



CREATING VALUE AND OPPORTUNITIES

2019

SUSTAINABILITY
REPORT



CONTENTS

Introduction 8

About the report	08
Chairman's statement	10
GMD/CEO's statement	12
About Zenith Bank	14

Our sustainable business practices 18

In-focus: Instilling sustainability in our business strategy	20
Material business concerns	21
Sustainable Development Goals	22
Sustainable value creation	24
Nigerian Sustainable Banking Principles	25
Financial inclusion	32
Principles for Responsible Banking	37
NSE-GRI Sustainability Disclosure	39

Our footprints 40

GOVERNANCE	
• In-focus: Setting up a culture of ethics and excellence	43
• Ethical leadership	44
• Sustainability leadership	46
• Anti-corruption	47
• Whistleblowing	50
• Risk management framework	51
• Regulatory compliance	51
• Stakeholder management	53
• Grievance, dispute and feedback mechanisms	55

• Institutional memberships and external collaborations	58
---	----

• Awards and recognitions	59
---------------------------	----

ECONOMIC

• In-focus: Funding critical sectors of the economy in a sustainable way	61
--	----

• Economic performance	62
------------------------	----

• Our direct & indirect economic impacts	62
--	----

• Sustainable lending	65
-----------------------	----

• Product portfolio	66
---------------------	----

• In-focus: Promoting sustainable business practices through E&S risk assessment	
--	--

• Sustainable supply chain	68
----------------------------	----

• Local content support	69
-------------------------	----

• Suppliers E&S assessment	70
----------------------------	----

ENVIRONMENTAL

• In-focus: Understanding and mitigating our environmental footprint	73
--	----

• Environmental Management Strategy	74
-------------------------------------	----

• Energy consumption	76
----------------------	----

• Strategies for reduction of energy consumption	78
--	----

• Emissions	78
-------------	----

• Effluents and wastes	82
------------------------	----

• Water management	83
--------------------	----

• Environmental compliance	83
----------------------------	----

SOCIAL

• In-focus: Managing our most important asset as an attractive employer	85
---	----

• Labour management	86
---------------------	----

• Job creation	86
----------------	----

• New employee hires and turnover	87
-----------------------------------	----

• Diversity and equal opportunity	89
• Non-discrimination	90
• Freedom of association and collective bargaining	91
• Forced or compulsory labour	91
• Human rights assessment	92
• Parental leave	92
• Occupational health and safety	93
• Training and development	94
• In-focus: Keeping the earned trust of our esteemed customers	96
• Customer satisfaction	97
• Strengthening of SMEs	98
• Product and service labelling	99
• Customer data privacy and security	99
• In-focus: Contributing to society as business that truly cares	100
• Local communities and social investments	101
• Social and community investments by area of focus in 2019	106

GRI-Standards content index table	108
External Assurance report	124
Contact information	125



*Our Doors are
Open to Everyone*



INTRODUCTION

ABOUT THIS REPORT

Zenith Bank's Sustainability Report 2019 "Creating Value and Opportunities" covers January 1, 2019, to December 31, 2019. It is an annual report that discloses our economic, environmental and social performance in the financial year 2019 and our plans and target for the next five years. The standalone sustainability report is in its 5th year.

This report has been prepared in accordance with the GRI Standards: Core Option, and the GRI content index is available on page 109. The Management Approach for the General and Topic-Specific Disclosure guidelines for the different indicators are set out in the report. The report also discloses our alignment to relevant international and local standards like the Sustainable Development Goals (SDGs), the Principles for Responsible Investment by the United Nations Environment Programme Finance Initiative, the Nigerian Sustainable Banking Principles, and the Nigeria Stock Exchange - Sustainability Disclosure Guidelines.

The report also includes a materiality matrix covering all issues that are relevant to the business and its stakeholders, as well as a section showcasing the Bank's financial inclusion strides within the review period.

The report underscores our progress, challenges and aspirations as we transitioned further into sustainable finance in tandem with our continuous efforts to embed sustainability into our business operations and environs within this reporting frame, 2019. Herein, we have disclosed the impact of our positive and negative footprints on the economy, natural environment and the society. The Zenith Bank 2019 Sustainability Report also highlights the different stakeholders' engagement platforms that we deployed, the material issues that emerged from these engagements, and how they were managed.

Disclosures made in this report cover only the Nigerian operations of Zenith Bank Plc, unless otherwise stated. This year's report ushers us additional opportunity to gauge our progress so far in the sustainability journey. There are no restatements of information in the reporting period.



PricewaterhouseCoopers conducted a limited assurance engagement in accordance with international Standard on Assurance Engagement 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' issued by the international Auditing and Assurance Standards Boards. Zenith Bank's approach to engaging external auditors for the performance of limited assurance services ensures that the service is approved by the Executive Management of the Bank; that the auditors have the capacity to carry out the service; and that there is no interference with the independence of the auditors. The external assurance procedure included on-site visits, interviews with relevant KPI managers and verification of related documents and data.



CHAIRMAN'S STATEMENT



Our commitment to environmental and social value creation remains robust. We recognise that big business will continue to play a significant role not only in creating economic opportunities but building a socially stable and environmentally resilient nation.

Having operated for three decades, Zenith Bank is no stranger to the sustainable business drive, as this has defined and transformed our internal operations, and engagement with all our external stakeholders over the years. We are leveraging the progress that we have made so far as a platform to deliver more impact.

In terms of creating change through targeted interventions, we have responded to some of society's most-pressing needs particularly in the areas of education, healthcare, sports and infrastructural development, investing over N12 billion in various initiatives over the past five years. At a sectoral level, our long-term commitment continues to be visible. We have not waned in our implementation of the Nigeria Sustainable Banking Principles, the foremost sustainability framework for the nation's financial services sector. Continuing the path of sustainability leadership, in 2019, we joined 132 other banks from different continents as the founding signatories of the Principles for Responsible Banking, an initiative of the United Nations Environment Programme Finance Initiative (UNEP-FI).

This demonstrates our commitment to further align our way of doing business with the priorities of society as set out in the Sustainable Development Goals (SDGs) of the United Nations and the Paris Climate Agreement.

We understand that the financial services sector plays a very crucial role in the overall economic development of Nigeria. Hence, to maximise our impact, we have made concerted efforts to lead the way in providing financial resources and support to strategic sectors that will sustainably steer the nation towards economic prosperity. We are always challenging ourselves to deeply examine our business processes to integrate sustainability into every aspect of our business.

In 2019, we continued to deliver strong financial performance supported by a business model anchored on sustainability. Profit-Before-Tax (PBT) rose by 4.1%, from N192 billion in 2018 to N200 billion in 2019, while Profit-After-Tax (PAT) rose by 7.6%, from N165 billion in 2018 to N178 billion in 2019. Gross earnings grew by 5% from N538 billion in 2018 to N565 billion in 2019. As at year-end December 31,

2019, total deposits increased by 23.6% from N2.82 trillion in 2018 to N3.49 trillion. In the same vein, the Bank's total assets and shareholders' fund grew by 9.7% from N4.96 trillion to N5.44 trillion, and by 15.4%, from N675 billion to N779 billion, respectively.

At the Group level, the performance remained stellar with gross earnings rising by 5% from N630 billion in 2018 to N662 billion in 2019. Profit Before Tax (PBT) and Profit After Tax (PAT) grew by 5% and 8% respectively. While PBT rose from N232 billion in 2018 to N243 billion in 2019, PAT rose from N193 billion in 2018 to N208.8 billion in 2019. In the year under review, the Group total assets grew by 7%, from N5.96 trillion in 2018 to N6.35 trillion in 2019, while customers' deposits increased by 15% from N3.69 trillion to N4.26 trillion and the Group shareholders' fund grew by 15%, from N816 billion in 2018 to N942 billion in 2019. Our position at the end of 2019 gives an insight into our performance in the next reporting

cycle while showing the Bank's potential to increase its contribution towards sustainable development significantly.

The Board and Management of Zenith Bank understand that to build an enduring brand that will serve future generations, we must embrace sustainable finance. Hence, sustainable finance will continue to underpin all our strategic business decisions. We will intensify innovation around this area and increase initiatives that will enable us to create better value for the banked, reach the unbanked, and invest in sustainable businesses and projects.

Our commitment to environmental and social value creation remains robust. We recognise that big business will continue to play a significant role not only in creating economic opportunities but building a socially stable and environmentally resilient nation.

"Our commitment to environmental and social value creation remains robust. We recognise that big business will continue to play a significant role not only in creating economic opportunities but building a socially stable and environmentally resilient nation."

Jim Ovia, CON
Chairman



GMD/CEO'S STATEMENT



We are proud of the success we recorded in 2019, but we know we cannot rest on our oars. As far as sustainability is concerned, the winning mentality is to achieve continual improvement. This remains our commitment. We will continue to create value for the Bank and all our stakeholders.

Contributing to the prosperity of society is critical to our purpose as a responsible financial services provider. Through our operations and investments, we can achieve significant positive economic, social, and environmental impact. We are focusing more and more in this direction because we understand that the long-term success of our business is strongly connected to the value we add to the communities where we operate. Without doubt, sustainability has become an enabler of business, and we are integrating it into every facet of what we do.

To effectively achieve this, we carefully listen and respond to the issues raised by our stakeholders and develop innovative solutions and interventions to meet their needs. In 2019, we had regular interactions and engagements with our stakeholders on issues that matter most to them. Those issues have formed the basis of this report. We encourage transparency and accountability in operations involving our stakeholders. It is also important to us that our stakeholders can clearly understand our business and how we manage our impacts. We are pleased to share our progress in this report.

We have continued to vigorously give attention to environmental and social (E&S) issues in the Bank.

One of the ways we are doing this is through the implementation of the E&S governance process that supports our sustainable finance policies and practices. During the period under review, the Central Bank of Nigeria (CBN) and International Finance Corporation (IFC) conducted a review of our compliance with sustainable banking principles and practices. I am proud to note that we are compliant with stipulated sustainable banking practices.

We boosted our risk management procedures to address the potential negative impacts associated with our investments. Our Environmental and Social Management System (ESMS), which is based on the Nigerian Sustainable Banking Principles (NSBPs), IFC Performance Standards, Equator Principles, amongst other global sustainability principles, provides a clear framework for the management of E&S risks in the Bank. In 2019, 90% of all our total credit transactions valued at over ₦3.7 trillion were screened and assessed for E&S risks across critical sectors. Going forward, we envisage covering up to 100% of our credit transactions by 2020 while significantly improving E&S monitoring of existing credit projects. We are deliberate about carbon emissions reduction and continually challenge ourselves to reduce our

footprint. With the risks posed by climate change and environmental pollution, we fully understand the need to take incremental steps in the right direction. We have implemented measures to track and measure our emissions using a certified tool built on the internationally recognised GHG Protocol. We are working on several practical measures that we believe will reduce total emissions from our operations in no distant time. For instance, we significantly increased the number of branches, business offices, and Automated Teller Machines (ATMs) powered by alternative energy sources like solar systems in 2019. As at the end of 2019, a total of 1,012 Automated Teller Machines (ATMs) were powered by solar systems.

We are also making significant progress with the upgrade of our Energy Centre. The new ultramodern Centre will run 70% on gas and 30% on diesel, allowing us to eliminate the use of about thirty (30) 200kva diesel generators serving our Head Office and some of our business offices around Victoria Island, Lagos.

We believe that investment in our people is critical to the success of our business and the achievement of our goals. We ensure that our people are equipped

with the requisite skill sets to deliver value and quality services to our customers and clients. As part of our efforts to promote sustainable finance, we ensure that our people are abreast of the E&S issues associated with our investments and operations. We also conduct regular training focused on anti-money laundering, operational risks, and sustainability for employees across the Bank. In 2019, we invested ₦1.23 billion in employee training. Also, we continue to provide a conducive work environment which promotes health, safety, inclusion, and diversity; a place where all employees can thrive.

We are proud of the success we recorded in 2019, but we know we cannot rest on our oars. As far as sustainability is concerned, the winning mentality is to achieve continual improvement. This remains our commitment. We will continue to create value for the Bank and all our stakeholders.

EBENEZER ONYEAGWU
GMD/CEO



The Bank has consistently redefined customer service standards, leveraging innovative service delivery channels, strategic deployment of people and technology

About Zenith Bank

Zenith Bank is one of Africa's leading financial services provider, offering a range of innovative financial products and highly competitive services to retail customers, micro, small and medium-sized enterprises (MSMEs), and corporate clients.

As at December 31, 2019, the Bank's asset base stood at ₦5.898 trillion with gross earnings of ₦565 billion, a 5% increase from ₦538 billion recorded in 2018. Profit-Before-Tax (PBT) hit ₦200 billion, a 4.1% increase over the ₦192 billion recorded in 2018 while Profit-After-Tax (PAT) stood at ₦178 billion as against ₦165 billion in 2018, representing a 7.6% increase. The Bank has continued to thrive, while adopting international best practices and integrating sustainability into its operations.

For close to three decades, Zenith Bank has been recognised for innovation, exceptional customer service, superior performance and creation of premium value for all stakeholders. The Bank has consistently redefined customer service standards by leveraging innovative service delivery channels and strategic deployment of personnel and technology.

The mainstreaming of digital technology has created the impetus for invigoration of the Bank's digital banking strategy. Zenith Bank has continued to invest heavily in electronic and digital channels including ATMs, POS terminals, internet, mobile banking application and other artificial intelligence-enabled services. This has led to an exponential rise in the volume of transactions consummated over digital platforms, a boost for the Bank's retail banking efforts.

THE ZENITH BANK BRAND
is primarily anchored on continued investment in

People and technology, with a strong emphasis on excellent customer service delivery.

The combined intellectual capital, deep industry know-how, and dedication of the Staff, Management and Board, have shaped Zenith Bank into a world-class institution. As at December 31, 2019, the total number of employees in our workforce was 8,648.

With a strong vision for driving growth and creating opportunities, Zenith Bank serves its customers through a variety of business locations in Africa, Europe, the Middle East and Asia. The Bank has a total of 608 business locations in Nigeria and the rest of the world. Its stocks are traded on the Nigerian Stock Exchange (NSE) and the London Stock Exchange (LSE).



At Zenith Bank, emphasis is placed on global best practices, while we combine vision, innovation, professionalism, expertise, and local experience to create compelling and highly competitive products and services that surpass customers' expectations.

As at December 31, 2019, the total number of employees in our workforce was

8,648



Our Strengths

- Innovation
- Good financial performance
- Stable and dedicated management team
- Highly- skilled and self-motivated workforce
- Leadership in the use of Information and Communication Technology
- Strategic service delivery points
- Good asset quality

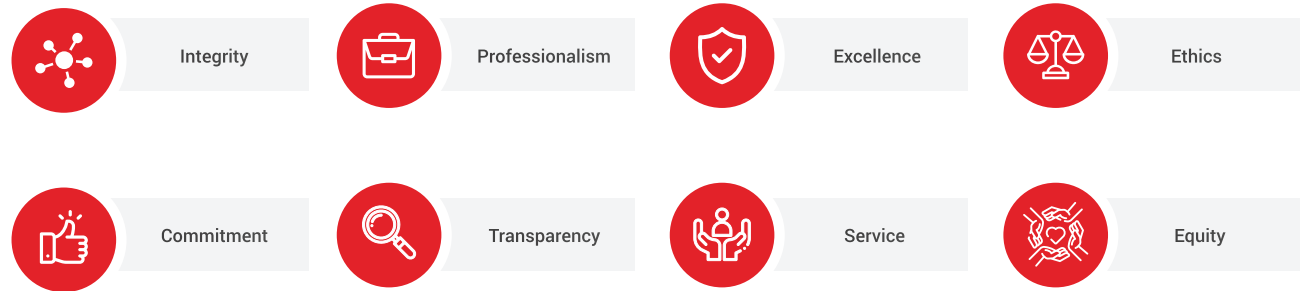
Our Vision

"To build the Zenith brand into a reputable international financial institution recognised for innovation, superior customer service and performance while creating premium value for all stakeholders".

Our Mission

"To establish a presence in all major economic and financial centres in Nigeria, Africa and indeed all over the world, creating premium value for all stakeholders".

Our Core values



Our core values at Zenith Bank are clearly communicated to all stakeholders of the bank through Service Level Agreements (SLAs) and using diverse platforms, including orientation classes, trainings, mentoring, internal correspondences, and employee handbook. We ensure that every member of our team recognises and understands these values and are bound by them.

Strategic objectives

The strategic objectives of Zenith Bank include continuous improvement in capacity building and embracing innovative approaches to meet stakeholders' changing needs through sustained excellent service delivery. Amongst other things the Bank is remaining customer service-focused, deploying more electronic banking products, and sustaining strong balance sheet size with adequate liquidity and strong capital base.

OUR SUSTAINABLE BUSINESS PRACTICES

- In-focus: Instilling sustainability in our business strategy
- Material business concerns
- Sustainable Development Goals
- Sustainable value creation
- Nigerian Sustainable Banking Principles
- Principles for Responsible Banking
- Financial inclusion
- NSE-GRI Sustainability Disclosure



In-Focus:

Integrating Sustainability into our Business Strategy

Sustainability: a critical aspect of our business strategy

Our overall vision as a financial institution is to build the Zenith brand into a reputable international financial institution recognised for innovation and superior performance while creating premium value for all stakeholders. This drives the way we make impact on society. As one of the largest financial service providers not only in Nigeria but in Africa, we are always thinking through the impacts on the economic, environmental and social fabric of the host communities in various locations where we do business.

We remain committed to conducting our business in a responsible manner to ensure that we give our clients a great banking experience and investors a steady positive return on their investment. We understand that to achieve this, we do not only need to adopt sustainable banking practices but ensure that it permeates our business strategy and operations.

Value creation is at the core of our sustainability effort

As a leading financial institution, creation of value is very important to us. We seek innovative ways to deliver value for our employees, customers, clients, shareholders, suppliers, government, and communities. We take active steps to track and measure the impacts we make. We ensure that we make a positive and lasting difference for every player across our value chain. We create value for our customers by ensuring they receive excellent service. We invest in our employees to equip them with requisite skills, and partner with communities to create opportunities. We create value for the government through payment of taxes, and engage with regulators for policy implementation.

Stakeholders involvement in strategy development

Our stakeholders are critical to the achievement of our sustainability objectives, hence, they are fully involved in our sustainability efforts. In developing our strategy, we conduct regular stakeholder engagement sessions to understand the needs of our stakeholders and the issues that matter most to them. We also receive feedback regarding how we can improve our services as well as our existing strategy. The responses we get feed into the development of our overall sustainability strategy.

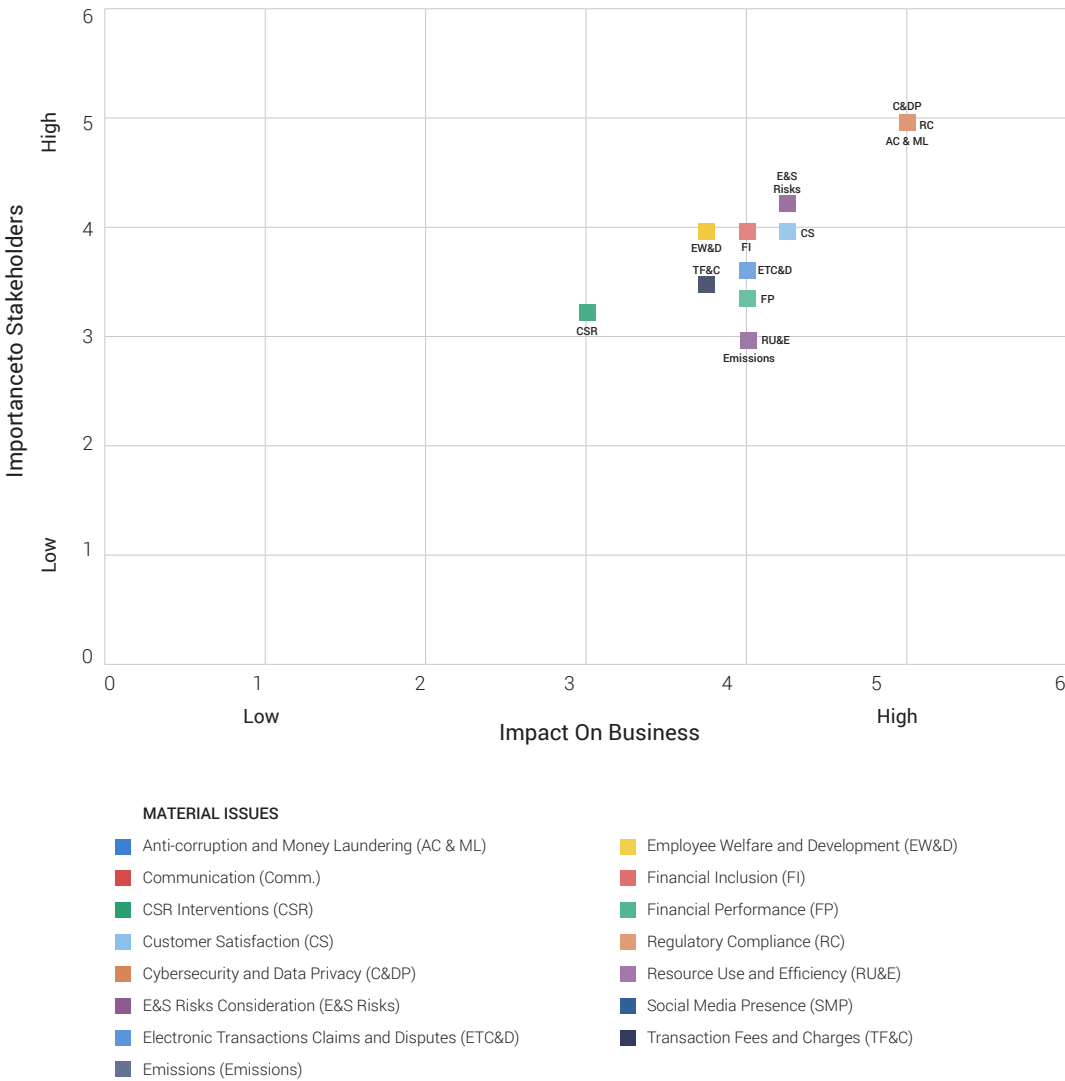
Frameworks guiding our sustainability strategy

We understand the need to align with global standards and relevant local frameworks in driving sustainability. Our sustainability strategy is aligned with platforms and guidelines like the UNGC, NSBP, UNEP FI; GRI Standards; SDGs; IFC Environmental and Social Performance Standards; ISO-26000; the and Organisation for Economic Cooperation and Development's (OECD) Responsible Business Conduct for Institutional Investors Guidelines. Zenith Bank is a signatory to or an endorser of some of these frameworks.

Material Business Concerns

To effectively identify and prioritise key sustainability topics, we periodically conduct a materiality analysis based on engagement with internal and external stakeholders. The material issues and their boundaries are drawn out of the most prominent expectations and concerns raised during these engagements; the Bank's strategic objectives; and the local and global trends in the financial sector. The materiality analysis for 2019 was conducted through a combination of desktop study and questionnaire mechanism with stakeholders in order to validate findings and prioritise topics. Our stakeholders shared their views on the sustainability issues they consider important for Zenith Bank to work and report on, and what they expect of the Bank. We have reported on how we addressed all the raised concerns across various sections of this report.

The materiality process for us is continual. We will carry on with engaging our stakeholders to obtain valuable viewpoints that shape our approach towards the realisation of our corporate sustainability goals and objectives.



Alignment with the Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS

The 17 Sustainable Development Goals (SDGs) provide an agenda through which businesses and organisations can collectively transform the world through their economic, environmental and social impacts. As a leading financial institution, we have identified areas in which we can contribute to the achievement of this agenda.

1 NO POVERTY



Poverty can manifest in several forms – from social exclusion to a lack of access to financial capital. We understand our role in the global fight to end poverty, as such, we develop specialised products and services for vulnerable groups. Furthermore, we support programmes and initiatives that create opportunities for the youth especially through sports and entertainment. These social investments help in addressing poverty.

3 GOOD HEALTH AND WELL-BEING



Ensuring good health and wellbeing for our employees is the rationale for the extensive health benefit plans we have put in place.

Zenith Bank also supports the government's effort at improving wellbeing and the life expectancy of Nigerians through support for quality healthcare delivery in host communities. In 2019, we intensified our financial commitments to different health initiatives.

4 QUALITY EDUCATION



Education is one of the focus areas for Zenith Bank's social investments. We are firm believers in the role that quality education can play in shaping the lives of young people in Nigeria hence we contribute to this through provision of scholarships, upgrade of school facilities and many others.

5 GENDER EQUALITY



We have continuously increased opportunities for growth for women across different levels at the Bank, especially at management level. We also ensure that there is no discrimination based on gender within the Bank.

8 DECENT WORK AND ECONOMIC GROWTH



We support the growth of household and national income through the provision of gainful employment and the financing of businesses that create economic value in Nigeria.

While providing jobs to persons across different gender, ethnicity and religions, we ensure that our labour engagement practices are in tandem with global best practices.

11 SUSTAINABLE CITIES AND COMMUNITIES



We contribute to the provision of development critical infrastructures in many communities across Nigeria to make them livable.

We also support various state security trust funds to combat crime and promote peaceful and more stable communities.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



We make concerted efforts in screening suppliers and the projects we invest in to ensure compliance with best practices. This process also ensures that measures are put in place to improve the positive environmental and social impact.

We are certain that these dedicated efforts will contribute to promoting sustainable consumption and production.

13 CLIMATE ACTION



The environmental impact of our operations and a bulk of the investments we finance cannot be overemphasised. As a responsible global citizen, we have put in place some measures to track our emissions. We are taking action by moving some of our facilities from diesel-powered plants to solar. We are also increasing financing for green initiatives.

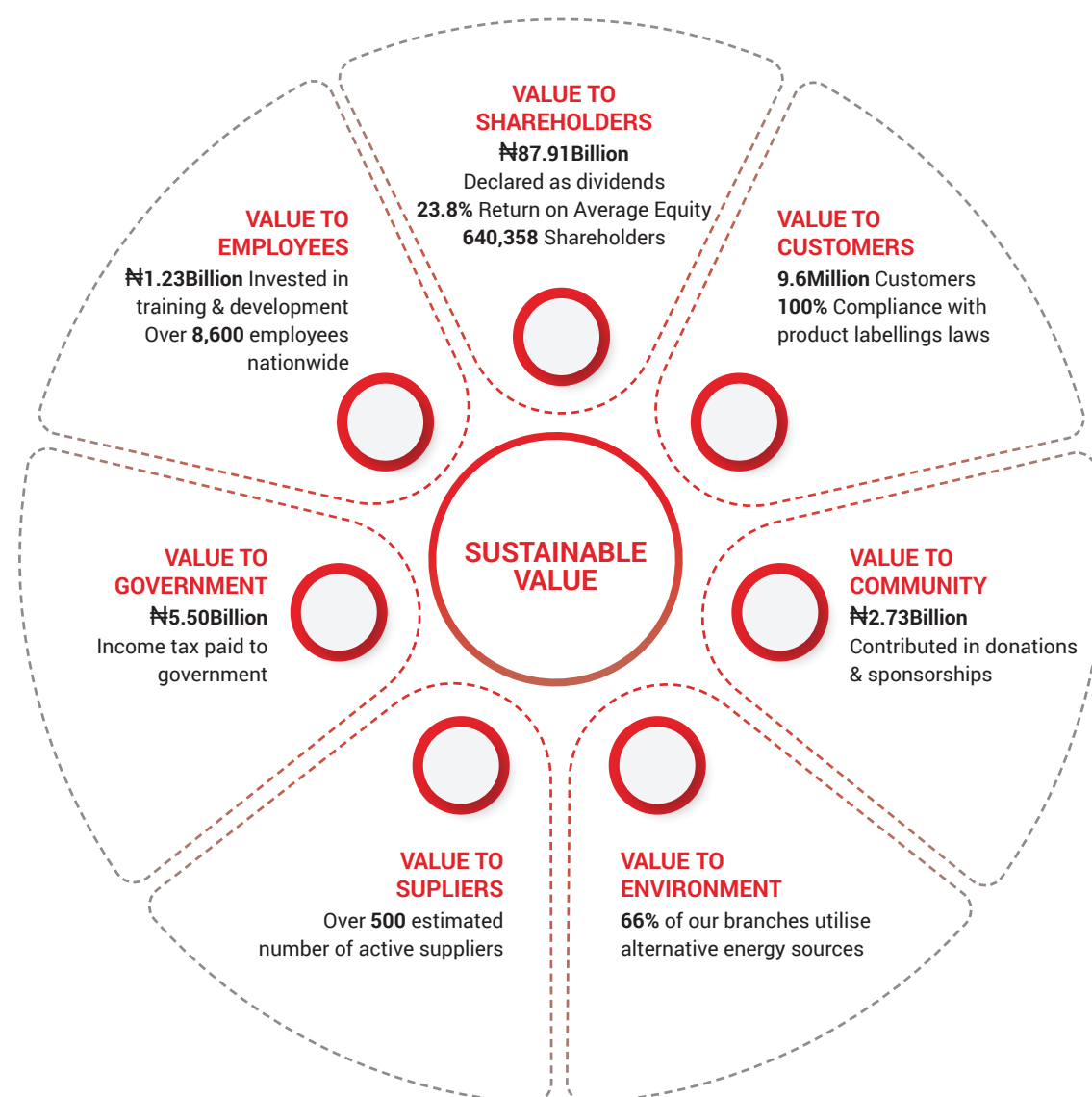
17 PARTNERSHIPS FOR THE GOALS



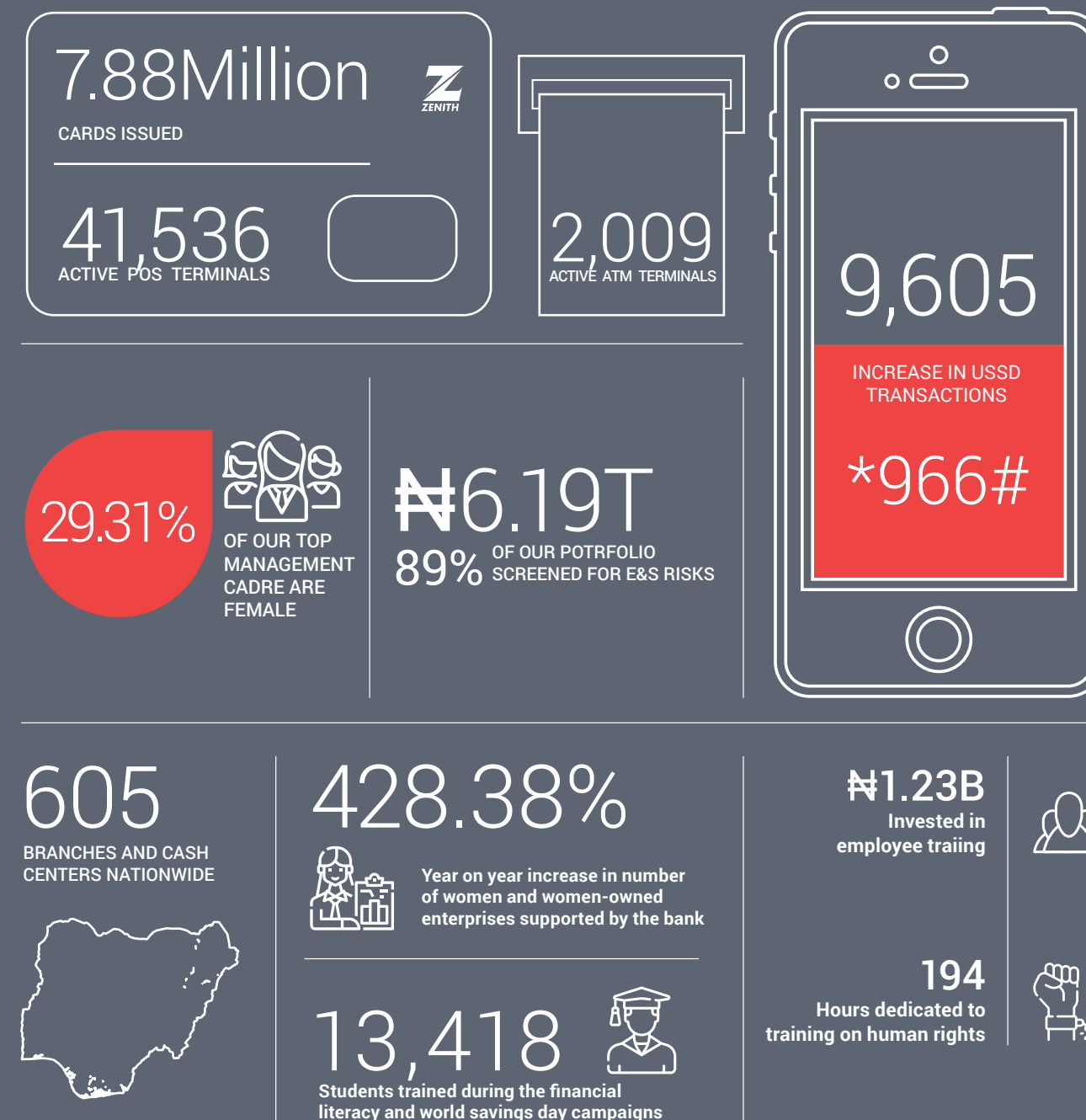
We partner with many categories of organisations which range from government ministries, departments and agencies; private business partners; non-profits; international development organisations; and local and international associations to achieve various targets of the SDGs.

Sustainable Value Creation

As a leading financial service provider, we believe that we create economic, environmental and social value for our stakeholders by integrating sustainability. To do this, we leverage our skilled workforce, technology and excellent service to our esteemed customers while adopting responsible business practices. Some value created for different shareholders include:



Nigerian Sustainable Banking Principles (NSBP) Scorecard



As a leader in sustainable banking, we are a signatory to the Nigerian Sustainable Banking Principles (NSBP), which was introduced by the Central Bank of Nigeria (CBN) in conjunction with the Bankers' Committee in 2012. We have taken active measures to completely incorporate all nine (9) principles into our business. We integrate these principles in our decision-making process, policies and activities, and take a step further to report our performance and progress to the CBN bi-annually. Our performance in NSBP implementation for the 2019 financial year is outlined below:

Principle 1 Managing environmental and social risk in the bank's business transactions.



As part of our strategy, we align our lending decisions and policies with the provisions of the NSBP screening the projects that we fund for environmental and social risks. Credit transactions totalling 6.19 trillion across critical sectors of the economy were assessed for E&S risks in 2019. Our goal is to expand our E&S risks dragnet to cover all significant projects, irrespective of the sector, by 2020; and to all projects, major and minor, by 2025.

Principle 2 Managing environmental and social footprints in the bank's operations



We consistently audit and report the carbon emissions of our Head Office using a certified tool developed by GHG Protocol. In 2019, the total area covered in the external carbon footprint audit conducted by V4 Advisors remained 12,938.5 m², accommodating 1,223 employees. Also, total GHG emissions emitted at our Head Office was 1.30 tCO_{2e}/m² in 2019, indicating a 30% increase from 0.94 tCO_{2e}/m² in 2018. ^(A) The increase is as a result of a significant spike in diesel consumption. It is a challenge that our new Energy Centre will address when it comes online. We will also continue with the deployment of alternative power like solar in our branches.

Additionally, we strive to positively impact our stakeholders, whether it is through improved working relations and wellbeing of employees or through contribution to investments in communities. Social investments totalled ₦2.73 billion representing 1.53% of our profit after tax.

Principle 3 Safeguarding human rights in our Business operations and activities



At Zenith Bank, we understand the need to safeguard the rights of people. Our robust Human Rights Policy provides guidelines that encourage respect for the rights of employees and other stakeholders.

We believe in equal rights of everyone and we maintain zero tolerance for any form of discrimination on the basis of race, colour, religion, gender, (dis)ability, political orientation or marital status. We recognise that having a diversified workforce is crucial to pooling exceptional talents with capabilities that help us sustain our competitive edge.

In 2019, we conducted online trainings across all levels on human rights framework with 2,629 permanent staff participating in the training.

Principle 4 Promoting women's economic participation/empowerment through our Business Activities



Zenith Bank operates a gender-inclusive workplace culture and promotes initiatives that support the growth and positive contribution of women at all levels of our organisation. Women make up 48% of our total workforce and 29.31% of staff in top management cadre. During the reporting period, the number of women and women enterprises supported by the Bank grew by 428.38% from 74 in 2018 to 391 in 2019, with facilities and loans totalling ₦1.85 billion. We remain committed to supporting promising female entrepreneurs and developing products to meet their business needs.



Principle 5

Promoting financial inclusion and taking banking products and services to the unbanked population



In 2019, the number of previously unbanked individuals who received financial services from Zenith Bank increased by 36.87% from 538,910 in 2018 to 737,628 in 2019. This was achieved through our robust bouquet of retail products and services. During the reporting period, the volume and value of our USSD transactions surged from 29.65 million and ₦380.25 billion respectively in 2018 to 52.30 million and ₦497.29 billion respectively in 2019. Also, we increased the number of our branches that can be easily accessed by physically challenged persons from 30 in 2018 to 35 in 2019.

In 2019, Zenith Bank facilitated financial literacy workshops in 31 schools across the six geo-political zones in the country during Financial Literacy Day and World Savings Day events organised by the Central Bank of Nigeria. ^(A) The programme, which directly impacted 13,418 students including 6,601 boys and 6,817 girls, was aimed at teaching students fundamentals of financial literacy while encouraging the culture of savings.

Also, we promoted financial inclusion and literacy across the country by increasing awareness of our products and services via radio, TV and social media.

Principle 6

E&S governance



We recognise that having a robust E&S governance structure is key to unlocking our sustainability goals. We have constituted a board-level Sustainability Banking Governance Committee also called the Risk Management and Audit Committee, as well as a management level Sustainability Steering Committee (CSC) to oversee, supervise and enforce the Bank's sustainability objectives through regular analysis and reviews of E&S policies and practices. Our E&S policy delineates the roles, lines of responsibility, processes and procedures for assessing, categorising, and managing environmental and social risks inherent in our business. During the period under review, the Central Bank of Nigeria and International Finance Corporation (IFC) conducted a review of our compliance with sustainable principles and practices.

We have a Sustainability Champions' Group, consisting of 162 sustainability promoters and influencers carefully selected from all the business units in the Head Office with representation from all the zones where we operate. Our Corporate Sustainability & Responsibility (CSR) Unit manages the day-to-day implementation of E&S policies. The unit reports to Executive Management through a line Executive Director. Also, the unit submits a quarterly progress and situation report to the Board through the Company Secretariat/Legal Adviser.

Principle 7

Training and capacity building



In the year under review, we trained 72.66% of our workforce on different aspects of our business using different training media. 1,947 employees, representing 32.69% of the workforce were trained through online and classroom channels. A total of 4,940 members of the workforce were trained on sustainability and environmental and social risks management during the reporting period. Also, ₦1.23 billion was invested in training and capacity building in 2019.

We have integrated Sustainability, Environment and Social Risk Management Sessions into our quarterly Anti-Money Laundering training, our Operational Risk Management training, our quarterly Business Summit as well as on the curriculum of our Orientation Programme for on-boarding new hires.

As part of our strategy to increase sustainability awareness among our people, we publish and circulate daily "Sustainability Titbits" and weekly "Sustainability Headlines" to all our employees via email.

Principle 8

Promoting collaborative partnerships



As a leading financial services provider, Zenith Bank partners and collaborates with other global sustainability leaders to enhance the sustainability practice in the Nigerian financial services sector. The Bank holds a GRI Gold Community Membership, a platform we leverage to continuously improve sustainability reporting.

Zenith Bank is a member of the United Nations Environment Program Finance Initiative (UNEP-FI) and the United Nations Global Compact (UNGC). We also hold membership with the NSBP Steering Committee, the World Economic Forum, Nigerian Economic Summit Group, and several other global institutions that promote social and environmental sustainability.

We continue to strengthen our partnerships and collaborative initiatives with the States and Federal governments towards improving sustainable development in the country.

Principle 9
Sustainability reporting



We are strongly committed to continuously monitoring, measuring and reporting our performance and progress vis-à-vis sustainability standards, principles and best practices.

Upon publishing our index standalone Sustainability Report in 2015, the Bank has published three more standalone Sustainability Reports. Our 2016 independent Sustainability Report called “Creating Wealth Sustainably” is the first in Africa’s financial services sector to have adopted the GRI Standards. The Bank won several sustainability awards including the SERAS’ CSR Awards as the Best Company in Sustainability Reporting in Africa for two consecutive in 2017 and 2018.

As a signatory to the NSBP, the United Nations Global Compact and a member of the Global Reporting Initiative (GRI) Gold Community, our commitment to Sustainability Reporting remains indubitable. We comply with the bi-annual NSBP implementation reporting as well as reporting to the IFC, UNGC, PROPARCO, GRI, among others.



Financial Inclusion

The need to create opportunities for Nigeria's adult population through the integration of the unbanked into the banking system, has significantly shaped the financial inclusion drive in the country. This has resulted in greater efforts towards increasing the number of adults who have bank access to formal banking. Although, these efforts have yielded some success, there is still a lot more to be done to ensure greater access to financial products and services.

In our determination to boost financial inclusion in Nigeria, we have strengthened our collaboration with the CBN and the Bankers Committee through various financial inclusion initiatives. We are going further by leveraging our retail banking drive to reach the unbanked. We organised the second edition of our flagship event, "Style by Zenith 2.0" which was held in Lagos from Friday, November 29 to Sunday, December 1, 2019 at Eko Energy City, Victoria Island. The fair is an initiative of Zenith Bank to engage the various aspects of our customers' lifestyle strategically. The three-day fair provided a classy meeting point for purveyors of lifestyle products and the public to interact. It also provided an opportunity for budding entrepreneurs and retail businesses to nurture and expand their businesses in line with our retail focus. It affords us the platform to introduce our financial products and services tailored for SMEs and enrol previously unbanked businesses.

We ensure compliance with relevant regulations and policies aimed at promoting financial inclusion. In line with the cashless policy directive of the apex bank, the Bank has leveraged technological solutions to develop various products to ensure that the policy objectives are achieved. Our e-banking products and channels are critical drivers of our financial inclusion strategy. We create these products and platforms to

assist in reducing cost of banking and help to on-board previously unbanked members of the public, enabling them gain access to financial services through mobile devices, especially in areas where physical bank branches may be unavailable.

"During the reporting year, the Bank participated in the Real Sector Support Facility provided by the CBN to the tune of about ₦43 billion to support manufacturing, agricultural value chain and selected service subsectors."

We also comply with the Central Bank's directive to lend to the real sector and participate in the various intervention funds launched by government to target key sectors of the economy. In the 2019 financial year, funds accessed through the various intervention funds amounted to ₦393 billion and the Bank participated in the Real Sector Support Facility provided by the CBN to the tune of about ₦43 billion to support manufacturing, agricultural value chain and selected service subsectors.

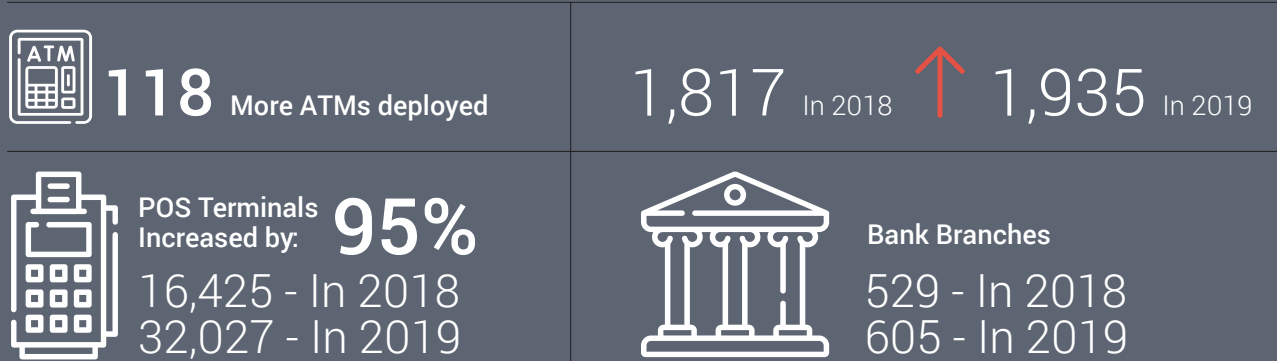
To increase our reach and cater for the financial needs of the unbanked public, the Bank has taken active steps to increase its branch network. We also introduced banking products that require minimal account opening requirements and zero balance start up. This is complimented by ensuring card issuances to all customers and POS distribution to merchants.

In addition to our "Zero account opening balance" product, we have also introduced several other products and services aimed at driving financial inclusion and on-boarding the underserved and unbanked public. Some of these products include Zenith Children's Account (ZECA), Aspire EazySave Classic, EazySave Premium, EazySave Plus, mobile banking, eazymoney, USSD Banking, (*966#), and so on.

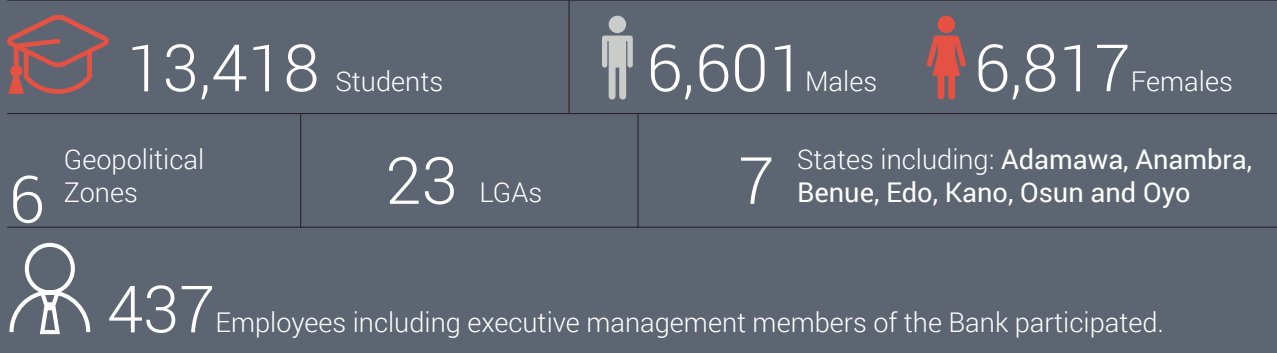
Retail Account Products

ACCOUNT DESCRIPTION	Jan – Dec 2017	Jan – Dec 2018	Jan – Dec 2019
Individual Current Account	21,080	25,985	40,210
Corporate Current A/C	-	-	39,457
Gold Current Account	1,586	798	1,174
Platinum Current Account	426	402	548
Salary Current Account	5,361	3,611	19,442
Savings Account	244,295	326,840	526,174
Cash Dom Account	2,474	1,244	96
Prepaid Reloadable	931	878	1
Virtual Savings Account	2,239	585	1,108
Salary Savings Account	78,572	48,171	107,344
Zenith Children Account	18,026	19,500	61,704
Eazysave Classic Saving Account	410,801	506,560	1,417,440
Eazysave Premium Saving Account	22,370	33,026	123,936
Eazysave Plus Account	12	19	68
Aspire Savings Account	40,755	41,482	128,190
Asha/Asiea	876	180	10
	849,804	1,009,321	2,466,902

Other financial inclusion highlights



CBN's annual Financial Literacy and World Saving's Day initiatives:
Zenith Bank held financial literacy and world savings day campaigns in 35 Secondary Schools Impacting:



Core workshop outline - fundamentals of financial literacy; savings culture; entrepreneurship/ livelihood skills. We have deployed various measures and initiatives in our effort towards reducing the number of unbanked and underserved adult population in the country. We remain committed to driving financial literacy and inclusion in line with regulatory requirements of the CBN.

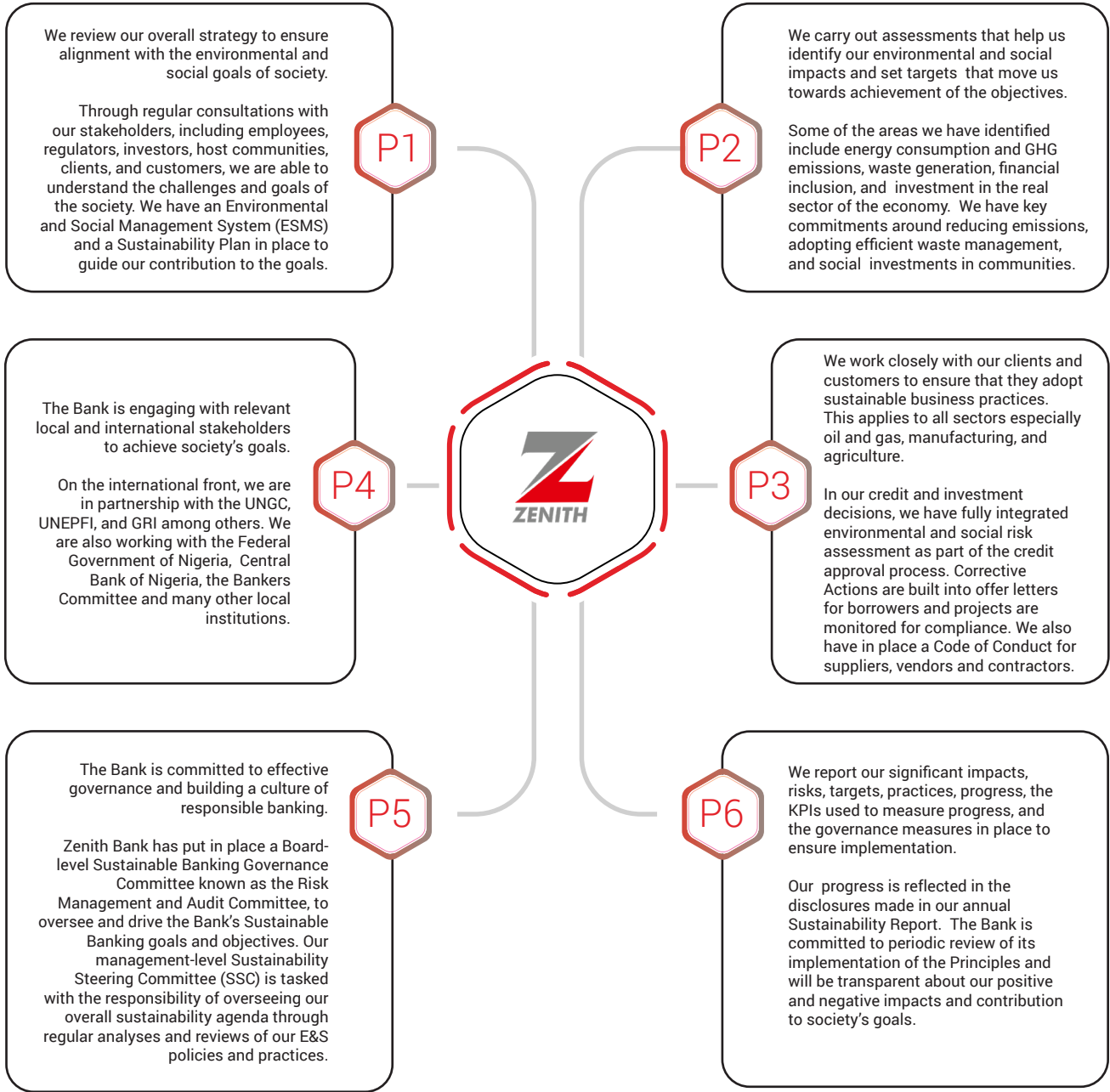
S/N	STATE	Approved and Deployed Branches (Incl. Cash Centers)			Operational Automated Teller Machines (ATM)			Active Merchant Access Points (POS, m-POS, tablet, mobile phone, other devices)		
		2017	2018	2019	2017	2018	2019	2017	2018	2019
1	Abia	8	8	9	2	28	33	148	237	334
2	Abuja (f c t)	58	58	60	151	155	178	2,650	2,758	4,570
3	Adamawa	7	7	6	20	23	27	76	108	155
4	Akwa-ibom	11	11	15	40	40	44	319	415	598
5	Anambra	19	19	19	70	76	78	311	383	684
6	Bauchi	2	2	2	10	10	10	14	25	58
7	Bayelsa	2	2	2	6	12	12	67	192	201
8	Benue	4	4	5	25	25	25	83	145	128
9	Borno	3	3	4	12	12	12	48	49	115
10	Cross river	8	8	8	18	30	30	141	269	295
11	Delta	20	20	23	87	95	106	690	1327	1,987
12	Ebonyi	5	5	4	17	17	17	19	53	68
13	Edo	21	21	22	87	98	98	558	877	1,457
14	Ekiti	2	3	2	8	8	8	8	37	52
15	Enugu	17	17	13	34	43	48	191	363	489
16	Gombe	1	1	1	3	3	3	20	29	32
17	Imo	7	7	8	23	23	35	177	341	583
18	Jigawa	3	3	2	2	2	2	6	11	25
19	Kaduna	8	8	10	30	37	40	109	168	199
20	Kano	16	16	15	61	64	70	109	211	295
21	Katsina	3	3	2	6	6	6	7	15	18
22	Kebbi	1	1	3	2	8	8	4	2	3
23	Kogi	5	5	5	22	22	22	33	65	115
24	Kwara	6	6	6	19	25	27	52	103	122
25	Lagos	190	194	182	529	579	595	5,978	5,610	18,136
26	Nasarawa	2	2	4	9	9	13	29	64	18
27	Niger	6	6	5	30	34	34	57	122	132

S/N	STATE	Approved and Deployed Branches (Incl. Cash Centers)			Operational Automated Teller Machines (ATM)			Active Merchant Access Points (POS, m-POS, tablet, mobile phone, other devices)		
		2017	2018	2019	2017	2018	2019	2017	2018	2019
28	Ogun	14	14	20	37	49	59	238	446	562
29	Ondo	8	8	8	20	30	34	75	180	193
30	Osun	7	7	8	37	40	39	46	109	210
31	Oyo	18	18	15	61	72	75	210	326	400
32	Plateau	4	4	3	13	13	13	56	79	101
33	Rivers	24	24	23	63	76	76	1,179	1,184	1,564
34	Sokoto	5	5	3	12	12	12	16	28	24
35	Taraba	3	3	4	16	16	31	57	70	77
36	Yobe	2	2	1	4	4	4	7	5	4
37	Zamfara	2	4	2	7	11	11	10	19	23
	TOTAL	524	529	524	1,620	1,817	1935	13,798	16,425	34,027



Alignment with the Principles for Responsible Banking

We understand that building a responsible business is key to our growth. As a result, we continually seek ways to promote sustainability in our operations. As one of the founding signatories of the Principles for Responsible Banking, an initiative of the United Nations Environment Programme Finance Initiative (UNEP-FI), we align our business operations and strategy to its six principles.





OPEN ACCOUNT



WITHDRAW CASH



DEPOSIT CASH



TRANSFER FUNDS



PAY BILLS



PURCHASE AIRTIME

*... right there in your
neighbourhood.*

Progress on NSE-GRI Sustainability Disclosure

The Nigerian Stock Exchange unveiled its Sustainability Disclosure Guidelines in 2018 in conjunction with the Global Reporting Initiative (GRI), to integrate sustainability reporting for listed companies and encourage the adoption of sustainable business practices. We have aligned our policies and practices with the NSE-GRI principles and have incorporated NSE-GRI reporting into our Sustainability Report in line with regulatory expectations. The table below indicates reference to the details of how we have complied with the respective themes in 2019.

THEMES	Reference Sections
Suppliers Relations Management and Ethics	Local Content Support/ Supplier E&S Assessment
Responsible Products and Services	Product and Service Labelling
Diversity in the Workplace	Diversity and Equal Opportunity
Labour Practices	Labour Practices
Occupational Health & Safety	Occupational Health & Safety
Human Rights	Human Rights Assessment
Society	Local Communities and Social Investments
Anti-Corruption	Anti-corruption
Waste Management	Effluents and Wastes
Energy	Energy
Compliance	Regulatory Compliance

OUR FOOTPRINTS

- Governance
- Economic
- Environmental
- Social





GOVERNANCE

2019 GOVERNANCE HIGHLIGHTS

On the Board of Directors



 769 Claims received from customers	 408 Were Resolved
 4,731 Employees trained on anti-corruption	 351 Fraud Cases



Ethics and Integrity

In-focus: Setting up a Culture of Ethics and Excellence

Zenith Bank and ethics

Ethical business practice is one of the most crucial aspects of the financial service industry because of the role it plays in determining the internal culture of employees, and in building loyalty and trust in customers and other external stakeholders.

As a Bank, we are committed to promoting honesty, accountability and ethical conduct. We have put systems in place to achieve this goal in all our business activities such as lending, investing and partnerships. We have a Code of Conduct and Handbook which guides employees. The Bank's ethical code addresses material elements of various regulatory guidelines, our local business environment and the high ethical aspirations of the Bank.

Some of the concerns addressed by the ethical code include acceptance of gifts and favours, conflicts of interest, confidentiality, protection of stakeholders' assets and information, management of risk, and compliance with all statutory regulations.

There is board-level commitment in the development and communication of the different codes that speak to ethical business conduct at the Bank. The Board also has oversight responsibility over enforcement, monitoring and reporting of compliance with the ethical code through the Legal, Compliance and Internal Audit teams. To ensure that all key stakeholders are aligned on the Bank's ethical code, periodic trainings are conducted for staff across all levels.

Impact of digital transformation on ethical conduct within the Bank

The shifts created by digital banking have been enormous. Digital banking has redefined routines, activities, and engagements previously known to the banking sector, hence making them seamless and relatively easier and in some instances, challenging. Specifically, the growth of digital bank has introduced some new ethical challenges especially around cybersecurity and data privacy.

To address this new challenges, Zenith Bank has opted to focus its efforts around creating awareness around cybersecurity risk and providing training for employees since they are the first line of defence. In addition, the Bank has instituted solid protection systems to avert potential risks and ensure regulatory compliance. We also understand that transparency is very key to managing ethical issues related to data privacy, so we have taken the role of educating our customers about data privacy.

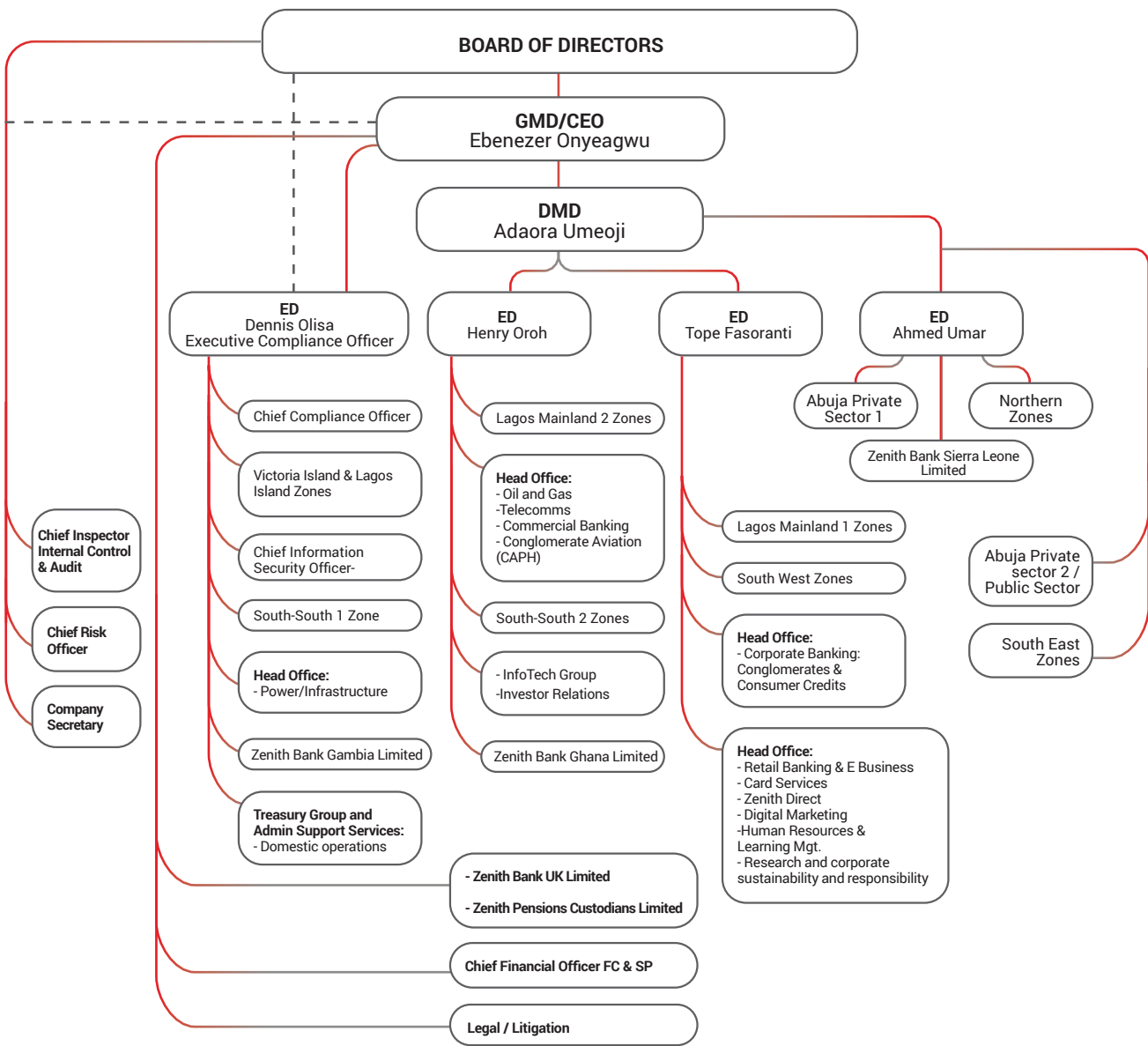
Ethical Leadership

Board of Directors and Board Structure

The Board of Directors of Zenith Bank is the highest governance body of the Bank elected by shareholders. The Board has the overall responsibility of setting the strategic direction of the Bank, creating policies for corporate governance oversight. The Board maintains oversight over the Bank's purpose, values and strategy.

Our Board of Directors comprises of persons of diverse discipline and skills, chosen based on professional background and expertise, business experience and integrity as well as sound knowledge of the banking business. Directors are fully abreast of their responsibilities and are therefore able to exercise sound judgment on issues relating to the Bank's business.

As at end of December 2019, the Board was made up of 6 Non-Executive Directors (Chairman inclusive) and 6 Executive Directors including the GMD/CEO. 4 of the Non-Executive Directors are independent directors, appointed in compliance with the Central Bank of Nigeria (CBN) circular on Appointment of Independent Directors by Banks. The Chairman and the CEO positions are occupied by two different individuals. The Group Managing Director/Chief Executive is responsible for the day to day running of the Bank and oversees the group structure, assisted by the Executive Committee (EXCO). The EXCO comprises the Executive Directors, Deputy Managing Directors as well as the Group Managing Director/Chief Executive as its Chairman.



During the year under review, 1 Board member, Group Managing Director retired, effective 31 May 2019 and was replaced on 1 June 2019. The Board meets at least every quarter but may hold extraordinary sessions to address urgent matters requiring the attention of the Board.

As at December 31, 2019, we had 12 males and 1 female on our Board of Directors, representing 92.31% male and 7.69% female.Ⓐ

Composition of Bank's governance bodies by gender and age as at end of December 2019

Age Bracket	Count	Gender
Under 40	1	Female
41-60	5	Male
61 -70	5	Male
Above 70	2	Male

Board Committees

The Bank's Board of Directors operates through its various Board Committees. These Committees have clearly defined terms of reference, scope of responsibilities and charter to avoid overlap or duplication of roles. This makes for efficiency and allows for more profound attention to matters that concern the institution. The committees are:

- Board Credit Committee
- Board Nomination and Remuneration Committee
- Board Risk Management Committee
- Board Finance, Staff Welfare and General Purpose Committee
- Board Audit and Compliance Committee

The charters are forwarded to the Central Bank of Nigeria (CBN) for approval in line with extant CBN circulars.

Zenith Bank Board Committees meet quarterly but may hold extraordinary sessions as the business of the Bank demands.

For further information on Directors' profile please refer to, Zenith Bank's website

Sustainability Leadership

This year, we focused our Sustainability strategy on **empowering local businesses through opportunities**. Our purpose is to drive sustainable finance and economic prosperity by leveraging our robust financial position, innovation, and digital transformation. Our sustainability vision is to become the most responsible bank, the leading private sector catalyser of finance for the SDGs where it matters most, across Nigeria, and other countries where we are expanding our footprints.

The Bank's sustainability governance structure provides a solid foundation anchored on embedding sustainability into the crux of our business operations, while focusing on the following sustainability pillars - Sustainable Finance; Financial Inclusion; and Inclusive Communities.

The Board Risk Management Committee, chaired by an Independent Executive Director, assists the Board of Directors in fulfilling its oversight responsibilities concerning sustainability and important ESG concerns. To ensure that social and environmental issues are represented at senior-management level, the Head, Corporate Sustainability and Responsibility committee reports through a line Executive Director.

The Sustainability Steering Committee supports the Board oversight function on sustainability by monitoring the Bank's progress on ESG issues which it reports to Board Risk Management Committee.



Anti-corruption

Zenith Bank has a zero-tolerance approach to fraud, corruption and money laundering. As a minimum standard, Zenith Bank employees, business partners and suppliers must exhibit ethical and lawful conducts as laid out in legal guidelines, industry guidelines and the Bank's policies. Whether at a local or international level, compliance with existing laws is paramount. Zenith Bank does not support or condone the authorisation and payment of bribes to private or government entities or individuals.

The Bank's code of ethics is authorised and monitored by the Board Governance, Designations and Remuneration Committee. We are likewise guided by the Central Bank of Nigeria's (CBN) Code of Corporate Governance for Banks in Nigeria (2014), and the Securities and Exchange Commission (SEC) Code of Corporate Administration. During the year under audit, we agreed to the arrangements of the two codes.

Zenith Bank encourages its stakeholders to use the Bank's diverse engagement channels to report any breach of ethical standards that could jeopardise Zenith Bank's financial and reputational assets, the investments of stakeholders and are against societal ethos.

During the 2019 financial year, the 351 cases of fraud and forgeries recorded resulted in an actual loss of about ₦1,212,776,438 to the Bank.Ⓐ There was a marked increase over 2017 and 2018.

We will continue to invest in anti-corruption and anti-money laundering trainings for our employees using like classroom and online options.

4,731 employees, representing 54.71% of the workforce, received training on anti-corruption in 2019.Ⓐ We will continue to invest in anti-corruption and anti-money laundering trainings for our employees using classroom and online options.

As at the end of 2019

Number of employees that had received training on anti-corruption:
4,731

Percent of Zenith Bank's employees:
54.71%

Analysis of Fraud and Forgery Returns

Nature of Fraud	December 31, 2019			December 31, 2018		
	No.	% Loss	Actual Loss to the Bank (₦) Jan-Dec 2019	No.	% Loss	Actual Loss to the Bank (₦) Jan-Dec 2018
ATM/Electronic fraud	78	0.06	672,450	44	-	-
Staff Perpetrated (see (I))	32	82.44	999,767,153	32	67	316,910,400
Impersonation	16	0.23	2,827,000	32	22	4,250,103
Stolen/Forged Instrument	92	11.58	140,448,145	146	11	107,534,526
Internet Banking	119	3.46	41,947,690	20	-	413,841
Others	12	2.24	27,114,000	43	-	-
TOTAL	349	100	1,212,776,438	317	100	429,098,870

Employees Trained on Anti-corruption and Anti-money Laundering

S/N	Level	Lagos	Abuja	South
1	BOARD	10	0	0
2	AGM-GM	62	0	0
3	DM-SM	48	56	76
4	BO-SAM	345	193	182
5	ET-ABO	295	293	291
	Total	760	545	549

LEGEND

BOARD

AGM - GM: (Assistant General Manager - General Manager)

DM - SM: (Deputy Manager - Senior Manager)

BO - SAM: (Banking Officer – Senior Assistant Manager)

ET – ABO: (Executive Trainee - Assistant Banking Officer)

Planning a trip to
دبي؟

You can conveniently apply and pay for a Dubai Visa on the Zenith Bank Internet Banking platform.

Simply log on to Internet Banking and click on the 'Dubai Visa Payment' option under the 'Payment' menu.



Whistleblowing and Non-Retaliation Policy

Zenith Bank actively encourages whistleblowing by employees, vendors, customers and members of the public who have concerns about suspicious conducts and possible violation of laws or other ethical standards. Our whistleblowing policy guarantees protection of whistle-blowers from victimisation and harassment in line with best practices.

"In 2019, 14 cases were reported by customers and staff through the Bank's whistle-blowing portal and the cases were duly investigated and resolved."

Reports can be made anonymously through a link provided on our website. The reports received are promptly investigated and appropriate actions are taken.



We remain committed to creating an environment that promotes open communication on, and timely disclosure of concerns that could jeopardise the wellbeing of the Bank and its stakeholders. Our Non-Retaliation Policy proscribes retribution or retaliation against any member of staff, contractor, vendor and other stakeholders that may choose to report legitimate concerns in good faith.

Risk Management Framework

Maintaining a robust risk management architecture at Zenith Bank remains an integral part of our business strategy. The Board is responsible for the risk strategy, setting the overall risk appetite limits and ensuring that Zenith Bank has an adequate and effective Internal Control Framework.

Risks related to sustainability are managed based on Zenith Bank's guiding principles on Environment, Social and Governance (ESG) considerations. The existing framework as reflected in the Bank's ESMS ensures all projects undergo risk evaluation as part of a comprehensive environmental and social risk due diligence process.

The Framework is designed to ensure adequate identification and mitigation of risks, compliance with laws, regulations, as well as Zenith Bank's internal rules. It is also designed to support efficient operations, prudent conduct of business, sound administrative and accounting procedures as well as to ensure reliability of financial and non-financial information.

The risk management framework for specific risk areas will be enhanced as we advance in our sustainability journey.

Regulatory Compliance

Our industry is hugely regulated and as a leading Bank, we do our best possible to stay ahead of the compliance curve. Non-compliance comes with reputational, financial and even operational risk which do not represent what the Bank stands for. To mitigate and avert these risks, Zenith Bank takes proactive steps to abide by the rules and guidelines of regulators in the Nigerian financial sector such as Nigerian Stock Exchange (NSE), the Securities & Exchange Commission (SEC), the Central Bank of Nigeria (CBN) and the National Deposit Insurance Corporation (NDIC).

Our staff periodically undergo classroom and online trainings on issues such as anti-money laundering, combating the financing of terrorism, and fraud and policy that keep them abreast of key regulatory issues. The training of our employees and the close monitoring of new regulatory pronouncements and requirements eventually help the Bank to reduce the company's risk and exposure to regulatory non-compliance issues.

During the 2019 financial year, ₦21 million was incurred as penalty and fines non-compliance compared to ₦10 million in 2018.

S/N	Description	Amount Paid in 2019 (₦)
1	Penalty for incomplete documentation of newly opened accounts	2,000,000.00
2	Fines for non-compliance with ATM installation procedures	2,000,000.00
3	Fines for non-compliance with Anti-money laundering procedures	2,000,000.00
4	Penalty for improper classification of corporate accounts	15,000,000.00
Total		21,000,000.00

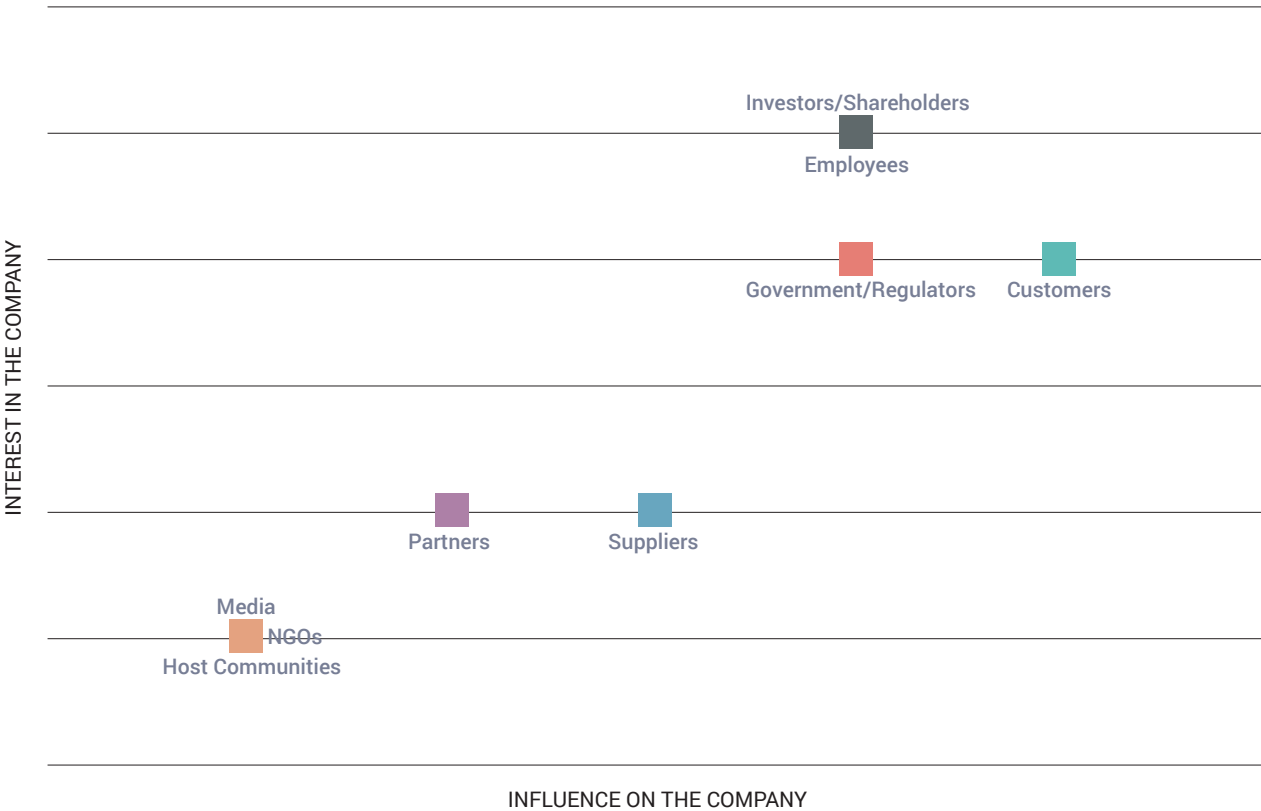
Stakeholder Management

Our stakeholders play a very critical role in the achievement of our business objectives. We believe that open and transparent engagement with our stakeholders, comprising of our employees, customers, shareholders and investors, government, regulators, host communities, suppliers and vendors, and the media, is vital to building trust and strengthening our relationships. We are committed to creating shared value for our stakeholders. To achieve this, we maintain regular interaction with our stakeholders with the aim of thoroughly understanding the issues that matter most to our stakeholders and develop satisfactory responses to these issues.

Stakeholders' Mapping

We understand that managing and meeting the expectations of key stakeholders within our business environment is essential to enhancing our brand value. Our stakeholder groups have varying interests and levels of influence on our business goals and objectives, and this forms the basis for identifying, prioritising and engaging with our key stakeholders. We strongly believe that the quality of our impacts is enhanced by the quality of engagement with key stakeholders across our value chain.

In 2019, we prioritised our stakeholders based on the level of interest and influence on our business.



Stakeholder Prioritisation



Approach to Stakeholder Engagement and Feedback

Listening to our stakeholders and understanding their needs and concerns is critical to enhancing our business and impacts across our value chain. To deliver sustainable value, we adopt a proactive approach by maintaining regular engagement with key stakeholders. Through continuous engagement, we are able identify key issues that are of importance to our stakeholders and develop innovative solutions to meet their needs. This also feeds into our approach to risk and opportunity, which is fundamental to realising our corporate goals and objectives.

In designing our stakeholder engagement process, we carefully considered the diversity of our stakeholders and adopted different channels through which we interact with and obtain feedback from them, as below:

Stakeholder Engagement Analysis			
Stakeholder Groups	Approach to stakeholder engagement	Frequency of engagement	Key concerns that have been raised through stakeholder engagement
Employees	<ul style="list-style-type: none">• Meetings and briefings• Trainings and seminars• Performance appraisal interviews• Intranet	<ul style="list-style-type: none">• As the need arises	<ul style="list-style-type: none">• Compensation and benefits• Training and development• Work-life balance
Suppliers	<ul style="list-style-type: none">• Letters and phone calls• Meetings• On-site visits and inspections	<ul style="list-style-type: none">• As the need arises	<ul style="list-style-type: none">• Price reviews• Payment cycle• Adherence to signed SLAs• E&S risks considerations
Partners/ NGOs	<ul style="list-style-type: none">• Meetings	<ul style="list-style-type: none">• As the need arises	<ul style="list-style-type: none">• Collaboration on SDGs
Government/ Regulators	<ul style="list-style-type: none">• Meetings• Visits and consultations• Email and letters• Phone Calls• Compliance reporting• Performance reports (audited & unaudited)	<ul style="list-style-type: none">• Regular	<ul style="list-style-type: none">• Banking reforms, effective risk management and systemic risk prevention• Lending to the real sector, especially SMEs• Anti-corruption and Money Laundering• Financial Inclusion
Customers	<ul style="list-style-type: none">• E-mails/ SMS• Branch network• Relationship Managers' Visits• Customers' Satisfaction Surveys• Zenith Direct, a dedicated 24/7 Customer Service Centre• Social media channels	<ul style="list-style-type: none">• Regular	<ul style="list-style-type: none">• Electronic transactions claims and disputes• Transaction fees and charges• Incentives

Stakeholder Engagement Analysis			
Stakeholder Groups	Approach to stakeholder engagement	Frequency of engagement	Key concerns that have been raised through stakeholder engagement
Investors/ Shareholders	<ul style="list-style-type: none">• Corporate actions• Investors' Conference calls• Investors Bulletin/ presentations• Annual General Meetings• Extraordinary General Meetings	<ul style="list-style-type: none">• Regular	<ul style="list-style-type: none">• Financial performance• Return on investments• Communication
Media	<ul style="list-style-type: none">• Press releases• Senior Management Interviews• Website	<ul style="list-style-type: none">• As the need arises	<ul style="list-style-type: none">• Effective feedback• Social media presence
Host Communities	<ul style="list-style-type: none">• Strategic Collaborations• Town hall meetings	<ul style="list-style-type: none">• As the need arises	<ul style="list-style-type: none">• CSR interventions

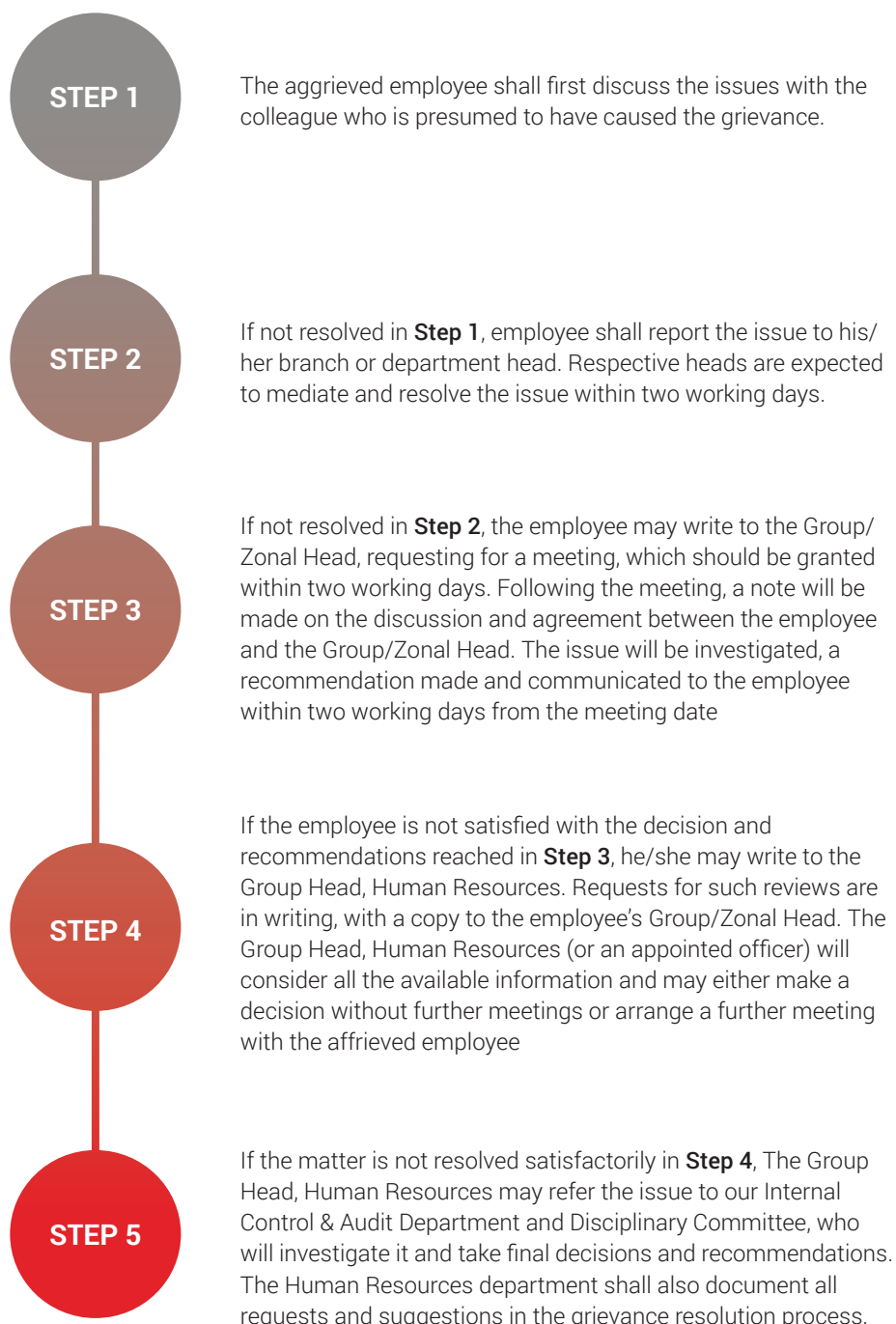
Grievance, Dispute & Feedback Mechanisms

At Zenith Bank, we encourage open communication in the workplace to keep our employees satisfied, retain top talents and create a conducive environment where everyone is not only well-appreciated but has a say. Our grievance management procedures are indicated in our Employees' Code of Conduct and Handbook.

Formal and informal channels are also deployed to communicate with employees with an appropriate two-way feedback mechanism. We also have effective mechanisms for reporting and resolving disputes when they occur.

We understand that a mutually respectful line manager/employee relationship is key to high productivity and job satisfaction. Therefore, we ensure swift resolution of individual and work-related conflicts. However, if this relationship fails to resolve an issue, the Bank has a formal process for addressing all work-related issues and concerns.

Zenith Bank's grievance management procedure is summarised as follows:



In line with our Code of Conduct, employees have the responsibility to ensure that grievances are genuine. In the 2019 financial year, 28 of our employees utilised our grievance mechanisms and procedures, with fair, objective and satisfactory outcomes.

28 

Customers and Other Stakeholders

Zenith Bank has a diverse and extensive stakeholder base, with 640,358 shareholders, millions of customers and several host communities. The Bank has a robust platform through which stakeholders can send feedback to us on how we can serve them better. We continually solicit and encourage feedback, complaints and requests through supervisors and line managers in our different departments, business offices and branches. We also have 24-hour contact centre, ZenithDirect, which handles questions, manages requests, and complaints from customers, investors, shareholders and the general public.

END to END Banking

***966#**
EazyBanking

The Zenith Bank
Mobile App
... making life simple

INTERNET BANKING

www.zenithbank.com

Zenith Automated
Voice Banking

With our robust range of digital solutions, you can start a banking relationship and perform your everyday financial transactions without having to visit any of our branches.

You can ...

- Open an account
- Get a virtual debit card
- Transfer funds
- Make payments/pay bills

and do lots more wherever you live, work or play.

Visit www.zenithbank.com/digitalbanking

In 2019, feedback and complaints received included dispense errors arising from failed ATM, Web and Point of Sales (PoS) transactions; Nigeria Inter-Bank Settlement System (NIBSS) Instant Payment disputes; issues with bank rates and charges; unauthorised withdrawals; access to lending and financing; airtime purchase disputes; and incidences of employees' misconducts, among others. Issues which can be handled by our officers at Zenith Direct are promptly addressed while others are escalated to various departments within the Bank for investigation and resolution.

769 customer claims were recognised for 2019 financial year. Also, 408 claims including outstanding from prior years were resolved. As a result, Zenith Bank refunded ₦344,565,467.86 in 2019.Ⓐ

Institutional Membership & External Collaborations

At Zenith Bank, we believe that continuously entrenching sustainability into our business strategies will keep us relevant among the top Banks in Africa and the global financial space. Our alignment to local and global charters and frameworks also demonstrate our commitment to corporate sustainability. Below are the initiatives, standards and bodies that we are subscribed to:



Awards and Recognition



- 1 Best Commercial Bank 2019 – **World Finance**
- 2 Most Valuable Bank Brand 2019 – **The Banker**
- 3 Best Digital Bank 2019 – **Augusto & Co.**
- 4 Bank of the Year 2019 – **Business Day**
- 5 Most Innovative Bank of the Year 2019 – **Tribute Newspaper**
- 6 Best Company promoting Good Health and Well-being 2019 – **The SERAs CSR Award**



ECONOMIC

2019 ECONOMIC HIGHLIGHTS

₦565 Billion

5% Rise in gross earnings



₦178 Billion

7.6% Rise in profit after tax



7,835,024

Customers in 2018



9,575,733

Customers in 2019



4,940

Employees trained on Sustainability/E&S risk management



88%

transactions screened for E&S risk

95% Suppliers screened using E&S criteria

Our Economic Impact

In-focus: Funding Critical Sectors of the Economy

Zenith Bank and investment in critical sectors

As one of the nation's leading financial institutions, Zenith Bank has consistently provided funding for many businesses in Nigeria. The projects the Bank has funded, cuts across sectors like manufacturing, telecommunications, oil and gas, agriculture, commerce and services, among others.

Zenith Bank remains committed to supporting all businesses, including small and medium-sized enterprises (SMEs) because we understand their contribution to employment generation, wealth creation and overall economic growth. For this reason, we strategically ramped up investment in this segment of the market, emerging as one of the leading banks in retail and SME banking in the country.

Criteria for funding projects

For Zenith Bank, one of the key criteria for funding projects is impact. We seek to increase the positive environmental and social impacts of a project while putting in measures to reduce potential negative impacts. This is the reason our team of analysts assess the requests using a set of criteria which include E&S considerations. We are committed to working with our clients to ensure that the projects that we finance comply with the highest E&S standards.



**Forgot Your Debit Card?
... No Problem**

***966# EazyBanking** can now be used to make POS payments and cash withdrawals in stores, restaurants, hotels and other merchant locations.

Simply dial ***966*000*Reference code#** (Ref. code will be provided at merchant's location).

Economic Performance

We believe that the success of our Bank and that of the communities we serve are fundamentally intertwined. Through making significant contribution to inclusive economic development, everyone benefits. Consequently, the Bank has continued to create value for all stakeholders as it improves its own financial performance.

Our long-term business strategy for creating sustainable economic value involves leveraging innovative technology, first-class service, and a well-trained and motivated workforce. Our strategy also incorporates a thoughtful application of environmental and social considerations. Overall, our team continues to adopt data-driven approach to the challenging economic landscape in which we operate.

Direct and Indirect Economic Impacts

Zenith Bank has continued to steadily navigate the challenging business environment to maintain positive financial performance and create value for shareholders. In the 2019 financial year, ₦2.80 kobo per ordinary share was declared as dividend to our shareholders, resulting in total declared dividend of ₦87.91 billion.Ⓐ

In 2019, we also introduced the Voice Banking Service to our suite of digital products. Our continued efforts to leverage technology into our operations has led into significant results especially in the retail segment of the market. For instance,

USSD transactions via our unique USSD *966# totalled
52 MILLION
In volume

₦497.29 BILLION
In 2019

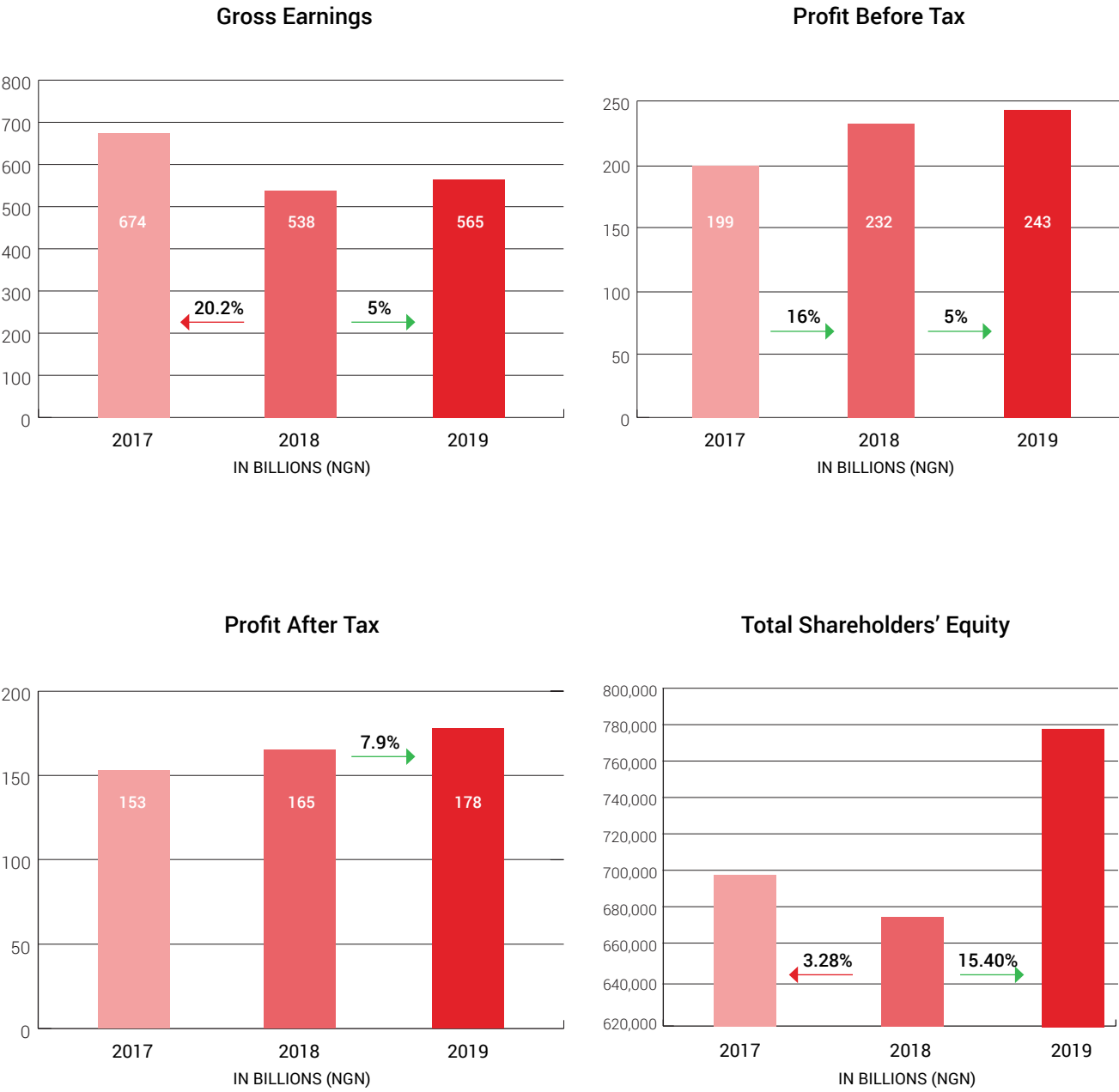


Despite the country's slow recovery from economic recession in Nigeria, Zenith Bank remained resilient. The Bank's gross earnings stood at ₦565 billion in 2019, a 5% rise from ₦538 billion the previous year.Ⓐ The number of customers increased from 7,835,024 in 2018 to 9,575,733 in 2019 implying confidence in the Zenith Bank brand. Total loans and advances reached ₦2.24 trillion in 2019, accounting for 12.8% of the ₦17.56 trillion total loans and advances of deposit money banks as at December 2019.

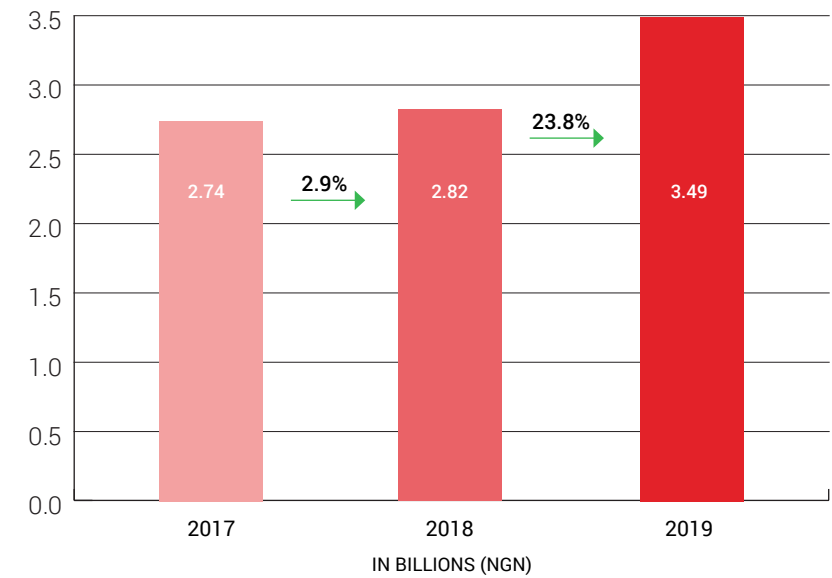
We expect steady growth in our gross earnings, from about ₦565 billion in 2019 to nearly ₦817.61 billion by 2023, a projected 31% rise. Also, our Profit before tax is projected to increase by 43%, from ₦200 billion in 2019 to ₦350 billion by the end of the financial year 2023. We closed the financial year 2019 with aggregate shareholders' funds at ₦942 billion, a 15% increase from the ₦816 billion of 2018. The Bank paid ₦5.50 billion income tax to government in 2019.Ⓐ

Zenith Bank's total social investments was ₦2.73 billion, representing 1.53% of Profit After Tax (PAT) in 2019.Ⓐ The most significant social investments focused on security, healthcare, education and skills development, sports development, youth and women empowerment, and public infrastructure development.

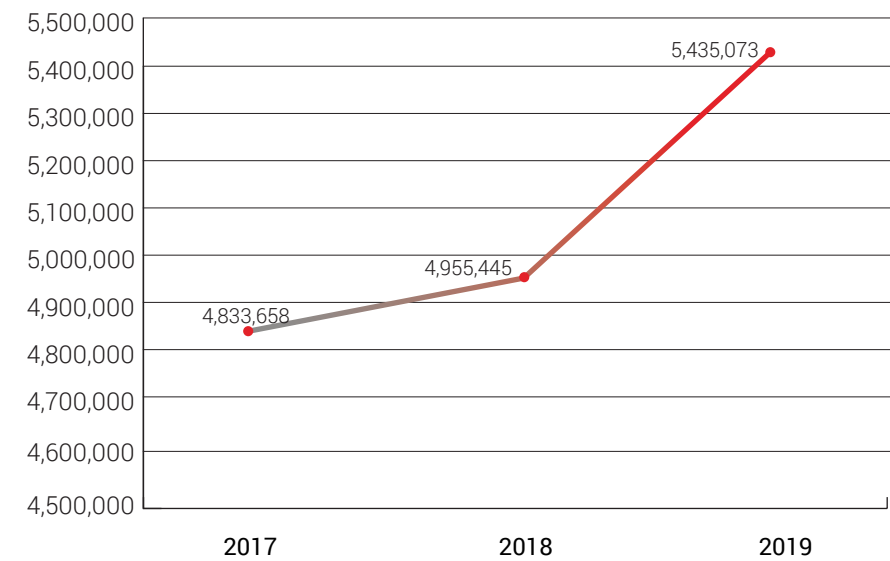
Please see additional information on our economic performance in the Zenith Bank 2019 Annual Report



Total Deposits



Total Assets



Sustainable Lending

In line with the Bank's E&S Policy, we assess funding and investment activities to ensure that projects comply with positive environmental and social practices. This follows from the recognition that we can work with clients to mitigate the potential negative impact of economic activities in hotspot sectors of the economy. The policy requires that all significant projects undergo evaluation and periodic monitoring. Investees are expected to give a quarterly report on the progress and level of compliance with agreed corrective actions and other E&S conditions.

In 2019, 90% of all our total credit transactions valued at over ₦3.7 trillion were screened and assessed for E&S risks across critical sectors. Going forward, we envisage covering up to 100% of our credit transactions by 2020 and to improve significantly in our E&S monitoring of existing credit customers, and projects.



Product Portfolio



The Bank's innovative approach to banking has positioned us to provide bespoke financial products and services to all sectors of the economy, ensuring that all our products comply with existing rules and regulations. Our product development efforts are guided by the need to create value for customers. Consequently, continue to roll out products that boost financial inclusion and improve customer experience while keeping electronic applications secure.

During the period under review, the Bank:



Launched the new mobile banking app.



Introduced eazywallets



Deployed E-token app



Deployed Pay Attitude Mobile App



Introduced by-pass at the branch and new transaction limits on ussd



Revamped the Corporate Internet banking platform to include;

- Wallet creation
- Dubai Visa
- My Bank Statement
- Power Now



Other products and services that were upgraded by the Bank during the period under review include:

1. **Zenith Collection Solutions:** PoS, mPoS, ATM, WEB, Global PAY, Mobile Banking, Scan To Pay, USSD EazyBanking, Wallets.
2. **Zenith Bank Branch Collection Solutions:** X-path.
3. **3rd Party Collection Solutions:** SME Online, Quick Teller, WebPay, CentralPAY+, mCASH, NIBSS Direct debit, Coralpay.
4. **3rd Party Bank Branch Collection Solutions:** PayDirect (Interswitch), Payoutlet (E-Tranzact), PayCollect, Pay4me, Remita (Systemspec), NIBSS e-BillsPay Payment Solutions.
5. **Zenith Payment Solutions:** Corporate Internet Banking and Internet Banking.
6. **3rd Party Payment Solutions:** AutoPay, Payoutlet (E-Tranzact), PayCollect, Pay4me and Remita.
7. **Zenith Reporting Solutions:** `Zenith e-Channels portal, Real-Time Access, Alertz, GlobalPay and Report console.
8. **3rd Party Reporting Solutions:** Extraswitch, Interswitch Scorebridge, MasterCard connect. These products are targeted at serving specific markets (see table above).

Product	Class	Sector	Demography	Type of Customer	Type of Beneficiary
POS	Individuals & Corporate customers	All sectors	All regions nationwide	Banked (individuals)	Individuals & Corporate customers
Mobile /Eazy Banking/Scan to Pay	Internet Banking/ CIB., Individuals & Corporate customers	N/A	All (ubiquitous)	P2P, P2B, B2B	Government utility providers, Corporates and Individual
Collection Products(Xpath, CMMS, PayDirect, Payoutlet, PayCollect, Pay4me, Remita, NiBSS E-BillsPay.,	Corporate customers	All	All	Individual payers	Corporate Organisation

To mitigate risk of fraud in our transaction initiation and consummation, daily allowable transaction limits and velocity, as well as the implementation of customer 2-factor authentication using OTP/token/card and a 4-digit PIN, have been put in place, while we ensure compliance with anti-money laundering (AML) and other regulatory policies through our transaction monitoring procedures.

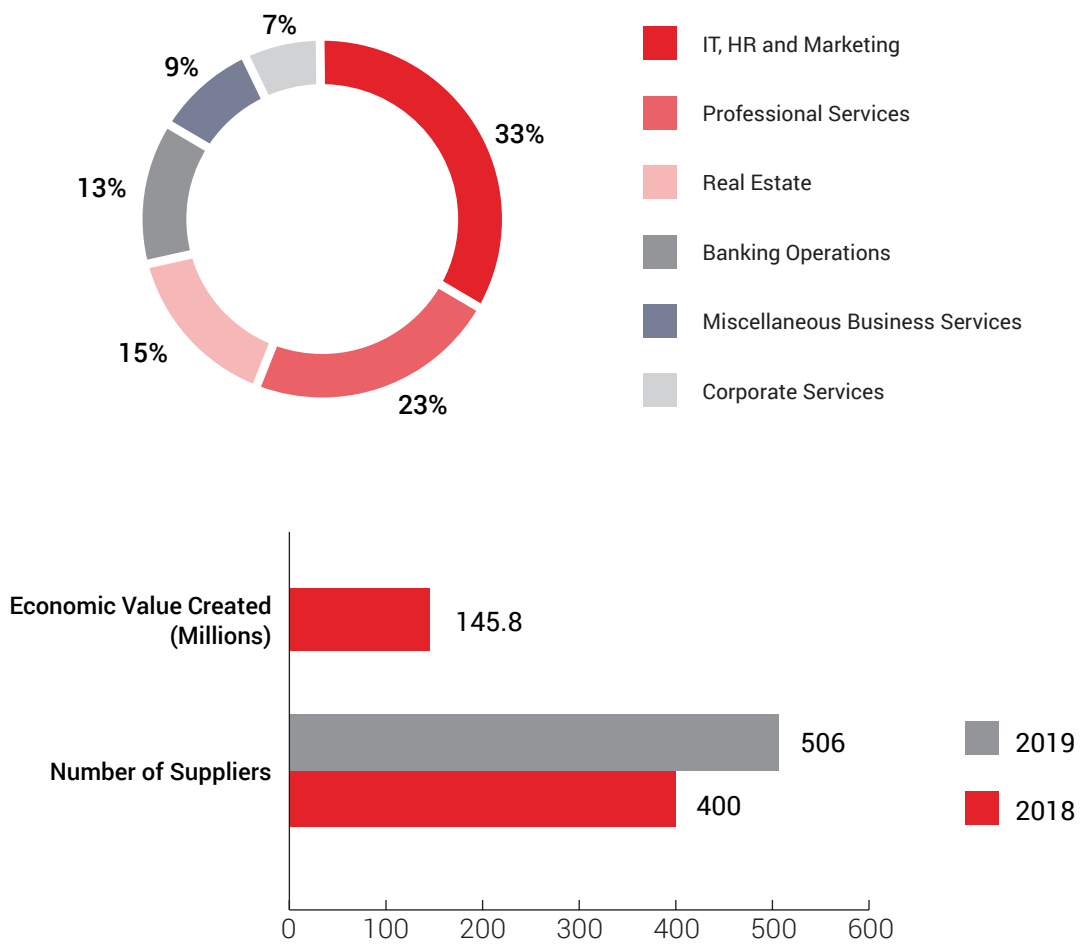
Our Supply Chain: Sustainable Supply Chain Management

Zenith Bank sees its supply chain as an opportunity for creating economic value while sourcing materials and services for its core business. As an entity with a broad supply chain, we understand that the activities of our suppliers and vendors can have a positive or negative social and environmental impact. Hence, we believe in engaging with them to maximise value creation while reducing such potential negative impacts.

To entrench sustainability into the Bank's procurement practices, the Bank pays particular attention to sourcing materials and services locally, as much as possible. We are also committed to strengthening our criteria for selecting, evaluating and monitoring suppliers. This not only improves suppliers' and vendors' compliance to environmental and social standards, but it ensures that the Bank receives excellent products and service delivery.

In the reporting year, the number of suppliers providing materials and services to the Bank increased, leading to more economic value for the entities. We ensured that our procurement process is inclusive and transparent.

2019 Suppliers Spend



Support for Local Businesses

We support local businesses in our procurement efforts by engaging them to provide materials and services that can be sourced locally. The biggest winner in the Bank's decision to significantly engage suppliers is the nation's economy and the businesses who can thrive and create wealth and job opportunities. Internally, the Bank also benefits from greater flexibility and operational control. In addition to the economic value created for an array of businesses, there are other environmental benefits such as reduced GHG emissions resulting from shorter travel time and resource use.

In 2019, over 90% of the Bank's procurement involved local businesses. While the Bank's is committed to local contribution, measures are put in place to ensure good quality of materials and services are offered to the Bank so that the Bank's excellent service delivery is not compromised.



Suppliers E&S Assessment

Zenith Bank is committed to promoting best environmental and social practices in the activities of our suppliers. We built the criteria in our E&S Policy into the Code of Conduct for vendors, suppliers, contractors and business partners. Consequently, we assess new suppliers for compliance with environmental and social guidelines while strict monitoring is conducted on existing suppliers.

In the reporting year, 95% of the new suppliers engaged were assessed in line with the Suppliers Code of Conduct. During the period, we continued the practice of training and engaging both employees and suppliers on mitigating E&S risks.





Supply Chain Analysis	2019
TOTAL EXPENDITURE	
Estimated number of active suppliers (local & foreign contractors)	506
Number of retained suppliers	375
ENVIRONMENTAL ASSESSMENTS	
Number of suppliers assessed for environmental impacts	125
Percentage of new suppliers screened for social issues (%)	95%
Number of suppliers identified as having significant actual and potential negative environmental impact	Nil
SOCIAL ASSESSMENTS	
New suppliers screened for social issues	125
Percentage of new suppliers screened for social issues (%)	95%
Number of suppliers identified as having significant actual and potential negative social impact	Nil
Number of suppliers dismissed for failing to comply with zenith bank’s screening criteria after assessment	Nil





ENVIRONMENT

2019 ENVIRONMENTAL HIGHLIGHTS

	397 Solar-powered branches	1,012 Solar-powered ATMs
	55% ↓	Reduction in business trips
	66% ↓	Reduction in energy consumption from national grid
	16,762.8 tCO _{2e}	GHG Emissions

In-Focus: Understanding and Mitigating our Environmental Footprints

Our environmental management strategy

At Zenith Bank, we have developed an Environmental Management Plan (EMP), which guides our approach to the environment. It underpins our effort to reduce our potential direct and indirect impacts while boosting our positive contribution to the environment. Our EMP is aligned to global environmental management standards such as the ISO 140001. The plan is flexible and periodically updated to reflect current trends and developments in environmental management in the banking sector.

Gains from our energy efficiency efforts

In the last few years, the Bank has implemented several energy conservation initiatives such as the adoption of solar power for ATMs and branches, use of LED energy bulbs, observance of early closing time, installation of energy-efficient air-conditioners and other facilities, and the creation of awareness on energy conservation.

These initiatives have been beneficial. For instance, the Bank has seen a reduction in the consumption of energy from the national grid. However, there is a need to carry out a holistic environmental investment assessment to determine the actual cost and benefits of these initiatives. This will further guide the Bank in its decision-making on energy efficiency.



Certificate for Greenhouse Gas Auditing

Presented to

ZENITH BANK PLC
*Plot 84, Ajose Adeogun Street, Victoria Island
Lagos – Nigeria*

For its Greenhouse Gas Auditing and Reporting for the calendar year 2019, using V4 Advisors' tool that is in compliance with the Greenhouse Gas Corporate Standard and ISO 14064-1, 2006.



V4 Advisors' calculation and reporting tool has been reviewed by WRI for conformance with the GHG Protocol Corporate Standard.

Contacting V4 Advisors: www.V4advisorsdmcc.com – mobile: +971 (0) 50 668 1073 – V4 Advisors DMCC Registered in Dubai

Environmental Management Strategy

Over the years, there has been growing concerns on the global environment due to the adverse effects of climate change and extreme weather conditions which pose a significant risk to the global economy and the society. At Zenith Bank, we see this as an opportunity to champion the transitioning to a low carbon economy. Given the scale and scope of our operations, it behoves on us to take actions that will improve the wellbeing of our people and the environment.

We aim to protect people and businesses from climate risk by promoting climatic actions and eco-friendly practices and setting targets to reduce our environmental impacts, conducting annual GHG audit, monitoring and reviewing environmental footprints in line with our targets. As part of our efforts, we have adopted and implemented global best practices in environmental management and aligned our policies and practices with relevant environmental laws and regulations.

We also engage our stakeholders to identify material areas. From the identified material topics in 2019 by our stakeholders during our engagement sessions, the Bank's most significant environmental footprints include energy, emissions, effluents, waste and compliance.

Zenith bank environmental impact management strategies



ENERGY CONSUMPTION

- Transit to the use of more renewable and environmentally friendly energy sources for our business operations bank-wide.
- Introduce solar power in all our branches to augment fossil fuel-powered generators and electricity from the national grid.
- Retrofit all our branches with LED energy-saving bulbs.
- Implement 5 pm shut downtime for our Head Office and branches
- Install eco-friendly, energy-efficient air conditioners bank-wide.
- Ensure reduced energy consumption by switching off energy sources that are not in immediate use.



EMISSION

- Use inverters to power all our ATMs
- Invest in banking infrastructure that promotes 100%, end-to-end transaction processing to reduce customers' commute time
- Increase and improve on our staff bus fleet and encourage more employees to use them
- Encourage carpooling/sharing among staff living within the same locality
- Phase out the use of diesel-powered vehicles
- Implement travel control measures for all employees
- Make active use of internal, remote communications tools – Lync Exchange, Lync Video conferencing, Interactive Voice Response (IVR) and VOIP calls to reduce commute time
- Transit to the use of energy efficient technologies as well as the use of hybrid/electronic cars



EFFLUENTS AND WASTE

- Implement the reduce, reuse, recycle policy
- Adopt effective waste management and progress monitoring processes
- Auction depreciated items to staff through bidding processes for reuse
- Ensure environmentally friendly waste management practices
- Ensure global best practices in e-waste management

To track our progress in line with our commitment to self-regulate and audit our GHG emissions, we perform periodic in-house evaluations and independent performance review. V4 Advisors; an independent emissions auditor, conducts an annual independent carbon footprint audit for the Bank using a certified tool; GHG Protocol. Our 2019 emissions report covers our head office operations in Nigeria: the complex and its annexes with a space area of 12,938.5m2 and accommodating 1,223 employees accounts for the most substantial proportion of our emissions.



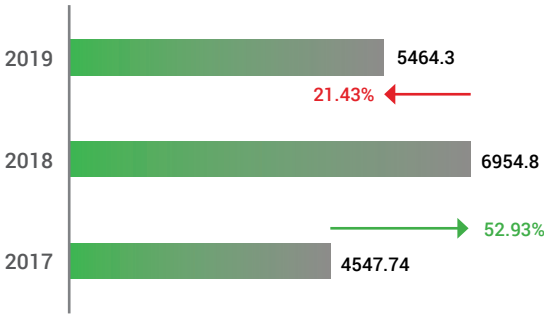
Energy Consumption

The national electricity grid serves as our primary source of energy. We also utilise inverters, solar energy, and fossil powered generating sets as alternative energy sources. In 2019, the Bank’s energy consumption was largely powered by fossil fuel. We cannot neglect the environmental impact of increased use of non-renewable energy sources. As a responsible business, we are committed to transiting to the use of more renewable and environmentally friendly energy sources for our operations bank-wide. We remain resolute in our commitment to meet the global target of doubling the rate of improvement in energy efficiency by 2030 as stipulated in Sustainable Development Goal 7 (“Affordable, reliable, sustainable and modern energy for all”).

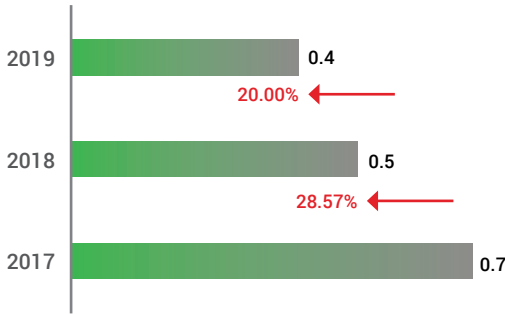
We continue to track our energy consumption and ensure our approach to energy use aligns with global best practices and global environmental standards. Our energy consumption and emission data for 2019 is limited to our Head Office buildings.

In 2019, the total amount of electricity purchased from the national grid was 5,464,310 KWh. Total electricity consumed per employee was 4,467.96 KWh. The total volume of diesel used to run Zenith Bank’s generators was 3,421,619 litres and 2,797.89 litres per employee.^(A)

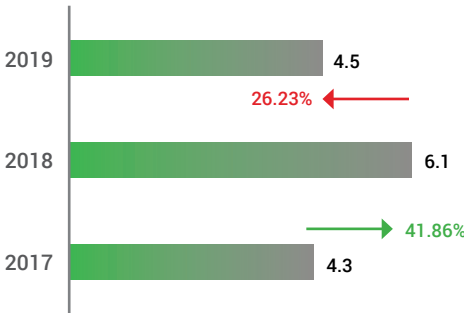
Total Electricity Purchased from the National Grid (kwh)



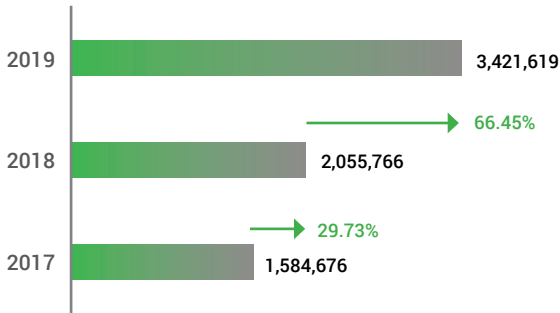
Total Electricity Purchased from the National Grid Per Metre Square (kwh)



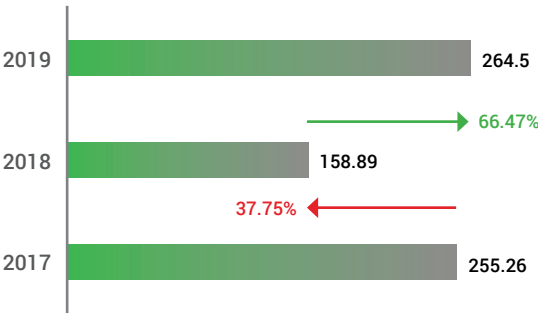
Total Electricity Used Per Employee from the National Grid (kwh)



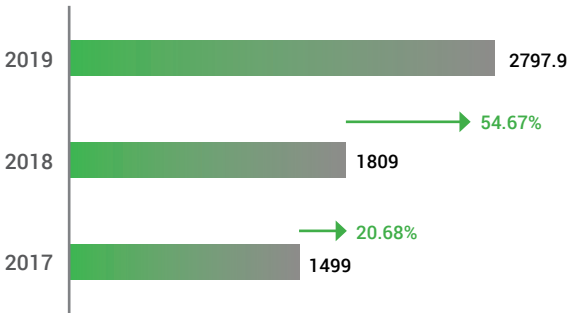
Total Diesel Consumption (Litres)



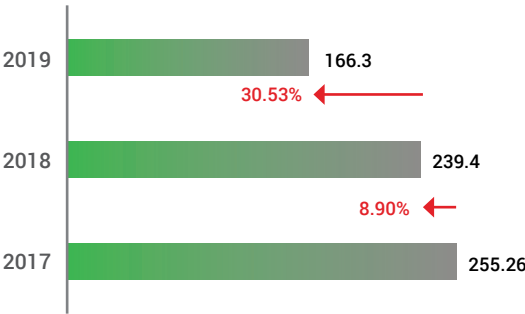
Total Diesel Used Per Square Metre (Litres)



Total Diesel Used Per Employee (Litres)



Employee Business Trips/Decrease in Emissions



Strategies for Reduction of Energy Consumption

Our overall target is to achieve a 20% reduction in energy consumption from our Head Office buildings per employee by 2020 and further reducing our tally by 40% by 2025. In our drive and unwavering commitment to become energy efficient, we have intensified our efforts and investments. We increased the number of our ATMs powered by solar energy by 60% from 632 ATMs in 2018 to 1,012 ATMs in 2019. Also, 397 bank branches are now powered by solar energy.



We remain committed to reducing our energy consumption from the national grid by utilising solar technology and a gas-powered, centrally controlled energy generation plant. We have also increased our efforts to ensure the use of only light-emitting diode (LED) throughout our premises as well as the replacement of old fleet vehicles with new, fuel-efficient cars.

We are committed to the migration to eco-friendly and energy-efficient air conditioners. We are unswerving in our determination to deploy resources, strategies and partnerships that would enable us to fully harness the unique opportunities in the renewable energy space in the coming years.

Emissions

We understand that our emissions have adverse effects on the environment, and we are aware of the role we can play as a responsible business in reducing the impact of climate change and extreme weather conditions. Consequently, considerable effort is directed towards managing our GHG emissions by controlling our energy consumption, deliberate reduction of business trips and third-party emissions by leveraging technology in our business operations.

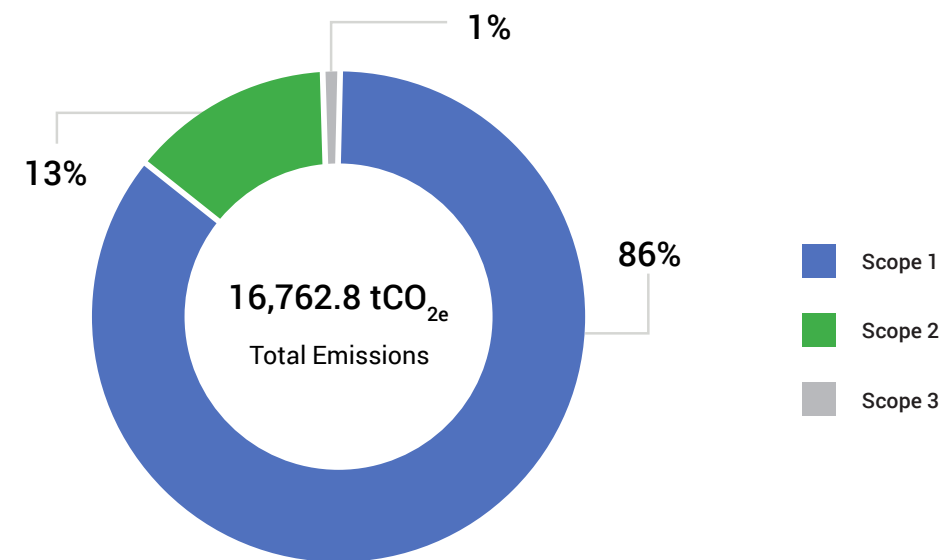
We remain committed to reducing our GHG emissions by 20% by 2020. Therefore, we have put in place mechanisms to reduce, measure, monitor and report the GHG emissions associated with our operations. As a leader in innovative and digital banking, we employ world-class digital solutions to deliver optimal, customised banking experience and product offering, reducing the commute time for millions of our customers and resulting emissions. We aim to provide banking services to customers outside the confines of our banking halls and from the comfort of their homes via our mobile applications. While we are mindful of the energy and e-waste as a result of these banking tools, we are committed to investing in energy-efficient technologies that will minimise emissions. We have also taken steps to reduce our business trips by leveraging on existing multimedia

applications, such as Lync Video Conferencing; Microsoft Office Communicator (OCS); among others, to enhance seamless, off-site communications. Additionally, we have set energy efficiency targets and are committed to building in-house capacity to improve the collection, measurement, reporting, and monitoring of our footprints more efficiently. As a leader in innovative and digital banking, we employ world-class digital solutions to deliver optimal, customised banking experience and product offering, reducing the commute time for millions of our customers and our carbon footprints.

“As a leader in innovative and digital banking, we employ world class digital solutions to deliver optimal, customised banking experience and product offering, reducing the commute time for millions of our customers and our carbon footprints”.

Zenith Bank's Strategy on Emission		
Emission Channels	Management Strategy	Target Date
Vehicles	<ul style="list-style-type: none">• Migration to the use of low carbon, hybrid and energy efficient vehicles.• Phase out all diesel-powered vehicles from fleet.	2025
Electricity/Generators	<ul style="list-style-type: none">• Patronise only low emission, energy efficient and noise proof electricity generators.• Partner with independence power producers (IPP) to generate own renewable energy.• Completely phase out the use of generators as soon as Nigeria's electricity generation and distribution improves.• Replace our diesel-powered electricity generators with a central gas-powered plant.	2020
		2025
		2025
		Ongoing
Air Conditioners	<ul style="list-style-type: none">• Use energy efficient air conditioners.	Ongoing
ATMs	<ul style="list-style-type: none">• Use renewable energy sources to power our ATMs	Ongoing
Masts	<ul style="list-style-type: none">• Reduce unnecessary demands.• Completely migrate to energy efficient, low emission communication towers	Ongoing Ongoing
Electronic Waste	<ul style="list-style-type: none">• Adopt global best practices in e-waste management.• Adopt reduce, reuse and recycle approach	Ongoing Ongoing
Inverters/Batteries	<ul style="list-style-type: none">• Migrate to renewable energy powered inverters• Adopt use, re use and recycle policies	Ongoing Ongoing

GHG Emission by Scope

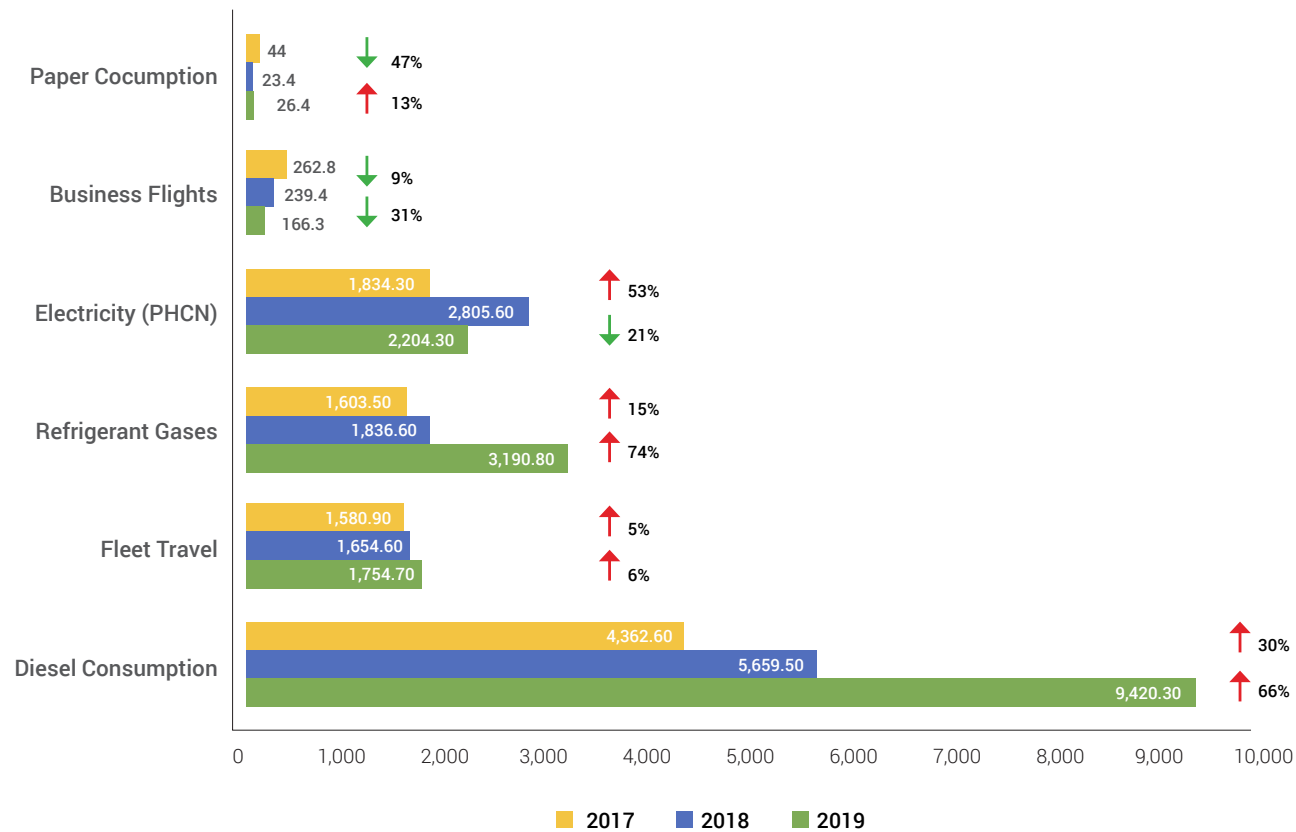


Zenith Bank's GHG emissions emanate principally from fossil fuel consumption, primarily self-generated electricity, vehicular travels and air travels. The Bank currently seeks to increase its use of renewable energy sources in its branches and other facilities. We remain committed to gradually migrating all our IT infrastructure, business offices and branches to renewable energy sources. In line with our target to migrate all our ATMs to solar energy by 2020, we migrated 60% of our ATMs to solar energy in 2019. The Bank provides staff buses to reduce emissions from vehicles used by employees for daily commuting to work. Also, we reduced our vehicle fleet from 376 in 2018 and to 370 in 2019. We are poised to implement plans to phase out all official diesel-powered vehicles which tend to emit more CO₂ and replace them with more energy-efficient brands.

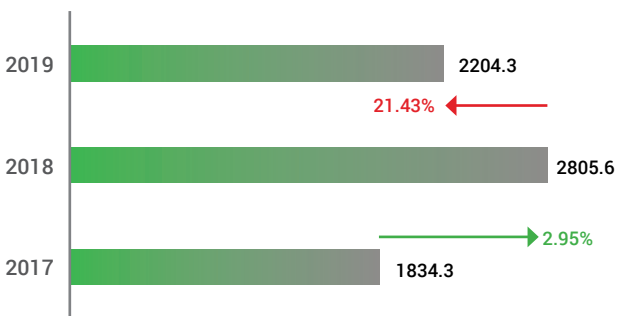
In 2019, our total emissions stood at 16,762.8tCO_{2e}, indicating an increase of 37% from the previous year. We will continue to challenge ourselves to develop strategies to reduce our emissions. For more information on our emissions, please see our 2019 GHG factsheet.

In 2019, we achieved a 31% reduction in our emissions from business flights by leveraging on technological solutions.

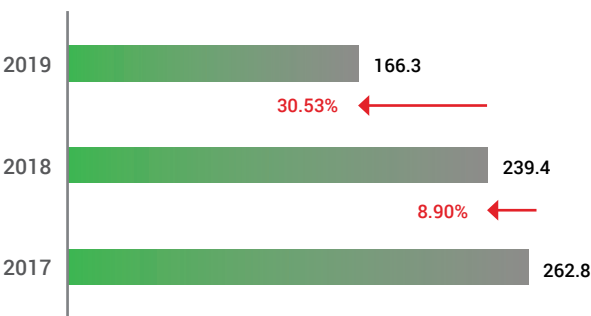
GHG Emissions by Source



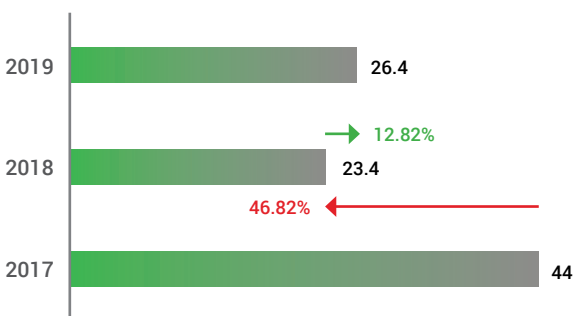
Indirect Emission (tCo2e) via PHCN



Indirect Emission (tCo2e) via Flight Trips



Indirect Emission (tCo2e) via Paper Per Employee (Kg)



By the end of 2019, paper consumption nudged up. This resulted in a 12.8% increase in emissions in 2019 from 23.4tCO₂e in 2018 and to 26.4tCO₂e. We will be stepping up efforts towards digital communication with our stakeholders and paperless ways of working in the offices.

With 370 vehicles in the company fleet (company fleet excludes those cars that are not maintained by the Bank). The total fuel consumption by fleet cars accounted for 398,751.36 Litres with a total number of 1,223 employees using fleet cars. Average fuel use per employee with 326litres/per employee.

Effluents and Waste

Given our large operational base, we recognise that our effluents and wastes could have dire environmental consequences in the communities and environments where we operate. We are also aware of the unavoidability of solid wastes including plastics, paper, food, etc. and other liquid wastes in our operations. As a responsible corporate, we seek safer waste management methods to mitigate the harmful effects of our effluents and wastes on our host communities.

Our effluents and wastes are material concerns for our stakeholders, as a responsible business, we ensure to align our waste management practices with regulations by local environmental authorities as well as international standards. Our waste management system promotes recycling and reuse of waste materials. It also seeks to encourage the adoption of the four principles of waste management; Reduce, Reuse, Recycle and Recover, among our people.

We currently maintain existing contracts with state-owned or private waste management companies across all our branches in Nigeria. We ensure that these third-party companies adopt and comply with global best practices.

In 2019, Zenith Bank consumed 11,250 reams of paper, and this cost the Bank N15,750,000.

Water Management

We recognize that water is a necessity for the sustenance of life. We also understand the dangers of water scarcity in the local communities where we operate especially with the growing challenges of climate change. Given that freshwater makes up only 3% of all water resources and only 1% of this is currently accessible, water management is a key concern to us.

We are developing initiatives to check our water usage and reduce our impacts on water withdrawal to increase the volume of water available for use to our host communities. We have employed the use of sensor-based taps in our offices to minimise our water usage. We are taking necessary actions to implement this initiative across all our branches nationwide especially at areas with greater risk of water scarcity.

We remain committed to adopting strategies to monitor and measure our water consumption in our branches across all regions in Nigeria including our headquarters to ensure optimum use of water resources.

Environmental Compliance

As a responsible corporate institution, we recognise the need to comply with local and global environmental regulations and standards, as well as the risk we face from non-compliance. Our customers and stakeholders trust us with their finances when they conduct business with us and believe that we would act legally, ethically and in their best interests. We hold this trust to the highest standards and lead the same with strict adherence not only to environmental laws but other regulations that drive sustainable business practices.

We have also put in place internal structures to drive compliance. We have established a Corporate Sustainability Responsibility (CSR) Unit. The unit which is supervised by the Executive Management and the Board, is responsible for ensuring that our operations conform to applicable environmental regulations. Also, our Sustainability Champions Group, with representation from all departments across all branches, is responsible for ensuring compliance with the bank's environmental and social policies.

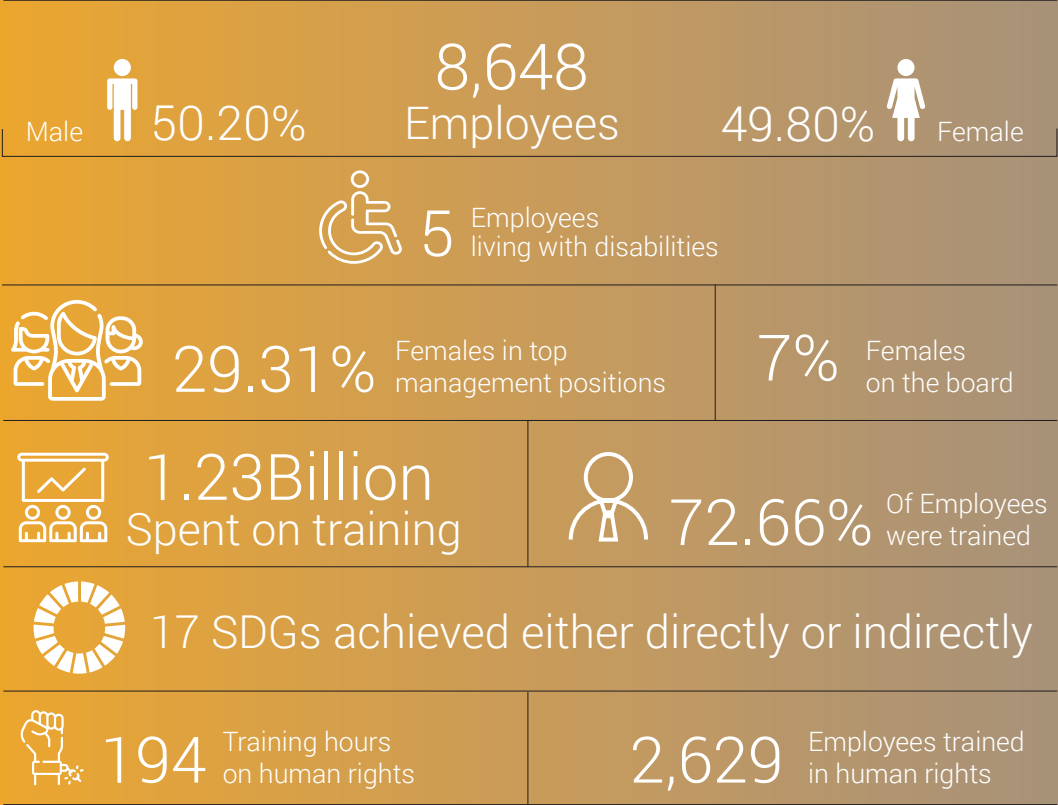
We have also established grievance and feedback mechanisms where our external stakeholders can provide feedback and share their complaints and grievances. We see customers' complaints as an opportunity to make strategic business decisions and improve our products, services and practices to ensure customer satisfaction.

In 2019, we did not incur significant fines and non-monetary sanctions for non-compliance with environmental laws. We will continue to conduct regular reviews and update our policies and principles to align with global best practices and standards, and local regulations to ensure excellent service delivery. We understand the risk we face through our business relationships, therefore, we ensure that third party organisations are assessed using environmental and social criteria to ensure compliance.



SOCIAL

2019 SOCIAL HIGHLIGHTS



Our People

In-Focus: Managing Our Most Important Asset as an Attractive Employer

Engaging with your employees in the Bank’s sustainability journey

Our employees are invaluable to our business. We believe that getting all our employees on-board in our sustainability journey is key to creating a vibrant and sustainable business. We have adopted different approaches to ensure the participation of our employees in our journey. We have put together a Sustainability Champions Group made up of employee representatives from all the business units in the head office and all locations across Nigeria to ensure that our employees are involved in achieving our targets. The presence of these sustainability champions goes a long way to increase the palpability of sustainability throughout our operations. We hold regular meetings and briefings with our employees to understand and respond to critical issues concerning them as well as educate them about our sustainability initiatives and programmes. Through our engagement with our employees, we have been able to earn employee trust, support and participation in our sustainability journey.

Our employees are also involved in carrying out our sustainability initiatives. During our 2019 Financial Literacy and World Savings Day events, 437 employees, including executive management members of the Bank visited 23 local government areas across seven states. This engagement with our employees is one we are committed to keep on with throughout our sustainability journey.

Key employee investments in 2019

We continue to keep our employees updated and equip them with skills to increase efficiency and improve effectiveness. We also recognise the need to ensure that our employees are knowledgeable about sustainability and their role in achieving our targets. Zenith Bank conducts regular training for their employees, including our board members, on critical aspects of our business, and we have incorporated sustainability principles in our training. In 2019, we invested a total of ₦1.23 billion in various employee training. In line with our target of assessing 100% of our credit transactions for Environmental and Social risks by 2020, we educated our employees on our environmental and social management system, which is based on the Equator Principles.

Attracting and retaining best talents

In line with our core values at Zenith Bank, we maintain fairness and transparency in our recruitment processes. We support diversity and inclusion in our workplace and ensure equal opportunity irrespective of background, gender, religion, age, race, disability and ethnicity. Through our recruitment process, we can pool exceptional professionals with capabilities that give us a competitive edge. We also respect and protect the rights of our employees. Our Human Rights Policy, Whistleblowing Policy and grievance mechanisms ensure the protection of the rights of our employees and guarantees that all employee disputes and complaints are addressed appropriately without fear of retaliation.

Our people are our greatest assets. We ensure the health and safety of our employees in the workplace through our Health and Safety Policy. We maintain a fair compensation plan for our people. We also commit huge investments towards the enhancement of the skills and employability of our people.

Labour Management

The career journey is one that hugely impacts on people’s satisfaction and wellbeing, and we recognise that we have a role in creating safe working spaces for our people. Our physical buildings, work equipment and facilities, employee engagement platforms and programmes, recruitment approach, remuneration and benefits, all combine to determine our ability to attract and retain the best talents in the labour market.

In dealing with employees, we apply relevant labour laws and regulations. Working with employees to develop and improve their skill sets and productivity is topmost of our people agenda.

We ensure that employees are duly notified of structural changes that can affect them. We give a minimum notice period of two weeks prior to implementing operational changes, decisions and/or actions that could markedly affect our employees.

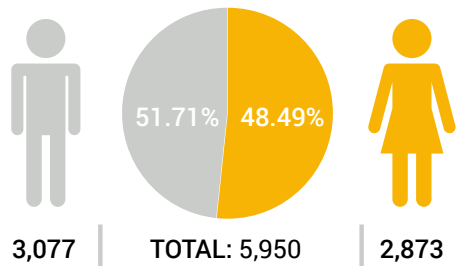
Job Creation

Zenith Bank is a leading provider on job opportunities in Nigeria. We are a people-centric organisation. However, we are conscious of the disruptive changes being ushered in the workspace by the Internet of Things (IoT), robotics, virtual reality (VR) and artificial intelligence (AI). These technologies which define the Fourth Industrial Revolution era are changing the way work is done, the kind of skills that are required for the future of work, and the type and scale of work that are available.

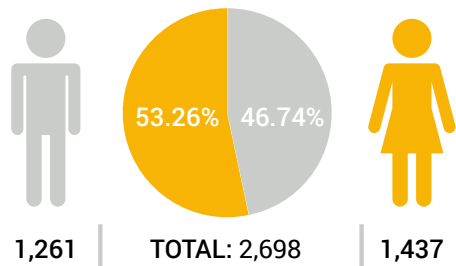
As a concerned employer, we are monitoring these trends and taking vital steps to turn the seeming challenges into opportunities to up-skill our workforce. We are keenly looking at modelling our current workforce to benefit from the dividend of digitisation.

In line with SDG 8 (Decent Work and Economic Growth), Zenith Bank continues to create a decent work environment where employees can help the Bank actualise its strategic objectives and attain their full potential. As at 31 December 2019, we had a total of 8,648 employees, out of which 4,341 (50.20%) were male while 4,307 (49.80%) were female.^(A)

Zenith Bank’s Active Permanent Employees Breakdown



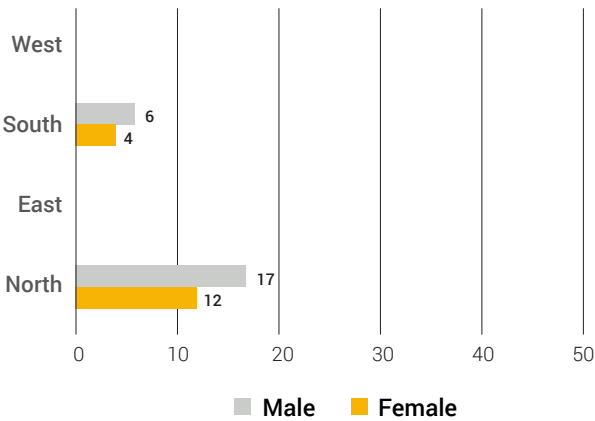
Zenith Bank’s Active Contract Employees Breakdown



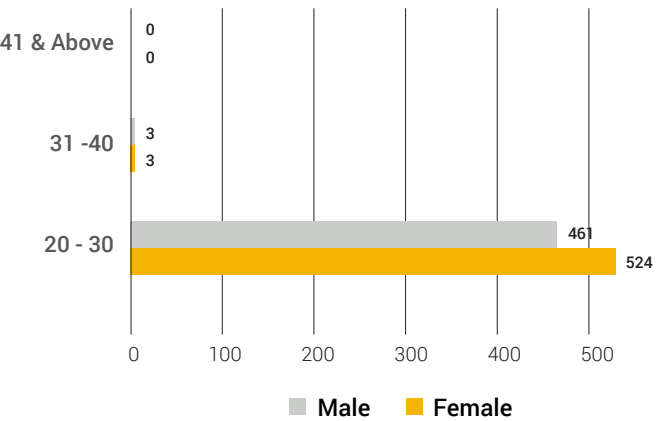
New Employee Hires and Turnover Rate

Due to the reputation we have built over the years, we attract some of the best brains in the banking sector. In the year under review, we welcomed 1,121 new employees while 685 workers exited the company. This represents a turnover rate of 7.92% in 2019.^(A)

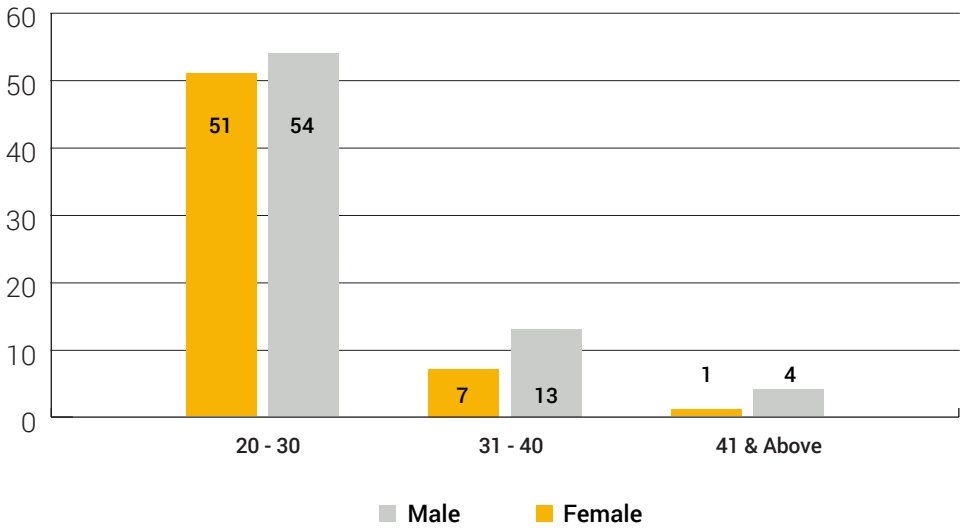
2019 Permanent New Employees by Region & Gender



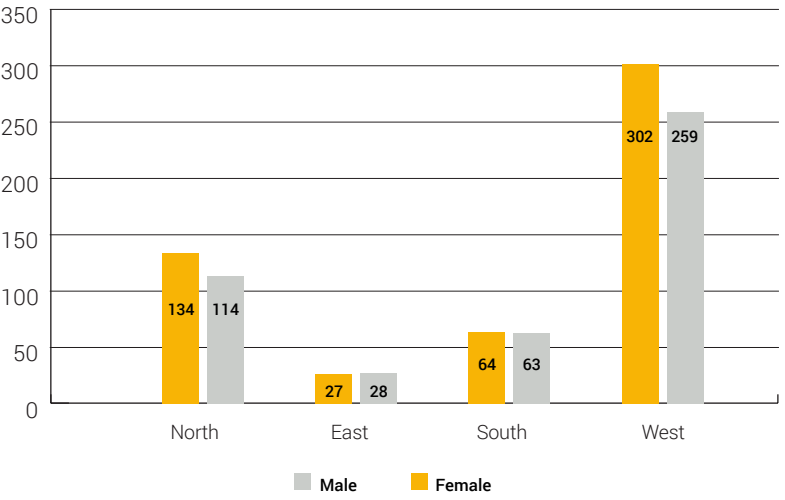
2019 Contract New Hires by Age Group & Gender



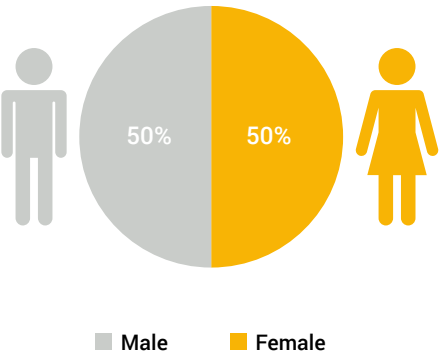
2019 Permanent New Hires



2019 Contract New Hires



2019 Turnover Rate by Gender

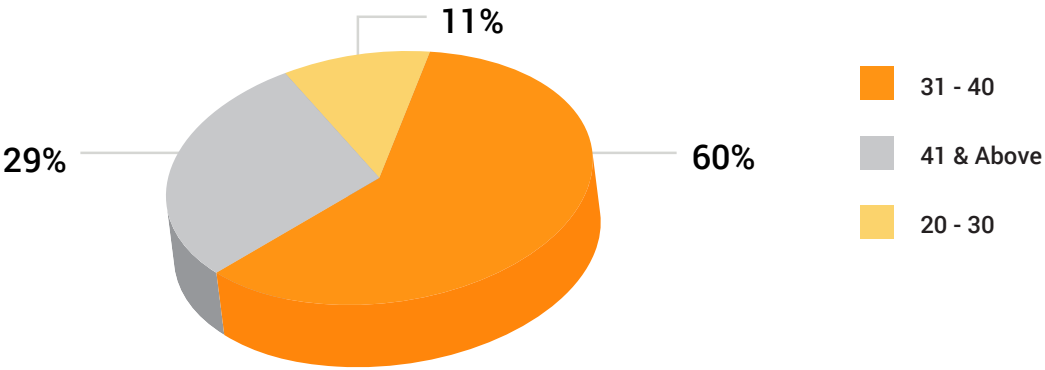


Diversity and Equal Opportunity

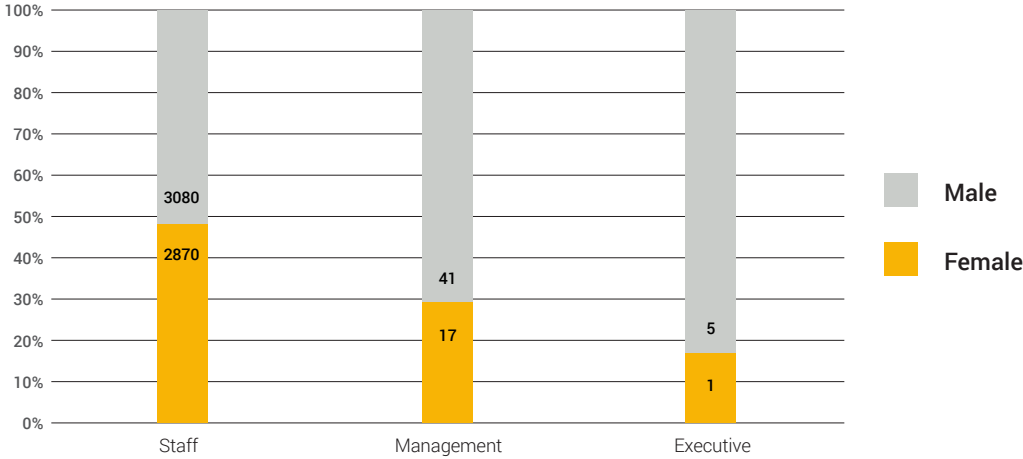
Our work environment promotes inclusivity, where people and performance are equally considered relevant. We want to attract and retain the most innovative talents that will continue to give us a competitive edge in the industry; hence, we have consistently promoted a diverse workforce across all levels. As at 31 December 2019, 29.31% (17) of our top management staff (of Assistant General Manager and above level) were female while 70.69% (41) were male.^(A)

Due to our national and international reach, it is important that people from different backgrounds can make Zenith Bank their home. In all locations where we operate, employees receive the same compensation and benefits across the same level, irrespective of gender. Also, we want to see further flattening out of the male-female ratio across different employee level. Consequently, we are paying close attention to the recruitment and management of female employees.

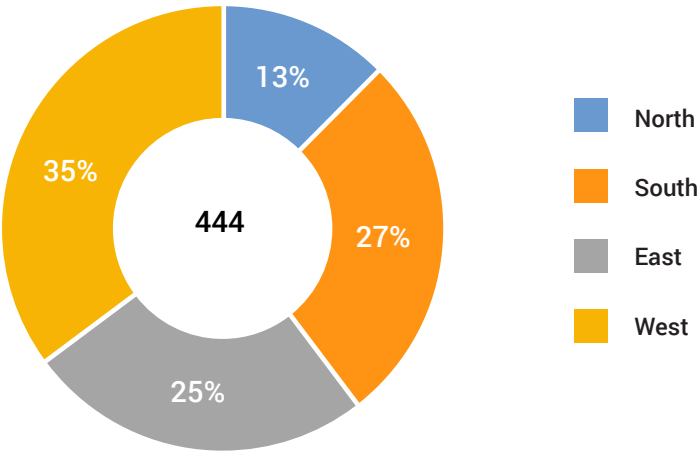
2019 Turnover Rate by Age Group



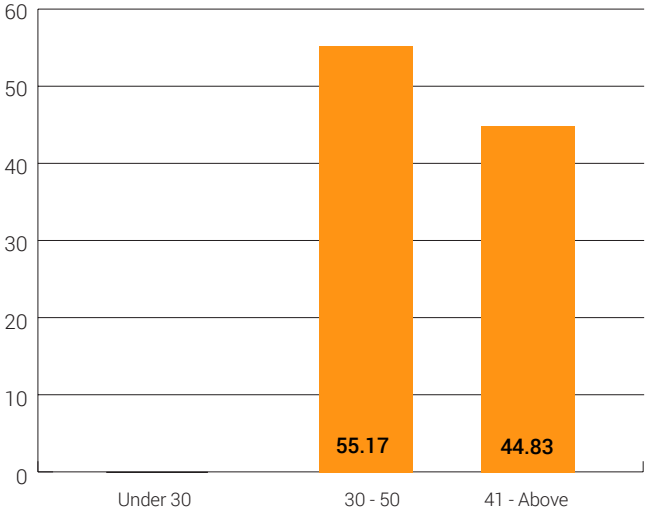
Diversity and Equal Opportunities of Employees in 2019



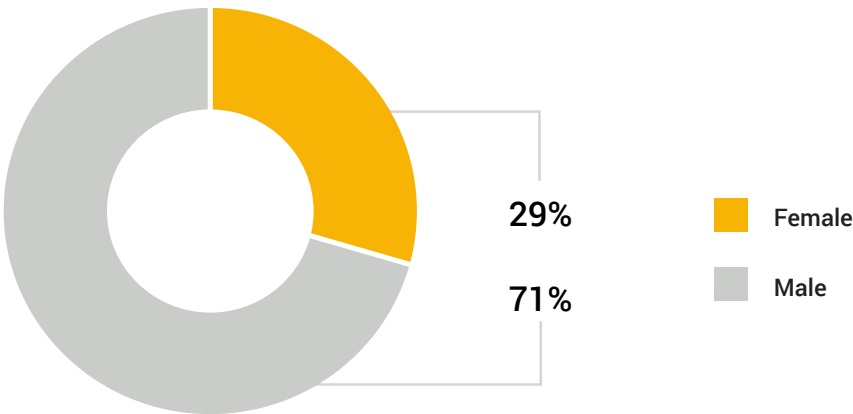
2019 Turnover Rate by Region



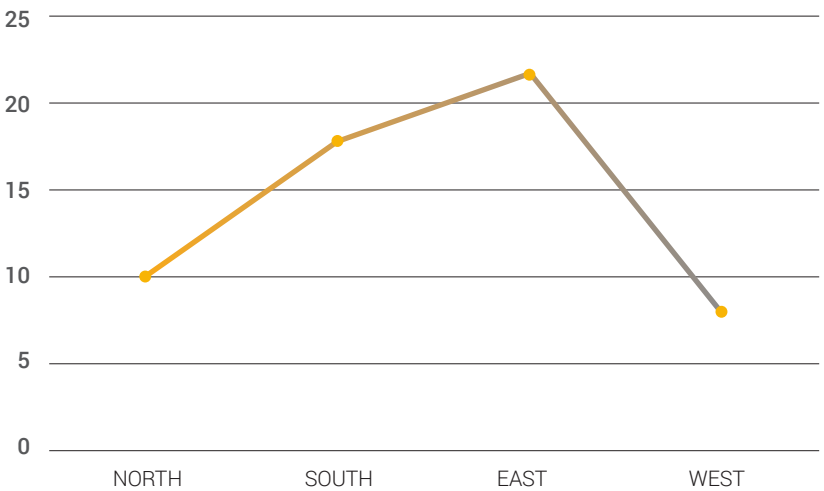
Zenith Bank's Top Management by Age Group in 2019



Zenith Bank's Top Management by Gender In 2019



Zenith Bank's Management Group by Region in 2019



Non-Discrimination

Zenith Bank has zero-tolerance for discriminatory practices of any kind. The Bank sternly frowns at and prohibits discrimination against tribe, ethnicity, religion, gender, race, colour, marital and family status or physical challenges. The Bank's guidelines and standards of behaviour on non-discrimination are duly captured in our Human Rights Policy.

Our employees and business partners are also encouraged to push for non-discrimination in their operations and dealings. The whistleblowing portal can be utilised by employees to report cases of discrimination anonymously. Relevant departments of the Bank ensure that they act swiftly on all reported cases and that disciplinary actions are taken accordingly. In the year under review, no incidence of discrimination was reported on any of our stakeholder engagement channels.

Freedom of Association and Collective Bargaining

Zenith Bank respects the rights of workers on collective agreements, bargaining and freedom of association. Our employees are free to unionise without the fear of retaliation. As a signatory of the UN Global Compact (UNGC) Principles, we are committed to principle three on upholding the freedom of association and the effective recognition of the right to collective bargaining.

We recognise the changing employment landscape and the need to work with employees with a partnership mindset. Therefore, we consult with our employees before making decisions that may affect them. We maintain a very transparent two-way communication channel with employees. The Bank will respect and engage employee bodies and establish collective bargaining structure that represents employees.

Forced or Compulsory Labour

Zenith Bank only engages adults of working age. We firmly support the push by the global business community to abolish child and forced labour in every sector. As a signatory to the UN Global Compact (UNGC), the United Nations Universal Declaration of Human Rights, the International Labour Organisation (ILO) Forced Labour Convention (2014), we have a commitment to drive ethical engagement of persons of age and that are not in any form of work bonds.

In our supply chain, we prohibit the engagement of businesses that use child or forced labour in their operations. This is contained in our Code of Conduct for Suppliers, Contractors and Vendors. In the year under review, we recorded no incidence of forced and compulsory labour in our operations.



Human Rights Assessment

Zenith Bank is an advocate of best practice in human rights standards and has over the years built processes and systems that support and respect internationally proclaimed human rights. We are guided by the United Nations Principles on Business and Human Rights, the UN Global Compact, and The United Nations Environment Programme Finance Initiative (UNEP-FI). These frameworks are the foundational blocks upon which our Human Rights Policy was developed.

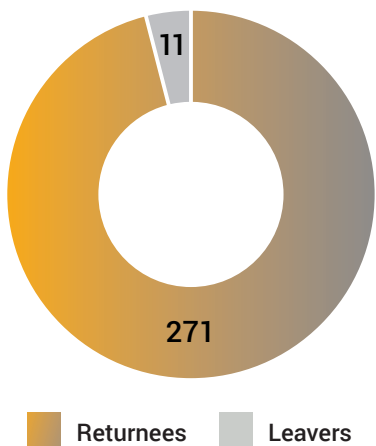
Our Human Rights Policy stipulates the management approach on Business and Human Rights issues for the Bank and guides the engagement of internal and external stakeholders. Annually, a significant number of staff are trained on human rights. In 2019, 2,629 employees completed the Bank's online human rights training.Ⓐ The system put in place by the Bank ensures that human right issues are adequately monitored, to capture cases reported, initiated investigations and actions taken on incidents. In the year under review, no incidence of human rights violation was reported on any of our stakeholder engagement channels.



Parental Leave

We want to create an environment where parents can balance their family and work life. At Zenith Bank, our parental leave is “gender-neutral” as well as the benefits. Programmes and benefits that promote work-life balance for our employees are always placed at the forefront of our welfare policies and initiatives to enhance productivity in the workplace.

In the reporting year, a total number of 2,870 employees were entitled to parental leave. 282 eligible employees took parental leave, and 272 employees returned to work after the parental leave ended.



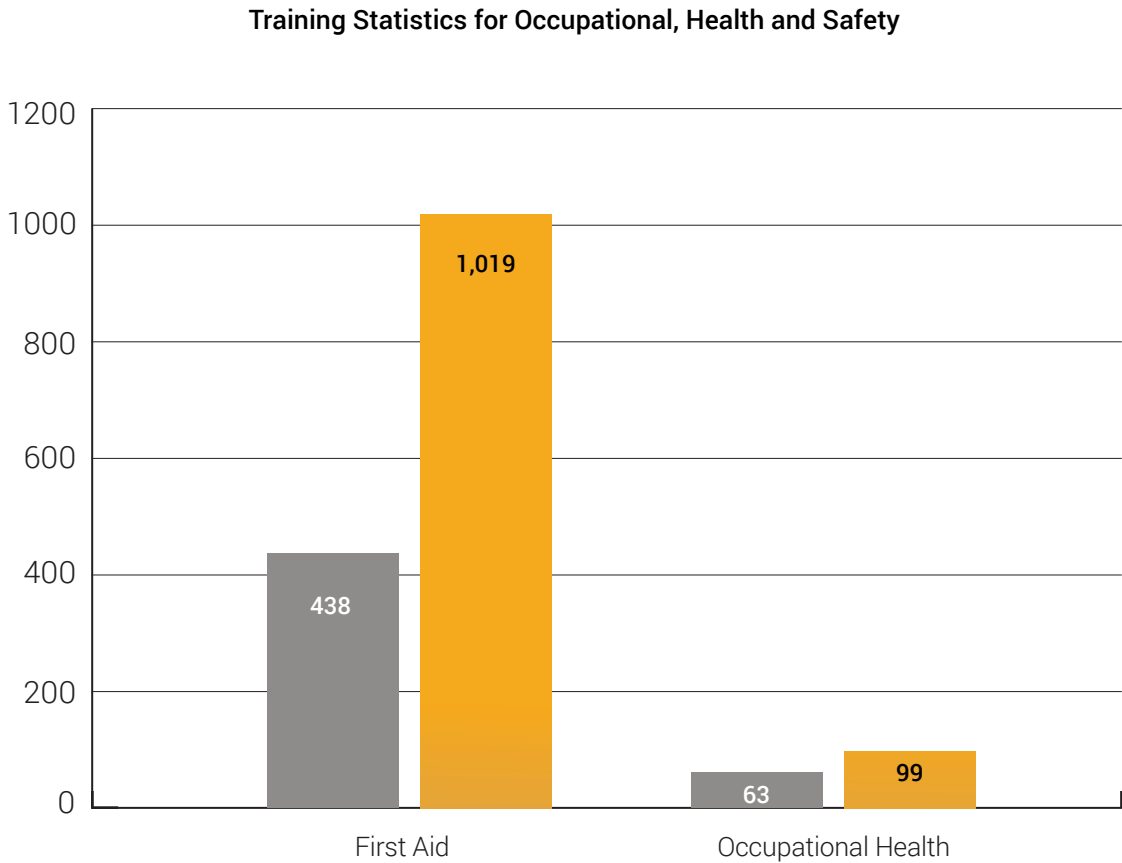
Occupational Health and Safety

We adopt health and safety measures to ensure the safety of our people.

Zenith Bank retains the services of top-class private hospitals where medical facilities are provided for employees and their immediate families at the Bank's cost. Our joint management-worker Health, Safety and Environment (HSE) Committee consisting of middle-level management staff and junior staff meets periodically to review health and safety concerns and promote occupational health and safety practices. Our Corporate Sustainability and Responsibility department coordinates the activities of the committee and serves as the secretariat.

In 2019, the Bank conducted occupational health and safety training for a total of 1,257 employees, an increase from the 501 employees trained in 2018. Also, the Bank's premises are fortified with fire prevention and fire-fighting equipment. It also conducts occasional fire drills among staff, as well as periodic safety audits.

We conduct external safety audits which also provide us with the opportunity to review our safety processes.



Training and Development

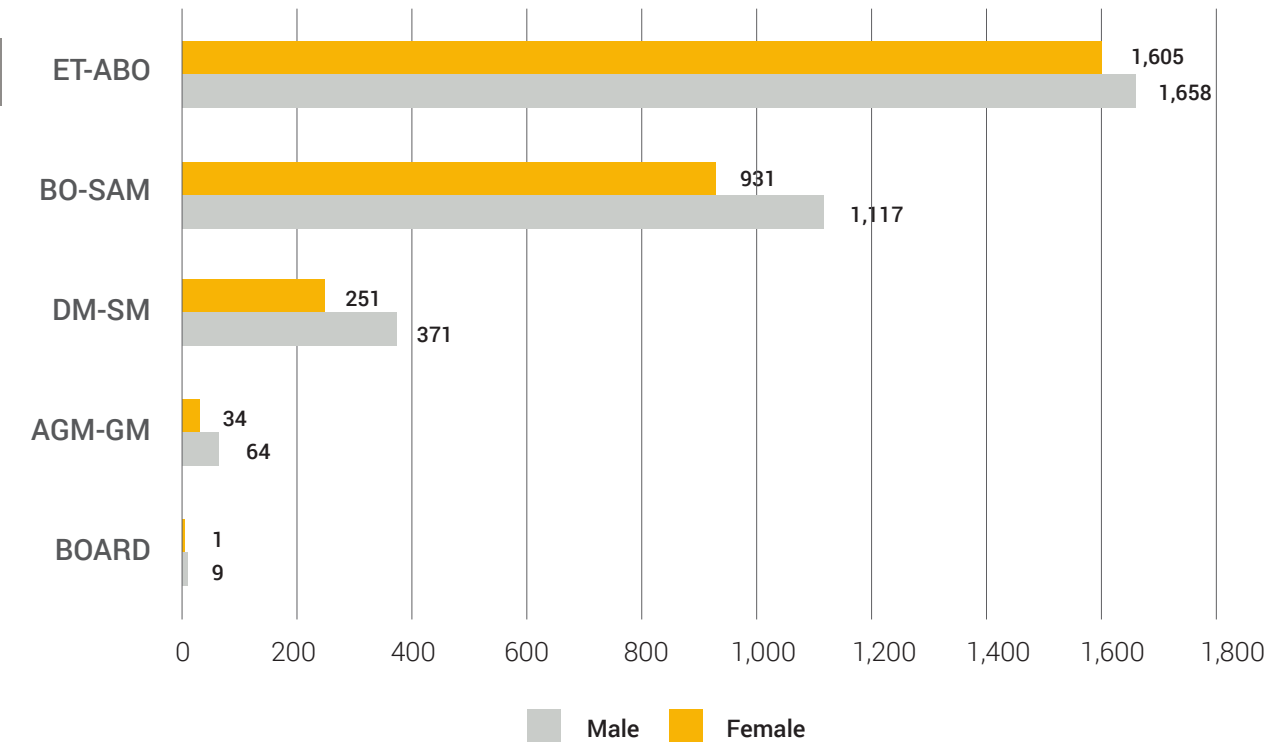
We believe that workplaces are part-time learning grounds for people. Hence, we want our employees to develop into leaders in their spaces. It is our ambition to build a hive of talents that will oversee the running and transformation of the Bank in the years to come.

We want to attract, train and retain the best brains in the industry by significantly investing in providing them with the requisite skill sets and capacity. We provide learning opportunities to our people through a combination of in-plant/in-house (at unit/department level), or formal (classroom or computer-based via e-learning modules).

A total of 6,284 employees, representing 72.66% of the workforce, were trained within the 2019 reporting year. We invested a total of ₦1,228,435,275.98 in employee trainings in 2019.Ⓐ

2019 Employee Training by Number, Level, Gender and Hours							
S/No	Level	Male	Female	Training Hours (Male Employees)	Training Hours (Female Employees)	Total Gender Hours	Average Hour by Employee Category
1	BOARD	9	1	43	2	45	4.5
2	AGM - GM	64	34	1,046	566	1,612	16.45
3	DM - SM	371	251	13,803	8,367	22,170	35.64
4	BO - SAM	1,117	931	48,976	42,271	91,247	44.55
5	ET - ABO	1,658	1,605	45,548	40,454	86,002	26.36
	TOTAL	3,219	2,822	109,416	91,660	201,076	

2019 Training Hours of Employees by Gender and Level



Our Customers

In-focus: Keeping the Earned Trust of our Esteemed Customers

Ensuring customer loyalty

Customer experience remains the critical defining factor for which most customers base their choice of banking. We are aware that today's customers desire more accessible and varied banking options, personalised experience and a brand that they can easily connect with. At Zenith Bank, we are continuously refining ourselves to ensure that we are best placed to meet these needs.

We have several options for engaging customers some of which include e-mails/SMS, branch network, relationship managers' visits, customers' satisfaction surveys, Zenith Direct, which is a dedicated 24/7 customer service centre and through social media channels. These platforms provide us with several options to engage our customers and are also closely monitored to know the high performing platforms and those to be modified.

We are one of the biggest lenders in the financial sector. Consequently, our customers have access to different products that help them grow their businesses and lead more financially stable lives.

Customer engagement campaigns carried out in the reporting year

We periodically embark on market storms and campaigns to showcase new products and services and more strategically to further endear the Bank to the hearts of existing and prospective customers. We believe that in engaging and participating actively as part of society, we will understand the markets and its uniqueness, and develop bespoke products for different demographics.

A good example is how the Bank engages the SME community. Some of the major events held in 2019 for this community include Style by Zenith, Aspire by Zenith, Zenith Tech Fair and Enyimba Business Fair. From these events, over 2,643 accounts were opened. These events also served as platforms to receive feedback on the overall perception and performance of the Bank's services.

Managing issues raised during customer engagement sessions

The most prominent issue raised during our customer engagement sessions was around transaction claims and disputes. Some customers indicated their displeasures about uncompleted transactions, delayed transactions, and transaction charges.

As a Bank, our foremost commitment is to excellent service delivery, and we want our customers to continue to experience best-in-class services every time they utilise any of our products and services. We have made efforts to help our customers understand that transaction fees are largely defined by regulation, and our role is to comply with extant regulatory requirements. However, in cases of delay and uncompleted transactions, we have continually upgraded our platforms to make user experience worthwhile. The Zenith Direct is a 24-hour service centre available to help customers resolve various transaction issues. On our website, we also have a portal where customers with dispute error complaints on our e-channels (POS, ATM and QuickTeller) can quickly fill-out to initiate a reversal.

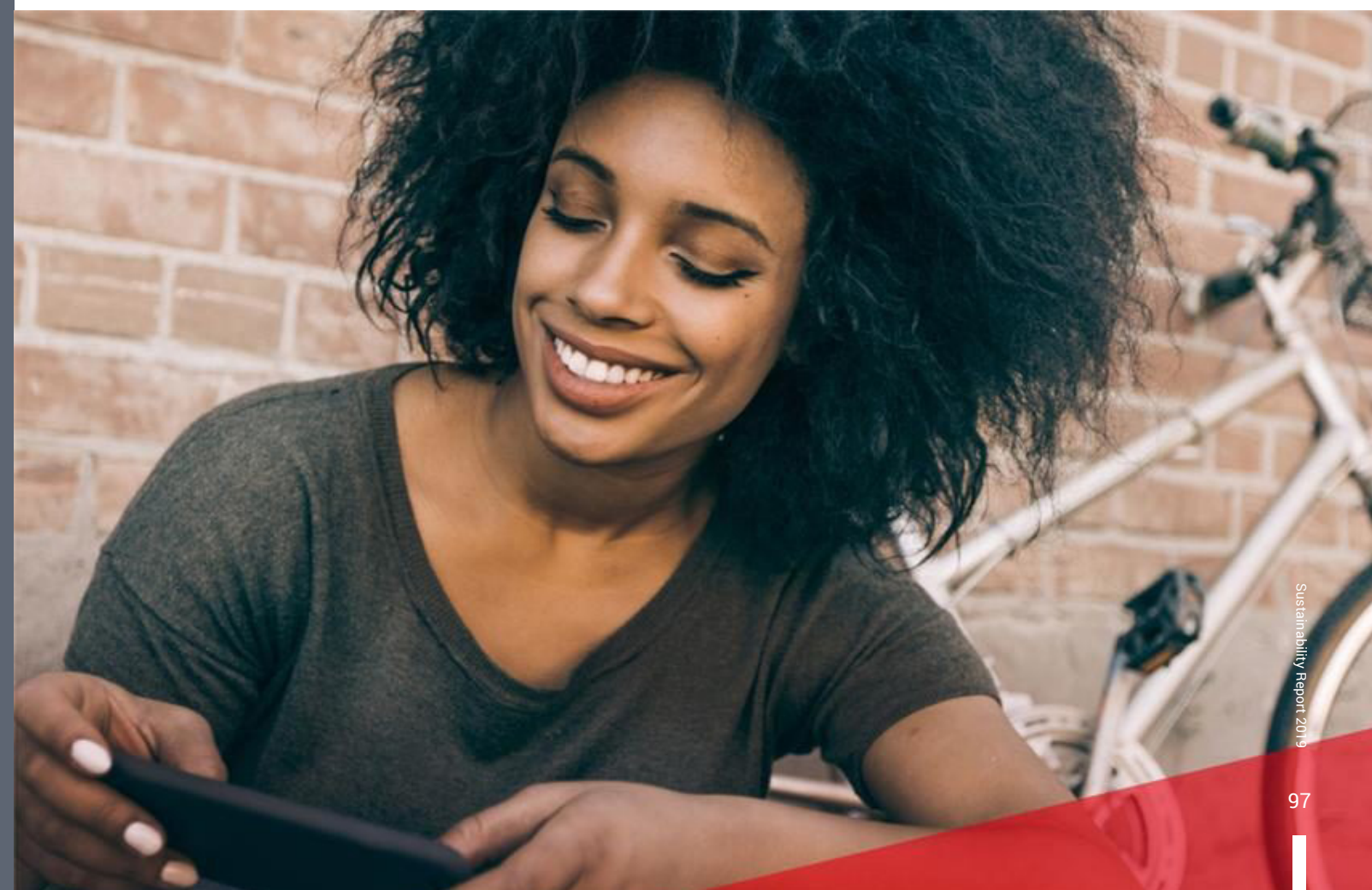
We would continue to receive and address customer feedback as a way of improvement and to appreciate their decision to be a part of the Zenith family.

Customer Satisfaction

We want our customers to see us as a financial institution committed to providing the best products and services that enhance their personal financial goals and business objectives. This means identifying their financial needs, creating innovative products and services, and delivering superior value through excellent customer service.

We have created several platforms through which we can be engaged by stakeholders to serve them better. Some of these platforms include customer service personnel across all branches, 24/7 dedicated hotline, ZenithDirect, web chat and Interactive Voice Response (IVR). These platforms are utilised by customers to address a range of issues such as personal banking, corporate banking, internet banking, mobile banking, card activation and reactivation and others.

The platforms are leveraged to aggregate feedback from customers on the level of service received. The Bank also organises different customer engagement sessions on a periodic and need to have basis. In 2019, some of the key issues raised by customers included electronic transactions claims and disputes, transaction charges, and incentives. To address these concerns, the Bank consistently put out communication on new regulatory developments around transactions. The Bank also optimised the claim resolution process to ensure appropriate response time. We aim to continuously provide innovative service delivery that ensures unrivalled customer experience.



Strengthening SMEs

We have also made it our obligation to support SMEs by providing financial products and services aimed at continually accelerating their growth towards sustainability which in turn creates economic prosperity for all, including the minutest level of the society. In the year under review, Zenith has been able to support an estimated 215 SMEs through our sustainable products.

In our bid towards quintessential satisfaction of our customers, we host series of events to promote SMEs and showcase local brands to our Global clientele base.

Aspire by Zenith: The Aspire by Zenith - the maiden edition - saw the convergence of youths from different walks of life - at the Harbour Point Hall, Victoria Island – Lagos. On 21st September, 2019. The Brand Awareness succinctly captured by the *966# Eazybanking promotion. A total of 1,143 accounts were opened.

Eyimba Business Fair: This was a 3-day Small-Medium Enterprise (SME) event held at two locations - Aba Sports Club & Abia State Polytechnic, Aba – Abia State. The flag off which took place on the 17th of October, 2019, witnessed 650 participants in attendance. The exhibition kicked off in October 18-19, 2019 had 550 participants in attendance - 175 Exhibitors & 375 attendees. A total of 500 accounts were opened.

Tech Fair: The Technology Fair witnessed a wide array of FinTech and budding tech enthusiasts gather to discuss and preview new developments in the sector. The event held at the Landmark Event Centre, Victoria Island, Lagos, on the 27th November, 2019. Participants were allowed access to the event by either opening an account at the venue or presenting their existing account numbers for verification. The event was in two parts – Tech Fair & Conference.

The finals of the Tech Hackathon saw the emergence of 10 winners:

1st prize – N10m

2nd Prize – N5m

3rd Prize – N2m

4th – 10th – N500,000 consolation prizes

Style by Zenith: The 3-day SME event which held from 29th November – 1st December, 2019 at Eko Atlantic Event Centre, Victoria Island, Lagos was categorised into Fashion, Beauty/Fitness & Confectionery and Participants were allowed access to the event by either opening an account at the venue or presenting their existing account numbers for verification.

The major aspect of the event was the SME Masterclass. Other side attractions of the event include live performances by artistes and fashion runway shows among others. A total of 5,000 attendees participated in the 3-day event and a total of 1,000 accounts were opened.

Product and Service Labelling

As a player in the financial services sector, we have an obligation to maintain clear communication with our stakeholders on all our products and services. As a rule, our product labelling and disclosure must be honest, complete and provide information on associated risk and charges.

We are accountable to several agencies that regulate advertising and marketing communications in Nigeria such as the Central Bank of Nigeria (CBN), Advertising Practitioners' Council of Nigeria (APCON), National Broadcasting Commission (NBC) and several others. While we are regulated by these bodies, we also have internal systems that self-regulate our product labelling and communications to ensure one hundred per cent alignment and compliance with best practices.

Zenith Bank factors in its cultural context in the development of marketing communications. Hence, our communications are conscious of diversity across gender, age, ethnicity and religion. Having a broad range of products and services, we are creative with our labelling and marketing communications to always ensure that diverse market segments are effectively engaged.

In 2019, none of our products and services violated any labelling law, and we did not record any case of non-compliance in our advertising and promotions. As a responsible Bank, we will continue to hold on to the highest standards of communication ethics.

Customer Data Privacy and Security

The privacy and security of customer data are paramount to the Bank's business. The banking business is largely built on integrity and trust, so we recognise the potential damage that data privacy and security breaches can cause to our customers and business.

To ensure security, Zenith Bank has invested significantly in world-class security systems to protect customer data. Our communication channels are also utilised to put out relevant data privacy information that creates more awareness of the need for customers to safeguard their personal data. We are also conversant with the new regulatory development around data protection and have benchmarked our policies, systems and processes against the new Nigeria Data Protection Regulation of 2019 to ensure alignment.

Information confidentiality is also a key aspect of our data governance. We ensure that important information is not freely shared but handled on a need to know basis. Our employees are also continually educated to understand the ethics of customer data management.

Our Communities

In-focus: Contributing to Society as a Business that Truly Cares

Our Approach to Corporate Social Responsibility (CSR)

We believe that as a business in a developing country with obvious dearth of critical development infrastructures, rising population, an increasing number of persons below the poverty line, we have a very crucial role to play in going beyond business as usual to add shared value to society.

CSR for us is not a good to have or branding tool. Rather it is a must-have and an opportunity through which we contribute to a society that we are a part of. This has been the Bank's goal from the very beginning and we have contributed over N12 Billion in CSR investments in Nigeria.

The focus areas of our social investments

Our CSR contributions can be broadly categorised into five focus areas, namely health; education; sports/youth empowerment; government/public infrastructure and policy; and, other projects/support. Through these areas, we continue to reach people, particularly the underprivileged and those at the bottom of the economic pyramid.

Due to the nature of our business, we are keen on improvements in health and education because they are two very essential factors in deciding the productivity of a nation. A productive nation is more likely to lift more people out of poverty, and the governments of such countries can deliver critical development infrastructures. Also, in a country with a high population of young people, there is a need to channel human capital in the right direction. We are playing a leading role in partnering with the government and other organisations to build a youthful population that has the right skillsets and access to recreational and livelihood opportunities.

We also support some projects that are not mainstream but have the potential to be significantly impactful based on our assessment. Projects under this category vary from entertainment, religion, charity, partnerships and many others.

Creating opportunities through our social investments

Through our numerous CSR contributions, we have made a remarkable impact over the years across different regions of Nigeria, especially in the areas of building sustainable communities, providing critical infrastructures, building institutions and inspiring hope.

With our health initiatives, we have given thousands of people a second chance at life. Similarly, our educational initiatives have given thousands of students opportunities to learn in more conducive environments, a chance to further their education and to lead more fulfilling lives ultimately. Examples from the global community reveal that some of the most economically sustainable countries are those with more livelihood options for its citizens, and through our sports/youth empowerment initiatives, we are creating these numerous options.

In more specific terms we contribute directly to 10 of the Sustainable Development Goals - 1, 2, 3, 4, 8, 9, 10, 11, 16, 17, and indirectly to all the goals. We have indeed come a long way in this journey of good corporate citizenship; however, we are not resting on our laurels but would continue to strive to change the country for good one project at a time.

Local Communities & Social Investments

Our business model is hinged on the creation of shared value for stakeholders in which local communities are not left out. With over N12 billion in investments on the last five years, we have supported the actualisation of the various targets of the SDGs, the "Community Involvement & Development" focus area of ISO-26000, the "Society" core area of the NSE-SDG, and other frameworks that elaborate social investment contributions.

Our contributions to these communities are beneficial to us as a financial services company and to the country at large. We are able to build trust, relationship capital and social license to operate in these communities. We evaluate development gaps in society before we get involved in interventions. We aim to stand in and fill developmental gaps as much as we can through our focus areas which include Healthcare; Education; Sports/ Youth and Women Empowerment; Government/Public Infrastructure & Policy.

As is done in our supplier and business relationship assessment, we also assess projects through the lens of their economic, social and environmental impact. Our social investment choices are also modified by our engagement with stakeholders. The feedback received from beneficiaries of the Bank's social investments and other stakeholders are factored into future investment decisions.

In 2020, we look to move towards the phase of determining the actual impact of our projects over the years. This assessment will help us to identify projects and sectors that will be amplified.

Healthcare



We recognise that we have a role to play in the wellbeing of our host communities. As part of our corporate social responsibility, we support the medical wellbeing of communities through various healthcare initiatives. Our initiatives are centred on providing maternal healthcare and medical support to members of our communities.

In 2019, we invested ~~N~~345 million to provide medical support to low-income individuals with dire medical conditions as well as support for various health programmes of the government targeted at improving life expectancy in the country.

HIGHLIGHTS OF INITIATIVES:

- Assisted 9 persons with their medical bills
- Support Iga-Idunganran Primary Healthcare Centre with medical supplies for 12 months
- O'Five Charity Initiative

Education



We remain committed to the educational development of the society. Access to quality education remains a considerable challenge in local communities. At Zenith Bank, we see this as an opportunity to expand our social impacts.

In the year under review, we invested ₦210 million in educational interventions and the development of human capital in the country. Our initiatives are aimed at achieving free, equitable and quality education at various levels including primary, secondary and tertiary levels, and ensure increased access to affordable and quality technical and vocational education for all, irrespective of gender, to augment what is currently provided by the government.

We are firm in our commitment to enhancing the educational standard and human capital development in Nigeria.

HIGHLIGHTS OF INITIATIVES:

- Infrastructural support to schools
- Supported St. Saviour's school with the sum of ₦20mn as annual sponsorship
- Upgraded St. Francis Catholic school's e-library, laboratories, wellness centre and classrooms.
- Construction of a 500-capacity hostel for St. Finbarr's college
- Constructed the ground floor of a two-storey building with two industrial boreholes for a monastery
- Academic Excellence award delivered to the best graduating students of Business Admin, Banking & Finance, Accounting, Economics and Statistics from the University of Benin.

HIGHLIGHTS OF INITIATIVES:

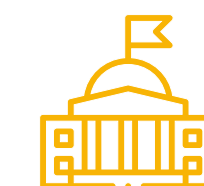
- 15th Edition of the Zenith Bank Women Basketball League
- 26 teams in the league
- 442 players
- 78 coaches
- The League has produced the bulk of Nigerian national female basketball players.
- 12 previous league players have gone on to continue their studies in the United States of America.
- Several league players have gone on to play professionally in Europe and America.
- Sponsorship for the construction of a classroom, kitchen and dining hall for the New Mother Teresa Catering and Hospitality Centre for Youth Empowerment, Ibokun, Osun State
- Two-day capacity building workshop on ICT & Digital Marketing for 100 women entrepreneurs with disability
- Partnership with Centre for Research, Innovation and Discovery to promote Education for Sustainable Development (ESD).

Sports/Youth and Women Empowerment



Zenith Bank contributes to a range of youth and women empowerment programmes on the background that the success of this demography will largely help the country in unlocking productive human capital, and will also impact the overall stability of societies in the future.

Two underlying reasons for engaging in sports development are to develop talents and the need to decongest the corporate employment environment and create additional livelihood options for people. In 2019, we expended ₦238 million on investment in sports/youth and women empowerment.



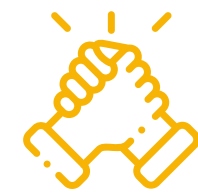
The bulk of our social investments goes into this category. We complement the efforts of the government in securing lives and properties and providing development infrastructures. We are a part of society and have committed to being visible in addressing societal challenges.

In 2019, we invested ₦1.42 billion to support the government and agencies of the government at different levels to build sustainable cities and communities in line with SDG 11.

HIGHLIGHTS OF INITIATIVES:

- Donation to equip VVF centre in Niger state for treatment of obstetric Fistula and other women reproductive health issues
- Various State Government Security Trust Funds

Other Projects/Support



The Bank has a fifth category of social investment that are classified under “Other Projects/Support” because of their uniqueness. Although, these projects are not classified into any of the usual category, they are as equally beneficial to society as those in the other four categories.

In 2019, we invested ₦516 million to projects in this category.

HIGHLIGHTS OF INITIATIVES:

- Sponsorship of financial literacy training of 2000 participants across Kano, Gombe and Bauchi states
- Sponsorship of 7 members of the Nigeria team to 2019 Microsoft Office Specialist World Championship in New York, USA
- Sponsorship of #ActForCleanAir (a tree planting project) in commemoration of the 2019 Environment Day
- Sponsorship of 2019/2020 CFA Institute Research Challenge with 125 students and 25 lecturers across 25 universities in participation



Social & Community Investments by Areas of Focus in 2019

AREA: Healthcare
AMOUNT: ₦345,000,000.00



Sample Beneficiaries/Purpose

- Donation to Private Sector Health Alliance of Nigeria;
- The O’Five Charity Initiative,
- Provision of medical supplies to Iga-Idunganran Primary Healthcare Centre, etc.

SDG Alignment



AREA: Education
AMOUNT: ₦210,000,000.00



Sample Beneficiaries/Purpose

- Construction of a multi-purpose hall at Maryland Comprehensive Secondary School;
- Upgrade of facilities at St. Francis Catholic Secondary School, Idimu;
- Donation of laptops to Gateway Polytechnic, Ogun State;
- Construction of a new hostel at St Finbarr’s College, Akoka;
- Sponsorship of CFA Institute Research Challenge
- Zenith Academic Excellence Award for Best Graduating Students in some Federal Universities.

SDG Alignment



AREA: Sports/Youth and Women Development
AMOUNT: ₦238,000,000.00



Sample Beneficiaries/Purpose

- Title sponsorship of the Delta State Principal’s Cup;
- Support for the Nigerian Football Federation (NFF);
- Zenith National Women’s Basketball League in partnership with the Nigerian Basketball Federation (NBBF)

SDG Alignment



AREA: Government/Public Infrastructure & Policy
AMOUNT: ₦1,420,000,000.00



Sample Beneficiaries/Purpose

- Donation to several State Security Funds;
- Construction of infrastructural development including road and drainage rehabilitation

SDG Alignment



AREA: Other Projects/ Support
AMOUNT: ₦516,000,000.00



Sample Beneficiaries/Purpose

- Sponsorship of various conferences and seminars organised by governmental and non-governmental agencies. These include,
- Musical Society of Nigeria;
- CBN Financial Inclusion Project;
- Unilag Alumni Association at 50 etc.

SDG Alignment



GRI Index

This report has been prepared in accordance with the Global Reporting Initiative

Standards having satisfied the following criteria:

- 1. Including the statement ‘in accordance with’ in the report.
- 2. Aligning with report content and quality as defined by GRI. In defining the report content, internal stakeholders were primarily involved in the identification of material areas where impacts occur and the potential threats to the operations of entities in Sahara Group. We have also clearly specified the reporting period, boundaries and to show completeness. For report quality, although this report has not been externally assured, the accuracy and reliability of this report is not in doubt as all the facts and figures disclosed are subject to audit by our stakeholders. Also, positive and negative (gaps) aspects of each disclosure were reported to ensure balance.
- 3. We have used GRI 103: Management Approach to report the management approach and the topic Boundary for all material topics and provided omissions as well as reasons if any.
- 4. We have used the topic specific GRI Standards (series 200, 300, 400) to report on material topics providing response to core disclosures and indicating reasons for omissions or non-applicability.

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Universal standards			
General disclosures			
102-1	Name of the Organisation	About Zenith Bank	14
102-2	Activities, brand, products & services	Product Portfolio	67
102-3	Location of Headquarters	Contact Information	127
102-4	Location of Operations	About Zenith Bank	14
102-5	Ownership and Legal Form	Ethical Leadership	44
102-6	Markets Served	About Zenith Bank	16
102-7	Scale of the Organisation	About Zenith Bank	14
102-8	Information on employees and other workers	About Zenith Bank	16
102-9	Supply Chain	Our Supply Chain	68
102-10	Significant Changes to the Organisation and its supply chain	Support for Local Business	69
102-11	Precautionary Principle or Approach	Occupational Health and Safety	93
102-12	External initiatives	Institutional membership and External Collaborations	58
102-13	Membership of associations	Institutional membership and External Collaborations	58
Strategy			
102-14	Statement from senior decision-maker	GMD/CEO's Statement	12
102-15	Key impacts, risks, and opportunities	Integrating Sustainability into our Business Strategy	20
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	About Zenith Bank	17
102-17	Mechanisms for advice and concerns about ethics	Greivance, Dispute & Feedback Mechanisms	55



Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Governance Structure			
102-18	Governance structure	Ethical Leadership	44
102-19	Delegating authority	Ethical Leadership	45
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Leadership	46
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Management	53
102-22	Composition of the highest governance body and its committees	Ethical Leadership	45/46
102-23	Chair of the highest governance body	Ethical Leadership	44
102-24	Nominating and selecting the highest governance body	Ethical Leadership	45
102-25	Conflicts of interest	Ethics and Integrity	43
102-26	Role of highest governance body in setting purpose, values, and strategy	Ethical Leadership	45
102-27	Collective knowledge of highest governance body	Ethical Leadership	44
102-28	Evaluating the highest governance body's performance	Ethical Leadership	44
102-29	Identifying and managing economic, environmental, and social impacts	NSBP Scorecard	26
102-30	Effectiveness of risk management processes	Risk Management Framework	51
102-31	Review of economic, environmental, and social topics	Integrating Sustainability into our Business Strategy	20
102-32	Highest governance body's role in sustainability reporting	Sustainability Leadership	46
102-33	Communicating critical concerns	Greivance, Dispute & Feedback Mechanisms	55
102-34	Nature and total number of critical concerns	Whistleblowing and Non-Retaliation Policy	50

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholders' Mapping	53
102-41	Collective bargaining agreements	Freedom of Association and Collective Bargaining	91
102-42	Identifying and selecting stakeholders	Stakeholders' Mapping	53
102-43	Approach to stakeholder engagement	Stakeholder Management	54
102-44	Key topics and concerns raised	Stakeholder Management	54
Reporting Practice			
102-47	List of material topics	Material Business Concerns	21
GRI 200: ECONOMIC			
Economic Performance			
Management approach			
103-1	Explanation of the material topic and its Boundary	Direct and Indirect Economic Impact	62
103-2	The management approach and its components	Direct and Indirect Economic Impact	62
103-3	Evaluation of the management approach	Direct and Indirect Economic Impact	62
201-1	Direct economic value generated and distributed	Direct and Indirect Economic Impact	62
201-4	Financial assistance received from government	NA	NA
Indirect Economic Impacts			
103-1	Explanation of the material topic and its Boundary	Local Communities and Social Investments	101
103-2	The management approach and its components	Local Communities and Social Investments	101
103-3	Evaluation of the management approach	Local Communities and Social Investments	101
203-1	Infrastructure investments and services supported	Local Communities and Social Investments	101

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
203-2	Significant indirect economic impacts	Direct and Indirect Economic Impact	62
Procurement Practices			
103-1	Explanation of the material topic and its Boundary	Support for Local Business	69
103-2	The management approach and its components	Support for Local Business	69
103-3	Evaluation of the management approach	Support for Local Business	69
204-1	Proportion of spending on local suppliers	Support for Local Business	69
Anti-corruption			
103-1	Explanation of the material topic and its Boundary	Anti-corruption	47
103-2	The management approach and its components	Anti-corruption	47
103-3	Evaluation of the management approach	Anti-corruption	47
205-1	Operations assessed for risks related to corruption	Anti-corruption	47
205-2	Communication and training about anti-corruption policies and procedures	Anti-corruption	47
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption	47
GRI 300: ENVIRONMENT			
Energy			
103-1	Explanation of the material topic and its boundary	Energy Consumption	76
103-2	The management approach and its component	Energy Consumption	76
103-3	Evaluation of the management approach	Energy Consumption	76
302-1	Energy consumption within the organisation	Energy Consumption	76
302-2	Energy consumption outside of the organisation	Energy Consumption	77
302-4	Reduction of Energy consumption	Strategies for Reduction of Energy Consumption	78

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Water			
103-1	Explanation of the material topic and its Boundary	Water Management	83
103-2	The management approach and its component	Water Management	83
103-3	Evaluation of the management approach	Water Management	83
303-1	Water withdrawal by source	Water Management	83
Emissions			
103-1	Explanation of the material topic and its boundary	Emissions	78-81
103-2	The management approach and its components	Emissions	78-81
103-3	Evaluation of the management approach	Emissions	78-81
305-1	Direct (Scope 1) GHG emissions	Emissions	78-81
305-2	Energy Indirect (Scope 2) GHG emissions	Emissions	78-81
305-3	Other Indirect (Scope 3) GHG emissions	Emissions	78-81
305-5	Reduction of GHG emissions	Emissions	79
Waste			
103-1	Explanation of the material topic and its Boundary	Effluents and Waste	82
103-2	The management approach and its components	Effluents and Waste	82
103-3	Evaluation of the management approach	Effluents and Waste	82
306-2	Waste by type and disposal method	Effluents and Waste	82
Environmental Compliance			
103-1	Explanation of the material topic and its boundary	Environmental Compliance	83
103-2	The management approach and its components	Environmental Compliance	83
103-3	Evaluation of the management approach	Environmental Compliance	83
307-1	Non-compliance with environmental laws and regulations	Environmental Compliance	83

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Supplier Environmental Assessment			
103-1	Explanation of the material topic and its boundary	Sustainable Supply Chain Management	68
103-2	The management approach and its components	Sustainable Supply Chain Management	68
103-3	Evaluation of the management approach	Sustainable Supply Chain Management	68
308-1	New suppliers that were screened using environmental criteria	Sustainable Supply Chain Management	68
308-2	Negative environmental impacts in the supply chain and actions taken	Suppliers E&S Assessment	70
GRI 400: SOCIAL			
Employment			
103-1	Explanation of the material topic and its boundary	New Employee Hires and Turnover Rate	87
103-2	The management approach and its components	New Employee Hires and Turnover Rate	87
103-3	Evaluation of the management approach	New Employee Hires and Turnover Rate	87
401-1	New employee hires and employee turnover [This Standard includes a Standard Interpretation on how to calculate the rates of new employee hires and employee turnover].	New Employee Hires and Turnover Rate	87
401-3	Parental Leave	Parental Leave	92
Labour/Management Relations			
103-1	Explanation of the material topic and its boundary	Labour Management	86
103-2	The management approach and its components	Labour Management	86
103-3	Evaluation of the management approach	Labour Management	86
402-1	Minimum notice periods regarding operational changes	Labour Management	86

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Health and Safety			
103-1	Explanation of the material topic and its Boundary	Occupational Health and Safety	93
103-2	The management approach and its components	Occupational Health and Safety	93
103-3	Evaluation of the management approach	Occupational Health and Safety	93
403-1	Occupational Health and Safety Management System	Occupational Health and Safety	93
403-2	Hazard Identification, risk assessment and incident investigation	Occupational Health and Safety	93
403-3	Occupational Health Services	Occupational Health and Safety	93
403-4	Worker participation consultation and communication on occupational health and safety	Occupational Health and Safety	93
403-5	Worker training on occupational health and safety	Occupational Health and Safety	93
403-6	Promotion of worker health	Occupational Health and Safety	93
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Suppliers E&S Assessment	70
Training and Education			
103-1	Explanation of the material topic and its Boundary	Training and Development	94
103-2	The management approach and its components	Training and Development	94
103-3	Evaluation of the management approach	Training and Development	94
404-1	Average hours of training per year per	Training and Development	94

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	94
404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development	95
Diversity and Equal Opportunity			
103-1	Explanation of the material topic and its Boundary	Diversity and Equal Opportunity	89
103-2	The management approach and its components	Diversity and Equal Opportunity	89
103-3	Evaluation of the management approach	Diversity and Equal Opportunity	89
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity	89
405-2	Ration of basic salary and remuneration of women to men	Diversity and Equal Opportunity	89
Non-discrimination			
103-1	Explanation of the material topic and its Boundary	Non-discrimination	90
103-2	The management approach and its components	Non-discrimination	90
103-3	Evaluation of the management approach	Non-discrimination	90
406-1	Incidents of discrimination and corrective actions taken	Non-discrimination	90
Freedom of Association and Collective Bargaining			
103-1	Explanation of the material topic and its Boundary	Freedom of Association and Collective Bargaining	91
103-2	The management approach and its components	Freedom of Association and Collective Bargaining	91
103-3	Evaluation of the management approach	Freedom of Association and Collective Bargaining	91
407-1	Operations and suppliers in which the right of association and collective bargaining may be at risk	Freedom of Association and Collective Bargaining	91

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Child Labour			
103-1	Explanation of the material topic and its Boundary	Forced or Compulsory Labour	91
103-2	The management approach and its components	Forced or Compulsory Labour	91
103-3	Evaluation of the management approach	Forced or Compulsory Labour	91
408-1	Operations and suppliers at significant risk for incidents of child labour	Forced or Compulsory Labour	91
Forced or Compulsory Labour			
103-1	Explanation of the material topic and its Boundary	Forced or Compulsory Labour	91
103-2	The management approach and its components	Forced or Compulsory Labour	91
103-3	Evaluation of the management approach	Forced or Compulsory Labour	91
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Forced or Compulsory Labour	91
Human Rights Assessment			
103-1	Explanation of the material topic and its Boundary	Human Rights Assessment	92
103-2	The management approach and its components	Human Rights Assessment	92
103-3	Evaluation of the management approach	Human Rights Assessment	92
412-2	Employee training on human rights policies or procedures	Human Rights Assessment	92
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Suppliers E&S Assessment	70

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Local Communities			
103-1	Explanation of the material topic and its Boundary	Local Communities and Social Investments	101
103-2	The management approach and its components	Local Communities and Social Investments	101
103-3	Evaluation of the management approach	Local Communities and Social Investments	101
413-1	Operations with local community engagement, impact assessments and development programs	Local Communities and Social Investments	101
Supplier Social Assessment			
103-1	Explanation of the material topic and its Boundary	Suppliers E&S Assessment	70
103-2	The management approach and its components	Suppliers E&S Assessment	70
103-3	Evaluation of the management approach	Suppliers E&S Assessment	70
414-1	New suppliers that were screened using social criteria	Suppliers E&S Assessment	70
414-2	Negative social impacts in the supply chain and actions taken	Suppliers E&S Assessment	70
Marketing and Labeling			
103-1	Explanation of the material topic and its Boundary	Product and Service labelling	99
103-2	The management approach and its components	Product and Service labelling	99
103-3	Evaluation of the management approach	Product and Service labelling	99
417-1	Requirements for products and service information and labelling	Product and Service labelling	99
417-2	Incidents of non-compliance concerning product and service information and labelling	Product and Service labelling	99
417-3	Incidents of non-compliance concerning marketing communications	Product and Service labelling	99

Zenith Bank's GRI Content Index			
GRI Standards	Disclosures Description	Disclosure Selection (Location)	Page Number
Customer Privacy			
103-1	Explanation of the material topic and its Boundary	Customer Data Privacy and Security	99
103-2	The management approach and its components	Customer Data Privacy and Security	99
103-3	Evaluation of the management approach	Customer Data Privacy and Security	99
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Data Privacy and Security	99
Socioeconomic Compliance			
103-1	Explanation of the material topic and its Boundary	Regulatory Compliance, Environmental Compliance	51, 83
103-2	The management approach and its components	Regulatory Compliance, Environmental Compliance	51, 83
103-3	Evaluation of the management approach	Regulatory Compliance, Environmental Compliance	51, 83
419-1	Non-compliance with laws and regulations in the social and economic area	Regulatory Compliance, Environmental Compliance	51, 83



Assurance Report

Independent Auditor's Limited Sustainability Assurance Report on the Selected Sustainability Information in Zenith Bank Plc's Sustainability Report for the Year Ended 31 December 2019

To the Directors of Zenith Bank Plc.

We have undertaken a limited assurance engagement in respect of the selected sustainability information, as described below, and presented in the 2019 Sustainability Report of Zenith Bank Plc. for the year ended 31 December 2019. This engagement was conducted by a multidisciplinary team including economic, social and environmental assurance specialists with relevant experience in sustainability reporting.

Subject Matter

We have been engaged to provide a limited assurance conclusion in our report on the following selected sustainability information, marked with (A) the pages of the Zenith Bank 2019 Sustainability Report we have referenced in the table contained in this opinion. The selected sustainability information in the table contained in this opinion have been prepared in accordance with the reporting criteria that accompanies the sustainability information on the relevant pages of the Report (the accompanying reporting criteria).

Zenith Plc's Responsibility

The Management of Zenith Bank Plc. are responsible for selection, preparation and presentation of the selected sustainability information in accordance with the accompanying reporting criteria as set out in the sustainability report (the "Reporting Criteria").

This responsibility includes:

- The identification of the stakeholder requirements, material issues, commitments with respect to sustainability performance, and
- The design, implementation and maintenance of internal control relevant to the preparation of the report that is free from material misstatement, whether due to fraud or error.

The Management is also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected sustainability information and for ensuring that those criteria are publicly available to the report users.



Focus Area	Zenith Bank Indicators	Sub-heading in Sustainability Report	Reporting Criteria (GRI/NSBPs/NSE Principles)	Updated Performance Result Statement (as would be stated in the final sustainability report)	Page Number
Social	1. Social investments (naira amount and percentage of profit after tax).	Local communities and social investments.	GRI 413-1 Operations with local community engagement, impact assessments and development program. NSBP 2 Our business operations: Environmental and social footprint. NSE principle 6 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	Zenith Bank's total social investments was ₦2.73 billion, representing 1.53% of Profit After Tax (PAT) in 2019.	63
	2. Customer claims (number of claims and naira amount claimed).	Ethics and integrity.	GRI 418-1 Substantiated complaints concerning breaches of customer privacy losses on customer data. NSE principle 1 Businesses should conduct and govern themselves with ethics, transparency and accountability.	769 customer claims were recognized for the 2019 financial year. Also, 408 claims including outstanding from prior years were resolved. As a result, Zenith Bank refunded ₦344,565,467.86 in 2019.	57
Social	3. Total employees by gender (number and percentage).	Diversity and equal opportunity.	GRI 405-1 Diversity of governance bodies and employees. NSBP 4 Women's economic empowerment. NSE Principle 5: Businesses should promote the wellbeing of all employees.	As at 31 December 2019, we had a total of 8,648 employees ¹ , out of which 4,341 (50.20%) were male while 4,307 (49.80%) were female.	86
	4. Total board and top management staff (number and percentage in gender representation).	Diversity and equal opportunity: Board of directors and board structure.	GRI 405-1 Diversity of governance bodies and employees. NSBP 4 Women's economic empowerment. NSE Principle 5 Businesses should promote the wellbeing of all employees.	As at December 31, 2019, we had 12 male and 1 female on our Board of Directors, representing 92.31% male and 7.69% female. As at 31 December 2019, 29.31% (17) of our top management staff (of Assistant General Manager and above level) were female while 70.69% (41) were male.	45 89

¹ "Employees" throughout this report refers to permanent and temporary employees.



Focus Area	Zenith Bank Indicators	Sub-heading in Sustainability Report	Reporting Criteria (GRI/NSBPs/NSE Principles)	Updated Performance Result Statement (as would be stated in the final sustainability report)	Page Number
Social	5. Analysis of fraud and forgeries returns (number and naira return).	Ethics and integrity.	GRI 205-2 Operations assessed for risks related to corruption. NSE Principle 1 Businesses should conduct and govern themselves with ethics, transparency and accountability.	During the 2019 financial year, the 351 cases of fraud and forgeries recorded resulted in an actual loss of about ₦1,212,776,438 to the Bank.	47
	6. Employee training and development (number, percentage of total employee and naira amount).	Training and development.	GRI 401-1 Average hours of training per year. NSE Principle 5 Businesses should promote the wellbeing of all employees.	A total of 6,284 employees, representing 72.66% of the workforce, were trained within the 2019 reporting year. We invested a total of ₦1,228,435,275.98 in employee trainings in 2019.	94
	7. Employee turnover rate (number and percentage).	Employee: New employee hires and turnover.	GRI 401 -1 New employee hires and employee turnover. NSE Principle 5 Businesses should promote the wellbeing of all employees.	In the year under review, we welcomed 1,121 new employees while 685 workers exited the company. This represents a turnover rate of 7.92% in 2019.	87
	8. Employees who have undergone training on fighting/combati-	Anti-corruption.	GRI 205 - 2 Communication and training about anti-corruption policies and procedures.	4731 employees, representing 54.71% of the workforce, received training on anti-corruption in 2019.	47
Social	ng financial crimes (number and percentage of total employee).		NSE Principle 1 Businesses should conduct and govern themselves with ethics, transparency and accountability.		
	9. Analysis of human rights and non-discrimination policies and practices (number).	Non-discrimination and human rights.	GRI 412-1 Operations that have been subject to human rights reviews or impact assessment. NSBP 3 Human Rights: We will respect human rights in our business operations and business activities. NSE Principle 1 Businesses should conduct and govern themselves with ethics, transparency and accountability. NSE Principle 7 Businesses should respect and promote human rights.	In 2019, 2629 employees completed the Bank's online human rights training.	92
	10. Financial inclusion and financial literacy activities (number and	Financial inclusion and financial literacy.	NSBP 5 Financial Inclusion. NSE Principle 6 Businesses should respect the interests of, and be responsive	In 2019, Zenith Bank facilitated financial literacy workshops in 31 schools across the six geo-political zones in the country during Financial Literacy Day and World Savings Day events	28



Focus Area	Zenith Bank Indicators	Sub-heading in Sustainability Report	Reporting Criteria (GRI/NSBPs/NSE Principles)	Updated Performance Result Statement (as would be stated in the final sustainability report)	Page Number
	location).		towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	organized by the Central Bank of Nigeria.	
Economic	11. Economic value created for stakeholders and government (naira amount and percentage).	Economic performance.	GRI 201-1 Direct economic value generated and distributed.	The Bank's gross earnings stood at ₦565 billion in 2019, a 5% rise from ₦538 billion the previous year.	62
				In the 2019 financial year, ₦2.80 kobo per ordinary share was declared as dividend to our shareholders, resulting in a total declared dividend of ₦87.91 billion.	62
				The Bank paid ₦5.50 billion in income tax to the government in 2019.	62
Environmental	12. Energy consumption pattern within the organisation (volume).	Energy consumption within the organisation.	GRI 302-1 Energy consumption within the organisation. NSBP 2 Our Business operations: Environmental and social footprint. NSE Principle 9 Business should respect, protect, and make efforts to restore the environment.	In 2019, the total amount of electricity purchased from the national grid was 5,464,310 KWh. Total electricity consumed per employee was 4,467.96 KWh. The total volume of diesel used to run Zenith Bank's generators was 3,421,619 litres and 2,797.73 litres per employee.	76
	13. Carbon footprint measurement and management (volume per unit area and volume per employee).	Emissions/audit.	GRI 305-1 Direct (scope 1) GHG emission. GRI 305 - 2 Energy indirect (Scope 2) GHG emission. GRI-3 Other indirect (scope 3) GHG emission. NSBP 2 Our business operations: Environmental and social footprint. NSE Principle 9 Business should respect, protect, and make efforts to restore the environment.	In 2019, the total area covered in the external carbon footprint audit conducted by V4 Advisors remained 12,938.45 m ² , accommodating 1,223 employees. Also, total GHG emissions emitted at our Head - Office was 1.30tCO ₂ e /m ² in 2019, indicating a 30% increase from 0.94tCO ₂ e/m ² in 2018.	26



Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practices on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can impact on comparability. Qualitative interpretation of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine the information, as well as the measurement criteria and the precision thereof, may change over time.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA) issued by the International Federation of Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies the International Standard on Quality Control 1 (ISQC 1), and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Provider's Responsibility

Our responsibility is to express a conclusion on the sustainability report based on conducting a limited assurance engagement. We performed our limited assurance engagement in accordance with International Standard on Assurance Engagements (revised), Assurance Engagements Other Than Audits or Reviews of Historic Financial Information (ISAE 3000). This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance about whether the subject matter information is free from material misstatement.

Our assurance engagement involves performing procedures to obtain sufficient appropriate evidence about the sustainability report which is the subject of our assurance engagement. The procedures selected depend on our professional judgement, including an identification of areas where a material misstatement of the subject matter information is likely to arise whether due to fraud or error. In our identification, we considered internal control relevant to management's preparation of the sustainability report in order to design procedures that are appropriate in the circumstances.

A limited assurance is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of qualification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, and performing the procedures listed above, we:

- Interviewed management to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management in our interviews;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected sustainability information;

PricewaterhouseCoopers Chartered Accountants
Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria
T: +234 1 271 1700, www.pwc.com/ng T1N: 01556757-0001

Partners: S Abu, O Adekoya, O Adeola, T Adeleke, W Adetokunbo-Ajayi, UN Akpata, O Alakhume, C Azobu, E Erhie, K Erikume, U Muogilim, P Obianwa, T Ogundipe, C Ojechi, O Oladipo, P Omonuimhen, O Osinubi, T Oyedele, AB Rahji, O Uban



- Performed a controls walkthrough of identified key controls;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by Management in the preparation of the selected sustainability information; and
- Evaluated whether the selected sustainability information presented in the report are consistent with our overall knowledge and experience of sustainability management and performance at the Bank.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Bank's sustainability information have been prepared, in all material respects, in accordance with the accompanying Bank's reporting criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Limited Assurance Conclusion

Based on procedures we have performed and the evidence we have obtained, and subject to inherent limitations outlined elsewhere in this report, nothing has come to our attention that causes us to believe that the selected sustainability information as set out in the subject matter paragraph above for the year ended 31 December 2019 are not prepared, in all material respects, in accordance with the reporting criteria.

Other Matters

The maintenance and integrity of Zenith Bank's website is the responsibility of Zenith Bank's directors. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of presentation on Zenith Bank's website.

Restriction on Use and Distribution

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected sustainability information to the Directors of the Bank in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Bank for our work, for this report, or for the conclusion we have reached.

For: **PricewaterhouseCoopers**

28 October 2020

Chartered Accountants

Lagos, Nigeria

Engagement Partner: Samuel Abu

FRC/2013/ICAN/00000001495



POS Collections without Payment Cards.

This report is prepared by the Corporate Sustainability and Responsibility Unit of Zenith Bank Plc, in compliance with the GRI Standards' sustainability reporting principles and guidelines.

All feedback and enquiries should be directed to;

Contact Information



The Head,

Corporate Sustainability and Responsibility (CSR)
Zenith Bank Plc
Zenith Heights
87, Ajoye Adeogun Street,
Victoria Island,
Lagos, Nigeria.



Email: Sustainability@zenithbank.com | Csr@zenithbank.com



Phone: +234 1 278 1050, +234 1 278 1055, +234 1 278 1052



Website: www.zenithbank.com

