

Gift Policy

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Approval Page –Gift Policy (Version 0001)

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1.0 Introduction

Wapic continuously seeks to avoid potential conflicts of interest in its business relationships with staff/internal customers and its external stakeholders. In this regard, employees (inclusive of permanent and contract staff, temporary workers and Consultants) are prohibited from soliciting or accepting any gift, personal item or stipend from any person or organization that conducts or is seeking to conduct business with the Company.

Wapic's underlying philosophy behind these policy guidelines is consistent with the broader context of the Company's Corporate Governance framework and the tenets of the Integrity in the Ethics Code and Conduct of Wapic. While the exchange of gifts is an acceptable way of reinforcing business relationships to some extent, some gifts can create the appearance of improper influence and can compromise Wapic's reputation. As such, these guidelines are intended to clarify the conditions under which gifts and fees can be received by staff members and other Wapic officials.

1.1 Policy Guidelines

In keeping with Company's Gift Policy, employees must not accept any gift, fee or consideration of any kind for service he/she has rendered in the official capacity as a member of staff. For the purposes of this Policy, such gifts refer to both tangible items and reciprocal service from vendors, suppliers, customers and any individual or organization with whom the employee interacts during the course of undertaking his/her job functions.

This Policy is supplemental to Wapic's Code of Conduct and all employees are required to sign a copy of the "Gifts and Fees Statement" shown in Appendix 1. Any employee who is found to be in breach of these guidelines will be subject to disciplinary action as provided in the Sanction Grid.

Wapic's Policy will be shared with external stakeholders via Wapic's website. Notwithstanding, employees are required to inform vendors, suppliers or customers of the Company's Policy and to decline any gift or fee that may be offered and further, to return any gift that may be delivered to Wapic's premises unless such gift is authorised as detailed under Authorised Exemptions to the Policy.

If it is not possible to return the gift to the source, employees are required to notify the Human Resource Department who will in turn, make arrangements for the gift to be donated to an appropriate charity e.g. via the Company's We Care initiative. In cases such as this, the employee must complete a Disclosure and Declaration Form (Appendix 11 attached) within five (5) working days of receipt of the gift, specifying the source of the gift, item received, approximate value of the item and the date on which it was received to the Human Resource Department.

1.2 General Principles

In line with the content of this Policy, gifts offered as part of the normal course of business relationships are exclusively aimed at promoting the image of the Group and may not in any case be interpreted as exceeding normal business practises or courtesy or as a means used for the purpose of obtaining favourable treatment in the execution of any practice and/or activity than can be linked to the Group.

In relationship of an institutional and commercial nature, and in particular, in relationships with the Public Administration or Judicial Authority, the offering and/or the promising improperly of gifts, donations, or other benefits to officers or public employees, even if they allied to foreign states or international public organization, is not allowed. The same prohibition regards promises or offers made, as part of the same relationship, in favour of any third party. In any event, Wapic operate through promotional procedures governed by departments with responsibility therefore, and they refrain from behaviours and practises not allowed by the law, by the commercial practises, by the internal Code of Ethic of the Company and, if known, by the ethical codes of the companies and entities, including public entities, with which they maintain relationships. The foregoing shall not apply to gifts of modest value, given in respect of the principles and procedures referenced in this article.

1.3 Staff dispositions

Each Representative and each Employee of Wapic Life Assurance must refrain from accepting gifts or other free items exceeding modest value or normal courteous practises, as well as from accepting, for himself/herself or for others, any other offer or benefit or utility outside of the ordinary business relationship and, in any case, aimed at compromising the Representative's or Employee's independence of judgment and operational integrity.

All Wapic's Divisions, within the autonomy attributed to them by the internal regulation and the assigned budget can purchase gifts to be given to customers or approve entertainment expenses. In any case, entertainment expenses and gifts not bearing the logo of Wapic are allowed only if of a modest value and being such not to compromise the integrity and reputation of one of the parties or the independent judgment of the beneficiary.

Moreover, as recorded in Wapic Group's Internal Code of Conduct, it is strictly forbidden to all Wapic's organizational parts to distribute gifts, to promise or disburse money grant any sort of advantage to representatives of the Public Administration or NAICOM, as well as to any other third party, if they exceed the usual customary habits, courtesy practises or are anyway aiming at acquiring a preferential treatment in the conduct of any Wapic Life Assurance activity or at influencing improperly the decisions of the counterpart.

In this regard, the fairness principles expressed by the Procurement Policy of Wapic Life Assurance envisage that:

- Wapic's employees are prohibited to accept gifts from Wapic's suppliers at a price above the equivalent of N10,000. Exceptions are allowed only upon approval of the MD of Wapic.
- Any signs of attention to Wapic's employees (sellers' invitations to dinners, trade exhibitions or celebrations, acceptable gifts) can be accepted only for the purpose of business interests,
- It is recommended to avoid situations when Wapic's employees can be forced to perform particular acts in return for hospitality or attention. Invitations can be

accepted only if Wapic can repay such signs of attention. In any case it is prohibited to accept invitations during or related to tenders.

In view of the above, the following operational rules are implemented for:

- Notification, Acceptance and Authorization of gifts received from customers, public officers or any other third party,
- Management of gifts given to customers, public officers or any other third party and entertainment expenses

2.0 Scope

This policy applies to all employees of Wapic Group. Therefore, all employees must follow the requirements outlined in this Policy.

2.1 What is Wapic's definition of a "gift?"

A "gift" is anything of value given or received as the result of a business relationship and for which the recipient does not pay fair market value. A gift can be in any form. For example: food, theatre or sporting event tickets, discount or "all-expense paid" trips, promotional items and festivity gift can all be considered business gifts.

2.2 When can gifts be given/received?

In each area of Africa where Wapic does business there are generally accepted customs regarding the exchange of business gifts both with respect to the type and value of the gift and with respect to the manner or protocol of exchange. This Policy generally permits the giving (and receiving) of business gifts that are customary business courtesies and are reasonable in value and frequency.

This is a flexible standard and intended to accommodate the range of circumstances worldwide: however, the concepts underlying the standard ("customary", "courtesies", "reasonable value", and "reasonable frequency") must be viewed against objective standards. Each of these concepts in effect is a limitation business gifts should be infrequent tokens of esteem.

A business gift is never permitted if:

- Prohibited by law or regulation;
- Prohibited by more stringent Wapic Life Assurance policies applicable to business relationships with Wapic's Policy on Business Ethics and Conduct or applicable to Wapic employees in purchasing or related functions;
- Prohibited by known policies of the employer of the intended recipient; or
- Intended to improperly influence, or would have the appearance of improperly influencing, the recipient.

2.3 Period when gift can be given

- Year End period
- Seasonal/Festive period
- Anniversaries
- Promotional period

2.4 Acceptable gifts

- Hamper
- Pens

- Notepad
- Productivity tools like I-pad, blackberry, etc

2.5 Reporting of business gifts

Business gifts that a Wapic employee intends to give must be reported to the employee's supervisor, whether or not reimbursement is sought from Wapic. If the cost is reimbursable by Wapic, the full cost must be identified in the employee's expense report, together with the name and business relationship of the recipient. Supervisors are responsible for assuring strict adherence to the provision of this Policy.

Gifts received by a Wapic employee must be reported to the employee's supervisor, except for:

- Food and beverage consumed at a business function;
- Entertainment (e.g., sporting events or theatre having a value of less than N20,000) when the Wapic employee is in travel status; or
- A business gift having a retail value of N10,000 or less at a business function.

For the purpose of measuring value, the N10,000 limit will be applied to each person separately, but the value of a function will be aggregated for each person. For example, cocktails, dinner and theatre on the same evening are considered a single function. Wapic considers a gift to a spouse or family member to be a business gift if motivated by, or related to, a business relationship. Such gifts are subject to this Policy in the same manner as other business gifts. This applies both to giving and receiving business gifts.

3.0 Wapic restrictions on receipt of gifts

Aside from these restrictions, additional limitations apply to employees who have direct purchasing responsibilities. This includes all employees in the purchasing department and others, if designated by the business unit such that the affected employees can be readily identified. The additional designations include, for example, employees who are supplier quality assurance representatives, employees responsible for source selection, or employees authorized to make purchases directly from suppliers.

Such employees may only accept (a) beverages, light snacks and business meals served during business meetings held at the facilities of subcontractors, vendors, or suppliers, (b) business meals when in travel status, (c) promotional or advertising items having nominal value, such as ball caps or pads of paper, and (d) any other gift, entertainment or other gratuity if reported to and approved in writing by the Compliance Officer or HR Officer.

Guidance with respect to this policy can be obtained from either the operating unit Head of Internal Control & Compliance or the Head of HR.

3.1 What kinds of gifts are appropriate?

The propriety of a business gift is dependent in part upon its nature. In general, there should not be a problem with food or beverages consumed at a business function, and there should not be a problem with unsolicited gifts of a promotional nature, such as pens, calendars, and the like, which bear a company logo or advertising. As a general rule, business gifts having a total retail value of N10,000 or less would not be

objectionable and need not be reported to supervision. At the other extreme, business gifts ordinarily should not exceed a retail value of N20,000, although it is recognized that there will be instances where a more expensive gift may be appropriate. In any event, the cost and nature of business gifts should always be commensurate with the circumstances (e.g. accepted practice or custom, and the business relationship and position of the recipient).

3.2 Disposition of business gifts received

Wapic considers that business gifts received are for the benefit of the Company. The cognizant Compliance Officer will determine the proper disposition of a business gift received, having a value of more than N10,000 (other than food/beverage consumed, entertainment, flowers or the like).

The Compliance Officer will consider the practicality of allowing the gift to be retained in the recipient employee's work area. In some cases, the Compliance Officer may conclude that the gift should be returned. In other cases, the Compliance Officer may have the gift donated to a charitable or community service organization.

3.3 What are the rules regarding gifts to and from our government customers?

Business relationships with the government agencies and departments and politicians are strongly controlled by laws and regulations. This policy forbids offering or giving anything to a government employee unless clearly permitted by government regulations and flatly prohibits anything to a government employee in a procurement function.

A payment, gift or other thing of value from a subcontractor, vendor, or supplier to a government contractor at a higher tier, when given for the purpose of improperly obtaining or rewarding favourable treatment (a "kickback"), is a criminal violation. Questions should be referred to your Compliance Officer or entity legal counsel.

4.0 Approval Requirement

4.1 General

In absence of policy allowing otherwise, the employee's designated supervisor or appropriate designee must at least approve or be notified of gifts and entertainment provided to or received from clients.

4.2 Additional Approval Requirements

Additional approval from Legal or Compliance (employee's business unit contact) is required if the gift or entertainment provided involves:

- A public or government official or union official;
- An amount that exceeds any applicable local cap;
- Gifts (other than promotional items displaying the vendor's name or logo) or entertainment from outside vendors doing business or seeking future business with Wapic; or
- An exception to the requirements of this policy

5.0 Record Retention

Records of all gifts provided or received from clients must be maintained. It is the responsibility of each employee providing or receiving the gift or entertainment to ensure that any applicable logging and approval requirements are followed.

Gifts provided to or received from clients must bear evidence approval and be tracked and logged as may be required.

Appendix 1

Gifts Statement

I _____ certify that I have read the Policy regarding the acceptance of Gifts and Fees and I agree that I will not accept gifts, personal items or reciprocal services from any individual or organisation which is prohibited by the Bank's Policy. In the event that any such gift is delivered without my prior knowledge, I understand my obligation to immediately advise the Human Resource department and to complete the relevant Disclosure and Declaration Form.

Employee's Name Signature Date

Appendix 11

Disclosure and Declaration Form

Employee's Name: _____ Department: _____
Position/Job Grade: _____ Years of Service: _____
Gift/Item Received: _____

Reason for disclosing and declaring gifts (check one):

1. Received from Vendor; Supplier; Customer ☐
2. Received from stakeholder and greater than N20,000 in value ☐
3. Unsure of source and/or value ☐

Description of Item:

Date Received: _____ Approximate Value: _____ Date
Returned (to HR): _____ Employee's Signature: _____

HR Comments & Recommendation

HR Officer: _____ Date: _____

Head HR Comments and Decision

Approved/Not approved

Head HR: _____ Date: _____