

Making Sustainable Impact



FBN Holdings Plc

Commercial Banking | Mortgages | Pension Custodianship | Financing | Advisory | Trading | Investing | Insurance



SUSTAINABLE
FINANCE

**4 million
plus**

*Over 4 Million under
banked and unbanked
customers*

PEOPLE
EMPOWERMENT



**37%
female**

*37% of female
employees at
management
level*

COMMUNITY
SUPPORT

60,000 / 80
students / secondary
schools

supported nationwide



ENVIRONMENTAL
SUSTAINABILITY



1,000
sustainability
champions

*Over 1000 sustainability
champions in secondary
schools*

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01

GMD's Letter

Making Sustainable impact



2016 will go into the annals of history as one of our nation's most challenging years. Plummeting crude oil prices and hampered production as a result of the activities Niger-Delta Militant led to three consecutive quarters of negative growth, soaring inflation and high unemployment rate which, combined, plunged the nation into its worst economic recession in three decades. This economic shock resulted in full-blown currency crisis with Naira recording its worst year in history when it fell by 57.8 percent in the interbank market and 84.2 percent in the parallel segment during the year.

2016 brought to the fore the widely-accepted notion that sustainable growth is borne of resilience in making the right choices for today and the future.

UK Eke, MFR
Group Managing Director,
FBN Holdings Plc

At FBN Holdings Plc, being a sustainable business means a commitment to meeting the needs of our present and future stakeholders. It's about responsibly financing economic activity to enhance financial inclusiveness and positively impact our communities.

We have demonstrated our dedication to ensuring our stakeholders continue to thrive despite the very challenging economic environment. We have made significant progress in the use of environmental, social and governance management system (ESGMS) following the formal approval of the Board. I am delighted to report that sequel to the deployment of the ESGMS, we have effectively driven responsible lending and mitigated the associated environmental, social and governance risks by ensuring all transactions are screened for ESG risks. This framework for screening ESG risks has been deployed across all lending institutions within the Group.

In addition, to enable the full integration of sustainability within the Group, 50% of employees were trained on sustainability by First Academy in partnership with FirstBank Sustainability Centre at the Lagos Business School and University of Edinburgh. This tailor-made training has ensured that Boards, management and employees have been trained on sustainability.

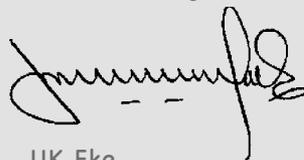
Consistent with our corporate values, we recognized the need for continuing our leading role in 2016 in financial literacy and sustainability thought leadership.

Consequently, we have strengthened our relationships with partners such as Junior Achievement Nigeria (JAN); the Lagos Business School and University of Edinburgh.

The lessons of 2016 serve to bolster our conviction that corporate responsibility and sustainability serves all best. More than ever, we are committed to sharing these sustainability principles which have kept us in good stead over our 123 years of existence with as many individuals and groups as possible. Data gathering has remained a key challenge in reporting our performance. While we have made some progress in the process of data gathering, and this has positively impacted the overall performance and reporting process, we still have some significant mileage to accrue in deploying a robust data gathering tools.

In FBNH, we know "the biggest room is the room for improvement." We will appreciate your feedback on this report and indeed other aspects of our continuous and mutually beneficial relationship with you.

Yours sincerely,



UK Eke

Group Managing Director,
FBN Holdings Plc

“ **FOR US, BEING A SUSTAINABLE BUSINESS MEANS A COMMITMENT TO MEETING THE NEEDS OF OUR PRESENT AND FUTURE STAKEHOLDERS.** IT'S ABOUT RESPONSIBLY FINANCING ECONOMIC ACTIVITY TO CREATE AN INCLUSIVE, POSITIVE IMPACT ON OUR COMMUNITIES WHILE MINIMISING OUR NEGATIVE IMPACTS. ”



02

Our Business at a glance

FBN Holdings provides key levers for enabling development of the economies of Africa, beginning with its home base, Nigeria. The right mix of experience, business focus, excellent understanding of local environments, financial technology and competent people have translated the Group into one of Africa's most dependable allies for long term growth and prosperity.





VISION

To be the partner of first choice in building your future



MISSION

To set the 'gold standard' of customer experience and excellence in financial solutions across sub-Saharan Africa.



VALUES

Passion, Partnership, People

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 regulation by the Central Bank of Nigeria (CBN). 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, merchant banking, investment banking, and insurance 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 18,660 staff, serves over 10 million active customers' accounts, through more than 850 business locations and 2,750 ATMs. FBN Holdings boasts an excellent corporate governance structure underpinned by strong institutional processes, systems and controls.

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FBN Holdings provides key levers for enabling development of the economies of Africa, beginning with its home base, Nigeria

The Group maintains 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



10mn+

Active customer account base served through a large distribution network



7.5mn+ cards

*ATM Cards issued as at *December 2015*

FBN Holdings' principal bank subsidiary is FirstBank of Nigeria Limited (FirstBank), a commercial bank with operations in 12 countries, which subsidiaries include FBNBank (UK) Limited, FBNBank in the Democratic Republic of Congo, Ghana, The Gambia, Guinea, Sierra-Leone and Senegal, First Pension Custodian Limited and FBN Mortgages Limited. Others subsidiaries of the Group are the Merchant Banking and Asset Management business group, which comprises FBN Merchant Bank Limited, FBN Capital Limited, FBN Securities Limited, FBN Capital Asset Management Limited, FBN Trustees Limited, FBN Funds Limited and FBN Capital Partners Limited; the Insurance business group which covers insurance-related subsidiaries: FBNInsurance, FBN General Insurance and FBN Insurance Brokers.

COMMERCIAL BANKING

The Commercial Banking group is led by FirstBank of Nigeria Limited (FirstBank), Nigeria's foremost and most valuable banking brand, 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 establishment of FBN Holdings. Other entities under FirstBank include FBN Bank (UK) Ltd – a fully licensed bank in the United Kingdom with offices in Paris; FBNBank in the Democratic Republic

of Congo, Ghana, The Gambia, Guinea, Sierra-Leone and Senegal. These recent acquisitions across Africa are major landmarks in FirstBank's plan for growing its sub-Saharan African footprint.

Other subsidiaries of FirstBank 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 10 million served through a large distribution network consisting of over 750 business locations, and more than 7.5 million cards in issue. Over the years, the Bank has led the financing of private investment in infrastructure development in the Nigerian economy by playing key roles in the Federal Government's privatisation and commercialisation schemes. With its global reach, FirstBank provides prospective investors wishing to explore the vast business opportunities that are available in Nigeria, an internationally competitive world-class brand and a credible financial partner.

FirstBank's brand purpose is to always put its stakeholders, customers and partners at the heart of its business, even as the Bank is poised to standardise customer experience and excellence in financial solutions across sub-Saharan Africa, in consonance with our brand vision "To be the partner of first choice

Geographical reach

NIGERIA

Name:
FBN Holdings Plc
Type:
Licensed financial holding company
Established:
2012 (formerly First Bank of Nigeria Plc Established 1894)
Products/Services:
Commercial Banking
Merchant Banking & Asset Management
Insurance.

Name:
First Bank of Nigeria Ltd.
(formerly First Bank of Nigeria Plc.)

Type:
Licensed Bank

Established:
2012

Products/Services:
Commercial Banking

DEMOCRATIC REPUBLIC OF CONGO

Name:
FBNBank DRC

Type:
Licensed Bank

Established:
1994

Products/Services:
Commercial Banking

GHANA

Name:
FBNBank Ghana

Type:
Licensed Bank

Established:
1996

Products/Services:
Commercial Banking

GUINEA

Name:
FBNBank Guinea

Type:
Licensed Bank

Established:
1996

Products/Services:
Commercial Banking

THE GAMBIA

Name:
FBNBank The Gambia

Type:
Licensed Bank

Established:
2004

Products/Services:
Commercial Banking

SENEGAL

Name:
FBNBank Senegal

Type:
Licensed Bank

Established:
2014

Products/Services:
Commercial Banking

UNITED KINGDOM

Name:
FBNBank UK Ltd

Type:
Licensed Bank

Established:
2002

Products/Services:
International Banking
and Trade Services

FRANCE

Name:
FBNBank UK Ltd

Type:
Bank branch

Established:
2008

Products/Services:
Commercial Banking,
International Banking

REPRESENTATIVE OFFICES

Name:
FBNBank South Africa
(2004)

FBNBank China
(2009)

FBNBank UAE
(2011)

Products/Services
Banking services



We are a trusted and inspirational partner founded on innovation, a strong heritage and a pioneering spirit that drives us to help our clients look beyond today, and redefine tomorrow.



COMMERCIAL BANKING

FirstBank of Nigeria Ltd

FBNBank (UK) Ltd
FBNBank DRC Ltd
FBNBank Ghana Ltd
FBNBank Senegal Ltd
FBNBank Sierra Leone Ltd
First Pension Custodian Nigeria Ltd
FBN Mortgages Ltd



MERCHANT BANKING AND ASSET MANAGEMENT

FBN Merchant Bank Ltd
FBN Capital Ltd
FBN Trustees Ltd
FBN Capital Asset Management Ltd
FBN Funds Ltd
FBN Securities Ltd

in building your future". Our brand promise to our stakeholders is to always deliver the ultimate "gold standard" of value and excellence. This commitment is anchored on our inherent values of passion, partnership and people, to position our customers first in every respect.

Merchant Banking & Asset Management

The Merchant Banking and Asset Management businesses of FBN Holdings Plc comprise of FBN Merchant Bank Limited, FBN Capital Limited, FBN Securities Limited, FBN Capital Asset Management Limited, FBN Trustees Limited, FBN Funds Limited and FBN Capital Partners Limited.

Through our key business lines of Merchant and Investment Banking, Markets, Trust and Agency Services, Asset Management and Alternative Investments, we provide services in Advising, Financing, Trading, Investing and Securing to ensure we support the diverse financial needs of our clients. From securing wealth to financing business opportunities, we are constantly searching for what comes next so we can take our clients there first. We are a trusted and inspirational partner founded on innovation, a strong heritage and a pioneering spirit that drives us to help our clients look beyond today, and redefine tomorrow.

We understand that not everyone sees tomorrow the same way. That's why our broad range of services in the Merchant Banking and Asset Management areas ensure we have a solution for everyone. So whether you are seeking advisory services, financing a new range of

investment and trading options, or wealth preservation, our world class team will work with you to understand, broaden and deliver your objectives.

Our key services include:

Advising

The Merchant Banking & Asset Management businesses of FBN Holdings Plc are leading transaction advisers across numerous sectors, providing independent and expert advice to small and large corporations, public and private institutions, and individuals alike. We partner with our clients to discover bold paths to financial success. Our advisory services include corporate banking solutions, sell-side M&A advisory, buy-side M&A advisory, corporate sales & divestitures, restructurings & recapitalization, financial modeling, Public Private Partnership (PPP) consulting & bid support, project risk due diligence analysis, preferred stock issuance, private placements, equity & convertible securities issuance, initial public offerings, rights issues, macroeconomic and equity research. Our industry footprint is widespread across financial services, energy and natural resources, infrastructure, consumer markets, and communication technology.

Financing

Economic growth within the African continent and the capability to leverage internal opportunities are contingent on the ability of financial institutions to provide innovative financing solutions. We have broad transactional experience, and a depth of expertise which enable us understand the needs of our clients and add value where it truly counts. Our offerings include

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acquisition finance, project finance, debt structuring & arranging, leveraged financing, supply chain finance, government, agency & corporate bond issues, high yield bond, asset backed securities, asset backed facilities, receivable financing, trade finance products, loans, working capital finance, distributor finance, letters of credit, bills for collection, current account, lease financing. We assist a variety of clients in structuring and arranging optimal financing solutions for both greenfield and brownfield projects spanning all sectors of the Nigerian economy.

Trading

Our best-in-class team of innovative and committed trading experts leverages our state-of-the-art technology to deliver value for our clients. We also pull from our Institutional knowledge and strong client partnership to provide our customers with expert services in various markets. Our aim is to maximize value for all our customers through our trading channels and activities, underpinned by a team of trading experts. Our solutions include stock broking, fixed income sales & trading, corporate broking, market marking, bonds trading, money market, and foreign exchange trading.

Investing

On the Merchant Banking and Asset Management platform, we take on the challenge of partnering with you on the path to financial success. Our flexible range of services ensures that we have an investment solution for every client, while our world-class team will work in partnership with you to understand, broaden and

surpass your investment goals. We provide specialist portfolio, fund management and stockbroking services, including managing investment accounts of high net worth individuals and institutional clients, insurance companies, pension funds, public and private mutual funds, public and private trusts, endowment and charity funds, as well as segregated and special accounts. We also provide growth capital to firms looking to finance expansion plans, with Investments cutting across several 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.

Securing

As a leading trust services provider for over 30 years, our Merchant Banking and Asset Management institutions have developed a strong history and market position driven by a seasoned team of experts. We have a strong track record of advising and assisting our clients to safeguard the financial future. From estate planning to endowment funds, trusts, wills and more, our innovative and resourceful team will leverage their expertise to deliver the best solutions. Our service offerings include Estate Planning, Trust & Wills, Endowment Funds, Trusteeship, Institutional/ Government Bonds, Syndicated Loans, Share Warehousing, Custodial Services and Agency Services (Escrow)

FBNInsurance 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.



INSURANCE

FBN Insurance Ltd
FBN General Insurance Ltd
FBN Insurance Brokers Ltd

Insurance

The Insurance business group covers our insurance-related subsidiaries: FBNInsurance, FBN General Insurance and FBN Insurance Brokers. The business group offers Life and General insurance services as well as insurance brokerage services.

FBNInsurance Limited

FBNInsurance is a Limited Liability Company licensed to transact Life Insurance businesses in Nigeria. The Company is jointly owned by FBNHoldings Plc (65%) and the Sanlam Group, one of the largest financial institutions in South Africa (35%) and it officially commenced operations on the 1st of September 2010. FBNInsurance 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.

FBNGeneral Insurance Limited

In 2014, FBNInsurance bought a 100% stake in Oasis Insurance, and incorporated it into the FBNHoldings Group. The new company was re-christened FBNGeneral Insurance and is saddled with transacting general insurance business in Nigeria. FBNGeneral Insurance is a subsidiary of FBNInsurance Limited.

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,

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

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 maintains 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 ensures 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 enhances the entire Group's ability to drive growth into the future.





03

Making Sustainable Impact

At FBN Holdings we recognise the importance of people to the success and survival of the business. One of the Group's goals is to nurture and develop employees who are truly brand ambassadors not only while they are with the organisation, but also ambassadors who will remember their time with the company long after they have left.



OUR RESPONSIBLE APPROACH TO BUILDING RELATIONSHIPS

As we strive to enhance our heritage as the biggest financial services group in sub-Saharan Africa and Nigeria's foremost and largest developmental financial institution, FBN Holdings is committed to creating more value for our stakeholders. We attribute the successes at FBN Holdings mainly to the relationships with our stakeholders. Our ability to effectively manage the challenges resulting from the shocks in the global market place and the macroeconomic headwinds is due to our responsible approach to putting our stakeholders first. We believe in consistently building and nurturing mutually beneficial relationships which have enabled us provide the right products and services for our customers and their families, empower our employees as well as support the communities where we live and work.

The persisting recession, with its far-reaching consequences, has occasioned significant upheavals in the micro and macro-economic systems. This is evident in tough planning cycles, foreign exchange volatility, trade imbalances, and contractions in lending and debt servicing, among others. Our resilience amid these challenges is partly a function of how we have successfully managed our relationships with our stakeholders; our ability to constantly and effectively manage the formal and informal interactions both internally and externally. We believe that our responsibility to our stakeholders is to ensure we put them first and by so doing we build trust, loyalty and ultimately a successful brand.

Employee Empowerment, Engagement And Inclusive Workplace

At FBN Holdings we recognise the importance of people to the success and survival of the business. One of the Group's goals is to nurture and develop employees who are truly brand ambassadors not only while they are with the organisation, but also ambassadors who will remember their time with the company long after they have left. This approach underpins the sustainability of the Group as fulfilled employees contribute to the success of the company now and in the future.

Our responsible approach to empowering our employees includes Talent Management and capacity building. Talent Management is a framework designed to have the right people with the right skills doing the right job at the right time and for the right cost. The full implementation of Talent Management with a focus on the Retail Business employees began in 2016. As in 2015, we reinforced our efforts of building capacity of our employees in 2016. In addition to face-to-face training approach, we leveraged mobile technology in building capacity for our employees. Across all learning platforms, we achieved 222,628 total training credit hours – exceeding 107% of our target of 208,230.

We pride ourselves in being an equal opportunities employer, and have integrated diversity and inclusion policies and awareness into our practices. Our efforts at engendering diversity in the workplace include having in place a diversity policy that encourages inclusion. The Group's diversity and inclusion objective is to be a recognised industry leader in workforce diversity and leverage diversity for the growth of the Group and the success of the customers and communities we serve. We have a male: female ratio of 61:39 across the workforce.

Promoting Financial Inclusion; Putting Our Customers First

Enriching the quality of life and financial security of our customers and their families is a top priority in our drive in putting the customer first. To this end, we have continued to provide sustainable products and services tailored to meet their needs and expectations. We initiated programmes to optimise efficiencies in our business operations, in particular, to accentuate service delivery excellence across our business value chain. We have continued to make progress, with improvements in our processes, operational systems. We have effectively ensured that quality service delivery and the satisfaction of our customers and other stakeholders are priority in our business dynamics with the introduction of Finacle Core & E-Banking and Salesforce. Finacle Core & E-Banking is a simple, more efficient and robust internet banking platform that allows customers conduct a range of financial transactions across key subsidiaries within the group. Another example is the mobile money platform, Firstmonie® designed to provide financial services for the unbanked and under-banked aimed at promoting financial inclusion. In 2016, the mobile money wallet customer base grew from 3,704,963 to 4,035,307. In addition, available evidence shows that from the perspective of Sustainable Development Goals (SDGs), financial inclusion focuses on human development and empowerment.



04

Our corporate responsibility & sustainability approach

Our CR&S approach is three-pronged: citizenship, stakeholder management and impact management. Citizenship and stakeholder management involve putting into consideration the needs of stakeholders in making decisions, while impact management is basically about minimising our negative impacts and increasing our positive impacts on society.



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

Corporate responsibility and sustainability involves our ability to meet the needs of our stakeholders now and in the future. It goes beyond financing economic activity in a responsible way to ensuring an inclusive, positive impact on our communities. It is about creating long-term stakeholder value by adopting the opportunities and managing the associated environmental, social and governance risks.

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

Our CR&S approach is three-pronged: citizenship, stakeholder management and impact management. Citizenship and stakeholder management involve putting into consideration the needs of stakeholders in making decisions, while impact management is basically about minimising our negative impacts and increasing our positive impacts on society.

The CR&S 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 CR&S 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.

Our sustainability approach is designed to deliver value in a structured way along four key areas. These are: driving sustainable finance & investments; empowering people; supporting our communities and contributing to environmental sustainability.

Driving sustainable finance & investments

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, social and governance 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 and investment efforts.

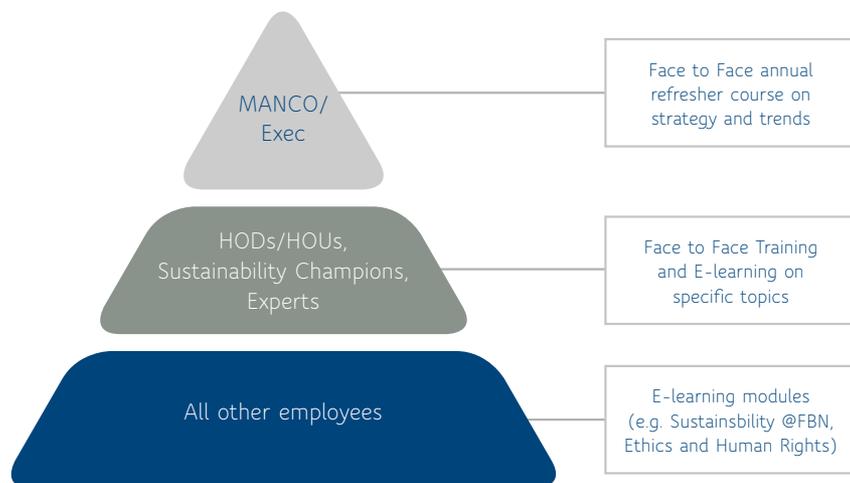
Our CR&S journey is enhanced by a set of enablers which help drive our priorities. They include CR&S capacity development, stakeholder engagement, partnerships and communications as well as CR&S performance management.

CORPORATE RESPONSIBILITY & SUSTAINABILITY ENABLERS

Our CR&S journey is enhanced by a set of enablers which help drive our priorities. They include CR&S capacity development, stakeholder engagement, partnerships and communications as well as CR&S 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:

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.

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. The target for 2016 is to ensure that E-learning module is deployed to all employees categorised to receive the training.

In 2016, the Merchant Banking and asset management group successfully trained Management Staff(ELCO), HODs and HOUs, key business and stakeholder units on sustainability, sustainable banking and sustainable

We believe that sustainability drives growth and one of the keys to embedding sustainability successfully is through partnerships.

finance in line with the overall capacity building goals of the group.

Sustainability & Corporate Responsibility Performance Management & Reporting

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.

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 CR&S vision, we will continue to partner locally and

globally to embed sustainability as a 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 CR&S communication plan designed to meet the requirement of our stakeholders

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

The Sustainability Governance Structure

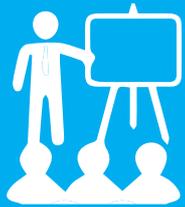
In the Group, our approach to conducting business is premised on high ethical standards and strict adherence to all provisions of the code of conduct guidelines. To ensure sustainability becomes embedded throughout the Group with strong leadership and support, the Board Risk & Management Committee of the FirstBank Board has been approved by the Board of Directors to provide oversight role and direction for FirstBank. This also applies to the Merchant Banking and Asset Management's group sustainability governance structure.

The current structure for FirstBank consists of the sustainability committee led by the Chief Risk Officer. This committee provides oversight to the strategy and operational delivery of sustainability across FirstBank. The CRO is also responsible for sustainability in FBN Merchant Bank. He also works with external stakeholders to provide input and ensure effective engagement. The roles and responsibilities of this committee are reflected in the Board charter on sustainability.



STRATEGIC PILLARS	PARTNERS	FOCUS AREAS
<p>Sustainable finance</p>	<p>International Finance Corporation Lagos Business School of the Pan-Atlantic University (FirstBank Sustainability Centre) Accenture</p> <p>Central Bank of Nigeria & other financial institutions</p> <p>Junior Achievement Nigeria</p>	<p>Capacity building</p> <p>Capacity building and sustainability thought leadership.</p> <p>Development of sustainability strategy and opportunities inclusive of environmental, social and governance management system.</p> <p>Nigeria Sustainable Banking Principles (NSBPs). Financial literacy.</p>
<p>People empowerment</p>	<p>Lagos Business School of Pan-Atlantic University</p> <p>United Nations Global Compact</p> <p>Junior Achievement</p>	<p>Sustainability capacity building</p> <p>Human Rights, labour and anti-corruption issues</p>
<p>Community Support</p>	<p>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</p>	<p>Promoting our programmes under the platforms of Education, Health; Economic empowerment, and the Environment</p>
<p>Environment Sustainability</p>	<p>Nigeria Conservation Foundation (NCF)</p>	<p>Conservation and preservation of wildlife and biodiversity</p>

Our Sustainability Strategy



- Driving sustainable finance
- Empowering people
- Supporting our Communities
- Contributing to environmental sustainability



05

Engaging our stakeholders

Engaging our stakeholders provides opportunities for us to align our business practices further with societal needs and expectations, and drive long-term sustainability and shareholder value.

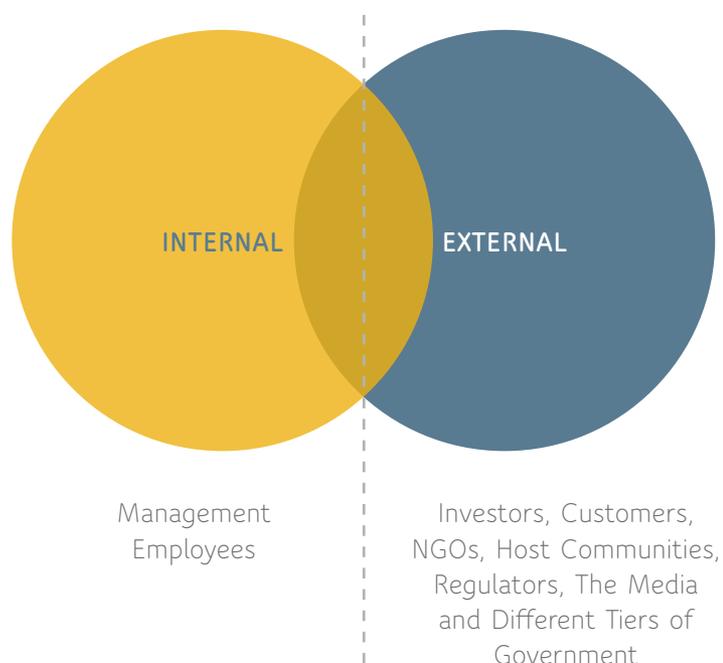


The FirstBank Conservation Initiative is part of our long-term approach to promoting sustainability, which involves minimising our direct and indirect impacts on the environment. And the success of this initiative is dependent on our meaningful engagement with our stakeholders.

Our stakeholders are broadly categorised into two groups: internal and external. Our internal stakeholders are our management and employees, while our external stakeholders comprise our investors, customers, NGOs, host communities, regulators, the media and different tiers of government.

As in previous years, we continued to engage our stakeholders in 2016. This provided opportunities for us to align our business practices further with societal needs and expectations, and drive long-term sustainability and shareholder value.

Stakeholders Category



Q CASE STUDY

Combating deforestation through collaboration and youth mentoring

The FirstBank Conservation Initiative is one of the Bank's key programmes. It is part of our long-term approach to promoting sustainability, which involves minimising our direct and indirect impacts on the environment. The initiative involves the planting of trees and formation of students' conservation clubs as vehicles to drive environmental protection and conservation.

The key objectives are:

- To minimise carbon footprint through the planting of trees;
- To create awareness among school children of the need to preserve wildlife and biodiversity;
- To develop and educate environmentally conscious students through partnerships with reputable NGOs and institutions.



The challenge

The challenge in implementing this project was not just identifying suitable locations with the right soil and climatic conditions for tree planting, but also ensuring students' participation. At the project's inception, the feasibility study on proposed partner schools revealed that students were reluctant to join conservation clubs. The concept was quite new to them and differed from their usual press clubs, debating societies and other school activities. The support of the Ministry of Education and of teachers was therefore essential for the programme's success.



LEFT:
Head, Corporate
Responsibility and
Sustainability with some
Sustainability Champions at
a Tree Planting Programme
as part of the FirstBank
Conservation Initiative

...The planting of trees is just part of our efforts to contribute to Nigeria's green economy and to combating deforestation/desertification, while recognising the key role of children and young people in the sustainability agenda.

CASE STUDY **contd.**



The solution

We partnered with the Nigerian Conservation Foundation (NCF) to implement the programme. With its huge expertise in environmental issues, the NCF was the perfect partner to help us implement this programme successfully.

The NCF used its experience and influence to engage the various stakeholders to support the programme. This included utilising its conservation clubs, which provided educational sessions for the students on the importance and benefits of conservation and supporting biodiversity. The subsequent enthusiastic participation of the students, and the encouragement they received from the Ministry of Education and school authorities, enabled the programme's objectives to be achieved.



Status

The programme is currently ongoing, and so far 240 trees have been planted at the Lagos State Civil Service Model College Igbogbo in Ikorodu, and Evboesi Mixed Secondary School, Benin City. More than 1,000 environmental sustainability champions have also been appointed in these locations.

These champions are young people who look after the trees and ensure that they are adequately cared for to help the Bank achieve its afforestation goals. The planting of trees is just part of our efforts to contribute to Nigeria's green economy and to combating deforestation/desertification, while recognising the key role of children and young people in the sustainability agenda.

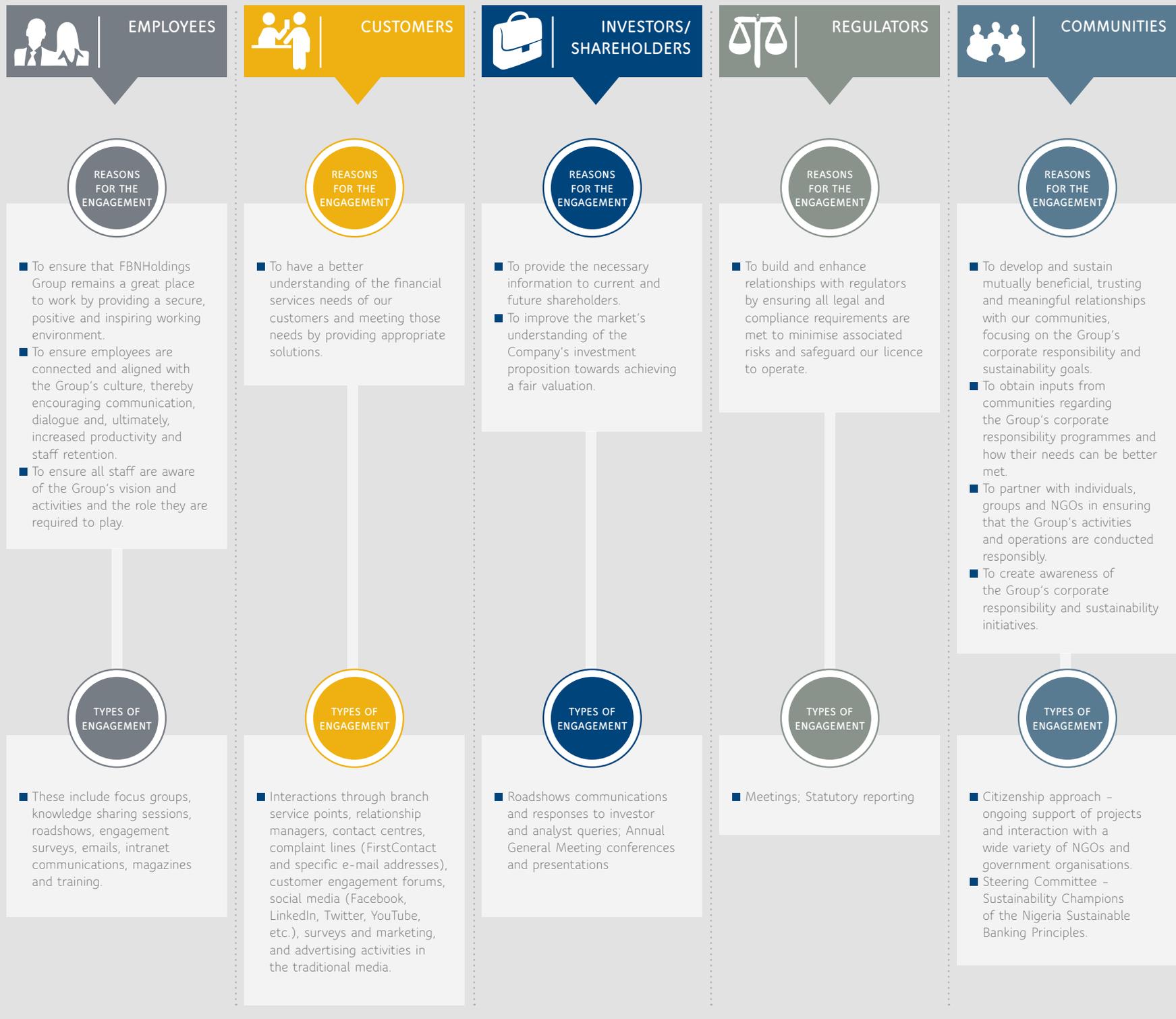


1,000

Over 1000 sustainability champions in secondary schools



AN OVERVIEW OF HOW WE ENGAGE WITH OUR KEY STAKEHOLDERS



Our materiality issues are aligned with our four corporate responsibility & sustainability strategic areas: sustainable finance and investment; people empowerment; community support and environmental sustainability.

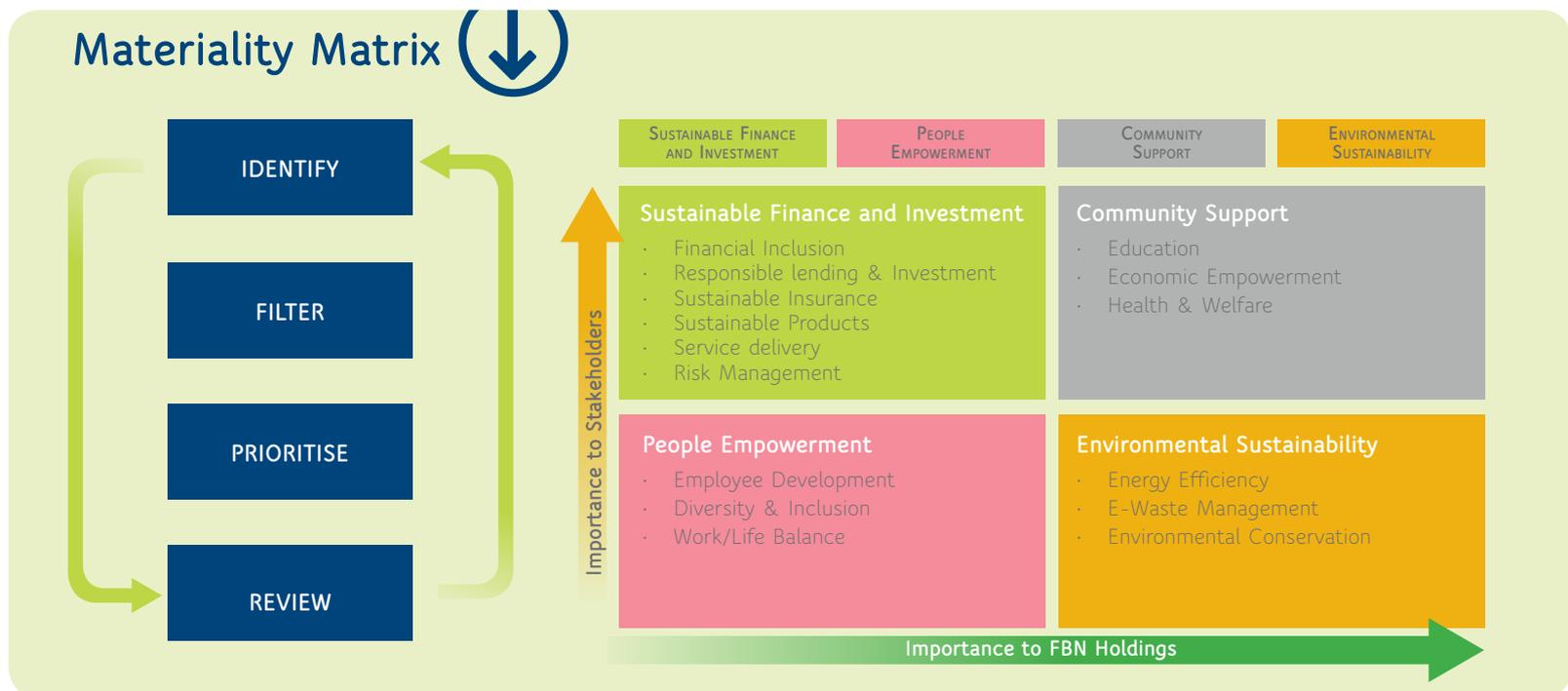
DEFINING MATERIALITY

In defining materiality in this report, we considered our social, environmental and economic impacts and how they significantly affect our current and future stakeholders' ability to meet their needs. Of the issues identified, we have prioritised eight. In identifying the issues, we employed an inclusive process that involved our key stakeholders as shown above.

Our materiality issues are aligned with our four corporate responsibility & sustainability strategic areas: sustainable finance and investment; people empowerment; community support and environmental

sustainability. The top sustainability issues according priority are as follows:

- Financial Inclusion
- Responsible lending; Investment & Insurance
- Service Delivery Excellence
- Diversity & Employee Development
- Education
- Economic Empowerment
- Health & Welfare
- Energy Efficiency
- Environmental Conservation
- Risk Management





06

Corporate Governance

...Our governance structure/framework is unparalleled in the industry with Board and management appointments, including transitions at executive levels, made with ease and devoid of rancour and business disruptions.



At FBNHoldings, the other operating entities, the boards operate through various committees which are constituted in adherence to the various regulations and codes. Our robust framework ensures a good blend of Board autonomy and Group coordination at the operating company level.

STRONG LEADERSHIP

Consistent with its tradition of ensuring global best practices, the Board of FBNHoldings in spite of economic challenges has demonstrated best corporate governance practices in 2016. The duties of individual operating companies are carried out through their respective Boards of Directors which ensure compliance with the statutory and regulatory requirements of the sectors in which they operate. The Boards of the operating companies as well as the Holding Company operate through various committees which are constituted in adherence to the various regulations and codes.

The primary purpose of the Board is to build long-term shareholder value and ensure oversight of appropriate controls, systems and practices to safeguard the assets of FBNHoldings in a sustainable manner. To ensure appropriate oversight function, the Group Managing Director sits on the Board of the key subsidiaries (business groups) of the Group.

The Board of FBNHoldings and the boards of the operating companies comprise of individuals who possess not only the right technical abilities and business experience, but also the personal qualities required to be effective, dedicated and committed stewards of the Company. They have displayed excellent, proven business knowledge and Board experience spanning an array of industries and sectors.

RISK MANAGEMENT

Effective risk management requires a robust governance structure in which everyone knows their individual and collective accountabilities for risk management, risk oversight and risk assurance. It allows us to identify strengths, weaknesses, opportunities and threats and how to deal with them. This is reinforced by appropriate delegation of authority from the Board, which sets the appropriate tone down through the management hierarchy, and is supported by a committee-based structure designed to ensure that the risk management system across the Group is in line with regulations and leading practices. Effective risk management strategies allow us to identify strengths, weaknesses, opportunities and threats in retail banking business.

The Board of Directors of the holding company (assisted by the Board Audit & Risk Assessment Committee) oversees the Group's risk strategy, approves the Group risk appetite, and reviews the adequacy of the risk management framework and control effectiveness. The Group Risk Stakeholders Committee comprises of the Chief Risk Officers (CROs) and Chief Compliance Officers (CCOs) of the business units and the Group Risk Manager. The committee ensures a strong and effective relationship between the risk management function of the business units and the holding company, as well as enhances the risk coordination process across the Group. We continually modify and enhance our risk management policies and systems to reflect changes in markets, products and international best practices.

Board of Directors



Dr. Oba Otudeko, CFR
Group Chairman



UK. Eke, MFR
Group Managing
Director



**Mr. Oye
Hassan-Odukale, MFR**
Non-Executive
Director



**Otunba (Mrs.)
Adebola Osibogun**
Non-Executive
Director



Dr. Adesola Adeduntan
Non-Executive
Director



Mr. Chidi Anya
Non-Executive
Director



Mr. Omatseyin Ayida
Non-Executive
Director



**Ms. Cecilia
Akintomide, OON**
Non-Executive
Director



Dr. Hamza Wuro Bokki
Independent Non-
Executive Director



**Mrs. Oluwande
Muoyo**
Independent Non-
Executive Director



Mr. Tijjani M. Borodo
Company Secretary

The Group prides itself on having one of the most compliant and leading holding company structures in the industry.

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 doing business is based 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'.

Among other things, the ability to deliver and sustain this mandate is dependent on staff's commitment, engagement and ability. 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 the Group. This ethical culture is reinforced by rewarding employees who constantly embody the values and integrity which the Group upholds.

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



07

Driving Sustainable Finance & Investments

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, social and governance impacts in the process; thus, contributing to overall sustainable growth and development.



In reinforcing our responsible approach to enhancing the quality of life and financial security of our customers and their families in 2016, we have continued to design sustainable products and services tailored to meet their needs and expectations.

We remain consistent with our responsible approach of providing opportunities for our stakeholders – improving their livelihoods, their families and communities; as well as ensuring that our business and investment decisions are based on considerations of environmental, social and governance (ESG) criteria.

Promoting Financial Inclusion: Putting our Customers' Needs First

In reinforcing our responsible approach to enhancing the quality of life and financial security of our customers and their families in 2016, we have continued to design sustainable products and services tailored to meet their needs and expectations. Through our mobile money platform, Firstmonie, as well as the employment of the agency banking model, we have provided financial services for the unbanked and under-banked. In 2016, the mobile money wallet customer base grew from 3,704,963 to 4,035,307.

To further enhance the value of offerings to our diversified customers, we have improved our ATM services. With 2,779 active terminals and robust effective monitoring tools, FirstBank has maintained its position as the Bank with largest ATM network in Nigeria (15% of the total). The total value of cash dispensed by our ATMs in 2016 to both our customers and other banks' customers was N2,645,843,552,714 (23% growth from N2,137,648,104,856 dispensed in 2015).

In addition, our FirstMobile app which was launched in September 2015 with the aim of enhancing customer's

banking experience has equally been improved. The app's enhancement has significantly contributed to the growth of our customer base from 200,000 customers to over 1 million customers in less than 12 months, making our Firstmobile app the fastest growing Financial App in Nigeria in 2016. Our existing internet banking platform, FirstOnline, recorded 6.6 million transactions in 2016, from 6.1 million transactions in 2015 to a modest 8% growth due to the wide adoption of the FirstMobile product across customer segments.

EMPOWERING WOMEN-LED SMEs

In line with the Group's financial inclusion strategy, FirstBank has continued to provide business management resources and tools for download and use by SMEs on the FirstBank dedicated SME website and an e-commerce portal, where SMEs and individual entrepreneurs can advertise and sell their goods and services. In addition, the FirstBank Sustainability Centre at the Lagos Business School has continued in 2016 to build capacity for SMEs especially women-owned businesses.

We have prioritised the empowerment of women-led SMEs because we acknowledge that they are not only a major driver for the development of the economy, but also given that 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



PROMOTING FINANCIAL INCLUSION...

In 2016, the mobile money wallet customer base grew from 3,704,963 to 4,035,307.

We have effectively ensured that quality service delivery and the satisfaction of our customers and other stakeholders are priorities in our business dynamics.

over
3,300
SMEs



Over 3300 SMEs have benefitted from the capacity building programme

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. Over 3300 SMEs have benefitted from the capacity building programme.

FIRST GEM... Empowering women, creating wealth

FBNHoldings understands the story of women in Nigeria and identifies with their entrepreneurial spirit as wives, mothers, leaders in the corporate and business worlds, and in politics. FirstGem was created to offer women the opportunity to build personal wealth. It runs on two variants of savings and current accounts, which help target savings for specific reasons and provide access to intervention funds (CBN and Bank of Industry). FirstGem also offers concessional bank charges, special promotions, discounts at select merchant outlets and membership of a community of women to share, learn and be mentored, as well as access to commercial short-cycled loans from FBNHoldings to support business activities. The impact of the launch of FirstGem was immediately evident through the request from Dr Eunice Ortom, wife of the Governor of Benue State, to partner with us in organising the first-ever Women's Summit in the state. FBNHoldings and the Bank of Industry are working together to ensure participating women can access the available funding. In addition, our special FirstGem train will travel around the country to reach out to women from every walk of life.

A FOCUS ON THE CUSTOMER

A while before the current recession set in, at FirstBank we had initiated programmes to optimise efficiencies in our business operations, in particular, to strengthen service delivery excellence across our businesses' value chains. I am pleased to note that we have continued to make progress, with improvements in our processes, operational systems and human capital endowments. We have effectively ensured that quality service delivery and the satisfaction of our customers and other stakeholders are priorities in our business dynamics.

HANDLING CUSTOMERS' COMPLAINTS

The Group, through its subsidiaries, has identified the achievement of service excellence as an important non-financial priority. Crucial to this is the enrichment of customers' experience through the proactive management of complaints and issues. We respond to requests and enquiries, and resolve complaints 24 hours a day, seven days a week through our contact centre and various other channels available to customers, such as emails via the online platform, SMS text alerts through the relationship managers, and direct contact with customer service officers in branches. We also ensure customers are aware of our complaints channels by displaying information about them in all our branches. These include escalation channels for complaints that are not adequately resolved. To further protect customers, the Bank renders customers' complaints to the Central Bank of Nigeria (CBN) on a daily basis and is expected to resolve outstanding issues within defined timelines.

At FirstBank, to ensure customers' complaints are properly handled, every customer on the bank's book has a relationship manager (RM). The RM is the main point of contact for the customer and ensures each account is functioning in accordance with the customer's expectations.

At FirstBank, to ensure customers' complaints are properly handled, every customer on the bank's book has a relationship manager (RM). The RM is the main point of contact for the customer and ensures each account is functioning in accordance with the customer's expectations. As part of Know Your Customer (KYC) requirement of verifying the identity of our customers, the RM reviews the account with the customer, currently on an annual basis. This process is overs

Historical Statistics for Complaints Management Reporting

Description	Number		Amount claimed (N)		Amount refunded (N)	
	2016	2015	2016	2015	2016	2015
Pending complaints brought forward	9026	9,527	352,146,882.16	434,293,529.73	199,055,568.35	43,221,238.65
Received complaints	287309	270028	68,277,756,465.16	63,401,953,964.70	3,949,225,582.79	3,930,348,674.43
Resolved complaints	286354	270529	68,490,163,623.52	63,484,100,612.27	3,949,225,582.79	3,930,348,674.43
Unresolved complaints escalated to CBN for intervention	0	0	0	0	0	0
Unresolved complaints pending with the Bank carried forward	9981	9026	139,739,723.80	352,146,882.16	0	0

24/7



We respond to requests and enquiries, and resolve complaints 24 hours a day, seven days a week

Our goal is to go beyond our current basic levels of supplier compliance to ensuring integration of sustainability practices. We plan to improve our procurement process and ensure that the Group is on a journey towards a sustainable supply chain.

ETHICS AND COMPLIANCE

The Group prides itself on having one of the most compliant and industry-leading holding company structures. The Group has a robust governance structure with some Board and management appointments, including transitions at executive levels, made with ease and without rancour or business disruption. We are committed to the highest standards of openness, probity, accountability and high ethical behaviour by maintaining an environment where employees and other stakeholders can act appropriately, without fear of reprisal. In ensuring a high ethical standard, we established a code of ethics which sets out the minimum standards of conduct expected in the management of our businesses across the Group.

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

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

SUSTAINABLE PROCUREMENT

Sustainable procurement is one of the opportunities identified as part of our stakeholder engagement designed to embed sustainability in the Group. We believe sourcing and engaging suppliers who support our Group's code of business ethics, commitment to environment stewardship and standards for labour can help us attain our sustainability ambitions. Our goal is to go beyond our current basic levels of supplier compliance to ensuring integration of sustainability practices. We plan to improve our procurement process and ensure that the Group is on a journey towards a sustainable supply chain. Integrating sustainability across key dimensions of the procurement process requires strategy & planning, sourcing and category management; supplier relationship management; workforce transformation; process excellence and technology as well as risk management which include identifying and quantifying risks existing in the sourcing and procurement from a sustainability perspective.

INFORMATION SECURITY AND CUSTOMER PRIVACY

The internet has opened up organizations as well as consumers of product and services to unprecedented opportunities never experienced before with the dawn and evolution of the World Wide Web. The entry of the smart phones and other electronic methods of mass communications into the financial service sphere has created huge consumer privacy concerns. Personal information, when misused or inadequately protected,

the Group has been committed to FirstBank following the implementation of the ISO 27001 Information Security Standard and being the First Financial institution in Nigeria to achieve this prized certification has pioneered the engagement of the generality of banking product consumers through various mass communication channels

can result in identity theft, financial fraud, and other problems that collectively cost people, businesses, and governments millions of Naira each year. In addition, internet crimes and civil disputes consume huge resources determining who bears the liability.

Information security has never been so important as it has become today, the practice of preventing unauthorized access, use, disclosure, disruption, modification, inspection, recording or destruction of information which hitherto was the preserve for the protection of enterprises data has changed, today's focus is on educating customers on the handling and protection of their Personally Identifiable information (PIIs) which are sensitive personal information that individuals provide in the course of everyday transactions online and through mobile services which has become the target of cyber criminals as the customer appears to be the weak link in the chain of security.

From the foregoing, the FirstBank Group has been committed to following information security best practices and standards with the implementation of the ISO 27001 Information Security Standard and being the First Financial institution in Nigeria to achieve this prized certification has pioneered the engagement of the generality of banking product consumers through various mass communication channels such as news prints, radio jingles, bank service touch points such (ATMs and banners displayed across its branch network and the internet to educate and create a cyber-literate consumers

which remains the only defence for cyber criminality. FirstBank has remained unrelenting in its drive to ensure the safety of customer's data with various laudable security best practice and systems implementation.

While all over the world criminal syndicates have leveraged on the competition between organisation to profiteer from the act of criminality which include the sale of stolen information, sponsorship of espionage and other internet crime with the key source of these information leakages being end users and insiders within these organisation. FirstBank through its information security implementations and staff awareness initiatives have continued to build an IS aware staff, third party services providers and contractors with set service level agreement who choose to do the right thing as regards ethics in a world of technology which the ease and anonymity with which information can be communicated, copied, and manipulated in online environments are constantly challenging traditional rules of right and wrong behaviour.

Ethical issues confront individuals (staff and customers) who must choose a course of action, often in a situation in which two or more ethical principles are in conflict and only superior security knowledge of what constitutes security best practice will protect classified information. This can only be achieved through continuous awareness training and implementation of global information security best practices.



ISO 27001 Information Security Standard

*First Financial
institution in Nigeria
to achieve this prized
certification*

...our Compliance Team conducts independent due diligence to ensure that the business and operations of the MTOs are in consonance with extant global laws and International best practices

PRODUCTS & COMPLIANCE

In line with our 'YOU First' promise to its customers lives in their world and constantly provides tailor-made products and services to the financial needs of our customers. FirstBank for instance has bouquets of products and services which are grouped as follows:

- Current Accounts
- Current Accounts
- Savings Account
- Domiciliary Accounts
- Term Deposits
- Overdrafts
- Debit Cards
- Credit Cards
- Prepaid Cards
- Channels (digital & physical)
- Vehicle Finance
- Mortgage
- Working Capital Finance for Businesses
- Import and Export Finance
- Payment and Collection Solutions
- Money Transfer Services
- Services to other financial institutions

In developing and deploying these products and services, we adhere to regulatory guidelines set by the Central Bank of Nigeria (CBN). To ensure we operate within the regulatory framework, our Compliance Department regularly sensitizes staff on regulatory policies via various platforms and monitors to ensure strict adherence so as to guide the interest of Customers and prevent the Bank from being

sanctioned. This ranges from compliance to required KYC (Know Your Customers) for account opening, compliance to directives from regulators, fulfilment of product offerings/benefits etc.

The Bank is noted for its exemplary regulatory compliance. For instance, in Money Transfer Services, apart from the license given by the CBN to our partner Money Transfer Organizations (MTOs), our Compliance Team conducts independent due diligence to ensure that the business and operations of the MTOs are in consonance with extant global laws and International best practices. This is meant to comply with Money Laundering and Counter Terrorism provisions. The payments of money transfers are also subject to pre- and post-compliance controls, both at the send and receive sides in line with global best practices.

MARKETING COMMUNICATIONS: COMMUNICATING IN A RESPONSIBLE WAY.

At FBN Holdings, we are committed to responsible communication. In communicating the benefits of our products and services to our stakeholders, we ensure no misleading information is conveyed. This means that, we do not employ a deceptive approach to informing our stakeholders of our products and services by reporting false and unsubstantiated information. We strive to constantly identify the needs of customers and provide financial solutions to meet these needs with the goal of improving the society.

To enable the Group drive responsible lending, the key subsidiaries have put in place environmental, social and governance (ESG) management system. This guide ensures that transactions are appropriately screened for ESG risks

- All timing schedules for all advertising campaigns and singular formats should be accompanied by a corresponding timing schedule that is pre-agreed by the client and all external agencies and partners in advance.
- All budgets and costing for all advertising campaigns and singular formats should be pre-agreed in advance with the client and all external agencies and partners and adhered to as detailed in the process flow of this document.
- All material and artwork should be converted to the format required for production before submission to the production agencies.
- Only FBN Holdings approved creative and production agencies must be used
- If the client gives final approval for a project and then discovers error after production, the client will assume responsibility for all costs associated with reproduction
- Production request form should be used for production, specifying the production details.
- Only FBN approved production agencies and partners must be used for printing / production.
- The Head of Functional Unit and the Brand Clearing House must approve all productions.

RESPONSIBLE LENDING & INVESTING

The Journey of Embedding Sustainability within the Group

To enable the Group drive responsible lending, FirstBank has put in place an environmental, social and governance management system (ESGMS). This guide ensures that all transactions that the Bank is considering funding include adequate provision for actions necessary to prevent, control and mitigate negative impacts on the environment and communities, and to improve environmental quality. For efficiency, FirstBank is aligning the ESGMS process with its new credit workflow. The relevant implementation documents such as the environmental, social and governance risks screening checklist (which is to be completed by a relationship manager and verified by analyst against the EIA report are currently in use.

In addition, the Merchant Banking & Asset Management Group (MBAM) that begun the process of incorporating social, environmental and governance considerations in making business decisions in 2015 has made reasonable progress. The Boards & Management of the Merchant banking and Asset Management Group have defined a vision to integrate sustainability into the culture of the MBAM, and align the sustainability strategy with the business strategy. The business has also committed to demonstrating adequate support to a framework that aligns with relevant international standards including:

Sustainability performance management and reporting is a key component of the sustainability strategy as it enables the Group to effectively measure, manage and report its sustainability performance and also meet its NSBP obligations to report a wide range of metrics.

- Nigerian Sustainable Banking Principles (NSBP)
- Applicable local laws and National legislation
- United Nations Principles for Responsible Investing (UNPRI)
- ISO 26000 Guidance Standards on Social Responsibility
- IFC Performance & World Bank EHS Standards

MBAM has adopted a CR&S approach that aligns with the FBN Holdings CR&S strategic framework articulated as follows:

- Education & Skills Development
- Sustainable Finance/Investment
- Environmental Sustainability

Staff training on sustainability for FirstBank is on-going. In 2016, apart from the Board of directors (BOD), top management and Group heads, over 2500 staff have been trained on modules/requirements recommended for employees in partnership with First Academy, Accenture; FirstBank Sustainability Centre at the Lagos Business School and University of Edinburgh. The modules are designed to provide employees with the right knowledge, skills, attitudes and behaviours. These include NSBP specific requirements for employee training on sustainability such as sustainable banking training and reporting.

With regards to MBAM, capacity building for management and key stakeholders and staff on understanding sustainability as a business approach to creating long term value. The module; 'Sustainability for Finance Professionals' was designed to meet the sustainability requirements of the financial services sector. Successful training was implemented for Executive Leadership (ELCO), Heads of Departments (HODs), Heads of Units (HOU) and key stakeholder departments which include Legal, General Services, Human Resources, Internal Audit, Marketing and Corporate Communications, Risk Management, Compliance, Investment Banking and Coverage and Corporate Banking divisions.

Sustainability performance management and reporting is a key component of the sustainability strategy as it enables the Group to effectively measure, manage and report its sustainability performance and also meet its NSBP obligations to report a wide range of metrics. To this end, we are currently working on the provision of performance management, reporting and implementation tool. The sustainability performance management and reporting process is made of seven steps which consist of planning and delivery. We are currently at the last stage of planning.



ESGMS

The employment of the ESGMS is to effectively drive responsible lending and mitigate the associated environmental, social and governance risks.



08

Empowering People

At FBN Holdings we recognise the importance of people to the success and survival of the business. One of the Group's goals is to nurture and develop employees who are truly brand ambassadors not only while they are with the organisation, but also ambassadors who will remember their time with the company long after they have left.



In line with the FBN Holdings' strategy of fostering collaboration and synergy across the Group, we have continued in 2016 to demonstrate our commitment to the achieving this goal by leveraging the unique capabilities of our talents across the Group; providing our people with the right work environment to enable their potentials flourish. To this end, we identified and implemented initiatives that focus on Talent Management, Staff Capacity Building, Performance Management, Employee Engagement, Diversity & Inclusion, and Health & Wellbeing.

EMPLOYEE EMPOWERMENT, ENGAGEMENT & INCLUSIVE WORK PLACE

At FBN Holdings we recognise the importance of people to the success and survival of the business. One of the Group's goals is to nurture and develop employees who are truly brand ambassadors not only while they are with the organisation, but also ambassadors who will remember their time with the company long after they have left. This approach underpins the sustainability of the Group as fulfilled employees contribute to the success of the company now and in the future.

Our responsible approach to empowering our employees includes Talent Management and capacity building.

Talent Management is a framework designed to have the right people with the right skills doing the right job at the right time and for the right cost. The full implementation of Talent Management with a focus on the Retail Business employees began in 2016. As in 2015, we reinforced our efforts of building capacity of our employees in 2016. In addition to face-to-face training approach, we leveraged mobile technology in building capacity for our employees. Across all learning platforms, we achieved 222,628 total training credit hours - exceeding 107% of our target of 208,230.

We pride ourselves in being an equal opportunities employer, and have integrated diversity and inclusion policies and awareness into our practices. Our efforts at engendering diversity in the workplace include having in place a diversity policy that encourages inclusion. The Group's diversity and inclusion objective is to be a recognised industry leader in workforce diversity and leverage diversity for the growth of the Group and the success of the customers and communities we serve.

We have a male: female ratio of 61:39 across the workforce.

Through our Employee Volunteering & Giving programme, the Group's employees are provided with a platform that allows them to participate in socially responsible initiatives that impacts their community, giving them a sense of ownership in building the brand and at the same time fulfilling their yearnings to show care and support for the needy. We are also committed to fostering a safe work environment where the safety, security and wellbeing of our workers are protected. Part of this includes the operation of a clinic where ailing staff can have access to first aid and preliminary medical treatments before visiting the hospital.

Enhancing Human Rights through Collaborative Partnerships

The Universal Declaration of Human Rights, Article 26 emphasizes the significance of education in the development of human personality as well as the enhancement of human rights and fundamental human freedom.

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



107%

Across all learning platforms, we achieved 222,628 total training credit hours - exceeding 107% of our target of 208,230

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

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

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

Upholding Freedom of Association

At FBN Holdings, we ensure that in everything we do, our people feel a genuine sense of fairness, equality, freedom and participation. The Group creates and sustains an environment that supports and encourages human rights/freedom of association as well as collective bargaining. For instance, at FirstBank, employees have the opportunities to belong to unions such as (ASSBIFI; NUBIFE) and the employees are at liberty to either become members or not. Management of the Bank hold quarterly meetings with the executives of these unions who are also representatives of staff. These meetings provide a platform for management and union to discuss on all aspects of employees' employment relationship and

also serve as collective bargaining mechanism to resolve issues.

FirstBank also practices a Pay for Performance Principle where bonuses are tied directly to staff performance. The Bank encourages staff to hold regular meetings, engage in open discussions and consultations so as to engender flow of information.

Across the Group, all employees get same remuneration regardless of gender or region.

Elimination of All Forms of Forced labour

In carrying out our day-to-day operations, we understand the importance of not only having the right talents at the right places, but also an environment where people are willing to work without coercion. Employees of the Group are hired based on their free will and there is no forced, bonded or involuntary prison labour. Employees are allowed to resign based on the terms in their contracts. We have been able to achieve this by developing the right policies and frameworks which have ensured that our recruitment process is carried out in line with global best practice devoid of all forms of bias.

In the case of conflict amongst staff, inquiries are made regarding the dispute or conflict there are disciplinary committee within the respective SUBCOs to resolve such issues. Through this, the rights of employees are upheld and no single individual is treated unfairly. For existing employees, we have established a clear

In carrying out our day-to-day operations, we understand the importance of not only having the right talents at the right places, but also an environment where people are willing to work without coercion.

framework for escalation enabling our people to freely relate with their Human Resource (HR) business partners on any issue around supervisor-subordinate relationship. We have also reinforced acceptable workplace 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.

Also, as a matter of principle, the Group does not maintain partnerships with any organization or group that uses forced or compulsory labour. We carry out intensive due diligence checks on our partners employment policies before building relationships with them.

Anti-corruption

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

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

- Setting the tone at the top, both internally and externally, and promulgating a compliance charter or values statement
- Focusing attention on critical risk areas

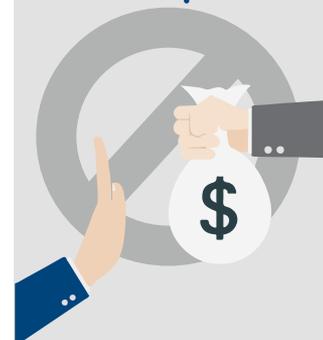
- Ensuring the institutionalization of the whistleblower helpline process and taking active control when appropriate
- Working with management to incorporate leading practices (e.g., protocols for investigating complaints, helpline statistics, and internal reporting).

To influence culture and tone, the board:

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

Management takes the lead in developing tools to establish the company's culture, through messaging, updating, and distributing codes of conduct, communicating helpline processes, and carrying out annual cultural surveys to test the effectiveness of the program. The board and management, working together, have been able to strengthen ethics and compliance in the organization, thus leading to higher-quality information, process optimization, improved effectiveness, a protected reputation, and reduced costs.

Anti-Corruption



To demonstrate our commitment to anticorruption, the code of ethics rolled out in FirstBank in 2007 remained in force during 2016.



09

Supporting Our Communities

The Group is committed to the community in which it operates. Our involvement with our various stakeholders, our host communities inclusive is not just about profit generation rather the realization that often our most effective currency is the skills and opportunities we can share with them. This, we have aptly expressed and weaved around our mantra of people, passion and partnership and our brand promise- 'You First' signaling our resolve to constantly build broader, deeper and more enduring symbiotic relationships to deliver longterm value for our shareholders through putting our stakeholder's needs first.



Our commitment to our host communities



FutureFirst Programme, Educational Endowment Scheme, Youth Leadership Programme, Infrastructure Development Programme, Hope Rising Initiative and Employee engagement and volunteering programme.

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Our commitment to our host communities forms a greater core of our corporate responsibility and sustainability efforts which we have structured along four key priorities to deliver long lasting impact. These are Education, Health and Welfare, Economic Empowerment and the Environment. These are further subdivided into the following programmes: FutureFirst Programme, Educational Endowment Scheme, Youth Leadership Programme, Infrastructure Development Programme, Hope Rising Initiative and Employee engagement and volunteering programme.



38,000
volunteering
hours *in empowering
secondary school
students*

SUPPORTING OUR COMMUNITIES

Our commitment to our host communities forms the core of our corporate responsibility and sustainability efforts. To deliver long-lasting impact, we have structured this work around four key priorities: education, health and welfare, economic empowerment and the environment. These are further subdivided into a series of programmes:

- FutureFirst;
- Educational Endowment programme; youth leadership;
- infrastructure development;
- Hope Rising Initiative; and
- employee Giving and volunteering.

EDUCATIONAL ENDOWMENT PROGRAMME

Empowering young people and stakeholders through education

Our Educational Endowment programme was instituted as far back as 1994.

The programme's key objectives include:

- to enhance overall academic excellence through research;
- to complement the Federal Government's efforts in the development and advancement of tertiary education in Nigeria;
- to strengthen the Bank's strategic approach to corporate responsibility and sustainability through its community support work; and
- to contribute to the building and reinforcement of FirstBank's brand value proposition.



Programme structure

The programme is driven by a number of universities, each of which has a professorial chair endowed by FirstBank. We also provide an:

- annual research grant;
- annual public presentation of research findings; and
- annual award for the three best graduating students in the particular field of focus.

Currently, the value of our total endowment portfolio is more than N497 million. A phased approach to managing the funds by FBN Quest to ensure maximum yield is ongoing.

The fund currently supports the following professorial chairs:

- 1 Professorial Chair in Business Ethics, University of Lagos
- 2 Professorial Chair in Computer Science, Federal University of Technology, Akure
- 3 Professorial Chair in Department of Petroleum Engineering, University of Uyo
- 4 Professorial Chair in Agronomy, Federal University of Agriculture, Makurdi
- 5 Professorial Chair in Paediatrics, Bayero University, Kano
- 6 Professorial Chair in Banking and Finance, Nnamdi Azikiwe University, Awka
- 7 Professorial Chair in Veterinary Medicine, Uthman Dan Fodio University, Sokoto
- 8 Professorial Chair in Chemical Engineering, Abubakar Tafawa Balewa University, Bauchi
- 9 Professorial Chair in Water Resources Engineering, University of Maiduguri



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1. Segun Adebayo, Head, General Services, FBN Merchant Bank teaching students on the importance of savings at the Isale-Eko Senior Grammar School during the commemoration of the World Savings Day in Lagos.

2. A financial literacy training session.

3. Cheque presentation to Mr. Adebisi Adejola, a final year medical student of Lagos State University to help him access medical intervention for a debilitating ailment.

4. The Group Executive, Retail North, a Junior Achievement Nigeria Staff and students of Harmony Secondary School Lokoja after the Financial Literacy Day training session that held at the school.

5. Staff and students pose for photograph after a financial literacy session.

10 Professorial Chair in Mechanical Engineering, University of Benin

In addition, in 2016 the programme continued to meet its goal of meritorious contribution to knowledge through research activities in the communication and technology sector. Among the papers published by Prof B Kayode Alese, occupant of the chair at the Federal University of Technology, Akure, and his colleagues were:

- Kuboye, B., Alese, B., and Oyedoyin, O. (2016). Priority Based Voice Calls Simulation on Global System for Mobile Communications Network. Lecture Notes in Engineering and Computer Science: Proceedings of The World Congress on Engineering and Computer Science, 19-21 October 2016, San Francisco, USA, pp108-113
- Alese, B., Gabriel, J., Tolulope, A. and Akinsowon, O. (2016). Cost-Benefit Analysis of Cyber-Security Systems. Lecture Notes in Engineering and Computer Science: Proceedings of The World Congress on Engineering and Computer Science. 19-21 October 2016, San Francisco, USA, pp136-144
- Alwolodu, O., Alese, B., Adetunmbi, O. Secured Cloud Application Platform Using Elliptic Curve Cryptography. Lecture Notes in Engineering and Computer Science: Proceedings of The World Congress on Engineering and Computer Science. 19-21 October 2016, San Francisco, USA, pp208-213.



The FirstBank Sustainability Centre

The FirstBank Sustainability Centre, located at the Lagos Business School at the Pan-Atlantic University, is a demonstration of our commitment to promoting sustainable finance and adhering to global best practices in our business operations, particularly around collaborative partnerships and capacity building.

The Centre is designed to empower our staff, other financial institutions that are signatories to the Nigeria Sustainable Banking Principles (NSBP), FBNHoldings' customers and other stakeholders, including NGOs, media practitioners and SMEs. This is achieved through relevant applied research in specified areas of interest, open and in-company seminars and workshops, and international and local conferences for the cross-fertilisation and exchange of ideas on sustainability.

Among the Centre's activities are:
Sustainability Workshop for NGOs

The Sustainability Workshop for NGOs was designed to create an enabling platform for NGOs and corporate organisations to better understand and appreciate the imperative of inclusive partnerships, and why and how best such partnerships are fostered.

This recognises the fact that NGOs have continued to have emerging roles in

contemporary society, creating awareness, driving advocacy, proffering solutions and implementing workable initiatives within the context of social issues. Moreover, NGOs' commitment to addressing societal problems cannot be situated within an isolated or exclusive framework. The imperative is to build a shared connectedness and collaboration of governments, businesses, society and NGOs. Doing this will help galvanise systemic thinking and solutions that could engineer sustainable development.

The workshop featured over 25 participants, including senior NGO executives, individuals interested in setting up NGOs, and company executives who work with NGOs, corporate social responsibility or sustainability units and corporate foundations. Topics explored included the role of NGOs in emerging markets, sustainability strategies for NGOs, sustainable HR in NGOs, and leadership and ethical issues in NGO-private sector partnerships.

Partnering with the Nigerian-British Chamber of Commerce

Micro, small and medium-sized enterprises (MSMEs) play a pivotal role in modern economies, generating jobs and making a significant contribution to GDP. Consequently, we are committed to supporting MSMEs, helping them to thrive even in the current difficult economic conditions. As part of this

support, we once again co-hosted an MSME workshop in 2016 with the Nigerian-British Chamber of Commerce.

The two-day workshop took the theme 'Fundamentals of building a sustainable business'. Among numerous objectives, the workshop aimed to boost participants' capacity to create value. Key discussions included: financial options available to MSMEs and how to access them; strategy development and implementation for small businesses; sustainability opportunities for small businesses; and financial management

HOPE RISING INITIATIVE

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. Some of the initiatives we supported in 2016 under this programme include:

- Maintained partnership with the Down Syndrome Foundation Nigeria and supported them in their annual Inter House Sports Competition, Children's Day Commemoration, provided advert support for the World Down Syndrome Day, supported and participated in the Down Syndrome Annual Awareness Week.



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1. One of the sessions at the Sustainability workshop for NGOs and Corporate Organizations that held at the First Bank Sustainability Centre.

2. Another session at the sustainability workshop for NGOs and Corporate Organizations.

3. Staff of the Bank join children in Ivory House of the Down Syndrome Foundation to celebrate their winnings after clinching first position in the Inter House Sports Competition.

4. Staff of the Bank join the Benola Cerebral Palsy Initiative to create advocacy and public enlightenment for Cerebral Palsy during the Walk for Cerebral Palsy event.

- Supported the Benola Cerebral Palsy Initiative in the commemoration of the World Cerebral Palsy day. The Benola Cerebral Palsy Initiative is committed to engendering change and progress for persons living with Cerebral Palsy. The Bank participated in the charity walk for Cerebral Palsy and Cerebral Palsy enlightenment campaign.
- The Bank continued support to the Nigeria Society for the Blind by donating and participating in its fitness walk for the blind through the Bank's Employee Giving and Volunteering Programme. About 200 visually impaired persons participated in the charity walk which not only provided advocacy and public enlightenment for the visually impaired but also contributed to their health and wellness.
- Continued support to Golden Hearts Touching Lives Initiative for its medical outreach and Christmas party for children of Ojuwoye inclusive unit Mushin. Over 500 children from the Ojuwoye inclusive unit benefitted from this exercise which saw the children receive medical check, Christmas food packs and clothings. A Christmas party was also organised for them.
- Continued support to Sebbecky Cancer Care Initiative by donating to its Cancer Survivorship Centre/building project. The Cancer Survivorship centre when completed would offer all round support for cancer patients and survivors.
- Support to Segun Aina Foundation in hosting a Christmas party event for less privileged children. About 500 indigent children from Osun State benefitted from this exercise.
- Support to Mr. Ade Adelekan, a physically challenged youth in completion of his final year project thesis at the Lagos State University. Ade Adelekan received financial support from the Bank in completing his final year research project.
- Continued Support to Folawiyi Jimoh Adisa to attend Para-Badminton Championship tournament in Europe. Folawiyi Adisa is a Para-Badminton gold medallist who has consistently won medals for the country. He has been described as a pride to the African continent.
- Supported Vama Wave Foundation on its 2016 edition of Diwali Ball meant to raise funds for less privileged people in the society.
- Supported CBA Foundation for the commemoration of the International Widows Day and created advocacy on the plights of widows through advertisement in the newspaper as well as the advocacy walk for widows.
- Provided advert support for the rotary club of VGC district 9110. An organisation committed to helping the less privileged.
- Supported Mr. Adebisi Omojola, a fifth year medical student of the University of Lagos to receive medical intervention for illness bordering on kidney malfunction. Through the Bank's support he was able to receive medical care which saved his life and enable him to continue with his education.
- Supported Shaping Lives Foundation on its advocacy programme and public enlightenment programme on mental health. The mental health campaign reached over 1,000 persons in schools and communities in Lagos State.
- Supported Banana Island Residents Association on their fitness fair and charity walk designed to improve the health and wellbeing of residents of the estate.
- Participated in the #Giving Tuesday initiative, a global event designed to drive donations for the less privileged. Seven care homes in Lagos, three in Port Harcourt, two in Abuja and some IDP camps in Borno benefitted from this initiative reaching thousands of less privileged children.
- Supported the Remi Babalola Red Cross clinic in the provision of medicines and other vital facilities and equipment for the clinic. From inception to date, the Remi Babalola Red Cross Clinic has provided humanitarian care for persons on humanitarian ground.



YOUTH LEADERSHIP AND DEVELOPMENT PROGRAMME

Delivered in partnership with JAN, LEAP Africa; the Youth Leadership and Development programme has been designed by the Bank to support young people between the ages of 14 and 35. The programme's key objectives are:

- to provide a platform for young people to gain a deeper understanding of the qualities needed for leadership, and to equip them with the relevant tools and skills;
- to create opportunities for young people to participate in developing the country through sustainable community development programmes; and
- to provide mentorship and value-based leadership for young people.

Activities in 2016 include providing financial support for the building of an entrepreneurial centre for young people and interschool creative writing competitions; as well as participation in leadership workshops in partnership with LEAP and ABC Home work place.

FUTUREFIRST PROGRAMME

In keeping with the Bank's aim to promote financial inclusion, we developed the FutureFirst initiative. FutureFirst is a financial literacy and career counselling programme designed to empower secondary school students to build fulfilling careers and be financially aware.

Key objectives include helping students to:

- gain the tools and knowledge to make effective and informed financial management decisions and achieve long-term financial independence;
- better understand how businesses are organised and operated;
- develop critical thinking, speaking and leadership skills and be able to demonstrate the rewards of the free enterprise system; and
- make the right career choices.

A total of 15,000 secondary school students have been reached so far, with over 43,000 volunteering hours expended.

The Bank also engaged hundreds of secondary school students through events for Financial Literacy Day and World Savings Day, as well as a financial literacy event at Meadow Hall School in Lekki.



A student from Harmony Secondary School Lokoja Answering Questions during a Financial Literacy Session Organised by the Bank

EMPLOYEE GIVING AND VOLUNTEERING

Our Employee Giving and Volunteering programme was set up to encourage employees to give something back to the community, and to instil in them the integral corporate culture of giving.

The programme is structured around two elements:

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

Giving: This involves employees donating material resources including cash towards addressing social, economic or environmental challenges. Our giving is mainly driven through a crowd funding approach. Crowd funding enables large numbers of people to make small contributions or donations to a cause.

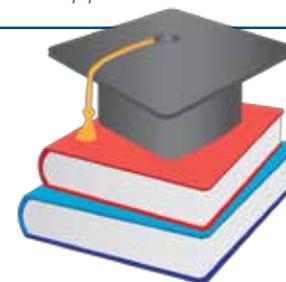


1. *Pick A Litter Initiative:*
Employees of FBN Merchant Bank participating at the Pick a Litter community cleaning exercise in Ikoyi/Obalende LGA.

2. *Olajide Modele, Head, Information Technology, FBN Merchant Bank;* teaching students on the importance of managing their finance at the Government Secondary School, Kabong, Jos for the 2016 Financial Literacy Day celebration as part of Global Money Week.

3. *Staff of the Bank and staff and students of World Capital School Yola* pose for photographs after financial literacy sessions in commemoration of the World Savings Day.

60,000 / 80
students / secondary schools
supported nationwide



The approach is three-pronged:

Strategic alignment: our volunteering activities and initiatives must be aligned with our corporate responsibility and sustainability strategy.

Partnerships: the initiatives are also implemented by leveraging existing partnerships, such as with LEAP Africa, the Down Syndrome Foundation, Junior Achievement Nigeria and the Nigerian Conservation Foundation.

Participation: Employee Giving and Volunteering is open to all employees for some initiatives; for a few projects, a subset of employees is targeted, as specific expertise is required. For example, our FutureFirst financial literacy and career counselling programme is driven by employees with the appropriate skills and knowledge. In addition, employees are encouraged to start and promote their personal initiatives and are often recognised and rewarded by the Bank for outstanding performance.

The programme is also aligned with the four core areas of our Community Support Pillar – education, health and welfare, economic empowerment, and the environment:

- **Education:** volunteers are expected to train or teach students and members of the local community on specific subjects identified as knowledge gaps that hinder them from doing business. Programmes include FutureFirst and the Youth Leadership and Development programme.
- **Economic empowerment:** volunteers use their skills to empower students, community groups and displaced people through coaching and teaching. Programmes include FutureFirst and entrepreneurship.
- **Health and welfare:** volunteers give their time, energy and financial resources to the aged, orphans, the less privileged and the sick. Initiatives include the Hope Rising programme and visiting the less privileged.
- **Environment:** the Bank supports training that enables employees to adopt responsible practices that have a positive impact on the community. Initiatives include staff training and the Environment Conservation programme.

In 2016, staff volunteers from the Bank participated in the seventh annual Down Syndrome Inter-House Sports Competition, held in support of World Down Syndrome Day. Staff took part in some of the sporting

Our Employee Giving and Volunteering programme was set up to encourage employees to give something back to the community, and to instil in them the integral corporate culture of giving

activities alongside the children, and encouraged and cheered them in the different events. Organised by the Down Syndrome Foundation, the annual competition aims to improve the physical and intellectual development of people living with Down Syndrome through sporting activities. The events are designed to develop appropriate skills and values, such as a good sense of judgement, hard work, integrity, confidence and working together.



medical support for 7,822

A total of 7,822 in and out patients were provided with medical intervention through the Remi Babalola Red Cross Clinic in 2016

We also supported the worldwide #GivingTuesday initiative. Through this scheme, gifts such as toys, clothing, food, beverages, toiletries and stationery were donated to children in care homes. Seven care homes in Lagos, three in Port Harcourt and two in Abuja, along with internally displaced persons camps in Borno State, benefitted from this initiative, which reached out to thousands of less-privileged children.

INFRASTRUCTURE DEVELOPMENT PROGRAMME

As part of efforts at improving the quality of lives of members of our host communities, the Bank initiated the FirstBank Infrastructural Development Programme. The programme promotes infrastructural development in suitable locations, including schools, hospitals and the wider community.

Infrastructural projects we constructed in 2016 included:

- the Remi Babalola Red Cross Clinic;
- the Information and Communication Technology Park at the Ahmadu Bello University, Zaria; and
- the Faculty of Dentistry Building at the University of Nigeria, Nsukka.

We also helped renovate classroom blocks at the Police College, Kaduna, lecture theatres at the Obafemi Awolowo University and the Federal University of Technology, Minna, and the cafeteria at the University of Calabar. We are currently considering opportunities for further renovation work at some of these locations.

OTHER COMMUNITY SUPPORT PROGRAMMES

We supported a number of other youth leadership programmes on a one-off basis in 2016, including the Child Development and Concern Foundation's Global Money Week Celebration, and visits by students from different schools to different branches of the Bank, enabling them to develop their financial literacy. The Bank also supported JADA Consults' book reading scheme, which engaged 150 pupils in public primary schools in Lagos, and ABC Home Work Place in their Interschool Creative Writing competition.

THE REMI BABALOLA RED CROSS CLINIC

In furtherance of its commitment to the advancement of the health sector in Nigeria and ensuring that Nigerians have access to quality and affordable health care, FirstBank constructed a Red Cross clinic in Ibadan worth over N55M in 2012. The Red Cross Clinic which was built at the instance of Remi Babalola, a former Executive Director of the Bank and former Minister of Finance

and in partnership with the University College Hospital Ibadan has a humanitarian objective of making health care accessible to people who are less financially endowed. Its aim is also to provide emergency assistance to victims of disaster and implement health and social welfare programs. The services provided by the Clinic ranges from emergency interventions during outbreaks of violence and disasters to provision of first aid and assistance to displaced and vulnerable individuals. Its overall aim is thus to reduce human suffering where possible, protect life and dignity in an independent and impartial manner.

Since commencement of operations, the clinic has treated over 37,000 patients on a non-profit basis.

Please see table of operations of the Remi Babalola Red Cross Clinic from 2013 at inception to November 2016:

PERIOD	NEW PATIENTS	FOLLOW-UP PATIENTS	SERVICES RENDERED
Dec. 2012 to Dec. 2013	6,013	3,616	· Affordable health care services to the vulnerable and less endowed.
Jan. 2014 to Dec. 2014	6,388	6,227	· Medical Emergencies
Jan. 2015 to Dec. 2015	3,199	3,943	· Routine General Clinic
Jan. 2016 to Nov. 2016	3,338	4,484	· Dental Care
			· Laboratory Services
TOTAL	18,938	18,270	· Immunization



MERCHANT BANKING & ASSET MANAGEMENT GROUP

FBNQUEST (FBN MERCHANT BANK AND FBN CAPITAL)

In line with the group, MBAM believes in the importance of impacting our employees, environment and society through sustainable corporate responsibility practices and activities.

MBAM's Corporate Responsibility Sustainability Framework reflects our corporate values, and is implemented in the following core areas as well as in our products and investments:

- **Corporate Governance:** we have established a set of rules, policies and processes, which are laid out for directing, administering and controlling the group's governance structure at all levels and operations.
- **Workplace:** we believe that the working environment must be equitable, efficient and healthy. In line with this, we have developed several initiatives and campaigns designed to meet the requirements of organizational

governance, human rights, labour practices, environment, fair operating practices, consumer issues and community involvement and development.

- **Marketplace:** this focuses on partners and customers whereby awareness of CR&S is raised and involvement in key initiatives is encouraged.
- **Environment:** the protection of the environment is an essential concern for all stakeholders; therefore the focus is environmental sustainability.
- **Community:** through this area value is added and contribution made to the well-being of the society.

Our Activities

In 2016, our activities delivered focused on:

- Development and support of relevant initiatives at various stakeholder levels through partnerships and existing platforms within the key identified areas. These stakeholders include investors, employees, government of different tiers and regulators, strategic partners, media practitioners and owners, Board and Management and most importantly the communities in which we operate.
- Active employee engagement in fundraising/charitable giving, as well as employee volunteering in line with business objectives
- Leveraging activities of the Holding

Company and ensuring cohesion in implementation to drive efficiencies and deliver maximum value.

- **Financial Literacy:** We trained over 1800 students on the importance of earning, saving and growing money. This was done in alignment with the global and local drive for financial literacy which is regulated by the CBN under the Global Money Week with and the World Savings Day. Our impact spanned secondary school students in different geopolitical zones which include; Lagos, Abuja, Port Harcourt, and Jos.
- **Women Economic Empowerment:** In 2016, we trained over 40 women on various female economic empowerment and capacity building initiatives which include; WIMBIZ Annual Lecture series, NSE Capacity building seminar, WIMBIZ 2016 annual conference, Woman Rising, among others. We understand that diversity and inclusion at all levels is critical to the success of our company. A diverse workforce allows us to continue to develop innovative products and offer unique services, it helps us attract and retain the best talent and ultimately it helps us make our customers more successful.



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1. Olajide Modele, Head, Information Technology, FBN Merchant Bank; Roseline Mordi, Treasury, FBN Merchant Bank, Yemi Olufidipe, Audit, FBN Merchant Bank; with teachers and students from the Government Secondary School, Kabong, Jos at the 2016 Financial Literacy Day celebration as part of Global Money Week.

2. Pick A Litter Initiative: Gboyega Fatoki, Former, Executive Director, FBN Merchant Bank speaking to some residence of the Ikoji/Obalende LGA; at the Pick A Litter hand over ceremony.

Global Money Week (GMW)

Global Money Week is a money awareness celebration, with the goal of teaching children and youth about money, savings, creating livelihoods, gaining employment and becoming entrepreneurs through fun and interactive activities. Every year, different communities take action to create awareness, challenge out-of-date financial policies and give young people the tools and inspiration they need to shape their own future.

We adopted for the 2016 Global Money Week Government Secondary School (GSS) Kabong, Jos, a school with student capacity of over 1,000 pupils. We taught and engaged all students on the importance of saving and making healthy financial decisions for

the future; in line with the CBN's directive to raise awareness about financial literacy and our commitment to inspire the future through teaching.

WIMBIZ Annual Lecture

The WIMBIZ Annual Lecture brings together women from the private, public and development sectors to discuss topical issues and share strategies for success in light of a rapidly changing global, economic and socio-political landscape (as part of the International Women's Day celebrations). The theme for the 2016 annual Lecture was 'The Crisis of Values: Reclaiming our Society' and keynote speaker for the event was the Honorable Minister of Solid Mineral Development, Dr. Kayode Fayemi.

Participation in the event provided opportunities for our female employees to expand their horizons as professionals through enriching platforms and relevant exposure and served as a platform for women empowerment.

WIMBIZ Annual Conference

The WIMBIZ Annual Conference brings together over 500 professionals, entrepreneurs and ambitious women from different sections of the economy with varied experiences and diverse cultures. The event is designed to create an opportunity to educate and challenge women to rise up to the challenges they face in business and in the workplace as well as learn best practices from seasoned speakers who have excelled.



3. WIMBIZ Conference: Rolake Akinkugbe, Head Energy & Natural Resources, Coverage and Corporate Banking FBN Merchant Bank and other panelists at the 15th WIMBIZ Annual Conference.

4. FirstBank's Chairman Mrs Ibukun Awosika (middle) and former First Lady of Lagos State, Dame Abimbola Fasola with members of First Bank at the WIMBIZ event.

community which in turn causes Malaria and other diseases. This initiative was implemented in line with the environmental sustainability and community development goals of the group.

RaceToSeptember (10km Run)

We believe in the importance of impacting society through sustainable Corporate Responsibility & Sustainability (CR&S) initiatives. We therefore seek to enable the development of young people through our strategic pillar of community support, with a focus on education and economic empowerment.

To this end, the RaceToSeptember is designed as an education support platform to enable staff participate in impactful CR&S initiatives. The Race to September initiative aims to facilitate the education of economically disadvantaged children living in underdeveloped areas of our community (Obalende, Ikoyi and Lagos Island).

It is a platform for staff to participate in impactful CR&S initiative, while showcasing creativity and promoting a responsible public image for our people as well as the organisation. The understanding of the role of education in the development of any economy is of great importance. Prospects for reducing poverty, narrowing extreme inequalities and improving public health are heavily influenced by what happens in education. It is also a condition for strengthening economic growth and efficiency.

A 10-kilometer fun run was organized to drive contributions to the cause. This provided a platform for staff to participate in

The theme of the 15th annual Conference was 'The Next Frontier: Women Take Your Place'. The theme focused on contemporary ways women can get inspired, spark new connections with fellow leaders and discover strategies for leadership in economic, social and political arenas in Nigeria.

Woman Rising

Woman Rising is an event organized to commemorate the celebration of the International Women's Day celebration. It is a 2-day event which took place on the 19th and 20th of March 2016 at various venues in Lagos with the highlight music concert at the Federal Palace Hotel.

Pick A Litter Initiative

The "PICK A LITTER" (PAL) initiative is an environmental sustainability project embarked upon by the Eti Osa Youth Development Initiative (EYDI) in conjunction with other public and private institutions to educate, sensitize and engage the residents within Ikoyi-Obalende on the need and importance of a clean and green environment. PAL is a health awareness program that aims at providing implementation support to people who come out to clean their environment on sanitation day but fail to have the proper tools to enable them do so. Survey's show that the absence of basic tools for cleaning and fumigation is the main cause of streets and canals being clustered, and this increases the presence of rodents and parasites in the



CR&S, promote a responsible public image for our people and the organization, and also promote team bonding and employee volunteering.

The Federal Nigerian Society for the Blind (FNSB)

The FNSB started in 1955 which makes it the oldest organization to cater to the needs of the Blind in Nigeria and their vocational training center. The vocational center was established in 1956 and is located in Oshodi, Lagos. The organization has trained over 3,000 men and women from inception till date, enabling special needs individuals to acquire skills in mobility, braille reading and writing, typewriting, computer skills, tie & dye and other crafts that promote job placement and economic development in Nigeria. We have supported the FNSB over the years and the organization has a long standing relationship with the Bank. Supporting their laudable causes such as the May Ball and the Graduation/Christmas Party shows the firm's commitment people empowerment and community support.

CFA Investment Conference Annual Charter and Award Dinner

The CFA Society Nigeria is a not-for-profit

organization and is an affiliate of the CFA Institute, a global association of investment professionals that sets the standards for excellence in the financial industry. The institute leads the investment profession globally in promoting the highest standards of ethics, educational and professional excellence for the ultimate benefit of society. The theme for the maiden edition of the CFA Investment Conference was "Promoting Regional Investing in Africa by Africans" using Nigeria as a case study. Discussions at the conference were centered on investment opportunities available in the Nigerian economy and the essential requirement for creating an enabling environment for profitable business operations in Africa. Employees from the Investment Bank, Research and Asset Management teams were nominated to attend the event, for networking and insights on the latest investment trends and issues.

LBS Bloomberg Terminals

As part of MBAM commitment to supporting reputable educational establishments with strong business and finance faculties, we have partnered with Lagos Business School to set up a Bloomberg Room at their main campus for a five year period. The Bloomberg terminal is one of the financial sectors most widely

used sources for real-time financial data in the world of finance and will help students in relevant sectors gain access and exposure to the tool. We delivered two Bloomberg Terminals to the LBS.

World Savings Day

We believe that financial independence is a journey; and like every journey, it requires preparation. The preparation for financial independence should therefore start at a very early age. For the 2016 World Savings Day (WSD) we adopted 6 schools in Lagos, Abuja and Port Harcourt:

- Ascension High School, Oghale Nchia, Eleme LGA, Port Harcourt
- Eko Akete Grammar School, Lagos Island Lagos
- Holy Rosary Girls College, Port Harcourt
- Isale-Eko Grammar School, Lagos Island, Lagos
- Government Secondary School, Kubwa Abuja
- Government Secondary School, Mpape, Abuja

Over 700 students were taught the importance of saving and making healthy financial decisions for the future; in line with CBN's directive to raise awareness about financial literacy and our commitment to



4

1. *RaceToSeptember:*
Afolabi Olorode, Head, Advisory & Capital Markets, FBN Merchant Bank conducting a pre-run exercise session for FBNQuest employees at the RaceToSeptember 10km Fun Run.

2. *Employees of FBN Merchant Bank with Dr. (Mrs) Omobola Johnson, Non-Executive Director, FBN Merchant Bank at the Nigerian Society for the Blind May Ball.*

3. *NSBP Training:*
Members of the FBN Merchant Bank Executive Leadership Committee (ELCO), Lolade Sasore, Head, Marketing & Corporate Communications, FBN Merchant Bank; Ini Onuk-Abimbola, CEO/Lead Consultant, ThistlePraxis Consulting, and Martin Neureiter, CEO, The CSR Company International during the Nigerian Sustainable Banking Principles Training.

4. *2016 NSE Corporate Challenge:*
Olamide Adeosun, Financial Control, FBN Capital, and other runners; at the 2016 NSE Corporate Challenge.

inspire the future through teaching. The future for us goes beyond saving money but also saving resources and discovering new opportunities to live tomorrow.

NSE Corporate Challenge

The NSE Corporate Challenge is an annual 5-kilometre walk, run and jog competition designed to raise awareness and funds for the purchase of Mobile Cancer Centers (MCCs) across Nigeria. The Challenge is a CSR initiative of the NSE, aimed at promoting health & well-being in our operating community. It also offers a platform for promoting teamwork and networking. Twenty employees participated in the run and gave extremely positive responses in regards to the run.

NSE Capacity Building Seminar

The Nigerian Stock Exchange (NSE) in collaboration with the African Securities Exchanges Association (ASEA) hosted the 5th Annual Building African Financial Markets (BAFM) Capacity Building Seminar. The objective of the BAFM seminar was to promote growth in African financial markets by giving representatives from the stock exchanges, regulatory bodies, stock broking firms and other interested parties the

opportunity to learn about topical subjects pertinent to growing and developing African capital markets. The seminar focused on enhancing the capacity of African Exchanges to drive liquidity in African capital markets and compete effectively on the global stage.

Two members of the FBN Securities team attended the seminar to network/interact with the delegates at the event who are seasoned industry experts. 2016 CIBN Annual Lecture and Roundtable The Chartered Institute of Bankers of Nigeria (CIBN) is the umbrella professional body for bankers in Nigeria. It was incorporated in 1976 as the Nigerian Institute of Bankers and Chartered in 1990. Their vision is to be the global reference point for professionalism and ethics in the banking and finance industry through thought leadership and capacity building.

The theme of the lecture was "Sustainable Development Goals and the Financial Services Sector: The Meeting Point". The aim of the programme is to create a forum where policy makers, regulators and operators in the financial services industry to share experiences and exchange ideas on contemporary issues of common interest.

FUTURE CR&S GOALS

MBAM believes in the importance of impacting our employees, environment and society through sustainable corporate responsibility practices and activities. As a forward-thinking organization, we focus our attention on increasing our bottom line and being a good corporate citizen. This is achieved through the shaping or reshaping our framework, business models and policies in line with global trends to deliver benefits to our stakeholders.

In line with our strategic framework focusing on Education & Skills Development, Sustainable Finance/Investment, and Environmental Sustainability we will continue to review our short-term and long-term agenda to ensure we stay ahead of the rapidly changing landscape. Whilst we work towards maximizing competitiveness and ROI, we will always put into consideration the Social, Economic and Environmental impacts of our activities as these constitute the triple bottom-line upon which our longevity and profitability will stand.



FBN INSURANCE

INTRODUCTION

Insurance is a promise. As a foremost insurance company, it is imperative we project trust and inspire confidence in our products at every touch point. These help in building great relationships which are key for us as a business.

Our Approach

FBN Insurance corporate responsibility and sustainability strategy is aimed at building trust, brand and reputation through effective stakeholder engagement and thought leadership on CR&S. This strategy rides on The FBN Holdings Group Strategy and is expressed via the following strategic pillars:

1. Sustainable Insurance

In designing our products and selling our services, we put sustainable insurance into consideration. Sustainable insurance is a strategic approach wherein all activities in the value chain including interactions with stakeholders and customers are done in a responsible and forward looking way by identifying, assessing, managing and monitoring risks associated with environmental, social and governance issues.

2. People Empowerment

Our workforce is our most cherished asset. We remain committed to nurturing a most efficient, ethical and responsible staff who is constantly motivated, trained and re-trained for personal and organisational growth. In association with our partners, Sanlam Group SA, we are able to keep our workforce up-to-date with global trends in the insurance industry.

3. Community Support

We constantly draw ideas and opinions from our host communities and act on same by designing products and services that suit their needs. We appreciate their hospitality by investing time, effort and our funds in projects that will make life better for everyone in the community.

4. Environmental Sustainability

In doing business, we take cognizance of potential environmental risks with a view to nipping them in the bud. This is done via constant interactions with our stakeholders, driving sustainable insurance and putting necessary frameworks in place towards ensuring that our actions as a corporate entity does not impact negatively on our environment.

Community Support Programmes

1. Breast and Cervical Cancer Screening (in collaboration with Rotary Club)

Breast and cervical cancer are the most common types of cancer affecting women in Nigeria. It is said that cervical cancer on its own kills more women than HIV/AIDS, malaria and tuberculosis combined while breast cancer is the leading female malignancy in the world. According to the recent findings of the international agency for research on Cancer (IARC), striking patterns of cancer in women highlights that priority should be given to cancer prevention and control measures regarding breast and cervical cancer globally.

As with many types of cancer, successful treatment of breast and cervical cancer is linked to early detection. This is why FBN Insurance, in line with a key FBN Holdings strategic pillar on Corporate Responsibility and Sustainability (Community Support), partnered with the Rotary Club of Omole Golden, Lagos, to fund the Breast and Cervical Screening/Vaccination exercise for 500 school girls and market women in select locations in the metropolis. The exercise which held at the premises of Ifako Ijaye Health Centre, Ogba, Lagos, witnessed a large turnout of women from all walks



1



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1. Deputy Head, Retail Distribution, FBNInsurance Limited, Osita Onyeji, addressing the gathering at the RWells Media Mother's Day event.

2. L-R: Member, Benola Cerebral Palsy Initiative, Emeka Dibia, Chief Human Resources Officer, FBNInsurance, Festus Izevbizua, Chief Financial Officer, FBNInsurance, AVM Femi Gbadebo, Convener, Benola Cerebral Palsy Initiative, Johan Schalkwyk, Chief Operating Officer, FBNInsurance, Elizabeth Agugoh, Head, Marketing and Corporate Communications, FBNInsurance, and another member, Benola Cerebral Palsy Initiative at the cheque presentation to the Benola team in Lagos.

of life including senior secondary school girls from neighboring High Schools.

2. **Mother's Day 2016 (in collaboration with R-Wells Media)**

"Motherhood: All love begins and ends there." - Robert Browning.

No one can argue the place of mothers in every home and in every heart. This is perhaps a major reason R-Wells Media, owners of Jive TV, a new generation TV outfit with a strong leaning towards women empowerment and total child development, organised a Mother's Day event to appreciate and reward mothers annually. At this event, mothers (and

their spouses) from all over the country are hosted to a sumptuous evening.

At the 2016 event held in Ikeja, the media outfit celebrated mothers and motherhood with a unique get-together, the high point of which was the announcement of Nollywood star and veteran communicator, Iretiola Doyle, as Mother of the Year. Various health talks focused on women as well as investment ideas to help the home were delivered at the well-attended event.

FBN Insurance corporate responsibility and sustainability strategy is aimed at building trust, brand and reputation through effective stakeholder engagement and thought leadership on CR&S.



3. **Cerebral Palsy Awareness Support (with Benola Cerebral Palsy Initiative)**
Cerebral Palsy is one of the groups of non-progressive, non-contagious limitations of movements that eventually leads to various types of physical disability in affected persons. Its impact can range from a weakness in one hand, to almost a complete lack of voluntary movement.

Benola is a not-for-profit organization working to change the face of Cerebral Palsy in Africa in order to ensure that those living with this unique condition enjoy the best quality of life possible under the circumstances in which they find themselves. The Initiative is focused on professionally networking families, friends, health care professionals, care givers and educators in order to keep them abreast of current trends and options available for better management of Cerebral palsy.

4. **Dress A Child For School Project (in partnership with Jakins NGO)**
This an annual project organized by Jakins Limited, a non-governmental organization based in Lagos geared towards providing basic school items (school uniforms, socks, sandals, school bags etc) to orphaned and vulnerable children in Lagos State. It is held every year on September 8, to commemorate the International Literacy Day. The 2016 edition, being the 7th edition, aimed at reaching 500 children, a figure that was eventually surpassed on d-day. Since inception in 2010, 2,250 orphans and vulnerable children in Lagos State have benefitted from this initiative. In support of the initiative, we part-sponsored the purchase of Stationeries for 500 children.

5. **Adopt-A-Child Initiative**
The Adopt-A-Child initiative is part of our CR&S activities in giving back to the society in which we operate. Early in 2016, we opened offices in select locations in Nigeria, one of which was Abraka, a coastal University town in Delta State. To announce our entry into that location and in line with our Education CR&S strategic objective, we gave scholarships to 50 promising primary school students of Aragba Orogun Primary School, Ughelli LGA, Delta State. The scholarship covers uniforms and notebooks for one session.

We hope to replicate this initiative on an annual basis in other locations in Nigeria where we have our Retail business operations.

3



1. The FBNIinsurance team including MD/CEO, Val Ojumah (2nd left), Johan Schalkwyk (centre), Odinaka Umekwe (2nd right) and Adekunle Adeola (1st right) presenting the cheque to fund the scholarship of 250 indigent students of Aragba Orogbo community to Barr Ndakara, President-General of Aragba kingdom.

Down Syndrome Foundation, Supo Sogelola, Head, Corporate Distribution, FBNI and Elizabeth Agugoh, Head, Marketing and Corporate Distribution, FBNI, during the donation of various items and cash to the Down Syndrome Foundation.

2. L-R: Shola Osho, Head, Business Development, FBNGI, Festus Izevbizua, Chief Financial Officer, FBNI, Bode Opadokun, MD/CEO, FBNGI, Muyiwa Majekodunmi, Administrative Manager,

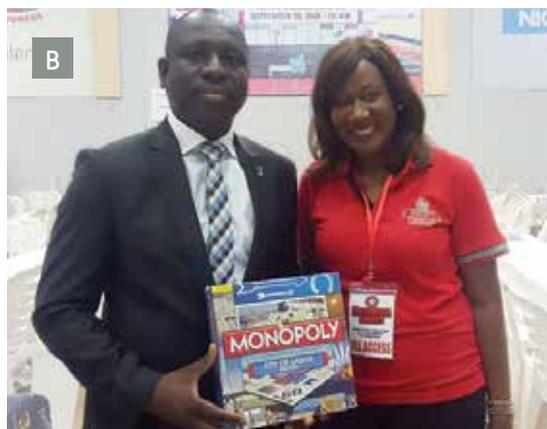
3. The FBNIinsurance team led by Emeka Dibia, Chief Human Resources Office(1st left)r, and Shola Osho, Head, Business Development, FBNGI(2nd right) at the presentation of cheque to the leadership of Rotary Club of Omole Golden in support of the club's Breast and Cervical Screening exercise.

6. 2016 Staff Gift Drive

The FBNI/GI Staff Gift drive is an in-house scheme that encourages members of staff of both companies to donate various items to a common cause. Every yuletide, members of staff contribute several items including toys, food items, groceries, pieces of clothing etc. these items are then donated to a pre-identified charity organization or Home. In 2016, we donated various food items, toys, beverages and a cash amount to the Down Syndrome Foundation.



A



B

A. Marketing & Corporate Communications team with students at the jointly sponsored NSE Essay Competition.

B. Tunde Lawanson, Marketing Services Manager, FBN Holdings; Nimi Akinkugbe, CEO Best Man Games at City of Lagos Under 17 Monopoly Championship,



Community Support **Score Card**

	OBJECTIVE/ PROGRAMME MEASURE	THIS YEAR'S ACCOMPLISHMENT	MEASURE	NUMBER OF PEOPLE REACHED/BENEFICIARIES	2017 TARGETS
1. Infrastructure Development Programme	Promoting and Supporting Infrastructure Development in Schools and the Society	Support to Remi Babalola Red Cross Clinic in its humanitarian objective of providing medical intervention for the less financially endowed.	Number of projects and number of people that benefitted from the projects.	Total of 7,822 in and out patients were provided with medical intervention through the clinic in 2016.	Rehabilitation of all existing infrastructural projects in universities.
2. Hope Rising Initiative	Engender Inclusivity & Diversity through education, advocacy & Skills Acquisition	<p>Consistent partnership with the Down Syndrome Foundation Nigeria</p> <p>Supported DS Annual Awareness Week, Inter House Sports Competition, provided advert support for World Down Syndrome Day.</p> <p>Support to Para-Badminton Sports and provided medical intervention for fifth year university student with kidney ailment.</p> <p>Supported and participated in the Nigeria Society for the Blind on their fitness walk for sight, CBA Foundation widows advocacy walk and Cerebral Palsy on the commemoration of the World Cerebral Palsy Day.</p> <p>#GivingTuesday</p> <p>Several one-off projects designed to add value to the lives of stakeholders and ensure their inclusion into mainstream society.</p>	Number of people reached	<p>Demonstrated care and support for children with down syndrome at the DSFN resource centre numbering over 200. Advert provided public enlightenment on the DS disorder to hundreds of thousands of Nigerians who saw the advert.</p> <p>2 persons and thousands of people who were inspired by their story of ability existing in disability and tenacity in spite of daunting odds.</p> <p>Advocacy and public enlightenment through the walk were made to thousands of Nigerians on the plight of the physically challenged, persons with cerebral palsy and plight of indigent widows.</p> <p>Twelve care homes were reached in Lagos Port Harcourt and Abuja and gift items in the form of toys, clothes, stationeries and toiletries were donated to the care homes</p>	<p>Increase support to the DSFN to an 80% rating.</p> <p>Reach out to about 50 physically challenged persons by hosting an event to impact their lives.</p> <p>To provide support and partnership with at least fifteen NGOs and thereby reaching out to 25,000 persons with different physical challenge.</p> <p>To reach up to 20 care homes in more locations across the country with increase in staff participation in the #GivingTuesday initiative.</p>
3. Youth Leadership & Development Initiative	Provide platform & relevant tools for youth to imbibe qualities of great leadership	Partnered with and supported Junior Achievement Nigeria in the Company Programme by sponsoring four students to Harare Zimbabwe to participate in the Africa regional competition of the company programme.	% of positive feedback from participants. Number of youths that participated in the different youths initiatives and reach via the mainstream media and digital media	The company programme is designed to develop entrepreneurial skills amongst youths through the organization and operation of an after-school business enterprise. In the mid and long term, this will lead to the socio-economic development	Empowerment of over 10,000 youths via several platforms.

	OBJECTIVE/ PROGRAMME MEASURE	THIS YEAR'S ACCOMPLISHMENT	MEASURE	NUMBER OF PEOPLE REACHED/BENEFICIARIES	2017 TARGETS
		Partnered and supported League of Abiriba Professionals (LeAP) Abiriba in the establishment of the Abiriba Skills and Enterprise Centre.		of the country especially in the youth driven sectors. The Abiriba skills and Entrepreneurial Centre will benefit youths in Abiriba community and its environs numbering hundreds once completed.	Partnership and support of five youth organisations
4. Future First Programme	Ensure Financial Literacy and Career Counseling for Young Ones	Partnership with JAN on financial literacy as one off at Meadow Halls School Lekki. Commemoration of the Financial Literacy Day and the World Savings Day. FutureFirst volunteering programme currently ongoing in Port Harcourt and Abuja.	Number of Students Impacted	About 10,000 students impacted with knowledge of financial literacy World Savings Day held in different locations of the country and saw staff of different regions teaching students of assigned schools financial literacy.	To hold programme in other parts of the country including Lagos, Enugu and other parts of the country
5. Educational Endowment Programme	Enhance sustainability & academic excellence towards long-term development of Nigeria	FUTA Endowment Samuel Asabia Endowment of the University of Lagos University of Uyo Endowment First Bank Sustainability Centre Plans are currently ongoing for renovation of dilapidated infrastructures in universities converted from endowment programmes.	No of people impacted	Over 6,000 people impacted About 30 persons impacted through the Sustainability Centre workshop for NGOs.	Endowment when fully commenced will reach out to an approximate 35,000 students and lecturers of the University of Uyo and University of Lagos.
6. Employee Giving and Volunteering	Provide a platform for employee giving, volunteering and engagement	Volunteering on Future First held in Port Harcourt and Abuja. Employee Giving held during the Armed Forces Remembrance Day and Giving Tuesday	No. of volunteering Hours and number of people impacted	38,000 hours Staff turned out en mass to procure the Armed Forces Remembrance emblem in support of the Fallen Heroes Project and donated gift items during the Giving Tuesday for the less privileged.	42,000 hours Funds realized through the sales of the Armed Forces Remembrance emblem were donated to the Fallen Heroes project. To raise funds for the same project 50% more than the previous year through timely staff engagement and ease of access of emblem sales. Giving Tuesday to target 20 orphanages in three orphanages each in each geopolitical zone in the country and five IDP camps in the North Eastern part of the country.



Sustainable Development Goals: An Awareness & Education Approach

Of the 17 SDGs, five are more related to our business and sustainability approach which include driving sustainable finance and investments; empowering people; supporting our communities and sustaining the environment



What are SDGs?

The Sustainable Development Goals (SDGs) as the new global development framework were adopted by heads of states of 193 countries at the 70th session of the UN General Assembly in September 2015.

The SDGs are a set of 17 integrated goals and 169 time-bound targets to end poverty, fight inequality and injustice, and tackle climate change by 2030.

They are built on the Millennium Development Goals (MDGs), which were implemented mostly in developing countries from 2000 to 2015.

The SDGs are designed to continue where the MDGs left off and have been regarded as the platform that will propel the transformation of the world in the next 15 years.

Ms. Amina Mohammed, the current Deputy Secretary-General of the United Nations, and former Minister of Environment of Nigeria, played a crucial role in developing the SDGs.

SDGs: What is Our Role?

Of the 17 SDGs, five are more related to our business and sustainability approach which include driving sustainable finance and investments; empowering people; supporting our communities and sustaining the environment

The five SDGs are:

Goal 2: End Hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3: Good health & wellbeing – Ensure healthy lives and promote wellbeing for all at all ages

Goal 4: Quality Education – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Goal 5: Gender Equality – Achieve gender equality and empower all women and girls

Goal 8: Decent work and economic growth – promote sustained, inclusive economic growth full and productive employment and decent work for all.

We have started our awareness and education journey by engaging and partnering with NGOs; government and the private sector such as Junior Achievement, Pan-Atlantic University and Ministry of Environment.

Our Approach

Our approach is two-fold: drive education and engagement internally on the one hand as well as create awareness and engage external stakeholders.

INTERNAL:

- We have begun our internal engagement approach through the deployment of specially designed flier. The key messages include:
- Highlighting the five goals and how they are related to our business and sustainability objectives.
- Staff competitions to facilitate engagement
- Employees sharing their unique experiences regarding SDGs

EXTERNAL:

- Through partnerships, we have employed a two-pronged approach to educating and engaging our external stakeholders:
- Educate students in secondary schools through the financial literacy and career counseling of the Future First programme
- Promote the SDGs through the First Bank Sustainability Centre
- Drive engagement via our digital platforms.

FINANCIAL INCLUSION & SDGs

Financial inclusion simply means that customers have ready access to formal financial services such as deposits and savings accounts; payment services and loans. Through one of FirstBank's financial inclusion platforms (FirstMonie) access to financial services by the unbanked rose to above million subscribers in 2016.

Available evidence shows that from the perspective of Sustainable Development Goals (SDGs), financial inclusion focuses on human development and empowerment. Financial inclusion gives people the means to improve their lives. Here are a few instances. Having access to bank accounts reflects in the choices that people make: women use proceeds from their businesses to invest in their households; families take care of education needs from savings and remittances from abroad; farmers produce improved crop yields due to relevant financial products they get.

Financial inclusion goes beyond improving individual lives through cash payments to digital payments such as digital social transfers and government wages capable of providing access to millions of adults in emerging economies through the formal financial system. These examples demonstrate how financial inclusion serves as an enabler to achieving SDG 1: 'Eliminating extreme poverty'; SDG 2: 'reducing hunger and promoting food security'; and SDG 4: 'fostering quality education'

It's evident that for us to reduce poverty and foster development, it's important for us to explore innovative ways to provide access to formal financial services for about 2 billion unbanked adults in the world.



10

Sponsorship Platforms

...At the heart of our sponsorship drive lie our consistent and impacting efforts in the Arts space. First@arts Initiative is our key platform in our empowering journey.



We are supporting the entire value chain of the creative arts, providing much needed financing and advisory services, showcasing and facilitating the successes of the industry, and enabling our customers explore the wealth of opportunities the creative industry has to offer.

First@arts Initiative is FirstBank's platform for consolidating its efforts in the arts space. Following the rebasing of the economy in 2014, the creative industry was identified as a major contributor to economic growth, contributing about 1.42% to the national GDP, with huge potential for reducing the rate of unemployment in Nigeria.

FirstBank is supporting the entire value chain of the creative arts, providing much needed financing and advisory services, showcasing and facilitating the successes of the industry, and enabling our customers explore the wealth of opportunities the creative industry has to offer. In line with this, FirstBank has established First@arts, an initiative under which the Bank consolidates all its efforts in the arts.

Through First@arts, FirstBank is able to better meet the growing business, occupational and entertainment needs of her customers. It is another platform through which the Bank ensures that we put the customer First'.

In driving this initiative FirstBank partnered with British Council and The Lork Enterprise, managers of Freedom Park who are recognized for their roles in sustaining the arts in Nigeria.

The British Council is the world's leading cultural relations organization, a component of international relations which focuses on developing people-to-people links and complements government-to-people and government-to-government contact. Using English, Arts, and Education and Society – considered the best of UK's great cultural assets – to bring people together and to attract partners to working with the UK.

Freedom Park is a Memorial and Leisure Park dedicated to the preservation of Lagos heritage and history of the Old Board Street prison.

The park provides venues and grounds for theatre performances, events and recreational entertainment, with relevant facilities including an open Air Stage, Amphi-theatre, Food Court, Museum Complex and the Wole Soyinka Art gallery.



In driving this initiative FirstBank partnered with British Council and The Lork Enterprise, managers of Freedom Park who are recognized for their roles in sustaining the arts in Nigeria



Projects under First@arts in 2016

Lagos Theatre Festival- Lagos Theatre Festival is a yearly performing arts festival created by British Council in line with the vision to transform Lagos state into a theatre capital for sub-Saharan Africa by 2024, and as a platform for growing performing art industry in Nigeria.

The Festival was inaugurated in 2013 with only four companies performing at the festival while in 2014 the festival hosted six companies, by 2016 the outcome was outstanding with over forty companies participating to create 100 performances within 6 days across 15 unconventional venues across including Freedom Park, Muson Center, Terra Kulture and the University of Lagos and was well attended by a greater number of performing arts lovers and artists. The event held between the 23rd to the 28th of February, 2016, In addition to the theatric performances there were 6 outstanding workshops with performing arts professionals and students which created room for mentorship and skills development. FirstBank through the First@arts initiative partnered with British Council in this years festival.



First@arts Monthly Engagement:

Right after the Lagos Theatre Festival in February 2016, monthly sessions were held at the partner location, Freedom Park for entrepreneurs looking to grow their businesses, hone their skills and grow capacity in their area of specialty within the arts. These monthly sessions are held in small numbers, for impact, hosting about 50 or more guests each month. Five of these sessions have held so far in 2016 reaching out to over 300 attendees onsite, and over 500,000 on print and social media.

FirstStars:

FirstBank partnered with Ebony Live Television to develop and broadcast a 6 episode talent program called First Stars. The show seeks to find and nurture creative talent in the film making business (Directors, Producers, Director of Photography, Actors and Scriptwriters). First Stars will document the journey from auditions to the production of a 60-minute feature film premiered by FirstBank, to be shown on television and in theatres.

With First Stars, viewers will be exposed to more aspects of the film industry than they may be aware of. We know that there are many uncelebrated roles that are integral to the entire process of film making, we will use the First Stars tv show to help viewers see the many undiscovered opportunities within the film industry. While we are auditioning for Directors, Producers, Actors, Scriptwriters and DOP's we go a step further. First Stars provides the opportunity to expose Nigerians to the role of set designers, costume



designers, acting coaches, set coordinators and other careers that may not make it on screen. This is another way we put our customers first – by exposing them to opportunities that could facilitate the realization of their dreams.

Through these sessions and engagements FirstBank has contributed immensely to the development human capacity and skills development in the arts industry. FirstStars for instance will produce writers, art directors, producers, actors who are ready to join the growing Nollywood industry and continue to contribute to an evolving entertainment industry with huge potentials for boosting national income and global recognition.



First@arts
A FirstBank Initiative

Nailing Auditions



HOW TO BE THE BEST CANDIDATE FOR AN AUDITION

- Wednesday 29th June, 2016
- Kongi's Harvest Gallery, Freedom Park, Old Hospital Road, Lagos Island, Lagos
- 11:00am

Through First@arts, FirstBank supports the entire value chain of the creative arts, providing much needed financing and advisory services, showcasing and facilitating the successes of the industry, and enabling our customers explore the wealth of opportunities the creative industry has to offer.

This months First@arts interactive session is focused on helping budding talents in the performing arts and movie industry excel at auditions and achieve their dreams of becoming stars...another way we put the customer First.

Strictly by invitation.

FIRSTBANK IS AN FBN HOLDINGS COMPANY



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-You First-



FirstBank
Since 1894

Guest Speakers

Ayoola Opere (EbonyLife TV)

Folarin Olukunle (EbonyLife TV)

Chico Ejiro (Director/Producer, Nollywood)



11

Contributing to Environmental Sustainability

...Part of the Group's long-term approach to sustainability is minimising its direct and indirect impact on the environment. This has informed the Group's efforts in partnering with key stakeholders in environmental conservation.



Environmental sustainability remains a key strategic pillar of our corporate responsibility & sustainability.

Environmental Sustainability

Environmental protection is about adopting effective ways in operating our business ensuring that natural resources and the climate are conserved and well protected. We believe that the sustenance and survival of the Group is greatly dependent on the sustainability of the environment and communities where we operate. As in 2015, environmental sustainability remains a strategic aspect of our corporate responsibility & sustainability in 2016.

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. Below is our approach to minimizing carbon footprints:

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:

Tree planting initiatives

Responsible Lending:

The indirect impact of our activities focuses largely on responsible lending. Responsible lending is about holding our customers to account by ensuring that the customers/clients we lend to minimize their environmental impacts in their business operations through our environmental, social and governance management frameworks. For details please see (Driving Sustainable Finance & Investments).



...The conservation initiative employs the tree planting and students' conservation clubs as vehicles to drive environmental protection and conservation.

Promoting Environmental Responsibility

Part of the Group's long-term approach to promoting environmental sustainability is through partnership with committed and reputable organisations dedicated to environmental conservation.

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. FirstBank has an on-going partnership with NCF and actively supports its activities annually in its conservation and preservation of wildlife and biodiversity.

FirstBank Conservation Initiative

The FirstBank Conservation initiative is one of the key programmes of the Bank and is part of our longterm approach to promoting sustainability which involves minimizing our direct and indirect impacts on the environment. The conservation initiative employs the tree planting and students' conservation clubs as vehicles to drive environmental protection and conservation (Please see details on stakeholder engagement and partnership section).







12

Standards and Codes

...Our commitment to international standards has made us adopt only principles that can be supported by the relevant frameworks as well as those that are strategically aligned to our business.



To further drive our performance and demonstrate our commitment to integrating corporate responsibility and sustainability into our business strategies and management processes, we have continued to adopt relevant frameworks, guidelines and standards in line with global best practice. Below are some of the adopted key codes and standards by the organisation.

ISO 26000

ISO 26000 provides guidance on how businesses and organisations can operate in a socially responsible way. This includes acting in an ethical and transparent way that contributes to the health and welfare of society, and 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 FBNHoldings, is a technical partner in the Nigerian adoption process labelled 'ISO 26000: NAP', which began in 2013. As a technical partner, we are fully committed to the seven key underlying principles of social responsibility and the seven core subjects of ISO 26000 guidance. These are centred around: accountability; transparency; ethical behaviour; respect for the rule of law; respect for international norms of behaviour; 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 plan to comply fully with the guidance in 2017.

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES

The Global Reporting Initiative is the most widely used sustainability reporting framework in the world. It

provides a platform for all companies and organisations to report on their economic, environmental, social and governance performance. It provides an opportunity for organisations to measure, understand and communicate this information. GRI is an international, not-for-profit, network-based organisation. Its activity involves thousands of professionals and organisations from many sectors, constituencies and regions. GRI promotes the use of sustainability reporting to enable organisations not only to become more sustainable, but also to contribute to sustainability at the macroeconomic level.

FirstBank adopted the GRI 4 reporting framework for its sustainability reporting in 2015. Please see link below for the report:

https://www.unglobalcompact.org/admin/organizations/18534/communication_on_progresses/330801

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 FirstBank of Nigeria, a subsidiary of FBNHoldings, is a member.

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,



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.

banks and other related financial institutions. FirstBank is a member of the steering committee responsible for providing implementation guidance on the NSBP for signatories to the principles.

In 2015 as in the previous year, we have worked towards meeting the requirements of the principles. While there has been a general improvement regarding the requirements (such as beginning the process

of putting in place a performance management and reporting tool); we have made reasonable progress especially in four of the nine principles. These are principles one, four, seven and eight. In principle one for example, the Board of Directors did not only approve the use of the document, but also potential transactions were truly screened for ESG risks and tracked. We plan to improve on our performance in 2016. Below is the status update.

NIGERIAN SUSTAINABLE BANKING PRINCIPLES IMPLEMENTATION UPDATE

Principle	Requirements	Status Update
<p>Principle 1: Our Business Activities: Environmental and Social Risk Management</p> <p>We will 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 environment and social (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) document has been developed. ■ This document has been reviewed and signed by relevant stakeholders in the Bank. Framework for implementation has also been developed. ■ The ESGMS is now being used to screen credit transactions. ■ Group Heads and relationship managers (RMs) have been trained on responsible lending including technical and compulsory areas as part of implementation of the ESGMS. ■ A total of 133 transactions worth N559,134,950,000 have been screened and assessed for ESG risks for FirstBank.

Principle

Requirements

Status Update

Principle 2: Our Business Operations: Environmental and Social Footprint

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.

- Development of an environmental management programme with facilities management, to 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

- Print optimisation monitoring team has fully put in place with staff of the CR&S to chair and observe paper usage by other members of staff. Reduction in printer access by staff especially colour printing
- Increase in the use of conference calls rather than travelling to attend meetings, thereby minimising fuel consumption and carbon emission from vehicles
- The Bank has an ongoing partnership with the Nigeria Conservation Foundation and is presently a corporate member of the Foundation. As a result, the Bank supports all its programmes and activities targeted at bio-diversity and wild life preservation. This is in addition to the Bank's Conservation Initiative which has employed Tree Planting and conservation clubs to drive environmental protection and conservation.
- We are implementing community development programmes to promote positive impacts on stakeholders including Infrastructural development, FutureFirst, HopeRising Programme, Youth Development Programmes, etc.

NIGERIAN SUSTAINABLE BANKING PRINCIPLES IMPLEMENTATION UPDATE **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"> ■ Our respect for human rights forms a major part of our ESGMS <p>As part of implementing the Bank's ESGMSs policies which also entails the promotion of human rights, a total of 2,534 staff including 1,804 RMs, 682 BMs and 48 GHs were trained on responsible lending including the technical compulsory areas. This is to enable them familiarize themselves with the ESGMS doc and the ESGMS screening checklist amongst others.</p> <p>Also, Contents of the Bank's code of conduct includes: Fair treatment of stakeholders.</p> <ul style="list-style-type: none"> ■ The Group maintains an organisational culture that encourages an open line of communication between subordinates and superiors ■ We maintain a fair and efficient procedure for resolving disputes within the Bank and ensuring disciplinary measures that are fair and effective without breaching labour laws or standards.

Principle

Requirements

Status Update

Principle 4: Women's Economic Empowerment

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.

- Development and implementation of a women's economic empowerment policy:
- Establishment of a women's economic empowerment committee
- Development of initiatives and programmes to promote and celebrate women's empowerment
- Investment and dedicated resources for female talent
- Support of the establishment of a sector-wide women's empowerment fund

- The Group's Corporate Responsibility & Sustainability policy covers this principle.
- This policy includes: Maternity leave policy, study leave policy, training policy, career mobility policy as well as access to health care for spouse and offspring etc.
- Also, the Bank has initiated Firstgem, a product that is ideal for all women aged 18 years and above, whether working professionals or entrepreneurs and comes in 2 variants, savings and current account. Benefits of the account includes:
 - Access to select Leadership programmes/workshops/trainings on women empowerment
 - Access to business development advisory services for accessing CBN/BOI intervention funds at single digit interest rates
 - Business skills on wealth management and investment plans
 - Advisory services to access the CBN N220bn MSME intervention fund at 9%, which provides for 60% of the fund to be availed to women entrepreneurs
 - Access to annual medical and health programs/events sponsored by the Bank for women
 - Over N256M was spent on capacity building for women in 2016.

NIGERIAN SUSTAINABLE BANKING PRINCIPLES IMPLEMENTATION UPDATE 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 have limited or no access to the formal financial sector.</p>	<ul style="list-style-type: none"> ■ Development and implementation of a financial inclusion policy ■ Provision of 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 forms part of the Group's Corporate Sustainability policy. ■ Promoting financial literacy through FutureFirst, participation in the Financial Literacy and World Savings Days and several other programmes. ■ 302,095 persons received financial services or products for the first time with platforms such as Firstmonie and First Instant platform and other such resources. ■ The Bank has 50 branches that has access for physically challenged persons. ■ 13,194 students impacted with knowledge of financial literacy via one-off financial literacy events, participation in the financial literacy day and participation in the world savings day.
<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"> ■ Establishment of E&S governance responsibility ■ Development of institutional E&S governance practices ■ Active support of key industry initiatives that aim to address E&S governance issues with clients operating in sensitive sectors ■ Implementation of E&S performance-linked compensation and incentive schemes ■ Establishment of internal and, where appropriate, external E&S audit procedures 	<ul style="list-style-type: none"> ■ We have developed sustainability governance chaired by the Chief Risk Officer ■ We are a member of the NSBP steering committee. ■ External audit conducted to review the bank's compliance with sustainable banking principles



Principle

Requirements

Status Update

Principle 7: Capacity Building

We will develop the individual, institutional and sector capacity necessary to identify, assess and manage the environmental and social risks and opportunities associated with our business activities and operations.

- Identification of relevant roles and responsibilities for delivery against sustainable banking commitments
- Provision of sustainable banking training sessions
- Creation of practical E&S training tools and resources
- Multi-stakeholder capacity building

- Board and executive management have been trained on sustainability
- We continue partnering with NSBP and IFC in training key staff. We have plans within the Group to ensure each staff is trained in sustainability
- The bank has been actively engaged in awareness and education of the Sustainable Development Goals through various channels both internally and through our social media platforms. Group Heads and Relationship Managers were trained on responsible lending and other key compulsory areas.
- Also, a capacity building workshop for MSMEs in partnership with the Nigeria British Chamber of Commerce was organised as part of the Bank.

Principle 8: Collaborative Partnership:

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.

- Collaboration and coordination with other banks
- Convening of sector-wide workshops and events
- Commitment to international standards and best practice initiatives
- Establishment and participation in Nigerian sector-level initiatives

- A member of NSBP steering committee
- Participation in industry-wide workshops
- Member of the United Nation Nations Global Compact (UNGC: submitted 2015 COP report). The Bank has participated in developing a work plan for the local network aimed at energising the activities of the network among business actors in Nigeria and encouraging non-participants to adopt the UNGC principles.

NIGERIAN SUSTAINABLE BANKING PRINCIPLES IMPLEMENTATION UPDATE **contd.**

Principle	Requirements	Status Update
<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 levels.</p>	<ul style="list-style-type: none"> ■ Establishment of a sustainable banking reporting template ■ Setting of clear targets and relevant performance indicators ■ Ensuring the necessary systems are in place to collect data ■ Agreement on the frequency, nature and format of internal and external reporting ■ Contribution to sector-level reporting. 	<ul style="list-style-type: none"> ■ We have developed a reporting template ■ Targets and KPIs are set. Implementation began in 2014 ■ Internal reports are quarterly, external are yearly. The 2013, 2014, 2015 and 2016 corporate responsibility and sustainability reports have been published and distributed to stakeholders. These can be found on FBNHoldings and Investor Relations website under the citizenship page. NSBP half-yearly reports are submitted to the CBN.

UNITED NATIONS GLOBAL COMPACT

The United Nations Global Compact (UNGC) is currently the highest body for corporate citizenship in the world today. The UNGC was established in 2000 to serve as a platform for dialogue, learning and partnership for organisations willing to commit to adopting corporate responsibility as part of their business strategy and daily operations. Since then, it has successfully attracted and mobilised more than 12,000 businesses in over 170 countries across the world to become members.

Membership of the UNGC implies an organisation's willingness to align with UN values and to support initiatives that advance the UN targets as contained in the Sustainable Development Goals. Participants simply commit to aligning their strategies and operations with 10 principles in the areas of labour, human rights, environment and anti-corruption. FBNHoldings has been

a member of the UNGC since 2013. Its membership ensures that all Subsidiaries of FBNHoldings synergise their activities and align their practices to the UNGC principles.

The Group maintains a GC active membership status of the UNGC and has published its Communication on Progress Reports for 2013, 2014 and 2015 on the UNGC website. The 2016 report has also been concluded.

Please see link for the 2016 Communication on Progress Report on the UNGC website. Please use link: https://www.unglobalcompact.org/admin/organizations/18534/communication_on_progresses/330801





13

Awards and Recognition

...We have consistently won awards as well as recognised for our efforts in advancing corporate responsibility & sustainability.





LEFT:
Oze K. Oze, Head,
Publication & Conferences,
receiving the Best Bank
in Corporate Social
Responsibility awards
organised by BusinessDay.

RIGHT:
A special appreciation award
from the Down Syndrome
Foundation, Nigeria

Best Bank in Corporate Social Responsibility Businessday Banking Awards

BusinessDay Media Ltd is the leading medium for up-to-date news and insightful analysis of business, policy and the economy in Nigeria. A critical decision-making tool for investors and managers, it provides unbiased news and informed analysis on politics, governance, social and economic trends. On an annual basis, the media house organizes awards for corporate organisations who have distinguished themselves in various activities that contribute to Nigeria's socio-economic growth.

The Bank was thus awarded the 'Best in Corporate Social Responsibility' in Nigeria's banking sector in the year 2016 in recognition of its role in promoting corporate responsibility and sustainability through its well-articulated Corporate Responsibility and Sustainability initiatives.

Special Appreciation Awards Down Syndrome Foundation Nigeria

The Down Syndrome Foundation Nigeria is the only non-governmental, not for profit organization catering to the unique needs of people with Down Syndrome in Nigeria. The Foundation has been in existence for over fifteen years having been established by the parent of a child with Down Syndrome. The Foundation is committed to bridging the gap between children and adults with Down Syndrome and the rest of the society through a support system that seeks ultimately to integrate them.

As part of the Bank's Hope Rising Initiative designed to empower people living with disabilities with key objective as engendering inclusivity and diversity through education, advocacy and enlightenment; skills acquisition through training; as well as inclusive events, the Bank maintains an ongoing mutually beneficial relationship with the Down Syndrome Foundation supporting its various activities and initiatives and giving a voice to persons with Down Syndrome. In appreciation of the Bank's efforts, the Down Syndrome Foundation in 2016 bequeathed an award to the Bank in appreciation of the Bank's love for humanity and commitment towards the economic and social advancement of persons with special needs.





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About the report

scope and boundary

Reporting Year

Information in this report is related to the fiscal year 2016. That is between the months of January 2016 and December 2016.

Scope

This report covers FBN Holdings non-financial performance and impact relating to the Group's corporate responsibility work in the financial year 2016. The report covers material issues regarding corporate responsibility & sustainability 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

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

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

As in 2015 report, we are employing the standards of the Nigerian Sustainable Banking Principles (NSBPs); the United Nations Global Compact as well as the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.

In addition, the 2016 CR&S report has been independently assured.

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 & sustainability 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
- Quarterly submission of corporate responsibility & sustainability reports to Central Bank of Nigeria.

Feedback

Your feedback on the report and FBN Group Corporate Responsibility & Sustainability approach is welcomed.

Please email your comments to

citizenship@fbngroup.com;
folake.ani-mumuney@firstbanknigeria.com;
ismail.i.omamegbe@firstbanknigeria.com

or you can write to us on the following address:

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The Head, Corporate Responsibility & Sustainability
Marketing & Corporate Communications Department
FirstBank of Nigeria Limited,
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FirstBank Performance Management Metrics

Sustainable Finance & Investments

KEY PERFORMANCE INDICATOR

JAN - DEC 2015

JAN - DEC 2016

Total number of transactions approved during reporting period	766	585
Total value of the transactions (N)	2,602,739,963,000	1,142,801,870,000
Number of transaction screened/asses for E&S risks	32	133
Value of transactions assessed for ESG risks (N)	171,032,918,000	559,134,950,000
Percentage of portfolio screened/assessed for E&S risk	27.39	23
Number of clients or relationships exited for poor performance, on-compliance with agreed E&S Action plans, or breach of loan documentation covenants/ conditions	NIL	NIL
Number of loans made to women (Women-led businesses)	-	14,768,475,335

People Empowerment

Number of female staff	2983 ⁺	2868 ⁺
Total percentage of female staff	40% ⁺	39% ⁺
Number of physically challenged employees in the workforce	15	15
Number of employee trainings (during reporting period)	66 courses	74 courses
Number of employees trained on Sustainability (during reporting period)	16	1541
Total expenditure on capacity building for female employees	N301m	N152,035,368.30
Average employee age	37	38
Average training hours	282,917	222,628
% of male to female employees	61.39	61

Performance Management and Reporting is a key component of the FBN Holdings' strategy, as it enables the Group to be able to effectively measure, manage and report its Corporate Responsibility and Sustainability performance and also meet its NSBP obligations which include reporting a wide range of metrics.

	KEY PERFORMANCE INDICATOR	JAN - DEC 2015	JAN - DEC 2016
Community Support	Total value of Community support programs (N)	127,309,400.00	N14.5m
	Total number of people impacted by programs	27500	Over 25,122
	Total number of employees involved in voluntary communities activities	350	117
	Total time (hours) spent by employees in voluntary communities activities	34550	38000
Environmental Sustainability	Number of buildings/branches and facilities in use by the bank	819	796
	Total number of employees	7616	7300
	Total amount of electricity purchased from the national grid in Gwh or Kwh	115,702.45	709,883.85
	Total amount used per employee in kilowatts hour	1,985.04	479.98
	Total litres of fuel used to run the Generator	963,089	2,981,826.00
	Total litres used per employee	993.60	2,025.17
	Number of ATMs powered by alternative sources of energy (eg solar energy)	120	8
	Total paper consumption in kilograms	58,716.06	247,073.40



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GRI Content Index

General Standard Disclosures

General Standard Disclosures

G4 INDICATOR AND DMA	DESCRIPTION AND DISCLOSURE	COMMENTS	PAGE NUMBER
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ORGANIZATIONAL PROFILE			
G4-3	Name of the organization	FBN Holdings	Cover Page; Our Business at a Glance
G4-4	Primary Brands, Products and Services	Our Business at a Glance; Sustainable Finance & investment	5, 31
G4-5	Location of the Organization's Headquarters	Our Business at a Glance; Back cover	5, 7
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G4-13	Organizational changes during the reporting period	Corporate Governance; GMD's Letter (FBN Holdings 2016 Annual Report & Accounts)	Annual Report 2016

G4 INDICATOR AND DMA	DESCRIPTION AND DISCLOSURE	COMMENTS	PAGE NUMBER
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G4-17	Entities included in the financial statements	Financial Highlights; performance FBN Holdings 2016 Audited Financial Report	Annual Report 2016
G4-18	Process for defining report boundaries and content	About the Report: scope & boundary; Engaging our Stakeholders	87, 21
G4-19	Material aspects included in the report	About the report: scope & boundary; Engaging our Stakeholders	87, 21
G4-20	Descriptions of material aspect boundaries within the organization	About the report: scope & boundary; Engaging our Stakeholders	87, 21
G4-21	Descriptions of material aspect boundaries outside the organization	Engaging our Stakeholders; Defining Materiality Matrix	21, 25
G4-22	Any restatements of information provided in previous reports	There are no restatements of information in previous reports	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect boundaries	There are no significant changes from previous reporting periods in the Scope and Aspect boundaries	

STAKEHOLDER ENGAGEMENT

G4-24	List of stakeholders groups engaged	Engaging our Stakeholders	21
G4-25	Basis for identification and selection of stakeholders	Engaging our Stakeholders; Defining Materiality Matrix	21, 25
G4-26	Approach to Stakeholder Engagement	Engaging our Stakeholders	21
G4-27	Topics raised during stakeholder engagements	Engaging our Stakeholders; Driving Sustainable Finance & Investments; Handling Customer Complaints	21, 31,32

G4 INDICATOR AND DMA	DESCRIPTION AND DISCLOSURE	COMMENTS	PAGE NUMBER
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G4-28	Reporting Period	January 1 to December 31, 2016	
G4-29	Date of most recent report	Adoption of GRI Sustainability Reporting Standards and Guidelines	90
G4-30	Reporting Cycle	Annual	
G4-31	Reporting Contact	Contact Information	87
G4-32	The G4 'in accordance' option chosen	Core	
	GRI Content Index	GRI Content Index Data Table	90
G4-33	External Assurance Report Policy regarding report assurance	Independent Assurance Statement Ernst & Young carried out an independent external assurance on this report (Independent Assurance Statement)	97
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G4-34	Governance structure of the organization	FBN Holdings Corporate Governance	27
ETHICS AND INTEGRITY			
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CATEGORY: ECONOMIC			
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G4-DMA	Generic Disclosure on Management Approach	(2016 FBN Holdings Annual Report & Accounts); Market place; our business model; what makes our business model sustainable	Annual Report 2016
G4-EC1	Direct economic value generated and distributed	(2016 FBN Holdings Annual Report & Accounts); Financial Highlights	Annual Report 2016
Aspect: Market Presence			
G4-DMA	Generic Disclosure on Management Approach	Empowering people	41
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	Empowering people: Employee Empowerment, Engagement & Inclusive Workplace	41

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G4-DMA	Generic Disclosure on Management Approach	Sustainable Finance & Investments	31
G4-EC7	Development and impact of infrastructure investments and services supported	Sustainable Finance & Investments: promoting financial inclusion, putting our customers' needs first; Our Social Role(2016 FBN Holdings Annual Report & Accounts)	31 Annual Report 2016
Aspect: Procurement Practices			
G4-DMA	Generic Disclosure on Management Approach	Sustainable Procurement	34
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Building Supplier Relationships (2016 FBN Holdings Annual Report & Accounts)	Annual Report 2016
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G4-EN6	Reduction of energy consumption	Environmental Sustainability	71
Aspect: Emissions			
G4-DMA	Generic Disclosure on Management Approach	Contributing to Environmental Sustainability	71
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Initiatives to minimize waste	71
Aspect: Effluents and Waste			
G4-DMA	Generic Disclosure on Management Approach	Contributing to Environmental Sustainability	71
G4-EN23	Total weight of waste by type and disposal method	Initiatives to minimize waste	71
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G4-EN30	Significant environmental impacts of transporting products and materials for the organization's operations, and transporting members of the workforce	Contributing to Environmental Sustainability; FirstBank Performance Management Metrics	71 88
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G4-DMA	Generic Disclosure on Management Approach	Empowering people: Employee Empowerment, Engagement & Inclusive Workplace; Enhancing Human Rights through Collaborative Partnerships	41
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Enhancing Human Rights through Collaborative Partnerships	41
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Aspect: Grievance Mechanisms for Impacts on Society			
G4-DMA	Generic Disclosure on Management Approach	Supporting our Communities; Engaging our stakeholders	45, 21
G4-SO11	Grievances about impacts on society filed through formal grievance mechanisms during the reporting period	Supporting our Communities; Engaging our stakeholders	45, 21
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
Aspect: Product and Service Labeling			
G4-DMA	Generic Disclosure on Management Approach	Promoting financial Inclusion, putting our customers first;	31
G4-PR5	Results of surveys measuring customer satisfaction	Measuring our service performance (2016 FBN Holdings Annual Report & Accounts)	Annual Report 2016
Aspect: Marketing Communications			
G4-DMA	Generic Disclosure on Management Approach	Marketing Communications	36
G4-PR7	Marketing communication and regulation	Marketing Communications	36
Aspect: Customer Privacy			
G4-DMA	Generic Disclosure on Management Approach	Information Security & Customer Privacy	34
G4-PR8	Complaints regarding breaches of customer privacy and loses of customer data	Information Security & Customer Privacy	34
Aspect: Compliance			
G4-DMA	Generic Disclosure on Management Approach	Ethics & Compliance; Compliance Risk (2016 FBN Holdings Annual Report & Accounts)	Annual Report 2016
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		



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Independent Assurance Report

TO THE DIRECTORS OF FIRST BANK OF NIGERIA
FOR THE YEAR ENDED 31 DECEMBER 2016



EY

Building a better
working world

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We have completed our independent assurance engagement to enable us to express our limited assurance conclusions on whether specified Key Performance Indicators (“KPIs”) of FBN contained in the FBN Holdings Sustainability Report (“the Report”) for the year ended 31 DECEMBER 2016, has been prepared, in all material respects, in accordance with managements’ criteria as derived from the GRI G4 reporting guidelines:

G4-LA12: Composition of Governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.

- Total number of female staff (Page 88)
- Total percentage of female staff (Page 88)

The specified KPIs noted above have been highlighted for identification purposes in the Report through the symbol “+”.

Our responsibility in performing our independent limited assurance engagement is to First Bank of Nigeria only and in accordance with the terms of reference for this engagement as agreed with them. To the fullest

extent permitted by law, we do not accept or assume responsibility to anyone other than First Bank of Nigeria, for our work, for this report, or for the conclusions we have reached.

Directors’ Responsibility

The directors are responsible for implementing a stakeholder engagement process to identify all relevant stakeholders, to identify key issues, to respond appropriately to key issues identified, to determine those key performance indicators which may be relevant and material to the identified stakeholders, and to design and apply appropriate sustainability reporting policies. The directors are also responsible for the preparation and presentation of the Report and the information and assessments contained in the Report in accordance with the relevant criteria. This responsibility includes: designing, implementing and maintaining appropriate performance management and systems to record, monitor and improve the accuracy, completeness and reliability of the sustainability data and to ensure that the information and data reported meet the requirements of the relevant criteria, and contains all relevant disclosures that could materially affect any of the conclusions drawn.



Assurance Provider's Responsibility

Our responsibility is to express our limited assurance conclusions on the specified KPIs in the Report based on our independent limited assurance engagement. Our independent limited assurance engagement was performed in accordance with The International Framework for Assurance Engagements and International Standards on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000) developed by the International Auditing and Assurance Standards Board and in accordance with The International Standard on Assurance Engagements 3410: Assurance Engagements on Greenhouse Gas Statements under the auspices of the International Federation of Accountants (IFAC). This standard requires us to comply with ethical requirements and to plan and perform our engagements to obtain limited assurance regarding the specified KPIs contained in the Report.

Basis of Work and Limitations

We have complied with the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants, which includes comprehensive independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our engagement was conducted by a multi-disciplinary team of health, safety, social, environmental and assurance specialists with extensive experience in sustainability reporting.

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the subject matter and the purpose of our engagement. In making these assessments, we have considered internal control relevant to the entity's preparation and presentation of the Report and the information contained therein, in order to design procedures appropriate for gathering sufficient appropriate assurance evidence to determine that the information in the Report is not materially misstated or misleading as set out in the summary of work performed below. Our assessment of relevant internal control is not for the purpose of expressing a conclusion on the effectiveness of the entity's internal controls.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods adopted for the definition and gathering of information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

We planned and performed our work to obtain all the information and explanations that we considered necessary to provide a basis for our limited assurance conclusions pertaining to the Report and the specified KPIs, expressed below.

Where a limited assurance conclusion is expressed, our evidence gathering procedures are more limited than for a reasonable assurance engagement, and therefore less

assurance is obtained than in a reasonable assurance engagement.

Summary of Work Performed

Set out below is a summary of the procedures performed pertaining to the specified KPIs which were included in the scope of our limited assurance engagement.

- We obtained an understanding of:
 - > The entity and its environment;
 - > Entity-level controls;
 - > The selection and application of sustainability reporting policies; and
 - > The significant reporting processes including how information is initiated, recorded, processed, reported and incorrect information is corrected, as well as the policies and procedures within the reporting processes.
- We made such enquiries of management, employees and those responsible for the preparation of the Report and the specified KPIs, as we considered necessary.
- We inspected relevant supporting documentation and obtained such external confirmations and management representations as we considered necessary for the purposes of our engagement.
- We performed analytical procedures and limited tests of detail responsive to our risk assessment and the level of assurance required, including comparison of judgmentally selected information to the underlying source documentation from which the information has been derived.

We believe that the evidence obtained as part of our limited assurance engagement, is sufficient and appropriate to provide a basis for our limited assurance conclusions expressed below.

Conclusion

Based on the work performed and subject to the limitations described above, nothing has come to our attention that causes us to believe that the specified KPIs have not been prepared, in all material respects, in accordance with management's criteria as described in the Sustainability Report for the year ending 31 December 2016.

Other matter

The maintenance and integrity of the First Bank of Nigeria Website is the responsibility of First Bank of Nigeria management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to the information in the FBN Holdings Sustainability Report shown on the website, which differs from the content in the printed version.



Samuel Agbevem
Ernst & Young
Lagos, Nigeria

Notes

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