2oth March, 2020.

H. E. Antonio Guterres

Secretary General

United Nations

New York, NY 10017

USA

Dear Mr. Secretary-General,

I am pleased to reaffirm that First City Monument Bank Limited supports the Ten Principles of the United Nations Global Compact in the areas of Human Right, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe the actions we have taken to continually advance the integration of the Global Compact and its principles into our business strategy, culture and day to day operations of our company, and to engaging in collaboration projects which advances the broader Sustainable Development Goals.

FCMB will make clear statement of this commitment to the stakeholders and the public using our primary channels of communication.

Yours Sincerely,

Adam Nuru

Managing Director

First City Monument Bank Limited.

**FIRST CITY MONUMENT BANK LIMITED’s COMMUNICATION ON PROGRESS.**

**Period Covered: January 2019 to December 2019.**

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

***Attached:***

1. **HUMAN RIGHTS**

**Assessment, Policy and Goals.**

FCMB is an active supporter of the Universe 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 (Excellence, Professionalism, Innovation and Customer Focus-EPIC). Our commitment to the realization of human rights is embedded in the Group’s key processes which ranges from our human resources policies and processes to our internal risk assessment policies and processes.

FCMB’s Human Right Policy (framework and approach) aligns with the United Nations Universal declaration of Human Rights; the International Labour Organization (ILO) Declaration of Fundamental Principles and Rights at Work, where applicable to business; and other applicable international businesses.

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 behaviour 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 supports effective feedback methods.

**Measurement of outcomes**

The interactive platform provided through the HR partners’ structure, the career development, my #idea portal , an hour with the MD 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.

1. **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 based on 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 72 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 labour, unused leave days are not monetized, and they receive appropriate leave allowances. As part of the bank’s effort in creating family friendly policy, FCMB recently introduced 5 days paternity leave benefit to all qualifying male staffs.

**Measurement of outcomes**

FCMB has not received any labor related complaints.

1. **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 on our materiality consumption 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 to fulfil 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. We improved from 48 of our branches and about 144 ATMs to 101 branches, 6 cash hubs and 303 ATMs in 2019 now run on solar energy efficiency.

• 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 hugely by the paperless approval strategy in our processes and increased use of e-mail and electronic documentation while printing on both sides when printing is 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 in our Corporate Recycling plan.

• We reduce vehicle emissions by scheduling regular on-line, teleconference meetings to reduce mileage movements and appropriate servicing of all vehicles in a timely manner. We also introduced BOLT and UBER drive for our business calls, and we are facing out car-pooling, to reduce and monitor our carbon footprint

• We have also reduced staff air travel by investing in and encouraging video conferencing for meetings and events 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

**Occupation, Health and Safety-OHS**

FCMB is also conscious to execute its business service in a safe and healthy environment.

As a show of our commitment to this cause, FCMB created a Safety Unit to coordinate occupational health and safety issues in all its branches.

FCMB is certified with ISO 45001(OHS), an international standard that specifies requirement for Occupational Health and Safety management system, with guidance for its use to enable the organization proactively improve its OHS performance in preventing injury or situations leading to challenge all round safety.

With this certification in place and in keeping with the standard, FCMB now enjoys the following as benefits.

* The bank now belongs to an elite category and will be internationally recognised.
* There is improvement in staff motivation, effectiveness and wellbeing in the work environment.
* The bank now enjoys increased acceptance by regulators, the public and interested parties as being proactive on OHS and continual improvement.
* There is also improvement in business performance as ISO 45001 reduces workplace illness and increases productivity.
* There is OHS awareness and consistency throughout the bank, built around best practices.
* The Bank now pays lower insurance premium and provides due diligence to the marketplace and shareholders.
* Hazard identification is now easy in all the branches due to high awareness OHS now enjoys.
* The standard has enhanced the Bank’s reputation as internationally certified.
* The management monitors and make decisions, as there is reliable data base to act on.

Our auditing process is aligned to OHS practices, which serves as an early warning system to help spot OHS threats.

Additionally, FCMB is also ISO27001 certified, in compliance with international best practice. This is in addition to other standards implemented in different areas across the Bank, including Strategic IT Alignment, Project Management, Service Management and Business Continuity Management.

The ISO/IEC 27001 is an international standard for Information Security management. It provides the policies and procedures for keeping the Bank’s information assets secure. It is a standard for ensuring the confidentiality, integrity and availability of information assets.

**Benefits of the Standard**

* Builds customer confidence in how FCMB protects the confidentiality, integrity and availability of the customer’s information.
* Helps to comply with regulatory and statutory laws.
* Implementing an ISO 27001-certified ISMS helps to protect and enhance our reputation as a Bank.
* Helps to avoid financial penalties and losses associated with data breach.

**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.

• Since inception in 2016, we have been able to recycle 350,081.03 kg of waste that should have been added to landfills.

Besides the creation of a Safety Unit to coordinate OHS issues in all its branches.

We have also included the following supporting practices:

* An OHS committee was created, that meets monthly to discuss and take decisions, which is passed to the top management on OHS issues and resolution.
* The banks Training Academy organizes a yearly training for OHS champions.
* There is regular Occupational Health and Safety tips being published by the bank to increase awareness level of the staff on OHS issues and resolution.
1. **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. 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.

In addition, FCMB ensures regular submission of report on issues bothering on Anti- corruption measures taken as a bank. We have developed internal policies with board approval to comply with the regulations not later than three months after the issuance of the regulations.

**COVID 19 Pandemic: FCMB Interventions to Support the Government and Nigerians.**

As the COVID-19 (novel coronavirus pandemic) takes an intense dimension, with its prevalent negative effects on individuals, households, communities, businesses and health systems, FCMB Group Plc, a foremost financial powerhouse in Nigeria, has again risen to the occasion, proving its determination as a resilient and responsive institution by stepping up the tempo of its interventions through various humanitarian gestures.

The demonstrated and prompt response to the COVID-19 crisis is a testimony that the bank is living up to its core values of Excellence, Professionalism, Innovation and Customer-focus (EPIC), propelled by a culture of originality.

FCMB Group Plc and its subsidiaries responded swiftly and comprehensively by deploying robust intervention strategies- (palliative, health and safety measures) to safeguard its stakeholders- employees, customers, the general public/ communities and support the Nigerian Government.

**Customers:**

1. Compulsory enforcement of temperature screening, use of hand sanitizers and hand washing for all customers that must gain access to any of its business premises, use ATMs, while observing social distancing rules always.
2. Inspired by the spirit of, ‘We Are in This Together’ and considering the critical services offered by the financial institution, especially at a time like this, First City Monument Bank (FCMB), which is the commercial and retail banking subsidiary of the Group, further optimized its world class alternate and digital banking channels to effectively cater for all forms of transactions required by customers, thereby limiting the threat of inter-personal interaction that could escalate COVID-19, while also helping the government, communities and individuals to mitigate the impact of the pandemic.
3. Following the outbreak of the COVID-19 pandemic, FCMB Group, fully activated its ‘**business continuity plan’** in the wake of the outbreak of the virus, where its IT team provided stable digital channels during the lock down period to serve the customers optimally.
4. The 7th Annual General Meeting (AGM) of FCMB Group Plc was successfully held by proxy (virtual) on April 28, 2020 to ensure social distancing rules as part of measures to contain the spread of COVID-19. The AGM was streamed live to shareholders.
5. The financial institution is equally supporting borrowing customers by providing payment moratoria during this period, to ensure they can survive and continue to pay their workers.
6. Continued sensitization  and awareness to all customers to stay safe via all the banks’ communication channels.

**Partnerships with General Public and Communities:**

Donation of palliatives, including food and household items, to State Governments, charity organizations, challenged individuals and households across the country, affected by the pandemic and lockdown.

1. The Bank provided financial support to [givefood.ng](https://eur01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fgivefood.ng%2F&data=02%7C01%7COmoniyi.Iyanda%40fcmb.com%7C7281ae1565834df828dd08d7f10c075f%7C1c3b06c35c404e52bb79f3fdf2d9ae66%7C0%7C0%7C637242906280008494&sdata=IPimLrLHI38VdCUtj%2BjGyJ6soFTAuVERyzucXRWVUlw%3D&reserved=0) coalition, coordinated by Babban-Gona Farmer Services Nigeria (an agricultural franchise), which aims to provide meals to 1 million vulnerable Nigerians every week. This gone a long way to sustain a large section of the population whose means of livelihood have been affected by COVID - 19 and the prevalent lockdown.
2. As part of its humanitarian support, the bank collaborated with a credible Non-Governmental Organization- Youth Empowerment Foundation-YEF by providing immediate relief items, food and wash items to 50 households and challenged individuals in a remote community of FCT (Mmape) affected by the prevalent lockdown action on COVID-19.

**Government/Regulators support:**

1. Donation of N250 million to the intervention initiative set up by the Central Bank of Nigeria (CBN), in partnership with the private sector, to assist the Federal Government respond effectively to COVID-19, known as the Private Sector Coalition Against COVID-19 (CACOVID), targeted to support households and businesses to mitigate the impact of the virus, through the building of isolation and treatment centres, providing personal protective equipment and distributing food to over 10 million most-economically vulnerable Nigerians.
2. Donation of various medical items, including Personal Protective Equipment (PEP) to several State Governments across geographical zones to assist them effectively equip and secure health workers who are at the frontline of the fight against COVID-19.
3. Donation of food items to State Governments across geographical zones to assist them effectively support individuals and households across Nigeria affected by the lockdown action.
4. Partnership with ***54gene*** to sponsor the testing of 3,000 people in Ogun State to determine their COVID-19 status, thereby complementing the State Government's effort to determine and mitigate the extent of the spread of the pandemic.

**Employees:**

1. Regular cleaning of teller counters at all branches of the Group's retail and commercial banking subsidiary, First City Monument Bank (FCMB), with disinfectants every hour.
2. Compulsory enforcement of temperature screening, use of hand sanitizers and hand washing for all employees that must gain access to any of its business premises; use of hand gloves in operating the ATMs and cash handling processes, while observing social distancing rules always.
3. Purchase of 11,000 face masks which were distributed to employees and several customers nationwide. This is aimed at boosting the **"Mask for All"** campaign of the Nigerian Stock Exchange (NSE) and similar initiatives by other stakeholders.
4. Temporarily change of work structure by ensuring that some category of staff can work remotely to minimize physical interaction as well as adhere to social distancing guidelines.
5. As part of our Business continuity measures, all training programmes and meeting sessions were held virtually.
6. To minimize the risk of physical contacts, staff buses are provided to employees that must be in the office, where necessary, while observing social distancing rules always.
7. Continued sensitization of all employees to observe all safety measures and precautions to stay safe.

As a distinguished corporate organization, FCMB has proven to be a committed member of the NSE with unwavering readiness to the delivery of innovative and exceptional services and provide continuous support to all our stakeholders as the need arises.

Indeed, "We Are in This Together".