

## **CODE OF CORPORATE GOVERNANCE**

ARM Pension Managers (PFA) Limited adheres to the National Pension Commission's (PenCom) Code of Corporate Governance. Corporate Governance is the basis for all our decision-making and control processes which direct how we run our business. We believe that the highest standards of corporate governance are essential to business integrity and performance.

**Composition of the Board:** The board has a total of nine directors; a Chairman, Managing Director, one executive director and six non- executive directors. One of the non executive directors is an independent director. More detailed information on all our Directors is available on our website.

**Directors (Chairman, Executive Directors, Non -Executive Directors and Independent Directors):** The directors are individuals who provide core competencies that are beneficial to the operations of the business.

**Responsibilities of the Board:** The Board sets the objectives for the company's business operations for each financial year. To this effect, the Board has a formal set of matters specifically reserved for the Board's decision to ensure that the direction and control of the company is firmly in its hands. A detailed list of matters specifically reserved for the Board is usually contained in our annual Corporate Governance Report.

**Meetings of the Board:** The board meets at least four times a year, at least once every quarter of the financial year.

**Division of Responsibilities:** The role of the chairman and of the Managing Director is separate.

**Appointment of Directors:** The board Remuneration and Nomination Committee makes recommendation to the Board on all Board appointments.

**Directors Remuneration:** The current Directors remuneration is as contained in Page 37 of the Annual Report for the year ended 31<sup>st</sup> December, 2014.

**Induction Process for Directors:** The Company has selected written information that it presents by way of induction for all newly appointed directors.

**Directors Training:** All directors of the company have at different times attended the conference of directors of licensed operators organized by PenCom.

**Board Committees:** The Board has established three principal Board Committees, to which it has delegated certain responsibilities namely:

- **Board Audit and Risk Management Committee (RMC)** chaired by Kamar Barkin has 4 other members namely; Daniel Akujobi; Aliyu Yar'adua, Wale Odutola and Layi Afolabi
- **Investment Strategy Committee (ISC)** chaired by Daniel Akujobi has 4 other members namely; Jumoke Ogundare; Sadiq Mohammed, Soulayman Ba and Wale Odutola
- **Remuneration and Nominations Committee** chaired by Emmanuel Ikazoboh has three other members namely: Soulayman Ba, Daniel Akujobi and Jumoke Ogundare

Each Committee has its own clear Terms of Reference some of which are contained in the Pension Reform Act and the Code of Corporate Governance for Licensed Operators issued by PenCom.

**Conflict of Interest:** No potential conflict of interest situations were noted by the Board regarding any member and all related party transactions entered into by the company are fully disclosed in the annual report.

**Information:** The directors are kept abreast with new guidelines, codes, regulations and updates issued by PenCom. The minutes of all board meetings and papers for discussion at board meetings are circulated to all members of the board in a timely manner before each meeting.

**Evaluation:** The Board conducts an annual evaluation of its own performance by way of an internal self assessment using a questionnaire with the following as assessment criteria:

- Leadership and stewardship
- Achievement of corporate objectives
- Understanding the company's strategic plan and key issues
- Constructive contribution to resolution of issues at meetings
- Obtaining adequate, relevant and timely information
- Interpersonal relationships with other Directors and Management
- Attendance, confidentiality and preparation for meetings
- Communicating expectations and concerns clearly
- Effective meetings
- Accountability
- Regular monitoring of corporate results against projections