairman clearly defined? <b>Yes/No</b> If yes, specify which document	<b>Yes</b> 1. Board of Directors Charter 2. Succession Planning Policy
<b>Principle 4: Managing Director/ Chief Executive Officer</b>  <i>"The Managing Director/Chief Executive Officer is the head of management delegated by the Board to run the affairs of the Company to achieve its strategic objectives for sustainable corporate performance"</i>	i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? <b>Yes/No</b> If no, in which documents is it specified?	<b>No</b>  <b>The MD's authority is specified in the Board Charter, the Succession Planning Policy, and the Bank's Delegation of Authority framework.</b>
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes</b>
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	<b>Board Credit Committee (as Member)</b>  <b>Board Finance &amp; General Purposes Committee (as Member)</b>  <b>Board Governance, Nominations and Compensation Committee (In attendance, with the exception of when matters of executive compensation are being considered)</b>  <b>Board Audit and Risk Management Committee (in attendance)</b>

	iv) Is the MD/CEO serving as NED in any other company? <b>Yes/no.</b> If yes, please state the company(ies)?	<b>Yes</b> 1. Blue Marina Co. Ltd 2. Blue Marina Properties Ltd 3. Main One Cable Company Ltd
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? <b>Yes/No</b>	<b>Yes</b>
<b>Principle 5: Executive Directors</b>	i) Do the EDs have contracts of employment? <b>Yes/no</b>	<b>No</b>
<i>Executive Directors support the Managing Director/Chief</i>	ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? <b>Yes/No</b> If no, in which document are the roles and responsibilities specified?	<b>No.</b> <b>The Board of Directors Charter and the Board-approved Succession Planning Policy both set out the roles and responsibilities of the EDs</b>
<i>Executive Officer in the operations and management of the Company</i>	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes</b>
	iv) Are there EDs serving as NEDs in any other company? <b>Yes/No</b> If yes, please list	<b>Yes</b> <b>Abdullahi S. Mohammed-</b> Unified Payment Services Ltd (UPSL) and Skye Bank Guinea Ltd
	v) Are their memberships in these companies in line with Board-approved policy? <b>Yes/No</b>	<b>Yes</b>
<b>Principle 6: Non-Executive Directors</b>	i) Are the roles and responsibilities of the NEDs clearly defined and documented? <b>Yes/No</b> If yes, where are these documented?	<b>Yes</b> <b>1. Board of Directors Charter</b> <b>2. Succession Planning Policy</b>
<i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board</i>	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	<b>No. The Board was appointed by the CBN</b>
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	<b>Yes</b>
	iv) Are NEDs provided with information relating to the management of the company and on all Board matters? <b>Yes/No</b> If yes, when is the information provided to the NEDs	<b>Yes</b> <b>Quarterly reports on various matters relating to the Management of the company are provided to the NEDs and considered at the Board Committees and Board of Directors meetings. This includes report of the CEO to the Board.</b> <b>NEDs can also request for information from Management in between meetings and these are made available.</b>
	v) What is the process of ensuring completeness and adequacy of the information provided?	<b>There are designated officers that ensure the adequacy and completeness of information provided to the Board and they are also in attendance at the meetings of the Board and its Committees. They include an Executive Compliance Officer, Chief Compliance Officer, Chief Internal Auditor and Chief Risk Officer</b> <b>In addition, NEDs have access to Heads of Departments at the Senior Management level of the Bank from whom they can ask questions and confirm the information provided to them.</b> <b>Lastly, the annual Board Evaluation exercise creates an avenue to confirm the completeness and adequacy of</b>



		information provided to the Board on matters relating to the management of the Company.
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? <b>Yes/No</b>	<b>Yes</b>
<b>Principle 7: Independent Non-Executive Directors</b> <i>Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence"</i>	i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? <b>Yes/No</b>	The Board, having been appointed by CBN as a transitory Board has no designated INED. However, given the circumstances of their appointment, all the NEDs meet the criteria of independence. Nonetheless, the need to designate an INED has been brought to the attention of the CBN.
	ii) Are there any exceptions?	As stated above
	iii) What is the process of selecting INEDs?	The process of selecting NEDs is as set out in the Board Appointment policy of the Bank and the Board Charter also defines clearly the criteria for NEDs' independence.
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? <b>Yes/No</b>	The Bank has no designated INED for the reasons stated above.
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? <b>Yes/No</b>	The Bank has no designated INED for the reasons stated above.
	vi) Does the Board ascertain and confirm the independence of the INEDs? <b>Yes/No</b> If yes, how often? What is the process?	The Bank has no designated INED for the reasons stated above.
	vii) Is the INED a Shareholder of the Company? <b>Yes/No</b> If yes, what is the percentage shareholding?	The Bank has no designated INED for the reasons stated above.
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? <b>Yes/No</b> If yes, provide details.	The Bank has no designated INED for the reasons stated above.
	ix) What are the components of INEDs remuneration?	The Bank has no designated INED for the reasons stated above.
<b>Principle 8: Company Secretary</b> <i>"The Company Secretary support the effectiveness of the Board by assisting the Board and management to develop good corporate governance practices and culture within the Company"</i>	i) Is the Company Secretary in-house or outsourced?	The Company Secretary is in-house
	ii) What is the qualification and experience of the Company Secretary?	LLB, BL, LLM
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	<b>Yes</b>
	iv) Who does the Company Secretary report to?	The Board of Directors
	v) What is the appointment and removal process of the Company Secretary?	The process of appointment and removal of the Company Secretary is handled by the Board of Directors as the body that has the full powers to carry out such.
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board of Directors
<b>Principle 9: Access to Independent Advice</b> <i>"Directors are sometimes required to make decisions of a technical</i>	i) Does the company have a Board-approved policy that allows directors access to independent professional advice in the discharge of their duties? <b>Yes/No</b> If yes, where is it documented?	<b>Yes</b> The Board of Directors Charter

and complex nature that may require independent external expertise"	ii) Who bears the cost for the independent professional advice?	<b>The Bank</b>
	iii) During the period under review, did the Directors obtain any independent professional advice? <b>Yes/No</b> If yes, provide details.	<b>Yes</b> <b>The Board engaged the services of Ernst &amp; Young during the year to carry out an independent review and advise it on the status of the Bank's IT Transformation project.</b>
<b>Principle 10: Meetings of the Board</b>  <i>"Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company"</i>	i) What is the process for reviewing and approving minutes of Board meetings?	<b>The Minutes of previous meetings are circulated to the Board at least seven (7) working days before the next meeting (along with other papers for consideration at the meeting). At the meeting, guided by the Chairman of the Board, members review the Minutes of meeting and state any comments they have, before the document is adopted/approved.</b>
	ii) What are the timelines for sending the minutes to Directors?	<b>At least 7 days before the meeting where the Minutes will be reviewed.</b>
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	<b>Re-election of Directors rests with the CBN, the Board having been appointed by the regulator. Directors' attendance at meetings is part of the Board Evaluation report and also disclosed in the Corporate Governance report in the Annual Report and these documents are presented to the CBN.</b>
<b>Principle 11: Board Committees</b>  <i>"To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities"</i>	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? <b>Yes/No</b>	<b>Yes</b>
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	<b>The Minutes of previous meetings are circulated to the Board Committees' members at least seven (7) working days before the next meeting (along with other papers for consideration at the meeting). At the meeting, guided by the Chairman of the Committee, members review the Minutes of meeting and state any comments they have, before the document is adopted/approved.</b>
	iii) What are the timelines for sending the minutes to the directors?	<b>At least 7 days before the meeting where the Minutes will be reviewed.</b>
	iv) Who acts as Secretary to board committees?	<b>The Company Secretary</b>
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management	<b>a. Board Governance, Nominations and Compensation Committee (BGNCC)</b> <b>b. BGNCC</b> <b>c. Board Audit and Risk Management Committee (BARMC)</b> <b>d. BARMC</b>
	vi) What is the process of appointing the chair of each committee ?	<b>The Board of Directors, guided by the Chairman appoints the Chair of each Committee.</b>
	<b>Committee responsible for Nomination and Governance</b>	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	<b>The Bank has no designated INEDs for the reasons stated above. Thus, the Committee is entirely made up of NEDs</b>
	viii) Is the chairman of the Committee a NED or INED ?	<b>NED</b>
	ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	<b>Yes</b> <b>Every three years</b>
x) How often are Board and Committee charters as well as other governance policies reviewed?	<b>Two to three years</b>	

xj) How does the committee report on its activities to the Board?	<b>If holds quarterly meetings and other meetings as circumstances dictate and reports on the proceedings of the meetings to the Board of Directors at Board meetings.</b>
<b>Committee responsible for Remuneration</b>	
xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	<b>Same Committee as above.</b> <b>The Bank has no designated INEDs for the reasons stated above. Thus, the Committee is entirely made up of NEDs</b>
xiii) Is the chairman of the Committee a NED or INED ?	<b>NED</b>
<b>Committee responsible for Audit</b>	
xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? <b>Yes/No</b>	<b>No</b> <b>The Bank being a private limited liability company, does not have a Statutory Audit Committee.</b>
xv) Are members of the Committee responsible for Audit financially literate? <b>Yes/No</b>	<b>Yes</b>
xvi) What are their qualifications and experience?	<b>Accounting &amp; Finance, Banking, Strategy &amp; Innovation and Business Entrepreneurship.</b>
xvii) Name the financial expert(s) on the Committee responsible for Audit	<b>Olu Odugbemi</b> <b>Bata G. Wakawa</b>
xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	<b>1. On a quarterly basis</b> <b>2. At bi-annual meetings with the Bank's Control officers</b>
xix) Does the Company have a Board approved internal control framework in place? <b>Yes/No</b>	<b>Yes</b>
xx) How does the Board monitor compliance with the internal control framework?	<b>The Bank has control and assurance functions through whom compliance with the internal control framework is monitored. They include the Compliance, Internal Audit and Internal Control Departments. These functions render report to the Board at its meetings.</b>  <b>In addition, reports of the annual Board Evaluation exercise include review of the internal control framework.</b>
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.	<b>Yes</b> <b>Each year, upon conclusion of the audit of the Bank's books by the external auditors, along with the financial accounts, the auditors also present the management letter and key audit matters to the Committee for deliberation with Management in attendance. For the 2020FY, these were considered at the BARMC meeting of March 10, 2021.</b>
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>	<b>Yes</b>
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?	<b>The Committee met with the Head of Internal Audit two (2) times in the 2020FY at its with meeting Control officers.</b>  <b>There were no meetings with external auditors only but the need to imbibe this good practice has now been duly noted by the Board and a BARMC meeting was held with the external auditors only on March 10, 2021.</b>
<b>Committee responsible for Risk Management</b>	
xxiv) Is the Chairman of the Risk Committee a NED or an INED?	<b>NED</b>

	xxv) Is there a Board approved Risk Management framework? <b>Yes/No?</b> If yes, when was it approved?	<b>Yes. The Bank's Enterprise Risk Management framework is a combination of various documents and policies.</b>
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	<b>This is reviewed at the Committee's meetings through quarterly reports to the Committee on Credit Risk, Market Risk, Operational Risk, Legal Risk, etc. The last meeting where such review was carried out was February 2, 2021.</b>
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? <b>Yes/No</b> If yes, how often is it reviewed?	<b>Yes</b> <b>However, the document has only been approved by Management and is in the process of being approved by the Board.</b>
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	<b>The Board, through the Board Finance &amp; General Purposes Committee, receives on a quarterly basis, an Information Technology Department report which includes compliance with the IT Governance framework.</b>
	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>	<b>Yes. The Chief Risk Officer is a General Manger with several years of experience in Banking, out of which over 16 years is in Risk Management</b>
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	<b>8- He was in attendance at all the Committee's meetings during the period.</b>
<b>Principle 12: Appointment to the Board</b>  <i>"A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i>	i) Is there a Board-approved policy for the appointment of Directors? <b>Yes/No</b>	<b>Yes</b>
	ii) What criteria are considered for their appointment?	<b>The Board was appointed by the CBN. Nonetheless, some of the criteria set out in the Board Appointment policy are:</b>  <b>MD/EDs</b> <b>1. Minimum of first degree or its equivalent in any discipline plus a higher degree or professional qualification in any business-related discipline.</b> <b>2. Post-graduation experience (20 years for MD, 18 years for EDs).</b>  <b>NEDs</b> <b>1. First degree or its equivalent in any discipline</b> <b>2. Minimum of 20 years' experience</b> <b>3. Understanding of the interests of specific business or personal customer groups with which the Bank maintains relationship</b> <b>4. Proven skills and competencies in their fields</b> <b>5. Knowledge of the operations of the Bank and relevant laws and regulations guiding the banking industry.</b> <b>6. Ability to interpret financial statements and make meaningful contributions to Board deliberations</b> <b>7. Knowledge of national and international business.</b>
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	<b>The BGNCC conducts a background check on potential candidates in order to ensure that candidates presented to the Board are fit and proper and their appointment as Directors will not tarnish the image of the Bank.</b>
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	<b>a. Chairman- Yes (Same as his tenure as a NED)</b> <b>b. MD/CEO- Yes</b> <b>c. INED- Yes</b> <b>d- NED- Yes</b> <b>e- EDs- Yes</b>

	v) Please state the tenure	<b>The Board was appointed by the CBN. Nonetheless, tenure for the members of the Board as set out in the Board Appointment policy are:</b> <b>a. Chairman- Same as his tenure as a NED</b> <b>b. MD/CEO- 10 years</b> <b>c. INED- 8 years</b> <b>d- NED- 12 years</b> <b>e- EDs- Retirement age for Executive Management is 60 years.</b>
	vi) Does the Board have a process to ensure that it is refreshed periodically? <b>Yes/No?</b>	<b>Yes</b>
<b>Principle 13: Induction and Continuing Education</b>	i) Does the Board have a formal induction programme for new directors? <b>Yes/No</b>	<b>Yes</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>	ii) During the period under review, were new Directors appointed? <b>Yes/No</b> If yes, provide date of induction.	<b>Yes</b> <b>March 22, 2021</b>
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? <b>Yes/No</b> If yes, provide training details.	<b>Yes</b>
	iv) How do you assess the training needs of Directors?	<b>At the beginning of each financial, guided by the Chairman and the Company Secretary, Directors' discuss areas of knowledge/skill gaps and determine their training needs accordingly.</b>
	v) Is there a Board-approved training plan? <b>Yes/No</b>	<b>Yes</b>
	vi) Has it been budgeted for? <b>Yes/No</b>	<b>Yes</b>
<b>Principle 14: Board Evaluation</b>	i) Is there a Board-approved policy for evaluating Board performance? <b>Yes/No</b>	<b>Yes</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>	ii) For the period under review, was there any Board Evaluation exercise conducted? <b>Yes/No</b>	<b>Yes</b>
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	<b>External</b>
	iv) Has the Board Evaluation report been presented to the full Board? <b>Yes/No</b> If yes, indicate date of presentation.	<b>Yes.</b> <b>The Board Evaluation exercise report for the 2019FY was presented at the Board of Directors meeting of May 8, 2020.</b>
	v) Did the Chairman discuss the evaluation report with the individual directors? <b>Yes/No</b>	<b>Yes</b>
	vi) Is the result of the evaluation for each Director considered in the re-election process? <b>Yes/No</b>	<b>No. The Board was appointed by the CBN and their re-election rests squarely with the CBN.</b>
<b>Principle 15: Corporate Governance Evaluation</b>	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.	<b>Yes</b> <b>December 2020 and the report was considered at the Board Governance Nominations and Compensation Committee of February 2, 2021 and reported to the Board of Directors meeting of February 4, 2021</b>
<i>"Institutionalizing a system for evaluating the Company's corporate governance practices"</i>		

ensures that its governance standards, practices and processes are adequate and effective"	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? <b>Yes/No</b>	<b>Yes</b>
	iii) If yes, please indicate the date of last presentation.	<b>February 2 and February 4, 2021 (BGNCC and BOD)</b>
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? <b>Yes/No</b>	<b>Yes</b>
<b>Principle 16: Remuneration Governance</b> <i>"The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term"</i>	i) Is there a Board-approved Directors' remuneration policy? <b>Yes/No</b> If yes, how often is it reviewed?	<b>Yes.</b>  <b>Every three years. However, the remuneration of the Board, being a transitory one appointed by the CBN is as approved upon their appointment in September 2018.</b>
	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	<ol style="list-style-type: none"> <li>1. Annual Fee for Board Chairman N5,000,000</li> <li>2. Annual Fee for Non-Executive Directors N3,500,000</li> <li>3. Sitting Allowance for Board Committee Meetings N250,000*</li> <li>4. Sitting Allowance for Chairman of Board Committee Meetings N300,000*</li> <li>5. Sitting Allowance for Board of Directors Meetings N350,000*</li> <li>6. Sitting Allowance for Board Chairman N550,000*</li> </ol> <p>*Meetings held during the year are as detailed above.</p>
	iii) Is the remuneration of NEDs presented to shareholders for approval? <b>Yes/No</b> If yes, when was it approved?	<b>Yes</b>
	iv) What portion of the NEDs remuneration is linked to company performance?	<b>No portion of NEDs remuneration is linked to company performance.</b>
	v) Is there a Board-approved remuneration policy for Executive and Senior management? <b>Yes/No</b> If yes, to what extent is remuneration linked to company performance?	<b>Yes</b>
	vi) Has the Board set KPIs for Executive Management? <b>Yes/No</b>	<b>Yes</b>
	vii) If yes, was the performance measured against the KPIs? <b>Yes/No</b>	<b>No. The Board approved KPIs for Executive Management have just been set in the 2021FY</b>
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors' fees? <b>Yes/No</b>	<b>No</b>
	ix) Which of the following receive sitting allowance and/or fees: a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff	<b>None of the stated officers receive sitting allowance/fees.</b>
	x) Is there a Board-approved clawback policy for Executive management? <b>Yes/No</b> If yes, attach the policy.	<b>Yes</b>
	i) Has the Board defined the company's risk appetite and limit? <b>Yes/No</b>	<b>Yes</b>

<b>Principle 17: Risk Management</b>  <i>"A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"</i>	ii) How often does the company conduct a risk assessment?	Quarterly
	iii) How often does the board receive and review risk management reports?	Quarterly
<b>Principle 18: Internal Audit</b>  <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? <b>Yes/No</b> If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	<b>Yes</b>
	ii) Does the company have a Board-approved internal audit charter? <b>Yes/No</b>	<b>Yes</b>
	iii) Is the head of internal audit a member of senior management? <b>Yes/No</b>	<b>Yes</b>
	iv) What is the qualification and experience of the head of internal audit?	<b>BSc (Accounting), FCA, FCIB, FCIT</b> <b>35 years relevant experience</b>
	v) Does the company have a Board-approved annual risk-based internal audit plan? <b>Yes/No</b>	<b>Yes</b>
	vi) Does the head of the internal audit function report at least once every quarter to the committee responsible for audit, on the adequacy and effectiveness of management, governance, risk and control environment; deficiencies observed and management mitigation plans? <b>Yes/No</b>	<b>Yes</b>
	vii) Is there an external assessment of the effectiveness of the internal audit function at least once every three years by a qualified independent reviewer appointed by the Board? <b>Yes/No</b> If yes, when was the last assessment?	<b>Yes</b>  <b>The last assessment was done by Deloitte in 202 and the report was presented to the Board at its meeting of November 5, 2020</b>
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	<b>The Board, through BARMC</b>
<b>Principle 19: Whistleblowing</b>  <i>"An effective whistleblowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence"</i>	i) Does the company have a Board-approved whistleblowing framework? <b>Yes/No</b> If yes, when was the date of last review	<b>Yes</b> <b>2018. The next review will be presented at the next BARMC meeting</b>
	ii) Does the Board ensure that the whistleblowing mechanism and are process reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower? <b>Yes/No</b>	<b>Yes</b>
	iii) Is the Audit committee provided with the following reports on a periodic basis?  a) Reported cases b) Process and results of Investigated cases	<b>Yes</b>
<b>Principle 20: External Audit</b>	i) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	<b>Board Audit &amp; Risk Management Committee</b>

<p>"An external auditor is appointed to provide an independent opinion on the true and fair view of the financial statements of the Company to give assurance to stakeholders on the reliability of the financial statements"</p>	<p>ii) Who approves the appointment, re-appointment, and removal of External Auditors?</p>	<p><b>Board of Directors</b></p>
	<p>iii) When was the first date of appointment of the External auditors?</p>	<p><b>September 21, 2018</b></p>
	<p>iv) How often are the audit partners rotated?</p>	<p><b>5 years</b></p>
<p><b>Principle 21: General Meetings</b></p> <p>"General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the Company's business, governance and performance. They provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest"</p>	<p>i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?</p>	<p><b>22 days</b></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><b>Yes</b></p> <p><b>The Bank has no Statutory Audit Committee.</b></p>
<p><b>Principle 22: Shareholder Engagement</b></p> <p>"The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company"</p>	<p>i) Is there a Board-approved policy on shareholders' engagement? <b>Yes/No</b> If yes: a) when was it last reviewed? b) Is the policy hosted on the company's website?</p>	<p><b>Yes. The Bank has a Stakeholder Management &amp; Communication Policy which covers shareholders.</b></p> <p><b>a. February 4, 2021</b></p> <p><b>b. Yes</b></p>
	<p>ii) How does the Board engage with Institutional Investors and how often?</p>	<p><b>The Bank is a private limited liability company, wholly owned by AMCON, an agency of CBN.</b></p> <p><b>The Board engages AMCON through reports, approval requests and notifications to the Agency.</b></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><b>Yes</b></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</p>	<p>i) Does the company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards? <b>Yes/No</b> If yes: a) Has the COBE been communicated to all internal and external Stakeholders? <b>Yes/No</b> b) Is the COBE applicable to any or all of the following: 1. Board 2. Senior management</p>	<p><b>Yes. The Bank has a Code of Business Conduct and Ethics for Board members as well as an Employee Code of Ethics for staff.</b></p> <p><b>a. Yes</b></p> <p><b>b. The two documents listed above are applicable to the Board, Senior Management and other employees.</b></p>



<p><i>promoting good conduct and investor confidence"</i></p>	<p>3. Other employees 4. Third parties</p>	
	<p>ii) When was the date of last review of the policy?</p>	<p><b>February 4, 2021- COBE for Directors</b></p>
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? <b>Yes/No</b></p>	<p><b>Yes</b></p>
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p><b>There were no violations by members of the Board and Senior Management.</b></p> <p><b>Violations by other employees were handled by the Management Disciplinary Committee and sanctions imposed in accordance with the Bank's approved Sanctions Grid.</b></p>
<p><b>Principle 25: Ethical Culture</b></p> <p><i>"The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence"</i></p>	<p>i) Is there a Board- approved policy on insider trading? <b>Yes/No</b> If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy?</p>	<p><b>No</b></p> <p><b>The Bank is a private limited liability company, wholly owned by AMCON, an agency of CBN. Its shares are not publicly traded.</b></p>
	<p>ii) 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><b>Yes. The Bank has a Conflict of Interest and Related Party Policy</b></p> <p><b>a. February 4, 2021</b></p> <p><b>b. At the beginning of each financial year, Board members declare their interests and after the declarations have been reviewed for completeness, the interests are forwarded to the relevant Departments of the Bank (i.e. Credit Administration and Corporate Support, in charge of Procurement).</b></p> <p><b>As transactions are done in the course of the year, the declarations are reviewed for possible conflict. Where interests are established, the conflicts are noted that the concerned Director recluses himself on deliberations relating to the transaction/.</b></p> <p><b>c. The Policy is applicable to the Board.</b></p>
	<p>iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?</p>	<p><b>Draft disclosures in the financials are reviewed by the Board against the transactions that have occurred in the course of the year.</b></p>
	<p>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)</p>	<p><b>Yes. The Bank has a Conflict of Interest and Related Party Policy</b></p> <p><b>a. February 4, 2021</b></p> <p><b>b. The monitoring process (for the Board) is same as above for Related Party</b></p> <p><b>c. The Bank has a staff code of conduct that guides related party transactions for Senior Management and other employees.</b></p>
<p><b>Principle 26: Sustainability</b></p> <p><i>"Paying adequate attention to sustainability issues including environment, social, occupational and"</i></p>	<p>i) Is there a Board-approved sustainability policy? <b>Yes/No</b> If yes, when was it last reviewed?</p>	<p><b>Yes</b></p>
	<p>ii) How does the Board monitor compliance with the policy?</p>	<p><b>Quarterly reports on Sustainability are presented to the Board through the Board Governance, Nominations and Compensation Policy.</b></p>

community health and safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development"	iii) How does the Board report compliance with the policy?	<b>Bi-annual Sustainability compliance report is provided to the Central Bank of Nigeria, the Bank's primary regulator.</b>														
	iv) Is there a Board-approved policy on diversity in the workplace? <b>Yes/No</b> If yes, when was it last reviewed?	<b>Yes. The Bank's policy on diversity in the workplace is embedded in the Human Resource policy of the Bank.</b>														
<b>Principle 27: Stakeholder Communication</b>  "Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"	i) Is there a Board-approved policy on stakeholder management and communication? <b>Yes/No</b>	<b>Yes</b>														
	ii) Does the Company have an up to date investor relation portal? <b>Yes/No</b> If yes, provide the link.	<b>No. The Company is a private limited liability company with a single shareholder.</b>  <b>However, the Bank's website has an avenue for engagement with stakeholders. The link is below:</b>  <a href="#">Concerns and Complaints - Polaris Bank Limited</a>														
<b>Principle 28: Disclosures</b>  "Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"	i) Does the company's annual report include a summary of the corporate governance report? <b>Yes/No</b>	<b>Yes</b>														
	ii) Has the company been fined by any regulator during the reporting period? <b>Yes/No</b> If yes, provide details of the fines and penalties.	<b>Yes</b> <table border="1"> <thead> <tr> <th>S/N</th> <th>Infraction</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>AML/CFT Violation</td> <td>27,000,000.00</td> </tr> <tr> <td>2</td> <td>Involvement in Importation of Textile Using Forex Sourced From Nigeria Forex Market</td> <td>10,000,000.00</td> </tr> <tr> <td>3</td> <td>Non-compliance with target go-live date for CBN-GSI Project</td> <td>800,000.00</td> </tr> <tr> <td>4</td> <td>Penalty in respect of Domiciliary account</td> <td>4,000,000.00</td> </tr> </tbody> </table>	S/N	Infraction	Amount	1	AML/CFT Violation	27,000,000.00	2	Involvement in Importation of Textile Using Forex Sourced From Nigeria Forex Market	10,000,000.00	3	Non-compliance with target go-live date for CBN-GSI Project	800,000.00	4	Penalty in respect of Domiciliary account
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## Section F – Certification

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

### Chairman of the Board of Directors

Name: Muhammad K. Ahmad(OON)

Signature:

Date:

### Chairman of the Committee responsible for Governance

Name: Austin Jo-Madugu

Signature:

Date:

### Managing Director/Chief Executive Officer

Name: Innocent C. Ike

Signature:

Date:

March 30, 2021

### Company Secretary

Name: Babatunde Osibodu

Signature:

Date: