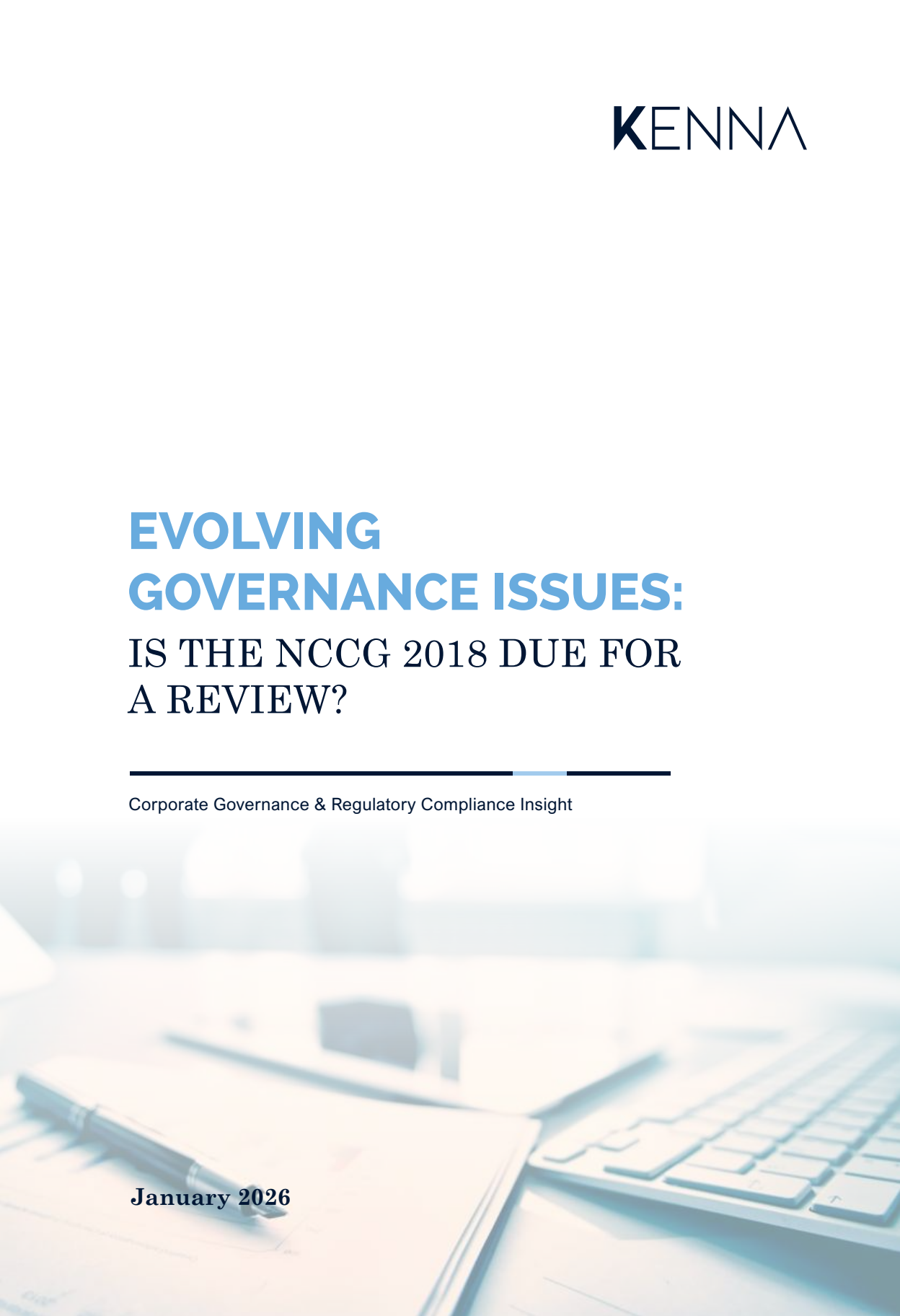


# **EVOLVING GOVERNANCE ISSUES: IS THE NCCG 2018 DUE FOR A REVIEW?**

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Corporate Governance & Regulatory Compliance Insight

A blurred background image of a desk setup. In the foreground, a laptop is partially visible on the right, with its keyboard in focus. To the left of the laptop, a pen lies on a piece of paper. The background shows a blurred office environment with windows and other desk items.

**January 2026**



## Table of Contents

|                                                                                  |           |
|----------------------------------------------------------------------------------|-----------|
| <b>Prologue</b>                                                                  | <b>ii</b> |
| <b>Publication</b>                                                               | <b>v</b>  |
| <b>Acknowledgment</b>                                                            | <b>vi</b> |
| <b>Introduction</b>                                                              | <b>1</b>  |
| <b>Background</b>                                                                | <b>2</b>  |
| <b>Is The NCCG 2018 Due for a Review?</b>                                        | <b>4</b>  |
| <b>Sectoral Guidelines Highlighting the need<br/>for reform of The NCCG 2018</b> | <b>7</b>  |
| <b>The Review of the NCCG 2018</b>                                               | <b>9</b>  |
| <b>Annexure 1</b>                                                                | <b>14</b> |
| Table A                                                                          | 15        |
| Table B                                                                          | 19        |
| <b>Annexure 2</b>                                                                | <b>23</b> |
| <b>Annexure 3</b>                                                                | <b>27</b> |
| <b>Conclusion</b>                                                                | <b>29</b> |



## PROLOGUE

Sustainable business practices have long been anchored on the principles of robust corporate governance. Recognising this, nations worldwide have continually refined their corporate governance frameworks to enhance accountability, transparency, and adaptability in both private and public organizations. Landmark initiatives such as South Africa's *King IV Report on Corporate Governance (2016)* and the *UK Corporate Governance Code (2024)* exemplify global efforts to align governance structures with contemporary challenges. Nigeria, too, has demonstrated its commitment to this cause with the introduction of the Nigerian Code of Corporate Governance (NCCG) 2018.

The NCCG, which came into effect on January 15, 2019, was designed to guide Nigerian companies—both private and public—in upholding sound corporate governance standards. While the Code has played a pivotal role in fostering accountability, its lack of substantive amendments in the face of rapid business, technological, and regulatory evolution raises pressing questions about its continued relevance. Seven years after its enactment, the corporate governance landscape has transformed dramatically, introducing new complexities that the current framework may not adequately address.



Among the emerging governance challenges are:

- *Data Governance & Technology Oversight* – The rise of artificial intelligence, cybersecurity risks, and digital transformation demands clearer governance structures for technology adoption and oversight.
- *Cross and Multiple Directorships* – The increasing prevalence of directors serving on multiple boards raises concerns about conflicts of interest, effectiveness, and accountability.
- *Board Effectiveness & Professional Development* – The need for continuous director education and skills alignment with modern governance demands remains critical.
- *ESG (Environmental, Social, and Governance) Integration* – Despite growing global emphasis on ESG compliance, Nigerian businesses still lack a structured framework for consistent ESG adoption and reporting.

Moreover, the issuance of sector-specific governance guidelines, such as the *Nigerian Communications Commission (NCC) Corporate Governance Guidelines (2025)*, has further highlighted the NCCG's limitations. These specialized regulations often surpass the primary Code in addressing industry-specific governance needs, creating inconsistencies and leaving the overarching framework lagging

This paper seeks to critically assess whether the NCCG is due for a



review considering today's dynamic governance environment. It examines:

- The impact of regulatory and global best practice shifts on Nigerian corporate governance.
- The practical challenges businesses face in implementing the current Code.
- The gaps between the NCCG and sector-specific regulations.
- The necessity of a strategic review to align Nigeria's governance standards with international expectations.

Through this analysis, the work provides practical recommendations for modernizing the NCCG, ensuring it remains a robust and forward-looking instrument for corporate accountability. Ultimately, it serves as a call to action for the Financial Reporting Council of Nigeria (FRCN), policymakers, corporate leaders, and governance professionals to initiate a comprehensive review of the NCCG. The time has come to reassess, refine, and future-proof Nigeria's corporate governance framework in response to an ever-evolving business world.

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Published in August 2025

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## **Evolving Governance Issues: Is the NCCG 2018 due for a Review?**

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**Printed in Nigeria**



## ACKNOWLEDGEMENT

We would like to take this opportunity to express our profound gratitude to all those who have contributed to the realisation of this work. First, we are grateful to the almighty God for granting us his mercies and wisdom in putting this together.

We would like to also thank the Financial Reporting Council of Nigeria for their relentless efforts in ensuring that sustainable corporate governance practices are upheld in our institutions.

Our special appreciation goes to our Senior Partner, Professor Fabian Ajogwu, OFR, SAN, whose footprints in ensuring good corporate governance for organisations operating in Nigeria have laid down the foundations for us to put this work together. His works have paved the way for us.

We also thank the management of KENNA, who have created an enabling platform for us to research and create this work, as well as encouraging us to go above and beyond.

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## INTRODUCTION

The Nigerian Code of Corporate Governance (NCCG) 2018 has been a crucial foundation for establishing good corporate governance practices in Nigeria over the past six years. However, the rapid changes in the corporate world, such as technological disruptions, regulatory updates, and global governance standards, require a thorough review and update of the NCCG to maintain its relevance and effectiveness.

Gaps in areas such as technological governance, environmental, social, and governance, as well as emerging governance challenges, including multiple and cross-directorship, have been identified and call for urgent attention.

This paper outlines specific amendments and additions that will strengthen Nigeria's corporate governance framework, enhance investor confidence, and position Nigerian companies as competitive for foreign investors and for sustainable growth. It also proposes harmonizing the code of corporate governance to meet international best practices. Therefore, to achieve this, the paper compares the current Nigerian Code of Corporate Governance with international standard codes, highlighting where Nigeria can fill its gaps.



## BACKGROUND

The Nigerian Code of Corporate Governance (NCCG) 2018<sup>1</sup> established comprehensive principles and practices for corporate governance in public and private companies in Nigeria. It was officially introduced on January 15, 2019, by the Financial Reporting Council of Nigeria (FRCN)<sup>2</sup> and sought to promote transparency, accountability, and ethical conduct across the corporate sector. The 2018 Nigerian Code of Corporate Governance was created as an improvement on the 2016 version of the Code<sup>3</sup>, adopting a more inclusive and principle-based approach, and therefore aligning with the concept of “Outcome-Based Governance” as discussed<sup>4</sup> by Mervyn King SC and Professor Fabian Ajogwu SAN. The 2018 code simultaneously sought to improve governance within Nigeria's private and public sectors.

The Code outlines 28 core principles<sup>5</sup> that encompass areas such as board structure, board responsibilities, environmental and social governance (ESG) considerations, whistleblowing, risk management, disclosure of interests, and stakeholder engagement. It also mandates the separation of the role of the Chairman and Chief Executive Officer/Managing Director (CEO/MD), promotes an ethical culture, and encourages board diversity and independence.<sup>6</sup>

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1 Financial Reporting Council of Nigeria (FRCN), *Nigerian Code of Corporate Governance 2018* (FRCN 2018) <https://www.financialreportingcouncil.gov.ng/wp-content/uploads/2019/11/NCCG-2018.pdf> accessed 31 July 2025

2 *Ibid*

3 *Ibid*

4 Mervyn King SC and Fabian Ajogwu SAN, *Outcomes-Based Governance: A Modern Approach to Corporate Governance* (Juta & Company Ltd 2020)

5 *Ibid*

6 Financial Reporting Council of Nigeria (FRCN), *Nigerian Code of Corporate Governance 2018* (FRCN 2018) Principle 3 <https://www.financialreportingcouncil.gov.ng/wp-content/uploads/2019/11/NCCG-2018.pdf> accessed 31 July 2025



Despite the positive changes the NCCG 2018 has brought about, gaps remain in certain areas, including, but not limited to, technological governance, ESG integration, enforcement mechanisms, and the independence of the board. The gaps have raised questions as to whether the NCCG 2018 is still fit for purpose in the current socio-economic and corporate climate.

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## **IS THE NCCG 2018 DUE FOR A REVIEW?**

The NCCG 2018 was established to improve transparency, accountability, and corporate performance across Nigerian organisations. The Code was also to promote public awareness of essential corporate values and ethical practices that will enhance the integrity of the business environment.<sup>7</sup> However, nearly seven years after its introduction, questions have emerged regarding its continued relevance and effectiveness. The primary questions being: Is the NCCG still due for a review? Does it effectively cater to the current corporate landscape? The answer requires a nuanced examination of the code's original objectives and Nigeria's evolving corporate landscape.

At its core, the NCCG was designed to promote the fundamental principles of corporate governance, including accountability, transparency, fairness, and integrity, across Nigerian companies. By adopting a 'comply or explain' approach, the NCCG offers a flexible framework for companies to tailor their governance practices to the NCCG principles and remain transparent about any deviations. This framework was intended to promote responsible business conduct, enhance investor confidence, and mitigate corporate failures. In some ways, the NCCG has significantly contributed to the improvement of corporate governance practices in many organisations in Nigeria. Many companies comply with or adopt the principles contained in the

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<sup>7</sup> Financial Reporting Council of Nigeria in the NCCG 2018



NCCG. In addition, various sectors have issued corporate governance-specific guidelines that align with the principles and practices outlined in the NCCG.

However, challenges persist. The NCCG's principles, while flexible, can be vague, limited in some aspects and susceptible to superficial compliance. The NCCG's principles, while flexible, can be vague, limited in some respects, and susceptible to superficial compliance. For example, principles related to board independence, evaluation, onboarding, education, and diversity are often adopted nominally without meaningful impact on corporate behaviour. The business environment has witnessed an international shift toward organisations consciously integrating environmental, social, and governance considerations, as well as enhancing diversity and inclusion requirements. The current NCCG does not sufficiently incorporate ESG principles or sustainability governance, which are now central to global corporate governance discourse.

Furthermore, following the COVID-19 pandemic, the digital transformation of businesses has accelerated, creating new governance challenges in cybersecurity, data protection, artificial intelligence, and digital board operations. Issues such as digital oversight, remote board effectiveness, and cyber resilience are not robustly addressed in the NCCG. New regulations, including the Nigeria Data Protection Regulation (NDPR), Companies and Allied

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Matters Act (CAMA) 2020, Investment and Securities Act 2025, as well as sectoral corporate governance guidelines, require alignment with governance practices.

While the NCCG remains a strong guide, it requires significant updates to stay relevant and impactful. Therefore, a review is necessary to respond to the rapidly changing business environment, as the future of corporate governance in Nigeria depends not only on principles but also on robust structures, accountability, and adaptability.

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## **SECTORAL GUIDELINES HIGHLIGHTING THE NEED FOR REFORM OF THE NCCG 2018**

Following the implementation of the Nigerian Code of Corporate Governance (NCCG),<sup>8</sup> notable advancements have been made in corporate governance in Nigeria. The NCCG also clarified that sector-specific corporate governance regulations, which should be referred to as guidelines, should align with the minimum standards provided in the NCCG. While these sectoral guidelines have been instrumental in addressing industry-specific corporate governance challenges, they have also exposed key gaps and limitations within the NCCG.

As a result, various industry regulators in Nigeria are reviewing their sectoral guidelines to address these gaps and ambiguities to the best of their ability. A typical example is seen in the area of digital governance. Technology today has evolved tremendously compared to what it was in 2018 when the NCCG was established. The NCCG makes no reference to data governance and technology oversight; however, the Nigerian Communications Commission Corporate Governance Guidelines for the Telecommunications Industry 2025 have now incorporated elements of digital governance as a proactive step to addressing governance issues that may arise in this context.

Specifically, the NCC Guidelines provide that at least two non-executive directors, one of whom shall be an independent non-

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<sup>8</sup> The Nigerian Code of Corporate Governance 2018.



executive director, should possess the requisite knowledge and experience in information and communications technology and/or cybersecurity.<sup>9</sup>

In addition, the NCCG 2018 makes minimal reference to ESG reporting, which is now a core element of responsible corporate governance practice.<sup>10</sup> Similarly, provisions of the NCCG on the overall effectiveness of the board, particularly with respect to board onboarding, training, and evaluations, are either too vague or not comprehensive enough to address evolving governance challenges.<sup>11</sup>

As a result, the emergence of sectoral guidelines to address current corporate governance needs underscores that the foundational code is lagging behind the evolving issues in corporate governance, reinforcing the need for a comprehensive review. It is our considered opinion that the NCCG should be reviewed at least once every three years to ensure it continues to address emerging governance concerns. More importantly, the NCCG must adopt a proactive rather than reactive approach to corporate governance issues.

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9 The Nigerian Communications Commission Guidelines on Corporate Governance 2025, Section 7(4).

10 The Nigerian Code of Corporate Governance 2018, Principle 14.

11 The Nigerian Code of Corporate Governance 2018, Principle 26



## THE REVIEW OF THE NCCG 2018

To conduct a comprehensive review of the NCCG, it is essential to consider developments in various industries within the sector, as well as in other jurisdictions. In this paper, we have reviewed the different sectoral corporate governance guidelines in Nigeria<sup>12</sup> and have noted a dichotomy in some corporate governance practices, which we believe is a result of the silence in the NCCG 2018 on the minimum standard of corporate governance practice required.

We have also made a comparison with practices in other jurisdictions.<sup>13</sup> Specifically, the OECD principles 2023, the UK Code of Corporate Governance 2024, and the King IV report on Corporate Governance for South Africa 2016. The purpose of the comparison is to present a fair insight into the practices of the key areas of corporate governance in other jurisdictions.

It is on the premise of the above that we have been able to identify the gaps and proffer our recommendations for the revised NCCG. The key areas of gap identification and recommended input include:<sup>14</sup>

### ***a. Digital Governance and Technology Oversight***

Currently, the NCCG 2018 lacks a comprehensive principle or recommended practice for technology governance,

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<sup>12</sup> Detailed variances in Sectoral Codes of Corporate Governance is contained in Annexure 1 of this document.

<sup>13</sup> Detailed comparisons are contained in Annexure 2 of this document

<sup>14</sup> Detailed recommendations are contained in Annexure 3 of this document



cybersecurity oversight, and digital transformation management. Given the digital transformations the world is experiencing, there is a need for the introduction of a new principle on "Digital Governance and Technology Oversight." This principle addresses the recommendation for at least one board member with demonstrated technology expertise or a provision for technology advisory committees. It will also address the need for mandatory board oversight of cybersecurity risks, including quarterly cybersecurity reports and annual cybersecurity assessments.

There is a need for organisations to have a framework for data protection, privacy compliance, and data monetisation oversight that aligns with NDPR requirements. Additionally, a governance protocol should be established for AI deployment, algorithmic transparency, and automated decision-making systems, along with comprehensive guidelines for virtual board meetings, electronic voting, and digital document management, all while maintaining security and compliance.

#### ***b. Enhanced ESG Integration***

ESG has emerged as a defining imperative in the contemporary business landscape, transcending beyond mere corporate social responsibility to become a cornerstone of

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organisational strategy. As we stand on the precipice of a new era, the call for sustainable business practices has never been more urgent. The NCCG 2018 currently only recommends that companies file corporate governance reports that highlight ESG initiatives, along with a statement from the company's board on its ESG activities. We acknowledge the 'Roadmap Report for the Adoption of IFRS Sustainability Disclosure Standards in Nigeria,' issued by the Financial Reporting Council of Nigeria (FRCN). We also recognize that this report aims to establish a roadmap for the timely and effective implementation of the IFRS Sustainability Disclosure Standards (ISSB Standards) and to support their adoption through advocacy and engagement. We are currently in a period of voluntary adoption until 2027. Therefore, it is crucial that before entering the mandatory adoption phase, the NCCG incorporates comprehensive principles that guide environmental, social, and governance (ESG) practices and reporting requirements.

Furthermore, the NCCG should recommend that companies report on climate-related financial disclosures in line with the IFRS Sustainability Disclosure Standards. Companies should also include information about their community impact, employee welfare, and social responsibility initiatives in their corporate governance reports.

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**c. *Cross and Multiple Directorships***

Cross-directorship, also referred to as interlocking directorship, occurs when a relationship exists between the boards of directors of two entities because a number of directors sit on both boards. Multiple directorships occur when one director sits on multiple boards. The NCCG does not define the concept of cross directorship, nor does it have recommended practices addressing the practice of cross directorships. On the other hand, there is no detailed provision addressing the issue of multiple directorships. It is recommended that, to safeguard the objectivity and independence of the Board, cross-directorships on the boards of two or more companies should be discouraged, especially where they involve INEDs. In addition, multiple directorships, particularly on boards of public companies, should be limited to 4 boards where persons already serve as Executive Directors on a board.

**d. *Board Effectiveness and Professional Development***

There is a limited focus on continuous board development and evaluation of effectiveness. Annual evaluations on board effectiveness should be conducted, including external evaluation requirements, on an annual basis. There should be standard minimum metrics for corporate governance and

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board evaluations. There should be mandatory continuing education requirements for directors on governance, industry-specific developments, and regulatory updates, especially for directors in public companies and directors of private companies that are not small.<sup>15</sup> A robust succession planning requirement for the board chairman and the CEO/MD should also be submitted alongside corporate governance reports on an annual basis.

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<sup>15</sup> A company is a small company if it satisfies all the following requirements:

- a. it is a private company with an annual turnover of N120,000,000 or less or such amount as may be fixed by the Corporate Affairs Commission from time to time;
- b. If its net asset value is not more than N60,000,000 or such amount as may be fixed by the Corporate Affairs Commission from time to time;
- c. none of its members is an alien;
- d. none of its members is a government, government corporation, or agency, or its nominee; and
- e. In the case of a company having share capital, the directors between themselves hold at least 51% of its equity share capital.



## **ANNEXURE 1**

### **VARIANCES IN SECTORAL CODES OF CORPORATE GOVERNANCE**

The various codes of corporate governance have been considered.

1. Nigerian Code of Corporate Governance, 2018 (NCCG, 2018)
2. Central Bank of Nigeria Corporate Governance Guidelines for Commercial, Merchant, Non-interest and Payment Service Banks and Financial Holding Companies, 2023 (CBN CG)
3. National Insurance Commission Corporate Governance Guidelines for Insurance and Reinsurance Companies, 2021 (NAICOM)
4. National Pension Commission Corporate Governance Guidelines for Pension Fund Operators, 2021 (PENCOM)
5. Nigerian Communications Commission Corporate Governance Guidelines for the Telecommunications industry, 2025 (NCC)
6. Code of Corporate Governance for Nigerian Electricity Supply Industry 2025 (NESI)
7. Securities and Exchange Commission (SEC) Corporate Governance Guidelines for Public Companies, 2020 (SEC)



**Annexure 1 - Table A**

| S/N | Subject                                                            | NCCG 2018                                                                                       | CBN CG                                                                                                                                                                                                                                  | NAICOM                                                            | PENCOM                                                                                               |
|-----|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| 1.  | Board Size                                                         | No specified number                                                                             | CMNIBs - minimum number of 7, and a maximum number of 15. <sup>16</sup><br><br>PSBs - minimum number of 7, and the maximum number of 13. <sup>17</sup>                                                                                  | Minimum number of 7 and maximum number of 15 <sup>18</sup>        | No specified number                                                                                  |
| 2.  | Board Chairman                                                     | Should be a NED <sup>19</sup>                                                                   | Not specified                                                                                                                                                                                                                           | Not specified                                                     | As specified in NCCG, 2018                                                                           |
| 3.  | Number of INEDs on the Board                                       | Not specified                                                                                   | Not specified                                                                                                                                                                                                                           | Minimum of 1 INED <sup>20</sup>                                   | No specified number                                                                                  |
| 4.  | Minimum Board Committees                                           | a. Nomination and Governance<br>b. Remuneration<br>c. Audit<br>d. Risk Management <sup>21</sup> | a. Audit<br>b. Nomination and Governance<br>c. Remuneration<br>d. Risk management<br>e. ICT and Cybersecurity <sup>22</sup><br><br>CMNIBS – Board Credit Committee <sup>23</sup><br><br>FHC – Board Investment Committee. <sup>24</sup> | a. Investment, and General Purpose<br>b. Compliance <sup>25</sup> | a. Investment Strategy<br>b. Risk Management<br>c. Nomination & Governance<br>d. Audit <sup>26</sup> |
| 5.  | Tenure – Chairman<br>CEO<br>INED<br>NED<br>ED<br>External Auditors | Chairman – Not specified                                                                        | Chairman – No specified tenure                                                                                                                                                                                                          | Chairman – Not specified                                          | Chairman –                                                                                           |
|     |                                                                    | CEO - Not specified                                                                             | FHC -MD/CEO – Maximum of 10 Years <sup>27</sup><br><br>Bank - MD/CEO – Maximum of 12 Years <sup>28</sup>                                                                                                                                | CEO - Not specified                                               | MD/CEO – Maximum of 10 years                                                                         |

16 Section 1.3.

17 Section 1.3.

18 Section 2.01(ii).

19 Recommended Practice 3.2

20 Section 2.01(vii).

21 Recommended Practice 11.2, 11.3, 11.4, 11.5

22 Section 6.6

23 Section 6.5

24 Section 7.5

25 Section 2.2

26 Section 4.4.4

27 Section 3.2.3

28 Section 3.2



| S/N | Subject          | NCCG 2018                                                                                                                                                                                    | CBN CG                                                                                                                                                                                                                   | NAICOM                                                                                                                                                                                                                                         | PENCOM                                                   |
|-----|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
|     |                  | INED – Maximum of 9 years <sup>29</sup>                                                                                                                                                      | INED – Maximum of 8 years <sup>30</sup>                                                                                                                                                                                  | INED – Not specified                                                                                                                                                                                                                           | INED – Maximum of 9 years <sup>31</sup>                  |
|     |                  | NED – Not specified                                                                                                                                                                          | NED – Maximum of 12 years <sup>32</sup>                                                                                                                                                                                  | NED – Maximum of 9 years <sup>33</sup>                                                                                                                                                                                                         | NED- Maximum of 15 years                                 |
|     |                  | ED – Not specified                                                                                                                                                                           | DMD/ED – Maximum of 12 years <sup>34</sup>                                                                                                                                                                               | ED – Not specified                                                                                                                                                                                                                             | ED- Maximum of 10 years <sup>35</sup>                    |
|     |                  | External Auditors –Maximum of 10 years <sup>36</sup>                                                                                                                                         | External Auditors – Maximum of 10 years <sup>37</sup>                                                                                                                                                                    | External Auditor – Maximum of 8 years <sup>38</sup>                                                                                                                                                                                            | External Auditors- as specified in NCCG 2018             |
| 6.  | Board Evaluation | <b>Internal:</b> should be carried out annually <sup>39</sup><br><br><b>External:</b> at least once in 3 years and should be facilitated by an independent external consultant <sup>40</sup> | Not specified                                                                                                                                                                                                            | External: It is to be carried out annually by an independent consultant. <sup>41</sup>                                                                                                                                                         | Internal: it is to be carried out annually <sup>42</sup> |
| 7.  | Board Induction  | Required to conduct a formal induction. No period specified. <sup>43</sup>                                                                                                                   | Required to conduct a formal induction within 3 months of appointment. <sup>44</sup>                                                                                                                                     | Required to conduct a formal induction. No period specified. <sup>45</sup>                                                                                                                                                                     | As specified in NCCG 2018                                |
| 8.  | Audit            | <b>Internal:</b> No specified time frame.<br><br><b>External:</b> at least once every three years. <sup>46</sup>                                                                             | <b>Internal:</b> Banks are prohibited from outsourcing their internal audit and compliance functions. <sup>47</sup><br><br><b>External:</b> An independent external assessment must be conducted annually. <sup>48</sup> | <b>Internal:</b> quarterly basis. <sup>49</sup><br><br><b>External:</b> An external assessment report of the Internal Audit function must be submitted to the Commission by the end of the second quarter of the following year. <sup>50</sup> | As specified in NCCG 2018                                |

29 Recommended Practice 12.10

30 Section 3.5.2; 3.4.2 for FHCs

31 Section 2.11.3

32 Section 3.3.2 for FHC; 3.4.2 for Banks

33 Section 2.01(viii).

34 Section 3.3.1 for Banks

35 Section 2.11.1

36 Recommended Practice 20.2

37 Section 5.5 for FHCs; section 7.8 for Banks

38 Section 6(2)

39 Recommended Practice 14.1

40 Recommended Practice 14.1

41 Section 4.1(i)

42 Section 2.9.3

43 Recommended Practice 13.1

44 Section 9.1 for Banks; Section 11.0 for FHCs

45 Section 3(ii)

46 Recommended Practice 18.6

47 Section 15.1 for FHCs; Section 13.1 for Banks

48 Section 15.5 for FHCs; Section 13.5 for Banks

49 Section 5(ii)

50 Section 5(iv)



| S/N | Subject                                   | NCCG 2018                                                                                                                                                                                                              | CBN CG                                                                                                                                                   | NAICOM                                                                                                                                                                                                                                                             | PENCOM                                                                |
|-----|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| 9.  | Board Training                            | To be had periodically. <sup>51</sup> No guide on areas of training                                                                                                                                                    | To be had periodically. <sup>52</sup> No guide on areas of training                                                                                      | To be had <b>at least once a year.</b> No guide on areas of training. <sup>53</sup>                                                                                                                                                                                | As specified in the NCCG 2018. No guide on areas of training          |
| 10. | Cross Directors hip                       | No mention                                                                                                                                                                                                             | No mention                                                                                                                                               | No mention                                                                                                                                                                                                                                                         | No mention                                                            |
| 11. | Multiple Directorship                     | No mention                                                                                                                                                                                                             | No mention                                                                                                                                               | No mention                                                                                                                                                                                                                                                         | No mention                                                            |
| 12. | Whistle Blowing                           | Required to establish a whistleblowing framework. <sup>54</sup>                                                                                                                                                        | As specified in NCCG 2018                                                                                                                                | There is mention of whistleblowing, but it is not robust.                                                                                                                                                                                                          | As specified in NCCG 2018                                             |
| 13. | Digital Governance & Technology Oversight | Review and approve, at least annually, the Company's Information Technology data governance framework to ensure that IT data risks are adequately mitigated and relevant assets are managed effectively. <sup>55</sup> | Not specified                                                                                                                                            | Not specified                                                                                                                                                                                                                                                      | Not specified                                                         |
| 14. | Succession Planning                       | Every company should have a succession policy. <sup>56</sup>                                                                                                                                                           | The Board shall approve a succession plan for directors and senior management staff, which shall be reviewed at least every two (2) years. <sup>57</sup> | For purposes of succession, every Insurance/Reinsurance Company shall have an Executive Director (Technical) who shall have a minimum qualification and experience equivalent to that of the Chief Executive Officer prescribed by the extant Rules. <sup>58</sup> | The Board is expected to establish a succession policy. <sup>59</sup> |

51 Recommended Practice 13.2

52 Section 11.1 for FHCs; Section 9.1 for Banks

53 Section 3(I)

54 Recommended Practice 19.1

55 Recommended Practice 11.5.6.6

56 Recommended Practice 11.2.5.7

57 Section 2.13 for FHCs; Section 2.14 for Banks

58 Section 2.01(xii)

59 Section 2.1.3(xv)



| S/N | Subject                                                                                         | NCCG 2018                                                                                                                                                                                                                 | CBN CG                                                                                                                                                                                                                                                         | NAICOM        | PENCOM                    |
|-----|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------|
| 15. | ESG                                                                                             | The Board is expected to establish policies and practices regarding its social, ethical, safety, working conditions, health, and environmental responsibilities, as well as policies addressing corruption. <sup>60</sup> | Expected to comply with the provisions of Recommended Practice 26 of NCCG 2018, as well as the requirements of the Nigerian Sustainable Banking Principles. <sup>61</sup>                                                                                      | Not specified | As specified in NCCG 2018 |
| 16. | Reclassification of INEDs as NEDs<br><br>NEDs as INEDs,<br><br>NEDs and EDs<br><br>Eds and NEDs | Reclassification of a NED to an INED on the same board is not desirable. <sup>62</sup><br><br>No Mention other reclassifications                                                                                          | EDs and NEDs are prohibited from reclassifying as INEDs in the same bank or group structure.<br><br>INED to NED or ED is also prohibited. <sup>63</sup><br><br>An ED in an FHC id should not reclassify as a NED in the same FHC and vice versa. <sup>64</sup> | No mention    | No mention                |

<sup>60</sup> Recommended Practice 26.1

<sup>61</sup> Section 24.0 for Banks; Section 23.0 for FHCs

<sup>62</sup> Recommended Practice 7.5

<sup>63</sup> Section 3.5.6 for Banks; Section 4.2 for FHCs

<sup>64</sup> Section 4.2 for FHCs



## Annexure 1 - Table B

| S/N | Subject                                                               | NCCG 2018                                                                                       | NCC                                                                                                                           | NESI                                                                                                                | SEC                                                                                                      |
|-----|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 1.  | Board Size                                                            | No specified number                                                                             | Minimum of 5 <sup>65</sup>                                                                                                    | Large entities: min 7; <sup>66</sup> Small entities: 1 <sup>67</sup> (per CAMA 2020)                                | Should not be less than 5 <sup>68</sup>                                                                  |
| 2.  | Board Chairman                                                        | Should be a NED                                                                                 | Should be a NED <sup>69</sup>                                                                                                 | Should be a NED <sup>70</sup>                                                                                       | Should be a NED <sup>71</sup>                                                                            |
| 3.  | Number of INEDs on the Board                                          | Not specified                                                                                   | Minimum 1/3 of board <sup>72</sup>                                                                                            | Large entities: min 2; <sup>73</sup> Small: min 1 <sup>74</sup>                                                     | Minimum of 1 INED <sup>75</sup>                                                                          |
| 4.  | Minimum Board Committees                                              | a. Nomination and Governance<br>b. Remuneration<br>c. Audit<br>d. Risk Management <sup>76</sup> | a. Audit;<br>b. Governance, Remuneration & Nomination<br>c. Risk Management. <sup>77</sup>                                    | a. Audit;<br>b. Regulatory Compliance & Risk Management;<br>c. Governance, Remuneration & Nomination. <sup>78</sup> | a. Audit;<br>b. Governance/ Remuneration;<br>c. Risk Management. <sup>79</sup>                           |
| 5.  | Tenure –<br>Chairman<br>CEO<br>INED<br>NED<br>ED<br>External Auditors | Chairman – Not specified                                                                        | All directors shall serve on the board for a period not exceeding 10 years. <sup>80</sup><br><br>INED – 8 years <sup>81</sup> | Chairman – Not specified tenure                                                                                     | Chairman – per the guidance note 10 years within the same company and 12 years within a group structure. |
|     |                                                                       | CEO - Not specified                                                                             |                                                                                                                               | MD/CEO – Maximum 10 Years. <sup>82</sup>                                                                            | MD/CEO – per the guidance note 10 years within the same company and 12 years within a group structure.   |
|     |                                                                       | INED – Maximum of 9 years                                                                       |                                                                                                                               | INED – Maximum 12 years. <sup>83</sup>                                                                              | INED— per the guidance note 10 years within the same company and 12 years within a group structure.      |

65 Section 7(2)  
66 Section 3.2(c)  
67 Section 3.2(c)  
68 Section 4(4.2)  
69 Section 7(5)  
70 Section 7.1  
71 Section 5.1(c)  
72 Section 7(3)(c)  
73 Section 3.2(f)  
74 Section 3.2(f)  
75 Section 5.5 ©

76 Principle 11  
77 Section 8(3)  
78 Section 3.3(a)  
79 Section 9  
80 Section 22(2) and (3)  
81 Section 22(3)  
82 Section 7.8  
83 Section 3.2(h)



| S/N | Subject          | NCCG 2018                                                                                                                                                         | NCC                                                                          | NESI                                                                          | SEC                                                                                                             |
|-----|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|     |                  | NED – Not specified                                                                                                                                               |                                                                              | NED – Maximum 12 years. <sup>84</sup>                                         | NED— per the guidance note 10 years within the same company and 12 years within a group structure.              |
|     |                  | ED – Not specified                                                                                                                                                |                                                                              | ED – Maximum 12 years. <sup>85</sup>                                          | ED— per the guidance note 10 years within the same company and 12 years within a group structure.               |
|     |                  | External Auditors –Maximum of 10 years                                                                                                                            |                                                                              | External Auditors – Maximum 10 years <sup>86</sup>                            | External Auditors- Maximum 10 years                                                                             |
| 6.  | Board Evaluation | <b>Internal:</b> should be carried out annually<br><br><b>External:</b> at least once in 3 years and should be facilitated by an independent external consultant. | Annual Board evaluation by an external independent consultant. <sup>87</sup> | Internal: Only specified it should be carried out periodically. <sup>88</sup> | Internal: should be carried out annually. <sup>89</sup>                                                         |
| 7.  | Board Induction  | Required to conduct a formal induction. No period specified                                                                                                       | Not specified                                                                | Required to conduct a formal induction. <sup>90</sup> No period specified     | Not specified                                                                                                   |
| 8.  | Audit            | <b>Internal:</b> No specified time frame.<br><br><b>External:</b> at least once every three years                                                                 | No specific time frame                                                       | Internal: no specified time; External: no specified time                      | <b>Internal:</b> No specified time frame<br><br><b>External:</b> at least once every three years. <sup>91</sup> |

84 Section 3.2(h)

85 Section 3.2(h)

86 Section 11.8(b)

87 Section 12(1)

88 Section 5.1(c)

89 Section 15.3

90 Section 11.9

91 Section 31.14



| S/N | Subject                                   | NCCG 2018                                                                                                                                                                                                | NCC                                                                                                                                                                                                                                | NESI                                                                | SEC                                                                                                                                                                                            |
|-----|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9.  | Board Training                            | To be had periodically. No guide on areas of training                                                                                                                                                    | To be had periodically. <sup>92</sup> No guide on areas of training                                                                                                                                                                | To be had periodically. <sup>93</sup> No guide on areas of training | To be had periodically. <sup>94</sup> No guide on areas of training                                                                                                                            |
| 10. | Cross Directorship                        | No mention of cross directorships                                                                                                                                                                        | No mention of cross-directorships                                                                                                                                                                                                  | No mention of cross-directorships                                   | Cross directorships are discouraged, where they would lead to a conflict of interest as it pertains to directorships on boards of competing interests, then they are disallowed. <sup>95</sup> |
| 11. | Multiple Directorship                     | No mention of multiple directorships                                                                                                                                                                     | No individual shall simultaneously serve as a Director on the Boards of competing Licensees. <sup>96</sup><br><br>Directors should sit on a maximum of 2 board of related licensees in different licence categories. <sup>97</sup> | Directors should sit on a maximum of 3 boards. <sup>98</sup>        | There is no numerical limit; however, this is subject to careful consideration. <sup>99</sup>                                                                                                  |
| 12. | Whistle Blowing                           | Required to establish a whistleblowing framework.                                                                                                                                                        | Required to establish a whistleblowing framework. The Audit Committee to review the Whistleblowing mechanisms at least once every 12 (Twelve) months. <sup>100</sup>                                                               | Required to establish a whistleblowing framework. <sup>101</sup>    | No specific provision                                                                                                                                                                          |
| 13. | Digital Governance & Technology Oversight | Review and approve, at least annually, the Company's Information Technology data governance framework to ensure that IT data risks are adequately mitigated and relevant assets are managed effectively. | At least 1 NED and 1 INED should have the requisite knowledge of ICT and/ or cybersecurity. <sup>102</sup>                                                                                                                         | Not specified                                                       | Not specified                                                                                                                                                                                  |

92 Section 22 (7)  
93 Section 11.9  
94 Section 18.2  
95 Section 7.2  
96 Section 21(1)  
97 Section 21(2)

98 Section 7.9  
99 Section 6.1  
100 Section 29(2)  
101 Section 11.4(a)  
102 Section 7(4)



| S/N | Subject                                                                                         | NCCG 2018                                                                                                                                                                                                   | NCC                                                                                                                                                                                                    | NESI          | SEC                                                                                                                                                                                    |
|-----|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14. | Succession Planning                                                                             | Every company should have a succession policy                                                                                                                                                               | The Company must ensure that a succession policy and plan exist for the positions of Chairman, CEO/MD, Executive Directors, and Managing Directors of subsidiaries for Group companies. <sup>103</sup> | Not specified | Not specified                                                                                                                                                                          |
| 15. | ESG                                                                                             | The Board is expected to establish policies and practices regarding its social, ethical, safety, working conditions, health, and environmental responsibilities, as well as policies addressing corruption. | Not specified                                                                                                                                                                                          | Not specified | The Company is expected to report annually on the social, ethical, safety, health, and environmental policies and practices, as well as policies addressing corruption. <sup>104</sup> |
| 16. | Reclassification of INEDs as NEDs<br><br>NEDs as INEDs,<br><br>NEDs and EDs<br><br>Eds and NEDs | Reclassification of a NED to INED on the same board is not desirable.<br><br>No Mention other reclassifications.                                                                                            | No mention                                                                                                                                                                                             | No mention    | On July 2025, the SEC released a guidance note on the transmutation between roles in a company.<br><br>INEDs should not be reclassified as EDs                                         |

<sup>103</sup> Section 30 (2) (f)

<sup>104</sup> Section 28.3



## Annexure 2

### Benchmarking against International Best Practices

#### Comparative Analysis of the UK Corporate Governance Code 2024, OECD Principles 2023, and the King IV Report on Corporate Governance for South Africa 2016.

| S/N | Subject                                                               | NCCG 2018                                                                         | UK Code                                      | OECD Principles                                                                           | King IV Report                                                                                                                               |
|-----|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Board Size                                                            | No specified number                                                               | No specified number                          | No specified number                                                                       | No specified number                                                                                                                          |
| 2.  | Board Chairman                                                        | Should be a NED                                                                   | Should be a NED                              | Not specified                                                                             | Should be a NED                                                                                                                              |
| 3.  | Number of INEDs on the Board                                          | Not specified                                                                     | Half the board                               | Not specified                                                                             | Not specified but stipulates that the majority of the board should comprise Non-Executive Directors, and most of them should be Independent. |
| 4.  | Minimum Board Committees                                              | a. Nomination and Governance<br>b. Remuneration<br>c. Audit<br>d. Risk Management | a. Nomination<br>b. Audit<br>c. Remuneration | a. Nomination<br>b. Audit<br>c. Risk<br>d. Remuneration<br>e. Ethics<br>f. Sustainability | a. Audit<br>b. Nomination<br>c. Risk governance<br>d. Remuneration<br>e. Social and ethics                                                   |
| 5.  | Tenure –<br>Chairman<br>CEO<br>INED<br>NED<br>ED<br>External Auditors | Chairman – Not specified                                                          | Chairman – Maximum 9 years                   | Chairman – not specified                                                                  | Chairman – not specified                                                                                                                     |
|     |                                                                       | CEO - Not specified                                                               | CEO - Not specified                          | CEO - Not specified                                                                       | CEO/ MD – Not specified                                                                                                                      |
|     |                                                                       | INED – Maximum of 9 years                                                         | INED – not specified                         | INED – not specified                                                                      | INED – Maximum of 9 years                                                                                                                    |
|     |                                                                       | NED – Not specified                                                               | NED – Not specified                          | NED – Not specified                                                                       | NED – No specific limit tenure, subject to regular performance and independence reviews                                                      |



| S/N | Subject                                              | NCCG 2018                                                                                                                                                                                                                           | UK Code                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | OECD Principles                                                                                                                                                                                                                                                            | King IV Report                                                                                                                                                                                                                                                                                                             |
|-----|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                      | ED – Not specified                                                                                                                                                                                                                  | ED – Not specified                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | ED – Not specified                                                                                                                                                                                                                                                         | ED – Not specified                                                                                                                                                                                                                                                                                                         |
|     |                                                      | External Auditors<br>–Maximum of 10<br>years                                                                                                                                                                                        | External Auditors-<br>not specified.                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | External Auditors<br>– not specified.                                                                                                                                                                                                                                      | External Auditors<br>– not specified.                                                                                                                                                                                                                                                                                      |
| 6.  | Board<br>Evaluation<br>–<br><br>Internal<br>External | Internal:<br>annually<br><br>External: at<br>least once in 3<br>years and should<br>be facilitated by<br>an independent<br>external<br>consultant.                                                                                  | No Bifurcation.<br>Evaluations should<br>be done annually                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Boards are<br>expected to<br>regularly conduct<br>evaluations to<br>assess their<br>performance and<br>determine whether<br>they possess the<br>right mix of<br>background and<br>competencies,<br>including with<br>respect to gender<br>and other forms of<br>diversity. | Internal:<br>Minimum every 2<br>years                                                                                                                                                                                                                                                                                      |
| 7.  | Board<br>Induction                                   | Required to<br>conduct a formal<br>induction. No<br>period specified                                                                                                                                                                | Not specified                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Not specified                                                                                                                                                                                                                                                              | Not specified                                                                                                                                                                                                                                                                                                              |
| 8.  | Audit<br><br>Internal<br><br>External                | The board<br>should develop<br>an annual risk-<br>based internal<br>audit plan.<br>There should be<br>an external<br>assessment on<br>the effectiveness<br>of the internal<br>audit function at<br>least once every<br>three years. | The board should<br>establish formal and<br>transparent policies<br>and procedures to<br>ensure the<br>independence and<br>effectiveness of<br>internal and external<br>audit functions.<br><br>The company's annual<br>report should describe<br>the work of the audit<br>committee. If there is<br>no internal audit<br>function, the annual<br>report should provide<br>an explanation for the<br>absence, how internal<br>assurance is achieved,<br>and how this affects<br>the work of an external<br>audit. | An annual<br>external audit<br>should be<br>conducted by an<br>independent,<br>competent and<br>qualified auditor<br>in accordance with<br>internationally<br>recognised<br>auditing, ethical<br>and independence<br>standards.                                            | Annual internal<br>audit statements<br>should address<br>the effectiveness<br>of the<br>organisation's<br>governance, risk<br>management, and<br>control processes.<br><br>An external,<br>independent<br>quality review of<br>the internal audit<br>function should<br>be conducted at<br>least once every<br>five years. |



| S/N | Subject               | NCCG 2018                                             | UK Code                                                                                                                                                                                                                                            | OECD Principles                                                                                                                                                                    | King IV Report                                                                                                                                                                                                                            |
|-----|-----------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9.  | Board Training        | To be had periodically. No guide on areas of training | Not specified                                                                                                                                                                                                                                      | The Board is expected to host recurring training and monitoring of their work experience to ensure appropriate levels of professional competence                                   | Members with no or limited governance experience should be provided with mentorship and encourage to undergo training<br><br>Additionally, a programme for professional development should be provided for members of the governing body. |
| 10. | Cross Directorship    | No mention of cross directorships                     | One circumstance that could impair a non-executive director is holding cross directorships or having significant links with other directors through involvement in other companies or bodies. In such cases, a clear explanation must be provided. | No mention of cross directorships                                                                                                                                                  | No mention of cross directorships                                                                                                                                                                                                         |
| 11. | Multiple Directorship | No mention of multiple directorships                  | No mention of multiple directorships                                                                                                                                                                                                               | No mention of multiple directorships.<br><br>There is no specific limit on the number of boards a director can serve on.                                                           | No mention of multiple directorships                                                                                                                                                                                                      |
| 12. | Whistle Blowing       | Required to establish a whistleblowing framework.     | Not specified                                                                                                                                                                                                                                      | The board is required to establish and oversee the Company's whistle-blowing policy and to encourage the reporting of unethical and unlawful behaviour without fear of retribution | The governing body should provide and the implementation of whistle-blowing mechanisms to detect breaches of ethical standards.                                                                                                           |



| S/N | Subject                          | NCCG 2018                                                                                                                                                                                                | UK Code                                                                                                                                                                             | OECD Principles                                                                                                                                                                                                                                                                                                                                  | King IV Report                                                                                                                                                                                                                                                                                           |
|-----|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13. | Digital Governance and Technolog | Review and approve, at least annually, the Company's Information Technology data governance framework to ensure that IT data risks are adequately mitigated and relevant assets are managed effectively. | Not specified                                                                                                                                                                       | Regulatory frameworks in various jurisdictions may require review and adjustments to ensure their effective implementation.                                                                                                                                                                                                                      | The governing body should set the direction for how technology and information should be addressed in the organisation, and proactively.                                                                                                                                                                 |
| 14. | Succession Planning              | Every company should have a succession plan                                                                                                                                                              | <p>An effective succession plan for the board and senior management should be maintained.</p> <p>The Board should oversee the development of a diverse pipeline for succession.</p> | <p>The board should also be responsible for succession planning for the CEO and may also be responsible for other key executives, with a view to ensuring business continuity.</p> <p>While comprising contingency mechanisms, succession planning can also serve as a long-term strategic tool to support talent development and diversity.</p> | <p>The governing body should ensure that succession planning is in place for executive management and other key positions to provide continuity of leadership.</p> <p>Succession planning should be reviewed periodically and should provide for both emergency succession and long-term succession.</p> |
| 15. | ESG                              | The Board is expected to establish policies and practices regarding its social, ethical, safety, working conditions, health, and environmental responsibilities, as well as                              | Not specific provisions on ESG                                                                                                                                                      | <p>Entities and Professionals should provide analysis or advice relevant to decisions by investors, such as ESG rating and data providers.</p> <p>The methodologies used by ESG rating and data providers, should be transparent and publicly available</p>                                                                                      | The Board is expected to take account of sustainability including ESG considerations.                                                                                                                                                                                                                    |



### Annexure 3

#### Recommended Inputs in the Nigerian Code of Corporate Governance 2018

|                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board Size                                                            | Our recommendation is that the Board should consist of a minimum of 5 and a maximum of 15 members; however, for smaller companies, the minimum number of directors shall be in accordance with the provisions of the CAMA.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Board Composition                                                     | Not more two members of the same family shall sit on the board of a particular company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Board Chairman                                                        | Our recommendation is that the Chairman of the Board should be a NED.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Number of INEDs on the Board                                          | We recommend that at least one-third of the entire Board should comprise independent non-executive directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Minimum Board Committees                                              | Our recommendation is that every board shall have the following committees, amongst others:<br><ul style="list-style-type: none"><li>a. Nomination, Governance, and Remuneration</li><li>b. Risk management</li><li>c. ICT and Cybersecurity</li><li>d. Audit</li><li>e. Financial, investment, and general-purpose compliance.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Tenure –<br>Chairman<br>CEO<br>INED<br>NED<br>ED<br>External Auditors | We recommend the following:<br><ul style="list-style-type: none"><li>a. <b>Chairman:</b> The tenure of the Chairman shall not exceed 12 years.</li><li>b. <b>MD/ CEO:</b> The tenure of the MD/CEO shall be subject to the terms of engagement with the Company; however, it shall not exceed 10 years.</li><li>c. <b>INED:</b> The tenure of independent non-executive directors shall not exceed 9 years.</li><li>d. <b>NED:</b> The tenure of non-executive directors shall not exceed 12 years.</li><li>e. <b>ED:</b> The tenure of executive directors shall be subject to their terms of engagement with the Company; however, it shall not exceed 10 years.</li><li>f. <b>External Auditors:</b> The tenure of external auditors should be a maximum of 10 years.</li></ul> |
| Board Induction                                                       | We recommend that the induction of new board members be carried out not later than 3 months after their appointment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board Evaluation –<br>Internal<br>External | <p>Our recommendation for Board Evaluation includes the following:</p> <p>Internal board evaluation should be done on a bi-annual basis (June and December of every year).</p> <p>External board evaluation should be done once every 2 years by an independent external consultant.</p> <p>There should be annexure, with a template containing minimum metrics for board evaluation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Board Training                             | <p>We recommend that a quarterly mandatory board training on technology be implemented for all companies, to be included in the company's corporate governance report. Board trainings should include, but should not be limited to:</p> <ol style="list-style-type: none"><li>Roles, Responsibilities, and Fiduciary Duties</li><li>Digital governance and cyber security</li><li>Corporate Governance Principles</li><li>Financial Literacy and Oversight</li><li>Risk Management and Compliance</li></ol>                                                                                                                                                                                                                                                                                                                                                                                            |
| Cross Directorship                         | <p>Our recommendation is that Cross directorships on the boards of two or more companies should be prohibited.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Multiple Directorship                      | <p>Our recommended input is as follows:</p> <ol style="list-style-type: none"><li>No individual shall simultaneously serve as a Director on the Boards of competing organisations or companies in the same industry to avoid conflict of interest, breach of confidentiality, and misappropriation of corporate opportunity.</li><li>A director may serve on the Board of not more than two (2) companies provided that two companies are not competing companies</li><li>A prospective nominee to the Board of Directors of a company shall disclose membership on other Boards, while a serving Director shall notify the Board through the Chairman of his/her appointment on other Boards.</li><li>The Board shall consider other Directorships held by such prospective nominee to determine whether the prospective nominee can contribute effectively to the performance of the Board.</li></ol> |
| Whistle Blowing                            | <p>Our recommendation is that it should be mandatory for every company to establish a whistle-blowing framework, and reports on whistleblowing should be included in the Company's annual report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Relationship of Directors                  | <p>Our recommendation is that no more than two members from the same company should sit on the board of a large company simultaneously.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |



## CONCLUSION

The proposed review of the Nigerian Code of Corporate Governance will be a critical step forward in strengthening Nigeria's corporate governance framework. The comprehensive nature of this revision addresses contemporary governance challenges while positioning Nigerian companies for sustainable growth in an increasingly complex global business environment.

This insight has identified specific areas where the current Code requires enhancement to remain relevant and effective. The proposed amendments, particularly in areas of digital governance, ESG integration, and cross/ multiple directorships, reflect global best practices while addressing Nigeria's unique business environment and regulatory landscape.

The successful implementation of these amendments will require strong collaboration among regulatory bodies, companies, investors, and governance professionals. However, the expected benefits, including enhanced investor confidence, improved corporate performance, and strengthened economic stability, justify the investment required for implementation.



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