



SOCIETY FOR CORPORATE  
GOVERNANCE NIGERIA  
*Leadership and Integrity*

# CORPORATE GOVERNANCE EVALUATION REPORT FOR CRUSADERSTERLING PENSIONS LIMITED

REPORTED BY THE SOCIETY FOR CORPORATE GOVERNANCE  
NIGERIA

STRICTLY PRIVATE AND  
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March 2025

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**CrusaderSterling**  
PENSIONS

*(A member of Custodian Investment Plc Group)*

We are pleased to submit to you, the Corporate Governance Evaluation Report for Crusadersterling Pensions Limited in line with the brief given to us.

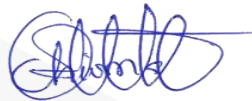
The evaluation has been carried out in compliance with Best Practice Recommendations, the Nigerian Code of Corporate Governance (NCCG) 2018, the Guidelines on Corporate Governance for Pension Fund Operators 2019 (PENCOM Code), and the Companies and Allied Matters Act (CAMA) 2020. It assesses the Corporate Governance Structure and Framework of the Company for the year ended December 31, 2024.

Our assessment was based on the documents supplied for our review, as well as questionnaires administered and interviews conducted with key stakeholders. While we identified some areas for improvement, we found no evidence to suggest that the corporate governance structure and framework of the Company are inconsistent with the criteria outlined in the NCCG.

Please contact me on 07039672614 should you require additional information or seek further clarification on any issue contained in this report.

Sincerely yours,

For: **SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**



**Chioma Mordi**

**Managing Director/CEO**

The Chairman,  
Board of Directors,  
Crusadersterling Pensions Limited  
14B Keffi Street, Ikoyi,  
Lagos

Dear Sir,

This report has been prepared solely for Crusadersterling Pensions Limited in accordance with the terms of our brief. It is not to be used for any other purpose or distributed to any other party. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing. However, Crusadersterling Pensions Limited reserves the right to share this report with regulatory authorities as deemed necessary, notwithstanding the aforementioned restrictions.

The report is based on information supplied by Crusadersterling Pensions Limited. This report contains information confidential to Crusadersterling Pensions Limited and/or Society for Corporate Governance Nigeria (SCGN).

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## **OUTLINE**

Introduction/Background

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Analysis of our findings

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Recommendation

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Conclusion

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# BACKGROUND/INTRODUCTION

## ➤ The Company

Crusadersterling Pensions Limited is a leading Pension Fund Administrator (PFA) in Nigeria and a member of the Custodian Investment Plc group. Crusadersterling Pensions has a vision to be the preferred Pension Fund Administrator with the highest contribution base and a mission of creating Wealth whilst delivering superior returns to stakeholders.

## ➤ Purpose of this Evaluation

Corporate governance is a crucial driver of accountability and business success. The Nigerian Code of Corporate Governance (NCCG 2018) aims to institutionalise best practices among companies in Nigeria and enhance transparency, trust, and integrity, thereby fostering an environment conducive to sustainable business operations.

The NCCG adopts a principle-based approach, outlining minimum standards of practice that companies are encouraged to implement. Companies are expected to follow the "Apply and Explain" method in their compliance reporting. This approach requires companies to not only apply the principles but also to articulate how they have done so, demonstrating their alignment with the intended outcomes of the governance principles.

# BACKGROUND/INTRODUCTION

Crusadersterling Pensions Limited has engaged the Society for Corporate Governance Nigeria (SCGN) to review its corporate governance practices, standards, and processes in line with Principle 15 of the Nigerian Code of Corporate Governance 2018. This report aims to assess the Company's level of compliance with the principles outlined in the NCCG 2018.

## ➤ Evaluation Process

To achieve a comprehensive and objective assessment, we employed a multifaceted approach. This included:

- Questionnaires: These were used to gather key insights into the governance framework, decision-making processes, accountability mechanisms, and overall compliance with corporate governance standards.
- Interviews with Governance Stakeholders: Confidential interviews were conducted with key stakeholders, including board members and senior executives, to obtain diverse perspectives on the effectiveness of governance structures and processes.
- Review of Governance Documents: Key governance-related documents were reviewed to assess the alignment with best practices, regulatory requirements, and organisational objectives.

# ANALYSIS



# PRINCIPLE 1: ROLE OF THE BOARD

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Board have an approved Charter which sets out its responsibilities and terms of reference?</li><li>➤ How does the Board contribute to the development and oversight of the Company's Strategic Plan?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board has a clearly defined and documented charter that outlines its roles and responsibilities, ensuring all directors understand their duties and expectations. The charter was formally updated and approved on July 18, 2024.</li><li>➤ The Board plays an active role in developing the Strategic Plan and provides robust oversight to ensure the effective implementation of strategic initiatives. The Board engages in detailed discussions about the strategic initiatives at Board meetings. The Board holds Management accountable for delivering on strategic goals, continuously monitoring progress, and offering</li></ul>



# PRINCIPLE 1: ROLE OF THE BOARD

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ What mechanisms are in place for the Board to monitor management performance and decision-making?</li></ul>	<p>guidance where necessary to keep the Company on track.</p> <ul style="list-style-type: none"><li>➤ The Board monitors Management performance and decision-making through a structured and systematic process. Key Performance Indicators (KPIs) are set for individual roles. These KPIs align with the Company's strategic plan. At the end of each review period, targets are assessed, and any gaps are identified and explained.</li></ul>

# PRINCIPLE 2: BOARD STRUCTURE & COMPOSITION

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Board have a sufficient number of members to effectively oversee the Company's activities?</li><li>➤ How does the Board set direction and approve processes to achieve an appropriate balance of knowledge, skills, experience, diversity, and independence?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board currently consists of eight members, seven of whom are male and one female. The Board is comprised of three Executive Directors, four Non-Executive Directors and one Independent Non-Executive Director.</li><li>➤ The Board sets direction and ensures an appropriate balance of knowledge, skills, experience, diversity, and independence through the guidelines outlined in the Board Charter. The Charter defines the criteria for Board composition and outlines processes for the regular evaluation of the Board's composition.</li></ul>

# PRINCIPLE 2: BOARD STRUCTURE & COMPOSITION

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Board appoint new members periodically?</li><li>➤ Are the positions of the Chairman of the Board and the Managing Director/Chief Executive Officer (MD/CEO) held by separate individuals?</li><li>➤ Are there Directors holding concurrent directorships?</li><li>➤ Is the MD/CEO or an Executive Director a chair of any Board Committee?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board appoints new members as needed, but in the year under review, no new Directors were appointed to the Board.</li><li>➤ The positions of the Chairman of the Board and the Managing Director/Chief Executive Officer (MD/CEO) are held by separate individuals.</li><li>➤ Some of the Directors hold concurrent directorships with other Companies.</li><li>➤ Neither the MD/CEO nor any Executive Director serves as the chair of any Board Committee.</li></ul>

# PRINCIPLE 3: CHAIRMAN

**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.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Is the Chairman a Non-Executive Director?</li><li>➤ Does the Chairman have a good working relationship with the MD/CEO?</li><li>➤ Is the Chairman a former MD/CEO or ED of the Company?</li><li>➤ Is the Chairman a member or chair of any of the Board Committees?</li><li>➤ Are the roles and responsibilities of the Chairman clearly defined?</li></ul>	<ul style="list-style-type: none"><li>➤ The Chairman is a Non-Executive Director.</li><li>➤ He maintains an open and productive working relationship with the MD/CEO.</li><li>➤ The Chairman is not a former MD/CEO or Executive Director of the Company.</li><li>➤ The Chairman is not a member or chair of any of the Board Committees.</li><li>➤ The roles and responsibilities of the Chairman are clearly defined and contained in the Board Charter.</li></ul>

# PRINCIPLE 4: MANAGING DIRECTOR

**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.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board?</li><li>➤ Did the MD/CEO declare any conflict of interest on appointment?</li><li>➤ Does the MD/CEO declare conflict of interest annually, and as they occur?</li><li>➤ Is the MD/CEO a member of the committees responsible for remuneration, audit, or nomination and governance?</li></ul>	<ul style="list-style-type: none"><li>➤ The MD/CEO has a contract of employment which sets out his authority and relationship with the Board.</li><li>➤ The MD/CEO completed a conflict-of-interest declaration form on his assumption of office.</li><li>➤ The MD/CEO completes a conflict-of-interest declaration form annually in line with the provision of the company's Code of Conduct.</li><li>➤ The MD/CEO is not a member of the committees responsible for remuneration, audit, or nomination and governance.</li></ul>

# PRINCIPLE 5: EXECUTIVE DIRECTORS

**Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Do the Executive Directors (EDs) have contracts of employment which set out their roles and responsibilities?</li><li>➤ Did the EDs declare any conflict of interest on appointment?</li><li>➤ Do the EDs declare conflicts of interest annually, and as they occur?</li><li>➤ What accountability measures are in place to ensure that they fulfill their obligations effectively?</li></ul>	<ul style="list-style-type: none"><li>➤ The EDs have contracts of employment which set out their roles and responsibilities.</li><li>➤ The EDs completed conflict-of-interest declaration forms on their assumption of office.</li><li>➤ The EDs complete conflict-of-interest declaration forms annually in line with the provision of the company's Code of Conduct.</li><li>➤ EDs undergo performance reviews where their achievements and responsibilities are assessed against clear objectives.</li></ul>

# PRINCIPLE 5: EXECUTIVE DIRECTORS

Key Questions	Findings
<p>➤ Are the EDs members of the committees responsible for remuneration, audit, or nomination and governance?</p>	<p>➤ The EDs are not members of the committee responsible for remuneration, nominations and governance. However, all the EDs are members of the Board Investment Strategy Committee but not all are members of the Board Risk Management Committee.</p>

# PRINCIPLE 6: NON-EXECUTIVE DIRECTORS

**Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy and performance on the Board.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Are the roles and responsibilities of the NEDs clearly defined and documented?</li><li>➤ Did the NEDs declare any conflict of interest on appointment?</li><li>➤ Do the NEDs declare conflicts of interest annually, and as they occur?</li><li>➤ Are the NEDs provided with information relating to the management of the company and on all Board matters?</li><li>➤ Do the NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor?</li></ul>	<ul style="list-style-type: none"><li>➤ The roles and responsibilities of the Chairman are clearly defined and contained in the Board Charter.</li><li>➤ The NEDs completed conflict-of-interest declaration forms on their assumption of office.</li><li>➤ The NEDs complete conflict-of-interest declaration forms annually.</li><li>➤ The NEDs are provided with information relating to the Management of the Company and on all Board matters quarterly at Board meetings and as frequently as is required.</li><li>➤ The NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor.</li></ul>



# PRINCIPLE 7: INDEPENDENT NON-EXECUTIVE DIRECTORS

**Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Do the INEDs meet the independence criteria prescribed under Section 7.2 of the NCCG?</li><li>➤ Does the Board annually ascertain and confirm the continued independence of each INED?</li><li>➤ Has any INED been reclassified from an existing Non-Executive Director (NED)?</li><li>➤ Are the roles and responsibilities of the INEDs clearly defined and documented?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board currently has an Independent Non-Executive Director.</li><li>➤ Yes, the Board conducted an annual assessment of the INED on 5<sup>th</sup> January 2024.</li><li>➤ Not Applicable</li><li>➤ Yes, the roles and responsibilities of the INED are clearly defined in the contract of employment as well as in the Board approved Charter.</li></ul>

# PRINCIPLE 7: INDEPENDENT NON-EXECUTIVE DIRECTORS

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Did the INEDs declare any conflict of interest on appointment?</li><li>➤ Do the INEDs declare conflicts of interest annually, and as they occur?</li></ul>	<ul style="list-style-type: none"><li>➤ The INED completed a conflict-of-interest declaration forms on his assumption of office.</li><li>➤ Yes, the INED completes a conflicts of interest declaration form annually.</li></ul>

# PRINCIPLE 8: COMPANY SECRETARY

The Company Secretary plays an important role in supporting the effectiveness of the Board by assisting the Board and management to develop good corporate governance practices and culture within the Company.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Is the Company Secretary in-house or outsourced? If in-house, is the person a member of senior management?</li><li>➤ Does the Company Secretary possess the relevant qualifications and competencies necessary for their role?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company Secretary, Ms. Olayemi Ogunsanya, is in-house and a member of Management.</li><li>➤ The Company Secretary possesses the relevant qualifications and competencies necessary for her role. She has over 20 years of experience in corporate law and governance, specializing in regulatory compliance, corporate secretarial services, and risk management. She also has a proven track record in providing strategic legal advisory to senior management and board members, optimizing governance frameworks, and mitigating business risks.</li></ul>

# PRINCIPLE 8: COMPANY SECRETARY

Key Questions	Findings
<p>➤ How does the Board conduct the performance evaluation of the Company Secretary?</p>	<p>➤ The Board evaluates the performance of the Company Secretary annually through the questionnaire assessment conducted by the Board Evaluation Consultants, focusing on key areas such as corporate governance compliance, board support, regulatory adherence, and stakeholder communication. This evaluation combines both qualitative and quantitative metrics to assess the Secretary's effectiveness in facilitating board operations and upholding governance standards. Additionally, feedback from directors is incorporated to provide a comprehensive and well-rounded assessment of the Company Secretary's performance.</p>

# PRINCIPLE 9: ACCESS TO INDEPENDENT ADVICE

Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ What governance policies are in place to facilitate Directors' access to independent professional advice?</li><li>➤ What systems are in place to review and assess the effectiveness of the advice received?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board Charter makes provision for Directors to access independent professional advice to support them in fulfilling their duties. It allows Directors to seek external legal, financial, or other expert advice at the Company's expense.</li><li>➤ The effectiveness of the advice received is reviewed through structured, periodic performance assessments conducted by the Internal Control and Audit team, which evaluate the relevance, accuracy, and impact of the advice on decision-making and governance compliance and benchmark it against best practices. Additionally, the Board regularly reviews the advice to ensure it aligns with the company's strategic objectives.</li></ul>

# PRINCIPLE 10: MEETINGS OF THE BOARD

**Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Board meet at least once every quarter, as required?</li><li>➤ Did the chairman of each Board committee present a written report of the key recommendations made at all the meetings held by the committee at Board meetings?</li><li>➤ What is the process for reviewing and approving minutes of Board meetings?</li></ul>	<ul style="list-style-type: none"><li>➤ In the year under review, the Board met five times.</li><li>➤ Yes, the Chairman of each Board committee presented a written report of the key recommendations made at all the meetings held by the committee at Board meetings</li><li>➤ The minutes of Board meetings are reviewed by the Directors at the subsequent Board meeting. Any necessary amendments or corrections are made, and once the minutes are agreed upon, they are formally adopted by the Board.</li></ul>

# PRINCIPLE 10: MEETINGS OF THE BOARD

Key Questions	Findings
<p>➤ What is the timeline for sending minutes to Directors after meetings?</p>	<p>➤ The minutes are circulated amongst the Directors within four weeks after the Board Meetings to which the minutes relate.</p>

# PRINCIPLE 11: BOARD COMMITTEES

To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Board have committees?</li><li>➤ Does each committee meet the minimum requirement of at least three members?</li><li>➤ Do the Board committees have Board-approved Charters which set out their responsibilities and terms of reference?</li><li>➤ Do the Board committees meet frequently?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board has established four key committees to support its governance functions namely, Board Audit Committee, Board Investment Strategy Committee, Board Risk Management Committee, and Board Governance Committee.</li><li>➤ Each committee meets the requirement of at least three members.</li><li>➤ All committees have and articulated Terms of Reference set out in the Board-approved charters for each committee.</li><li>➤ The Board committees held meetings in the year under review.</li></ul>



# PRINCIPLE 11: BOARD COMMITTEES

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ How often does the Board review and refresh the membership of its committees?</li></ul>	<ul style="list-style-type: none"><li>➤ The membership of the Board Committees was reviewed and re-composed last on 20<sup>th</sup> October 2022.</li></ul>

# PRINCIPLE 12: APPOINTMENT TO THE BOARD

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.

Key Questions	Findings
➤ Is there a Board-approved policy for the appointment of Directors?	➤ The appointment of Directors is governed by the provisions set forth in the Board Charter. The Charter outlines the process and criteria for selecting Directors.

# PRINCIPLE 13: INDUCTION & CONTINUING EDUCATION

A formal induction programme on joining the Board as well as regular training assists Directors to effectively discharge their duties to the Company.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Board have a formal induction programme for new directors?</li><li>➤ During the period under review, were new Directors appointed?</li><li>➤ Are Directors provided relevant training to enable them effectively to discharge their duties?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board's induction program is comprehensive and covers all essential aspects of the Company and its industry.</li><li>➤ No new Directors were appointed during the period under review.</li><li>➤ Yes, Directors are provided with relevant training and development opportunities to ensure they are equipped with the necessary knowledge and skills to effectively discharge their duties.</li></ul>

# PRINCIPLE 14: BOARD EVALUATION

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ For the period under review, was there any Board Evaluation exercise conducted?</li><li>➤ Was the Board Evaluation report presented to the full Board?</li><li>➤ Did the Chairman discuss the evaluation report with the individual directors?</li><li>➤ In what ways are the results of individual Directors' performance evaluations factored into the re-election process?</li></ul>	<ul style="list-style-type: none"><li>➤ Yes, a Board Evaluation exercise was conducted during the period under review by the Society for Corporate Governance Nigeria.</li><li>➤ Yes, the Board Evaluation Report was presented to the full Board.</li><li>➤ Yes, Chairman discussed the evaluation report with the Individual Directors.</li><li>➤ The result of the individual Directors' performance served as a guide in the training programs for each director.</li></ul>

# PRINCIPLE 15: CORPORATE GOVERNANCE EVALUATION

**Institutionalising a system for evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ For the period under review, was there any Corporate Governance Evaluation exercise conducted?</li><li>➤ Was the Corporate Governance Evaluation report presented to the full Board?</li><li>➤ Did the Chairman discuss the evaluation report with the individual directors?</li></ul>	<ul style="list-style-type: none"><li>➤ Yes, a Corporate Governance Evaluation exercise was conducted during the period under review by the Society for Corporate Governance Nigeria.</li><li>➤ Yes, the Corporate Governance Evaluation Report was presented to the full Board.</li><li>➤ Yes, the Chairman discussed the Evaluation Report with the individual directors.</li></ul>

# PRINCIPLE 15: CORPORATE GOVERNANCE EVALUATION

Key Questions	Findings
<p>➤ Is the summary of the Corporate Governance Evaluation included in the annual reports and Investor's portal?</p>	<p>➤ Yes, the full report of the Corporate Governance Evaluation Report is displayed in the investor's portal.</p>

# PRINCIPLE 16: REMUNERATION GOVERNANCE

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ What framework has the Board established to oversee the governance of remuneration across the Company?</li><li>➤ Is the remuneration of NEDS presented to shareholders for approval?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a Board-approved Remuneration Policy, which was approved on 26<sup>th</sup> January 2023, to guide the governance of remuneration. The Board oversees remuneration governance through the Governance Committee.</li><li>➤ The remuneration of the Directors was presented to the shareholders for approval as an agenda at the AGM held on July 18, 2024.</li></ul>

# PRINCIPLE 17: RISK MANAGEMENT

A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Company have a board-approved Risk Management Framework?</li><li>➤ How is the Risk Management Framework integrated into the day-to-day operations of the business?</li><li>➤ How often does the Company conduct a risk assessment?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board has a formal Risk Management Framework in place that outlines clear processes for identifying, assessing, mitigating, and monitoring risks.</li><li>➤ The Risk Management Framework is integrated into the day-to-day operations of the business through a combination of clear communication, regular reviews, and established guidelines.</li><li>➤ Quarterly.</li></ul>



# PRINCIPLE 17: RISK MANAGEMENT FRAMEWORK

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ How often does the board receive and review risk management reports?</li><li>➤ Is the Company's Risk Management Framework disclosed in the Annual Report?</li><li>➤ Who is responsible for heading the risk management function?</li><li>➤ How are compliance performance metrics tracked over time?</li></ul>	<ul style="list-style-type: none"><li>➤ The MD/CEO delivers updates on risk management at every Board meeting.</li><li>➤ The Company's Risk Management Framework is disclosed in the Annual Corporate Governance Report.</li><li>➤ The Risk Management function is overseen by Mr. Segun Atundaolu, the Head of Risk Management Unit, who is a member of the Senior Management team.</li><li>➤ Compliance performance metrics are tracked over time through quarterly risk assessments conducted by the Risk Manager for each department with progress reported in a Risk Register and report is sent to the Risk Management Committee.</li></ul>

# PRINCIPLE 18: INTERNAL AUDIT FUNCTION

An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Company have an Internal Audit Function?</li><li>➤ Does the Company have a Board-approved annual risk-based internal audit plan</li><li>➤ Who undertakes and approves the performance evaluation of the Head of Internal Audit?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a dedicated Internal Audit Function in place, responsible for providing assurance on the effectiveness of internal controls and risk management processes. The function operates under a well-defined charter approved on the 21st of April 2022 and is led by Mr. Victor Ogunleye, a qualified and experienced professional.</li><li>➤ The Company has a Board-approved annual risk-based internal audit plan, which is overseen by the Board Audit Committee through the Head, Internal Audit Unit.</li><li>➤ The performance evaluation of the Head of Internal Audit is undertaken and approved by the Board Audit Committee.</li></ul>

# PRINCIPLE 18: INTERNAL AUDIT FUNCTION

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ 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?</li><li>➤ 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?</li></ul>	<ul style="list-style-type: none"><li>➤ The Head of the Internal Audit Function reports quarterly to the Board Audit Committee of the Company.</li><li>➤ There is an external assessment of the effectiveness of the Internal Audit Function. The last assessment was conducted in November 2024.</li></ul>

# PRINCIPLE 19: WHISTLE-BLOWING

**An effective whistle-blowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the company have a Board-approved Whistle-Blowing Framework?</li><li>➤ What measures are in place to ensure that the Whistle-Blowing mechanism is reliable, accessible, and guarantees the anonymity of Whistle-Blowers?</li><li>➤ Who is responsible for managing disclosures made through the Whistle-Blowing mechanism, and what processes are in place for reviewing reported cases?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a Whistle Blowing Policy approved on 5th June 2017.</li><li>➤ The Company has established a reliable and accessible Whistle-Blowing mechanism that guarantees anonymity for whistle-blowers. Reports can be lodged through various channels, including the company's website, the dedicated hotline, and email.</li><li>➤ The whistle blowing channels is monitored to review reported cases and initiate appropriate action if necessary at the level of the Board or the Managing Director to redress the situation. A summary of reported cases, cases investigated, the process of investigation and the result of the investigation is prepared for the Chairman of the Audit Committee.</li></ul>

# PRINCIPLE 20: EXTERNAL AUDITORS

**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.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Who makes the recommendations for the appointment, re-appointment, or removal of External Auditors?</li><li>➤ Who approves the appointment, re-appointment, and removal of External Auditors?</li><li>➤ When was the first date of appointment of the External auditors?</li></ul>	<ul style="list-style-type: none"><li>➤ The Board makes the recommendations for the appointment, re-appointment, or removal of external auditors.</li><li>➤ The Shareholders approves the appointment, re-appointment, and removal of External Auditors at the Annual General Meeting.</li><li>➤ July 16, 2020.</li></ul>

# PRINCIPLE 21: GENERAL MEETINGS

General Meetings are important platforms for the Board to engage shareholders to facilitate a 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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Did the Company hold a General Meeting in the year under review?</li><li>➤ How many days prior to the last General meeting were notices, annual reports and any other relevant information dispatched to Shareholders?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company's Annual General Meeting (AGM) for the year under review was held on 18<sup>th</sup> July 2024, with active participation from various stakeholders.</li><li>➤ The notices and other relevant information were dispatched on the 19<sup>th</sup> day of June 2024 (29 days prior).</li></ul>

# PRINCIPLE 22: SHAREHOLDER ENGAGEMENT

The establishment of a system of regular dialogue with shareholders balances their needs, interests and expectations with the objectives of the Company.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Is there a Board-approved Shareholders' Engagement Policy?</li><li>➤ Is the policy hosted on the Company's website?</li><li>➤ Who is designated to interact with shareholders on behalf of the Board?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a Stakeholder Engagement Policy and Stakeholder Management and Communication Policy updated and approved on July 20th, 2023 respectively.</li><li>➤ This policy is hosted on the company's website- <a href="https://crusaderpensions.com/wp-content/uploads/2024/04/SHARE-HOLDER-ENGAGEMENT-POLICY-001-converted.pdf">https://crusaderpensions.com/wp-content/uploads/2024/04/SHARE-HOLDER-ENGAGEMENT-POLICY-001-converted.pdf</a></li><li>➤ The Company Secretary is designated to interact with shareholders on behalf of the Board.</li></ul>

# PRINCIPLE 23: PROTECTION OF SHAREHOLDER RIGHTS

**Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance.**

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ What policies are in place to ensure that all shareholders are treated fairly and equitably, regardless of the size of their shareholding?</li><li>➤ What safeguards are implemented to protect minority shareholders from abusive actions by controlling shareholders?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a Shareholder's Engagement Policy approved on 20<sup>th</sup> July 2023 which is also published on the Company's website. This policy ensures the rights of shareholders are protected.</li><li>➤ The Company safeguards minority shareholders' rights through specific provisions in its Code of Conduct and Board Charter, ensuring equitable treatment, transparency, and protection against oppressive actions. These measures promote fair participation, access to information, and adherence to governance best practices.</li></ul>



# PRINCIPLE 24: BUSINESS CONDUCT & ETHICS

The establishment of professional business and ethical standards underscores the values for the protection and enhancement of the reputation of the Company while promoting good conduct and investor confidence.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards?</li><li>➤ Has the COBE been communicated to all internal and external Stakeholders?</li><li>➤ What mechanisms has the Board established to monitor adherence to the Code of Business Conduct and Ethics?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a well-defined and Board-approved Code of Ethics which provides clear ethical guidelines for all stakeholders.</li><li>➤ The Code of Ethics has been communicated to all stakeholders.</li><li>➤ Adherence to the Code of Ethics is monitored through the Head, Human Resources Department. This allows employees and stakeholders to anonymously report any concerns or violations of the Code, ensuring that potential breaches are identified and addressed promptly.</li></ul>

# PRINCIPLE 25: ETHICAL CULTURE

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ How does the Company promote a culture of ethics and integrity?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company promotes a culture of ethics and integrity through a strong tone set by the Board and senior management, who consistently emphasise the importance of ethical behavior. This is supported by clear guidelines, including a sanction grid for non-compliance. The Company encourages open feedback and rewards ethical conduct, fostering an environment where integrity is recognized and valued. Periodic awareness initiatives and knowledge-sharing sessions further align employees with the company's shared values, while the Board ensures adherence to ethical standards through regular oversight and sanctions when necessary.</li></ul>

# PRINCIPLE 25: ETHICAL CULTURE

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Is there a Board-approved policy on Insider Trading?</li><li>➤ Does the Company have a Board-approved policy on Related Party Transactions?</li><li>➤ Does the Company have a Board-approved policy on Conflict of Interest?</li></ul>	<ul style="list-style-type: none"><li>➤ Not Applicable</li><li>➤ The Company has a comprehensive Board approved policy that addresses Related Party Transactions approved on 21<sup>st</sup> April 2022.</li><li>➤ The Company also has a Transfer Pricing Policy approved on 19<sup>th</sup> October 2023.</li><li>➤ The Company has a comprehensive Conflict of Interest Policy updated and approved on 18<sup>th</sup> April 2024.</li></ul>

# PRINCIPLE 26: SUSTAINABILITY

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Is there a Board-approved Sustainability Policy?</li><li>➤ How does the Board monitor the implementation of the Sustainability Policy?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a Sustainability /Environmental Social and Governance (ESG) Policy which was updated and approved by the Board on the 20th day of July, 2023. This underscores its commitment to responsible business practices and long-term environmental, social, and governance (ESG) goals.</li><li>➤ The Board actively monitors and oversees the Company's sustainability initiatives on an ongoing basis. Sustainability performance is a key agenda item at each Board meeting.</li></ul>

# PRINCIPLE 27: STAKEHOLDER COMMUNICATION

Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Is there a Board-approved policy on stakeholder management and communication?</li><li>➤ What strategies are in place for stakeholder communication?</li><li>➤ Does the Company have an up-to-date Investor Relations Portal?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company has a Stakeholder Engagement Policy and a Stakeholder Management and Communication Policy, which was updated and approved on July 20th, 2023 respectively</li><li>➤ The Company employs various strategies for effective stakeholder communication, including hosting relevant information on its website, filing necessary corporate reports, and utilising roadshows. In addition, regular communication occurs through newsletters, press releases and digital platforms.</li><li>➤ The Company has an Investor Relations Portal which offers easy access to the Company's annual reports for the past five years in a downloadable format, ensuring transparency and providing the public with valuable insights into the Company's performance over time.</li></ul>

# PRINCIPLE 28: DISCLOSURES

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.

Key Questions	Findings
<ul style="list-style-type: none"><li>➤ Does the Company's annual report include a summary of the corporate governance report?</li><li>➤ Has the Company been fined by any regulator during the reporting period?</li><li>➤ Does the Company have a website?</li></ul>	<ul style="list-style-type: none"><li>➤ The Company's annual report includes a corporate governance report that provides clear information on the Company's governance structures, policies and practices.</li><li>➤ Yes, the Company was fined in Q1, Q2, and Q4 of 2024.</li><li>➤ The Company has a dedicated website which provides clear, accessible information about its operations and performance, ensuring stakeholders can easily access relevant updates and insights.</li></ul>

# RECOMMENDATIONS

Area	Finding	Recommendation
Board Composition & Structure	The Board has only one Independent Non-Executive Director (INED).	<p>In accordance with Principle 2.3 (b) of the Nigerian Code of Corporate Governance 2018, which states that it is desirable that most of the Non-Executive Directors are independent, we recommend expanding the Board to include an additional Independent Non-Executive Director.</p> <p>This expansion will enhance the independence of the Board, promote a more balanced and diverse decision-making process, and strengthen overall governance practices.</p>

# RECOMMENDATIONS

Area	Finding	Recommendation
Board Composition & Structure	The Board has one female Director on the Board.	<p>In accordance with Principle 2 of the NCCG 2018, which requires the Board to have an appropriate balance of skills and diversity (including experience and gender) without compromising competence, independence and integrity, we recommend the appointment of an additional female director to the Board.</p> <p>This will further enhance Board operations by introducing fresh insights and strengthening decision-making processes. It will also promote inclusivity, improve stakeholder confidence, and align the Board with evolving corporate governance standards.</p>



# RECOMMENDATIONS

Area			Finding	Recommendation
Director Appointment & Development			Directors attended only two training programmes during the year.	<p>We recommend that the Board enhance its training and development programs for Directors, as attending only two training sessions in the year under review may not be adequate.</p> <p>Training should cover key areas such as industry trends, financial acumen, risk management, and technical aspects relevant to the Company and incorporate more structured individual development sessions.</p>

# THANK YOU!

## Contact Us

5B, Lawani Oduloye Street, Oniru Estate,  
Victoria Island,  
Lagos, Nigeria

+234 9124 878 029, +234 703 157 2499

[info@corpgovnigeria.org](mailto:info@corpgovnigeria.org)

[www.corpgovnigeria.org](http://www.corpgovnigeria.org)