



## Communication on Progress

Year: 2008

STATEMENT

In the grip of the worst global financial crises, it has become increasingly important for companies to take responsible business initiatives as vital ingredients of their business processes. Goals enunciated in the global compact principles like building markets, combating corruption, safeguarding the environment and ensuring social inclusion have become an indispensable part of doing business. No longer can 'business as usual' in the world continue.

As a voluntary member of the global compact initiative, our board is in full support of our membership, and we are making efforts to make these principles part of our business processes as can be seen in the report attached. It is a continuous process to create sustainable business practices in our quest to be a leader in a new global environment. Through our support of the United Nations Global Compact, we also aim to move the agenda forward on performance related to human rights, labour rights, the environment and the fight against bribery and corruption with our Stakeholder Initiative which aims to introduce all service providers in our supply chain to Global Compact Principle, and enhance their ability to operate sustainably and ethically, and meet globally acceptable standards in issues relating to employment, discrimination, and environmental responsibility.

Bank PHB is determined to continue to contribute to the second goal in the Millennium Development Goal (MDGs) through the expansion of our National Scholars' Scheme across Nigeria.

Below, we have summarised the progress we have made against these principles and we will continue to follow them up in future.

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27<sup>th</sup> March, 2008

**Francis Atuche, MD/CEO Bank PHB**

**Contact:** Angela Ege

**Email:** [angelaege@bankphb.com](mailto:angelaege@bankphb.com)      **Phone:** +2348068095158

	<b>Global Compact Principle</b>	<b>Action Taken &amp; Impact Achieved and/or Plans for the upcoming Year</b>
<input type="checkbox"/>	<b>1:</b> Businesses should support and respect the protection of internationally proclaimed human rights;	Bank PHB is committed to the protection of internationally proclaimed human rights of staff and customers. We take all steps necessary to ensure that we are not complicit in abuses of human rights.
<input type="checkbox"/>	<b>2:</b> and make sure that they are not complicit in human rights abuses.	Bank PHB has taken steps to ensure that we are not complicit in human rights abuses by ensuring strict compliance with national and international labour standards. Cases of possible involvement would be expeditiously reviewed and resolved objectively.
<input type="checkbox"/>	<b>3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Bank PHB complies with the laws of the Federal Republic of Nigeria relating to employment. We respect the right of our people to freedom of association and representation either through trade unions, work councils, or any other appropriate forum.
<input type="checkbox"/>	<b>4:</b> the elimination of all forms of forced and compulsory labour;	The employment policy of Bank PHB prohibits forced or compulsory labour. The employment contracts for all staff of Bank PHB clearly state the terms of engagement and exit procedures.
<input type="checkbox"/>	<b>5:</b> the effective abolition of child labour;	Bank PHB does not employ Child workers. We are currently developing an initiative for our service providers which will enhance their ability to operate sustainably and ethically, and meet globally acceptable standards in issues of employment, discrimination, and environmental responsibility.  Through the Bank PHB National Scholars' Scheme, we are providing access to mind development through the provision of libraries for 25 secondary schools, and scholarships for 504 indigent secondary and tertiary school students in 17 states of Nigeria. Thereby rescuing some who had become child workers as a result of the economic situation of their families.

<input type="checkbox"/>	<p><b>6:</b> and the elimination of discrimination in respect of employment and occupation.</p>	<p>Bank PHB continues to maintain a policy of giving fair consideration to the application for employment made by disabled persons with due regard to their abilities and aptitudes. In the event of members of staff becoming disabled, efforts will be made to ensure that their employment with the Bank continues and appropriate training arranged to ensure that they fit into the Bank's working environment.</p> <p>Discrimination on the basis of gender, race, nationality, age, disability, ethnic origin, religion or status is prohibited in the governance documents of the bank.</p>
<input type="checkbox"/>	<p><b>7:</b> Businesses should support a precautionary approach to environmental challenges;</p>	<p>Bank PHB is committed to ensuring that our working environment is safe for all employees, and the communities in which we operate our business.</p> <p>Bank PHB staff and the general public are encouraged through our whistle-blowing link on our website to report all operations and activities which are or could be detrimental to the Bank or our host communities.</p> <p>With the launch of our Employee Volunteering Initiative, teams of employees embark on environmental sanitation projects in public places across the country twice a month. Other projects championed by the volunteers include: Tree planting, traffic control, and street sweeping.</p>
<input type="checkbox"/>	<p><b>8:</b> undertake initiatives to promote greater environmental responsibility;</p>	<p>Through our Employee Volunteering Initiative, we embark on sanitation and beautification projects across Nigeria.</p>
<input type="checkbox"/>	<p><b>9:</b> and encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Not applicable</p>
<input type="checkbox"/>	<p><b>10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p>Bank PHB's Anti-Money laundering policy states not only the Bank's policy towards corruption but also minimizes the exposure of the risk of being used for illegal, fraudulent and anti-money laundering purposes. Consequently, the bank also has a KYC (Know Your Customer) policy in place to ensure that the bank is protected from compliance risks.</p>

		<p>Our Corporate Audit unit has responsibility for the management of the policy.</p> <p>In April 2008, Bank PHB implemented a corporate governance manual in accordance with the Central Bank of Nigeria’s code of corporate governance. The manual educates staff on the bank’s key policies on corporate governance.</p> <p>The bank also put in place a confidential whistle-blowing policy for employees or others to raise issues. Our website <a href="http://www.bankphb.com">www.bankphb.com</a> provides contact details to report breach in internal control policies and procedures, or corporate governance infractions. The contact details for the Director of Banking Supervision of the Central Bank of Nigeria are also provided on our website.</p>
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### **Dissemination of this COP**

An electronic version of Bank PHB’s COP will be made available on the company’s website, and will also be made available to the following stakeholders:

- Staff of Bank PHB Group
- Bank PHB Board of Directors, and shareholders
- Bank PHB suppliers
- All Consulting agencies with Bank PHB
- Media Partners