



# POLICY ON SECURITIES TRADING

Custodian Investment Plc has issued this Policy made pursuant to the various laws relating to trading of securities by an Issuer in Nigeria.



TABLE OF CONTENTS

1. BACKGROUND.....	2
2. SECURITIES TRADING RULES .....	2
3. INSIDER LIST.....	16

## **BACKGROUND**

This Securities Trading Policy ("Policy") is based on the amended Listing Rules ("Listing Rules") of the Nigerian Stock Exchange ("Exchange"), the Nigerian Code of Corporate Governance and the Consolidated Rules and Regulations of the Securities and Exchange Commission ("SEC"). This Policy sets a required standard for Directors, Principal Officers, Employees, persons discharging managerial responsibility, External Advisers of Custodian Investment Plc and persons closely connected to them must measure their conduct regarding transactions in securities of Custodian Investment Plc ("Custodian" or the "Company").

Officials must seek to ensure that all dealings in which they are or are deemed to be interested are conducted in accordance with this Policy. Therefore, Officials wishing to deal in any securities in the Company must first have regard to the provisions of the Investments and Securities Act ("ISA") with respect to insider dealing and market misconduct.

The objective of this Policy is that Officials who are aware of or privy to any negotiations or agreements related to intended acquisitions or disposals which are notifiable transactions or connected transactions under the Listing Rules or any inside information must refrain from dealing in the Company's securities as soon as they become aware of them or privy to them until the information has been made public. Therefore, an Official must not make any unauthorised disclosure of confidential information to any other person or make any use of such information for the advantage of himself/herself or others.

## **SECURITIES TRADING RULES**

### **1. Interpretation**

**1.1 "Closed Period"** means a period at the time of:

- a. Declaration of Financial results (quarterly, half - yearly and annual) and dividends (interim and final).
- b. Issue of securities by way of public offer, rights issues, bonus, etc.
- c. Any major expansion plans or winning of bid or execution of new projects.
- d. Amalgamation, mergers, takeovers and buy – back.
- e. Disposal of the whole or a substantial part of the undertaking.
- f. Any changes in policies, plans or operations of the Company that is likely to materially affect the prices of the securities of the Company.
- g. Disruption of operations due to natural calamities.
- h. Litigation/dispute with a material impact.

- i. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.
  - 1.2 "Directors"** means Executive and Non-Executive Directors of the Company.
  - 1.3 "Insider"** means:
    - a. any person who is or is connected with the Company in one or more of the following capacities:
      - i. a Director, Officer or Employee of Custodian or a related Company.
      - ii. any shareholder of Custodian who owns 5 per cent or more of any class of securities or any person who is or can be deemed to have any relationship with the Company.
      - iii. members of Statutory Audit committee of Custodian.
    - b. any of the persons listed in paragraph 1.3a, who by virtue of having been connected with any such person or connected with the Company in any other way, possesses unpublished price sensitive information in relation to the securities of the Company.
  - 1.4 "Insider Information"** means information related to Custodian or Custodian's securities, directly or indirectly, which is not published and the disclosure of which may have a substantial effect on the price of its listed or traded securities or derivative instruments connected to those securities. The information is of a precise nature which is specific to the Company and is likely to have a significant effect on the price of the shares if it were generally available.
  - 1.5 "Officials"** includes any Directors, Principal Officer, Employees, persons discharging managerial responsibility, External Advisers of the Company and persons closely connected to them.
  - 1.6 "Persons closely connected"** includes an individual's spouse, relative or the spouse of a relative and other close dependants.
  - 1.7 "Principal Officers"** includes any Executive Directors, Company Secretary, Internal Auditor and other persons such as the Chief Executive Officer, Chief Finance Officer, Chief Compliance Officer and Chief Risk Officer.
  - 1.8 "Securities"** include shares, debentures and bonds of the Company.
2. Custodian shall maintain a list of Employees that have access to inside information and the Principal contact details of any other relevant person who also have access to inside information regarding either the Company or the financial instruments of the Company.
  3. The Insider list shall state the identity of any person with access to inside information, the reason why they have access to inside information, the date on which they first had access to inside information and the date on which the list was created.

4. Custodian's Securities Trading Policy shall apply to all Employees and Directors and shall be circulated to all Employees that may at any time possess any inside or material information about the Company. The Policy shall include the need to ensure confidentiality of External Advisers.
5. Custodian shall establish effective arrangements to deny access to insider information to persons other than those who require it for the exercise of their functions within the Company.
6. Custodian shall publicize its securities trading policy in its internal communications, on a regular basis and place it on its website.
7. All Directors, persons discharging managerial responsibility and persons closely connected to them as well as all insiders of the Company shall notify Custodian in writing through the Company Secretary of the occurrence of all transactions conducted on their own account in the shares of Custodian on the day in which the transaction occurred and Custodian shall maintain a record of such transactions which shall be provided to the Nigerian Stock Exchange within two business days of the Exchange making a request in that regard.
8. Directors and other Insiders shall notify SEC of the sale of their shares in the Company or any purchase of shares in the Company not later than 48 hours after such activity.
9. In relation to securities transactions by Directors, Custodian shall disclose in its interim reports and the Corporate Governance Report contained in its annual reports:
  - 9.1 whether the Company has adopted a code of conduct regarding securities transactions by its Directors;
  - 9.2 whether its Directors have complied with, or whether there has been any non-compliance with, the required standard set out in the Listings Rules and in the Company's Security Trading Policy; and
  - 9.3 in the event of any non-compliance with the required standard set out in the Listings Rules, the details of such non-compliance and an explanation of the remedial steps taken by the Company to address such non-compliance.
10. Custodian shall notify the Exchange whenever any unusual price movements which cannot be justified by ordinary market conditions occur in the prices or trading volumes of their securities.
11. Whenever Custodian becomes aware of any rumour or report, true or false, in the press or the media, which is likely to have a bearing on an investor's investment decisions and the value of the shares and such information is of a

different essence than the information previously disclosed to public by its representatives via material disclosures, prospectuses, circulars, announcements approved by the Exchange, Financial Reports and other public disclosure documents, Custodian shall make a public statement to clarify its position as promptly as possible.

- 12.** Custodian shall notify the Exchange of any transaction that brings the beneficial ownership in the company's shares to 5% or more not later than ten (10) business days after such transaction.
- 13.** Custodian shall disclose in its Annual Report the details of Shareholders holding 5% or more in the Company.
- 14.** No Director, person discharging managerial responsibility and Advisers of the Company and their connected persons shall deal in the securities of the Company when the trading window is closed. The period of closure shall be effective from:
  - 14.1** Closed period shall be from the first day after the accounting period/quarter up until 24 hours after the account has been published on the NGX website, provided that the Company shall notify the Exchange in advance of the commencement of each closed period.
- 15.** This Policy shall be reviewed as deemed necessary but not later than every five years.

**Approved by the Board of Directors**

**Document Review and Approval**

**Revision History**

Version	Author	Date	Revision
	Company Secretary	October 2022	

**This document has been reviewed and approved by**

	Date Approved	Status	Signature
1	October 28, 2022	Chairman	<i>O. Johnson</i>
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