

20 September, 2018

H.E. António Guterres
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 continuous commitment of Ecobank Transnational Incorporated to the Ten Principles of the United Nations Global Compact (‘UNGC’) and hereby provide you with the 2017 Annual Communication on Progress, (‘COP’), report. Since 2011, when Ecobank became a member of the UNGC, the bank has remained steadfast in aligning its policies and strategies to the UNGC’s Ten Principles regarding Human Rights, Labor, Environment and Anti-Corruption.

In this Annual Communication on Progress, Ecobank demonstrates its recognition of the 10 principles of UNGC as value addition to the bank’s mission to build a world-class pan-African bank that contributes to the integration and socio-economic development of the continent. Thus, in line with the United Nations Sustainable Development Goals (SDG), the bank remains committed to implementing the UNGC’s principles in an intertwined manner that drives the sustainable economies, societies, human capital and environment in our business and operations across Ecobank Group.

We reaffirm our commitment to the promotion of sustainability across our geographic footprint in 33 countries in Africa, whilst seeking to balance profitability with sustainable outcomes both for our businesses and operations and the communities in which we operate.

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

Eric Odhiambo



Group Executive, Risk Management

A. Human Rights:

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

Principle 2 Businesses should make sure that they are not complicit in the abuse of 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 integral to the way Ecobank conducts business. This is reinforced by the dual objectives of our vision: to build a world-class pan-African bank and contribute to the economic and financial integration and development of the African continent.

Ecobank's Human Resource policies continue to reinforce international human rights' standards, including the nine rights:

- a) The right to work and contribute freely to the purpose and objectives of Ecobank,
- b) The right to information on conduct, ethics and performance standards at work,
- c) The right to enjoy compensation accumulated in labor, in terms both of wages and salary,
- d) The right to keep all employee records in a secured environment to be accessed only by authorized personnel,
- e) The right to belong to a union,
- f) The right to be protected from harassment at work,
- g) Civic rights, and,
- 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 through the Ecobank Academy, where creativity is encouraged, celebrated and harnessed, for diversity, respect and integrity remain core values for Ecobank. Furthermore, our footprint in the African continent offers the opportunity for our employees to work across multiple countries, enabling them to develop their careers locally and globally. Ecobank recognizes the hard work of its employees and continues to implement a competitive reward and benefits programme.

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

As the leading pan-African bank of international repute, Ecobank will, at all times, continue to meet its obligations and responsibilities to its employees, shareholders and the communities in which we operate. How well Ecobank measures up to the expectations of its customers and partners depends on the performance of each employee and the implementation of human rights relevant 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 a Human Resource policy handbook comprised of over 80 policies, covering a wide range of issues, 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 and Benefits, and
- k) Termination of Employment

These policies reinforce our corporate identity, our mission and our vision. Furthermore, be they new recruits or those with years of service with Ecobank, we continue to promote these policies and remind everyone to familiarize themselves with this handbook. It is intended to help our people establish successful working relationships as members 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 incidents before or during the reporting period. Our Compliance department continues to grow; promulgating its mandate across all geographies in which Ecobank currently operates. It is our strategic priority to ensure that human rights compliance remains at the top of our agenda.

B. Labor:

- 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 labor
- Principle 5 Effective abolishment of child labor
- Principle 6 Elimination of discrimination in respect of employment and occupation

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining (Promoting Diversity and Inclusion):

As one of the largest organizations in the continent, each of Ecobank’s countries of operation strictly adheres to local regulations regarding staff representation and collective bargaining.

Ecobank embraces its highly diverse workforce, which reflects varying national, cultural and gender characteristics. The Group has prioritized the nurturing of a corporate culture in which our employees want to work and choose to stay. The fact that our workforce is made up of more than 40 nationalities enhances our overall customer insight, as well as our ability to meet their needs and those of our other stakeholders. We are continuing to make significant progress towards greater gender equality at all levels of the organization. For example, women now make up 44% of the overall headcount, whilst 30% of the management team is female. We are proud of our progress towards gender parity in the workplace and are confident that we shall reach our Planet 50:50 goal well before the UN’s 2030 deadline. Yet we recognize that more needs to be done to address the challenges that are impeding Africa’s women and girls from reaching their full potential.

As part of our broader gender equity policies, we are implementing a robust Women’s Development Programme with the aim of increasing the number of women in senior leadership positions and to build a strong pipeline of female business leaders for the future.

Evidence suggests that women are the most productive members of African society, and thus strong contributors to economic growth. Yet, many African women still lack access to basic credit. In particular, women in agriculture, the mainstay of most African economies, and small businesses require better access

to financial services. Our African businesswomen need access to working capital to better manage cash flow and fund investments in new equipment and technology. It is for these reasons that we consider women to be an especially valued segment of our pan-African customer base.

The elimination of all forms of forced and compulsory labor (Improving Employee Welfare):

Ecobank's employee welfare policies have remained consistent. We continue to promote the wellbeing of our employees and their families by providing various benefits, such as full medical cover, including medical examinations and repatriation in the event of critical illness. Other benefits include retirement schemes, based on local regulations and practices, and air tickets for home leave. Reflecting the institution's commitment to family values, Ecobank sponsors annual activities, such as end of year parties and gifts for the children of our staff. Employees can also avail themselves of various loans at preferential rates, irrespective of their seniority to enable them to buy a home or other valuable assets.

There are also programs and other workplace activities, such as sports, social and clubhouse activities, to encourage staff to be more physically active. In most countries, employees have access to an infirmary, where nurses are on call during normal working hours and doctors attend twice a week. Where there is no infirmary, staff healthcare arrangements are made with local medical centers.

The Group has also adopted best practice policies with respect to health and safety, stress management, violence, bullying and harassment in the work place.

The effective abolition of child labor:

As clearly indicated in the Human Resource and Procurement policies of Ecobank, the bank sees the hiring of child labor as a deprivation of access to education and developmental needs and we reject all child labor practices. Ecobank has a zero tolerance for child labor in our business and operation, as well as those of our customers and suppliers. We are proud that no Ecobank subsidiary is involved in the practice of child labor. We continuously assess our customers' activities on multiple social and environmental risk issues, including labour conditions in their business and operations. We also assess labour conditions across our procurement supply chain to identify labour and other social standard violations anomalies in their businesses and operations. If identified, contracts with suppliers who use child labour will be terminated immediately.

The elimination of discrimination in respect of employment and occupation:

Ecobank has over 15,930 employees, representing 43 nationalities from around the world. The diversity of backgrounds and skills within our workforce plays a key role in our unique, pan-African culture. At Ecobank, we recognize the importance of the effective deployment of our human capital to create sustainable value. Alongside our unmatched footprint, customers and infrastructure, our people are at the heart of our 5-year corporate plan to build Africa's leading financial services platform.

In 2017 the Human Resources department, in partnership with the senior management of each of Ecobank's three business lines – Consumer Bank, Commercial Bank and Corporate and Investment Bank – we made steady progress in all of our strategic human resources objectives. Furthermore, we continue to support the Execution of the Bank's Strategy and digital transformation ambitions by focusing on the following areas:

- Strengthening our Learning and Development platform to develop key capabilities;
- Further embedding Talent and Performance Management processes across the Group;
- Launching a Group-wide Employee Engagement initiative;

- Aligning our reward programmes to global best practices to create a performance-driven culture and environment;
- Promotion of Diversity and Inclusion; and
- Improving Employee Welfare.

C. Environment:

Principle 7 Support preventative approach to environmental challenges

Principle 8 Undertake initiatives to promote greater responsibilities

Principle 9 Encourage the development and deployment of environmentally-friendly technologies

Business should support a preventative approach to environmental challenges (Protecting Natural Resources):

As a bank in the vanguard of sustainable financial institutions, Ecobank has been implementing environmental and social risk management (ESRM) on credit transactions in the environmental and socially (ES) sensitive sectors since 2012. This is necessary to ensure that our clients are carrying out their business in an environmental friendly and socially acceptable manner. It also helps to protect Ecobank's reputation, whilst supporting the natural resources and communities in our host countries, with the ultimate goal of advancing sustainable development.

Overview of the Implementation of ESRM in 2017

In Ecobank, Environmental and Social Risk (ES) policy and procedures offer a consistent approach to the identification, screening, classification, mitigation and compliance monitoring of our decision-making processes. The ES policy follows the Group Credit Process and Procedures Manual ('GCPPM') that defines the nature and level of risk that Ecobank is willing to take in pursuit of its strategic and business objectives. Our engagement with clients in the ES eligible sectors, such as the extractive industries, heavy construction, manufacturing, real estate and utilities (including energy generation, transmission and distribution), continues to broaden and deepen. We regularly review eligible transactions in line with the IFC Performance Standards on Environmental and Social Sustainability, as well as the Equator Principles, where necessary. The review is followed by recommendations to improve the alignment and integration of our clients' business practices with sustainable development priorities.

Following the restructuring of Ecobank's subsidiaries into 4 regional groupings in 2016, our ESRM processes needed to be refined and reinforced to focus on material environmental and social issues specific to each region. Of the total of 1,755 transactions that were screened and managed for ES risk in 2017, 59.1% were in the Medium B¹ and Medium A² ES risk categories, versus 61.75% in 2016. Low-risk³ transactions as a percentage of the total increased from 36.2 in 2016 to 39.5% in the year under review, whilst the percentage of High-risk⁴ transactions screened decreased marginally from 1.9% in 2016 to 1.3% in 2017. Furthermore, the percentage concentration of the ES eligible transactions in the Medium A and Medium B risk categories signifies that Ecobank's exposure to potentially ES sensitive activities remained within operational containment limits and, hence, largely manageable.

¹ Transactions with potentially limited adverse social and/or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

² Transactions with potential adverse social and/or environmental impacts that are generally beyond the site boundaries, largely reversible and readily addressed through relevant mitigation measures.

³ Transactions that carry minimal, or no, environmental or social impacts

⁴ Transactions with potential significant adverse social and/or environmental impacts, which are diverse, irreversible or unprecedented.

Environmental and Social Risk Management ('ESRM') Procedures

In the implementation of our ES policy, the Relationship Managers have primary responsibility for managing ES risk, with the Country Risk Management ('CRM') serving as a second line of defence, providing enterprise oversight and assisting the Relationship Managers ('RMs') in the completion of ES due diligence. The Group ES management provides the third line of defence with the open review and discussion of ES risk across all impact categories.

To make better credit and business decisions, our ES risk management evaluates our customers' commitment, capacity and track record in managing ES risks to provide a better understanding of their operations and longevity. This reflects our commitment to ensuring that our lending strategies do not lead to unacceptable environmental and social impacts.

We continue to review competitor ES practices to ensure that our ES management is aligned with international best practice.

Our ESRM implementation procedures are summarised below:

- Screening transactions against activities on the Exclusion List
- Reviewing transactions for ES risks in accordance with sector guidelines
- Identifying project/transaction sectors for Environmental and Social risk classification
- Verifying transactions for potential ES risk identification
- Classifying transactions into Low, Medium A, Medium B and High ES risk
- For E&S low risk transactions, the RMs will sign off Environmental and Social Due Diligence ('ESDD') forms to be verified by the Country Risk Manager ('CRM')
- For all Medium A, Medium B & High risk transactions, detailed ESDD is required (RM and CRM will sign-off all Medium risk rated transactions, to be verified by the Group ES Manager, in relation to:
 - General Information
 - Legislation
 - Health, Safety and Security
 - Labour and Working Conditions
 - Environmental resource efficiency (energy, waste, pollution etc.)
 - Community
 - Internal Environmental and Social Management System ('ESMS')
 - Mitigation and Improvement Action Plan
 - Compliance Monitoring and Reporting

Undertake initiatives to promote greater responsibilities (Sustainability Taught Leadership)

Ecobank is recognised as a taught leader with informed opinion in the field of sustainable banking by the government regulators, development financial institutions, UN agencies and Central banks. In 2017, Ecobank sustainability taught leadership, included speaking and facilitation opportunities as well as working with a Central bank in the development of sustainable banking principles.

As a signatory to the UNEPFI, Ecobank participated in the 2017 UNEPFI Annual General Meeting, held in Geneva, Switzerland and the UNEPFI Africa Regional Roundtable Meeting in Johannesburg, South Africa, in November 2017. The Chairperson of Social, Ethics and Reputation Committee of the ETI Board,

Ms. Dolika Banda, represented Ecobank in a panel session on 'Progress on Sustainable Finance and the Long Road Ahead'.

Ecobank was elected to the Global Steering Committee of UNEPFI for a term of 3 years, 2018 – 2020 through a competitive election process.

The UNEPFI Global Steering Committee provides executive direction on strategic, work programme and budgetary issues on a regular basis. The Global Steering Committee reports to UNEPFI's Annual General Meeting, where all Members come together to make decisions on the initiative's overall strategic direction, structural issues and budget matters. The Committee comprises 13 members from the banking, insurance and investment industries and were appointed via membership election. Ecobank's appointment is in the banking category, along with BBVA (Spain), Corporación Andina de Fomento (Venezuela) and Citibank (USA).

Other events where Ecobank taught leadership was demonstrated included:

- Sustainable Banking Principles Tour of Bangladesh, organised by the International Finance Corporation (IFC) and hosted by the Bangladesh Bank (the central bank of Bangladesh) in October 2017
- Moderated the Ghana Green Finance Conference held in Accra, Ghana and organised by the International Trade Centre based in Switzerland, African Guarantee Fund based in Kenya and the Nordic Fund based in Norway in December, 2017.
- Affiliation with Environment, Social and Governance (ESG) Frameworks (UNEPFI):

At the global level, Ecobank continues to ensure that its commitment to sustainability goes beyond compliance with legal requirements, whilst remaining an effective tool for gaining competitive intelligence and widening networking opportunities. Our participation in global sustainability initiatives is aimed at leveraging best practice to improve our internal programmes for the implementation of sustainability.

Meanwhile, the bank continued to offer guidance on sustainable business approaches to clients, whose operations have significant environmental and social risk issues. Amongst others, we advised them on how to conduct their businesses in an environmentally friendly and socially acceptable manner, while at the same time helping the Bank in charting forward its corporate sustainability stewardship. The Bank also served as a resource, to other banks on the development and implementation of sustainability tenets in banking.

Encourage the development and adoption of environmentally friendly technologies (Mobile banking and e-banking solutions):

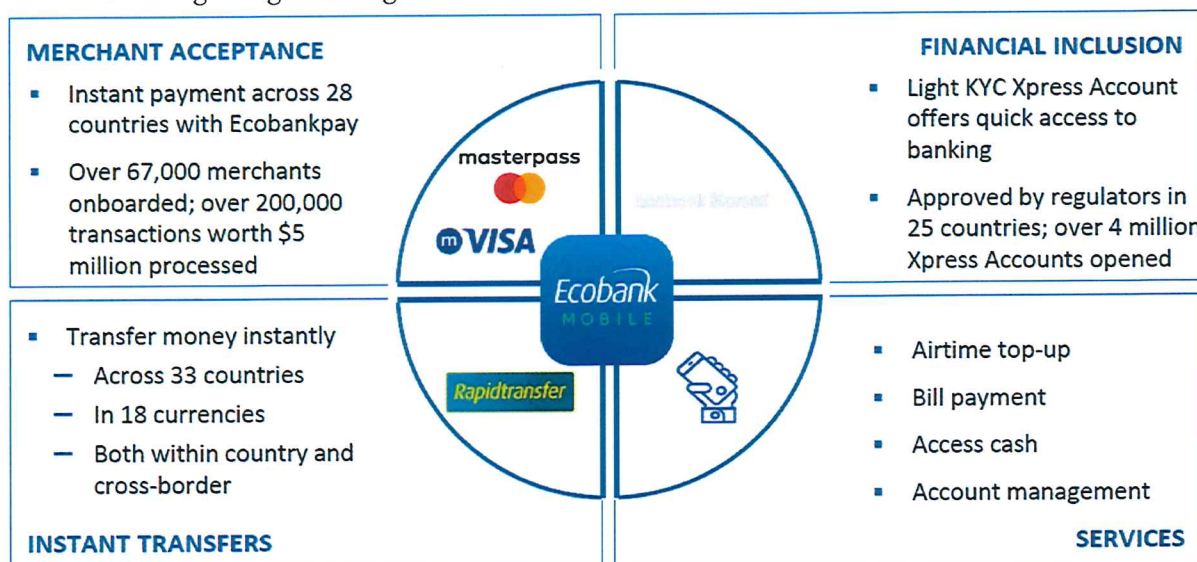
The continuous adoption of mobile banking and e-banking solutions present a unique innovation in Ecobank business and contribute to revolutionize our banking operations and business practices. Mobile banking promotes paperless statements delivered directly into customers' email addresses, while saving the cost of printing paper and delivery. Less use of paper makes mobile and e-banking solutions environment friendly. Furthermore, the adoption and promotion of mobile banking in Ecobank has contributed in reducing bank building infrastructures as well as making the journey to the bank obsolete for certain transactions. Thus, use of mobile Applications enables the users to transact business from the comfort of their abode without having to commute to the bank, thus reducing greenhouse gas emissions.

In practical sense, with the Ecobank Xpress account that allows customers to instantly open a mobile banking account, leveraging the KYC ('Know Your Customer') initiatives implemented by African Telcos. To date, regulators in 25 countries across our footprint have approved this KYC-light account, as financial inclusion is seen as a high priority. Ecobank has also developed its own payments platform, enabling instant fund transfers across our network of 33 countries. This eliminates the former high tariffs on low value

cross-border transfers, which were prohibitively expensive for many Ecobank consumers. Hence, thanks to enhancements to its digital banking platform, Ecobank is now reducing transaction costs and improving access for its existing and potential new clients, thereby furthering financial inclusion and improving customer service.

Features of the Ecobank MobileApp include:

- Open an Ecobank XpressAccount within minutes
- Instant remittances to 33 African countries
- Funds transfers within Ecobank to other local banks within Ecobank’s footprint
- Merchant payments using EcobankPay with Mastercard and VISA
- Payment tokens using Ecobank XpressCash redeemable at Ecobank ATMs and XpressPoints
- Bill payments
- Individual/third party airtime top-up requests
- Card/cheque blocking requests
- Balance enquiries, mini-statements and account statement requests
- Checking foreign exchange rates.



Across our footprint in Africa, consumers are eagerly adopting digital banking and the Ecobank MobileApp enables our customers to carry out their financial transactions ‘on the go’. Ecobank is taking digital banking beyond providing customers with 24/7 banking services; we are also applying digital technology internally to automate processes, create new products, improve regulatory compliance and transform and monitor employee performance, thereby honing our decision making and overall efficiency.

Speeding Migration to ‘Paperless’ Operations:

Besides the mobile banking and e-banking services, Ecobank has improved on its operations by adopting speeding the migration to ‘Paperless’ Operations. This is in line with the bank’s strategy of pursuing innovation to create sustainable value, the Electronic Records and Document Management System (‘ERDMS’), introduced in 2015, has benefitted the environment, as well as improving operational efficiency. Today fewer hard copy documents are being kept to meet regulatory compliance requirements for business information.

By scanning documents and using a customised file naming system, front-office staff have fingertip access to the information database. Furthermore, memos and internal newsletters are being circulated via the Group Intranet. The result is an uncluttered office, with more efficient and better-informed staff. By way

of illustration, as of December 31, 2016, Ecobank Ghana's electronic library has stored a total of 4.6 million bank teller records and saved a total of over 10 million sheets of A4 paper.

D. Corruption:

Principle 10 Business should work to abolish corruption in all its forms, including extortion and bribery (Enhanced anti-bribery and corruption policy):

As a pan African bank with geographic footprint in 33 countries in Africa, Ecobank recognises that the bank could be liable to regulatory breach and reputational setback, if a person in the organisation (management, staff or service provider) commits a bribery offence by paying a bribe specifically to get business, keep business, or gain a business advantage for the organisation. This person's activities would then be attributed to Ecobank. Thus in 2017, the bank has developed its Anti-Bribery and Corruption Policy to safeguard against bribery and corruption in the Bank's business and operations.

The 2017 Ecobank Anti-Bribery and Corruption Policy is designed to reduce the risk of Ecobank staff, offering, receiving or extorting bribes, either directly or by proxy, and will thereby help to mitigate the risk of the Bank being subject to legal or regulatory risk. The Anti-Bribery and Corruption Policy provides a comprehensive measures being taken to combat bribery and corruption in the bank. It also detailed the bank's procedures to ensure Ecobank's business is conducted in an honest and ethical manner. Amongst others, the policy document aimed at ensuring that all Ecobank staff have the requisite understanding and take all necessary steps to comply with local laws, regulations, and international standards prohibiting the giving and acceptance of bribes or indulgence in acts of corruption. It also acts as a safeguard against third parties known to have or have been previously found guilty of engaging in corruption and/or bribery in their line of duty.

The development of 2017 Ecobank Anti-Bribery and Corruption Policy was led by the Group Compliance Department and the document acknowledges that the risks of exposure to financial crime have increased due to a number of factors, including technology advances and evolving business practices. These factors create evolving opportunities for the unscrupulous ones with ulterior motives to exploit and manipulate the process. In this case, the bank is taking anti-bribery and corruption very seriously and investing in dedicated internal experts to improve oversight and controls on anti-bribery and corruption. The experts, under the auspices of the Group Head of Compliance, review any allegations and incidents of bribery and corruption and respond in a proactive and meaningful way. In some instances, the bank pursues an action at an earlier stage before the situation escalates to a crisis. Where instances of actual bribery and corruption are identified, Ecobank develops an appropriate response, including a documented risk assessment, due diligence, remediation and monitoring plan, as outlined in the anti-bribery and corruption policy.

Ecobank takes a zero-tolerance approach to bribery and corruption and the bank remains committed in ensuring that its employees act professionally, fairly, and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to safeguard against bribery and corruption. In this regard, the bank scrutinizes all its business operations and hiring practices against bribery and corruption. Thus, all employees of Ecobank are required to be cognizant with the tenets of the policy and ensure a culture of compliance.