

FORGING AHEAD

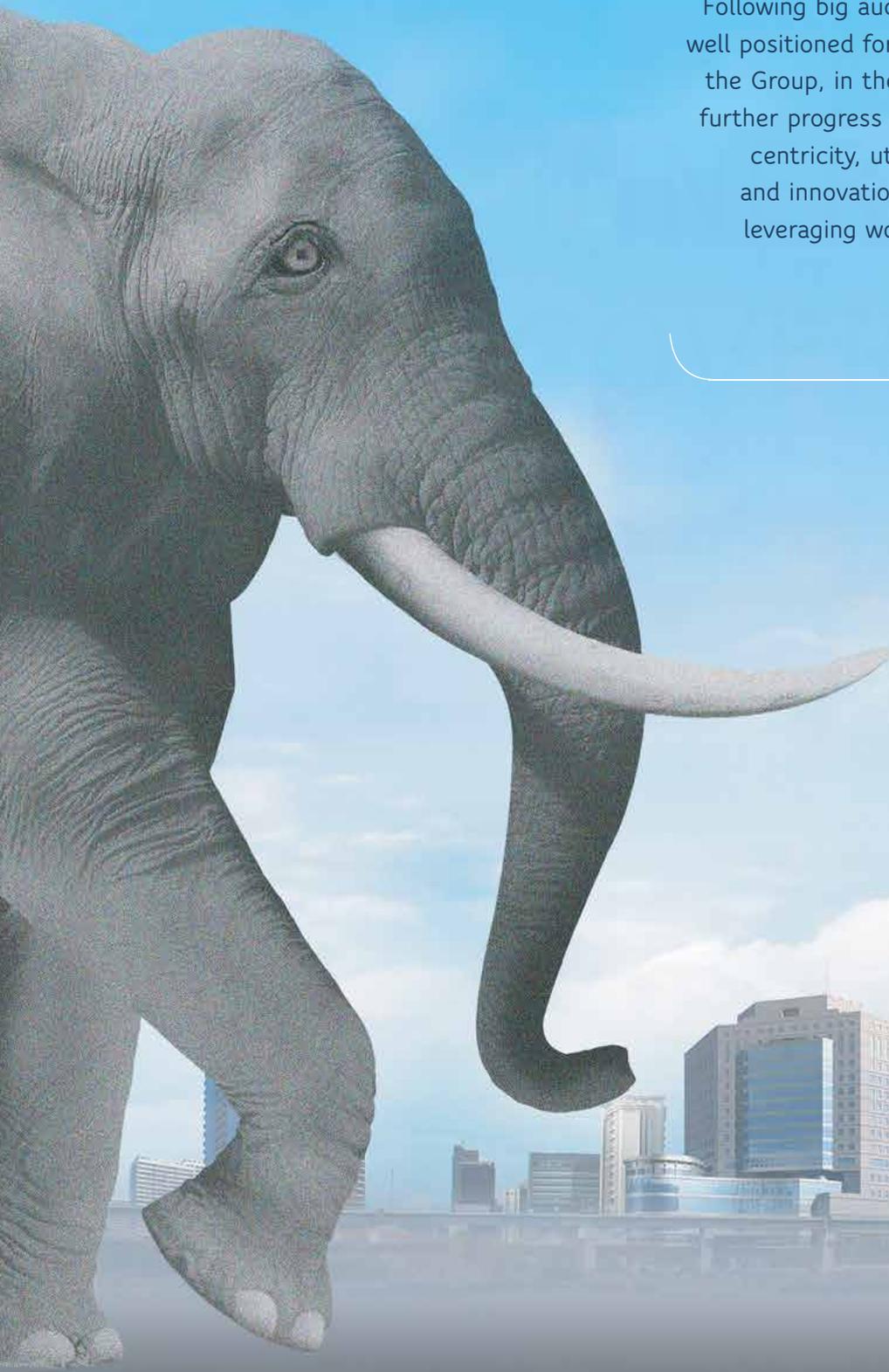
FBN Holdings Plc
2020 AGM Information Pack



FORGING AHEAD

In line with our unflinching resolve and commitment, one of the key accomplishments at the end of our last strategic planning cycle was the complete overhaul of our risk management architecture and strengthening of our business and processes for sustainable growth.

Following big audacious action steps, FBNHoldings is well positioned for growth. Now at an inflection point, the Group, in the new planning cycle, will be making further progress in the quest for enhanced customer centricity, utilisation of cutting-edge technology and innovation, improved operational efficiencies, leveraging world class talents towards reclaiming market leadership.



DEAR SHAREHOLDERS,

We welcome you to the 8th Annual General Meeting (AGM) of our esteemed Company. The resolutions below will be presented for your consideration at our AGM holding at the Oriental Hotel, 3 Lekki-Epe Expressway, Victoria Island, Lagos.

The proposed resolutions along with its rationale are hereinafter detailed. At the meeting, you will be asked to vote in favour of the following resolutions:

1. RESOLUTION ON REPORTS AND ACCOUNTS

Prayer

"That the Audited Accounts for the financial year ended 31 December 2019 together with the reports of the Directors, Auditor, Board Appraiser and Audit Committee thereon submitted to the meeting be received."

Explanation

This resolution is predicated on the requirements of Section 334 of the Companies and Allied Matters Act, 2004 ('CAMA'), which makes it mandatory for the Directors of FBN Holdings Plc ('FBNH' or 'FBNHoldings' or 'the Company') to prepare Financial Statements for each year.

In line with this provision, the 2019 Audited Financial Statements have been prepared and included in the 2019 Annual Report and Accounts which has been circulated to you.

The Report also contains the Auditor's Report, the Audit Committee's Report, the Directors' Report and the Report of the External Consultants on the 2019 Board Appraisal.

The 2019 Audited Financial Statements provides an overview of the financial performance of the Company and its subsidiaries for the year ended 31 December 2019.

The Auditor's Report included in the Annual Report and Accounts will be read at this meeting.

Similarly, the Audit Committee, on which you have your representatives, is required by CAMA to make recommendations to the General Meeting on the Company's performance and will be presenting its report accordingly.

The Directors' Report, which will also be presented to you at the meeting, is required under Section 342 of CAMA to contain the following issues in respect of the Company:

- i. A fair view of the development of the business of the Company and its subsidiaries during the year and of their position at the end of it;
- ii. The amount (if any) which they recommend should be paid as dividend and the amount (if any) which they propose to carry to reserves;
- iii. The summary of the results of the financial activities of the Company and its subsidiaries in the course of the year and any significant change in those activities in the year;

- iv. Directors' interest in the shares of the Company;
- v. Donations given by the Company within the financial year;
- vi. Information on the employment, training and advancement of disabled persons; and
- vii. Information on the health, safety and welfare at work of the employees of the Company.

Finally, the External Consultant's Appraisal report on the Board's performance will be presented to you to give you an overview of the Board's stewardship for the year under review.

In addition to the aforementioned reports being statutorily required, the Annual Report seeks to provide a detailed report on the Company's performance for the outgoing financial year.

We urge you to vote in support of the motion to receive these reports and the audited financial statements.

2. RESOLUTION ON DIVIDEND PAYABLE

Prayer

"That a dividend payment in the total sum of ₦13,640,211,261.00 which translates to ₦0.38k per 50 kobo ordinary share of the Company, subject to withholding tax, be and is hereby approved."

Explanation

According to the provisions of Section 379 of CAMA, the Company may, in general meeting, declare dividends in respect of any year or other period only on the recommendation of the Directors. Section 379 (3) further provides that the general meeting

shall have the power to decrease the amount of dividend recommended by the Directors but shall have no power to increase the recommended amount. The Board of Directors has recommended the payment of the sum of ₦13,640,211,261.00 only out of the distributable reserve of the Company as dividend in respect of the financial

year ended 31 December 2019. This translates to ₦0.38k per 50 kobo share of the Company held, subject to withholding tax.

We therefore urge you to vote in support of the motion to approve the payment of the proposed dividend.

3. RESOLUTION ON RE-ELECTION OF DIRECTORS

3a. Prayer

"That Omatseyin Ayida, who having retired by rotation, being eligible and having offered himself for re-election, is duly re-elected."

Explanation

Section 259 of CAMA provides that unless there is a contrary provision in the Articles of Association of a Company, all the Directors of the Company shall at the first Annual General Meeting (AGM) retire from office and at subsequent AGMs, one third of the Directors, or if their number is not three or a multiple of three, the number nearest to one-third shall retire.

In line with this provision of CAMA, one-third of our Board of Directors have always retired at every AGM.

In view of the aforementioned statutory provision, three Directors will be retiring at this meeting. They are Omatseyin Ayida, Oluwande Muoyo and Cecilia Akintomide, *OOM*.

The instant resolution therefore, is for your approval to re-elect Omatseyin Ayida, who will be retiring from the Board, being eligible for re-election and has offered himself for re-election.

His profile is detailed below:

OMATSEYIN AYIDA

Non-Executive Director

Omatseyin Ayida joined the Board of FBN Holdings Plc in 2015. He brings to the Board his vast experience in the field of portfolio management and strategic human resource management. He is also very knowledgeable in risk and corporate regulatory issues. He holds a Bachelor of Arts degree in Economics and Politics from the University of Kent, Canterbury. He is currently the Managing Director of Saken Capital Partners Ltd.

Omatseyin was previously the Managing Director of Capital Bank International Ltd, where he led the well-executed buyout of the Bank from Commercial Bank (Credit Lyonnaise Nigeria) in 2001 as well as the subsequent successful merger with Access Bank Plc and Marina International Bank Ltd in 2005. During his successful banking career with Commercial Bank (Credit Lyonnaise Nigeria), he worked in

various departments and rose to become the Deputy Managing Director in 1998.

After his banking career, Omatseyin set up Ruyat Oil Ltd, which he ran for just over a decade before selling it to an international food processing group. He is an honorary member of the Chartered Institute of Bankers and has attended several executive programmes including at Harvard Business School, Kellogg School of Management, Centre International de Management et d'Enseignement Strategique and the Lagos Business School. Omatseyin is married with children and enjoys playing golf.

3b. Prayer

"That Oluwande Muoyo, who, having retired by rotation, being eligible and having offered herself for re-election, is duly re-elected."

Explanation

As explained above and in line with Section 259 of CAMA, Oluwande Muoyo, will be retiring at this meeting and being eligible, is offering herself for re-election. Her profile is detailed below:

OLUWANDE MUOYO

Independent Non-Executive Director

Oluwande Muoyo was appointed to the Board of FBN Holdings Plc in 2016. She brings to the Board well over three decades of post-professional qualification experience in the private and public sectors, with key strengths in policy formulation, relationship management and business development.

She is a Chartered Accountant and Banker and a former Honourable Commissioner for Budget and Planning in Ogun State.

Prior to this appointment, Oluwande worked with Stanbic IBTC Bank for over 22 years in various parts of the Bank, including Financial Control, Treasury and Financial Services, Trade Finance and Corporate Banking. She holds a BSc degree in Accounting from the University of Lagos. She started her professional career with the international firm PricewaterhouseCoopers.

A Fellow of both the Institute of Chartered Accountants of Nigeria and the Chartered Institute of Taxation

of Nigeria, Oluwande has acquired competencies and skills in public financial management, banking, budgeting, planning, auditing and taxation.

Her past Directorships include the Governing Board of the International Crop Research Institute for Semi-Arid Tropics. Oluwande has attended many training programmes, including Strategic Marketing Management at Harvard Business School, Advanced Strategy at INSEAD and Advanced Management Programme at the Lagos Business School. Oluwande is married with children and enjoys walking, cycling and playing golf.

3c. Prayer

"That Cecilia Akintomide, OON, who having retired by rotation, being eligible and having offered herself for re-election is duly re-elected."

Explanation

The third Director to be retiring at this year's AGM is Cecilia Akintomide, OON. Having retired and being eligible, she is offering herself for re-election. This resolution is therefore for your approval to re-elect Cecilia Akintomide, OON. Her profile is detailed below:

Cecilia Akintomide, OON

Independent Non-Executive Director

Cecilia Akintomide, OON, joined the Board of FBN Holdings Plc in July 2016 and brings considerable executive-level management experience to bear. She was Vice-President/Secretary General of the African Development Bank, where she was responsible for managing the secretariat as well as shareholder relations involving 80 member states.

She was also responsible for the delivery of the work programmes of the Boards of Governors and Directors and the institution's diplomatic relations. In addition, she was a member of the Senior Management Coordination and Operations Committees and chaired the Committee for the preparation of the annual meetings. Prior to this, Cecilia headed the Public and Private Sector Financing Legal Services Team, covering projects across Africa, and served as Chief Counsel Institutional Affairs as well as Finance Counsel.

Cecilia brings to the Board of FBN Holdings her wealth of management experience, particularly from an international financial institution perspective and her legal experience spanning more than 31 years since her call to the Bar. She has expertise in corporate governance, institutional

affairs, business reorganisations and financing. She has practised law in different jurisdictions, including as a business reorganisation associate in the law firm of Weil, Gotshal & Manges in New York, and as a Junior Associate at O. Thomas & Co., Lagos. She was also a member of the United Nations Election Monitoring Team for the 1994 election in South Africa, which saw Nelson Mandela become President.

In 2014, Cecilia was awarded the National Honour of Officer of the Order of the Niger (OON) by the Government of the Federal Republic of Nigeria for her meritorious contributions in the field of international development. Cecilia is experienced in working and leading in a multicultural and bilingual environment and is a frequent speaker at international events on law, development and gender. She is a member of the Nigerian and New York Bars.

4. RESOLUTION ON APPOINTMENT OF THE COMPANY'S AUDITOR

Prayer

"That Messrs. KPMG Professional Services be appointed as the Company's Auditor to replace the retiring Auditor, Messrs. PricewaterhouseCoopers."

Explanation

This resolution is pursuant to:

- Section 5.2.12 of the Central Bank of Nigeria's code of corporate governance which provides that the tenure of auditors in a given bank shall be for a maximum period of ten cumulative years after which the audit firm shall not be reappointed in the bank until after a period of another ten consecutive years.
- Rule 33.1 of the Securities and Exchange Commission code of corporate governance which provides that in order to safeguard the integrity of the external audit process and guarantee the independence of the external auditors, companies should rotate both the audit firms and audit partners; and
- Principle 20.2 of the 2018 Nigerian Code of Corporate Governance which provides that External audit firms may be retained for no longer than ten years continuously.

External audit firms disengaged after ten years of continuous service may not be considered for reappointment until seven years after their disengagement. Where an external auditor's aggregate or cumulative tenure has already exceeded ten years at the date of commencement of this Code, such auditor should cease to hold office as an auditor of the Company at the Annual General Meeting to be held immediately after this Code comes into effect.

- Section 357 (1) of CAMA which states that every company shall at each annual general meeting appoint an auditor or auditors to audit the financial statements of the company and to hold office from the conclusion of that, until the conclusion of the next annual general meeting.

At this Annual General Meeting (AGM), the current External Auditor - Messrs. PricewaterhouseCoopers (PwC) would have completed ten years of auditing First Bank of Nigeria Ltd (FirstBank), the precursor to FBN Holdings Plc. Hence, the

need for the appointment of a new External Auditor. PwC has been auditing FBN Holdings Plc since it began operations in 2012.

FBN Holdings Plc is the parent company that consolidates the results of all subsidiaries and FirstBank is the largest subsidiary representing about 95% of the Group's total assets. Based on this, it is imperative that the auditors of FirstBank, issuing audit opinion on 95% of the Group, should be FBNHoldings' auditors for ease of reporting and coordination. Therefore, FBNHoldings will change its auditors alongside FirstBank, which is most appropriate in the circumstance.

We therefore urge you to vote in support of the motion to appoint Messrs. KPMG Professional Services as the Company's auditor in respect of the period ending at the end of the next Annual General Meeting.

5. RESOLUTION ON REMUNERATION AND EXPENSES OF THE COMPANY'S AUDITOR

Prayer

"That the remuneration and expenses of the Company's auditor, Messrs. KPMG Professional Services be fixed by the Directors in respect of the period ending at the end of the next Annual General Meeting."

Explanation

Section 361(b) of CAMA provides that the remuneration of Auditors may be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine.

The Company's External Auditor is Messrs. KPMG Professional Services.

In line with the foregoing, we request the General Meeting to authorise the Board to negotiate and fix the remuneration of the External Auditor.

We urge you to vote in support of the motion to authorise the Directors to fix the remuneration and expenses of the Company's auditor Messrs. KPMG Professional Services in respect of the period ending at the end of the next Annual General Meeting.

6. RESOLUTION ON APPOINTMENT OF AUDIT COMMITTEE MEMBERS

Prayer

"Shareholders are requested to vote to elect the following nominees to serve on the Audit Committee for the current financial year."

- | | | |
|---|--|---|
| 1. _____ (Shareholder Representative) | 2. _____ (Shareholder Representative) | 3. _____ (Shareholder Representative) |
| 4. Oye-Hassan Odukale, <i>MFR</i> (Director) | 5. Chidi Anya (Director) | 6. Cecilia Akintomide, <i>ONN</i> (Director) |

Explanation

According to the provisions of Section 359(4) of CAMA, all public companies are mandated to have Statutory Audit Committee (SAC) to ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices. The Committee shall have a maximum of six (6) members including three (3) shareholder representatives and three (3) Non-Executive Directors.

In accordance with Section 359(5) of the Companies and Allied Matters Act (CAMA), any shareholder may nominate another shareholder for appointment to the Audit Committee.

Such nomination should be in writing and must reach the Company Secretary not less than 21 days before the AGM. The Code of Corporate Governance of the Securities and Exchange Commission, Financial Reporting Council of Nigeria and Central Bank of Nigeria (CBN) respectively indicates that some of the members of the Audit Committee should have basic financial literacy and be knowledgeable in internal control processes. The statutory duties and role of the SAC are enumerated in Section 359 (3) and (4) of CAMA to include the following:

- I. Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;

- II. Review the scope and planning of audit requirements;
- III. Review the findings on Management matters in conjunction with the external auditor and departmental responses thereon (Management Letter);
- IV. Keep under review the effectiveness of the Company's system of accounting and internal control;
- V. Make recommendations to the Board on the appointment, removal and remuneration of the external auditors of the Company, ensuring the independence and objectivity of the external auditors and that there is no conflict of interest which could impair the independent judgment of the external auditor;
- VI. Authorise the Internal Auditor to carry out investigations into any activity of the Company which may be of interest or concern to the Committee; and
- VII. Assist in the oversight of the integrity of the Company's financial statements and establish and develop the internal audit function.

At the meeting, there will be an election to elect three shareholder representatives to serve on the Audit Committee for the 2020 financial year. The curriculum vitae (CV) of the nominees have been collated in line with the requirements of the code of corporate governance of the Securities and Exchange Commission and Central

Bank of Nigeria (CBN) respectively. The collated CVs may be viewed on the Company's website.

In addition to the three representatives of the shareholders to be elected at the meeting, the following three members of the Board who are not subject to elections for the Statutory Audit Committee, are being proposed as the three designated Board members of the SAC for the 2020 financial year;

1. Oye-Hassan Odukale, *MFR*
2. Chidi Anya
3. Cecilia Akintomide, *ONN*

The profiles of the nominated Directors to serve on the Statutory Audit are outlined below:

OYE HASSAN-ODUKALE, *MFR* Non-Executive Director

Oye Hassan-Odukale, *MFR*, is a pioneer Non-Executive Director of FBN Holding Plc. He holds Bachelor's and Master's degrees in Business Administration from the University of Houston. He was until recently, the Managing Director/CEO of Leadway Assurance Company Ltd, a leading insurance company in Nigeria, a position he held for several years. His appointment was preceded by several years of experience in insurance brokerage, underwriting, investments and general management. He is a recipient of the National Honour of Member of the Order of the Federal Republic of Nigeria (MFR) and sits on the Boards of several

for-profit and non-profit companies in Nigeria. He was a Non-Executive Director on the Board of the First Bank of Nigeria Plc (now First Bank of Nigeria Ltd), and is currently the Chairman of FBNBank (UK) Ltd, a wholly owned subsidiary of First Bank of Nigeria Ltd. He is a Securities and Exchange Commission-accredited investment manager and portfolio advisor. Oye is married with children and enjoys listening to music, reading and travelling.

CHIDI ANYA

Non-Executive Director

Chidi Anya joined the Board of FBN Holdings Plc in 2013. He has nearly three decades of professional practice in the Nigerian legal system, including pupillage with L.N Mbanefo SAN, and roles as Associate Counsel at Akin Delano & Company, Ibadan, and Senior Associate Counsel at Debo Akande & Company, Lagos. In 1997, he became a founding Partner of The Channings Law Firm, where he has provided leadership and strategic direction overseeing its growth. The Firm currently acts as Company Secretary to several leading indigenous companies and conglomerates in various strategic sectors of the Nigerian economy, providing guidance on corporate governance and compliance.

Chidi is recognised by clients and peers as a leading commercial and corporate lawyer with high-level skills and experience in negotiation, administration, communication, management, advocacy and ethical leadership, all of which he brings to the Board of FBNHoldings. A member of the Nigerian Bar Association and its section on Business Law, he is also a Member of the Institute of Directors, (MIoD) and a Notary Public. A Certified Management Consultant and Fellow of the Institute of Management Consultants (FIMC), he has attended various Executive Management Courses at the Kellogg School of Management, Northwestern University, Illinois. Chidi is married with children and his interests include reading, writing, intellectual debates and gardening. Committed to building stronger and more resilient communities, he is active in a number of voluntary groups and programmes.

CECILIA AKINTOMIDE, OON

Independent Non-Executive Director

Cecilia Akintomide, OON, joined the Board of FBN Holdings Plc in July 2016 and brings considerable executive-level management experience to bear. She was Vice-President/Secretary General of the African Development Bank, where she was responsible for managing the secretariat as well as shareholder relations involving 80 member states. She was also responsible for the delivery of the work programmes of the Boards of Governors and Directors, and the institution's diplomatic relations. In addition, she was a member of the Senior Management Coordination and Operations Committees and chaired the Committee for the preparation of the annual meetings. Prior to this, Cecilia headed the Public and Private Sector Financing Legal Services Team, covering projects across Africa, and served as Chief Counsel Institutional Affairs as well as Finance Counsel.

Cecilia brings to the Board of FBNHoldings her wealth of management experience, particularly from an international financial institution perspective and her legal experience spanning more than 31 years since her call to the Bar. She has expertise in corporate governance, institutional affairs, business reorganisations and financing. She has practised law in different jurisdictions, including as a business reorganisation associate in the Law Firm of Weil, Gotshal & Manges in New York, and as a Junior Associate at O. Thomas & Co., Lagos. She was a member of the United Nations Election Monitoring Team for the 1994 election in South Africa, which saw Nelson Mandela become President.

In 2014, Cecilia was awarded the National Honour of Officer of the Order of the Niger (OON) by the Government of the Federal Republic of Nigeria for her meritorious contributions in the field of international development. Cecilia is experienced in working and leading in a multicultural and bilingual environment and is a frequent speaker at international events on law, development and gender. She is a member of the Nigerian and New York Bars.

We urge you to vote in support of the motion to vote the elected shareholder representatives and board nominees to serve on the Statutory Audit Committee for the current financial year.

NOTES

In view of the COVID-19 pandemic, attendance at the AGM shall only be by proxy. A Member entitled to attend and vote at the AGM is advised to select from the underlisted proposed proxies, to attend and vote in his stead:

-  Dr. Oba A. Otudeko, CFR
-  Mr. U.K. Eke, MFR
-  Dr. Adesola Adeduntan
-  Sir Sunny Nwosu
-  Mr. Boniface Okezie
-  Mr. Matthew Akinlade
-  Mr. Gbenga Idowu
-  Brig. E. E. Ikwe, Rtd
-  Mr. Adebayo Adeleke

A Proxy Form is attached to the Annual Report. All instruments of proxy must be deposited at the registered Office of the Company or the Office of the Registrars, First Registrars & Investor Services Limited, No 2, Abebe Village Road, Iganmu, Lagos not later than 48 hours before the time for holding the meeting.

NOTE: All instruments of proxy shall be at the Company's expense.

RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Pursuant to Rule 19.12 (c) of the Nigerian Stock Exchange's Rulebook 2015, please note that it is the right of every shareholder to ask questions not only at the meeting but also in writing prior to the meeting. We urge that such questions be submitted to the Company Secretariat not later than two weeks before the date of the meeting.

Thank you.



Dr. Oba Otudeko, CFR

Group Chairman

PROXY FORM

FBN HOLDINGS PLC (RC 916455)



8th Annual General Meeting to be held at the Oriental Hotel, 3 Lekki-Epe Expressway, Victoria Island, Lagos on Monday, 27 April 2020 at 10 a.m.

*We.....
(Name of shareholder in block letters)

The undersigned, being a member of the above-named Company hereby appoint or failing him the Chairman of the meeting as our Proxy to vote for us and on our behalf at the Annual General Meeting of the Company to be held on 27 April 2020 and at any adjournment thereof.

Unless otherwise instructed, the Proxy will vote or abstain from voting as he/she thinks fit.

Dated this.....day of.....2020

Signature.....

Notes:

1. This form of proxy together with the Power of Attorney or other authority, if any, under which it is signed, or a notarial certified copy thereof must reach the office of FBNH's registrars; First Registrars Nigeria Ltd, 2, Abebe Village Road, Iganmu, Lagos or sent via email to info@firstregistrarsnigeria.com, not later than 48 hours before the time for holding the meeting.
2. Where the appointer is a corporation, this form may be under seal or under the hand of any officer or attorney duly authorised.
3. In the case of joint holders, the signature of any one of them will suffice, but the names of all joint holders should be shown.
4. All instruments of proxy shall be at the Company's expense.

We desire this proxy to be used in favour of/ or against the resolution as indicated alongside

| Resolutions | | For | Against |
|-------------|---|-----|---------|
| 1) | To Receive the Consolidated Annual Reports and Accountss | | |
| 2) | To Declare a Dividend | | |
| 3a) | To Re-Elect Omatseyin Ayida as Director | | |
| 3b) | To Re-Elect Oluwande Muoyo as Director | | |
| 3c) | To Re-Elect Cecilia Akintomide, OOW as Director | | |
| 4) | To Appoint Messrs. KPMG Professional Services as the Company's Auditor, to Replace the Retiring Auditor, Messrs. PricewaterhouseCoopers | | |
| 5) | To authorise the Directors to fix the remuneration of the Auditor | | |
| 6) | To Elect Members of the Audit Committee | | |

Please indicate with "X" in the appropriate box how you wish your vote to be cast on the resolutions set out above. Unless otherwise instructed, the Proxy will vote or abstain from voting at his/her discretion.

Before posting the above form please tear off this part and retain it for admission to the meeting.

Admission Form FBN Holdings Plc. (RC 916455)

Annual General Meeting to be held at the Oriental Hotel, Victoria Island, Lagos on Monday, 27 April 2020 at 10 a.m.

Name of Shareholder*

Name of Proxy*

(IF YOU ARE UNABLE TO ATTEND THE MEETING)

A member (shareholder) entitled to attend and vote is entitled to appoint one or more Proxies to attend and vote instead of him.

A Proxy need not be a member. The above proxy form has been prepared to enable you exercise your right to vote.

IMPORTANT

Please insert your name in BLOCK CAPITALS on both proxy and admission forms where asterisked. Insert the name of any person, whether a member of the company or not, with the exception of the Chairman of the Company, who will attend the meeting and vote on your behalf.



Shareholder Enquiries

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- ☎ +234 1 2701071, 2701072
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- 🌐 firstregistrarsnigeria.com

Head, Investor Relations

- Tolulope Oluwole
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- ☎ +234 1 9052720

Customer Enquiries

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