



Stanbic IBTC Governance Structure

1. Stanbic IBTC Holdings PLC (“Stanbic IBTC”) Board responsibilities

The key terms of reference in the Board’s mandate, which forms the basis for its responsibilities, are to:

- agree the Group’s objectives, strategies and plans for achieving those objectives;
- annually review the corporate governance process and assess achievement against objectives;
- review its mandate at least annually and approve recommended changes;
- delegate to the chief executive or any director holding any executive office or any senior executive any of the powers, authorities and discretions vested in the Board’s Directors, including the power of
- sub-delegation; and to delegate similarly such powers, authorities and discretions to any committee and subsidiary company board as may exist or be created from time to time;
- determine the terms of reference and procedures of all board committees and review their reports and minutes;
- consider and evaluate reports submitted by members of the executive;
- ensure that an effective risk management process exists and is maintained throughout the bank and its subsidiaries to ensure financial integrity and safeguarding of the Group’s assets;
- review and monitor the performance of the chief executive and the executive team;
- ensure consideration is given to succession planning for the chief executive and executive management;
- establish and review annually, and approve major changes to, relevant group policies;
- approve the remuneration of nonexecutive Directors on the Board and board committees, based on recommendations made by the remuneration committee, and recommend to shareholders for approval;
- approve capital funding for the Group, and the terms and conditions of rights or other issues and any prospectus in connection therewith;
- ensure that an adequate budget and planning process exists, performance is measured against budgets and plans, and approve annual budgets for the Group;



- approve significant acquisitions, mergers, take-overs, divestments of operating companies, equity investments and new strategic alliances by the Group;
- consider and approve capital expenditure recommended by the executive committee;
- consider and approve any significant changes proposed in accounting policy or practice, and consider the recommendations of the statutory audit committee;
- consider and approve the annual financial statements, quarterly results and dividend announcements and notices to shareholders, and consider the basis for determining that the Group will be a going concern as per the recommendation of the Audit Committee;
- assume ultimate responsibility for financial, operational and internal systems of control, and ensure adequate reporting on these by committees to which they are delegated;
- take ultimate responsibility for regulatory compliance and ensure that management reporting to the board is comprehensive;
- ensure a balanced and understandable assessment of the Group's position in reporting to stakeholders;
- review non-financial matters that have not been specifically delegated to a management committee; and
- specifically agree, from time to time, matters that are reserved for its decision, retaining the right to delegate any of these matters to any committee from time to time in accordance with the articles of association.

2. Stanbic IBTC Board structure and composition

Ultimate responsibility for governance rests with the Board of Directors of Stanbic IBTC, who ensure that appropriate controls, systems and practices are in place. Stanbic IBTC has a unitary board structure and the roles of chairman and chief executive are separate and distinct. Stanbic IBTC's chairman is a non-executive director. The number and stature of non-executive directors ensure that sufficient consideration and debate are brought to bear on decision thereby contributing to the efficient running of the Board.

3. Stanbic IBTC Appointment philosophy

The appointment philosophy ensures alignment with all necessary legislation and regulations which include, but are not limited to the requirements of the Central Bank of Nigeria; SEC Code of Corporate Governance; the Companies & Allied Matters Act as well as the legislations of Standard Bank Group's home country. Consideration for the appointment of Directors and key executives take into account compliance with legal and regulatory requirements and appointments to external boards to monitor potential for



conflicts of interest and ensure Directors can dedicate sufficient focus to Stanbic IBTC's business. The Board takes cognisance of the skills, knowledge and experience of the candidate as well as other attributes considered necessary to the prospective role.

4. Induction and training

An induction programme designed to meet the needs of each new director is being implemented. One-on-one meetings are scheduled with management to introduce new Directors to Stanbic IBTC and its operations. The company secretary manages the induction programme. The CBN Code of Conduct as well as the Securities & Exchange Commission's code of corporate governance is provided to new Directors on their appointment. Directors are kept abreast of all relevant legislation and regulations as well as sector developments leading to changing risks to the organisation on an on - going basis. This is achieved by way of management reporting and quarterly board meetings, which are structured to form part of ongoing training. Directors attended various trainings at different years during the year that included trainings on Risk Management; enhancing Board performance, Change Management, and Financial Reporting. These trainings were aimed at enhancing the understanding of key issues, and skills of Directors.

5. Report of the external consultants on Board effectiveness and evaluation

PricewaterhouseCoopers ("PwC") was engaged to carry out an evaluation of the Board of Directors of Stanbic IBTC as required by Section 15.1 of the Securities and Exchange Commission ("SEC") Code of Corporate Governance for Public Companies in Nigeria ("the Code" or "SEC Code"). The evaluation covers the Board's structure, composition, responsibilities, processes, relationships, and performance of the Committees for the period ended 31 December 2019.

6. Compliance with the Securities and Exchange Commission's Code of Corporate Governance

As a public company, Stanbic IBTC confirms that as at 31 December 2019 the company has complied with the principles set out in the Securities and Exchange Commission's code of corporate governance. The company applies the code's principles of transparency, integrity and accountability through its own behaviour, corporate governance best practice and by adopting, as appropriate and proportionate for a company of its size and nature. The policies and procedures adopted by the Board and applicable to the company's businesses are documented in mandates, which also set out the roles and delegated authorities applying to the Board, Board Committees, and the Executive Committee.



7. Stanbic IBTC Organizational Structure

