



CONTINENTAL REINSURANCE PLC

SECURITIES TRADING POLICY

(Approved by the Board of Directors on February 25, 2015)

1. ***Introduction***

This Securities Trading Policy ('Policy') sets out the guidelines on the purchase and sale of securities in Continental Reinsurance Plc ("the Company") by its employees, Directors and associates.

The policy is to assist all employees (including Senior Executives) and all Directors to understand the restrictions on insiders of companies with respect to their securities transactions and the implications of and to avoid the conduct known as "insider trading". The major restriction is that insiders may not buy or sell securities of the Company on the basis of material, non-public price sensitive information they know about the Company or disclose such information to others. All employees and Directors of the Company should be mindful of the necessity of maintaining the confidentiality of information and the need to comply with both the law and high ethical standards. Insider trading is considered to be both illegal and unethical.

2. ***Meaning of Insider Trading***

Insider trading or insider dealing occurs when a person or group of persons who being in possession of some confidential, material, price sensitive information about the Company not generally available to the public utilizes such information to buy or sell securities for the benefit of himself or any person.

3. ***Who is 'an insider'***

'Insider' means an individual:

a) who is or is connected with the Company in one or more of the following capacities:

- (i) A director of the Company or its subsidiaries
 - (ii) An officer of the Company or its subsidiaries;
 - (iii) An employee of the Company or its subsidiaries;
 - (iv) A friend, business associate, family members and others to whom a director, officer or employee of the Company gives material non-public information;
 - (v) An employee of bankers, brokerage firms, external Solicitors, external auditors, printing firms or person involved in a professional or business relationship to the Company who is given or has access to material non-public information
 - (vi) Members of the audit committee of the Company;
 - (vii) Shareholders of the Company represented on the Board of Directors of the Company;
- and

b) who by, virtue of having been connected with the Company as mentioned in 'a' above or connected with the Company in any other way, has obtained unpublished, price sensitive information in relation to the securities of the Company.

4. ***Transactions covered by the Policy***

The purchase and sale of securities of the Company in issue and that may be issued from time to time.

5. ***What is Inside Information***

Information related to the Company or Company's securities, directly or indirectly, which is not published and the disclosure of which may have a substantial effect on the price of the Company's listed or traded securities.

6. ***What is Material Information***

Information that is not generally available to the market; and, if it were generally available to the market, it would have a material effect on the market price or value of the Company's listed securities.

7. ***What is Securities***

'Securities' include ordinary shares (ordinary and preference shares) as well as debentures that may be issued by the Company from time to time.

8. ***What is Non-Public Information***

Information that is considered non-public until its official announcement to the public and the public has had ample opportunity to evaluate the information.

9. ***Price Sensitive Information***

Examples of price sensitive information include:

- Changes on the Board of the Company;
- The death, resignation, dismissal or appointment of a principal officer of the Company;
- Change in accounting year end of the Company;
- Proposed release of Annual and Interim results of the Company or any recommendation or decision that dividends or scrip issues will or will not be made.
- Profit warnings or a change in the financial forecast or expectation;
- Proposed capital raising or restructuring exercise or changes in capital structure;
- Giving or receiving a notice of intention to make a takeover or mergers, or acquisitions or tender offers or divestments;
- Any proposed change in the business model or general character or nature of the business of the Company or of the group;
- Major new developments in the Company's sphere of activities including major new products, contract awards and expansion plans;
- Any change in voting control or in the beneficial ownership of the shares or securities carrying voting control;
- Items of unusual or non-recurrent nature;
- Any proposed alteration of the Memorandum or Articles of Association;
- Threat of major litigation;
- Any other information necessary to enable shareholders to appraise the position of the Company and to avoid the establishment of a false market in the shares of the Company.

10. Insider Trading Prohibition

10.1 Insider trading is prohibited absolutely. A violation of the prohibition carries both criminal and civil penalties. A person will be guilty of insider trading if that person possesses inside, material, non-public price sensitive information which is not generally available to the market:

- (i) uses such information to buy or sell securities of the Company; or
- (ii) using such information, procures another person to buy or sell securities of the Company; or
- (iii) directly or indirectly passes on the inside information to a third party or cause the inside information to be communicated to any other person who he knows or ought to know is likely to buy or sell securities of the Company or procure another to buy or sell the securities of the Company . It does not matter how or where the person obtains the information.

10.2 The prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members i.e. spouse, son, daughter, mother, or father, relative or the spouse of a relative and other closed dependants, family trusts and family companies ('Associates').

10.3 Insiders are not only prohibited from using material non-public information to deal in the Company's securities to their own personal advantage, they are also prohibited from giving or tipping outsiders who may make use of such internal information for their personal gain.

"Tipping" is unauthorized communication of material, non-public price sensitive information to outsiders

11. Dealing in Shares

Dealing includes:

- buying or selling of securities or entering into an agreement to buy or sell securities;
- applying for or getting another person to apply for, buy or sell securities or entering into an agreement to apply for, buy or sell securities on one's behalf;

12. Restrictions

12.1 No employee or Director of the Company may deal in the Company's securities at any time, if that employee or Director is in possession of inside price sensitive information which is not generally available to the public. The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company's securities. During such sensitive period, no Director or employee or adviser of the Company and their connected persons shall trade in the Company's securities.

12.2 All Directors, employees and advisers of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction

involving the purchase or sale of the Company's securities during closed periods or during any other period as may be specified by the Exchange from time to time.

13. "Closed Period"

13.1 This is any period during which trading in the Company's securities is restricted. No Director, employee and Adviser of the Company and their connected persons shall deal in the securities of the Company during the closed period.

13.2 The 'closed period' shall be at a time of:

- Declaration of Financial results (i.e. quarterly, half yearly and annual);
- Declaration of dividends (interim and final);
- Issue of securities by way of public offer or rights or bonus etc;
- Any major expansion plans
- Amalgamation, mergers, takeovers and share buy-back;
- Disposal of the whole or substantial part of the undertaking;
- Any changes in policies, plans or operations of the Company that are likely to materially affect the price of the securities of the Company;
- Disruption of operations due to natural calamities;
- Litigation/dispute with material impact;
- 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.

13.3 Period of Closure

The period of closure shall be effective from 15 days prior to the date of any meeting of the Board of Directors to be held to consider any of the matters referred to in 13.2 above, or the date of circulation of agenda papers pertaining to any of the said matters, whichever is earlier, up to 24 hours after the price sensitive information is submitted to the Exchange.

14. Short Term Trading Prohibited

No Director or employee of the Company may engage in short term trading in the Company's securities for short term gain.

15. Dealings Excluded

The following dealings are excluded from the operation of this policy:

- (i) where the Company's securities are acquired under an Employee Share Option Scheme;
- (ii) where the Company's securities are acquired under a bonus issue, rights issue, share purchase plan made to all shareholders of the Company;
- (iii) Acquiring the Company securities under a dividend reinvestment plan or top-up plan available to all holders of securities of the same class;
- (iv) Investing in or trading in units of a fund or other scheme where the assets of the fund or other scheme are invested at the discretion of a third party;
- (v) Where the Company's securities are disposed through acceptance of a takeover offer or scheme or other arrangement

16. **Approval to deal in Company's Securities**

Directors and employees and other insiders wishing to buy, sell or deal in the Company's securities must obtain approval of the Chairman through the Company Secretary prior to any dealing in the Company's securities. Request for approval must state the volume of securities to be purchased and sold.

17. **Confidentiality**

Information given to external advisers in strict confidence or information which has not been published or disclosed and which may have a substantial effect on the price of the Company's securities obtained by them in the course of delivery of services to the Company shall be treated as confidential. Confidentiality shall be enforced against all external advisers.

18. **The Nigerian Stock Exchange**

In line with Stock Exchange (or 'the Exchange') Listing Rules all directors, employees and persons closely connected to them as well as all other insiders of the Company should notify the Company in writing through the Company Secretary of the occurrence of all transactions conducted on their own account in the shares of the Company on the day on which the transaction occurs. A record of such transactions may be requested by the Exchange.

19. **Securities & Exchange Commission Rule**

Section 111(1) of the Investment and Securities Act provides that a person who is an insider of a company shall not buy or sell, or otherwise deal in securities of the company which are offered to the public for sale or subscription if he has information which he knows is unpublished price sensitive information in relation to those securities.

Under section 114 of the Act, anyone who contravenes this provision is liable on conviction;

- (a) In the case of a person not being a body corporate, to:
 - (i) to a fine of not less than N500,000 or an amount equivalent to double the amount of profit derived by him or loss averted by the use of the information obtained in contravention of this provision.; or
 - (ii) to imprisonment for a term not exceeding seven years; or
- (b) In the case of a body corporate, to a fine of not less than N1,000,000,000 or an amount equivalent to twice the amount of profit derived by it or loss averted by the use of the information obtained in contravention of this provision.

Filing of notice by directors and other insiders upon sale or purchase of their shares in the company

- (a) Directors and other insiders of public companies shall notify the Commission 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;
- (b) Such notices shall be deposited at the Commission's head office or any of its zonal offices.