

13 May, 2015

H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY 10017
USA

Your Excellency,

**Ten Principles of the United Nations Global Compact:
Statement of Continued Support by Ecobank Transnational Incorporated**

I write to reaffirm the commitment of Ecobank Transnational Incorporated to the Ten Principles of the United Nations Global Compact (UNGC) and hereby avail you the 2015 annual Communication on Progress (COP). Since 2011, when Ecobank joined the membership of UNGC, the bank has remained steadfast in aligning its policies and strategies to the Ten Principles of the UNGC in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this Annual Communication on Progress, simultaneous actions and steps being taken by Ecobank to support economic growth and achievement of desirable development targets that leads to transformational and real improvements in the socio-economic standards and natural environment in 36 African countries, where we operate, are outlined.

In 2015, the transition period from the Millennium Development Goals (MDGs) to Sustainable Development Goals, we will continue to promote our corporate sustainability stewardship by helping our clients in capacity building to conduct their businesses in an environmentally friendly and socio-economic acceptable manner.

Please accept, your excellency, the assurance of my highest consideration.



Dayo Orimoloye
Group Chief Risk Officer



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Communication on Progress (COP)

A. Human Rights

Principle 1 Support and respect the protection of internationally proclaimed human rights; and

Principle 2 Businesses should make sure that they are no complicit in human rights

(i) Description of the relevance of the issue for the company, including policy, public commitments and company goals:

Protection of human rights will always be the integral part of the way Ecobank conducts business. This is reinforced by our vision to meet our dual objectives to build a world-class pan-African bank and contribute to the economic and financial integration and development of the African continent.

As communicated in our previous update, of 15th April, 2014, our Ecobank Human Resource Policy (EHRP) continues to reinforce international human rights standards and included the nine rights: (a) the right to work freely and contribute to the purpose and objective of Ecobank (b) the right to information on conduct, ethics and performance standards at work (c) the right to enjoy compensation accrued to labor in both wages and salary; (d) the right to keep all employee records in a secured environment to be accessed by authorized personnel; (e) the right to belong to a union; (f) the right to be protected from harassment at work; (g) civic right; (h) the right to complain and express grievance.

Our commitment to our people will always be the key to our growth and success as a business. We value our people and will strive to provide each and every employee with a wide range of professional and personal opportunities to enhance their strengths and talents, and maximize their potential. We provide a continuous learning environment where creativity is encouraged, celebrated and harnessed as diversity; respect and integrity remain the core values of our Company. Furthermore, our footprint in the African region offers opportunity for our employees to work across multiple countries enabling them to develop their careers locally and globally. The Company appreciates the hard work put in by its employees and continues to implement a competitive reward and benefits program.

(ii) Description of concrete actions to implement, address and respond to the issue (Implementation):

As the leading Pan African Bank with International repute, Ecobank will, at all times, continue to drive its obligations and responsibilities to its employees, shareholders and communities where we operate in. How well Ecobank measures up to the expectations of its customers and partners depends on the job performance of each employee and implementation of relevant human rights to our businesses. Human Rights are vital to our organizational sustainability as we strive to remain a leading employer of choice across the continent.

We are pleased to inform you that the Ecobank Transnational Incorporated (ETI) Board has approved our "all in one" Handbook of policies. This 240-page document contains over 80 policies covering wide range of areas such as (a) Employment and Orientation (b) General Work Conditions (c) Personnel Records (d) Attendance and Leave (e) Employee Welfare (f) Employee Relations (g) Performance Management (h) Learning & Development (i) Talent Management (j) Compensation & Benefits (k) Cessation of Employment. .

These policies, among other things, reinforce our company identity, our mission and vision. Furthermore, regardless of whether we have newly employed or those with years of service with Ecobank, we continue to remind everyone to familiarize themselves with this handbook. It is

intended to help our people establish a successful working relationship as a member of the Ecobank community.

(iii) Description of how the company monitors and evaluates (Measurement of outcomes):

We are pleased to report that Ecobank has received no complaints from employees, business partners or clients in relation to human rights violations, nor was the bank involved in any human rights incidences before or during the reporting period. Our Compliance department continues to grow and accelerate its mandate across all geographies where Ecobank currently operates. It is our strategic priority to ensure that compliance on human rights remains our focus.

B. Labour

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 Elimination of all forms of forced and compulsory labour;
- Principle 5 Effective abolish of child labour;
- Principle 6 Elimination of discrimination in respect of employment and occupation

(i) Description of the relevance of the issue for the company, including policy, public commitments and company goals:

Our comprehensive Ecobank Human Resource Policy (EHRP) articulates the fundamental principles and mutual rights and responsibilities comprising the relationship of employment between Ecobank Transnational Incorporated and its employees. It is the policy of Ecobank to employ people on the basis of their qualifications and with assurance of equal opportunity and treatment regardless of race, religion, color, sex, age, ethnic background, disability, or marital status. Our policy is guided by international human rights standards, including the Universal Declaration of Human Rights, the Internal Labor Organization's Declaration on Fundamental Principles and Rights at Work and the United Nations Global Compact. EHRP is an effective institutional tool and a reference document for staff development matters across Ecobank Group.

(ii) Description of concrete actions to implement, address and respond to the issue (Implementation):

As one of the leading institutions in Africa, Ecobank continues to recognize the changing internal and external environment, including changes in the business environment and diversity in the demographic trend and modifies its EHRP to accommodate the changes. We are taking this very serious and ensure that it is aligned with our governance framework. It is for this reason our new Handbook of policies, integrated all policies into a single document and was approved by our Ecobank Transnational Incorporated (ETI) Board. To sum up, our EHRP is designed to serve the following among other needs:

- To assist in the development of sound and consistent human resource practices across Ecobank Group.
- To serve as a written declaration of Ecobank's commitment to fair employment practices.
- Serve as a basic tool of communication between the Company and all employees
- To foster communication and promote understanding between staff and their supervisors
- Outline organizational rules and requirements
- Provide a guideline for managerial action in making uniform and consistent decisions and in resolving problems
- To communicate Human Resources policies and provide an overview of the Procedures at Ecobank and guidelines in respect to their conditions of service and rights

- Help to foster an environment that respects the differences that each employee brings to the workplace.

(iii) Description of how the company monitors and evaluates (Measurement of outcomes):

We continue to have periodic revisions and updates of the EHRP, HR metric on labor violations & compliance on working conditions and compensation packages. Since no one manual can answer all the questions that an employee may have, All Ecobank staff are always encouraged to contact their Supervisor, Managers or HR Department if they have additional questions or want further clarification of EHRP and Procedures.

C. Environment

Principle 7 Support precautionary approach to environmental challenges;

Principle 8 Undertake initiatives to promote greater responsibilities;

Principle 9 Encourage the development and diffusion of environmentally friendly technologies

Description of the relevance of the issue for the company, including policy, public commitments and company goals:

In spite of a robust economic growth, averaging five percent (5%) per annum in the Ecobank affiliate countries, mainly from the foreign direct investment (FDI) in the E&S sensitive sectors, including the extractive industry, large scale construction and real-estate, the environmental and social basis of sustainability in these countries are progressively being impacted. Besides the avoidance of reputational disparage, unnecessary credit loss, legal liability and fines for indirect environmental damages, Ecobank as a sustainable lender, realizes that it has a vital role to play in shaping and helping clients to conduct their business activities in a more sustainable manner, through its Environmental and Social Management System (ESMS).

Subsequent to this realization, the Board of ETI formally approved the Revised Ecobank Environmental and Social Risk Policy and Procedure Manual (ESPPM), as a guide to inform the bank in its ESMS implementation. Thus, reaffirming the bank's commitment to the E&S management of its credit portfolio, while at the same time, continues to recognize the direct and indirect links between systemic E&S risks and the potential impacts on the reputational and general financial stability risks. Besides, the bank is supporting in building the capacity of its staff towards the effective implementation of ESPPM.

The revised ESPPM guides our business transactions in ensuring that we only finance business activities that will not cause irreparable, irreversible and large scale destruction to the environment. It also enables us work with our clients to identify and implement mitigation and corrective action plans, so as to minimize any impact that our financed activities may precipitate in the environment.

Description of concrete actions to implement, address and respond to the issue (Implementation):

Ecobank enhanced the capacity of its Environmental and Sustainability Unit to revise, align, mainstream and report on the implementation of both the Ecobank Environmental and Social Risk Management system, and the Ecobank Group Sustainability Framework. The Unit is also contributing to the environment and development nexus issues at the national, regional and global levels. Thereby, helping the bank's clients to conduct their businesses in a more sustainable manner and charting the course of environmental stewardship for the bank. The Unit is primarily responsible for all environmental and sustainability management, including environmental and social risks, facilitating sustainable business development, compliance with the Environmental Social Governance (ESG) frameworks, as well as coordinating the bank's internal carbon footprint management.

Through the E&S Unit, Ecobank continues to take cognizance of the potential E&S risk impacts of its client business operations and the bank is in compliance with the contractual and membership reporting obligations of the Development Finance Institution (DFIs) partners and ESG frameworks.

Activities:

Ecobank continues to invest significant time and resources in improving its ESMS implementation by reaching out to the external stakeholders in the E&S management at the national, regional and global levels. Some of the activities carried out by the bank in this regards are indicated below:

a. External validation of ESMS, as embedded in the Ecobank Sustainability practice

In line with the KPMG's recommendations on Ecobank's Corporate Governance (ECG) Practices, the bank engaged an independent Environmental Social Governance (ESG) rating company to review and validate the Ecobank Sustainability framework report. The review feedback echoed the importance of Ecobank responsibilities to its customers, shareholders, employees and host communities. Thus among other things, the report augment the fact that the bank's continuing financial success depends on its ability to identify and address priority sustainability issues, which present strengths, risks or opportunities for our business. It was a reinforcement of the call to concerned Units (including HR, Compliance, Micro finance, Ecobank Foundation, Investor Relations, and Environmental & Sustainability) in order to sharpen our Sustainability approach and improve the Sustainability practices and reporting.

b. Sustainable Energy Financing- business opportunity:

Over the years, Ecobank has demonstrated its effectiveness in engaging with stakeholders on the environmental sustainability issues. In the reporting year, the bank participated in the Opportunity Africa: Sustainable Energy Investments in Africa- Engaging the Private Sector, which was hosted by the Ministry of Foreign Affairs of Denmark and the African Development Bank in Copenhagen, Denmark on 24-25 June, 2014. Ecobank was privileged to be the only commercial bank from Africa at the event and the bank's presentation was focussed on the fact that Africa is energy rich but power poor and acknowledged that the private sector, particularly the commercial bank being the financial power house, has a complementary role to play in the sustainable energy sector.

c. Monitoring the national regulatory frameworks:

As the largest bank in Africa by geographic footprint, Ecobank is contributing to the evolving regulatory frameworks and policies that require sustainable practices and reporting by banks and other companies. These include the Sustainable Banking Principles in Nigeria, National Environmental Management Agency in Togo and Kenya; and Environmental Protection Agency in Ghana, as a few examples of where Ecobank is contributing to best practice standards, as well as shaping the ESMS landscape for banks. Furthermore, Ecobank staffs are currently serving on the National Climate Change Committee in Ghana, as well as in the Malawi's National Climate Change Investment Plan-Peer Review Team. Thus, the Bank is actively engaging with governments and other stakeholders, including the United Nations to foster an effective balance between addressing environmental sustainability and the impacts of related policies and regulations.

d. Support to rural community towards energy efficiency and safe drinking water

In Ghana, the bank collaborated with the John Agykum Kufuor (JAK) Foundation to implement a solar energy based project towards climate change adaptation in Ghana. The project comprises of a solar powered mechanized borehole and streetlights; and a refurbished health centre. It will help to overcome water borne diseases and safe maternal health delivery as well as invigorate night life with safer neighbourhoods and evening social activities for the people of Kojo Ashong Village in Ga West Municipal District of Greater Accra, Ghana. The project handing over ceremony was held on 26

August 2014 at Kojo Ashong and it was well attended by cross section of guests, including local executives and traditional council.

The former President of Ghana, H.E. John Agyekum Kufuor, who is also the United Nations Secretary General Special Envoy on Climate Change, delivered the inaugural address. He was assisted by the Municipal Chief Executive and Mr. George Mensah Asante (representative of Managing Director of Ecobank Ghana) to cut the inaugural tape and inspected the project, which will directly benefit 3000 inhabitants of Ashong Kojo Village and additional 8,000 people from the surrounding villages will derive indirect benefits from the project.

Over the years, unreliable and unpredictable access to water in Kojo Ashong Village in the Ga West Municipal District of Ghana, which is aggravated by climate change and population growth, continue to pose tremendous water challenges to the most vulnerable inhabitants of the community, mostly women and children. Therefore, this project, a joint support of Ecobank and JAK Foundation, aims to help ameliorate the safe drinking problem and acute nightlife activity with the streetlights. It will also help to reduce the prevalence of water borne diseases, grotesque long distance travel by women for antenatal and child delivery through health post upgrade into maternity, as well as inject vibrancy in the nightlife activities with the streetlights.

The infrastructure built include a solar energy powered hydraulic borehole and streetlights. The borehole is connected to a 2 overhead tanks with a total capacity of 5,144gallons, which is connected to the main taps and to the health centre. Streetlights are installed at vantage points and along the paths leading to the water tap sides. Villagers have been trained on rainwater harvesting structures and water treatment technologies, so as to demonstrate and establish local capacity of the value models for future up-scaling.

The estimated total cost of the project is US\$100,000, of which Ecobank Ghana part finance USD50,000. A part of the JAK Foundation support go into disseminating knowledge on water and sanitation management, and in supporting additional resources mobilization activities towards downstream medical equipment.



Solar panel installed with Ecobank support at Kojo Ashong village in Ghana

e. Partnership with UNDP Nigeria to scale-up climate adaptation with eco-stoves in rural communities in Delta State, Nigeria

Riding on the crest of ensuring universal access to modern energy services, and doubling the global rate of improvement in energy efficiency, the United Nations Development Programme and Ecobank entered into a partnership to provide locally manufactured Eco-stoves in selected rural communities of Delta State.

The tripartite initiative between United Nations Development Programme (UNDP), Ecobank Nigeria Limited and Delta State Government is being implemented by the Climate Change Department of the State's Ministry of Environment under the Delta State Women Climate Change Adaptation Project.

Coming under the Territorial Approach to Climate Change (TACC), the initiative seeks to reduce vulnerability of the local communities to the anticipated impacts of climate change and develop a low carbon as well as climate resilient society.

The project targeted at improving household energy efficiency has already commenced through massive community mobilization and sensitization in the three communities of Emonu, Ebor and Ugono- Orogun in Ughelli North LGA of Delta State. A training and orientation of the local stakeholders on the production of the Eco Stoves was held for the benefiting communities, recently.

The project has recorded an appreciable success. 150 women were trained in the production of energy efficient eco-stoves. The Eco-stoves saves up to 60 per cent of the wood that would have been used through the conventional tripod stand open wood burner. It will contribute in reducing the incidences of respiratory diseases because of the chimney helps to remove toxic smoke being inhaled by women and children, using the conventional tripod burners. It will save reasonable amount of time spent in fetching firewood in the forest and within neighbourhoods and less money is spent on purchase of firewood.

Other benefits are reduction in time spent in fetching firewood in the forest and within neighbourhoods. "It enhances the education of the girl-child. The girl-child is originally the focal person in the home when it comes to fetching of firewood for cooking.

Description of how the company monitors and evaluates (Measurement of outcomes):

We regularly review our policies to ensure they reflect the emerging risks and sector specific new realities. Ecobank implement and monitor the Environmental and Social Management System (ESMS) through a collective and collaborative approach of staffs in the businesses, country risk management and the Group risk management. While the business Relationship Managers have the proactive task of ensuring that transactions are properly screened and classified for the E&S risks, the country risk managers have the oversight responsibility over the E&S Due Diligence assessment and the formulation of corrective Action Plan for compliance monitoring, the Group E&S manager has a detective role and general oversight in ensuring compliance and adherence with the E&S standard, as stipulated in the Ecobank E&S policy.

Furthermore, ESMS monitoring and evaluation are also reviewed against international environmental standards, and further guided by the Environmental and Social Governance frameworks, including the Equator Principles and the IFC Performance Standards.

D. Corruption

Principle 10 Business should work against corruption in all its forms, including extortion and bribery

Description of the relevance of the issue for the company, including policy, public commitments and company goals:

Ecobank has implemented policies and processes to fight Corruption. Employees are permanently given opportunities to whistle the blow in case of fraud, corruption. Internal policies also warn staff about the reception of gift and entertainment from customers. Politically Exposed Persons (PEP) is considered as high risk customers and their transactions are closely monitored by the compliance department who can report suspicious transactions to local Financial Intelligence Units (FIUs).

Description of concrete actions to implement, address and respond to the issue (Implementation):

In 2014, Ecobank Affiliates discovered 437 Suspicious Transactions Report (STR) and forwarded these STRs to the Financial Intelligence Units (FIU) in several countries, where the bank is presence.

Description of how the company monitors and evaluates (Measurement of outcomes):

Ecobank Affiliates monitor Anti Money Laundry (AML): Counter Financing of Terrorism (CFT) and Corruption risks thanks to systems like SIRON AML, SIRON KYC and SIRON EMBARGO.