



JAIZ BANK PLC

**POLICY FOR THE SELECTION, APPOINTMENT AND
RE-ELECTION OF DIRECTORS**

**APPROVED BY THE BOARD AT ITS 5TH EMERGENCY MEETING
HELD ON FEBRUARY 8TH, 2017 AT INTERCONTINENTAL HOTEL,
KOFO ABAYOMI STREET VICTORIA ISLAND LAGOS**

VERSION I

CONFIDENTIAL

JAIZ BANK PLC

POLICY FOR THE SELECTION, APPOINTMENT AND RE-ELECTION OF DIRECTORS

1. Responsibility for selection

The Board Governance, Remunerations and Nominations Committee (“the Committee”) is responsible for evaluating Board candidates and recommending individuals for Board appointment as a director.

2. Selection criteria

The maximum number of Directors of the Bank (including Executive, Non-Executive, and Independent Directors) shall be fifteen (15).

New Board members will be sought who possess the particular skills, experience, expertise and diversity that will best complement Board effectiveness at the time. In its evaluation of candidates for the Board, the Nominations Committee will have regard to normally accepted nomination criteria, including:

- (a) honesty and integrity;
- (b) the ability to exercise sound business judgment;
- (c) appropriate experience and professional qualifications;
- (d) absence of conflicts of interest or other legal impediments to serving on the Board;
- (e) willingness to devote the required time; and
- (f) availability to attend Board and Committee meetings.

In considering overall Board balance, the Committee will give due consideration to the value of a diversity of backgrounds and experiences among the members, and to having some of the Directors based in the centres of operation of Jaiz Bank. The Board may engage an independent recruitment firm to undertake a search for suitable candidates, without prejudice to the rights of shareholders to nominate members of the Board as entrenched in the Companies and Allied Matters Act 1990 (CAMA).

The number of directors nominated by a shareholder as a proportion of the Board should normally be in the proportion that shareholder's holding of fully paid ordinary shares in Jaiz Bank bears to all of the issued fully paid ordinary shares in Jaiz Bank.

The minimum shareholding that would entitle a shareholder to nominate a member to the Board of the Bank is a holding of 5% of fully paid ordinary shares in the Bank.

3. Prior to appointment

Prior to appointment, preferred candidates:

- are required to be available to meet with members of the Board;
- must disclose the nature and extent of other appointments and activities; and
- must demonstrate that they understand what is expected of them and confirm that they are willing to make the necessary commitments, and will have available the time required, to discharge their responsibilities.

4. Letters of appointment

New directors are required to sign and return a letter of appointment which sets out the key terms and conditions of appointment, including duties, rights and responsibilities, the time commitment envisaged and the Board's expectation regarding their involvement with committee work.

5. Induction

Induction training is provided to all new directors including a comprehensive induction manual.

6. Directors' Service Contracts

Each director is required to enter into a Directors' Service Contract which (among other things) provides the director with certain indemnities and rights of access to the Bank's information following retirement. Each director is also required to execute a code of conduct and ethics as well as insider trading prohibition statement prior to assuming duties.

7. Appointment

Non-executive directors appointed by the Board must retire at the next Annual General Meeting, at which time they may stand for election by shareholders. Non-executive directors are elected by the shareholders for a four year term and renewable at the instance of the shareholders for 3 terms.

8. Re-election

A non-executive director may not stand for re-election except with the recommendation of the Board or otherwise in accordance with the procedure prescribed by the Bank's Articles of Association. Board support for a director's re-election is not automatic and is subject to satisfactory director performance (in accordance with the Bank's director evaluation process). The Board consults annually with the Chairman of the Board on the performance of those Board members presenting themselves for re-election at the next Annual General Meeting.

9. Notice of Expiration of Contractual Term

Management shall notify the Committee of the impending expiration of the Service Contract of any Director, at least six (6) months before the due date and the Committee shall commence the process for renewal/replacement of such Director subject to satisfactory performance of the Director as the case may be.