



EMPOWERING
PEOPLE



CONTRIBUTING TO
ENVIRONMENTAL
SUSTAINABILITY



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FINANCE



SUPPORTING
OUR COMMUNITIES



2013 Citizenship Report

FBN Holdings Plc

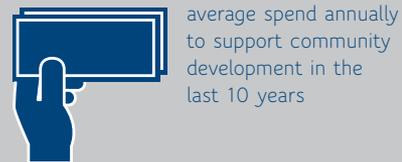
200,000 SMEs



Over N1.2billion



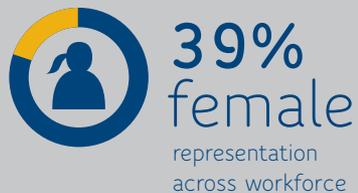
N500million



400 employees



102 Managers



We believe that sustainable development remain a major key to unlocking a consistent and long-term global growth. For us, acting in the long-term interests of our shareholders, customers; employees and communities is fundamental to achieving sustainable success.

As a responsible corporate citizen, our objective is to create value for our customers through responsible lending and investment; empower our people via capacity building and inclusive growth; support our communities on education, health, economic empowerment platforms as well as strive to contribute to environmental sustainability.



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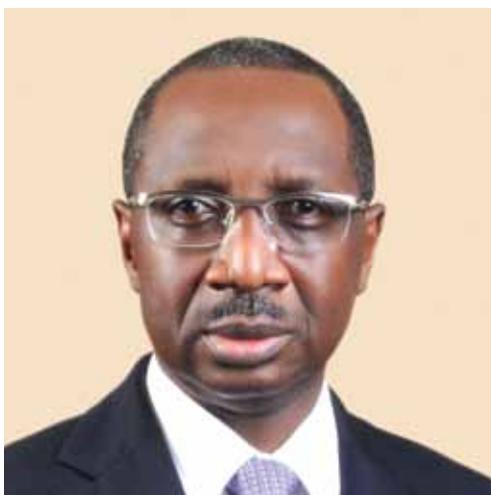
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Inside this report

02 A message from our CEO **04** Our Business at a glance **10** Our Corporate Responsibility & Sustainability Approach
20 Corporate Governance **24** Driving Sustainable Finance **30** Empowering People **40** Supporting Our Communities
56 Contributing to Environmental Sustainability **60** Standards & Codes **68** Awards & Recognition **72** About the Report

Our commitment to citizenship

A message from our CEO



Mallam Bello Maccido
Group CEO, FBN Holdings

“
We recognise that corporate responsibility and sustainability is a challenging journey, but we are aware that the key to remain steadfast in this journey is to stay committed, and recording the milestones as we travel.
”

For over a hundred and twenty years, we have remained a leading financial institution in sub-Saharan Africa. One key reason for this commendable feat is our responsible approach to doing business. Our evolution has been all-encompassing – knowing that innovation is a major success driver we have ensured that it applies to every aspect of the business.

Good corporate governance and undiluted focus on community development were part of our early strategy to corporate responsibility. This has seen us define the standards for good corporate governance in the industry and created community development programmes with some spanning over five decades. These programmes cover education, health, sports and economic empowerment.

Education remains the bedrock of the socio-economic, cultural and political development of any country. We believe that quality education is the foundation for the building blocks of any economy and a knowledge-driven economy with a focus on building human capacity is destined to grow. This is a fundamental reason for focusing on education in line with our corporate strategy of capacity building. Two of our key programmes under this platform are Educational Endowment and Essay

Our corporate responsibility & sustainability approach is citizenship. Citizenship entails that we constantly put our stakeholders first in making decisions because we believe that building strong relationships with our customers, communities and employees underpins our own sustainability.

competition programmes. The Educational Endowment programme was instituted in 1994. It is designed to enhancing academic excellence in Nigeria. The programme is present in ten universities in Nigerian and valued over 440 million naira. The objective of the Essay Competition is to stimulate intellectual discourse among students and prepare them for the challenges of leadership in the future. Part of the incentive of this programme is providing employment for the first place winner and this has been clearly demonstrated with the First Bank's former Executive Director, Banking Operations, John Aboh who got employed by the Bank because he won the first edition of the competition.

Health and economic development are interrelated. Development is a consequence of good health. Health is essential to one of the key drivers of economic development which is human capital. Sport is critical to individual development and goes beyond contributing to leading healthy and fulfilling lives to economic force for employment and development. In line with this thinking, we have been sponsoring major sports tournaments including the Georgian Cup of the Kaduna International Polo Tournament, probably the oldest sports trophy in Nigeria. We also sponsor the Dala Hard Court Tennis Championship in Kano and have sponsored

the CBN Classic Golf Tournament (CBN Governor's Cup). For over 40 years, we have consistently supported the Lagos Amateur Golf Championship of Ikoyi Club 1938.

Staying at the forefront of responsible and sustainable companies remains part of our corporate vision and consequently our corporate responsibility and sustainability vision. FBN Holdings will build on its heritage and commitment to leadership and become a leading sustainable business of Nigeria origin. This is our corporate responsibility and sustainability vision. Our current corporate responsibility and sustainability strategy and approach are derived from this vision.

Our corporate responsibility & sustainability approach is citizenship. The Citizenship approach requires that we broadly consider the needs of our stakeholders, not only for enhanced business performance, but largely for a mutually beneficial relationship. The citizenship approach ensures that we constantly put our stakeholders first in making decisions because we believe that building strong relationships with our customers, communities and employees underpins our own sustainability.

We remain committed to promoting sustainability & corporate responsibility programmes. We believe in the long-term and being an enduring partner for the long haul.

This citizenship report showcases our corporate responsibility and sustainability goals and highlights some key activities in 2013. We recognise that corporate responsibility and sustainability is a challenging journey, but we are aware that the key to remain steadfast in this journey is to stay committed, and recording the milestones as we travel.

We appreciate your contributions towards making this journey less challenging.

Yours sincerely,

Mallam Bello Maccido
CEO FBN Holdings.

Our business

At a glance



At FBN Holdings, we are committed to global best practices in driving corporate responsibility and sustainability.



FBN Holdings Plc

FBN Holdings Plc (“FBNH”, “FBN Holdings” or the “Group”) is the premier and largest financial services group in Nigeria. FBN Holdings emerged from the erstwhile FirstBank group to effectively ring-fence the commercial banking business from other businesses, in compliance with new regulation by the Central Bank of Nigeria (CBN). FBN Holdings Plc was incorporated in Nigeria on October 14, 2010 and was listed on The Nigerian Stock Exchange under the “Other Financial Services” sector on November 26, 2013. With issued and fully paid-up share capital as 32,632,084,345 ordinary shares of 50 kobo each (₦ 16,316,042,172.50), FBN Holdings is owned by about 1.3 million shareholders across the globe and has an unlisted Global Depository Receipt (GDR) programme.

While retaining the diversity of the Group’s financial services businesses, the affiliates of FBN Holdings offer a full range of products and services across commercial banking, investment banking, insurance and microfinance business in 12 countries (Nigeria, United Kingdom, France, South Africa, China, UAE, Democratic Republic of Congo, Ghana, The Gambia, Guinea, Sierra Leone, and Senegal). The Group, employing over 9,680 staff, serves over 9.1 million active customers’ accounts, through more

than 860 business locations and over 2,470 ATMs. The Group boasts an excellent corporate governance structure underpinned by strong institutional processes, systems and controls.

FBN Holdings Plc is structured under four business groups, namely: Commercial Banking, Investment Banking and Asset Management, Insurance, and Other Financial Services. FBN Holdings’ principal bank subsidiary is First Bank of Nigeria Limited (FirstBank), a commercial bank with operations in 12 countries. Others are FBN Capital Limited, a leading investment banking and asset management company; FBN Life Assurance Limited (FBN Life), a composite insurance company; FBN Insurance Brokers Limited; and FBN Microfinance Bank Limited, which offers microfinance services.

The Nigerian banking business operates nationally and internationally, with a customer base of over 8.5 million served through a large distribution network consisting of 790 business locations



FBN Holdings Plc (HoldCo) is the premier and largest financial services group in Nigeria. The holding company emerged from the erstwhile FirstBank Group in November 2012 to effectively ring-fence the commercial banking business from other businesses as required by the Central Bank of Nigeria.

Commercial Banking

The Commercial Banking group is led by First Bank of Nigeria Limited (FirstBank), which has operations in 12 countries. FirstBank is the largest banking group by assets in Sub-Saharan Africa (SSA) excluding South Africa (i.e. 'middle Africa'), offering banking services to a rich network of both individual customers and businesses.

FirstBank represents the main legal entity and previously played an operating holding company function before the implementation of HoldCo. Other entities under FirstBank include FBN Bank (UK) Ltd – a fully licensed bank in the UK with offices in Paris; Banque Internationale de Crédit (BIC) – a leading tier 2 bank headquartered in the Democratic Republic of Congo (DRC), acquired in 2011, the International Commercial Bank (ICB) in The Gambia, Ghana, Guinea, Sierra Leone acquired in 2013, and ICB Senegal acquired in 2014.

These recent acquisitions are major landmarks in FirstBank's plan for growing its sub-Saharan African footprint. Other subsidiaries include First Pension Custodian Ltd (First Pension), providing pension fund custody services, and FBN Mortgages, a primary mortgage institution.

The Bank also has a network of representative offices in Abu Dhabi, Beijing

and Johannesburg set up to capture trade-related businesses between respective geographies. The Nigerian banking business operates nationally and internationally, with active customer account base of over 9 million served through a large distribution network consisting of over 790 business locations, and more than 7.5 million cards in issue.

Investment Banking & Asset Management

FBN Capital is the lead entity of the Investment Banking and Asset Management (IBAM) business group of FBN Holdings. Other subsidiaries under FBN Capital include FBN Securities Ltd, First Funds Ltd, and First Trustees Nigeria Ltd. FBN capital arranges finance, provides advice, manages funds and sells investment products to clients. Key lines of business include:

- **Investment banking**

FBN Capital is a leading transaction adviser across numerous sectors, offering corporate finance, structured finance and strategic advice to clients. Mergers and acquisitions (M&A) capabilities include mergers, acquisitions, privatisations, management buy-outs, leveraged buy-outs, divestments, spin-offs, joint ventures and take-overs, as well as private investments in public equities (PIPEs) and group private transactions. Its industry footprint is widespread

across financial services, energy and natural resources, infrastructure, consumer markets, and communication technology.

The Investment Banking division also offers project and structured finance solutions. It assists a variety of clients in structuring and arranging optimal financing solutions for both greenfield and brownfield projects spanning all sectors of the Nigerian economy.

The funding and public private partnership solutions allow clients to capitalise on new opportunities or expand existing business lines and the deal team sector specialist offers valuable experience in local and international markets, whilst maintaining key relationships at Local, State and Federal levels.

- **Markets (sales and trading)**

The Capital Markets group coordinates FBN Capital's activities in the Nigerian capital markets. This includes origination, execution and after-market services. They structure primary and secondary market transactions that are designed to solve clients' financing and risk management challenges through the use of securities and other hybrid instruments.



Given the distinctive heritage of FBN Holdings Plc, the Group is well positioned to ensure the best possible returns and service to its shareholders, clients and other stakeholders.

- **Performance highlights**

Continued strategic focus on providing superior advisory services, capital raising and funds management. Key business lines remain Investment Banking Advisory, Asset Management, Trustees, Markets (Debt and Equity), and Private Equity/ Principal Investments.

- **Asset management**

Asset management provides specialist portfolio and fund management service. This includes managing investment accounts of high net worth individuals and institutional clients including insurance companies, pension funds, public and private mutual funds, public and private trusts, endowment and charity funds, as well as segregated and special accounts.

- **Principal investing/private equity**

First Funds Limited, a subsidiary of FBN Capital Ltd, is the primary platform for providing growth capital to firms looking to finance expansion plans. Investments cut across various sectors including food and beverages, hospitality, travel and leisure, healthcare, leasing, telecommunications, real estate, and oil and gas. The team of specialists works with the priority of unlocking

shareholder value through partnerships with entrepreneurial management teams.

- **Trustee services (corporate and public trusts)**

As a leading trustee services provider for over 30 years through its subsidiary First Trustees Limited, FBN Capital has a strong history and market position driven by a seasoned team of experts. It offers syndicated loan trusts, corporate bond trusts, share warehousing trusts, unit trusts, and individual or portfolio government bond purchases. First Trustees represents one of the largest divisions within FBN capital.

Insurance

The Insurance business group covers our insurance-related subsidiaries: FBN Life Assurance (FBN Life) and FBN Insurance Brokers.

FBN Life Assurance Limited

A life assurance business, FBN Life Assurance Limited, was established in partnership with South Africa-based Sanlam, given the attractive industry dynamics and strong synergies with the Commercial Banking business. FBN Life Assurance Limited was instituted to provide the Nigerian Insurance market with

best-in-class, innovative solution-driven products and services that create value for all stakeholders whilst consistently demonstrating integrity, professionalism and confidence. It is poised to play a significant role in the development of the insurance industry in Nigeria through product innovations, efficient service delivery and prompt claims settlement.

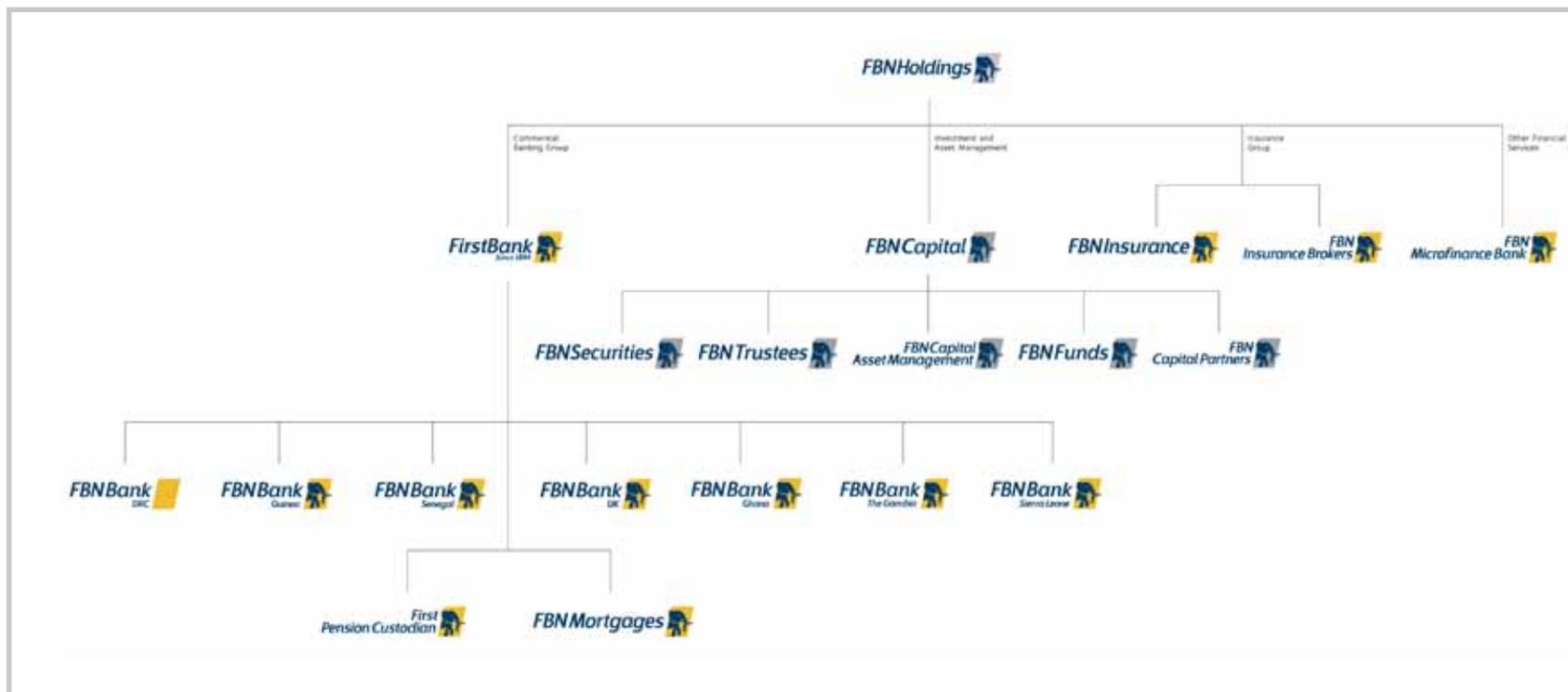
FBN Insurance Brokers Limited

FBN Insurance Brokers Limited is committed to supporting businesses through expert broking knowledge in energy/special risks, aviation and domestic insurance, like property, liability, auto and construction. The company operates one of the most sophisticated insurance brokerage software applications. It is capable of updating clients' database, generating debit notes, clients' statement of accounts and policy renewal alert. In addition, the company manages its special risks portfolio in active collaboration with reputable international reinsurance brokers, amongst which are HSBC and UIB Limited.

Other Financial Services

FBN Microfinance Bank Ltd

The Other Financial Services business group serves as an incubator for our other non-bank financial services businesses. FBN



Microfinance Bank Limited falls under this segment and provides financial services to low-income retail customers. It aims at addressing the challenges of the huge unbanked adult population, providing dedicated financial and business advisory services to the economically active poor as well as serve this market segment with a range of financial products designed for the growth of their businesses.

Our Proposition

Given the distinctive heritage of FBN Holdings Plc, the Group is well positioned to ensure the best possible returns and service to its shareholders, clients and other stakeholders. FBN Holdings is dedicated to supporting shareholders and clients to maximise the infinite opportunities

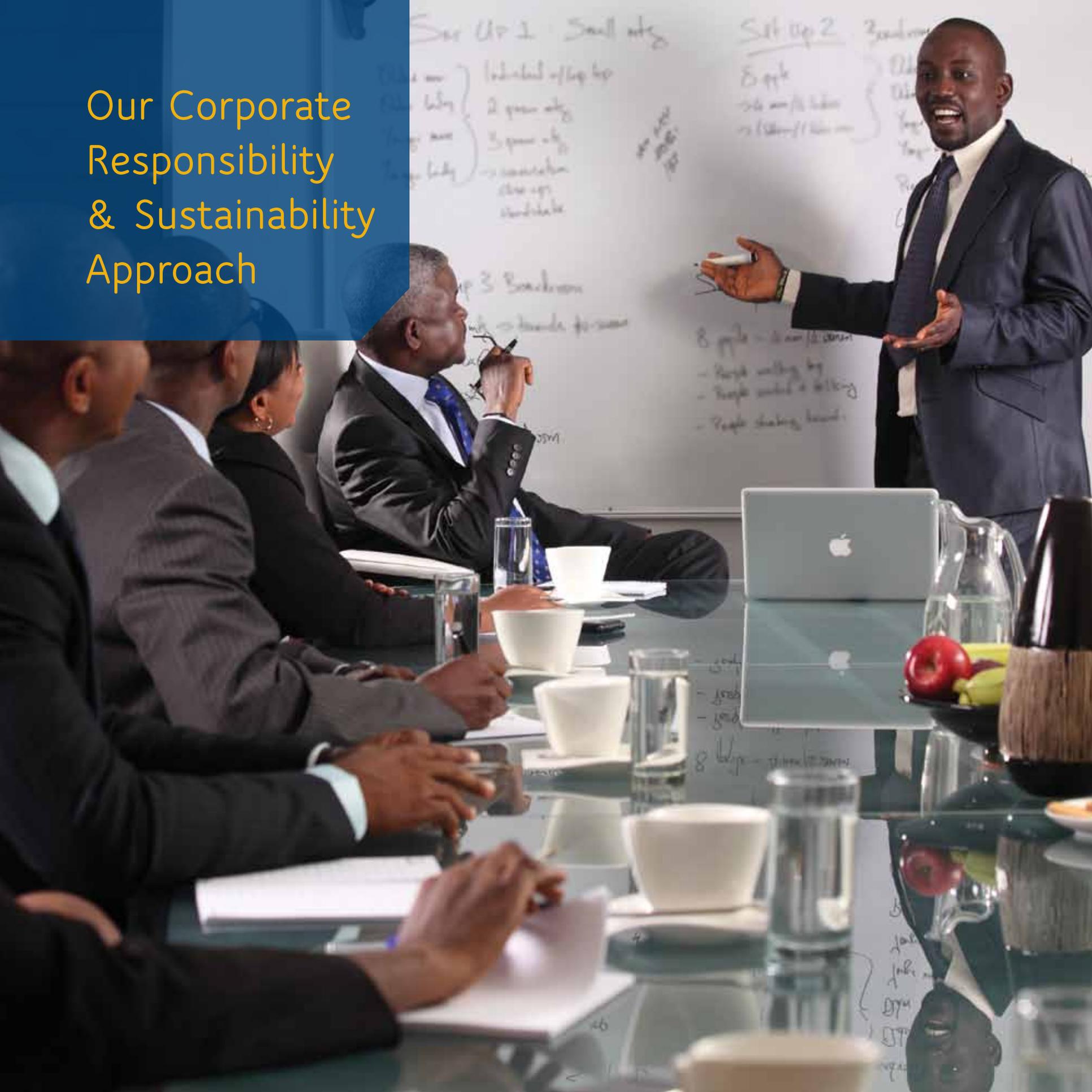
inherent in its rich century-long heritage as a consolidated one-stop financial supermarket. The Group profiles industry trends to enable stakeholders leverage investment opportunities, whilst highlighting the specialisation of subsidiaries to enhance service delivery and consumer satisfaction.

Customers stand to benefit from the resultant increased efficiencies and optimisation of opportunities arising from shared services within the Group, accentuated by FBN Holdings' commitment to global best practices, good corporate governance, sustainable corporate citizenship, and thought leadership interventions, whilst it continuously leverages strategic partnerships to sustain its position as the bastion of ethical leadership.

The Group would maintain the drive to remain the undisputed leader in every business in which it participates; growing its franchise to become the financial services provider of first choice to all, including the next generation of Nigerians, and the broader sub-Saharan African market. This will ensure superior shareholder returns underpinned by solid near-term financial performance and strong long-term growth prospects.

Through increased specialisation and consolidation on the strengths of each business line, FBN Holdings Plc. would enhance the entire Group's ability to drive growth into the future.

Our Corporate Responsibility & Sustainability Approach



Our Corporate Responsibility & Sustainability Vision

FBN Holdings will build on its heritage and commitment to leadership and become a leading sustainable business of Nigerian origin.

Corporate responsibility and sustainability goes beyond financing economic activity in a responsible way. It's also about conducting business processes transparently with integrity towards ensuring an inclusive, positive impact on the communities...



At FBN Holdings, corporate responsibility and sustainability (CRS) goes beyond financing economic activity in a responsible way. It's also about conducting business processes transparently with integrity towards ensuring an inclusive, positive impact on the communities where we operate and the society at large.

CRS is not bolted on to our corporate strategy. It is embedded into our business strategy and our daily operations.

Our CRS approach is citizenship. It means putting into consideration the needs of stakeholders in making decisions.

The Citizenship approach is contained in the Group's corporate responsibility policy. The policy clearly outlines our commitments and approach to corporate responsibility as well as the Group's CRS governance framework. The scope of the policy and respective guidelines applies throughout the Group's operations and activities including its subsidiaries in all locations; stakeholders and associated partners representing the Group.

The Journey of Embedding Sustainability

To help drive responsible practices, the sustainability team which consists of business units across the Group in partnership with Accenture, recently concluded the exercise of developing a sustainability strategy; an implementation road-map and performance management system for 2014 - 2016. This is based on stakeholder engagement with our customers, employees, investors, regulators, communities and industry partners and NGOs.

The sustainability strategy is designed to deliver value in a structured way along four key areas. These are: driving sustainable finance, empowering people, supporting our communities, and contributing to environmental sustainability.

■ **Driving sustainable finance**

Our customers remain a vital element of our business. We constantly seek ways of providing products and services to meet their needs while ensuring that we manage our environmental and social impacts in the process. Thus, contributing to overall sustainable growth and development.

■ **Empowering people**

We are committed to growing our people; providing opportunities and a supportive environment and culture for personal development.

■ **Supporting our Communities**

We invest our time and resources as part of our responsibilities to enrich the communities in which we work and live.

■ **Contributing to environmental sustainability**

We are committed to avoiding or minimising environmental impacts beyond our responsible lending efforts.

At FBN Holdings, citizenship means putting into consideration the needs of stakeholders in making decisions.

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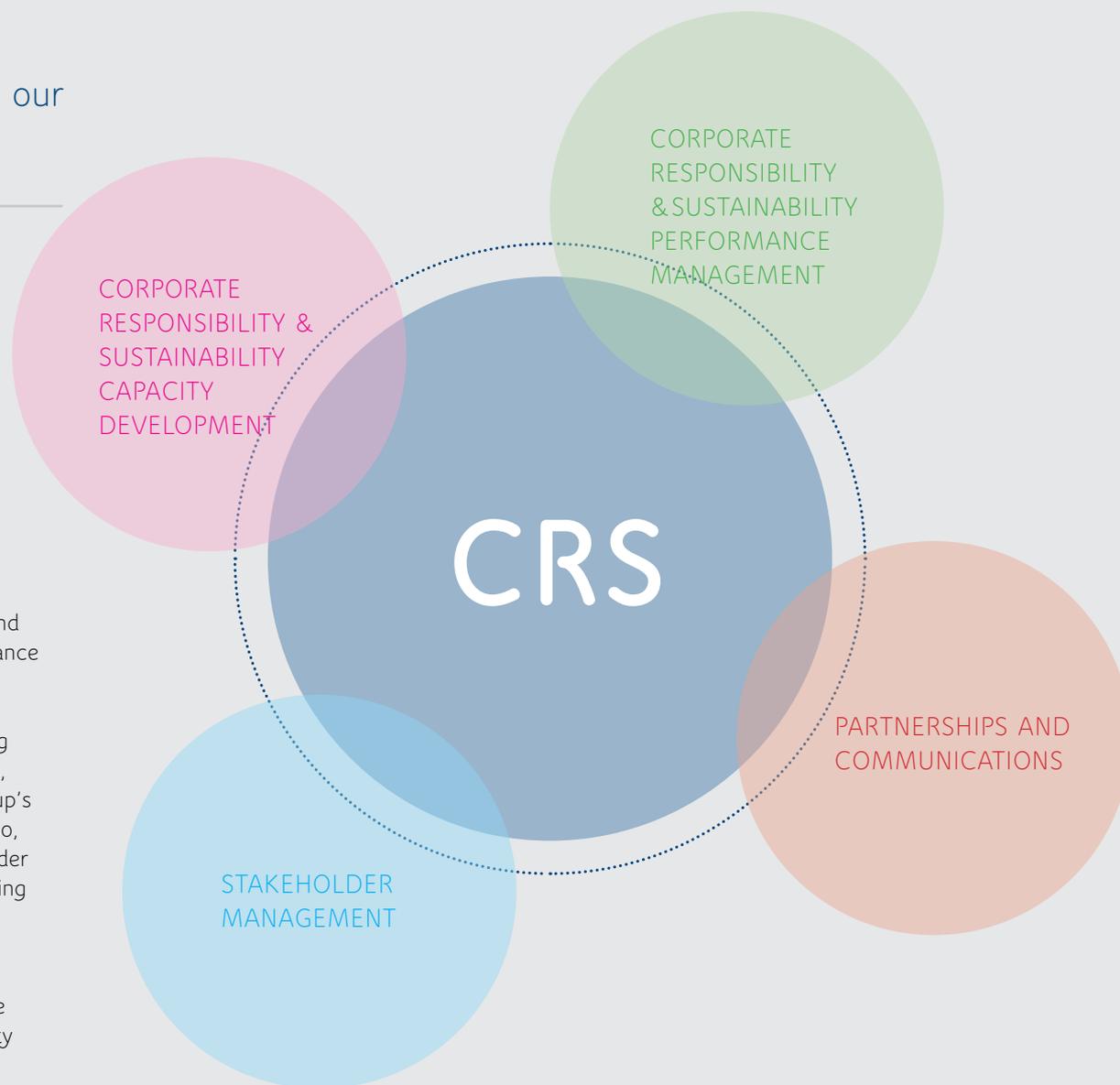
Our Corporate Responsibility & Sustainability journey is enhanced by a set of enablers which help drive our priorities...

CORPORATE RESPONSIBILITY & SUSTAINABILITY ENABLERS

Our CRS journey is enhanced by a set of enablers which help drive our priorities. They include CRS capacity development, stakeholder management, partnerships and communications as well as CRS performance management.

Capacity development requires developing the relevant policies, processes and tools, skills and capabilities to achieve the Group's sustainability and business objectives. Also, building trust, through effective stakeholder engagement enables the Group in achieving our sustainability priorities.

Equally important in meeting our sustainability goals is providing actionable performance data, producing sustainability reports and effectively managing performance.



Corporate Responsibility & Sustainability Capacity development:

To effectively embed sustainability concepts into any organisation and deliver the strategy, it is important to provide employees with the right knowledge, skills, attitudes and behaviours.

To this end, the Group has defined and categorised the different sustainability training requirements based partly on the Nigeria Sustainable Banking Principles:

- **Sustainable banking training:** Training for all employees on sustainable banking issues and principles. This is for all employees including specific training for senior leadership. Additional specific training is also required for:
 - a. **Sector specific employees:** Training is delivered on specific issues for key

industries (e.g. oil and gas; agriculture; power).

b. **Client relationship managers and risk team:** Training is on environmental, social and governance risk management issues

- **Human rights training:** Training for all employees on human rights and labour issues
- **Sustainability reporting requirements:** Specific training on NSBP/Group sustainability reporting requirements.

Over 500 employees have been trained with plans

Approach to training

The Group has developed an approach to manage the specific training requirements:

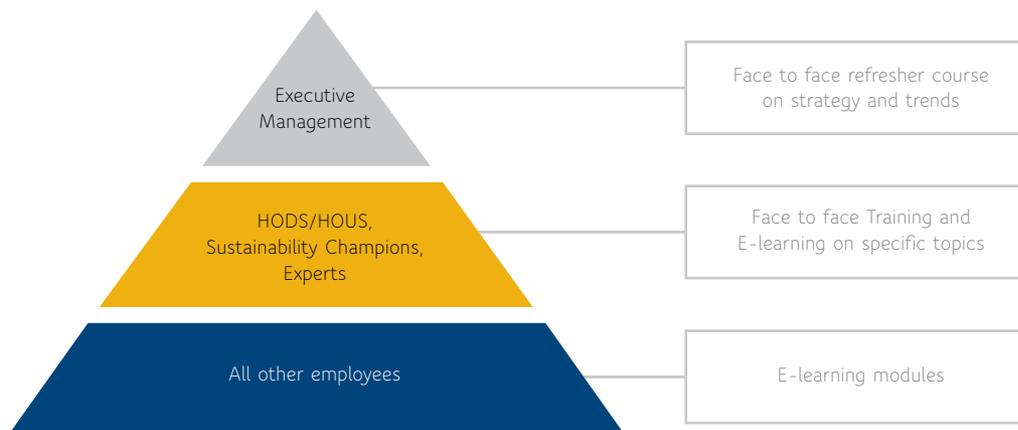
The E-learning courses have been particularly structured to ease the learning process given the need to ensure all employees are trained on sustainability

In addition to staff training on sustainability, we have put in place new policies and enhanced existing ones. These include the sustainability and corporate responsibility policy; environmental, social and governance management system (ESGMS) which comprises an environmental, social and governance policy; procedures for screening transactions; roles and responsibilities to ensuring implementation; review and continuous improvement; reporting as well guidance and record keeping.

The Diversity Policy and Human Rights policies have also been enhanced.

Sustainability & Corporate Responsibility Performance Management

Sustainability and corporate responsibility performance management and reporting is a key component of the Group's strategy as it enables us to effectively measure, manage and report sustainability performance and also meet the Nigeria Sustainable Banking Principles (NSBPs) requirements to report a wide range of metrics.



We have defined a sustainability performance management process to help the Group measure and deliver its strategy by effectively gathering and analysing data from multiple sources to help drive performance and improve reporting. This includes employing a sustainability performance management software over the current manual excel solutions.

Currently, we are at the third stage (*refer to diagram*) of deploying this performance management process.

Sustainability Performance Management Process



- 1. Define Strategy
- 2. Identify Pls
- 3. Plan, Process and Deploy tools
- 4. Collect Data
- 5. Analyse Data
- 6. Improve Performance
- 7. Engage and Report

Partnerships and Communications

Partnerships and communications are essential parts of the Group's sustainability enablers. We believe that sustainability drives growth and one of the keys to embedding sustainability successfully is through partnerships.

Therefore, in integrating sustainability and driving corporate responsibility programmes, we are partnering with different credible and reputable international NGOs, sustainability consulting companies; educational institutions; governmental bodies and developmental finance institutions. In pursuit of our CRS vision, we will continue

to partner locally and globally to embed sustainability as way of life in building the nation and enabling the continent take its rightful place.

Additionally, effective stakeholder engagement and partnership require good communication. To this end, we have articulated a CRS communication plan designed to meet the requirement of our stakeholders

Our partners are secured based on CRS strategic pillars: sustainable finance; people empowerment; community support and environmental sustainability.

Strategic Pillars	Partners	Focus areas
Sustainable finance	<ul style="list-style-type: none"> ■ International Finance Corporation ■ Lagos Business School of the Pan-Atlantic University (First Bank Sustainability Centre) ■ Accenture <ul style="list-style-type: none"> ■ Central Bank of Nigeria & other financial institutions ■ Junior Achievement Nigeria 	<ul style="list-style-type: none"> ■ Capacity building ■ Capacity building and sustainability thought leadership. ■ Development of sustainability strategy and opportunities inclusive of environmental, social and governance management system. ■ Nigeria Sustainable Banking Principles (NSBPs). ■ Financial literacy.
People empowerment	<ul style="list-style-type: none"> ■ Accenture ■ Lagos Business School of Pan-Atlantic University ■ United Nations Global Compact 	<ul style="list-style-type: none"> ■ Sustainability capacity building ■ Human Rights, labour and anti-corruption issues



Engaging stakeholders at one of FirstBank's SME Conferences

Stakeholders Engagement

At FBN Holdings, we believe our stakeholders are those who affect or are affected by our organisation. Our key stakeholders include employees, customers, shareholders, communities, regulators and media.

To us, relationships and corporate responsibility are intertwined. Our citizenship approach involves developing and sustaining mutually beneficial, trusting and meaningful relationships between us and our stakeholders.

We believe that building strong relationships with our customers, employees, and communities which informs our focus areas and priorities underpins our own sustainability.

Our proactive approach ensures that relationships play a vital role in the success of our business operations and processes which mainly aimed at improving the quality of lives of our customers and communities.

Our commitment to managing our business in a responsible and sustainable way extends to our stakeholders. We expect and encourage them to adopt responsible practices.

Strategic Pillars	Partners	Focus areas
Community Support	<ul style="list-style-type: none"> ■ Junior Achievement ■ LEAP Africa ■ Wowe ■ Wimbiz ■ Fate Foundation ■ Nigeria Leadership Initiative (NLI) ■ Lagos State Empowerment & Resource Network (LEARN) ■ Federal University of Technology, Akure ■ University of Nigeria, Nsukka ■ Obafemi Awolowo University ■ University of Lagos ■ University of Maiduguri 	<ul style="list-style-type: none"> ■ Promoting our programmes under the platforms of Education, Health; Economic empowerment, and the Environment
Environment Sustainability	<ul style="list-style-type: none"> ■ Nigeria Conservation Foundation (NCF) 	<ul style="list-style-type: none"> ■ Conservation and preservation of wildlife and biodiversity



We always put our stakeholders at the heart of our business.

Employees

Reasons for engagement

- To ensure that FBN Holdings Group remains a great place to work by providing a secure, positive and inspiring working environment.
- Listening, understanding and responding to staff needs and concerns.
- To ensure all staff are aware of the Group's vision and activities and the role they are required to play.

Types of engagement

- These include focus groups, knowledge sharing sessions, roadshows, engagement surveys, emails, intranet communications, publications and training.

Customers

Reasons for engagement

- To have a better understanding of the financial services needs of our customers.
- To meet the needs of our customers by providing appropriate solutions.

Types of engagement

- Interactions through branch service points, relationship managers, contact centres complaint lines, customer engagement forums, social media, surveys and marketing and advertising activities.

Investors

Reasons for engagement

- To provide the necessary information to current and future shareholders.

Types of engagement

- Roadshows.
- Communications and responses to investor and analyst queries.
- Annual general meeting.
- Conferences and presentations.



75%

Total engagement scores
Courtesy Gallup Q12



24hrs response

to customer enquiries through
Contact Centre



Over 2billion

resolved customer
complaints

■ Over 17,000 customers surveyed



Reasons for engagement

- To develop and sustain mutually beneficial, trusting and meaningful relationships with our communities aimed at enhancing the Group's corporate responsibility goals.
- To obtain inputs from communities regarding the Group's corporate responsibility programmes and how their needs can be better met.
- To partner with NGOs in ensuring that the Group's activities and operations are conducted responsibly.
- To create awareness of the Group's corporate responsibility initiatives.

Types of engagement

- Citizenship approach - ongoing support of projects and interaction with a wide variety of NGOs and government organisations.
- Sustainability and corporate responsibility partnerships with Global Compact, LEAP Africa, Junior Achievement Nigeria.
- Steering Committee - Sustainability Champions of NSBP.

Reasons for engagement

- To build and enhance relationships with regulators by ensuring all legal and compliance requirements are met, to minimize associated risks and safeguard our license to operate.

Types of engagement

- Meetings
- Statutory reporting

NSBP Co-steering Committee Champion



Co-steering Committee Champion... for Nigeria Sustainable Banking Principles

Over 1200hrs



engagement with NGOs and partners

Reasons for engagement

- To empower media practitioners and position the FirstBank Brand as a good corporate citizen, thought leader and a driver of growth and professional development.
- To build a lasting relationship between the Bank and its partners in the media.
- Enhance the Bank's reputational capital through sustained positive public perception.
- To raise awareness for the Bank's products and services and constantly drive product trial and usage by target audience.

Types of engagement

- Monthly media visitations
- Media empowerment and skill training
- Support of individual journalists, group and beat associations
- Media parley and news conferences

Corporate Governance



Our ethical behaviour is driven by senior leaders from a culture of ethical leadership. This ethical culture is reinforced by rewarding employees who constantly embody the values and integrity the Group upholds.

In the Group, our approach to conducting business is premised on high ethical standards and strict adherence to all provisions of the code of conduct guidelines.



Strong leadership

The Board of FBN Holdings Plc is represented by distinguished individuals with in-depth and diverse experience. These eminent persons have displayed excellent and proven business knowledge and board experience spanning an array of industries and sectors.

The primary purpose of the Board is to build long-term shareholder value and ensure management oversight so that appropriate controls, systems and practices are entrenched to safeguard the assets of FBN Holdings in a sustainable manner.

The Board comprises six members made up of five Non-Executive Directors (NEDs) and a Chief Executive Officer (CEO). To ensure appropriate oversight function, the CEO sits on the Board of each of the direct subsidiaries (business groups) of FBN Holdings.

Ethics and compliance

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

In the Group, our approach to conducting business is premised on high ethical standards and strict adherence to all provisions of the code of conduct guidelines (for further information, go to page). With an enviable corporate governance framework and also leveraging on the quality of its workforce, the Group has experienced continued growth in its various business operations in line with its strategic priority, which is 'to increase its share of the customer's wallet in the chosen market'.



Some Directors in the Group with the Accenture team during one of the sustainability stakeholder engagement exercises

Among other things, the ability to deliver and sustain this mandate is dependent on the commitment, engagement and ability of staff. In addition to the high quality of its staff, the conduct of the Group's workforce remains professional, based on well-established ethical and code of conduct frameworks that guide expected behaviour.

This ethical behaviour is driven from senior leaders who have worked relentlessly to build an ethical culture in Group. This ethical culture is reinforced by rewarding employees who constantly embody the values and integrity that Group upholds.

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

In addition to the high quality of its staff, the conduct of the Group's workforce remains professional, based on well-established ethical and code of conduct frameworks that guide expected behaviour.

Driving
Sustainable Finance



We believe in taking a responsible approach to enhancing the quality of life and financial security of our customers and their families.

Priorities

- Responsible Lending
 - Financial Inclusion; and
 - Financial Literacy
-



We believe that adopting sustainable financial practices makes business sense, not only because it adds value to loan portfolio by enhancing economic development, but also it ensures the sustainability of our ecosystem and future generations.

Responsible Lending

At FBN Holdings, we recognise the environmental and social impacts of the operations we finance and we are one of the financial institutions in Nigeria leading the change in adopting policies, systems and lending practices that minimises the environmental and social impacts of doing business.

We believe that adopting sustainable financial practices makes business sense, not only because it adds value to loan portfolio by enhancing economic development, but also it ensures the sustainability of our ecosystem and future generations.

The Group considers effective risk management to be of utmost importance to its overall operations. Accordingly, the Group has put in place a robust risk management framework that clearly monitors, evaluates and manages the principal risks it assumes in conducting its activities.

Our risk management is guided by our key elements philosophy including a holistic and integrated approach in bringing all risks together under a limited number of oversight functions but with responsibility for managing risks existing from the Board of Directors and executive committees to each business manager and risk owner. Each risk

officer is empowered to perform their duties professionally and independently in line with well-defined policies and structures that are clearly communicated across the Group to achieve and maintain a conservative balance between risk and revenue considerations.

Part of the Group's commitment to driving sustainability involves managing sustainability risks. The sustainability risks associated with lending include financial risks, legal risks and reputational risks. Financial risks involve inability of customers to repay their loans due to environmental and social costs. Legal risks include potential direct liability for the subsidiary to pay for clean-up of contamination caused by a customer through possession of assets. And reputational risks include the damage to reputation as a result of association with polluting or exploitative and unethical customers.

Environmental, Social & Governance Management System (ESGMS)

To manage these risks and beginning with FirstBank, the Group has taken a structured approach to the ongoing process of embedding sustainability. This approach includes taking important steps to build on the existing environmental screening process and make a more comprehensive mechanism involving the environmental, social and governance management system (ESGMS).

The ESGMS consists of environmental, social and governance policy, procedures to screen transactions; guidance for monitoring performance and maintaining ESGMS records; ways of reviewing ESGMS and continuously improve it based upon changing international standards, the company's lending profile; considerations with regard to internal and external reporting of ESGMS performance; roles and responsibilities for implementation as well as budget, training and senior management approval. The implementation of the ESGMS will begin in 2014 in line with the sustainability implementation plan. The sustainability implementation plan with identified priorities is phased from 2014 to 2016 aligned with the corporate strategy. The priorities for 2014 include developing and the implementing ESGMS; enhancing financial literacy and financial inclusion programmes.

Wheelchair access



over 20 branches
with wheelchair
access

provided access to financial services for over 478,000 unbanked



Enhancing inclusive finance

We take a responsible approach to enhancing the quality of life and financial security of our customers and their families. It has seen us design sustainable products and services tailored to meet their needs and expectations. A vital current area of focus is driving new industry solutions to the challenge of inclusive finance.

FirstMonie

Firstmonie is a mobile money service by FirstBank which enables customers to access financial and other value added services through their mobile phones. The service allows users through mobile phones, to send money, pay bills and top phone airtime. All these can be done on a mobile phone without a bank account.

Firstmonie, an innovative product targeted at the un-banked segments of the nation's adult population. Firstmonie's main selling point is that it allows customers and non-customers to withdraw money from any FirstBank ATM without a payment card.

In partnership with Airtel, Glo, Etisalat and MTN, Firstmonie registered subscribers can begin using this service once their accounts are funded. Firstmonie mobile account can be funded in the different ways stated below:

- 1) Funding account from Firstmonie Agent: A Firstmonie agent can accept cash from users and send to their Firstmonie account. All users have to do is simply provide their phone number and amount wished to transfer to their Firstmonie mobile account. An SMS confirmation and receipt of transaction will be received by user upon completion of transaction.
- 2) Funding Firstmonie account Via ATM: Users can visit a FirstBank ATM, insert card, punch in PIN and select the SEND MONEY option. Select "TO MOBILE PHONE" option and enter first money phone number wished to be funded. Enter amount and confirm.
- 3) Fund Firstmonie from your First bank Account: This allows users directly transfer money from a FirstBank

account. Users must first link Firstbank account with Firstmonie account to make this possible. Users can visit a FirstBank branch and fill out a mandate form to link their FirstBank and Firstmonie accounts. When this has been done, dial *894# and select 'FirstBank Services' Menu >> "Load Money from bank" option.

Firstmonie is designed to meet the needs of the various segments. The Maximum Individual and Daily transfer limitations apply to three different types of Firstmonie accounts:

Firstmonie Classic - Maximum Individual transaction of 3000 Naira and Daily limit of 30,000 Naira;

Firstmonie Gold - Maximum Individual transaction of 10,000 Naira and daily limit of 100,000 Naira;

Firstmonie Platinum - maximum individual transaction of 100,000 Naira and daily limit of 1,000,000 Naira.

The First Instant Account is primarily designed for low income and unbanked segment of the populace. The product is one of First Bank's cashless policy initiatives.

First Instant Account

Related to Firstmonie is our First Instant account designed for the under-banked/un-banked. First Instant Account is a product created to support the actualization of the Apex Bank financial inclusion strategy which was launched in October, 2012. Research has revealed that 67.2% of the total adult populations in Nigeria (i.e. 56.9 million people) have never been involved in formal banking services.

This set of people only enjoy service from the informal savings sector like thrift collectors, moneylenders etc. The referenced people comprise artisans, market women, petty traders, unskilled labourers and all categories of people mostly with low monthly financial capacity of N20,000.00 and below. These categories of people also do not possess the standard documentation required for opening bank account.

The First Instant Account is primarily designed for this low income and unbanked segment of the populace. The product is one of First Bank's cashless policy initiatives which features include the following;

- Opening and operating balance of (N1,000 and N500 respectively)
- No KYC until account reaches N200,000.00

FirstBank created the FirstInstant Account to operate in line with the Federal Government's Cashless Policy by having an alternate channels bias in operation. Also, it aims to boost financial literacy by converting a good portion of the unbanked adults in the country to the use of formal banking services.

The First Instant Account has differentiated FirstBank from competition by transforming it into a bank for all comers indeed; it allows flexible documentation for account opening which requires just two (2) passport photographs and a completed form. Also, withdrawals done via the alternate channels do not count against monthly savings withdrawal limits as obtained with other banks savings account products, and this is to encourage alternate channels usage by customers.

Connecting with Small & Medium Enterprises

Knowing that Small and Medium Enterprises (SMEs) are the driving force for the development of any economy and as the leading financial institution in Nigeria with the most diverse portfolio of SME owners and operators, we begun a strengthening of our SME offerings to enable us meet the changing needs of SMEs even more effectively.



One of the outcomes of our stakeholder engagement reveals that in Nigeria, a key shortcoming SME owners face is their inability to acquire essential enterprise skills to manage their businesses properly, compete in the global market and access credit towards growth and expansion.

Therefore, in 2013, we launched a robust and value added engagement model for SMEs nationwide called FirstBank SME Connect. A platform that is designed to focus more on non-financial services, in order to deepen our existing customer relationships as well as provide the opportunities for SME customers that wish to start, grow and sustain their businesses with us.

We have kick-started this with the launching an Annual SME National Conference where notable and successful entrepreneurs such as Sim Shagaya of Konga.com and Ibukun Awosika highlighted the importance of SME growth as an essential factor for national development. In addition, we would be running a series of industry specific forums, town hall meetings and training seminars for SMEs nationwide.

Empowering Women-led SMEs:

We have created special platforms to empower women-led SMEs



200,000 SMEs



have benefitted from our financial services and loans schemes

Furthermore, we are providing business management resources and tools for download and use by SMEs on a new FirstBank dedicated SME website and an e-commerce portal (with social networking capabilities) where SMEs and individual entrepreneurs can advertise and sell their goods and services.

Empowering Women-led SMEs

From research findings, lack of investment in women-led SMEs hampers economic growth. One third of all SMEs in developing countries are led by women and they are largely deprived of the already limited funding available. Therefore, providing more investment opportunities and building capacity for women-led SMEs are vital for developing economies. This is more so as research indicates that successful women-led SMEs do not only provide to employment opportunities, but also contribute to the growth of children and families as they spend a greater share of their income on education and health.

Based on the foregoing, in addition to the offerings of the SME Connect, FirstBank has created special platforms to empower women-led SMEs. One of such platforms is the First Bank Sustainability Centre designed to build the capacity of women-led SMEs.

This programme will begin fully in 2014 and a key aspect is driving sustainability in women-led SMEs.

In addition, as in previous years, we have partnered with institutions and NGOs to drive the cause of women-led businesses. These include partnership with WIMBIZ (Women in Management, Business and Public Service).

Financial Literacy for Young Ones

The Future First programme is designed to achieve the main objective of the Bank's youth strategy which is to engage the youth and build mutual relationships with them. Future First through Financial Literacy focuses on empowering secondary school students between the ages of 13 and 17 years old in JSS 3 to SS2. One of the key objectives is to better equip students with the tools and knowledge for long-term financial independence.

In partnership with Junior Achievement Nigeria, one of the partners of FutureFirst, the programme was launched in the last quarter of 2013. As experts in financial literacy, JAN has been partnering with First Bank promoting financial literacy for young ones. As with all our programmes, Future First is also implemented through a structured Employee Volunteering Scheme (EVS) where our employees offer their time and knowledge in enlightening high school students in Lagos State on Financial Literacy. Over 1000 students have benefitted from the programme and our target for 2014 is to enrich the lives of 10,000 students.

Enhancing Human Rights through Financial Literacy

The Universal Declaration of Human Rights, Article 26 emphasises the significance of education in the development of human personality as well as the enhancement of human rights and fundamental human freedom. In line with this fact, we have prioritised financial education geared towards personal growth.

The Future First programme shows our commitment to personal prosperity through financial literacy.

FutureFirst
Career Counseling & Financial Literacy For Young Ones.



Empowering People



At the heart of building relationships within the Group lies the respect and value we place on our people. Our people sit at the heart of our value propositions.

Priorities

- Diversity & Inclusivity
 - Capacity Building; and
 - Health & Welfare
-



A Great Place to Work

A HUB FOR THE
BEST TALENTS IN
THE INDUSTRY



A Great Place to Work

At the heart of building relationships within the Group lies the respect and value we place on our people. Our people sit at the heart of our value propositions. Partially, this is the nature of our business. As our respective franchises have grown, attracting new businesses and relationships, we have constantly sought, identified and adopted new ways of up-scaling the competencies of our people to drive the requisite transformation of our business models. Accordingly, our Group human resource development goal is to become a hub for the best talent in the industry, and we have structured our training and capability initiatives to focus on the competency requirements of the different roles and in line with industry requirements.

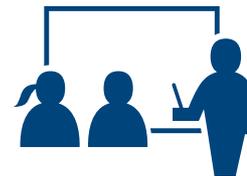
Over the last seven years, at least 90% of the workforce has attended courses and programmes designed to boost their job performance and personal fulfillment.

Our responsibilities to our people include enhancing the quality of relationships among all people in the Group as this is a key determinant of qualitative decisions and how they are implemented. To this end, our mantra for year 2013 was

“WHOLESUMNESS”. This was borne out of a deep reflection on the all-important need to proactively drive synergies across the Group, its various teams and subsidiaries. Our engagement plan included people integration, managing change and promoting diversity and inclusion. Our diversity policy was refreshed aimed at promoting diversity and inclusion in the workplace. We recognise that advancing diversity and inclusion creates possibilities for change and innovation as unique views and ideas are aligned for a common goal.

Our diverse working environments include employees of different ethnicities, genders, abilities, ages and cultural differences. We currently have nine women on the respective boards of the subsidiaries that make up FBN Holdings – which is the highest of any holding company in Nigeria. In addition, to engender healthy relationships and employee bonding, we have created platforms for our employees to actually express themselves and have truly fulfilling experiences. One of such platforms is the Employee Volunteering Scheme. This programme provides an opportunity for employees to volunteer their time and skills in empowering communities where we live and work.

Create a working environment where the various workforce generations of will thrive. We have also reviewed the gender policies and demographics.



Over the last seven years, at least 90% of the workforce has attended courses and programmes designed to boost their job performance and personal fulfillment.

102 Managers



have participated
in sustainability
leadership
programme

...the Group pays great attention to the development of human capacity through its human resource development initiatives including Talent Management, Knowledge Management, Performance and Reward Management.

In enhancing its 'Sustainable Leadership drive' the Group pays great attention to the development of human capacity through its human resource development initiatives including Talent Management, Knowledge Management, Performance and Reward Management.

CAPACITY BUILDING

With capacity building currently sitting at the core of the Group's HR Strategy, it was imperative that this featured significantly in driving the Group's Strategy for 2013, through the support in key strategic focus areas as:

- contributions towards the Overall Improvement of Customer Service Index to which we achieved the development of a service excellence curriculum, rolled out intensive service management trainings, and conducted extensive First Bank product training;
- contribution towards the Bank's Global Expansion drive with Sierra Leone, Senegal, Guinea, Gambia and Ghana in focus to which we have built FirstBank's internal Francophone capabilities through intensive French Language certification training. Also we facilitated a Knowledge Management "Project Retrospective session" for key staff involved in the Bank's International Expansion;

- contribution towards improving the stability and reliability of the Bank's IT and Electronic Business platforms to which we developed a suite of 7 E-Business e-learn courses targeted at Relationship Managers and Banking Services Staff to drive knowledge of E-Banking/Business Products for improved sales. Also we successfully installed and tested a fully integrated Mobile Learning Platform, that allows all e-learning courses to run/play from Mobile Devices;
- contribution to Bank-wide cost optimisation efforts to which we certified a 33-man internal faculty in July 2013, to support training programme facilitation/delivery in Banking Services, Credit, Sales, Treasury, Management, Leadership and Soft Skills (Cost savings of N11.4 million). Also we rolled out e-learning courses to 8,578 staff with a cost savings of N257.6 million; and
- in 2013 we strengthened leadership capacity across local and global FirstBank Subsidiaries through the INSEAD Blue Ocean Strategy programme, offered as part of the First Academy Leadership School. Also key was building cross-cultural, diversity and inclusiveness

competencies through the development of a comprehensive program on Employment & Labour Laws.

A major achievement in 2013 was the anchoring of an extensive Knowledge Sharing session, facilitated by Michael Barrett (CRO, FBN UK) on 'Structured Trade & Commodity Finance' for relevant staff of FirstBank Nigeria. The strategic impact of this was the development of competency in credit and the creation of a one-Bank philosophy.

Our schools for First Bankers were fully launched this year and were totally operational.

- **Foundation School:** This school provided Basic Banking Knowledge for Graduate Hires in 2013
- **Supervisory School:** This school was targeted at two categories of staff: those with supervisory responsibilities and those that will soon assume supervisory responsibilities
- **Leadership Schools:** In 2013, we ran training sessions for staff in Leadership positions and taught general Leadership Principles for employees in the Group



The Group places great emphasis on human capacity building with a supportive talent management framework which has informed the various initiatives in the areas of staff development and motivation.

- **Specialised Schools:** In 2013, we added Credit, Operations, Treasury, People Management & Sales force schools to our specialised school bouquet. We are particularly proud of our Leadership Schools with Pan African, Cornell, INSEAD and Michigan Ross Universities in signature programmes, such as Blue Ocean Strategy.

We also carried out Needs Analysis training for staff on Assignments. This was with the aim of sustaining the learning and development culture, whilst ensuring that staffs (irrespective of their location) are adequately equipped to perform optimally on the job. The current skills and competencies of the staff were assessed and relevant training prepared for them. This has ensured that the staffs on assignment are adequately prepared for the tasks they face in the new markets.

Training needs of all individuals were drawn up from appraisal outcomes and discussions with the Head of the International Banking Group and Line Managers of the respective staff. The approved group training plan is currently being implemented by First Academy.

Also In our FBN Congo office, a Bank-wide soft skills training, which included customer care, communication, leadership, and team building, was organised. Attendance analysis and feedback provided showed that an average of 50% of the workforce benefited from the programme. There was also an exchange programme of staff to FBN for hands-on-training, to improve integration and inclusion within the Group and to bridge the knowledge gap.

Knowledge Management

The Knowledge Management framework was developed in 2013 and, while being fine-tuned, it is achieving exciting results. The framework encompasses the capture, storage, sharing and transfer of 'valuable information', necessary for improving organisational effectiveness, competitiveness and overall business continuity. Such initiatives as the storytelling initiatives with the Group Managing Director and other senior staff, Communities of Practice, the launch of the knowledge portal, several Bank-wide case study initiatives and Project Retrospect, were operational in 2013. Considering that the group is a legacy institution and also looking at the current workforce demographics, it is a critical tool

to preserve knowledge. As recognition for our efforts in the Knowledge Management Space, we have obtained the prestigious American Productivity and Quality Centre (APQC) Certification.

We had two major storytelling sessions in 2013:

- Storytelling Session with Tim Bolade - July 2013; and
- Storytelling Session with Akinwunmi Fanimokun - October 2013.

We also developed a Knowledge Management and Cultivation framework for staff on offshore assignments. This was aimed at facilitating the use of critical knowledge and experiences as a foundation and resource repository in view of the sub-Saharan Africa expansion. This greatly helped create a solid foundation for staff on assignments to new cultures that would require proper briefing from experienced people and this has effectively enhanced their settlement in the countries.



Our Human Capital mantra for year 2013 was “WHOLESUMNESS”. This was borne out of a deep reflection on the all-important need to proactively drive synergies across the Group.

Performance Management

It is our aspiration and Management’s mandate to ensure that the performance management system truly triggers the appropriate behaviors, serves as a developmental tool and aligns individual performance with corporate performance. The Group worked towards the following initiatives in 2013:

- The cascade of individual KPIs (Key Performance Indicators) for individuals—the engagement sessions and modalities
- Organisation and coordination of calibration sessions after the end of year appraisals
- We created zonal approach to aspects of Performance Management to encourage understanding of the different business segments and for flexibility
- Identification of change requirements and the upgrade of the appraisal process

Also, the Annual Merit award was planned and completed with the theme “Ageless” that depicted our 120 years of existence, while the concept of “pop hip hop” provided the link between different generations of staff in the Bank. A number of teams and individuals within the Group were

rewarded and this has served as an incentive and reward scheme to encourage high performance in the Group.

Employee Engagement

Our Human Capital mantra for year 2013 was “WHOLESUMNESS”. This was borne out of a deep reflection on the all-important need to proactively drive synergies across the Group. Several Initiative and campaigns were designed in the year in review to nurture a culture that supports collaboration across teams whilst optimizing costs as much as possible.

Major people transformation issues that were faced with at the beginning of the year were:

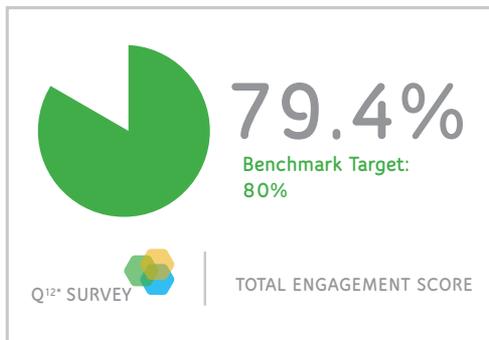
- Change management
- Brand identity unification (based on new acquisitions)
- Poor staff attitude
- Poor staff knowledge
- Poor employee engagement

To address these issues we designed strategic support to foster our people management initiatives

a) People Integration Plan (new locations):

This plan by the group was aimed at establishing guidelines to enable the success of the acquisition in the area of human and cultural elements. This plan is yielding positive results as career management and performance management frameworks have been developed, training plans have been designed and job evaluations have been carried out. Other initiatives to ensure the implementation of this plan included

- The design of the approved people integration plan highlighting the key people and organisational related risk (people & cost, structure, talent, regulatory, culture & engagement and process & policy) and corresponding risk mitigation strategies. The next steps will be to work with the Integration Committee to implement.
- Interim People Management Plan is currently being implemented. Four HR officers have been deployed to the various locations to provide support on People Management Issues.



We consciously ensure that in everything that we do, our people feel a genuine sense of fairness, equality, freedom and participation.



- We also held Engagement sessions with Union Members of the key location (Ghana) in order to allay fears and apprehension

b) Change Management

In 2013, the Group revamped and upgraded change management framework and change agents were selected as Navigators and tools for driving change and development. They have so far partnered on this pilot phase to help drive staff to now visible results from recent ratings. The Change Agents held several team engagement meeting during the course of the year and actively partnered and helped drive engagement for our People First initiatives including our First Fit initiatives, engagement surveys and charity events which were all a huge success. The Road Shows begun in September and all change agents attended in regions visited including: Abuja, Port Harcourt, Uyo, Benin, Ibadan and Oshogbo which represents 80% of proposed regions

Change Management is being developed to address all forms of change that affects people via the ADKAR (Awareness Desire

Knowledge Ability Reinforcement) model of change. In 2013, two (2) of our staff were licensed with the ADKAR model as certified Change Managers, the ADKAR model of Change Management is in the process of being implemented across all change platforms in the Group. Using this model, the team worked with stakeholders on the ICAFAS (Internal Controls and Anti-Fraud Automated Solutions) project and the CI (Corporate Identity) Brand Refresh project

Engagement Surveys

To determine the engagement level of our employees, in 2013 the group used the acclaimed and worldwide trusted survey tool Gallup Q12. The Gallup Q12 is a survey designed to measure employee engagement and the Gallup organization uses the Q12 as a semi-annual employee engagement Index - a random sampling of employee across the country.

A total engagement score of 79.4% was achieved which is close to benchmark target score of 80%. Key issues noted from comments include: favoritism; Politicking and backstabbing; Lack of clarity with regard to the just concluded appraisals; work life balance; Distrust; Jerk attitude; and Inability of management to accept honest mistakes.

As fallout of the responses from the Gallup survey, we identified tailored solutions and recommendations to address the issues raised for example the Jerk behavior campaign, several policy reviews, and the intensification of the job rotation framework. The Gallup survey clearly states how employees feel and being an international standard of internal measurement; we have chosen to adopt this and build on it progressively to measure feedback bi-annually.

DIVERSITY & INCLUSION

Very paramount to structure, commitment, culture and regulatory compliance is the issue of Diversity & Inclusion. We pride ourselves in being an equal opportunity Employer and have integrated Diversity policies and awareness into our practices.

The following are highlights of some of the areas that we have incorporated this:

- The Group has a diversity team responsible for ensuring the Group has a diverse workforce and an inclusive workplace with opportunity for the talents of all employees to create value, deliver a superior client experience



We pride ourselves in being an equal opportunity Employer and have integrated Diversity policies and awareness into our practices.

and develop innovative solutions for the markets and the communities we serve. In the team, we have a visually impaired staff of the Group as one of our Diversity Champions (key driver of diversity initiatives). We have also set aside a Diversity & Inclusion Day to create awareness and ensure an inclusive workplace/work culture.

- As part of recruitment and posting this is subtly worked into selections without dampening the meritocracy that needs to be entrenched in the system. For example this year prior to the Graduate test we deliberately carried out a campaign in 6 Northern Universities which yielded a significant improvement in the number of graduates in these regions that sat for the Entry test.
- Create a working environment where the various workforce generations of will thrive. We have also reviewed the gender policies and demographics.
- We have a male and female ratio at 61% and 39% respectively across the workforce while at the senior Management Level (SM - GM), the

male/female ratio is 64% and 36% respectively. At the Board level, the male: female Gender Diversity ratio is 84% and 16% respectively.

- The Diversity objective of the Group is to be a recognized industry leader in workforce diversity and leverage diversity for the growth of the Group and the success of the customers and communities we serve.

Upholding Human Rights & Freedom of Association

We consciously ensure that in everything that we do, our people feel a genuine sense of fairness, equality, freedom and participation. In creating and sustaining an environment that supports and encourages Human Rights/freedom of association as well as collective bargaining, we run an organization where unions (ASSBIFI,NUBIFE) are allowed to function effectively and staff are at liberty to either become members or not.

We also hold quarterly meetings with the executives of these unions who are also representatives of staff. These meetings

provide a platform for management and union to discuss on all aspects of employees' employment relationship and also serve as collective bargaining mechanism to resolve issues. We therefore take pride in the fact that we have been able to achieve and sustain a peaceful work environment.

Elimination of all forms of forced labour

In carrying out our day-to-day operations, we understand the importance of not just having the right talents at the right places but also an environment where people are willing to work without coercion. We have been able to achieve this by developing the right policies and frameworks which have helped ensure that our recruitment process is carried out in line with global best practice which is devoid from all forms of bias such that potential employees make recruitment based decision without fear.

For existing employees, we have established a clear framework for escalation such that our people can freely relate with their HR business partners on any issue around supervisor-subordinate relationship. We have also reinforced acceptable workplace



We are committed to creating a healthy workforce and work environment to achieve the vision of the organization.

behaviours through series of campaigns (Jerk behavior campaign, etc).

All these initiatives are strategically aimed at ensuring that we have a workforce that is not only emotionally connected to our brand but also willing to effortlessly champion the cause of the brand.

HEALTH AND WELL BEING

With regards the health of employees, the aim is to create a healthy workforce and work environment to achieve the vision of the organization. To this end the Occupational Health & safety Management system (OHSMS) certification process was commenced as a demonstration of Management's commitment to employee's health and safety. This is expected to go a long way in enhancing business continuity and performance. The process has been approved and the final stages of the process are on-going.

The medical scheme was also reviewed across the group. This included an assessment of local and international health care providers and managers. A comparative analysis done on 15 Banks revealed that over 55% engaged Health Maintenance Organisations (HMOs) services while about 25% adopted a mixed Medical scheme.

An inspection/ review of approved hospitals was embarked upon with a view to retaining/ appointing standard facilities and maintaining quality services.

Conclusion

In conclusion, the Group places great emphasis on human capacity building with a supportive talent management framework which has informed the various initiatives in the areas of staff development and motivation. In 2014, key for us will be implementation of a comprehensive Resourcing strategy, Commitment strategy, International expansion strategy and Talent Management strategy.

The group is positioned to establish a strong alignment with practice and the Organizations goals/vision/core values; where staff are highly skilled and exude a high level of brand essence. The culture in the group is characterised by an atmosphere of innovation, high level of personal accountability and creativity with an ownership mentality, devoid of intimidation and harassment with clear role model framework to enable us "Walk the Talk".

Our targets for the group in 2014 include the following:

- Provide a structured approach of managing the assignment life-cycle for staff on offshore assignments
- Emphasis on Global Exchange Programme, Group Engagement and Commitment framework, Cultural Orientation Programme
- Develop holistic policies which will take into consideration the regulations of the different entities to govern the relationship between the organisation and its employees
- Initiate employee engagement programs to enable easy integration of the employees across the sub-Saharan African subsidiaries
- Provide visible (active) support for the Bank, Individual Business Units and International Subsidiaries (Guinea, Ghana, Sierra Leone, Congo, Gambia etc.) in achieving the set targets and aspirations

- Develop a pool of next generational leaders that will take the Group to its next level through our talent management framework
- To institute overarching policies at the Group level that would drive people management practice
- Identify immediate training needs (soft skills that can help with cultural shift and technical skills to drive job performance

We have therefore set ambitious and audacious goals/targets for 2014, some of which are outlined below:

- 90% Bank-wide Training Penetration
- 100% Training Credit/Hours Achieved
- Minimum of 85% Internal Customer Satisfaction Rating
- 100% Leadership Development Coverage
- 95% Adequate manning coverage

Supporting Our Communities



Our community support programmes which are executed in fun ways, connect the FBN Holdings family with our communities, while addressing pressing social issues, thus creating room for partnerships through access to valuable resources and skills.

Priorities

- Education
 - Health & Welfare
 - Economic Empowerment
 - The Environment
-



**Connecting with
the community...**
addressing pressing
social issues



N500million



average spend annually
to support community
development in the
last 10 years

Supporting our Communities

Our ability to respond to the changes in our operating environment since 1894 has been largely attributed to the quality of relationships we have built and sustained with our relevant stakeholders including the communities over the years. The communities where we live and work have been instrumental to our success. It's been a relationship based on mutual trust, respect and support. Stakeholder engagement with our communities in education, economic empowerment and the environment are key in our support of the community.

Under these platforms, the Group has some key programmes, but constantly support various community investment activities. Averagely, 40 community support activities are supported by the Group on a yearly basis and over the past ten years, we have spent an average of 500 million naira annually to support community development projects.

The key programmes include FirstBank Endowment programme; Future First programme; Infrastructure Development programme; Youth Leadership programme; Hope Rising programme. These programmes are continuous and have impacted.

Stakeholder engagement
with our communities
in education, economic
empowerment and the
environment are key in our
support of the community.

A group of people, including a child and a man, smiling and holding a 'Future First' balloon. The image is overlaid with a blue tint.

COMMUNITIES SUPPORT

In supporting our communities, we focus on four platforms. These are education, economic empowerment and environment.

Our key programmes under these platforms are Future First programme; Educational Endowment scheme; Infrastructure Development programme; Youth Leadership programme; Hope Rising Initiative and Employee Engagement & Volunteering programme.



INFRASTRUCTURE DEVELOPMENT PROGRAMME

FirstBank Infrastructural Development programme is aimed at promoting and supporting infrastructure development under its identified areas of support such as providing infrastructure facilities in schools, hospitals and environmental infrastructure projects. This is in recognition of the place of infrastructure in facilitating economic performance and its role in improving the quality of life.

Some of the support projects under this purview include Faculty of Arts building in University of Port-Harcourt; the Entrepreneur Centre in University of Abuja; Sports Pavilion for Queens College and Squash Court for Kings College; Administrative Block for Jesuit Memorial College, a Red Cross Clinic in Ibadan and the Bank's Ivory Park in Banana Island.



Ivory Park, *Banana Island, Lagos*



Far Left: Faculty of Dentistry Building, UNN



Left: The Entrepreneur Centre, University of Abuja

Centre-Left: Queens College Sports Pavillion, Lagos

Centre-Right: Kings College Squash Court, Lagos



Right: Administrative Block, Jesuit Memorial College



SCORECARD

Infrastructure Development Programme

Objective/ Programme	This year's accomplishment	Measure	2013	2014 Targets
Promoting & supporting infrastructure development in schools and the society	Built; A Sports Pavillion for Queens College, Lagos	Over 110,000 students benefitted		
	An Administrative Block for Jesuit Loyola College, Port-Harcourt	Number of projects	3 Projects	3 Projects
	A Squash Court for Kings College, Lagos			

HOPE RISING PROGRAMME

Hope Rising Initiative is one of the key programmes of the Group designed to empower people living with disabilities. Its key objective is engendering inclusivity and diversity through education, advocacy and enlightenment; skills acquisition through training; as well as inclusive events. Our main focus is creating awareness on Down syndrome and how to live with Down syndrome. This will be enhanced by the planned Hope Rising drama series which will focus on highlighting the challenges of Down syndrome and exploring efforts at combating the disorder and also providing the platform for advocacy and public enlightenment.

Some of the initiatives we have supported under this programme include Demystifying Autism in partnership with the Patrick Speech and Languages Centre; support to Mr. Folawiyo Jimoh Adisa, a Para-Badminton player to attend Para-Badminton tournaments across Europe; scholarships for two visually impaired persons: Mr. Morakinyo Emmanuel and Mr. Abdulateef Alani Azeez to complete their higher education at the Universities of Ibadan and Osun State Polytechnic respectively.



Top: Children living with Down Syndrome at a FirstBank Kid's First sponsored event.

Bottom: Mr. Abdulateef Alani Azeez, a hearing impaired student received Higher Education Support from the Bank.

SCORECARD

Hope Rising Initiative

Objective/ Programme	This year's accomplishment	Measure	2013	2014 Targets
Engender inclusivity & diversity through education, advocacy & skills acquisition	Inclusive Events: Impact Series Kids First launch with LEGO NLI Future Leaders seminar	xx Number of students benefitted	400 students	500 students
	Hope Rising workshop for Health writers		50 students	Radio Drama Series in partnership with Down Syndrome Foundation
	International Day for Persons with Disabilities - lecture and social dialogue. Partnership with Down Syndrome Foundation: awareness day		450 students	



Top: President Olusegun Obasanjo making a presentation at NLI future leaders seminar.

Bottom: Dr. Christopher Kolade, CON delivering a keynote address at NLI future leaders seminar.

YOUTH LEADERSHIP INITIATIVE

Inspiring Future Leaders

The Youth Leadership programme is targeted at young people between the ages of 14 and 35 years old. The key objectives of the programme are providing a platform for the youth to imbibe a deeper understanding of the necessary but rewarding sacrifices and qualities of great leadership and equipping them the relevant tools, skills to become great leaders; opportunities for youth participation in developing the country through sustainable community development programmes; mentorship for the youth and value based leadership.

Our current partners are the Nigeria Leadership Initiative (NLI) and LEAP Africa. We have partnered with NLI since 2008 and have been committed to goal of bridging the knowledge gap between NLI Fellows and the young associates of the Future Leaders. In December, 2013, we partnered with LEAP Africa on a Youth Development Programme where staff of FirstBank were trained as trainers on life, leadership and facilitation skills; which they will be expected to cascade to at least 30 young people between the ages of 14 and 35 years old within their network.

Staff volunteers who attended the youth development training programme were exposed to in-depth knowledge, skills and tools of becoming effective leaders with specific instructions on self-discipline, mastering potentials, project planning and management. About 1,000 young people will be further empowered through this initiative as FirstBank staff volunteers will share their knowledge and impart leadership skills to young Nigerians in public Secondary Schools by educating and empowering them using the LEAP Africa training curriculum.



SCORECARD

Youth Leadership Initiative

Objective/ Programme	This year's accomplishment	Measure	2013	2014 Targets
Provide a platform & relevant tools for youth to imbibe qualities of great leadership	Partnership with NLI: Future Leaders seminar	% of positive feedback from participants	86%	90%
	Partnership with NLI: Guest Speaker Forum		85%	90%
	Partnership with LEAP Africa: youth leadership development programme		90	95%

Future First is also implemented through a structured Employee Volunteering Scheme (EVS) where the our employees offered their time and knowledge in enlightening high school students on Financial Literacy and Career Counselling.

FutureFirst

Career Counseling & Financial Literacy For Young Ones.

FUTURE FIRST

Driving career counselling for young ones

Future First programme is designed to empower students of secondary schools between the ages of 13 and 17years old in JSS3 to SSS2 in line with the youth strategy of FirstBank.

One of the expressions of Future First is Career Counseling. The key objective is to help build fulfilling careers for students.

Future First programme was launched in the last quarter of 2013 in partnership with Lagos Empowerment and Resource Network (LEARN) and Junior Achievement Nigeria (JAN).

As with all our programmes, Future First is also implemented through a structured Employee Volunteering Scheme (EVS) where the our employees offered their time and knowledge in enlightening high school students on Career Counselling.

Over 1,000 students have benefitted from the programme and our target for 2014 is to enrich the lives of 10,000 students.



Top Right: L-R Mr. Ismail Omamegbe, Head Corporate Responsibility, FirstBank and Dame Abimbola Fashola, First Lady of Lagos State presenting a cheque to the winner of the City of Lagos Interschol Monopoly competition.

Right: A volunteer of the EVS programme.

Far Right: Mrs. Jayesimi, Group Head, Human Capital Development, FBN Holdings, at a career counselling session.

400 employees



teaching 10,000 students about business





SCORECARD

Future First Programme

Objective/ Programme	This year's accomplishment	Measure	2013	2014 Targets
Ensure financial literacy and career counselling for young ones	Support Best Man Games and Junior Achievement Nigeria (JAN) in driving financial literacy through Monopoly	No of students impacted 2,000	2,000	6,000
	Partnership with Lagos State Empowerment & Resource Network (LEARN) in implementing career counselling for secondary students			
	Partner with JAN in driving financial literacy for secondary school students			

EDUCATIONAL ENDOWMENT PROGRAMME

Empowering the Youth through Education

This programme was instituted by FirstBank as far back as 1994. It is dedicated to enhancing academic excellence geared towards a long-term development of Nigeria.

Currently, we have Professorial Chairs in ten Nigerian Universities, with the total endowments worth over N440 Million Naira. Some of the universities and endowed academic fields include: University of Lagos - Business Ethics; Nnamdi Azikiwe University, Awka - Banking and Finance; University of Agriculture, Makurdi - Agronomy; Federal University of Technology, Akure - Computer Science.

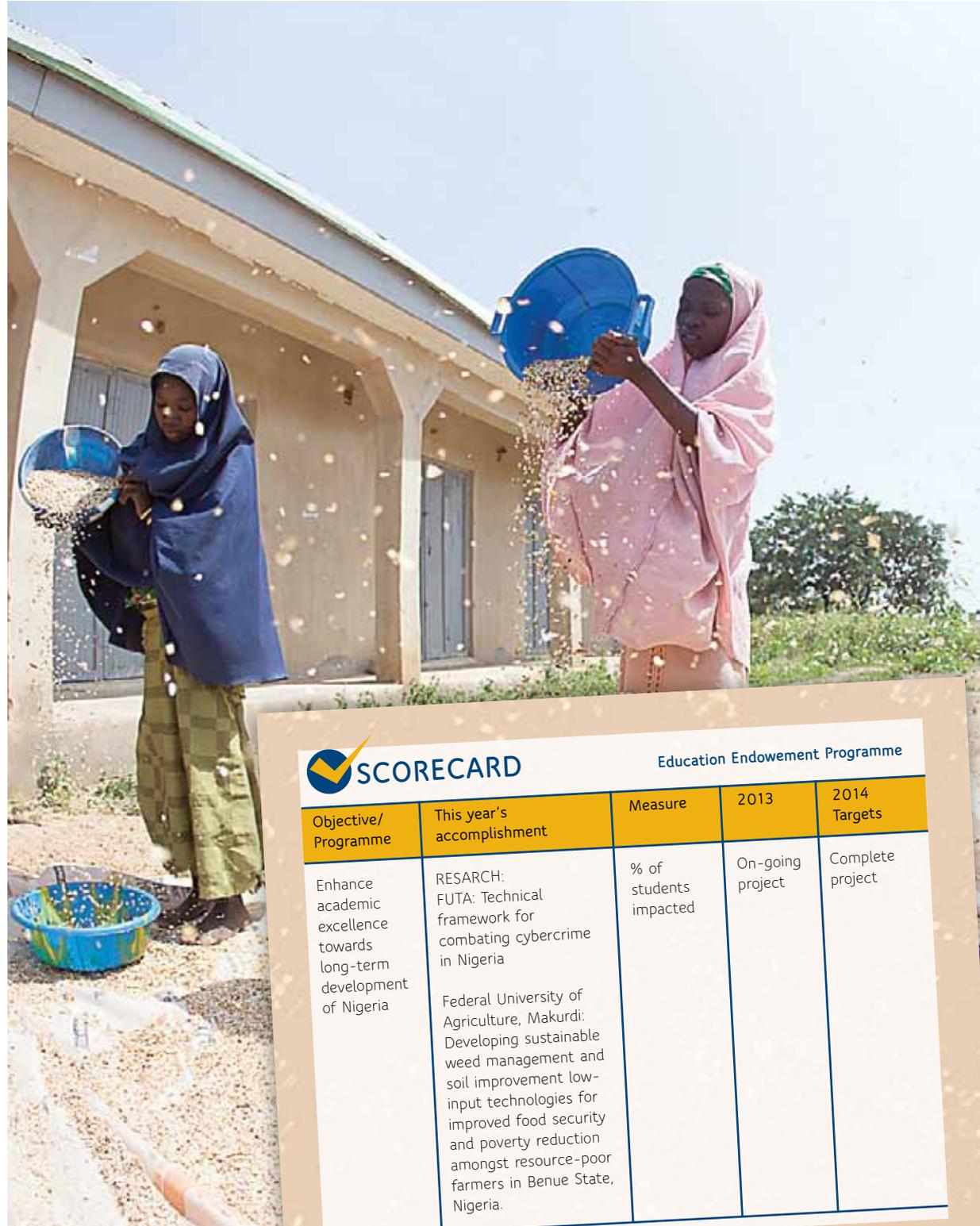


N440million



Total endowments
in Nigerian
Universities

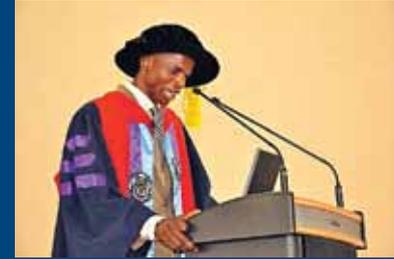
To enhance the productivity of resource-poor farmers in Benue State, FirstBank Federal University of Agriculture endowment programme has invested in research on sustainable weed management and soil improvement technologies for improved food security and poverty reduction.



SCORECARD		Education Endowment Programme		
Objective/ Programme	This year's accomplishment	Measure	2013	2014 Targets
Enhance academic excellence towards long-term development of Nigeria	<p>RESARCH: FUTA: Technical framework for combating cybercrime in Nigeria</p> <p>Federal University of Agriculture, Makurdi: Developing sustainable weed management and soil improvement low-input technologies for improved food security and poverty reduction amongst resource-poor farmers in Benue State, Nigeria.</p>	% of students impacted	On-going project	Complete project



FirstBank FUTA Endowment Paper Adjudged Best at International Conference on Internet Security in London



*The Chair, Federal University of Technology,
Akure Endowment Fund, Associate
Professor Boniface Kayode Alesu.*

The FirstBank Federal University of Technology, Akure (FUTA) Endowment Fund in Computer Science was initiated in 1997 in recognition of the vital role research plays in development and innovation especially in the digital age. Annually, the Endowment Fund receives grant from the Bank to carry out research in Information and Communication Technology related issues.

Since the establishment of the FirstBank FUTA Endowment Fund, it has witnessed a series of research projects that have resulted in knowledge creation and dissemination carefully articulated in organized annual lectures, integrated into policies and served as solutions to existing peculiar concerns in the country. The most recent of these public lectures to be delivered in phases began in 2013.

The theme is: Security Issues in Nigeria: Getting Ready for the Digital Challenge.

The Bank's unflagging commitment to promoting educational development through the FirstBank FUTA Endowment programme has positioned FUTA as a citadel of excellence in the global competitive stage. This was evidenced in the feat achieved by the Chair Occupant and his associates in the Computer Science Department at the 8th International Conference for Internet Technology and Secured Transactions (ICITST-2013) in London, United Kingdom in December 2013.

The Paper titled "DGM Approach to Network Attacker and Defender Strategies" presented at the conference beat 1,241 papers received from 96

countries to emerge the overall best according to the panel of assessors.

The paper adjudged as the best for the year 2013 dwelt on novel strategies to checkmate infiltrations of secured transactions on the information super highway. The research paper received lots of accolades from the international faculty in favor of the ambassadors of FUTA who presented the award-winning paper.



EMPLOYEE GIVING & VOLUNTEERING

Making the difference

The Employee Giving and Volunteering Scheme is a platform through which FirstBank is currently harnessing its Employee Volunteerism engagement strategy, enabling the Bank to effectively translate to employees and stakeholders that “giving back”, through varied corporate responsibility initiatives, is an integral element of the FirstBank corporate culture.

This approach complements business goals and values as it builds the morale of our workforce. It creates an enabling environment for team building and leadership activities and opportunities. More importantly, it addresses and helps to alleviate community development challenges, as our employee-inspired initiatives are mutually beneficial.

These employee-driven programmes, executed in fun ways, connect the FirstBank family with the community, while addressing pressing social issues, thus creating room for partnerships through access to valuable resources and skills. It generates a platform for new ideas, talents, and concepts. It is significant to note the open and clear lines of communication that this approach creates between the different sectors of the community and the Bank.



Employee Giving and Volunteering is a mutually beneficial platform that creates an enabling environment for team building and leadership activities and opportunities, as well as alleviating community development challenges.

Above: Red Cross cheque donation

Left: A cross section of employee volunteers at various EVS programmes.



1,050

Total volunteers



23,415

Volunteer hours
contributed



SCORECARD		Employee Giving & Volunteering		
Objective/ Programme	This year's accomplishment	Measure	2013	2014 Targets
Provide a platform for employee giving volunteering and engagement	Volunteering on Future First, Youth Leadership Programme; orphanage visits in to Port-Harcourt; Abuja and Lagos	No of Volunteering Hours	23,415 hours	33,400 hours

A cross section of employee volunteers at various EVS programmes.



L-R: Dr. Enase Okonedo, Dean of Lagos Business School, Lolade Balogun, Vice President, Marketing & Corporate Communications, FBN Capital, and Joan Egwutera, Executive Assistant to the Dean

FBN CAPITAL: BUILDING CAPACITY THROUGH STRATEGIC PARTNERSHIPS

At FBN Capital we have identified strategic partnerships, through which we intend to achieve our objective of enhancing capacity building. On this basis, FBN Capital has partnered with Pan Atlantic University (LBS) to deliver the following initiatives:

LBS Bloomberg room

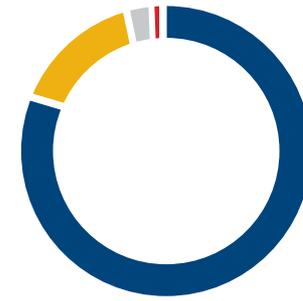
The Bloomberg Terminal is one of the industry's most widely used sources for real-time financial data. To help students in relevant disciplines gain access and exposure to the tool, FBN Capital delivered 2 Bloomberg Terminals to the LBS to help students in relevant disciplines gain access and exposure to the tool.

FBN Capital Internship Scheme

As one of the leading industry players, FBN Capital offers aspiring finance graduates of the LBS a unique opportunity to experience the real world of investment banking and asset management through its internship program by committing to admit 3 interns per year on 3-month programs.

LBS Industry Days

In support of the LBS Industry Day's initiative, FBN Capital is currently provides resources towards the development and delivery of an Investment Banking and Asset Management Industry Day, and other relevant financial services industry themes to be mutually agreed.



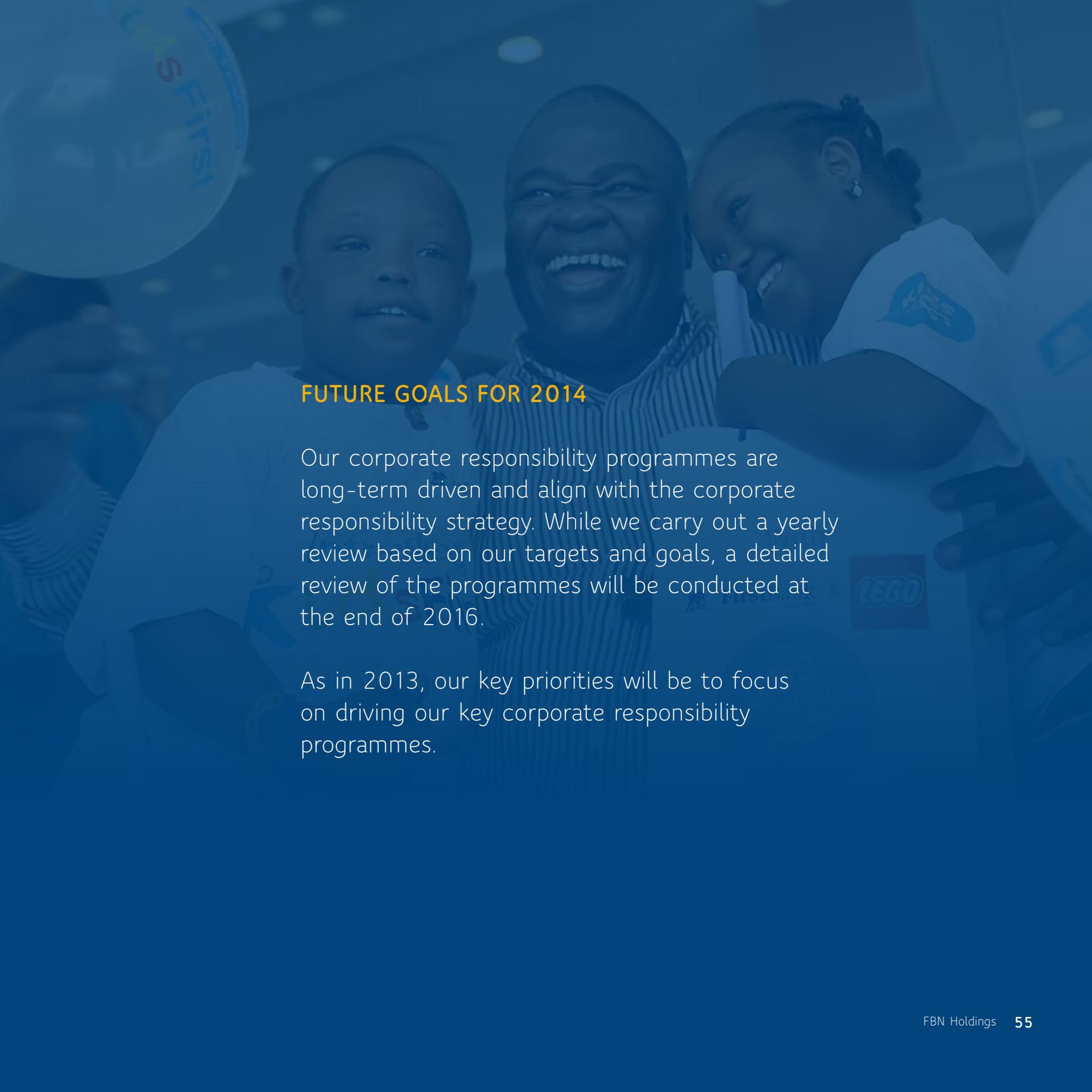
■ Education ■ Economic Empowerment
■ Health and Welfare ■ Environment

S/N	Description	Spend in 2013 (N)
1.	Education	641,714,904.91
2.	Health and Welfare	395,299,323.00
3.	Economic Empowerment	129,130,000.00
4.	Environment and others	82,639,734.00
5.	Total	1,248,783,961.67

Over
N1.2billion



spent on
community
development
in 2013

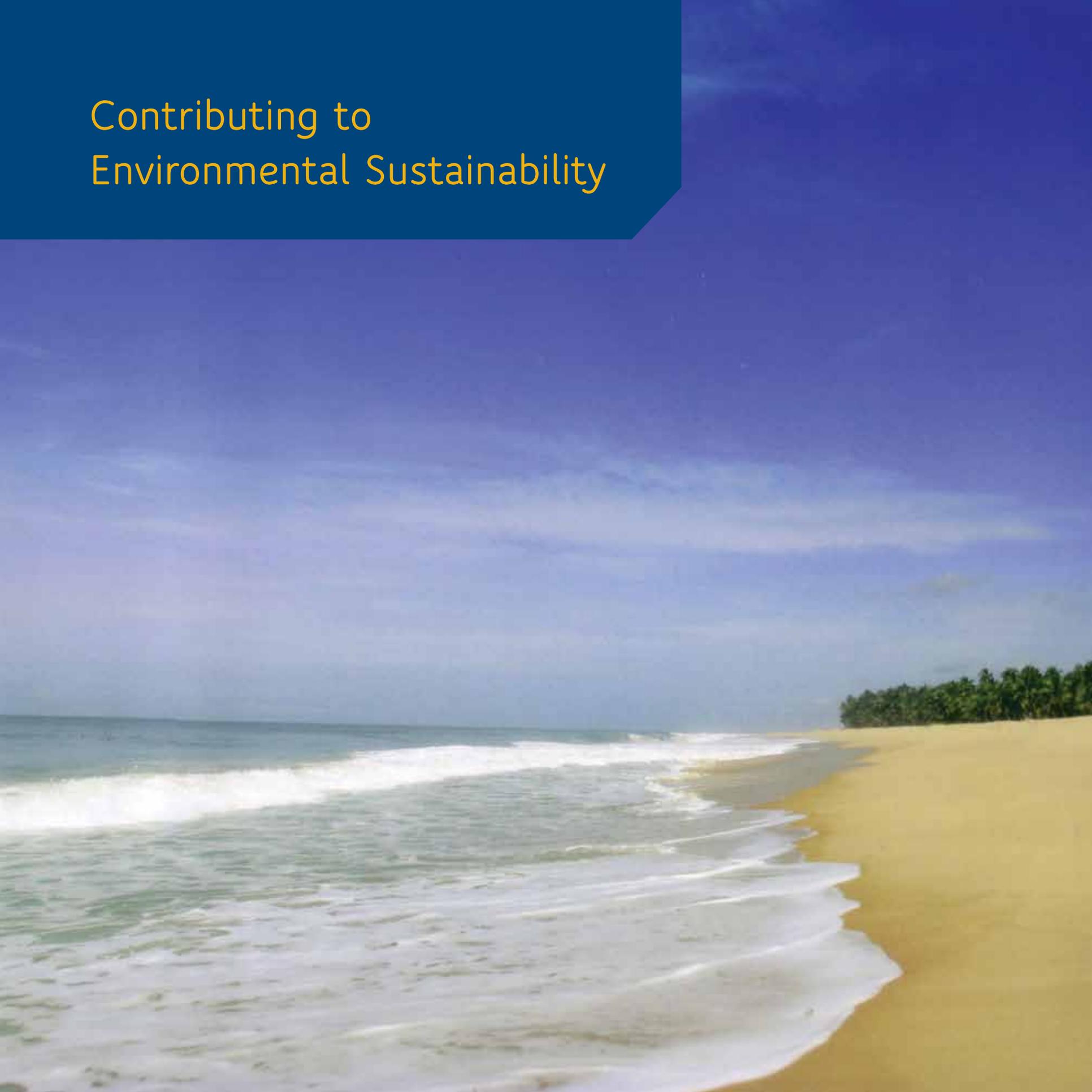


FUTURE GOALS FOR 2014

Our corporate responsibility programmes are long-term driven and align with the corporate responsibility strategy. While we carry out a yearly review based on our targets and goals, a detailed review of the programmes will be conducted at the end of 2016.

As in 2013, our key priorities will be to focus on driving our key corporate responsibility programmes.

Contributing to Environmental Sustainability



Part of our long-term approach to sustainability is minimising our direct and indirect impacts on the environment. This has informed our efforts at enhancing responsible lending and partnering to conserve resources.

Priorities

- Minimise Carbon footprint
 - Carbon Offsetting
 - Conservation and Preservation of wildlife and biodiversity
-



Environmental Sustainability

The global effects of climate change cannot be overemphasised. As predicted by scientists, the effects resulting from global climate change are now occurring: From the shrinkage of glaciers; early breaking up of ice on rivers and lakes to the shifting ranges of plants and animals; as well as accelerated sea level rise and longer, more intense heat waves, the effects are increasingly becoming visible.

Research reveals that 'taken as a whole, the range of published evidence indicates that the net damage costs of climate change are likely to be significant and to increase over time.' And it is factual that the greenhouse gasses largely responsible for rise in global temperatures are produced by human activities.

In Nigeria, studies have shown that various sectors of the economy are vulnerable to climate change. These include:

- Human settlements and health;
- Water resources, wetlands, and freshwater ecosystems;
- Energy, industry, commerce, and financial services;

- Agriculture, food security, land degradation, forestry, and biodiversity; and
- Coastal zone and marine ecosystems

Based on the foregoing, and as one of the most significant player in the financial landscape in Africa with footprints in the global stage, we believe part of our corporate responsibility focus must be environmental sustainability.

Priorities

- Minimise Carbon footprint
- Carbon Offsetting
- Conservation and Preservation of wildlife and biodiversity

Our approach to environmental sustainability is two-fold based on our direct and indirect impacts.

The approaches to reducing the direct impacts of our operations include minimize carbon footprints; work towards carbon neutrality as well as promote wildlife and biodiversity conservation and preservation.

In the last three years, FirstBank has actively reduced the size of its data centre using rationalisation and virtualisation techniques. A total of 68 servers have been decommissioned in this period. The Bank has also consolidated its data centre from 90 to 22 servers running 500 virtual servers; this has significantly reduced the energy consumption of IT.

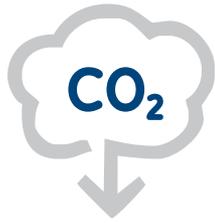
Approach to minimizing carbon footprints & Carbon offsetting:

Minimize waste:

We are setting targets to improve energy efficiency in our data centres; offices as well as reduce air travels; paper use initiatives

Go Green:

Purchase renewable energy; tree planting initiatives and the indirect impact of our activities focuses largely on responsible lending (see responsible lending on page 24).



Initiatives to Promote Environmental Responsibility

Part of our long-term approach to sustainability is minimising our direct and indirect impact on the environment. This has informed our efforts at conserving energy to reduce global warming by reducing its CO₂ emissions; as well as conserving resources – a key aspect being through reduction in the use of paper in our business operations, anchored on our print optimisation programme.

The Bank is constantly seeking opportunities to manage environmental and social footprints through the use of alternative energy sources.

Investing in Environmentally Friendly Technologies

As part of our efforts to encourage environmentally friendly technologies, we have been investing in Green IT initiatives. In the last three years, the Bank has actively reduced the size of its data centre using rationalisation and virtualisation techniques. A total of 68 servers have been decommissioned in this period. The Bank has also consolidated its data centre from 90 to 22 servers running 500 virtual servers; this has significantly reduced the energy consumption of IT.

Partnership with Nigeria Conservation Foundation

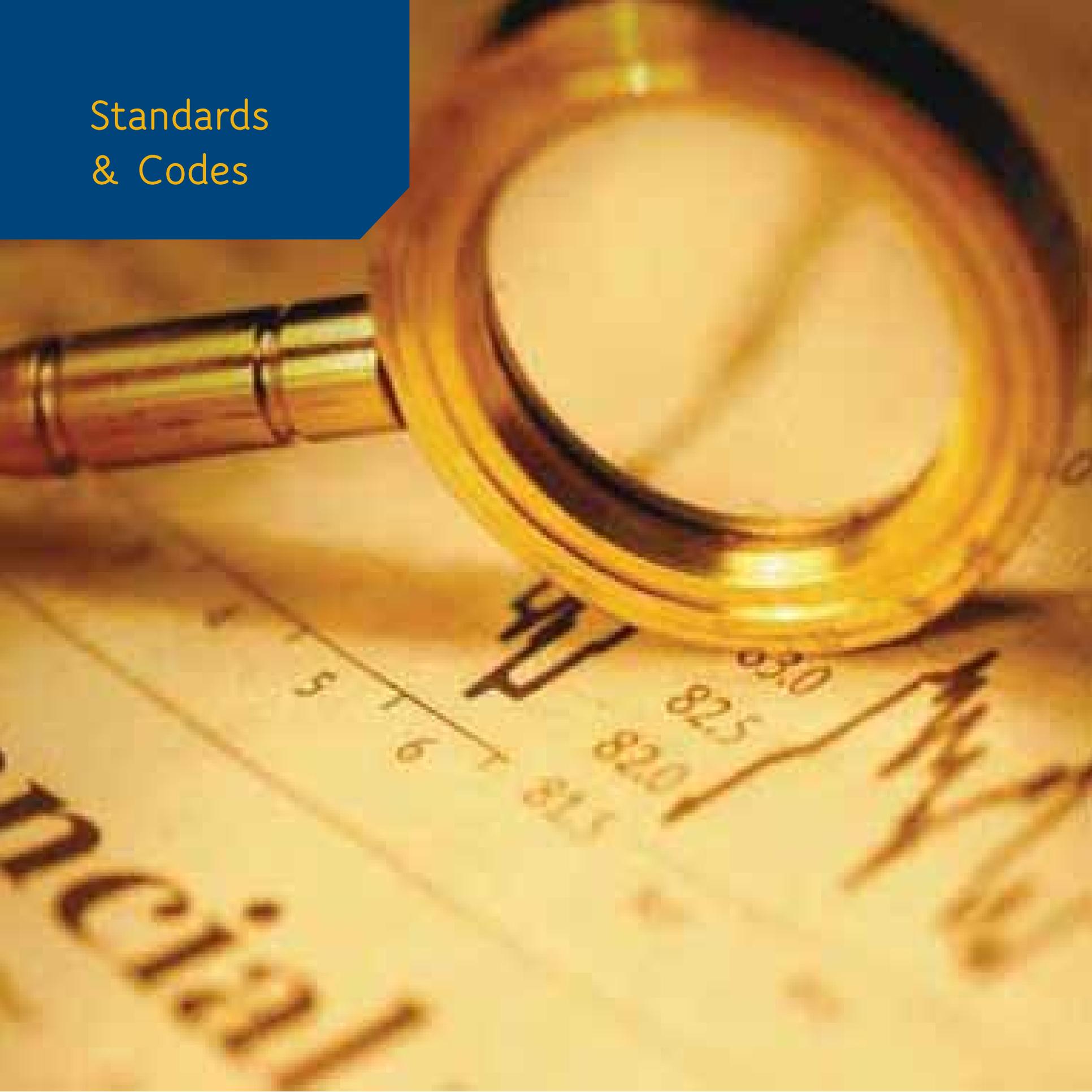
Our responsible approach to protecting the environment has seen us partner with National Conservation Foundation (NCF), Nigeria's premier non-governmental environment conservation foundation dedicated to nature conservation and sustainable development in Nigeria. First Bank has an on-going partnership with NCF and actively supports its activities annually in its conservation and preservation of wildlife and bio-diversity.

The most recent effort in this partnership is the 'Save-the-Elephant programme, which is designed to protect the forest elephant from extinction gradually faced extinction due to poaching for ivory and habitat destruction. The biggest animal on land, the elephant is Africa's great pride as it represents power, greatness, pride and intelligence in most African cultures and also plays a central role as an important wildlife globally. The size and image of the elephant is congruent with the Bank's depiction of its brand as big, strong, stable, dynamic and dependable.



Part of our efficient use of resources include the paper reduction, re-use and recycling initiative. This initiative involves investing in the production of recycled note books and pens.

Standards & Codes



We are committed to international standards and have only adopted principles that can be supported by the relevant frameworks, as well as those with a strategic fit with our business.



STANDARDS AND CODES

We are committed to international standards and have only adopted principles that can be supported by the relevant frameworks, as well as those with a strategic fit with our business.

ISO 26000 guidance standards on social responsibility

ISO 26000 is an international standard giving guidance on social responsibility. It is intended for use by organisations of all types, in both public and private sectors, in developed and developing countries, as well as in economies in transition. It is designed to help organisations in their efforts to operate in a socially responsible manner. ISO 26000 contains voluntary guidance, not requirements, and therefore is not for use as a certification standard. FirstBank, one of the subsidiaries of FBN Holdings, is a technical partner in the Nigerian adoption process tagged 'ISO 26000: NAP', which began last year.

As a technical partner, we are fully committed to the seven core subjects of ISO 26000 guidance. These are: community involvement and development; human rights; labour practices; the environment; fair operating practices; consumer issues and organisational governance.

Clearly, being part of the process has allowed us to shape the thinking and outcomes in line with local understanding and relevance. We had promised that our 2013 report will be ISO 26000 based after the adoption ceremony, which took place in the fourth quarter of 2013. Unfortunately, reporting aligned with this standard will most likely begin in our 2014 report as our sustainability performance process recently concluded.

The Nigerian Sustainable Banking Principles (NSBP)

The NSBP programme was constituted under the auspices of the Central Bank of Nigeria and the Bankers' Committee to formulate sustainable banking standards and guidelines for Nigerian banks. This led to the birth of the Strategic Sustainability Working Group (SSWG), of which First Bank of Nigeria, a subsidiary of FBN Holdings, is a member.

With support from FMO Entrepreneurial Development Bank (FMO), International Finance Corporation (IFC) and an independent adviser, the SSWG was instituted to work under the Bankers' Sub-Committee on Economic Development and Sustainability to develop the Nigeria Sustainable Banking Principles (NSBP).

The priority focus areas for the sustainability programme were: agriculture (including water resource related issues and the Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending "NIRSAL"), power (with an emphasis on renewable energy) and oil and gas.

The Bank actively participated in two of the sub-committees (agriculture and oil and gas), which made submissions that were approved by the Bankers' Committee for implementation by the sector regulators, banks and other related financial institutions.

FirstBank is a member of the steering committee responsible for providing implementation guidance on the NSBPs for signatories to the principles.



The Nigerian Sustainable Banking Principles (NSBP)

PRINCIPLE	REQUIREMENTS	STATUS UPDATE
<p>Principle 1: Our Business Activities:</p> <p>Environmental and Social Risk Management - To integrate environmental and social considerations into decision-making processes relating to our Business Activities to avoid, minimise or offset negative impacts</p>	<ul style="list-style-type: none"> ■ Development of appropriate E&S policies ■ Development of appropriate E&S procedures ■ Development and customisation of E&S due diligence procedures ■ Articulation of E&S governance and approval authority measures: ■ Monitoring E&S risks and reviewing E&S conditions ■ Provision of client engagement guidance on E&S issues ■ Development of appropriate E&S reporting criteria ■ Reporting on implementation progress ■ Support for investment in sustainable, innovative business opportunities 	<ul style="list-style-type: none"> ■ Environmental, Social & Governance management system (ESGMS) has been developed. This covers all requirements except last two ■ Implementation from 2014
<p>Principle 2: Our Business Operations- Environmental and Social Footprint:</p> <p>We will avoid, minimise or offset the negative impacts of our Business Operations on the environment and local communities in which we operate and, where possible, promote positive impacts.</p>	<ul style="list-style-type: none"> ■ Development of an environmental management programme with facilities management, this should address Climate change and greenhouse gas emissions reduction, Water Efficiency, Waste Management and Environmentally friendly facilities construction and management ■ Compliance with relevant labour and social standards ■ Implementation of a community investment programme ■ Application of E&S standards to relevant party 	<ul style="list-style-type: none"> ■ Implementing the Print optimization programme that helps in reducing paper use and Carbon. ■ Implementing community development programmes to promote positive impacts including Infrastructural Development, Future First; Hope Rising and Youth Dev. Programmes.

The Nigerian Sustainable Banking Principles (NSBP) contd.

PRINCIPLE	REQUIREMENTS	STATUS UPDATE
<p>Principle 3: Human Rights:</p> <p>We will respect human rights in our Business Operations and Business Activities</p>	<ul style="list-style-type: none"> ■ Development and implementation of a human rights policy (including labour and working conditions) ■ Integration of human rights due diligence into E&S procedures ■ Investment in resources and training of staff on human rights issues 	<ul style="list-style-type: none"> ■ The corporate responsibility & sustainability policy encompasses the respect for human rights in our business operations and activities
<p>Principle 4: Women's Economic Empowerment:</p> <p>We will promote women's economic empowerment through a gender inclusive workplace culture in our Business Operations and seek to provide products and services designed specifically for women through our Business Activities</p>	<ul style="list-style-type: none"> ■ Developing and implementing a women's economic empowerment policy: ■ Establish a Women's economic empowerment committee ■ Develop initiatives and programmes to promote and celebrate women empowerment ■ Invest and dedicate resources for female talent. ■ Support the establishment of a sector-wide women empowerment fund 	<ul style="list-style-type: none"> ■ A policy being developed ■ The Bank has a market share of 26% under the Federal Government's Growth Enhancement Support Scheme designed for SMEs. ■ Over 3,000 SMEs run by women get support from FirstBank ■ First Bank Board composition consists of four women out of 19, representing 21% of the Board. ■ Women economic empowerment committee established ■ Partners with WOWE, WIMBIZ on women development ■ Developed a Diversity policy for promoting inclusion and diversity

The Nigerian Sustainable Banking Principles (NSBP) contd.

PRINCIPLE	REQUIREMENTS	STATUS UPDATE
<p>Principle 5: Financial Inclusion:</p> <p>We will promote financial inclusion, seeking to provide financial services to individuals and communities that traditionally have had limited or no access to the formal financial sector.</p>	<ul style="list-style-type: none"> ■ Developing and implementing a financial inclusion policy ■ Providing development and growth support to SMEs ■ Improving financial literacy and institutional practices ■ Improving access to Bank facilities and services 	<ul style="list-style-type: none"> ■ Financial inclusion is part of the Group's corporate & sustainability policy ■ Provided financial services including loans for about 200,000 SMEs ■ Provided financial services for over 478,000 unbanked through Firstmonie; First Instant ■ Promoting financial literacy through Future First and other programmes
<p>Principle 6: E&S Governance:</p> <p>We will implement robust and transparent E&S governance practices in our respective institutions and assess the governance practices of our clients</p>	<ul style="list-style-type: none"> ■ Establish E&S governance responsibility ■ Develop institutional E&S governance practices ■ Actively support key industry initiatives that aim to address E&S governance issues with clients operating in sensitive sectors ■ Implement E&S performance-linked compensation and incentive schemes ■ Establish internal and, where appropriate, external E&S audit procedures 	<ul style="list-style-type: none"> ■ Developed Sustainability governance team chaired by CRO ■ A member of the NSBP steering committee
<p>Principle 7: Capacity Building:</p> <p>We will develop individual institutional and sector capacity necessary to identify, assess and manage the environmental and social risks and opportunities associated with our Business Activities and Business Operations</p>	<ul style="list-style-type: none"> ■ Identify relevant roles and responsibilities for delivery against Sustainable Banking commitments ■ Provide Sustainable Banking training sessions ■ Create practical E&S training tools and resources ■ Multi-stakeholder capacity building 	<ul style="list-style-type: none"> ■ Board and Executive Management have been trained on sustainability ■ 40 strategic key heads of SBUs & Depts. Part of the team that developed the sustainability strategy and opportunities have been trained ■ Partnering with NSBP, IFC in training key staff. ■ Plans within Group to ensure every staff is trained in sustainability.

The Nigerian Sustainable Banking Principles (NSBP) contd.

PRINCIPLE	REQUIREMENTS	STATUS UPDATE
<p>Principle 8: Collaborative Partnership:</p> <p>We will collaborate across the sector and leverage international partnerships to accelerate our collective progress and move the sector as one, ensuring our approach is consistent with international standards and Nigerian development needs.</p>	<ul style="list-style-type: none"> ■ Collaborate and coordinate with other Banks ■ Convene sector-wide workshops and events ■ Commit to international standards and best practice initiatives ■ Establish and participate in Nigerian sector level initiatives 	<ul style="list-style-type: none"> ■ A member of NSBP steering committee ■ Participate in industry wide workshops ■ Member UNGC; Signatory to ISO 26000
<p>Principle 9: Reporting:</p> <p>We will regularly review and report on our progress in meeting these Principles at the individual institution and sector level</p>	<ul style="list-style-type: none"> ■ Establish a Sustainable Banking reporting template ■ Set clear targets and relevant performance indicators ■ Ensure the necessary systems are in place to collect data ■ Agree the frequency, nature and format of internal and external reporting ■ Contribute to Sector-Level Reporting 	<ul style="list-style-type: none"> ■ Developed a reporting template ■ Targets and KPIs set. Implementation from 2014. ■ Developing a system to collect data ■ Internal reporting quarterly. External: yearly



United Nations Global Compact

The UN Global Compact

The UN Global Compact is currently the highest body for corporate citizenship in the world today. Established in 2000 to serve as a platform for dialogue, learning, and partnership for organizations willing to commit to adopting corporate responsibility as part of their business strategy and daily operations, the UNGC has successfully attracted and mobilized over 7,000 businesses in over 130 countries across the world to become members.

Membership into the UNGC implies an organization's willingness to align with UN values and support initiatives which advance the UN goals as contained in the Millennium Development Goals (MDGs). Participants simply commit to align their strategies and operations with ten principles in the area of labour, human rights, environment and anti-corruption.

We started the process for UN Global Compact membership in late 2012 with the goal of supporting the principles of the organisation. We became a member in the first quarter of 2013.

As part of our commitment to going beyond meeting the minimal membership requirements to playing an active role in advancing the global corporate sustainability agenda, Bisi Onasanya, Group Managing Director/CEO, First Bank of Nigeria Limited joined global political and business leaders in New York for the Africa Private Sector Forum in consideration of a new global architecture for the private sector on sustainability and contribution to global priorities and the public good. Onasanya chaired a session on Innovative and Sustainable Financing at United Nations triennial Global Compact Leadership Summit in the United States of America.

The FirstBank 2013 annual report showcases our communication on progress (COP). https://www.unglobalcompact.org/system/attachments/76801/original/FirstBank_COP.pdf?1398181297

Awards &
Recognition





1

Sickle Cell Foundation Nigeria – Special Appreciation Award in recognition of the Bank's contribution to the National Sickle Cell Foundation and support for the works and programmes of the Sickle Cell foundation Nigeria.

The Sickle Cell Foundation Nigeria is a non-governmental and non-profit Organization dedicated to the proper care and control of Sickle Cell Disorder in Nigeria. Its establishment is based on the premise that Sickle Cell is predominantly an African problem and Nigeria has the highest burden in the world as over 40 million Nigerians carry the sickle cell trait (HbAS) and over 150,000 Nigerian children are born annually with sickle cell disorder (HbSS).

The Foundation established the National Sickle Cell Centre in Lagos in 2007 to provide world class services for sickle cell. However, funding has remained a major challenge by the foundation to achieve their major goal of developing and strengthening research, capacity and service programmes throughout the country; hence the need for a fund raising dinner.

A major objective of the Bank's support is thus to contribute to research development and implementation of programmes for people with sickle cell anemia.

2

Best Company in Infrastructure Award at the Social Enterprise Reports and Awards (SERAs – Nigeria CSR Awards 2013) which took place September 21, 2013 at the MUSON Centre.

The social enterprise report and awards was born out of a deep conviction that the success of public relations in the present and in the future will be increasingly dictated by the level that a company or organization can effectively and convincingly engage its

stakeholders. This assertion is supported by the reality that whether we like it or not, we are witnessing the downward spiral of advertising as PR continues to take a more prominent position in the life of firms and organisations.

The Bank which was nominated in 4 categories (Best Company in Women focus CSR, Best Company in Community Involvement, Best Company in Infrastructure and Best Company in Youth Focus CSR) was awarded in recognition of its efforts at complementing Government's work in the development and advancement of education nationwide by providing much need infrastructure in universities spread across Nigeria.



Mrs. Victoria Onwubiko, Head, Brand Management receiving the SERA Award for Best Company in Infrastructure Award 2013.



3

Special Appreciation Award by the Rotary Club of VGC District 9110

The award was given in special appreciation of the Bank's support to the potable water project in Lamgbasa community.

About Rotary Club of VGC

The Rotary Club of VGC is an arm of the Rotary International comprising of a global organization of Professional, Business and Community Leaders united in the ideal of service to their communities, the promotion of high ethical standards in businesses and professions and the advancement of global peace, goodwill and understanding with a global membership of 1.2 million.

In demonstration of its commitment to supporting the communities in which it lives and work, the Bank partnered with the Rotary Club of VGC to provide potable water for people of Lamgbasa Community in Eti - Osa Local Government Area. The Langbasa Water Project comprises of a Drinking house for staff and pupils of Langbasa Primary School located in Eti-Osa Local Government Area of Lagos State. It also provides water for the residents of Langbasa Community as a whole.



Pupils of Langbasa Primary School in Eti-Osa Local Government Area of Lagos State at the Water Project Drinking house provided by First Bank.

4

Appreciation Award by the League of Abiriba Professionals (LeAP Abiriba) for supporting the 5th LeAP Economic Empowerment Seminar.

About LeAP Abiriba

The League of Abiriba Professionals is a not-for profit initiative committed to individual, corporate and community development, pioneered and funded by committed professionals in diverse fields. Since inception in 2009, the body has instituted an Educational Trust Fund that has catered to resuscitating quality education through the provision of suitable learning infrastructure in schools, supply of educational materials, enrolment of 3 community secondary schools in certificate examinations, complementing Teachers' workforce in schools in the community and provision of scholarship opportunities for community indigenes, as well as running a youth seminar in its 3rd consecutive year

and this economic empowerment seminar in its 4th consecutive year.

The Bank supported the seminar as part of its contribution to Economic Development through grooming of young entrepreneurs and fostering experienced business people to better organize their businesses. The 4th LeAP Economic Empowerment Seminar, Lagos was aimed at improving the capacity of business owners and entrepreneurs, with a view to fostering national economic development.

Furthermore, the Bank has contributed immensely to educational development in the Abiriba Community through the LeAP Education Trust Fund which was used to equip the Science Laboratories of Onarubi Secondary Technical School, Egwuena Girls Secondary School and Enuda High School, all in the Abiriba Community. The Bank also supported the organization's efforts with payment to ten teachers and ten corp members.



L-R: Mrs. Dotun Akande, Proprietess Patrick Speech & Learning Centre, Mrs. Alaba Fadairo, representative of the Deputy Governor of Lagos State, Dr. A. R. Kolade, representative of the commissioner for health, Ms. Abosede Alimi and Mrs. Iretjabbar Ghatekha-Ogbomo both of Corporate Responsibility Unit, FirstBank receiving the award for Autism support on behalf of the Bank.

5

Down Syndrome Foundation Nigeria – Award of Excellence presented to the Bank in appreciation for its love for humanity and commitment towards the economic and social advancement of persons with Down syndrome.

The Down syndrome Foundation Nigeria is a non-governmental, not-for-profit association of children with Down Syndrome as well as their parents, caregivers, and other interested stakeholders. Down Syndrome Foundation Nigeria was formed (founded) on 4th of December, 2001 by a parent of a child with Down Syndrome. With the mission to improve the opportunities of young people with Down Syndrome, the foundation is committed to bridging the gap between children/adults with Down Syndrome and the rest of the society through a support system that seeks ultimately to integrate them.

Partnership with the Down Syndrome Foundation serves as a platform for the Bank to demonstrate its support to the welfare of persons living with disabilities in alignment with the objectives of the Bank's Hope Rising Initiative.



Mrs. Folake Ani-Mumuney, Head Marketing & Corporate Communications receiving an appreciation award from Mr. Folawiyo Jimoh Adisa, Gold Para-Badminton Medalist who has received constant support from the Bank.

About the Report





Reporting Year

Information in this report is related to the fiscal year 2013. That is between the months of January 2013 and December 2013.

Scope

This report covers FBN Holdings non-financial performance and impact relating to the Group's corporate responsibility work in the financial year 2013.

The report covers material issues regarding corporate responsibility based on:

- Internal assessments
- Continuous engagement with a broad range of stakeholders including employees, Non-governmental organisations; investors; regulators and communities
- Information requests from global and local reporting and rating agencies

Hence, the report is structured around our most important issues for business:

- Sustainable finance
- People empowerment
- Community support
- Environmental sustainability

This is the first stand-alone citizenship report for the Group and the goal is to constantly improve on the reporting process and content. We have begun employing the standards of the Nigerian Sustainable Banking Principles (NSBPs) and the United Nations Global Compact.

We are enhancing our performance management system that will reflect a more holistic and structured indicators with the purpose of ensuring a more transparent reporting. The system will also allow for the submission of independently assured data.

Our plan for subsequent report is to explore possibilities of employing the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.

We are enhancing our performance management system that will reflect a more holistic and structured indicators with the purpose of ensuring a more transparent reporting. The system will also allow for the submission of independently assured data

Additional Reporting

This report complements the Group's Annual Report and Accounts and both reports provide a better picture of our performance over the year.

In addition to this report, we report our corporate responsibility impact in some of the following ways:

- Citizenship updates on our websites, blogs; twitter; facebook
- Research findings and white papers on corporate responsibility and sustainability issues
- Annual submission of COP to the UNGC

Feedback

Your feedback on the report and FBN Group corporate responsibility approach is welcomed. Please email your comments to citizenship@fbngroup.com or you can write to us on the following address:

The Corporate Responsibility team,
Marketing & Corporate Communications,
First Bank of Nigeria Limited,
Samuel Asabia House, 35 Marina Lagos,
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