**PRESS RELEASE**

**The NSE Partners CBi on Corporate Governance**

**LAGOS, May 15, 2013.** The Nigerian Stock Exchange (NSE) has today taken steps which will lead to the establishment of a Corporate Governance Index for listed companies in Nigeria.

Investor confidence in the Nigerian capital market has remained challenging based on perceived inadequate disclosures, corruption and poor understanding of fiduciary responsibilities on the part of directors; leading to weaknesses in our business environment and corporate governance.

The NSE has entered a partnership with The Convention on Business Integrity (CBi) to provide a steady flow of robust data that will be used to develop a Corporate Governance Ranking System for listed companies in Nigeria. Established in 1997, CBi strives to empower people, their transactions, systems and institutions against corruption.

Speaking on this development, the Chief Executive Officer of the NSE, Mr Oscar Onyema reiterated that the NSE has placed Corporate Governance on the front burner as one of the critical fundamentals for ensuring a sound investment environment and maximizing investor returns.

He further said that the creation of the Corporate Governance Index is in line with the NSE’s commitment to promoting firm and fair corporate governance regime for sustainable growth of the nation’s capital market. “We are proud to partner with CBi, and confident that this will contribute to our goal of becoming the gateway to African markets” he said.

According to Mr. Soji Apampa, Executive Director of CBi, the Corporate Governance Ranking project will be funded under the World-Bank supervised Siemens Integrity Initiative. Mr. Apampa, a former Managing Director of SAP Nigeria Ltd, further disclosed that IT systems and e-learning technology will be deployed to make the ranking process efficient and cost effective.

The Humboldt-Viadrina School of Governance, Berlin has been appointed as independent observers of the process to report independently to investor fora on the process applied to establish Nigeria’s Corporate Governance Ranking and help promote it internationally. This is not a paid role. The primary interest of the school is research, to assess the underlying motivations of companies to participate in the Corporate Governance Index of the NSE and as part of their global project to document incentives and sanctions used in the fight against corruption.

The Corporate Governance Ranking System by CBi will provide data and Information that the NSE will use to build a Corporate Governance Index that will score companies based on the quality of their corporate integrity; corporate compliance; understanding of fiduciary responsibilities by their directors and their corporate reputation. The four factors are not equally weighted with corporate integrity carrying the highest and corporate reputation the least weighting.

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