



STERLING FINANCIAL HOLDINGS COMPANY PLC

SECURITIES TRADING POLICY



Document Control Sheet

Version and Update History

Date	Document Version	Document Revision History	Document Author/Reviser
May 2024	1.0	Document creation	Company Secretariat

Change Control

Review Clause/Frequency
The contents of this document are subject to review and change control every three years or as the need arises.
Next Review Date: May 2027



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Approvals

This Policy was approved by:

Name	Representing	Signature	Date
Temitayo Adegoke	Secretary to the Board		
Yemi Odubiyi	Group Managing Director		
Aisha Bashir	Chairperson, Board Audit and Risk Management Committee		
Yemi Adeola	Chairman, Board of Directors		

*The sign-off of this document authorizes the immediate implementation of the Securities Trading Policy for **Sterling Financial Holdings Company Plc***



SECURITIES TRADING POLICY

1. DEFINITIONS

The following terms shall have the following meanings unless the context otherwise requires:

"Audit Committee" means the Statutory Audit Committee and Board Audit and Risk Management Committee of Sterling Financial Holdings Company Plc (Company).

"Closed Period" has the meaning given to it in the Nigerian Exchange Limited's Rulebook as may be amended from time to time. By virtue of Rule 17(18) of the NGX's Rulebook, amended, a closed period refers to the trading window when Insiders are restricted from transacting in the products or securities of their issuers.

"Connected Persons" shall mean a family member who could be influenced by an Insider in his/her dealing with the Company's products. This also includes those parties (agents and nominees) over whose trading activity the Insider has a direct or indirect beneficial interest, control or investment influence.

"Dealing" means:

- a) any sale or purchase of, or agreement to sell or purchase any Products of the Company;
- b) the grant to, or acceptance by such a person, of any option relating to such Products or of any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of any such Products;
- c) the acquisition, disposal, exercise or discharge of, or any dealing with, any such option, right or obligation in respect of such Products;
- d) dealings between directors and/or employees of the Company;
- e) Over the Counter dealings;
- f) Off-Market Dealing; and
- g) transfers for no consideration.

"Director" means any person who occupies the position of a Director in Sterling Financial Holdings Company or a related company and includes both Executive and Non-Executive Directors;

"Employee" means any person engaged under a contract of employment with Sterling Financial Holdings Company or a related company and any other persons engaged by a third-party service provider or outsourcing agency to provide support services to the Company or any of its related companies.



“Insider” has the meaning given to it in the Investment and Securities Act as well as the Nigerian Exchange Limited's Rule Book. For the purpose of this policy, it refers to an individual who is privy to price sensitive information and:

- a) Who is connected with the Company during the preceding 6 (six) 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 a 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 Products or any person who can be deemed to be an agent of any of the above listed persons; and
 - vi. members of the audit committee

- b) who by virtue of having been connected with the Company as mentioned in paragraph “a” has obtained unpublished price sensitive information in relation to the Products of the Company.

“Insider Trading” occurs when a person or group of persons in possession of price sensitive information or other confidential information not generally available to the public, utilizes such information to buy or sell products for the benefit of himself, itself or any person.

“Insider Information” means information relating directly or indirectly to the Company's Products, plans or finances, which has not been made public and which is obtained or learned as an insider; and if it were made public would be likely to have a material effect on the price or value of any product listed on the regulated market.

“Key Management Personnel” are those persons in addition to Directors who have authority and responsibility for directing and controlling the daily activities of the Company, staff are generally anyone in the employment of the Company

Group Company Secretary;
Group Chief Financial Officer (or such officer in charge of Finance in the Company);
Group Chief Compliance Officer;
Group Chief Risk Officer; and
Group Chief Audit Executive.

Anyone else who discharges managerial responsibility and/or works closely with the Key Management listed above or by virtue of responsibility has access or is in possession of Price Sensitive Information.



“Price Sensitive Information” includes but is not limited to the following.

- i. Declaration of the Company's financial results (quarterly, half-yearly and full year);
- ii. Declaration of dividends (interim and final) by the Company;
- iii. Issue of the Company's products by way of public offer or rights or bonus, etc.;
- iv. Any major expansion plans or winning of bid or execution of new projects for example amalgamation, mergers, takeovers and buy-back;
- v. Disposal of the whole or a substantial part of the undertaking;
- vi. Any changes in policies, plans or operations of the Company that are likely to materially affect the prices of the products of the Company;
- vii. Disruption of operations due to natural calamities;
- viii. Litigation/dispute with a material impact.

“Products” includes shares, securities, debentures, bonds, financial products, and derivatives of Sterling Financial Holdings Company Plc (the Company), and its subsidiaries as may be listed and traded on the Nigerian Exchange from time to time.

“Related Company” means any entity that is directly or indirectly controlled by, in control of or under common control with the Company.

2. **INTRODUCTION**

This policy sets out the guidelines for the sale and purchase of products in Sterling Financial Holdings Company Plc (the Company) by any insider, Director, Key Management Personnel and Staff of the Company and other related companies.

3. **PURPOSE**

The Policy defines what constitutes insider trading and provides a framework for compliance with the Central Bank of Nigeria (CBN) Corporate Governance Guidelines for Financial Holding Companies in Nigeria, the Securities and Exchange Commission (SEC) Rules, the Investment and Securities Act (ISA) and the Nigerian Exchange Limited (NGX) Issuers' Rules (as amended) on dealing with the Company's Products by all insiders

The Policy aims to ensure that Insiders and their Connected Persons do not abuse privileged information or benefit from material non-public information at their disposal or which come to their possession during the course of their duties, especially at periods leading up to the announcement of Price Sensitive Information by the Company.



4. **CONFIDENTIALITY**

A person in possession of Price Sensitive Information about the Company or related companies shall keep that information confidential and must not trade it or profit from it or disclose that information to any person. This confidentiality obligation applies to persons including external advisers, who had access to the information.

5. **PROHIBITION**

Insider trading is a criminal offence and may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) That person who is in possession of some confidential and price sensitive information not generally available to the public, utilizes such information to trade in the Company or related companies' Products for his/its own account and for his/its benefit or makes such information available to a third party (either knowingly or unknowingly) who uses it for his/its benefits; and
- (b) That person:
 - (i) Buys or sells the Company's Products; or
 - (ii) Procures someone else to buy or sell the company's Products; or
 - (iii) Passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell or procure someone else to buy or sell the Products of the Company.

6. **GUIDELINES FOR TRADING IN THE COMPANY'S PRODUCTS**

6.1 **Closed Period**

All Insiders, (including Directors, Key Management Personnel, Advisers to the Company, Employees) and their Connected Persons are prohibited from dealing in the Company's Products during Closed Periods.

All Insiders must take reasonable steps to ensure that their Connected Persons inform them of any proposed dealing in Company or related companies' products during a Closed Period, so that they can seek prior clearance from the Company Secretary on behalf of their Connected Persons. Closed Periods are as defined below:



- a. The period from the end of the financial period under review (quarterly, half yearly and full year) and up to 24 hours after the financial results of The Company have been released to The Exchange; or
- b. The period from the end of the financial period under review (quarterly, half yearly and full year) and up to 24 hours after dividend (interim or final) of the Company is announced to the Exchange; or
- c. The period from 15 calendar days immediately preceding any meeting of the Board of Directors of the Company to consider any Price Sensitive Information and 24 hours after the release of the Price Sensitive Information to The Exchange.

6.2 **No Short-Term Trading in the Company's Products**

Insiders must never engage in short-term trading of the Company's Products for example buying and selling of shares within a period of 6 (six) months from the date of purchase.

6.3 **Products in Other Companies**

Buying and selling Products of other companies with which the Company or related companies may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another listed company, Insiders are prohibited from purchasing Products of the Company or the other company.

6.4 **Permissible Trading During the Closed Period**

With the prior approval of the Exchange, trading may be permitted during a Closed Period only:

- a. To execute transactions pursuant to statutory or regulatory obligations or court orders;
- b. To exercise stock options under a pre-existing employee stock option scheme; and
- c. To execute large volume trades or block divestments between Insiders only.

The Exchange may refuse to grant approval for trading during a closed period, where it considers that such a trade, if allowed, will interfere with the fair and orderly functioning of its market.

6.5 **Notification of Closed Period**

The Company shall notify the Exchange in advance of the commencement of each closed period. The Company Secretary shall notify all Directors of the times



when they are not permitted to buy or sell the Company's Products as set out in this policy. All other Employees including Key Management Personnel will be notified by Human Capital Management upon advice of the Company Secretary.

6.6 Submission of Price-Sensitive Information:

Price-sensitive information shall be submitted to the Exchange via its Issuers' Portal.

6.7 General Restrictions

This Policy continues to apply to transactions on the Company's Products even after termination of employment for a period of 6 (Six) months thereafter. If an employee is in possession of unpublished sensitive information when his or her employment terminates, he or she may not trade in the Company's Products and Securities until that information has become public.

7 NOTIFICATION REQUIREMENTS

7.1 Sales of Company's Products

Directors or Key Management Personnel in particular need to be mindful of the market perception associated with any sale of the Company's products and possibly the ability of the market to absorb the volume of products being sold. With this in mind, the management of the sale of any significant volume of the Company's products (i.e. a volume that would represent a volume in excess of 5% of the total products held by the seller prior to the sale, or a volume of the shares of the Company on the Exchange for the preceding 20 trading days) by a director or Key Management Personnel needs to be discussed with the Board and the Company Secretary prior to the execution of any sale. These discussions need to be documented and be retained by the Company Secretary.

7.2 The Exchange Notification for Directors

The Nigerian Exchange Limited (NGX) Issuers' Rules require the Company to notify the Nigerian Exchange Limited within 48 hours after any dealing in Products of the Company (either personally or through a Connected person) which results in a change in the relevant interests of a director in the securities of the Company.

8 COMPLIANCE MONITORING

It is the primary responsibility of Directors, Key Management Personnel and all employees to acquaint themselves with the provisions of this policy and ensure compliance with the terms thereof.



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All Directors, key management personnel and advisers of the Company and their connected persons on the Products shall immediately notify the Company Secretary in writing of the occurrence of all transactions conducted on their own account in the products of the Company on the day the transaction occurred and the Company Secretary shall maintain a record of such transaction and make returns to the Exchange as so required.

The Compliance and Internal Audit Functions are responsible for ensuring compliance with the Policy.

Compliance with these guidelines for trading in the Company's Products does not absolve any individual from complying with the law, which shall be the overriding consideration when trading in the Company's Products.

9 REVIEW

The above notwithstanding, the Board periodically reviews this policy with respect to the scope covered, considering the market realities and global best practices to ensure compliance with the provisions by the various parties. However, the policy may be reviewed at the least, every three (3) years.

10 GENERAL

This Policy or a summary will be published on the Company's website in accordance with regulatory requirements.

All employees and Insiders are deemed to have completed the confirmation and declaration template set out in the Appendix.



Appendix

Securities Trading Policy – Confirmation and Declaration

To
The Group Company Secretary
Sterling Financial Holdings Company Plc
Sterling Towers,
20 Marina Street, Lagos

Through
The Group Human Resource Officer
Sterling Financial Holdings Company Plc
Sterling Towers,
20 Marina Street, Lagos

Name:
Employee No
Designation:
Grade:
Unit/Group/Department:

I have received a copy of the Securities Trading Policy of Sterling Financial Holdings Company Plc and I confirm that I fully understand the requirements of this Policy and undertake to comply with the Policy.

I understand that a breach of this Policy could lead to disciplinary actions by the Company.

Signed.