



UN GLOBAL COMPACT:
COMMUNICATION ON PROGRESS

July 2020

LETTER FROM FBNHOLDINGS GROUP MD

As we reflect on our business in 2019 and our view of the developments that will shape the new decade such as data analytics, digitalization, and artificial intelligence, our focus as a business has been geared towards the pursuit of dual objectives of enhancing the fundamentals of the business using these levers and ensuring that the institution continues to lead the market in sustainability. In furtherance of these objectives, I am pleased to report that we have fully automated the use of environmental, social, and governance management systems ("ESGMS") framework in our operations and decision-making process. The automation of the ESGMS framework means that the journey of embedding sustainability within the Group is maturing and these efforts would result in the efficient and effective screening of all transactions towards responsible lending and mitigate the associated environmental, social, and governance risks.

For a business that has seen several evolutions in not just nation-building but human existence, we know that the requirements of yesterday's businesses are not the same as those in today's ever-evolving and increasingly connected world. Consequently, this process - which coincided with our 125th anniversary - is timely as it positions FBN Holdings to ensure the best possible value to its shareholders, clients, and other stakeholders.

Our demonstrable stakeholder engagement and unwavering commitment to leading the agenda for nation-building also continue to pay off as shown by our 2019 sustainability results. This report highlights some of those commitments that are driven

In driving the SPARK initiative, our employees through the Employee Giving & Volunteering programme have achieved a milestone of 40,000 hours of employees committing their time, skills, and resources to philanthropic activities.

by our corporate responsibility & sustainability (CR&S) goals across the various strategic platforms of Sustainable Finance & Investments, People Empowerment, Community Support, and Environmental Sustainability.

We deepened our contributions in community support and environmental sustainability through our values-based initiative - SPARK (Start Performing Acts of Random Kindness). SPARK is the key initiative of the Group that gets everyone truly busy during the CR&S. The CR&S as you may be aware is a week dedicated to giving and sharing by the entire staff and stakeholders of the Group. This is the third year since its inception and over 40 million people were reached; 50,000 lives in 8 countries impacted; while partnering with 50 charities /NGOs.

In driving the SPARK initiative, our employees through the Employee Giving & Volunteering programme have achieved a milestone of 40,000 hours of employees committing their time, skills, and resources to philanthropic activities.

Our commitment to improving the quality of life and financial security of our customers and their families has remained undiluted in 2019. This positive impact is driven through sustainable products and services tailored to meet their needs in line with our financial inclusion goals.

Contributing to environmental sustainability remains a key element of our CR&S strategic approach and at the heart of this drive is



conservation. Some people might ask why the interest in conservation? And what the environmental impact of our group could be? It's because we acknowledge that inefficient use of energy and paper - however inconsequential some may consider it can be linked to climate change and its global effects. As such, we are taking proactive steps to reduce our environmental impact in our offices and data centers whilst we continue to partner with the Nigeria Conservation Foundation (NCF), Nigeria's premier non-governmental environment conservation foundation dedicated to nature conservation and sustainable development in Nigeria. Since 1894, our objective of upholding the highest standards in corporate citizenship and creating value for the diverse stakeholder groups we serve has remained unchanged. Notwithstanding the results of our effort in forging a better environment, we still strive to deepen innovative and inclusive financial solutions for our customers, enrich the lives of those in the communities in which we operate, and minimize our environmental impact in line with our goals as a corporate organisation.

Urum Kalu Eke
GMD,
FBNHoldings



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 Leadership and Ethics amongst Youths and Capacity Building for Stakeholders.

The Universal Declaration of Human Rights, Article 26 underlines the significance of education in the development of human personality. It also, underlines the significance in the improvement of human rights and fundamental human freedom. In line with this fact, we have prioritized financial education equipped in the direction of personal growth.

We are committed to providing innovative financial solutions to our customers. Our rich heritage and diversified businesses demonstrate our ability to evolve with our customers' financial needs, create value for our stakeholders and drive economic growth across Africa. It is about continually putting our customers' needs first as well as enriching the lives of the communities where we live and work. It's about driving a sustainable business that contributes to the overall sustainable growth and development of the society while responsibly managing our environmental, social and governance impacts in the process through the following initiatives:

The FutureFirst Programme: There is no doubt that at FirstBank, the future is our most present priority. It is on this premise coupled with our commitment to promote financial inclusion in the country that we have consistently been implementing the 'FutureFirst' programme. It is a unique programme designed to ensure youth of the nation are financially independent through fulfilling careers and the right financial knowledge. The programme is built around Career Counselling, Financial Literacy and Entrepreneurship.

The programme offers an experiential supplement to the students to:

- Gain the tools and knowledge to make effective and informed financial management decisions and achieve long-term financial independence;
- Insights on how businesses are organized and operated;
- Develop critical thinking, speaking and leadership skills and be able to demonstrate the rewards of the free enterprise system; and
- Make the right career choices and gain basic workforce-readiness skills.

The aim of the Career Counseling is to guide the students appropriately towards making the right career choices to prevent the wrong career move in future which could have long-term negative effects.

The Bank execute the career counseling through various activities such as Youth Empowerment Series (3.0), UI Career Fair, etc. which are designed to equip school students with the knowledge needed for career planning and fulfillment.

The Financial Literacy pillar is structured to empower secondary students with the requisite financial knowledge such as access to quality financial education to enable them make informed choices on money matters and take effective actions for their financial wellbeing.

Financial literacy is partly executed through our participation in the Global Money Week and World Savings Day. A day set-aside by the CBN, which is mandated to all banks to adopt over 30 assigned schools across the 6 geo-political zones in Nigeria to ensure financial inclusion for the unbanked. The Bank delivers a teaching module in these schools to inculcate the savings culture in them which is designed by Junior Achievement Nigeria.

We partner with Junior Achievement Nigeria (JAN), a non-profit organisation to implement our FutureFirst programme. JAN's programme aligns with FutureFirst's vision and based on the curriculum, we have positively assisted students in different locations across the country.

Through our partnership with JAN, senior secondary school students were provided with practical business experience under three pillars of financial literacy, work readiness and entrepreneurship.

The programme offers an experiential supplement to the students' business and economics studies. It provides insights to how businesses are organised and operated; develop critical thinking, speaking and leadership skills; understand the rewards of the free enterprise system; learn about career opportunities; and gain basic workforce-readiness skills. The programme also fosters a positive relationship between young people and the business community.

Over the years, we have actively supported, participated and volunteered in the implementation of their various experiential programmes especially in the Company of the Year (COY) Programme.

The COY programme brings secondary students together to form a company, choose a business name and elect company officers to oversee operations of the company for the program duration. It teaches students to put theory into practice in order to fully understand what financial literacy and entrepreneurship is.

At the end of the program, the students that complete the program successfully will compete in the regional competition and will represent their school in the National Company of the Year competition in Lagos. The winning school will go on to represent Nigeria in the African Regional Company of the year competition with other JA Member Nations in Africa.

Consistently, the Bank has been sponsoring the National Company of the Year (NCOY) Competition as well as in the Africa level.

The TC Achievers from Taidob College Abeokuta, Ogun state in Nigeria emerging as the winners of the Regional Company of the Year (RCOY) and the National Company of the Year (NCOY), competed with 10 other Junior Achievement member countries in Africa, notably from the Kingdom of Eswatini (Swaziland), Ghana, Zambia, Gabon, Uganda, Zimbabwe, Mauritius, Botswana, Kenya and South Africa at the COY Africa competition held in Accra, Ghana on Friday, December 6, 2019. The TC Achievers won four wards which includes Client Focus Award, Entrepreneurial Spirit Award, Facilitator of the Year Award and was second runner up, Company of the Year Award at the competition with an inventive Gas Leakage Detector which would go a very long way at solving the problem of fire outbreaks due to gas leakages in homes, offices, and industries.

The FutureFirst programme has impacted over 85,000 secondary students, across the regions of the country including Lagos, Port Harcourt and Abuja with knowledge of financial literacy and entrepreneurship. This programme recruited staff volunteers from the Bank expending over 40,000 volunteering hours.

This year, we joined JAN to celebrate a milestone –20 years – of impact and the contribution they've made in promoting economic growth and development in the country. We supported and participated in the activities to commemorate the day which are not limited to the Youth Leadership Conference as one of the speaker in a panel session.

Also, we were recognised of our continuous partnerships through volunteering and donations, immense contribution to JAN's success for over 20 years as a Board member.



Olufunke Smith, Group Head, Retail Banking, Lagos Island 1, FirstBank; (Second Left), Simi Nwogugu, ED, Junior Achievement Nigeria (JAN), (Right); with the Winner, TC Achievers team and staff of JAN at the National Company of the Year (NCOY) competition held in Lagos.



L-R: Simi Nwogugu, Executive Director, Junior Achievement Nigeria (JAN); TC Achievers team; Enoch Vanderpuye, Country Team Lead, Marketing & Corporate Communications, FBNBank Ghana, subsidiary of FirstBank; TC Achievers team and staff of JAN sponsored by FirstBank to represent Nigeria at the African Company of the Year (ACOY) competition held at Ghana.

II CFA UNIVERSITIES ETHICS CHALLENGE AND SAMUEL ASABIA CHAIR ON BUSINESS ETHICS

To demonstrate the Bank's values -EPIC- to Ethics, Professionalism, Integrity and Customer Centricity to the inclusive growth of Nigerians, as well as support youth education and drive nation building, the Bank has consecutively partnered with CFA Society for three years in its annual Universities Ethics Challenge. CFA Institute is a global, not-for-profit association of investment professionals is at the forefront of setting global standards and advocating for professional excellence that ultimately benefits society by improving both investor protection and outcomes.

The Ethics Challenge is one of the university outreach programs organised by CFA society Nigeria for university students. The competition embodies the mission of CFA institute to promote the highest standards of ethics, education, and professional excellence in the investment industry and this aligns with the CRS strategic approach and the objective of the Bank's Endowment programme – the Samuel Asabia Chair for Business Ethics at the University of Lagos.

We believe that promoting ethics in business is not only important for the reputation of our brand, but also one of the solid pillars that effectively support sustainable financial institutions.

CFA Institute's educational programs are designed to develop the next generation of investment professionals globally. The activities under the educational programs are carefully designed to promote a high level of professionalism and ethical practices in investment research by students from universities and business schools through hands on mentoring and intensive training. Each participating university will be given an identical case study that focuses on ethical issues and problems that are prevalent in the local financial market and the global best practices in dealing with ethical dilemma. The students will analyze the issues in the case study and provide recommendations.

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The Ethics challenge Programme fosters unity amongst students from participating universities in an avenue for networking, discussion, analyzing of case study, problem solving and recommending global best practices for the various case studies. The objective of this programme is to demonstrate the Bank's commitment to ethics, professional excellence, capacity building and inclusive growth of Nigerians and support for education amongst youths and the drive for ethical values.

The Ethics Challenge held on Friday & Saturday, 15 -16 November 2019 in Abuja and Lagos for the regional and national levels respectively at FirstAcademy, FirstBank's strategic platform for competence development, knowledge management and workplace culture change. The Obafemi Awolowo University (OAU), Ile-ife emerged the winner among 15 competing universities in Nigeria with University of Lagos (UNILAG) and Covenant University coming first runner up and second runner up respectively.



L-R: Ismail Omeagebe, Head, CR&S and Media & External Relations, FirstBank; Adeola Asabia, Member, Board of Trustees, Samuel Asabia Chair, Business Ethics, University of Lagos, FirstBank Endowment Programme; Banji Fehintola (CFA), President, CFA Society Nigeria at the regional level of the 2019 Ethics Challenge held in Lagos



Chuma Ezirim, GE, e-Business and Retail Products, FirstBank, (fourth left) presenting to Mosunmola Adefarati, student, OAU and winner of the CFA Ethics Challenge 2019; Banji Fehintola, President, CFA Society Nigeria (second left); Folake Odunaiya, Ex-officio, CFA Society Nigeria (second right) and Quadri Lawal, Faculty Adviser, OAU (right) with other participating students of Obafemi Awolowo University, ile-ife at the CFA Award night held in Lagos.

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

Our responsibilities to our people and stakeholders include protecting, respecting and upholding their rights. We believe our responsibilities go beyond legal compliance to moral obligations. We ensure human rights are not abused and make it our responsibility not to get involved in the violations of human rights. We are committed to dealing fairly with all our stakeholders which include our employees, customers, shareholders, government agencies amongst others.

We do not encourage staff to take advantage of each other or manipulate one another based on superiority rather respect for each other's dignity is encouraged. Gender discrimination (as highlighted in our Diversity programme) and discrimination of minority group is not allowed. Harassment of staff in any form is strongly discouraged and culprits are usually handed over to the established disciplinary committees for sanctioning.

Furthermore, the Bank maintains an organisational culture that encourages an open line of communication between superiors and subordinates. The Bank carries out induction for new staff to acquaint them with values and vision of the Group so as to understand how to behave with other staff in the course of their stay in the Bank.

Labour Standards

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

Upholding Freedom of Association

At FBNHoldings, we ensure that in everything we do, our people feel a genuine sense of fairness, equality, freedom and participation. The Group creates and sustains an environment that supports and encourages human rights/freedom of association as well as collective bargaining. For instance, at FirstBank, employees have the opportunities to belong to unions such as (ASSBIFI; NUBIFE) and the employees are at liberty to either become members or not. Management of the Bank 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 Empowering People 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. Across the Group, all employees get same remuneration regardless of gender or region.

2. 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 have a framework designed to have the right people with the right skills doing the right job at the right time. 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 Group 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. This is devoid of all forms of bias such that potential employees make recruitment-based decision without fear.

In the case of conflict amongst staff, inquiries are made regarding the dispute or conflict. The outcome of this investigation is the basis in which disciplinary committees of the different companies within the Group resolves such issues. Through this, the rights of staff are upheld and no single individual is treated unfairly.

For existing employees, we have established a clear framework for escalation. 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 a 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, the Group does not maintain partnerships with any organization 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

The Group is committed to promoting and supporting diversity in the workplace. This includes cultivating an inclusive environment that supports, accepts and values differences where everyone can achieve their potential.

The Equal Opportunity Employer stance has been reinforced to guarantee employees the right to be treated without discrimination on the grounds of race, ethnicity, gender, age, disability, education, personalities, religion or experience. Furthermore, as part of the diversity management practice, several training programmes and awareness sessions focused around culture appreciation and building cross-cultural competence were offered. In addition, religious and cultural holidays are acknowledged and celebrated across the Group.

To this end, we ensured as reflected in our diversity policy that our staff are from diverse backgrounds. In addition, driving gender equality remained a key aspect of the Group's culture and in 2018 we had male to female ratio at 55.6% and 44.4%. For 2019, we had male to female ratio at 61% and 39% at FBNHoldings

Employee engagement is critical to our success as a Group and we have established an engagement and commitment strategy, noting the peculiarities attributable to the industry and the various locations of our individual entities. To ensure that employees internalise the right behaviours necessary for achieving the brand promise and ultimately, the strategic objectives of the organisation, some of the avenues for staff engagement within the year 2019 are Group Synergy with executives; manpower planning and resourcing for critical roles in the Group as well as culture change for the FBNHoldings Group. We also employ persons with disabilities; one of them is the President of the Nigeria Association of the Blind (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 Group's Employee Giving Volunteering Scheme.

Our Employee Giving and Volunteering programme was set up to encourage employees to give something back to the community, and to instil in them the integral corporate culture of giving. The programme is structured around two elements:

Volunteering: this involves employees volunteering their time and skills to support philanthropic activities. This provides them with opportunities to use their capabilities in varied contexts, develop new skills, partner with people within and outside the Bank, and expand their horizons.

Giving: this involves employees donating material resources to the less privileged including cash. Our giving is mainly driven through a crowd funding approach. Crowd funding enables large numbers of people to make small contributions or donations to a cause. Employee giving, and volunteering is open to all employees; for some projects, a subset of employees who possess the required expertise are targeted. For example, the FutureFirst financial literacy and career counselling programme is driven by employees with the appropriate skills and knowledge. In addition, employees are encouraged to begin and promote their personal initiatives such initiatives are often recognised and rewarded by the Bank for outstanding performance.

Hope Rising Programme

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. This is enhanced by the Hope Rising drama series which focuses on highlighting the challenges of Down syndrome and exploring efforts at combating the disorder whilst providing the platform for advocacy and public enlightenment.

The CR&S week is designed to offer employees and other stakeholders opportunities to give their time & resources to defined causes. An amplification of the Bank's Employee Giving & Volunteering Programme, the Week focuses mainly on activities to promote the SPARK initiative which includes; giving and visits to orphanage/less privileged homes/IDPs; Career Counseling Day. The maiden edition held in September 2017, the second edition took place in June 2018, while the third edition held in July 2019 with the following themes; "Promoting Kindness; Putting You First", "Touching lives; You First" and the 2019 'Ripples of Kindness, Putting You First' respectively.

The CR&S week is specially designed to show kindness in our society and the events are tailored towards re-orientating the society along the right values; encouraging citizenry to intentionally create positive impact in their immediate environment. The wide range of activities of the 2019 FirstBank CR&S week underscores SPARK (Start Performing Acts of Random Kindness), a values-based initiative by the Bank which focuses on creating and reinforcing a conscious mindset of showing compassion, empathy as well as giving to others. It is aimed at inspiring people to make a difference as it is designed to promote kindness to one another. It is executed through a range of strategically designed activities include, Nice Comments day through consciously say nice things about others, driving welfare through giving and visits to orphanages/less privileged homes and Internally Displaced Persons (IDPs) camps. The Bank also introduced the SPARK initiative to secondary school students

across the country which involve FirstBank staff coordinating sessions that will develop values that guide their personality and encourage students to develop and practice compassion, empathy and giving; supporting women empowerment initiatives, as well as advancing social engagement by providing vision screening and affordable eye glasses for women with low income during the Giving Tuesday which was carried out across communities in Nigeria's six geo-political zones and the Bank's subsidiaries in United Kingdom and Middle Africa. The programme reflects the FirstBank's brand promise to always put its customers first while reinforcing the Bank's role in driving sustainable development in the communities where it operates.

The pillars of SPARK which include compassion; civility; charity; and connection is ingrained in the DNA of the Bank's culture.

Other initiatives supported by the Group in 2018 as part of the Hope Rising programme amongst others includes:

- Support to Down Syndrome Foundation Inter House Sports and donation to Down Syndrome Foundation from Proceeds of Gift Policy
- Support to the Nigeria Society for the Blind for its 2018 May Ball Dinner & Dance
- Chinwe Bode-Akinwande Foundation (CBA): Fundraising Charity Walk Tagged Walk4Hope to Support Underprivileged Widows & their Children
- Pacelli School for Blind and Partially Sighted Children
- Support to Sickle Cell Foundation to commemorate the World Sickle cell day 2019
- Support to National Association of the Blind
- Support to Rotary Club of Uyo on their humanitarian project for the year ended 2019-2020
- Support to Red Cross Clinic
- Support of the Hope for Women in Nigeria Initiative on Youth skills empowerment programme (YSAP)
- Support the Federal Nigeria Society for the Blind's 2019 May Ball
- Support of the Nigerian Stock Exchange 2018 Edition of the Corporate Challenge
- Support to International Women Society (IWS) Widows Trust Fund Annual January Feast & Fundraising Event
- Support to Wesley School for the blind
- Support to Little Saints Orphanage
- Support to Arrows of God Orphanage
- Support the Bestman Games Limited on its 2019 children's Finance Fair
- Support to over 600,000 internally displaced Persons in North East and Benue flood victims and over 22 charities/orphanage homes



L-R: Matthew Daniel, student of Wesley School; Olusegun Alebiosu, Chief Risk Officer, FirstBank; Seyi Olusanya, student of Wesley School; Dr. Adesola Adeduntan, Chief Executive Officer, FirstBank; Olaiyiwola Adeola, student of Wesley School and Mr. Kehinde Alimi, Principal, Wesley School 1, during FirstBank's visit to Wesley School for the Hearing Impaired at Surulere, Lagos as part of activities marking FirstBank's CR&S week 2019.



World Savings Day: Tomolaju Tosin, Labour Prefect, Fiwasaye Girls Grammar School (left); Ademola Fagbelu, Group Head, Retail Banking Group, West 2, FirstBank (second left); Agbeyene Hope, Head Girl, Fiwasaye Girls Grammar School (third left); Chuma Ezirim, Group Executive, e-Business and Retail Products/Representative of CEO, FirstBank (fourth left); Olajuyigbe Folawewo (second right); Teniola Catherine (right), both counselors and other students of the school, during the FirstBank visit to Fiwasaye Girls Grammar School, Akure, Ondo State, to commemorate the 2019 World Savings Day Celebration in promoting Financial Literacy.



Abdullahi Ibrahim, Executive Director, Public Sector Group, FirstBank; Shehu Aliyu, Group Executive, Retail Banking Group (North), FirstBank during a courtesy visit to School for the Blind, Jabi, Abuja as part of the activities to celebrate the CR&S Week.



Staff of VisionSpring handing the Branded eye glass to one of the beneficiaries during the free eye screening and distribution of glasses to widows in partnership with International Women's Society.



L-R: Okereke Eucharia, one of the Beneficiary; Olabisi Alokolaro, ChairPerson, IWS/Widows Trust Fund; Bashirat Odunewu, Group Executive, Energy and Infrastructure, FirstBank; Nkoli Ogbolu, President International Women Society Nigeria; Atinuke Adeyinka, Senior Executive, VisionSpring Nigeria; Aderomu Mary and Owolabi Esther, both beneficiaries; at the FirstBank Commemoration of the global Giving Tuesday in partnership with the International Women Society and VisionSpring to carry out a free eye screening and distribution of eye glasses to 500 women held at IWS Skills Acquisition Centre in Lagos.



Environment

7. BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

Embedding Environmental Sustainability through Responsible Lending

The indirect impact of our activities focuses largely on responsible lending. Responsible lending is about holding our customers to account by ensuring that the customers we lend to minimize their environmental impacts in their business operations through our environmental, social and governance management frameworks.

To enable the Group drive responsible lending, we have put in place an environmental, social and governance management system (ESGMS). This guide ensures that all transactions that FirstBank is considering funding include adequate provision for actions necessary to prevent, control and mitigate negative impacts on the environment and communities, and to improve environmental quality. For efficiency, FirstBank is aligning the ESGMS process with its new credit workflow.

The relevant implementation documents such as the environmental, social and governance risks screening checklist (which is to be completed by a relationship manager and verified by analyst against the EIA report are currently in use which is in compliance with the local & international regulation and best practices.

We adhere to international guidelines for engaging in the three priority sectors, Agriculture, Power and Oil & Gas. Sustainability performance management and reporting is a key component of the sustainability strategy as it enables the Bank to effectively measure, manage and report its sustainability performance and also meet its NSBP obligations to report a wide range of metrics. While we haven't been able to kick-start the performance management, reporting and implementation tool to make reporting efficient; more effective, we have adopted clearly defined KPIs that align with international best practice such GRIs.

8. BUSINESSES SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Initiatives to Promote Environmental Responsibility

Part of the Group's long-term approach to sustainability is minimising its direct and indirect impact on the environment. This has informed our 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.

We are 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 minimize 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

The FirstBank Conservation initiative is one of the key programmes of the Group and is part of our long-term approach to promoting sustainability which involves minimizing 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 minimize 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.

FirstBank Conservation Initiative is implemented in partnership with the Nigeria Conservation Foundation.

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. FirstBank has actively reduced the size of its data centre using rationalisation and virtualisation techniques. 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.

Innovating for a sustainable green economy

FirstBank Agric Expo 2019

In furtherance of FirstBank's commitment to the growth of the agricultural sector and its contribution to the nation's Gross Domestic Product. The FirstBank Agric Expo held on Friday, 30 August 2019 at the Eko Hotel and Suites, Lagos.

The 2019 edition - the third in the series - was themed "Agricultural Value Chain - Spotlighting Opportunities and Managing Risks" had Professor Benedict Oramah, President of AFREXIM Bank as the Keynote Speaker. The annual FirstBank Agric Expo, launched in 2017 provides the lead in national discourse on sustainable agriculture value-chain as a substantial source of Nigeria's economic development, improved contribution to her balance of trade as well as foreign exchange.

The 2019 edition hosted over 600 delegates and over 60 exhibitors to display the latest technology in farm equipment, tools and machineries as well as packaged finished agricultural produce, logistics and supply, thereby keeping the participants and sundry agribusiness practitioners abreast with new opportunities in the Agricultural industry. Besides the plenary session, the expo featured three (3) Masterclasses with in-depth analysis on specific areas of Agribusiness, facilitated by enterprising Subject Matter Experts (SMEs).

The Masterclass facilitators include Mr. Leonard Anyanwu, Group Executive Director, Saro International Limited; Mr. Segun Ogunwale, Team Lead, Kominity Digital and Mr. Bamidele Ayemibo Managing Director, 3T Impex Trade Centre, who provided insight as well as share success stories and experiences.

Our consistency in convening the FirstBank Agric Expo, which is in its third consecutive edition, is a demonstration of our commitment to building the agribusiness economy which is capable of delivering sustained prosperity by meeting domestic food security goals, generating exports, supporting sustainable income and creating employment opportunities.



Remi Oni, Executive Director, Corporate Banking Group, First Bank of Nigeria Limited (left); Babajide Sodipe, Representative of President/Chairman African Export Import Bank (AfreximBank) (second left); Emmanuel Ijewere, Representative of Group Vice President, Dangote Industries Limited (third left); Gbenga Shobo, Deputy Managing Director, First Bank of Nigeria Limited (third right); Sabo Nanono, Minister of Agriculture and Rural Development, and Adesola Adeduntan, Chief Executive Officer, First Bank of Nigeria Limited, during the third annual FirstBank Agric Expo in Lagos.

Anti-Corruption

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

Corporate Ethics and Culture

The Group is committed to working against all forms of corruption including bribery and extortion. To demonstrate our commitment to anticorruption, the code of ethics rolled out in FirstBank in 2007 remained in force during 2016.

The board of directors, in conjunction with its committees, oversees compliance programmes by:

- Setting the tone at the top, both internally and externally, and promulgating a compliance charter or values statement
- Focusing attention on critical risk areas
- Ensuring the institutionalization of the whistleblower helpline process and taking active control when appropriate
- Working with management to incorporate leading practices (e.g., protocols for investigating complaints, helpline statistics, and internal reporting).

To influence culture and tone, the board:

- Reviews metrics and key performance indicators with respect to the company's compliance with law and policy
- Maintains a deep understanding of the compliance monitoring, testing, and issue resolution processes
- Assesses the adequacy of management's response to specific issues and areas of internal control weakness.

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 optimisation, improved effectiveness, a protected reputation, and reduced costs.

The Group prides itself in having one of the most compliant and leading holding company structures in the industry. Its governance structure/framework is unparalleled with Board and management appointments, including transitions at executive levels, made with ease and devoid of rancour and business disruptions.

Our approach to doing business in the group is based on high ethical standards and strict adherence to all provisions of the code of conduct guidelines. With an enviable corporate governance

framework and also leveraging the quality of its workforce, the Group has experienced continued growth in its various business operations in line with its strategic priority, which is 'to increase its share of the customer's wallet in the chosen market'. Among other things, the ability to deliver and sustain this mandate is dependent on staff commitment, engagement and ability. In addition to staff competence, the conduct of the Group's workforce remains professional, hinged on well-established ethical and code of conduct frameworks that guide expected behaviour.

This is driven from senior leaders who have worked relentlessly to build/develop ethical culture within the Group. This ethical culture is reinforced by rewarding employees who constantly embody the values and integrity which the Group upholds.

Employees are regularly sensitised to express behavioural patterns through several internal campaigns aimed at ensuring that our people operate in line with our approved standards.



Customer Complaints and Resolution

A business is nothing without its customers. Recognising this, we aim to provide customer experience that exceeds expectations. In line with our commitment, we continue to review and innovate, introducing new initiatives to improve our customer service delivery. The following initiatives were introduced in 2019:

Self-Service Machines: Faster transaction time is a key driver for improving customer experience. Over 70% of our customers want to make cash deposits of less than N200,000. To meet this need, self-service machines were introduced for quick deposits. The Teller Cash Recyclers (TCRs) are automated cash deposit machines that offer instant deposit functions. In 2019, to facilitate faster customer deposits and reduce customer waiting time, 97 TCRs were installed across our branches. In 2020, the plan is to build on this success by installing additional TCRs.

Mobile Notifications: Customer security is taken seriously; as such, customers are required to safeguard their account details and ensure up-to-date identification details. However, in some cases, not all details are updated. In compliance with the banking regulations, affected customer accounts are expected to be frozen, with a complicated manual process required to unfreeze the accounts. To avert this, our customers are notified in advance through our FirstMobile app when their account details require updates. Early notification reduces complaints relating to frozen accounts and improves customer experience.

Real-Time Branch Experience Surveys: All our 615 branches and 144 quick service points in Nigeria can now be surveyed directly using real-time feedback from customers on our quality of service. This is an add-on to our mystery shopping exercise to provide real-time feedback from customers on their experience.

To improve the complaints handling process in 2019, several initiatives were successfully implemented such as;

Reversing Failed Transactions: Through our e-channels, FirstBank processes over 4 billion transactions, totaling over N1bn daily. These channels have consistently contributed significantly to the Bank's bottom line. Furthermore, the e-channels have significantly reduced the number of customer visits to our branches, thereby reducing congestion, and encouraging online banking transactions from customers' comfort zones. If transactions fail on our e-channels, it can cause dissatisfaction to our customers, especially if the funds are not reversed quickly. This can lead to increased customer complaints and a return to branch visits for future transactions. In line with our commitment to delivering outstanding customer service, we are actively exploring the reasons for transaction failures, and developing solutions that will eliminate such, thereby improving customer experience.

Quick resolution of complaints relating to failed airtime recharges and bill payments can be complex. However, resolution is key, as adverse social media comments can impact the reputation of a company.

In 2019, payment reversals relating to failed airtime recharges were successfully introduced within an approved threshold of N0-N5,000, which was subsequently upgraded to N0-N10,000, as this forms the bulk of the complaints in this category.

Platform Upgrade: Our Customer Relationship Management tool, CRM 365, was upgraded with an enhanced case management module. This tool provides improved notification and escalation functions. In addition, the Business Performance Management System platform was upgraded, resulting in reduced log time for failed transactions.

Complaints Handling Framework: Our review of the framework increased Line Executives' awareness of issues impacting customers, especially cases involving large financial transactions.

British Standards Institute Recertification: In line with our commitment to improving standards, FirstBank was recertified as ISO 9001:2015 Complaints Quality Management Systems-compliant for another two years.

Complaints can be lodged to the Bank in one of the following ways:

- By completing a Complaints form on our website www.firstbanknigeria.com
- By calling First Contact on 0700FIRSTCONTACT (0700-34778-2668228), 01-4485500, 0708-062-5000
- By writing to us: Complaints Management Unit
First Bank of Nigeria Limited
35 Marina
P.O. Box 5216
Lagos, Nigeria
- SMS: Send an SMS to 30012
- Social Media:
 - Facebook: <https://www.facebook.com/firstbankofnigeria>
 - Twitter: @firstbankngr
 - Instagram: @firstbanknigeria

Whistle Blowing Procedure



At FBN Holdings, a culture where people can speak up is promoted. Individuals are encouraged to raise concerns about perceived wrongdoing or unethical conduct.

Whistleblowing is a process of raising concerns about wrongdoing, illegal actions or unlawful conduct such as fraud, corruption, bribery or theft. The Group guarantees confidentiality, noting that there are circumstances where people need to raise concerns discreetly without fear of harassment, intimidation, victimisation, reprisal or retaliation. The Board of FBN Holdings Plc attaches importance to high ethical standards and integrity and expects its employees and officers to do the same in all their dealings.

The Group's Whistleblowing Policy applies to both internal whistleblowers (staff, contract employees, management, or directors) and external whistleblowers (customers, service providers, applicants, auditors, consultants, regulators and other stakeholders). Reports made through this policy should not be based on mere speculation, rumours or gossip, but on factual knowledge. The full version of the Group's Whistleblowing Policy can be viewed on the website: www.fbnholdings.com/whistle-blowing/

The whistleblower can report through any of the following, either by declaration or in confidence/anonymously:

Formal letter to the Group Managing Director, FBN Holdings Plc and/or Head, Internal Audit FBN Holdings Plc;

Dedicated phone number as contained on the website, www.fbnholdings.com; 0817 597 8505; and Dedicated email address: FBNHoldingsWhistleBlowing@fbnholdings.com

The phone lines are 01-9054583, 01-9054543 & 01-6054525 and the email address for the public is firstcontact@firstbanknigeria.com. Members of staff may contact Adeyemi.O.Ogunmoyela@firstbanknigeria.com or Internalaudit.Head@firstbanknigeria.com.

In addition, whistle-blowers can also log onto 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.

Any issue raised should include all relevant background information (including dates) as well as the reason(s) why the whistleblower is particularly concerned about the situation.

The Policy was developed by the Group to protect whistleblowers who disclose concerns in good faith and without frivolity, malice or mischief. The concern raised is thoroughly investigated and reported to the appropriate authorities, including the Chairman, Board Audit and Risk Assessment Committee.

The whistleblower, whether internal or external, may elect to disclose information directly to any of the listed regulatory bodies such as the Central Bank of Nigeria (anticorruptionunit@cbn.gov.ng), the Nigeria Deposit Insurance Corporation (info@ndic.org.ng/helpdesk@ndic.org.ng), the Securities and Exchange Commission (sec@sec.gov.ng), the Nigeria Insurance Commission (info@naicom.gov.ng), the National Pension Commission (info@pencom.gov.ng) and the Nigerian Stock Exchange (x-whistle@nse.com.ng).



FBN Holdings 

www.fbnholdings.com