



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	UPDC Plc
ii.	Date of Incorporation	6 th October 1997
iii.	RC Number	321582
iv.	License Number	
v.	Company Physical Address	UAC House 1-5 Odunlami Street, Lagos
vi.	Company Website Address	www.updcplc.com
vii.	Financial Year End	31 st December
viii.	Is the Company a part of a Group/Holding Company? Yes/No If yes, please state the name of the Group/Holding Company	Yes Custodian Investment Plc
ix.	Name and Address of Company Secretary	Folake Kalaro UAC House 1-5 Odunlami Street, Lagos
x.	Name and Address of External Auditor(s)	Messrs Ernst & Young 10 th Floor, UBA House, 57, Marina, Lagos
xi.	Name and Address of Registrar(s)	Africa Prudential Plc 220B, Ikroodu Road, Palmgrove, Lagos
xii.	Investor Relations Contact Person (E-mail and Phone No.)	investorrelations@updcplc.com +234 901 000 3017
xiii.	Name of the Governance Evaluation Consultant	Society for Corporate Governance Nigeria
xiv.	Name of the Board Evaluation Consultant	Society for Corporate Governance Nigeria

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	Wole Oshin	Chairman	Male	5 th January 2021	
2	Mr Odunayo Ojo	CEO	Male	3 rd May 2021	
3	Deborah Nicol-Omeruah	DCEO	Female	4 th December 2019	Resigned w.e.f 14 th October 2021
4	Folakemi Fadahunsi	ED	Female	19 th March 2019	
5	Folasope Aiyesimoju	NED	Male	6 th August 2018	
6	Oyekunle Osilaja	NED	Male	13 th January 2020	
7	Mr Adeniyi Falade	NED	Male	5 th January 2021	

2. Attendance at Board and Committee Meetings:

S/No.		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	Wole Oshin	9	9	Not a member of any Committee	Board Chairman	–	–
2	Mr Odunayo Ojo	9	6	2	Member <ul style="list-style-type: none"> Finance, Investment & Operations Committee Risk, Audit & Compliance Committee 	4 4	2 2
3	Deborah Nicol-Omeruah	9	6	2	Member <ul style="list-style-type: none"> Finance, Investment & Operations Committee Risk, Audit & Compliance Committee 	4 4	2 2
4	Folakemi Fadahunsi	9	9	2	Member <ul style="list-style-type: none"> Finance, Investment & Operations Committee Risk, Audit & Compliance Committee 	4 4	4 4
5	Folasope Aiyesimoju	9	9	3	Chairman <ul style="list-style-type: none"> Risk, Audit & Compliance Committee Member <ul style="list-style-type: none"> Finance, Investment & Operations Committee Remuneration and Governance Committee 	4 4 2	4 4 2
6	Oyekunle Osilaja	9	9	4	Chairman <ul style="list-style-type: none"> Remuneration and Governance Committee Member	2	2

S/No.		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
					<ul style="list-style-type: none"> ▪ Finance, Investment & Operations Committee ▪ Risk, Audit & Compliance Committee ▪ Statutory Audit Committee 	4 4 4	4 4 4
7	Mr Adeniyi Falade	9	9	4	Chairman <ul style="list-style-type: none"> ▪ Finance, Investment & Operations Committee Member <ul style="list-style-type: none"> ▪ Risk, Audit & Compliance Committee ▪ Statutory Audit Committee ▪ Remuneration and Governance Committee 	4 4 4 2	4 4 4 2

Section D - Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1.	Odunayo Ojo	Chief Executive Officer (appointed wef 3 rd May 2021)	Male
2	Deborah Nicol-Omeruah	Deputy Chief Executive Officer (Resigned w.e.f. 14 th October 2021)	Female
3	Folakemi Fadahunsi	Chief Financial Officer	Female
4	Folake Kalaro	Company Secretary / General Counsel	Female
5	Bidemi Fadayomi	Director, Property Development	Female
6	Ngozi Ikeadigh	Internal Audit/Risk and Compliance Manager	Female
7	Bayo Akintoye	Head, Sales and Marketing (employed w.e.f. 2 nd August 2021)	Male
8	Olawale Arigbede	Asset Manager (employed w.e.f. 8 th November 2021)	Male
9	Olubiyi Adekunbi	Head, Sales and Leasing (Resigned w.e.f. 31 st July 2021)	Male
10	Imelda Ezie	Human Resources Manager	Female

Section E – Application

Principles	Reporting Questions	Explanation on application or deviation
Part A - Board of Directors and Officers of the Board		
<p>Principle 1: Role of the Board</p> <p><i>“A successful Company is headed by an effective Board which is responsible for providing entrepreneurial and strategic leadership as well as promoting ethical culture and responsible corporate citizenship. As a link between stakeholders and the Company, the Board is to exercise oversight and control to ensure that management acts in the best interest of the shareholders and other stakeholders while sustaining the prosperity of the Company”</i></p>	<p>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?</p>	<p>Yes. 2021</p>
<p>Principle 2: Board Structure and Composition</p> <p><i>“The effective discharge of the responsibilities of the Board and its committees is assured by an appropriate balance of skills and diversity (including experience and gender) without compromising competence, independence and integrity “</i></p>	<p>i) What are the qualifications and experiences of the directors?</p> <p>ii) Does the company have a Board-approved diversity policy? Yes/No If yes, to what extent have the diversity targets been achieved?</p> <p>iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?</p>	<p>The Board consists of members who are Chartered Accountants, Finance and investment consultants with background in real estate, corporate finance and estate management.</p> <p>Yes. The Board members possess qualifications in diverse fields i.e., Economics, Estate Management and Accounting.</p> <p>Yes. Mr Wole Oshin – Custodian Investment Plc, CrusaderSterling Pensions Limited, Custodian Life Assurance Ltd, Custodian Trustees Limited.</p> <p>Folasope Aiyesimoju – UAC of Nig Plc Foodpro Limited, Foodpro UK, Themis Capital Management, CAP Plc, UAC Foods Limited, Grand Cereals Limited, MDS Logistics Limited</p> <p>Mr Adeniyi Falade – Custodian Investment Plc, CrusaderSterling Pensions Limited, Custodian Life Assurance Ltd, Custodian Trustees Limited, Interstate Securities Limited, UPDC FM Limited.</p> <p>Mr. Oyekunle Osilaja - Landmark Africa Ltd</p>

		Mr Odunayo Ojo – UPDC Hotels Limited, UPDC FM Limited Mrs Folakemi Fadahunsi – UPDC Hotels Limited.
	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
<p>Principle 3: Chairman</p> <p><i>“The Chairman is responsible for providing overall leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board”</i></p>	i) Is the Chairman a member or chair of any of the Board Committees? Yes/no If yes, list them.	No
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?	None
	iii) Is the Chairman an INED or a NED?	NED
	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?	No
	v) When was he/she appointed as Chairman?	13 th January 2021
	vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No If yes, specify which document	Yes. The Chairman's roles and responsibilities are defined in the Board Charter.
<p>Principle 4: Managing Director/ Chief Executive Officer</p> <p><i>“The Managing Director/Chief Executive Officer is the head of management delegated by the Board to run the affairs of the Company to achieve its strategic objectives for sustainable corporate performance”</i></p>	i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? Yes/No If no, in which documents is it specified?	Yes. His contract of employment 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
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	All the meetings that held after his appointment
	iv) Is the MD/CEO serving as NED in any other company? Yes/no . If yes, please state the company (ies)?	Yes UPDC Hotels Limited UPDC FM Limited
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No	Yes
<p>Principle 5: Executive Directors</p>	i) Do the EDs have contracts of employment? Yes/no	Yes

<p><i>Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company</i></p>	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
	iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes
	iv) Are there EDs serving as NEDs in any other company? Yes/No If yes, please list	UPDC Hotels Limited
	v) Are their memberships in these companies in line with Board-approved policy? Yes/No	Yes
<p>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></p>	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 in the Board Governance Charter and letters of appointment.
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes
	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes
	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, these are provided at the point of induction and periodically. The Board pack for Board and Committee Meetings contain sufficient information on the management and affairs of the company.
	v) What is the process of ensuring completeness and adequacy of the information provided?	Receipt of confirmation and feedback from the Directors.
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? Yes/No	Yes
<p>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></p>	i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? Yes/No	There are currently no INEDs on the Board.
	ii) Are there any exceptions?	No
	iii) What is the process of selecting INEDs?	The process includes the profiling of candidates who are not shareholders, have not served in the Company in any capacity before and not a representative of any shareholder. The shortlisted candidate is presented to the Remuneration & Governance Committee for interviews and recommendation to the Board.

	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	There are currently no INEDs on the Board.
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	There are currently no INEDs on the Board.
	vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?	There are currently no INEDs on the Board.
	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentage shareholding?	There are currently no INEDs on the Board.
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? Yes/No If yes, provide details.	There are currently no INEDs on the Board.
	ix) What are the components of INEDs remuneration?	There are currently no INEDs on the Board.
<p>Principle 8: Company Secretary</p> <p><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></p>	i) Is the Company Secretary in-house or outsourced?	Company Secretary is in-house
	ii) What is the qualification and experience of the Company Secretary?	The Company Secretary is a Legal Practitioner with over 26 years post call experience
	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	Yes
	iv) Who does the Company Secretary report to?	To the Board (through the Chairperson) on company secretariat matters; and To the CEO on legal related matters
	v) What is the appointment and removal process of the Company Secretary?	The appointment and removal of the Company Secretary is in line with Section 333 of the Companies and Allied Matters Act (CAMA), 2020
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The Board of Directors
	<p>Principle 9: Access to Independent Advice</p> <p><i>“Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise”</i></p>	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?
ii) Who bears the cost for the independent professional advice?		The Company

	<p>iii) During the period under review, did the Directors obtain any independent professional advice? Yes/No If yes, provide details.</p>	No
<p>Principle 10: Meetings of the Board</p> <p><i>“Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company”</i></p>	<p>i) What is the process for reviewing and approving minutes of Board meetings?</p>	The Board reviews and approves the Minutes of its last Meeting at a subsequent Meeting.
	<p>ii) What are the timelines for sending the minutes to Directors?</p>	Within 7 (seven) days after the Meeting.
	<p>iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?</p>	Such Directors will be advised accordingly and stand the chance of being removed as Directors, if the practice continues.
<p>Principle 11: Board Committees</p> <p><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></p>	<p>i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? Yes/No</p>	Yes
	<p>ii) What is the process for reviewing and approving minutes of Board Committee of meetings?</p>	The Board Committee Minutes are reviewed and approved by the Committee at subsequent Meetings.
	<p>iii) What are the timelines for sending the minutes to the directors?</p>	Within 7 (seven) days after the Meeting.
	<p>iv) Who acts as Secretary to board committees?</p>	The Company Secretary
	<p>v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management</p>	<p>The Remuneration and Governance Committee is responsible for matters relating to nomination, governance and remuneration.</p> <p>The Risk, Audit and Compliance Committee is responsible for matters relating to Risk Management and Audit.</p> <p>The Statutory Audit Committee also looks at Audit Issues (both internal & external)</p>
	<p>vi) What is the process of appointing the chair of each committee?</p>	The Chairmen of the respective Committees are appointed by the Board.
	Committee responsible for Nomination and Governance	
	<p>vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?</p>	There are currently no INEDs on the Board.
	<p>viii) Is the chairman of the Committee a NED or INED ?</p>	NED
	<p>ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?</p>	<p>Yes</p> <p>It is reviewed when the need arises</p>
<p>x) How often are Board and Committee charters as well as other governance policies reviewed?</p>	It is reviewed when the need arises.	

xi) How does the committee report on its activities to the Board?	Each Board Committee presents its key recommendations and resolutions to the Board at the Board meeting which holds after the Committees' meetings.
Committee responsible for Remuneration	
xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	The Committee members are all NEDs
xiii) Is the chairman of the Committee a NED or INED?	NED
Committee responsible for Audit	
xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? Yes/No	Yes
xv) Are members of the Committee responsible for Audit financially literate? Yes/No	Yes
xvi) What are their qualifications and experience?	Chartered Accountant and investment consultants.
xvii) Name the financial expert(s) on the Committee responsible for Audit	Mr Oyekunle Osilaja Mr Adeniyi Falade Mr Folasope Aiyesimoju
xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	On a quarterly basis
xix) Does the Company have a Board approved internal control framework in place? Yes/No	Yes
xx) How does the Board monitor compliance with the internal control framework?	Through the Head, Internal Audit. She provides the Board with updates at its Risk, Audit and Compliance Committee & Statutory Audit Committee meetings.
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 letter, Plan and Report of the External Auditors are reviewed by the Risk, Audit and Compliance Committee as well as the Statutory Audit Committee
xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	No
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?	None but the Board Audit Committee met with both internal and external auditors once during the year without management
Committee responsible for Risk Management	
xxiv) Is the Chairman of the Risk Committee a NED or an INED?	NED

	xxv) Is there a Board approved Risk Management framework? Yes/No? If yes, when was it approved?	Yes 2019
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	Quarterly October 2021
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? Yes/No If yes, how often is it reviewed?	Yes As the need arises
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	Quarterly
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? Yes/No	Yes, the Risk and Compliance Manager is a member of the Senior Management and she has the relevant experience.
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	All 4 meetings held in the year
<p>Principle 12: Appointment to the Board</p> <p><i>"A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i></p>	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes
	ii) What criteria are considered for their appointment?	Qualifications, expertise, experience and diversity.
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	The Board complies with the provisions of Section 283 of the Companies and Allied Matters Act, 2020 in the appointment of its Directors.
	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED d) NED e) EDs	The provisions of Section 285 of the Companies and Allied Matters Act, 2020 guide the Company in determining the tenure of all its NEDs. The Employment Contract guides the tenure of the MD/CEO and EDs
	v) Please state the tenure	EDs contracts provide for 3 years in the first instance. NEDs – until the NED resigns or is not presented for re-election at the AGM.
	vi) Does the Board have a process to ensure that it is refreshed periodically? Yes/No?	Yes
<p>Principle 13: Induction and Continuing Education</p> <p><i>"A formal induction programme on joining the Board as well as regular training assists Directors to</i></p>	i) Does the Board have a formal induction programme for new directors? Yes/No	Yes
	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	Yes 14 th January 2021 for Mr Wole Oshin and Mr Adeniyi Falade 4 th – 7 th May 2021 for Mr Odunayo Ojo

effectively discharge their duties to the Company"	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	Yes None was done within the period
	iv) How do you assess the training needs of Directors?	The result of the Board Evaluation Exercise, the board committee each Director sits on, best practice and current regulations are used to determine relevant training for Directors.
	v) Is there a Board-approved training plan? Yes/No	Yes
	vi) Has it been budgeted for? Yes/No	Yes
Principle 14: Board Evaluation <i>"Annual Board evaluation assesses how each Director, the committees of the Board and the Board are committed to their roles, work together and continue to contribute effectively to the achievement of the Company's objectives"</i>	i) Is there a Board-approved policy for evaluating Board performance? Yes/No	Yes
	ii) For the period under review, was there any Board Evaluation exercise conducted? Yes/No	This is currently ongoing
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	External January 2022
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	No Will be presented on March 17, 2022
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	This will be done upon completion of the exercise
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	Yes
Principle 15: Corporate Governance Evaluation <i>"Institutionalizing a system for evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective"</i>	i) For the period under review, has the Company conducted a corporate governance evaluation? Yes/No If yes, provide date of the evaluation.	This is currently ongoing
	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	Yes Will be presented on March 17, 2022
	iii) If yes, please indicate the date of last presentation.	5 th October 2020. That of 2021 will be presented to the Board on March 17, 2022
	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? Yes/No	Yes
Principle 16: Remuneration Governance	i) Is there a Board-approved Directors' remuneration policy? Yes/No If yes, how often is it reviewed?	Yes It is reviewed when the need arises.

<p><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></p>	<p>ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review</p>	<p>Directors Fees are paid to NEDs annually.</p> <p>Sitting Allowance is also paid to NEDs after each committee or board meeting.</p> <p>ED – Remuneration is as per employment contract.</p>
	<p>iii) Is the remuneration of NEDS presented to shareholders for approval? Yes/No If yes, when was it approved?</p>	<p>Yes.</p> <p>At the Annual General Meeting of April 19, 2021</p>
	<p>iv) What portion of the NEDs remuneration is linked to company performance?</p>	<p>None</p>
	<p>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?</p>	<p>Yes.</p> <p>Bonuses payable are linked to performance</p>
	<p>vi) Has the Board set KPIs for Executive Management? Yes/No</p>	<p>Yes</p>
	<p>vii) If yes, was the performance measured against the KPIs? Yes/No</p>	<p>Yes</p>
	<p>viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors' fees? Yes/No</p>	<p>No</p>
	<p>ix) Which of the following receive sitting allowance and/or fees: a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff</p>	<p>None</p>
	<p>x) Is there a Board-approved clawback policy for Executive management? Yes/No If yes, attach the policy.</p>	<p>No</p>
	<p>Principle 17: Risk Management</p> <p><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></p>	<p>i) Has the Board defined the company's risk appetite and limit? Yes/No</p>
	<p>ii) How often does the company conduct a risk assessment?</p>	<p>quarterly</p>
	<p>iii) How often does the board receive and review risk management reports?</p>	<p>quarterly</p>
<p>Principle 18: Internal Audit</p> <p><i>"An effective internal audit function provides assurance to the Board on the effectiveness of the</i></p>	<p>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?</p>	<p>Yes</p>

governance, risk management and internal control systems”	ii) Does the company have a Board-approved internal audit charter? Yes/No	Yes
	iii) Is the head of internal audit a member of senior management? Yes/No	Yes
	iv) What is the qualification and experience of the head of internal audit?	The Head, Internal Audit is a member of the Chartered Institute of Management Accountants UK (CIMA UK), with over 8 years core experience in internal audit and risk management.
	v) Does the company have a Board-approved annual risk-based internal audit plan? Yes/No	Yes
	vi) Does the head of the internal audit function report at least once every quarter to the committee responsible for audit, on the adequacy and effectiveness of management, governance, risk and control environment; deficiencies observed and management mitigation plans? Yes/No	Yes
	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 December 2021
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The CEO
Principle 19: Whistleblowing “An effective whistleblowing 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 It is currently undergoing review
	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
	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
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	i) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	The Board Risk Audit & Compliance Committee
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	The Company’s Shareholders

Company to give assurance to stakeholders on the reliability of the financial statements"	iii) When was the first date of appointment of the External auditors?	1st September 2015
	iv) How often are the audit partners rotated?	Every 5 years
Principle 21: General Meetings <i>"General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the Company's business, governance and performance. They provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest"</i>	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	Twenty-one (21) days
	ii) Were the Chairmen of all Board Committees and the Chairman of the Statutory Audit Committee present to respond to Shareholders' enquiries at the last meeting? Yes/No	Yes
Principle 22: Shareholder Engagement <i>"The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company"</i>	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?	Yes a) 2015 b) Yes
	ii) How does the Board engage with Institutional Investors and how often?	The Board is of the view that it is management's responsibility to speak for the company, the Board however supports management on request. In addition, the Investor Relations Section of the Company's website contains information on the Company's Audited Accounts. As a listed Company, UPDC Plc is required to notify the market via NSE portal on any event that occurs in the Company which the Shareholders should be aware.
Principle 23: Protection of Shareholder Rights <i>"Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance"</i>	i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? Yes/No	Yes
Principle 24: Business Conduct and Ethics <i>"The establishment of professional business and ethical standards</i>	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	Yes. The Company has a board approved COBE

<p><i>underscore the values for the protection and enhancement of the reputation of the Company while promoting good conduct and investor confidence”</i></p>	<p>If yes:</p> <p>a) Has the COBE been communicated to all internal and external Stakeholders? Yes/No</p> <p>b) Is the COBE applicable to any or all of the following:</p> <ol style="list-style-type: none"> 1. Board 2. Senior management 3. Other employees 4. Third parties 	<p>a) All internal and external stakeholder are aware of the policy.</p> <p>b) The COBE is applicable to all Board Members, Senior Management, Other Employees and third parties</p>
	<p>ii) When was the date of last review of the policy?</p>	2015
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No</p>	Yes
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	There were no incidences of non-compliance during the period under review.
<p>Principle 25: Ethical Culture</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? Yes/No</p> <p>If yes:</p> <p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p>	<p>Yes</p> <p>a) 2015</p> <p>b) The Board monitors Compliance through the Company Secretary who obtain details of dealings in the Company’s Securities at relevant times from the Registrars. The Secretariat follows the applicable regulations in the NSE Rulebook to ensure that there is no incidence of Insider Trading.</p>
	<p>ii) Does the company have a Board approved policy on related party transactions? Yes/No</p> <p>If yes:</p> <p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p> <p>c) Is the policy applicable to any or all of the following:</p> <ol style="list-style-type: none"> 1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify) 	<p>Yes</p> <p>a) 2015</p> <p>b) The Board monitors compliance through the Head, Internal Audit who carries out quarterly assessment.</p> <p>c) The Policy is applicable to all Board Members, Senior Management, Other Employees (both those on full employment and those on contracts) and third parties (this includes the Company’s Contractors, Consultants, Distributors etc).</p>
	<p>iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?</p>	This is monitored by Head, Internal Audit. Sanctions are in place for any breach.
	<p>iv) Does the company have a Board-approved policy on conflict of interest? Yes/No</p> <p>If yes:</p>	<p>Yes</p> <p>a) 2015</p>

	<p>a) When was the last date of review?</p> <p>b) How does the Board monitor compliance with this policy?</p> <p>c) Is the policy applicable to any or all of the following:</p> <ol style="list-style-type: none"> 1. Senior management 2. Other employees (Specify) 	<p>b) The directors are required to fill and submit to the Board a declaration form on an annual basis (or as frequently as conflict arises) stating that there has not been no conflict of interest.</p> <p>c) The Policy is applicable to Senior Management and Other Employees (who are on full time employment and those who are on contract employment).</p>
<p>Principle 26: Sustainability</p> <p><i>"Paying adequate attention to sustainability issues including environment, social, occupational and community health and safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development"</i></p>	<p>i) Is there a Board-approved sustainability policy? Yes/No If yes, when was it last reviewed?</p>	No, the policy is being developed
	<p>ii) How does the Board monitor compliance with the policy?</p>	Whilst the policy is being developed, the Board monitors compliance with sustainability by assessing performance and impact of the Company socially, environmentally and economically.
	<p>iii) How does the Board report compliance with the policy?</p>	In the annual report
	<p>iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?</p>	No
<p>Principle 27: Stakeholder Communication</p> <p><i>"Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"</i></p>	<p>i) Is there a Board-approved policy on stakeholder management and communication? Yes/No</p>	Yes
	<p>ii) Does the Company have an up-to-date investor relation portal? Yes/No If yes, provide the link.</p>	Yes https://www/updcplc.com
<p>Principle 28: Disclosures</p> <p><i>"Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"</i></p>	<p>i) Does the company's annual report include a summary of the corporate governance report? Yes/No</p>	Yes
	<p>ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.</p>	No

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 Wole Oshin

Signature: 

Date: 27th Jan 2022

Chairman of the Committee responsible for Governance

Name: Mr Oyekunle Osilaja

Signature: 

Date: 27th Jan 2022

Managing Director/Chief Executive Officer

Name: Mr Odunayo Ojo

Signature: 

Date: 26.01.2022

Company Secretary/Chief Compliance Officer

Name: Mrs Folake Kalaro

Signature: 

Date: 26/1/2022