



## FIRST CITY MONUMENT BANK LIMITED'S COMMUNICATION ON PROGRESS

**Period Covered: January 2017 to December 2017**

**Statement of continued support by the Managing Director**  
***Attached***

### **A. HUMAN RIGHTS**

#### **Assessment, Policy and Goals**

FCMB is an active supporter of the Universal Declaration of Human Rights. We believe that respect of human rights is central to sustainable value creation which is a fundamental element of our mission and one of our core values (i.e. Sustainability). Our commitment to the realization of human rights is embedded in the Group's key processes which range from our human resources policies and processes to our internal risk assessment policies and processes.

FCMB's Human Rights Policy (framework and approach) aligns with the United Nations Universal Declaration of Human Rights; the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, where applicable to business; and other applicable international principles.

The objectives of this Policy, which guides all FCMB's operations and activities on the subject of Human Rights, include but are not limited to:

- To foster awareness for the Group's position on human rights
- To enhance the Group's capability to identify and manage human rights issues in areas relevant to our business such as:
  - Employees
  - Vendors
  - Contractors
  - Business Partners
  - Customers
  - Communities
- To elaborate on our commitment to support human rights.
- To build increased trust with external stakeholders and to understand and address their concerns
- To foster the development of in-house learning, management capacity and leadership on human rights issues
- To demonstrate international good business practices

This Human Rights Policy outlines the Group's commitment to, and expectations from its employees, vendors, communities etc. in respect to human rights.



FCMB has a Code of Conduct Policy, which all employees sign-off every year. The policy outlines the accepted behavior of all staff of the bank. The bank will not tolerate any form of harassment or bullying and is committed to ensuring that all employees are treated fairly and with respect.

Furthermore, FCMB HR policies prohibit use of child labour; forced labour and discrimination on grounds of race, religion, age, gender or economic background.

### **Implementation**

FCMB has an effective grievance mechanism and independent whistle blowing platforms that support prompt flag-off and resolution of identified grievances.

The bank's Human Resource structure also operates in a decentralized manner, with divisions having assigned HR Partners who help facilitate effective interaction between the HR and employees across the bank and also supports effective feedback methods.

### **Measurement of outcomes**

The interactive platform provided through the HR partners' structure and the Internal Net Promoter Score has allowed the bank to obtain essential feedback from employees which led to the institutionalization of the employee annual health week and general improvement in staff career development. It has also strengthened the freedom of expression within the bank.

## **B. LABOUR**

### **Assessment, Policy and Goals**

FCMB respects the Nigerian and International Labour Laws in its dealings with employees, suppliers and third-party contractors by ensuring that business is done with fairness and without discrimination.

Furthermore, FCMB HR policies prohibit use of child labour; forced labour and discrimination on grounds of race, religion, age, gender or economic background.

### **Implementation**

As an equal opportunity employer, FCMB has a non-discriminatory Recruitment Policy and provide equal opportunities to all employees. Our HR processes and policies (which also cover promotion and appointments) are objective and merit-based with no biases on the basis of factors such religion, sexual orientation, marital status, age, family commitments, disability, creed, color or ethnic background.

As a policy, all employees of the bank are required to undergo a minimum of 60 hours of training for ongoing development and career planning. This usually will comprise of e-learning and classroom training tailored to help all employees realize their full potential.



FCMB has a Health and Safety Policy aimed at ensuring that the health, safety and welfare of all employees, contractors, customers and other stakeholders affected by our business activities are protected.

FCMB has a leave policy that mandates all employees to complete their leave days within each financial year. To discourage employees from compulsory labor, unused leave days are not monetized, and they receive appropriate leave allowances.

### **Measurement of outcomes**

FCMB has not received any labor related complaints.

## **C. ENVIRONMENT**

### **Assessment, Policy and Goals**

At FCMB, we are committed to contributing towards the sustainable development of our host communities, creating long-term value, competitive advantage and sustainability leadership. We recognize that, though minimal, our operations result in some impact on the environment. We aim to continue to reduce the environmental impacts of our business and operate in an environmentally responsible manner while complying with legislation and other legal requirements.

As part of efforts to minimize our environmental footprints, we have identified specific areas where the Bank has the most impact as follows:

1. Energy/ Fuel Consumption
2. Paper Use
3. Water Use
4. Solid waste Production
5. Company Fleet
6. Air travel
7. Third Party Environmental & Social Issues (i.e. Vendors, Contractors etc)

Our objective is to continuously benchmark and enhance our environmental performance through the strategic reduction of our environmental footprint in order to fulfill our environmental obligations and commitments toward being a responsible corporate citizen.

### **Implementation**

- All lending products and services are underpinned by the Board approved SEMS (Social and Environmental Management Systems) policy which has brought about a cultural shift towards social responsibility. As a result, our comprehensive risk assessment now includes a closer review of borrower activities and their possible effect on the environment. We have also deployed innovative products and services to help vulnerable people affected by financial exclusion. This will enable them build on a savings culture and improve their financial skills and understanding.



- We are constantly reducing energy consumption by monitoring energy usage and training staff on basic housekeeping. 15 of our branches and about 80 ATMs now run on solar.
- We integrate energy and environmental considerations in the design of new infrastructural facilities and are migrating our lighting to energy efficient (LED) bulbs.
- At FCMB we have reduced paper usage by increasing the use of e-mail and electronic documentation while printing on both sides when printing is absolutely necessary
- We have adopted the "3-R" (reduce, reuse and recycle) approach towards prevention of pollution and disposal of wastes, especially electronic waste, in line with industry best practices.
- We reduce vehicle emissions by scheduling movements to reduce mileage and appropriate servicing of all vehicles in a timely manner
- We have reduced staff air travel by investing in and encouraging video conferencing for meetings as much as possible
- We hold Annual Vendor Sustainability Forum and monitor the Bank's supply chain to ensure adherence with FCMB's Environmental and Social guidelines

### Measurement of outcomes

- As part of FCMB's commitment to effective waste management, the Bank, in partnership with RecyclePoints (a recycling company), has commenced a Corporate Recycling programme at the Head Office, with the plan to extend it across the Bank's branches. The objective is to significantly reduce the quantity of waste we send to the land fill, thus contributing to environmental sustainability, while saving cost.
- Appropriately labelled bins have been placed in the kitchenettes and other strategic locations on each floor, and the janitorial teams have been trained on how to handle recyclable wastes.
- In the pilot phase, we have been able to recycle 1,081.03 kg of waste that should have been added to landfills.
- About 15 of our branches and about 80 ATMs now run on solar.

## D. ANTI-CORRUPTION

### Assessment, Policy and Goals

FCMB's Code of Conduct prohibits employees from being involved with bribery, corruption and acceptance of gifts.

Our SEMS policy also prohibits the bank from working with companies with corrupt practices, as stipulated in our exclusion list.

### Implementation

All MOUs with vendors have a clause that allows vendors to use our whistle blowing platform in any case involving employee inducement. Any vendor found to be inducing staff will also be blacklisted.



We carry out extensive KYC (Know Your Customer) on clients before beginning banking relationships. Our relationship management procedure also ensures an ongoing check to ensure our customers are not contravening the law.

### **Measurement of outcomes**

FCMB's financial statements follow strict standards and are prepared by external auditors. This serves as an avenue to flag off any false transaction which could be related to bribery or corrupt behaviour.

We have an expanded Internal Audit function, and a Board Audit Committee which ensures full oversight on the bank's financial controls and reporting, its internal controls and audit processes, the independence of external auditors and overall compliance with necessary legal and regulatory requirements.