

UN GLOBAL COMPACT:  
COMMUNICATION  
ON PROGRESS  
**March 2017**

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## LETTER FROM GROUP MANAGING DIRECTOR FBN HOLDINGS PLC



We are delighted to present FBN Holdings Plc Communication on Progress report for the 2016 financial year. FirstBank, a subsidiary of FBN Holdings became a member of the United Nations Global Compact (UNGC) in 2013. However, to ensure that every member of the FBN Holdings Group adopts the UNGC principles as part of their strategy, corporate culture and daily operations, FBN Holdings became a member of the UNGC. This amongst others will foster enhanced collaborative partnerships in implementing projects that will advance the United Nations Sustainable Development Goals (SDGs).

The 2016 Communication on Progress report thus showcases activities of subsidiaries within the Group that further our corporate responsibility and sustainability goals in alignment with the principles of the United Nations Global Compact. As a Group, our strategic pillars remain: Sustainable Finance, People Empowerment, Hope Rising is a project initiated and cannot be pillar! The project is certainly part of people empowerment and Environmental Sustainability. This Report details our work, progress and achievements within these areas. Our key initiatives under this area include financial literacy for intermediate youths, with impacts at an approximate 60,000 students across different locations in West Africa. The Hope Rising initiative continues to create advocacy and public enlightenment for persons living with various kinds of disability and engendering their inclusion into mainstream society as well as providing the much needed infrastructure to ensure their health and continuous wellbeing. Initiatives such as Pick-A-Litter are channeled to ensure a safe and clean environment for everyone.

In our experience, our continued commitment to the ten principles of the UN Global Compact constitute a good foundation for demonstrating focus on responsible business practices. What we do is therefore defined by societal needs and business priorities; how we do it is defined by our values and informed by stakeholder expectations. We have an obligation to always consider how decisions and actions may affect people, communities and the environment. Our aim is to ensure long-term profitability by reducing risks caused by business activities and to enhance the positive contributions to society from our global operations. In other words: we want to remain a sustainable organisation, that is in business for the future generations.

As a Group with tentacles in different countries and continents, our relationship with the UN Global Compact and adherence to its principles is all the more important. All of the aforementioned initiatives are therefore strategic towards advancing our corporate responsibility and sustainability goals which include engendering diversity and inclusion, community engagement/support and environmental stewardship.

FBN Holdings remains committed to making progress on each of the UNGC principles, for the benefit of our employees, customers, suppliers, shareholders and the wider society.

**UK Eke, MFR**  
Group Managing Director  
FBN Holdings Plc

## Human Rights

### 1. BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

Enhancing Human Rights through Financial Literacy and Collaborative Partnerships channeled towards Promoting Capacity Building amongst Stakeholders.

The Universal Declaration of Human Rights, Article 26 emphasizes the significance of education in the development of human personality as well as the enhancement of human rights and fundamental human freedom. In line with this fact, we have prioritised financial education geared towards personal growth. The Bank's commitment to engendering personal prosperity and ensuring that organisations are sustainable and overcome major physical and environmental challenges has seen it launch the following initiatives:

#### I. The FutureFirst Programme:

The FutureFirst Programme was initiated in 2013 as part of the Bank's commitment to add value to the lives of stakeholders. It has two expressions which are Career Counseling and Financial Literacy. The Financial Literacy programme is designed to provide an experiential supplement to the business education of high school students in Nigeria. This is by empowering students with financial knowledge through training on running a business and learning basic money skills to promote savings culture and thereby building a crop of future financial managers. The Career Counseling leg of the FutureFirst Programme is geared towards equipping high school students with knowledge on how to make the right career choice. To actualize these objectives, the Bank partnered with Junior Achievement Nigeria, an NGO whose main objective is youth empowerment and the Lagos Empowerment and Resource Network (LEARN).

In 2016, FirstBank impacted knowledge of financial literacy to about 20,000 students via several platforms. These platforms include:

- The Employee Volunteering Platform: The Employee Volunteering platform of the Bank provides staff with a platform that allows them to participate in socially responsible initiatives that impacts their community, giving them a sense of ownership in building the brand and creating a sense of attachment to the Bank as their employer. With respect to the FutureFirst Programme, staff volunteers who participated in the training of trainers exercise assigned to schools where they volunteered at least two hours weekly to teach students about

financial literacy using the Central Bank of Nigeria's (CBN) approved curriculum.

- Participation in the Financial Literacy Day and World Savings Day: The Bank participated in the World Savings Day and Financial Literacy Day both CBN mandated events. The Financial Literacy is observed as part of activities of the Global Money Week. The day featured the MD/CEO of the Bank represented by a senior staff of the Bank teaching students of an adopted school in an identified location financial literacy. Specifically, in 2016, the Group Executive Retail Banking North represented the MD/CEO and taught students of Harmony Secondary School, Lokoja, Kogi State, Nigeria. Also, the World Savings Day afforded staff of the Bank in different locations the opportunity to teach students in identified schools. The World Savings Day is dedicated to increasing awareness of the importance of savings as a pathway to financial independence. A total of 1,775 students in eleven schools across different states of the federation were reached with knowledge of financial literacy.
- One-off Financial Literacy Events: The Bank also implemented one-off financial literacy events in schools in Lagos State Nigeria. This saw a facilitator engaged by the Bank teaching Financial Literacy to students of Meadow Hall School, Lekki, Lagos.

- Excursion Visits: Students from various schools across the nation also had excursion to different branches of the Bank. Staff of the Bank utilized the opportunity to creatively teach the students lessons on Money, Savings, Banks, Spending and Record Keeping. The students were taken on a guarded tour of the branches visiting units such as Customer Service, Teller Points and the ATM gallery all geared towards imparting financial knowledge on the students.
- One-off partnerships targeted at imparting knowledge of financial literacy on individuals: Furthermore, the Bank in 2016 partnered with organisations such as the Child Development and Concern Foundation to reach over 10,000 students in different schools and locations with knowledge of financial literacy.

Other subsidiaries within the Group such as FBN Quest and FBN Merchant Bank also contributed their quota to financial education development in the country. FBN Quest participated in the 2016 Global Money Week (GMW) celebration teaching and engaging students of Government Secondary School (GSS) Kabong, Jos on financial literacy and the importance of saving and investing, in line with Central Bank of Nigeria's directive on Financial Literacy. Also, over 1,000 students were impacted through FBN Merchant Bank's participation in the World Savings Day.



Some Students of Meadow Hall School, Lagos, Nigeria and Facilitators after a Financial Literacy Training Exercise conducted by FirstBank





World Savings Day – A Student receives a gift item from the WSD Facilitators in Yola Adamawa State Nigeria.



A financial literacy day training session at Harmony Secondary School Lokoja, – Kogi State, Nigeria held in commemoration of the Financial Literacy Day, a part of the Global Money Week.

## II Capacity Building through the FirstBank Sustainability Centre

With sustainability becoming very topical, the Bank established the FirstBank Sustainability Centre in 2013 as a specialised Centre that focuses on sustainability in banking, finance and related issues in partnership with the Lagos Business School. The FirstBank Sustainability Centre seeks to achieve the following objectives:

- A specialised training centre that focuses on knowledge creation, knowledge dissemination and knowledge application as it relates to Sustainability in banking, finance and related issues;
- A capacity building centre for staff of FirstBank and other financial institutions who are signatories to the Nigeria Sustainable Banking Principles (NSBP); and
- A platform to promote best practice, learning and sharing on sustainability in Nigeria.

In 2016, the centre in furtherance of these objectives organized the Sustainability Workshop for NGOs and Corporations which was designed to inculcate knowledge on how to create an enabling platform for NGOs and Corporate Organizations to better understand and appreciate the imperative of inclusive partnerships, and comprehend why and how best such partnerships are fostered. The workshop featured over twenty five participants who are top and mid-level NGOs' executives; Individuals interested in setting up NGOs; company executives who work with NGOs and CSR unit/Sustainability unit/Corporate Foundation.

Through the activities of the FirstBank Sustainability Centre, over 3,000 stakeholders have been empowered with knowledge of embedding sustainability into their business practices.

The centre has carried out several researches and case studies. Amongst them is "Social Entrepreneurship: Answering the Call of Nature" which won the best prize for the Emerald and Association of African Business Schools (AABS) case study publication. The case was also accepted for publication in the Emerald Emerging Markets Case Studies Collection.

Partnership with the Nigeria British Chamber of Commerce in Hosting an MSME Workshop:

To bolster the activities of Micro, Small and Medium Enterprises, the Bank partnered with the Nigeria British Chamber of Commerce to organise a workshop themed: "Fundamentals of Building a Sustainable Business". The two day workshop amongst several objectives was aimed at boosting participants' capacity and creating value for MSMEs given the pivotal role they play in modern economies in areas of job creation and significant contribution to the Gross Domestic Product (GDP). Key areas of discourse at the workshop included financial windows available to MSMEs and how to access them, strategy development and implementation for small businesses, sustainability opportunities for small businesses, and financial management for growing businesses amongst others.

Furthermore, FBN Quest, the investment arm of FBN Holdings also held the following people empowerment programme and activities:

- Sponsorship of female staff from FBN Merchant Bank and FBN Capital Asset Management to attend the Women in Business (WIMBIZ) annual lecture series in commemoration of the International Women's Day.
- Woman Rising Sponsorship of about 20 female staff to participate in the Women rising event held in commemoration of the International Women's month. The event featured over 300 participants.
- Supported and participated in the Nigeria Stock Exchange capacity building and knowledge development seminar targeted at inculcating knowledge on sustainable development.
- Executive Management Training on Sustainability and NSBP focused at capacity building and knowledge development of Management staff on sustainability and NSBP. Eight members of management staff impacted.
- Participated in the Women in Business (WIMBIZ) Conference 2016.
- Conducted stakeholders and HOD's training on Sustainability and the Nigeria Sustainable Banking Principles. This entails capacity building and knowledge development of key stakeholders and HoDs on sustainability and NSBP. A total of fifty staff were impacted.
- LBS Bloomberg Terminal entails capacity building, education and knowledge support through provision of a financial resource.
- Sponsorship of the CFA investment conference and annual charter award dinner. The event was themed Promoting regional investing in Africa by Africans. It featured over 300 participants.

FBN Insurance

FBN Insurance, the Insurance arm of FBN Holdings sponsored the Risk Managers Society of Nigeria (RIMSON) Conference in the Gold Sponsor Category.



Participants at the Sustainability Workshops for NGOs and Corporations.





One of the training sessions at the FBN-NBCC jointly hosted MSME workshop for MSMEs

## 2. BUSINESSES SHOULD MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.

FBN Holdings is committed to human rights and respects them as a key element of responsible business conduct. Apart from adherence to the UNGC principles, the Group has an Ethical Code of Conduct which entails that staff are provided with clear, accurate, appropriate, relevant and necessary information to guide their conduct while working with the Bank and to guide their relationship with fellow staff and other internal and external stakeholders so as to avoid breach of individual rights. Also, we have Service Level Agreements for all our service providers. This ensures that everyone operates within their rights without anyone's right being trampled on.

Also, we operate in a highly regulated environment designed to ensure that we know our clients and their business activities, and do not allow our services to be used for improper purposes such as financing of terrorists and money laundering. Our human rights approach entails fair working environment for staff, non-discrimination with regards to gender, race or ethnic group.

We encourage our stakeholders both internal and external to bring to our attention instances where their rights have been violated whether by their superiors or colleagues. A grievance mechanism process is in place to ensure that all are addressed adequately.

### FAIR TREATMENT

At FBN Holdings, part of the content of our codes of conduct is the doctrine of 'Fair Treatment' to our staff and customers. To our customers, we ensure that:

- a. Customers are provided with clear, accurate, appropriate, relevant and necessary information in the cause of doing business with the Group.
- b. Customers are not exploited for example there is no imposition of excessive/unwarranted charges or commissions in order to boost income. Hidden charges will not be taken from a product in which charges have been agreed.
- c. Other stakeholders and officers are treated with respect, dignity and the rights accorded them in line with acceptable conduct and as entrenched in the various organs, policies and regulations.



## Labour Standards



### 3. BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING.

#### Upholding Freedom of Association

At FirstBank, we ensure that in everything we do, our people feel a genuine sense of fairness, equality, freedom and participation. We regard freedom of association as one of the fundamental human rights in the workplace.

In creating and sustaining an environment that supports and encourages human rights/freedom of association as well as collective bargaining, we run an organisation where unions (ASSBIFI, NUBIFE) are allowed to function effectively and staff are at liberty to either become members or not.

We hold quarterly meetings with the executives of these unions who are also representatives of staff. These meetings provide a platform for management and union to discuss on all aspects of employees' employment relationship and also serve as collective bargaining mechanism to resolve issues.

FirstBank also practices a Pay for Performance Principle where bonuses are tied directly to staff performance. The Bank encourages staff to hold regular meetings, engage in open discussions and consultations so as to engender flow of information.

#### Customer Complaints and Resolution

Complaints management is an integral part of our overall Service Delivery Excellence framework and we take every complaint we receive seriously and work with our customers to deal with them quickly and in a satisfactory way. By listening to unsatisfied customers and taking actions to remedy issues, where appropriate, we are able to review our service standards and delivery processes to meet these standards.

Our Complaints Handling policy ensures that complaints received are dealt with in a clearly defined, effective and expeditious manner. We encourage customers to deal with their local branch, or the business unit in which the problem originated because our goal is to resolve these complaints at the local level. Where this is unsuccessful, we have an escalation mechanism in place.

Bank wide, all complaints are recorded and classified to indicate the nature of the complaint, along with the

product or service the complaint is about. Once complaints are classified, the data is analysed and reported on a regular basis through our Service Measurement Dashboard. On a quarterly basis, our complaints management activity receives senior executive attention and accountability. Our goal is to identify themes or trends that occur with front-line service delivery. With recurring issues identified, we take action to improve front-line service delivery, including reviewing products and services, providing additional training to staff on products and services, updating service standards and improving communications. Changes are tracked and monitored closely to ensure actions result in fewer customer complaints.

It is our policy to acknowledge complaints within 24 hours of receipt and also communicate a final resolution to the customer. We strive to resolve most complaints received within 3 to 5 days. However, where there are complexities involved which could extend resolution for more than 5 days, we provide the customer with a progress report. Where customers are not satisfied with the resolution provided, the Bank's Service Ombudsman will act as an independent arbiter in resolving cases.

In addition to our complaints management process, it is essential that customers who complain are satisfied with the complaints management process, hence we also have a complaints feedback system, through which customers who complain are surveyed for feedback on the handling process. The feedback received helps us identify areas for improvement.

#### **4. BUSINESSES SHOULD ELIMINATE ALL FORMS OF FORCED AND COMPULSORY LABOUR**

##### **Elimination of All Forms of Forced Labour**

In carrying out our day-to-day operations, we understand the importance of not only having the right talents at the right places, but also an environment where people are willing to work without coercion. Staff of the Bank are hired based on their free will and there is no forced, bonded or involuntary prison labour. Staff are allowed to resign based on the terms in their contracts. We have been able to achieve this by developing the right policies and frameworks which have helped ensure that our recruitment process is carried out in line with global best practice which is devoid of all forms of bias such that potential employees make recruitment based decision without fear.

For existing employees, we have established a clear framework for escalation such that our people can

freely relate with their Human Resource (HR) business partners on any issue around supervisor-subordinate relationship. We have also reinforced acceptable workplace behaviours through series of campaigns (Jerk behavior campaign, etc). All these initiatives are strategically aimed at ensuring that we have a workforce that is not only emotionally connected to our brand, but also willing to effortlessly champion the cause of the brand.

Also, as a matter of principle, FBN Holdings does not maintain partnerships with any organisation or group that uses forced or compulsory labour. We carry out intensive due diligence checks on our partners employment policies before building relationships with them.

#### **5. BUSINESSES SHOULD UPHOLD THE EFFECTIVE ABOLITION OF CHILD LABOUR.**

**See principle 3 & 4**

#### **6. BUSINESSES SHOULD UPHOLD THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION**

##### **Promoting Diversity and Inclusion**

We are committed to engendering diversity and inclusion in our business practices. Our commitment to engendering diversity and inclusion is part of efforts to broaden access to talent, secure diversity of perspectives, offer equal opportunities and foster a global mindset.

Our board composition consists of 21% female, the highest in any holdings company in Nigeria. At the management level, gender population is 35.9% female to 64.1% male while our workforce comprises of persons of every tribe and culture in Nigeria including expatriates from other countries. We also employ persons with disabilities, one of them being the President of the National Association of the Blind in Nigeria (NAB). We support the NAB's annual White Cane and Safety Day where we donate white canes for the visually impaired and also participate in the Charity Walk through the Bank's Employee Volunteering Scheme (EVS). We also support the Nigeria Society for the Blind with funds to run their vocational training centre designed to provide empowerment opportunities for persons that are visually impaired.

Through our Employee Giving and Volunteering Programme, the Bank's staff are provided with a platform that allows them to participate in socially responsible initiatives that impact their community,

giving them a sense of ownership in building the brand and at the same time fulfilling their yearnings to show care and support for the needy. We are also committed to fostering a safe work environment where the safety, security and wellbeing of our workers are protected. Part of this includes the operation of a clinic where ailing staff can have access to first aid and preliminary medical treatments before visiting the hospital. Our commitment to enshrining human rights guides the way we treat our employees, hence we ensure fair working conditions, improve employee engagement and eliminate discrimination.

Implementation of '#GivingTuesday' through the Employee Giving and Volunteering Platform: FirstBank, a subsidiary of FBN Holdings, observed the 'Giving Tuesday' as part of its commitment to improving the welfare of the less privileged persons. Giving Tuesday is a global day of giving following the American traditional Thanksgiving Day. The Bank through its Employee Giving and Volunteering platform, engaged its staff across different locations in the country encouraging them to 'spring clean' and donate food, clothing and toys to children in orphanage homes and

various care homes including Internally Displaced Persons camps in the northern part of the country.

Staff of the Bank responded to this call and donated food items, clothes, toys, stationery, toiletries, drinks, beddings, detergents and a host of other items to the less privileged. One particular care home received an expensive toy car. Staff volunteers of the Bank championed this activity handling the onerous task of liaising with the care homes, taking stock of donated gift items and handing over the gift items to representatives of the care homes.

Recipients of Giving Tuesday include: The Down Syndrome Foundation Nigeria, Beth Torrey Home, Compassionate Orphanage, Arrows of God Orphanage, and Cheshire Home Lagos. In Abuja; Rachael Homes for orphans and City of Refuge Orphanage and in Port Harcourt; Cheshire Home for the Physically Challenged, The Good Shepherd Foundation: A Home for Destitute and The Child Special School. Selected Internally Displaced Persons camps in Borno State, Northern Nigeria also benefitted from this activity.



Proceeds of Giving Tuesday Donated to Compassionate Orphanage – A charity home based in Lagos Nigeria.





Donation of Gift Items to Rachel Orphanage Home Abuja

### Hope Rising Programme

The Hope Rising Initiative is one of the key programmes of the Group designed to empower people living with disabilities. Its key objective is engendering inclusivity and diversity through education, advocacy and enlightenment; skills acquisition training; as well as inclusive events. Our main focus is creating awareness on Down Syndrome and how to live with Down syndrome. Annually, we partner with the Down Syndrome Foundation Nigeria to actualise the goals of the organisation which amongst others include: engendering the inclusion of persons with Down Syndrome into mainstream society. We support the Foundation on their annual inter house sports competition designed to ensure the physical and mental development of persons with Down Syndrome, annual commemoration of the Down Syndrome Day and the Awareness Walk of the Down Syndrome Foundation.

Besides this, other initiatives supported by FirstBank in 2016 includes:

- Maintained partnership with the Down Syndrome Foundation Nigeria and supported them in their annual Inter House Sports Competition, Children's Day Commemoration, provided press advert support for the World Down Syndrome Day enlightenment campaign, supported and participated in the Down Syndrome Annual Awareness Week.
- Supported the Benola Cerebral Palsy initiative in commemoration of the World Cerebral Palsy day.
- The Bank continued support to the Nigeria Society for the Blind by donating and participating in its fitness walk for the blind through the Bank's Employee Giving and Volunteering Programme.
- Continued support to Golden Hearts Touching Lives initiative for its medical outreach and Christmas party for children of Ojuwoye Inclusive Unit Mushin.
- Continued support to Sebbecky Cancer Care Initiative by donating to its Cancer Survivorship Centre/building project.
- Support to Segun Aina Foundation in hosting a Christmas party event for less privileged children.
- Support to Mr. Ade Adelekan, a physically challenged youth in completion of his final year project thesis at the Lagos State University.
- Continued Support to Folawiyo Jimoh Adisa to attend Para-Badminton Championship tournament in Europe.
- Supported Vama Wave Foundation on its 2016 edition of Diwali Ball meant to raise funds for less privileged people in the society.
- Supported CBA Foundation for the commemoration of the International Widows Day and created advocacy on the plights of widows through advertisement in the



newspaper as well as the advocacy walk for widows.

- Provided advert support for the Rotary Club of VGC District 9110 an organisation committed to helping the less privileged.
- Supported Mr. Adebisi Omojola, a fifth year medical student of the University of Lagos to receive medical intervention for illness bordering on kidney malfunction.
- Supported Shaping Lives Foundation on its advocacy programme and public enlightenment programme on mental health.
- Supported Banana Island Residents Association on their fitness fair and charity walk designed to improve the health and wellbeing of residents of the estate.
- Participated in the #GivingTuesday initiative, a global event designed to drive donations for the less privileged. Seven care homes in Lagos, three in Port Harcourt, two in Abuja and some IDP camps in Borno State benefitted from this initiative reaching thousands of less privileged children.
- Supported the Remi Babalola Red Cross Clinic in the provision of medicines and other vital facilities and equipment for the clinic.

Other subsidiaries within FBN Holdings also implemented various activities and initiatives designed to engender inclusion of physically challenged people into mainstream society as well as provide various forms of intervention for disadvantaged persons.

#### Hope Rising Activities and Initiatives of FBN Quest

- Participation in the NSE Corporate Challenge designed to raise funds for the procurement



Employee Volunteering Programme: Provides a platform for staff to fulfill their yearnings of reaching out to the needy. In this picture, staff participate in the Nigeria Society for the Blind's Whitecane fitness walk for sight.

of mobile cancer care centres across the country.

- Supported the Nigeria Society for the Blind on its May Ball.
- Pick-a-Litter Initiative designed for cleaning of the environment.

#### Hope Rising Activities and Initiatives of FBN Insurance

- Sponsorship of Breast and Cervical Screening among the Girl Child and Market Women in partnership with Rotary Club, Omole. It featured breast and cervical cancer screening exercise for 500 women and girls.
- Sponsorship of 4th Ibadan Golf Tournament. Over 200 Golfers participated in the event.
- Sponsorship of the Mother's Day Fiesta (R-Well Media) which impacted approximately 500 women and girls.
- Sponsorship of the Benola National Cerebral Palsy Family Forum.
- Staff Gift Drive Donations to Down Syndrome Foundation Nigeria.
- Scholarship award to 250 indigent students of Aragba-Orogun community, near Abraka, Delta State.
- Partnership and support to Jakins NGO's Dress-a-Child for school initiative: About 500 students were kitted for school with school bags, notebooks, uniforms, sandals, mathematical sets etc.

Partnership with FirstBank for the 2016 BIPORAL Annual Wellness Fair and Charity Walk.



Remi Babalola Red Cross Clinic built by FirstBank and which also receives periodic financial support from the Bank in order to fulfill its humanitarian objective of making healthcare accessible to people who are less financially endowed.

## Environment



### 7. BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

#### Contributing to Environmental Sustainability through Responsible Lending

At FirstBank, we are committed to avoiding or minimising environmental impacts through our responsible lending efforts. Our customers remain a vital element of our business. We constantly seek responsible ways in providing products and services to meet their needs while ensuring that we manage our environmental and social impacts in the process, thus contributing to the overall sustainable growth and development.

As part of our commitment to driving sustainability in FirstBank, we have enhanced the existing environmental and social screening process to a more comprehensive mechanism - the Environmental, Social and Governance Management System (ESGMS). The ESGMS consists of environmental, social and governance policy and procedures to screen transactions; guidance for monitoring performance and maintaining ESGMS records; ways of reviewing ESGMS and continuously improve it based upon changing international standards the company's lending profile; considerations with regard to internal and external reporting of ESGMS performance; roles and responsibilities for implementation; as well as budget and training of staff. Presently, over 250 Group Heads and Relationship Managers have been trained on responsible lending including other technical and compulsory areas.

In line with local and international standards, the ESGMS also highlights the sector specific policies and requirements with high impacts including oil and gas, agriculture and power.

The Bank through the FirstBank Sustainability Centre organises seminars and workshop for stakeholders. Some of these seminars and workshops are targeted towards minimising negative impact on the environment. One of such is an international conference tagged: 'Implementing Sustainable Strategies in the Energy and Extractive industries.' The conference sought to empower firms in the energy and extractive industries on how to competitively minimise their negative impacts and enhance their positive impact on the environment by embedding sustainability thinking and paradigm in their strategies. This is because research and experience have shown that a well-articulated and engrained sustainability strategy enhances organisational adaptability and survival in complex environments.

## 8. BUSINESSES SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

### Initiatives to Promote Environmental Responsibility

Part of the Bank's long-term approach to sustainability is minimising its direct and indirect impact on the environment. This has informed the Bank's efforts at conserving energy to reduce global warming by reducing its CO2 emissions; as well as conserving resources – a key aspect being through reduction in the use of paper in our business operations, anchored on our print optimisation programme.

The Bank is constantly seeking opportunities to manage environmental and social footprints through the use of alternative energy sources and the reduction of energy consumption for and from business activities and operations. These have included solar powered ATM machines.

Staff of the Bank are also encouraged to engage in teleconferencing in order to minimise traveling and carbon emission from vehicles. The Bank also invests in innovative technologies that lead to higher carbon efficiencies and financial savings.

### FIRSTBANK CONSERVATION PROGRAMME

#### FirstBank Conservation Initiative

The FirstBank Conservation initiative is one of the key programmes of the Bank and is part of our long-term approach to promoting sustainability which involves minimising our direct and indirect impacts on the environment. The conservation initiative employs the tree planting and students' conservation clubs as vehicles to drive environmental protection and conservation.

The key objectives are:

- To minimise carbon footprint through planting of trees
- To create awareness of the need to preserve wild life and biodiversity among school children.

- To educate and build environmental conscious students through partnerships with reputable NGOs and institutions.

The programme is currently ongoing and 240 trees have been planted at the Lagos State Civil Service Model College, Igbogbo, Ikorodu and Evboesi Mixed Secondary School Benin City. 240 environmental sustainability champions have also been raised in these locations. These champions tend to the trees planted and ensure that they are adequately cared for to achieve the Bank's goal of afforestation. The planting of trees is part of the Bank's efforts at contributing to Nigeria on the green economy as well as combating deforestation/desertification, while recognising the key role of children/youth in the sustainability agenda.

### PARTNERSHIP WITH THE NIGERIA CONSERVATION FOUNDATION

The Bank as part of its efforts at engendering environmental sustainability officially became a corporate member of the Nigeria Conservation Foundation in 2016. The Nigeria Conservation Foundation (NCF) is Nigeria's premier non-governmental environment conservation foundation dedicated to nature conservation and sustainable development in Nigeria. The Foundation has a vision of "a Nigeria where people prosper while living in harmony with nature". As a corporate member, the Bank automatically joins in advocacy for the preservation of Nigeria's natural resources, and willingly lend moral and financial support to NCF programmes and activities. Also, as a corporate member, the Bank is at a prime position at suggesting ways to NCF of meeting its vision of harmonising the relationship between man and the environment. As a partner, the Bank also supported the annual NCF Dinner and Dance held to raise funds for the activities of the foundation which amongst other aims includes protecting the environment from the ravages of anthropogenic degradation.





Tree Planting at Lagos State Civil Service Model College Igbogbo Ikorodu Lagos South-West Nigeria.

## 9. BUSINESSES SHOULD ENCOURAGE THE DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

### Investing in Environmentally Friendly Technologies

As part of our efforts to encourage environmentally friendly technologies, we have been investing in Green IT initiatives. In the last three years, the Bank has actively reduced the size of its data centre using rationalisation and virtualisation techniques. A total of 68 servers have been decommissioned in this period. The Bank has also consolidated its data centre from 90 to 22 servers running 500 virtual servers; this has

significantly reduced the energy consumption of IT.

The Bank also has an on-going partnership with the Nigeria Conservation Foundation, Nigeria's premier non-governmental environment conservation foundation dedicated to nature conservation and sustainable development in Nigeria and actively supports its activities annually.

To further enhance the Bank's efforts at conserving energy, mitigating global warming, reducing pollution and reducing waste products in landfills, the Bank engaged in recycling of note books and pens in 2014. As a start off project, the Bank produced five hundred recycled note books and pens which were distributed to the youths in Lagos State Nigeria. In 2015, the Bank targets production of 20,000 recycled materials, notebooks and pens inclusive.



## Anti-Corruption



### 10. BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

#### Corporate Ethics and Culture

At FirstBank, management takes the lead in developing tools to establish the company's culture, through messaging, updating, and distributing codes of conduct, communicating helpline processes, and carrying out annual cultural surveys to test the effectiveness of the programme. The board and management, working together, have been able to strengthen ethics and compliance in the organisation, thus leading to higher quality information, process optimization, improved effectiveness, a protected reputation, and reduced costs.

#### Section 2.5 of our codes of conduct reads:

##### Bribery, Money Laundering and Other Corrupt Practices

**Bribery/ Offer and Acceptance of Gratification** - Bribery is the act of receiving or giving something with the intention of influencing the recipient in some way favourable to the party giving the bribe. Gratification is pleasing someone for a favour done or with the intention to curry favour, usually not within the norm of the person's work scope. In line with laws and regulations, its corporate Governance stance and its passion to maintain its professionalism and independence at all times, the bank does not condone:

- Aiding a customer to evade, manipulate, and conceal information in whatever format. This includes: manipulation of statements, letters reports, tariffs and taxes etc.
- Obtaining or giving gratification or bribes to do work/ influence work that is normally within the Officer's or another member of staff's scope of duty e.g. getting tips over the counter.
- Offering to or obtaining gratification from customers and potential customers to do business or for preferential treatment.
- Offering to or obtaining gratification from the staff to induce or influence reports, postings, ratings, assistance etc.
- Offering bribes or gratification to persons in control functions, regulatory authorities or positions from which information or checks may be made as an inducement to influence the outcome of the checks.

**Money Laundering** - Money laundering is the process by which the proceeds of crime or illegally obtained money usually from illegitimate business and / or foreign are transformed into ostensibly legitimate money and other assets. Usually the origins which may include bribes, drug running, ammunitions and prostitution are concealed at the end of it. The original activities are usually criminal and being caught in the chain of the process has damaging implications for the bank. The bank will therefore: not condone staff being involved directly or indirectly in the process of money laundering. The Bank

- Expect staff to comply with the provisions of all anti money laundering policies and practices
- Expect that due process is taken to establish the true identity of staff and customers who do business with the bank
  - Protect confidential information that may be gleaned in the cause of identity theft.
  - Require staff to carry out processes as prescribed and report any suspicious transactions, staff or persons involved in illegal transactions.

## Whistle Blowing Procedures

Whistle Blowing is a process of raising concern about a wrong doing, illegal or unlawful conduct, e.g., fraud, corruption, bribery or theft. The Board of Directors attaches priority to high ethical standards and probity, and expects all its employees and officers to observe these standards in all their dealings in the Bank. Thus, in compliance with the statutory requirement from CBN in its circular on Code of Corporate Governance for Banks in Nigeria, FirstBank's Whistle Blowing framework which had been established in 2010 was restructured.

The Bank's whistle blowing policy spans both internal whistle blowers (staff, contract employees, management or directors) and external whistle blowers (customers, service providers, applicants, auditors, consultants, regulators and other stakeholders). The stakeholders include employees, customers, contractors and service providers. The process creates a work environment where concerns on misconduct, irregularities or malpractices can be raised without fear of harassment and/or victimisation. Concerns are taken seriously and investigated and the outcome communicated.

The phone lines are 01-9054583, 01-9054543 & 01-6054525 and the email address for the public is [firstcontact@firstbanknigeria.com](mailto:firstcontact@firstbanknigeria.com). Members of staff may contact [Adeyemi.O.Ogunmoyela@firstbanknigeria.com](mailto:Adeyemi.O.Ogunmoyela@firstbanknigeria.com) or [Internalaudit.Head@firstbanknigeria.com](mailto:Internalaudit.Head@firstbanknigeria.com). In addition, whistle blowers can also log onto [www.firstbanknigeria.com](http://www.firstbanknigeria.com) and click on the whistle blowing portal to report misconduct. Other avenues open to whistle blowers are through a letter to the Group Managing Director/Chief Executive or directly to the Chief Internal Auditor. The Bank as a matter of principle maintains confidentiality of data and the identity of the whistle blower.

