



REPORT OF THE INDEPENDENT CONSULTANT TO THE BOARD OF DIRECTORS OF FBN HOLDINGS PLC ON THEIR APPRAISAL FOR THE YEAR ENDED 31 DECEMBER 2018

In compliance with the guidelines of Section 2.8.3 of the Central Bank of Nigeria (CBN) Code of Corporate Governance for Banks and Discount Houses in Nigeria ('the CBN Code') and the Securities and Exchange Commission (SEC) Code of Corporate Governance ('the SEC Code'), FBN Holdings Pic. ('FBNHoldings' or 'the Company') engaged KPMG Advisory Services to carry out an appraisal of the Board of Directors ('the Board') for the year ended 31 December 2018. The CBN Code mandates an annual appraisal of the Board with specific focus on the Board's structure and composition, responsibilities, processes and relationships, individual Director competencies and respective roles in the performance of the Board.

We have performed the procedures agreed with FBNHoldings in respect of the appraisal of the Board in accordance with the provisions of the Central Bank of Nigeria (CBN). These procedures, which are limited in scope but sufficient for the Board's objectives in line with the CBN Code, are different in scope from an external audit. Consequently, no opinion is expressed by us on the activities reported upon.

Our approach to the appraisal of the Board involved a review of the Company's board papers and minutes, key corporate governance structures, policies and practices. This included the review of the corporate governance framework and representations obtained from questionnaires, interviews with the members of the Board and Senior Management.

On the basis of our review, the Company's corporate governance practices are largely in compliance with the key provisions of the CBN Code. Specific recommendations for further improving the Bank's governance practices have been articulated and included in our detailed report to the Board. These include recommendations to continue the improvement in the disclosure process.

Olumide Olayinka

Partner, KPMG Advisory Services
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