

# SECURITY TRADING POLICY

Of



Signature of the Chairman of the Board Finance and Investment General Purpose Committee



Chairman

Signature of the Managing Director



Managing Director

*{The Company's Seal}*

Dated this **2nd** day of February 2023

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## BACKGROUND

This Policy provides the standards of LASACO Assurance PLC (the "**Company**") on trading and causing the trading of the Company's securities or securities of other publicly-traded companies while in possession of confidential information. This policy is divided into two parts: the first part prohibits trading in certain circumstances and applies to all directors, officers, employees and consultants of the Company and the second part imposes special additional trading restrictions and applies to all:

- (i) Directors of the Company and its subsidiary
- (ii) Executive Officers of the Company and its subsidiary and
- (iii) the employees listed on Appendix A (collectively, "**Covered Persons**").

One of the principal purposes of this policy is to prohibit "insider trading." Insider trading occurs when a person uses material non-public information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company's securities or to provide that information to others outside the Company. The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is "material" and "non-public." The prohibitions would apply to any director, officer, employee or consultant who buys or sells Company stock on the basis of material non-public information that he or she obtained about the Company, its customers, suppliers, or other companies with which the Company has contractual relationships or may be negotiating transactions.

## **PART I**

### **1. APPLICABILITY**

This Policy applies to all transactions in the Company's securities, including common stock, options, share and any other securities that the Company may issue, such as preferred stock, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company's securities, whether or not issued by the Company.

This Policy applies to all employees of the Company and its subsidiaries, all Officers of the Company and its subsidiaries and all members of the Company's and its subsidiaries' Board of Directors. This Policy also applies to all Consultants of the Company.

### **2. GENERAL POLICY: NO TRADING WHILE IN POSSESSION OF MATERIAL NON-PUBLIC INFORMATION**

(a). No Director, Officer, Employee or Consultant may purchase or sell any Company security while in possession of material non-public information about the Company.

(b). No Director, Officer, Employee or Consultant who knows of any material non-public information about the Company may communicate that information to any other person, including family and friends.

(c). In addition, no Director, Officer, Employee or Consultant may purchase or sell any security of any other Company while in possession of material non-public information about that Company obtained in the course of his or her involvement with the Company. No Director, Officer, Employee or Consultant who knows of any such material non-public information may communicate that information to any other person, including family and friends.

(d). For compliance purposes, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and non-public unless you first consult with and obtain the advance approval of the Chief Compliance Officer.

(e). Covered Persons must "pre-clear" all trading in securities of the Company in accordance with the procedures set forth in Section 3 below.

### 3. DEFINITIONS

(a) **Materiality.** Insider trading restrictions come into play only if the information you possess is "material." Materiality, however, involves a relatively low threshold. Information is generally regarded as "material" if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

Information dealing with the following subjects is reasonably likely to be found material in particular situations:

- (i) Significant changes in the Company's prospects;
- (ii) Significant write-downs in assets or increases in reserves;
- (iii) Developments regarding significant litigation or government agency investigations;
- (iv) Liquidity problems;
- (v) Changes in earnings estimates or unusual gains or losses in major operations;
- (vi) Major changes in management;
- (vii) Changes in dividend policy;
- (viii) Extraordinary borrowings;
- (ix) Award or loss of a significant contract;
- (x) Changes in debt ratings;
- (xi) Proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalizations, strategic alliances, licensing arrangements, or purchases or sales of substantial assets;
- (xii) Significant clinical or regulatory events;
- (xiii) public offerings; and

(xiv) Pending statistical reports (such as, consumer price index, money supply and retail figures, or interest rate developments).

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular non-public information is material, presume it is material. **If you are unsure whether information is material, you should consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates.**

**(b) Non-public Information.** Insider trading prohibitions come into play only when you possess information that is material and "non-public." The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Non-public information may include:

- (i) Information available to a select group of analysts, brokers or institutional investors;
- (ii) Undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and

(iii) information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to the public announcement of such information (normally two or three days).

(c) **Compliance Officer.** The Company has appointed Mr. Dimeji Olona as the Chief Compliance Officer for this Policy. The duties of the Chief Compliance Officer include, but are not limited to, the following:

- (i) Ensuring that copies of this Policy are provided to all employees.
- (ii) Ensuring that the Company obtain and maintain written acknowledgments from employees that they have read this Policy.
- (iii) Overseeing the responses to questions from individual employees.
- (iv) Providing for employee training sessions.
- (v) Pre-clearing trades, if required.
- (vi) Ensuring that relevant files on compliance with and implementation of this Policy are maintained.

#### **4. Violations of Security Trading Laws**

Penalties for trading on or communicating material non-public information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory.

(a) **Legal Penalties.** A person who violates Security trading laws by engaging in transactions in a company's securities when he or she has material non-public information can be sentenced to a substantial jail term and required to pay a penalty of several times the amount of profits gained or losses avoided.

Regulators may also impose fines on profit gained or loss avoided by insider trading from the violator and an injunction against future violations. Private parties also may bring civil complaints or actions against any person purchasing or selling a security while in possession of material, non-public information.

**(b) Company-imposed Penalties.** Employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal. Any exceptions to the Policy, if permitted, may only be granted by the Chief Compliance Officer and must be provided before any activity contrary to the above requirements takes place.



## **PART II**

### **1. CLOSED PERIOD**

**Rule 17(18) of the NSE's Rulebook, 2015 as amended** describes a closed period as the trading window when insiders are restricted from transacting in the products of their Issuers. The closed period is the end of the financial period in review (quarterly, half-yearly, and full year) or fifteen (15) days prior to a board meeting to consider Price Sensitive Information (PSI) or the date of circulation of board papers for such board meeting, whichever is earlier.

The window is expected to re-open, 24 hours after the PSI has been disclosed to the market. Please see examples below of the information considered as PSI:

- a) Declaration of financial results (quarterly, half-yearly and full year)
- b) Declaration of dividends (interim and final)
- c) Issue of products by way of public offer, rights, or bonus, etc.
- d) Any major expansion plans, or winning of bid, or execution of new projects e.g. mergers, take-overs, and buy-backs.
- e) Disposal of the whole or substantial part of the undertaking.
- f) Any change in policies, plans or operations of the company that are likely to materially affect the price of listed entity products.
- g) Disruptions of operations due to natural calamities.
- h) Litigations/disputes with a material impact.
- i) A substantial change to the terms of the corporate structure of the group and any of its subsidiaries

#### **Notification of Closed Period**

Lasaco shall notify The Exchange in advance of the commencement of each closed period. The company shall not suspend a closed period after it is announced.

#### **Closed Period's Exceptional Circumstances**

With the prior approval of The Exchange, trading may be permitted during a closed period only:

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

However, 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.

#### **Dealing through Third Parties**

Person does not need to be a director or employee of Lasaco to be guilty of insider trading in relation to products in Lasaco. The prohibition extends to dealings by directors, persons discharging managerial responsibilities and advisers of Lasaco and their connected persons

## 2. Trading Window

Covered Persons are permitted to trade in the Company's securities when no blackout period is in effect. Generally this means that Covered Persons can trade during the period beginning at the close of business on the second day following the date the Company's financial results for such fiscal quarter are publicly disclosed and ending at the close of the market fifteen (15) days before the end of each quarter. However, even during this trading window, a Covered Person who is in possession of any material non-public information should not trade in the Company's securities until the information has been made publicly available or is no longer material. In addition, the Company may close this trading window if a special blackout period is imposed and will re-open the trading window once the special blackout period has ended.

## 3. Pre-clearance of Securities Transactions

**(a).** Because Covered Persons are likely to obtain material non-public information on a regular basis, the Company requires all such persons to refrain from trading, even during a trading window under Part II, Section 2 above, without first pre-clearing all transactions in the Company's securities.

**(b).** Subject to the exemption in subsection (d) below, no Covered Person may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of) any Company security at any time without first obtaining prior approval from the Compliance Officer. These procedures also apply to transactions by such person's spouse, other persons living in such person's household and minor children and to transactions by entities over which such person exercises control.

**(c).** The Chief Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading two business days following the day on which it was granted. If the transaction does not occur during the two-day period, pre-clearance of the transaction must be re-requested.

#### **4. Prohibited Transactions**

**(a).** Directors and Executive Officers of the Company are prohibited from trading in the Company's equity securities during a blackout period imposed under an "individual account" retirement or pension plan of the Company, during which at least 50% of the plan participants are unable to purchase, sell or otherwise acquire or transfer an interest in equity securities of the Company, due to a temporary suspension of trading by the Company or the plan fiduciary.

**(b).** A Covered Person, including such person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, is prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the Chief Compliance Officer:

(i) Short-term trading. Covered Persons who purchase Company securities may not sell any Company securities of the same class for at least six months after the purchase;

(ii) Shortsales. Covered Persons may not sell the Company's securities short;

(iii) Options trading. Covered Persons may not buy or sell puts or calls or other derivative securities on the Company's securities;

(iv) Trading on margin. Covered Persons may not hold Company securities in a margin account or pledge Company securities as collateral for a loan; and

(v) Hedging. Covered Persons may not enter into hedging or monetization transactions or similar arrangements with respect to Company securities.

#### **5. POLICY REVIEW**

This policy shall be reviewed as deemed necessary but not later than every 5 years.

#### **6. Acknowledgment and Certification**

All Covered Persons are required to sign the attached acknowledgment and certification.

**ACKNOWLEDGMENT AND CERTIFICATION FOR CONCERNED PARTIES**

The undersigned does hereby acknowledge receipt of the Company's Insider Trading Policy. The undersigned has read and understands (or has had explained) such Policy and agrees to be governed by such Policy at all times in connection with the purchase and sale of securities and the confidentiality of non-public information.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Please print name)

Date:  
\_\_\_\_\_

## APPENDIX A

LIST OF DIRECTORS/EXECUTIVE OFFICERS TO WHOM THE INSIDER TRADING POLICY IS APPLICABLE

1.	MRS. MARIA OLATEJU PHILLIPS	CHAIRMAN
2.	ENGR. SANI NDANUSA	INDEPENDENT-NON-EXECUTIVE DIRECTOR
3.	OTUNBA AKIN DOHERTY	NON- EXECUTIVE DIRECTOR
4.	PRINCE JAMIU SAKA	NON-EXECUTIVE DIRECTOR
5.	MR. ADENIYI SALIU	NON-EXECUTIVE DIRECTOR
6.	MR. RAZZAQ ABIODUN	MANAGING DIRECTOR
7.	MR. RILWAN OSHINUSI	DEPUTY MANAGING DIRECTOR (COOPERATE SERVICE)
8.	MR. ADEMOYE SHOBO	EXECUTIVE DIRECTOR (TECHNICAL)
9.	MR. AKINWALE SOFILE	GENERAL MANAGER (FINANCE & INVESTMENT)
10.	MR. DEMEJI OLONA	GENERAL MANAGER (LIFE)
11.	MR. SAMSON OLUYEMI	GENERAL MANAGER (TECHNICAL )
12.	MR. MUYIWA ANWOJU	GENERAL MANAGER (SALES)

