



PRESTIGE ASSURANCE PLC

**SECURITIES TRADING
POLICY**

INTRODUCTION

This Securities Trading Policy ("Policy") is based on the recent amended Listing Rules ("Listing Rules") of the Nigerian Stock Exchange ("Exchange") and the Consolidated Rules and Regulations of the Securities and Exchange Commission ("SEC"). This Policy sets a required standard for Directors, Principal Officers, Employees, persons discharging managerial responsibility, External Advisers and persons closely connected to them must measure their conduct regarding transactions in securities of Prestige Assurance Plc ("Prestige" or the "Company").

Officials must seek to ensure that all dealings in which they are or are deemed to be interested are conducted in accordance with this Policy. Therefore, Officials wishing to deal in any securities in the Company must first have regard to the provisions of the Investments and Securities Act ("ISA") with respect to insider dealing and market misconduct.

These guidelines set out the policy on the sale and purchase of securities in Prestige Assurance Plc by any of its staff including Directors and Key Management Personnel.

1. PURPOSE

Prestige Assurance Plc is committed to ensuring that the company balances the personal investment interest of employees and directors with the responsibilities of Company and its employees by ensuring that personal dealing and investing activities are lawfully and properly conducted. The purpose of these guidelines is to assist all staff (but more particularly Directors and Key Management Personnel) to avoid conduct known as "insider trading".

2. SCOPE

The scope of this Policy is applicable to the Directors, Management and Staff of the Company, (including any contractor or consultant on secondment) which are collectively employees.

3. DEFINITIONS

- a. **Business Day:** A Day other than a Saturday, Sunday or public holiday on which banks are opened for non-automated business in Nigeria.
- b. **C.A.M.A:** Companies and Allied Matters Act, 2020, or any amendment or re-enactment thereof.
- c. **Closed Period** means the period of 15 days prior to a meeting of the Board to consider the under listed matters and where applicable extending to 24 hours after Price Sensitive Information is submitted to the Securities and Exchange Commission.

The under listed matters are:

- i. Declaration of financial results (quarterly, half yearly and full year)
- ii. Any major expansion plans or winning of bid or execution of huge insurance contracts.

- iii. Declaration of Dividends, both interim and final.
 - iv. Issue of Securities by way of public offer, or rights or bonus etc.
 - v. Amalgamation, Scheme of Arrangement, Mergers, take overs, buy backs etc.
 - vi. Disposal of the whole or substantial part of the undertaking
 - vii. Disruption of Company's operation due to natural calamities or huge insurance payback
 - viii. Any changes in policies, plans or operations of the Company that is likely to materially affect the prices of the Securities of the Company.
 - ix. Litigation/dispute with a material effect
 - x. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affects the price of the Securities of the Company.
 - xi. Such other period(s) as the Board may from time to time notice in writing designated as a Closed Period.
- d. **Connected Persons** Includes the immediate and close members of family such as wives (or equivalent), children, siblings and parents, or other close dependants and any entity or person or associate or trust over whom influence or control is exercised.
 - e. **Dealing in security** means an act of buying, selling or otherwise *dealing* in any security or agreeing to buy, sell or otherwise deal in any security by any person either as principal or as agent.
 - f. **Directors** means Executive and Non-Executive Directors of the Company.
 - g. **Employee** means a person, employed by the Company, including managers, directors, and trainees, whether parttime or full-time or on contract or seconded to the Company.
 - h. **Inside Information** means information related to an Issuer or the Issuer's securities, directly or indirectly, which is not published and the disclosure of which may have a substantial effect on the price of its listed or traded securities or derivative, instruments connected to those securities. The information is of a precise nature which is specific to the Issuer and is likely to have a significant effect on the price of the shares if it were generally available.
 - i. **Insider:** This is any person, group of persons or company who possesses unpublished price sensitive information which has not been made available to the general public in respect of shares/securities. SEC 400(3) defines an insider to mean an individual;
- a. Who is connected with the company during the preceding six (6) months in one of the following capacities;
 - i. A director of the company or a related company
 - ii. An officer of the company or a related company
 - iii. An employee of the company or related company
 - iv. A person involved in a professional or business relationship with the company as above.

- v. A shareholder who owns 5% or more of any class of securities or any person who can be deemed to be an agent of any of the above listed persons.
 - vi. Members of the Audit committee.
- b. Who by virtue of having been connected with the company as mentioned in paragraph (a) of this rule has obtained unpublished price sensitive information in relation to the securities of the company.
- j. **Insider Trading:** Rule 10b5-1 of **SEC** defines **insider trading** as any securities transaction made when the person behind the **trade** is aware of non-public material information and is hence violating his or her duty to maintain confidentiality of such knowledge.
 - k. **Material Information:** Any information about a company or its products that is likely to change the perceived value of a security when it is disclosed to the public. Examples are; change in the board of directors , corporate officers or public accounting firm, changes in the company's fiscal year and revisions to financial statements.
 - l. **N.S.E:** Nigerian Stock Exchange Commission.
 - m. **Officials** includes any Directors, Principal Officer, Employees, persons discharging managerial responsibility, External Advisers of the Company and persons closely connected to them.
 - n. **Price sensitive Information** means any information concerning the company or other listed entities that a reasonable person would expect to have a material effect on the price or value of the company's listed securities.
 - o. **Principal Officers** includes any Executive Directors, Company Secretary, Internal Auditor, and other persons such as the Chief Executive Officer, Chief Finance Officer, Chief Compliance Officer and Chief Risk Officer; or any other person considered by the Board as Key Management Personnel on the basis that they have authority and responsibility for planning, directing, and controlling the activities of the Company either directly or indirectly.
 - p. **Regulators** mean the Security and Exchange Commission, the Nigeria Stock Exchange, the Corporate Affairs Commission, and the National Insurance Commission (NAICOM) that regulate the affairs of the insurance industry.
 - q. **Securities:** Financing or investment instruments (some negotiable, others not) bought and sold in financial markets, such as bonds, debentures, notes, options, shares (stocks), derivatives, products, swap and warrants.
 - r. **S.E.C:** Securities and Exchange Commission ('the Commission')'.
 - s. **Short-term trading:** This refers to those trading strategies in stock market or futures market in which the time duration between entry and exit is within a range of few days to few weeks.

4. TYPES OF TRANSACTIONS COVERED BY THIS POLICY

This policy applies to both the sale and purchase of any securities or products of the Company in issue from time to time. It also sets out the policy relating to and the processes to be adhered to with regards to securities trading in a material circumstances and insider dealings.

4.1. Activities that will amount to dealing in the securities of the company are;

- i. Subscribing for, purchasing, or selling Company Shares/Securities or entering into an agreement to do any of those things.
- ii. Advising, procuring, or encouraging another person (including a family member, friend, associate, colleague, contractor, consultant or external adviser family company or family trust) to trade in Company Shares/Securities.
- iii. Advising, procuring, or encouraging another person (including a family member, friend, associate, colleague, contractor, consultant or external adviser family company or family trust) to trade in Company Shares/Securities.
- iv. Entering into agreements or transactions which operate to limit the economic risk of a person's holding in Company Shares/Securities.

4.2. Compliance in dealing with company's securities:

- i. Persons must comply with the insider trading provision contained in the ISA, SEC and CAMA and any other rule that may be in force from time to time.
- ii. No person shall engage in any transaction involving a purchase or sale of the company's Securities including any offer to purchase or offer to sell during any period commencing with the date that the Person possesses Insider Information concerning the company and ending at the beginning of the trading day following the date of public disclosure of that information or at such time as such public information is non-material.
- iii. No person shall disclose Insider Information about the Company to any other person where such information may be used by such person to his or her advantage by trading in the Securities of the company to which such information relates nor shall such person or related person make recommendation or express opinions on the basis of Insider Information as to trading in the company's Shares/Securities.
- iv. No person shall engage in any transaction involving the purchase or sale of another company's securities while in possession of material Insider Information about such company when that information is obtained in the course of employment with or the performance of service on behalf of the Company and for which there is a relationship of trust and confidence concerning the information.
- v. Persons must avoid and be seen to avoid, actual or potential conflict between their personal interest and the interests of the Company and other security holders in a manner which is in breach of the ISA, CAMA, NSE Listing Rules or other legal obligations.
- vi. Persons must not derive personal advantage from information which is not generally available to the public, and which has been obtained by reason of their connection with the Company in a manner which is in breach of the ISA, CAMA, NSE Listing Rules or other legal obligations.

4.3. Exempted dealings from Insider trading.

PROVIDED that at such time, the Person classified as an Insider is not in possession of any Insider Information relating to the Company or its Securities that is not generally

available to the public and if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company Securities.

Directors and employees of the Company may at any time:

- i. acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- ii. acquire Company securities under a bonus issue made to all holders of securities of the same class;
- iii. acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- iv. acquire, or agree to acquire or exercise options under any Company Share Option Plan;
- v. withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan;
- vi. acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
- vii. transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- viii. make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- ix. where a Restricted Person is a trustee, trade in the securities of the Company by that trust provided the Restricted Person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the Restricted Person;
- x. undertake to accept, or accept, a takeover offer;
- xi. trade under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- xii. dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
- xiii. exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so;
- xiv. trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

4.4. Notification and Approval:

4.4.1. Approval requirement for Directors

- a. A Director wishing to buy, sell or exercise rights in relation to the Company Securities must obtain the prior written approval of the Chairman or the Board of Directors before doing so.
- b. If the Chairman wishes to buy, sell, or exercise rights in relation to the Company Securities must obtain the prior written approval of the Board before doing so.

4.4.2. Approval requirement for Key Management Personnel and Employees:

Any Key Management or Employee wishing to buy, sell or exercise rights in relation to the Company Securities must obtain the prior written approval of the Managing Director before doing so.

4.4.3. Approval to buy or sell Company Securities:

- a. All requests to buy or sell Securities as referred to in this Policy above must include the intended volume of Securities to be purchased or sold and an estimated time frame for the sale or purchase.
- b. Copies of written approval must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

4.4.4. Notification to deal on Company securities;

Subsequent to approval obtained in accordance with section 4.4.1 and 4.4.2 above, any Employee who (directly through an agent or proxy) buys, sells, or exercises rights in relation to the Company Securities must notify the Company Secretary in writing of the details of the transaction within (2) business days of the transaction occurring. This notification obligation operates at all times.

4.4.5. Exemption from Closed Period restrictions due to financial hardship or exceptional circumstance:

Directors or Key Management Personnel who are not in possession of Insider Information in relation to the Company, may be given prior written clearance by the Chairman (or in the case of the Chairman by the Board of Directors) to sell or otherwise dispose of the Company Securities in a Closed Period where the Person is in severe financial hardship or where there are exceptional circumstances.

4.4.6. Financial hardship and exceptional circumstances:

- a. Circumstances amounting to financial hardship will be made by the Chairman in the case of a Director or a Key Management Personnel, by the Board of Directors in the case of the Chairman and by the Managing Director in the case of Employees of the Company.

- b. Exceptional Circumstances may apply to the disposal of the Company's Securities by a Director or Key Management Personnel or employee if the Person is required by a Court order, to transfer or sell securities of the Company, or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption allowing the sale of Company Securities in a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation (where applicable).

Any exemption, if granted or issued, will be in writing and shall contain a specified time period during which the sale of Securities can be made.

4.5. Margin Lending

Directors, Key Management Personnel and Employees who enter into any margin lending or securities lending arrangement or otherwise grants a mortgage, charge, lien or other encumbrance (including a title retention arrangement, a right of setoff or right to withhold payment of a deposit or other money, or any third party interest such as a trust or an equity) over the Securities of the Company where control over the right to dispose of those securities may be lost, must report the transaction immediately to the Company Secretary or Managing Director and provide such other details as are from time to time requested by the Company.

The Company Secretary or Managing Director must be notified immediately in writing where a margin call that can only be satisfied by the sale of the Company's Securities is received.

5. PROHIBITIONS;

5.1. Prohibition of Insider dealing during closed period.

Insiders need to be mindful of the market perception associated with any sale of Company Securities and possibly the ability of the market to absorb the volume of shares being sold. The management of the sale of any significant volume of Company Securities (in excess of 5% of the Company's shareholding) by Insider needs to be discussed with the Management or Board or the Company's legal or financial advisers prior to the execution of any sale. No Insider shall deal in the Company Securities during the following "Closed Period":

- i. The period from 15 days immediately preceding the announcement to NSE, SEC and Shareholders of the Company's annual results; and 24 hours after the release has been made;
- ii. The period from 15 days immediately preceding the announcement to NSE, SEC and Shareholders of the Company's half year results; and 24 hours after the release has been made;

- iii. The period of 15 days immediately preceding the announcement to NSE, SEC and Shareholders of the Company's quarterly results; and 24 hours after the release has been made;
- iv. The period from 15 days before the release of a prospectus or other disclosure offering securities in the Company; and
- v. 15 days before release by the Company of any information that is not generally available to the public and if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company Securities.

5.2. Prohibition on Hedging

Directors, employees, and contractors of the Company must not engage in hedging arrangements, deal in derivatives or enter into other arrangements which limit the economic risk related to the Company's Securities. For the purposes of this Securities Trading Policy, this prohibition applies to any contracts for difference and other contracts intended to secure a profit or avoid a loss based on fluctuations in the price of the Company's Securities.

6. POLICY NOT TO EXCLUDE BEST JUDGMENT

The trading of the company shares during a trading window or non-closed period should not be considered as a "safe period" and all Employees, Key Management Personnel, Directors, Contractors and all concerned shall use good judgment at all times when dealing with Company Securities.

7. THE EXCHANGE NOTIFICATION FOR DIRECTORS

The Exchange Listing Rules require the Company to notify the Exchange within 2 business days after any trading in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a director in the securities of the Company. The Company will ensure that the Director promptly discloses to the Company Secretary all the information required by the Exchange.

7.1. Third Parties Non-Exclusion

A person does not need to be an Insider to be guilty of insider trading in relation to Securities in the Company. The prohibition extends to trading's by Insider through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates").

7.2. Securities in other Companies

Dealing in the securities of other listed companies is unrestricted provided that: No component of the Company is dealing with such company (ies); and No individual or Person to whom this Policy applies is in possession of Insider Information in relation to that other company.

8. BREACH OF THE POLICY

- 8.1. Employee and Key Management Personnel: Any employee or Key Management who violates this Policy shall be subject to disciplinary action by the Company and shall be reported to the appropriate authorities.
- 8.2. Directors: Directors, whether Executive or Non-Executive who violate this rule shall be subject to disciplinary action by the Board of Directors and be reported to the appropriate authorities.
- 8.3. Individual Responsibility: Every employee, Officer, Director, Key Management Personnel and Contractor has the individual responsibility to comply with this Policy and the applicable laws and regulations.
- 8.4. The Exchange and SEC Sanctions: Persons who breach this policy may be subjected to separate civil and criminal prosecution by the Nigeria Stock Exchange, the Securities and Exchange Commission, relevant law enforcement agencies in Nigeria and other regulatory bodies.

9. PENALTY FOR NON-COMPLIANCE

Insider trading is a criminal offence. The criminal penalties for a breach of the insider trading prohibition according to Sections 115/6 of The Investments and Securities Act 2007 as referenced by SEC Rules and Regulations (2013) include:

- a. in the case of a person not being a body corporate, to-
 - i. a fine of not less than N500,000 or an amount equivalent to double the amount of profit derived by him or loss averted by the use of the information obtained in contravention of any of the provisions of this part; or
 - ii. to imprisonment for a term not exceeding seven years; or
- b. In the case of a person being a body corporate, to a fine not less than N1,000,000 or an amount equivalent to twice the amount of profit derived by it or loss averted by the use of the information obtained in contravention of any of the provisions of this part.
- c. In addition, the insider trader, and any other persons involved in the contravention may also be liable to compensate third parties for any resulting loss.

10. EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with these guidelines of trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

The Board takes the matter of trading in the Company's securities by Restricted Persons seriously and expects full compliance with this Policy. Failure to comply with this Policy may result in termination of employment or other disciplinary action.

11. DISCLOSURE

In order to maintain transparency and to ensure accountability, this Policy is to be publicized in the internal communications of the Company and the website in a manner consistent with its disclosure policy.

12. MONITORING

Compliance with this Policy will be monitored by the Audit Committee of the Board of Prestige Assurance Plc.

13. REVIEW OF THE POLICY

The Policy shall be subject to review, update, or amendment as may be required to ensure its continued appropriateness and applicability and recommend any changes to the Prestige's Board for approval.

This Policy shall be reviewed as deemed necessary but not later than every five years.