



Committed



FBN Holdings Plc  
Corporate Governance Report 2020



For over a century, we have remained committed to delivering a diverse range of innovative products and services while creating opportunities that provide sustainable value over the long term. In line with this avowed commitment and focus to lead in the digital age, we are leveraging cutting-edge technology to develop and deliver mutually beneficial innovative financial solutions to our customers in an environmentally friendly and sustainable manner. Consequently, we re-organised our workforce, revamped our processes, and currently overhauling, upgrading, and re-modelling our IT infrastructure as an enabler of our digital initiatives.

Our ability to reach the hitherto unbanked and underbanked to seamlessly deliver tailor-made financial solutions, provide multiple financial access and inclusion, even at the height of the debilitating and rampaging COVID-19 pandemic, while embedding flexible working arrangements to improve overall employee experience and productivity, is a testament to the Group's current transformation.

Confident of the on-going improvements in our business, following continuous investments in innovative financial solutions, resulting in improving financial metrics despite the challenges, we continue to forge ahead with vigor and unwavering commitment towards a brighter future.



# INTRODUCTION

At FBNHoldings, corporate governance is the bedrock of our ability to operate in the evolving business environment and deliver long-term sustainable value to all our stakeholders, especially during the uncertainty and instability resulting from the protracted COVID-19 pandemic.

In 2020, the Board remained committed to ensuring that the highest standards of corporate governance were applied throughout the Group, recognising that good governance is critical to achieving our long-term strategy, promoting ethical and responsible decision-making, and ensuring transparency and accountability to all stakeholders.

Recent events have heightened the need for organisations to evaluate the effectiveness of their corporate governance practices in responding to emerging challenges. At FBNHoldings, we will continue to strengthen our corporate governance framework and adapt it to suit current market realities and emerging trends. These include issues relating to changing workplace arrangements and people, cyber security risks, and the adoption of technology to drive the future of our businesses.

The Boards of each operating entity is charged with the responsibility of translating our vision into reality at various levels, while ensuring compliance with industry-specific statutory and regulatory requirements. At the Holding Company and across its operating entities, the Boards operate through various Committees. FBNHoldings' governance framework ensures that there is a dynamic blend of Board autonomy and Group coordination at the operating company level.



**FBNHoldings through robust policies and procedures, creates an enabling environment that fosters a culture of equal opportunity, diversity, fairness, respect and inclusion of all stakeholders.**



The governance framework is in alignment with global best practices and in compliance with the requirements of the Central Bank of Nigeria, National Insurance Commission, Securities and Exchange Commission, the Nigerian Stock Exchange, and the Financial Reporting Council of Nigeria.

## Diversity

We believe diversity produces the best results and enhances the ability to create superior value. Today, diversity within FBNHoldings is reflected not only in the gender mix, which complies with CBN recommendations, but also through the diversity of thought, experience, cultures, nationalities, social and academic backgrounds across the Group, and through inclusive policies that prevent all forms of discrimination.

FBNHoldings through robust policies and procedures, creates an enabling environment that fosters a culture of equal opportunity, diversity, fairness, respect and inclusion of all stakeholders.

## Shareholder and Regulatory Engagement

The Board and Management are committed to stakeholder engagement and connect through shareholder groups and other platforms. Engagement sessions continue to provide valuable opportunities for the Board and Management to listen to external perspectives and to gain insight into shareholders' concerns.

Similarly, we are committed to engaging regulators to foster an atmosphere of trust and cordiality, and to ensuring the highest level of compliance with relevant extant regulations across the Group.



## INTRODUCTION

### Appointment Philosophy

Relevant regulatory guidelines and laws guide the appointment philosophy of FBNHoldings, which also includes a transparent Board appointment process. The Directors are selected based on their skills, competencies and experience. The Board Governance Committee screens for eligible candidates from a pool and makes recommendation of suitable candidates to the Board, who then decides on the appointment of the candidates subject to the approvals of the relevant regulatory authorities and the shareholders at the Annual General Meeting.

### Changes to Board Composition

The Board is a blend of diversity, experience and continually seeks to review and refresh its composition to ensure new ideas and experiences are embedded in its decision-making processes. In 2020, the following changes were made to the Board:

- ☛ Oluwande Muoyo, an Independent Non-Executive Director, resigned from the Board effective April 2020.
- ☛ Seni Adetu was appointed as an Independent Non-Executive Director, effective October 2020.
- ☛ Juliet Anammah was appointed as an Independent Non-Executive Director, effective October 2020, subject to the approval of the Central Bank of Nigeria.
- ☛ Otu Hughes was appointed as a Non-Executive Director, effective October 2020, subject to the approval of the Central Bank of Nigeria.

The profiles of the appointees are detailed on page 17-19

### Board Composition

The Board has 12 Directors, comprising eight Non-Executive Directors, three Independent Non-Executive Directors and one Executive Director, who is also the Group Managing Director. This is in alignment with global best practice, which encourages a higher ratio of Non-Executive Directors to Executive Directors. All members are distinguished by their professional ability, integrity and independence of opinion.



## BOARD OF DIRECTORS



**DR OBA OTUDEKO, CFR**  
Group Chairman



**U.K. EKE, MFR**  
Group Managing Director



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



**CHIDI ANYA**  
Non-Executive Director



**DR HAMZA WURO BOKKI**  
Non-Executive Director



**'DEBOLA OSIBOGUN**  
Non-Executive Director



**OMATSEYIN AYIDA**  
Non-Executive Director



**DR ADESOLA ADEDUNTAN**  
Non-Executive Director



**OLUWANDE MUOYO\***  
Independent Non-Executive Director



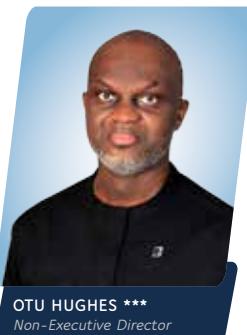
**CECILIA AKINTOMIDE, OON**  
Independent Non-Executive Director



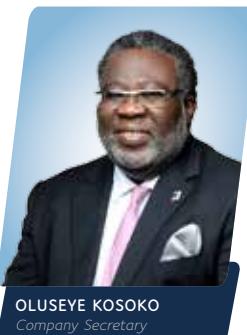
**SENI ADETU\*\***  
Independent Non-Executive Director



**JULIET ANAMMAH\*\***  
Independent Non-Executive Director



**OTU HUGHES \*\*\***  
Non-Executive Director



**OLUSEYE KOSOKO**  
Company Secretary

**BGNC**  
Board Governance  
and Nomination Committee

**BARAC**  
Board Audit and Risk  
Assessment Committee

**BFIC**  
Board Finance and  
Investment Committee

**SAC**  
Statutory Audit Committee

\*Resigned from the Board of FBN Holdings Plc in April 2020.

\*\*Appointed to the Board of FBN Holdings Plc in October 2020

\*\*\*Appointed to the Board of FBN Holdings Plc in October 2020, subject to CBN approval.



## FBNHOLDINGS MANAGEMENT



**U.K. EKE, MFR**  
Group Managing Director



**OYEWALE ARIYIBI**  
Chief Financial Officer



**OLUSEYE KOSOKO**  
Company Secretary



**IDRIS SHITTU**  
Head, Risk Management and  
Compliance



**TOLULOPE OLUWOLE**  
Head, Investor Relations



**BODE OGUNTOKE**  
Head, Internal Audit



**'YEMI OKOJIE**  
Head, Strategy and Corporate  
Development



**TUNDE LAWANSON**  
Head, Marketing and Corporate  
Communications

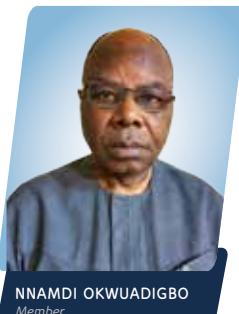


**OYINADE KUKU**  
Head, Human Resources

## STATUTORY AUDIT COMMITTEE



**KOLAWOLE DUROJAIYE**  
Chairman



**NNAMDI OKWUADIGBO**  
Member



**FUAD UMAR**  
Member



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



**CECILIA AKINTOMIDE, OON**  
Independent Non-Executive Director



**CHIDI ANYA**  
Non-Executive Director



# OUR DIRECT SUBSIDIARIES

## COMMERCIAL BANKING

FIRST BANK OF NIGERIA LIMITED



**IBUKUN AWOSIKA**  
Chairman  
First Bank of Nigeria Limited



**DR ADESOLA ADEDUNTAN**  
Managing Director  
First Bank of Nigeria Limited

## MERCHANT BANKING

FBNQUEST MERCHANT BANK LIMITED



**BELLO MACCIDO**  
Chairman  
FBNQuest Merchant Bank Limited



**KAYODE AKINKUGBE**  
Managing Director  
FBNQuest Merchant Bank Limited

## CAPITAL MARKETS

FBNQUEST CAPITAL LIMITED



**OYEWALE ARIYIBI**  
Chairman  
FBNQuest Capital Limited



**TSEYI HAMMOND**  
Managing Director  
FBNQuest Capital Limited

## TRUSTEESHIP

FBNQUEST TRUSTEES LLIMITED



**OLUSEYE KOSOKO**  
Chairman  
FBNQuest Trustees Limited



**ADEKUNLE AWOJOBI**  
Managing Director  
FBNQuest Trustees Limited

## INSURANCE BROKERAGE

FBN INSURANCE BROKERS LIMITED



**FOLAKE ANI-MUMUNEY**  
Chairperson  
FBN Insurance Brokers Limited



**OLUMIDE IBIDAPO**  
Managing Director  
FBN Insurance Brokers Limited

## DIRECTORS

**Gbenga Shobo**  
Deputy Managing Director

**Lawal Ibrahim**  
Non-Executive Director

**Dr Ijeoma Jidenma**  
Independent  
Non-Executive Director

**U.K. Eke, MFR**  
Non-Executive Director

**Olusola Oworu**  
Independent  
Non-Executive Director

**Obafemi Otudeko**  
Non-Executive Director

**Tunde Hassan-Odukale\***  
Non-Executive Director

**Lateef Bakare**  
Independent  
Non-Executive Director

**Dr Remi Oni**  
Executive Director  
Corporate Banking

**Abdullahi Ibrahim**  
Executive Director  
Public Sector

**Ado Wanka**  
Non-Executive Director

**Oluwande Muoyo\*\***  
Non-Executive Director

## DIRECTORS

**Taiwo Okeowo**  
Deputy Managing Director

**Oluycle Delano, SAN**  
Independent  
Non-Executive Director

**Dr Omobola Johnson**  
Non-Executive Director

**U.K. Eke, MFR**  
Non-Executive Director

**Akinlolu Osinbajo, SAN**  
Non-Executive Director

**Babatunde Odunayo**  
Non-Executive Director

**Oyinkansade Adewale**  
Independent  
Non-Executive Director

## DIRECTORS

**Ijeoma Agboti**  
Non-Executive Director

**Ike Onyia**  
Non-Executive Director

**Adekunle Awojobi**  
Non-Executive Director

## DIRECTOR

**Patrick Mgbenwelu**  
Non-Executive Director

## DIRECTORS

**Oluseyi Oyefeso**  
Non-Executive Director

**Oluseye Kosoko**  
Non-Executive Director

\*Resigned from the Board of First Bank of Nigeria Limited in April 2020

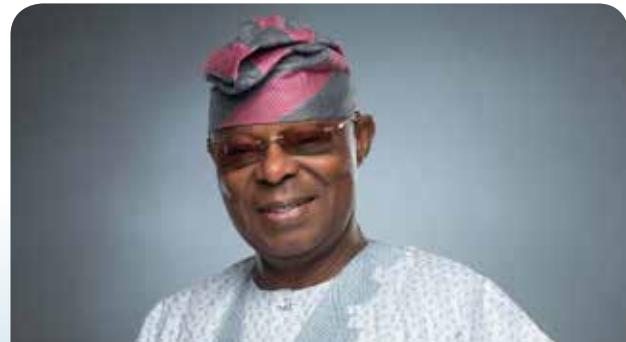
\*\*Appointed to the Board of First Bank of Nigeria Limited in August 2020



# LEADERSHIP

**Dr Oba Otudeko, CFR**

Group Chairman



Dr Oba Otudeko, *CFR*, is the pioneer Chairman of FBN Holdings Plc and founding Chairman, Honeywell Group. He is a foremost Nigerian entrepreneur and visionary; reputed for his highly successful domestic and foreign investments that cuts across diverse sectors of the economy. He served on the Board of FirstBank between May 1997 and December 2010, retiring as Chairman. In 2012, he became the Chairman of FBNHoldings. He was also the founding Chairman of FBNBank UK Ltd and served as Chairman of Fan Milk of Nigeria Plc, and Airtel Nigeria. He is also the current Chairman of the Board of Honeywell Flour Mills Plc.

He has served on the Boards of the Central Bank of Nigeria (1990-1997), Guinness Nigeria Plc (1999-2003), British American Tobacco Ltd (2001-2004) and Ecobank Transnational Incorporated, headquartered in Lomé, Togo (2002-2010).

Between 2006 and 2009, he was the 16th President and the Chairman of the Council of the Nigerian Stock Exchange. He was also the pioneer Chairman of the Nigeria-South Africa Chamber of Commerce and he is now The Life Patron of the Chamber; a position he was appointed to in 2011. Between 2013 and 2014, he was the Chairman of the Business Support Group for delivery of the National Integrated Infrastructure Master Plan.

Dr Otudeko is a Chartered Banker, Chartered Accountant and Chartered Corporate Secretary. He has also attended executive management training programmes at the International Institute for Management Development (IMD), Lausanne, Switzerland; Harvard Business School, Boston, USA; and The Arthur D. Little School of Management, USA.

In recognition of his contribution to the Nigerian economy, Dr. Otudeko was awarded the Nigerian National Honour of Commander of the Order of the Federal Republic (CFR), in 2011 and the National Productivity Order of Merit in 2019.

He was the Chancellor of the Olabisi Onabanjo University, Ogun State from 2001 to 2010 and currently serves as a member of the Office of Distinguished Friends of London Business School, UK. He is the founder of the Oba Otudeko Foundation (OOF), a platform for his charity interventions. Dr Otudeko is married with children.



## LEADERSHIP

**U.K. EKE, MFR**  
Group Managing Director



U.K. Eke, *MFR*, assumed office as Group Managing Director, FBN Holdings Plc in 2016. He joined the Board of FirstBank, a subsidiary of FBNHoldings, in 2011 as Executive Director, Public Sector South and later became Executive Director, South before his appointment as the Group Managing Director of FBNHoldings. His sound managerial and motivational skills, coupled with his vast experience, helped develop FirstBank's businesses within the Public Sector, Retail and Private Banking groups.

He currently sits on the Boards of First Bank of Nigeria Ltd and FBNQuest Merchant Bank Ltd as a Non-Executive Director. In 2017, he was appointed to the Board of Nigeria Sovereign Investment Authority. He was also Executive Director, Regional Business, Lagos and West, Diamond Bank Plc. His other work experience includes Deloitte Haskins & Sells International where he rose to the position of Audit Senior. He has over 30 years' experience in financial services, strategy, audit, consulting, taxation, process re-engineering and capital market operations.

U.K. is a Fellow of the Chartered Institute of Bankers, Institute of Management Consultants, Institute of Directors, and the Institute of Chartered Accountants of Nigeria. He holds a first degree in Political Science from the University of Lagos and an MBA in Project Management Technology from the Federal University of Technology, Owerri.

He has attended several executive management and Board training programmes at Harvard Business School, USA; Stanford Business School, USA; IESE Business School, Barcelona; International Institute for Management Development, Lausanne, Switzerland; Wharton Business School, USA; and Lagos Business School, Nigeria.

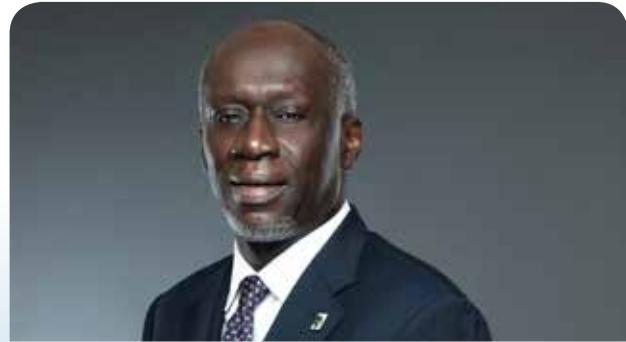
A philanthropist and mentor to many, he is the Founder and Chairman, Elder K.U. Eke Memorial Foundation. He is a Patron, Lagos State Council, Boys' Brigade Nigeria, and a Paul Harris Fellow of The Rotary Club International. He is the Chairman of the Advisory Board, LifeForte International High School, Ibadan. U.K. is a recipient of Nigeria's National Honour of Member of the Order of the Federal Republic (MFR).



## LEADERSHIP

### Oye Hassan-Odukale, MFR

Non-Executive Director



Oye Hassan-Odukale, *MFR*, is a pioneer Non-Executive Director on the Board of FBN Holdings Plc. He is the Chairman of the Board of Directors of Leadway Holdings Ltd. His appointment was preceded by several years of experience in the insurance business, investments and general management, culminating in his appointment as MD/CEO of Leadway Assurance Company Ltd from 1994 until he retired on 31 December 2019. Leadway is one of Nigeria's largest insurance companies and has a subsidiary in Côte d'Ivoire.

Prior to his appointment, he was a Non-Executive Director on the Board of First Bank of Nigeria Plc (now First Bank of Nigeria Ltd). He is presently the Chairman of FBNBank UK Ltd, a wholly-owned subsidiary of First Bank of Nigeria Ltd. He is also the Chairman of the Board of Directors of Leadway Pensure PFA Ltd.

Oye is a recipient of the National Honour of Member of the Order of the Federal Republic of Nigeria (MFR) and sits on the Board of several companies in Nigeria and abroad, both for-profit and non-profit. An alumnus of Harvard Business School and Lagos Business School, he holds Bachelor's and Master's degrees in Business Administration from the University of Houston. Oye is married with children and enjoys listening to music, reading and travelling.



## LEADERSHIP

### Chidi Anya

Non-Executive Director



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

Chidi is recognised by clients and peers as a leading commercial and corporate lawyer with high-level skills and experience in negotiation, administration, communication, management, advocacy and ethical leadership, all of which he brings to the Board of FBNHoldings.

A member of the Nigerian Bar Association and its section on Business Law, he is also a Member of the Institute of Directors and a Notary Public. A Certified Management Consultant and Fellow of the Institute of Management Consultants, he has attended various executive management courses at the Kellogg School of Management, Northwestern University, Illinois.

Chidi is married with children and his interests include reading, writing, intellectual debates and gardening. Committed to building stronger and more resilient communities, he is active in a number of voluntary groups and programmes.



## LEADERSHIP

### Dr Hamza Wuro Bokki

Non-Executive Director



Dr Hamza Wuro Bokki, PhD, joined the Board of FBN Holdings Plc as a Non-Executive Director in 2014. He is an alumnus of Harvard Business School and an experienced Chief Executive Officer, with a history of working in the financial services industry. He currently serves as Managing Director/CEO of NPF Pensions Ltd.

He is an astute business development professional, skilled in negotiation, business start-up, planning, analysis, capital markets, Board administration and business transformation. Hamza was the first student to be awarded a first-class degree in Public Administration from the University of Maiduguri and holds a Master's degree and a PhD in Public Administration and Policy Analysis. Hamza is an AMP graduate of Harvard Business School. He is a Fellow of the Chartered Pension Institute of Nigeria and a member of the Nigerian Institute of

Management and Chartered Institute of Stockbrokers. Hamza has served on the Boards and audit committees of several companies, both public and private.

Hamza was Managing Director of the Gombe State Investment and Property Development Company Ltd, where he revamped the company's financial position, and the pioneer MD/CEO of APT Pensions, which he brought to profitability within four years. Between 2012 and 2014, he served as Honourable Commissioner for Trade and Industry, Gombe State. During this time, he successfully ran the GMSG/BOI entrepreneurship development programme, which was judged the best in the country at the time. He has attended several executive programmes on corporate governance. Hamza is married with children and enjoys reading and travelling.



## LEADERSHIP

### 'Debola Osibogun

Non-Executive Director



'Debola Osibogun was appointed to the Board of FBN Holdings Plc in 2015. She is a financial services expert with over 33 years' working experience across multiple levels, ranging from real estate financing and trusteeship to retail savings and loans. She earned an MSc in Banking and Finance and a Bachelor's degree in Economics from the prestigious University of Ibadan.

'Debola has considerable Board experience at Executive and Non-Executive levels. She was appointed to the Board of Odu'a Investment Company Ltd as an Independent Non-Executive Director in 2020. She is currently the Managing Director of Davidfinn Global Concept Ltd and President of the Consumer Awareness and Financial Enlightenment Initiative, a not-for-profit organisation.

Before retirement, 'Debola served as the Managing Director of Coop Savings and Loans Ltd and Skye Trustees Ltd. She also served as a Non-Executive Director of FBN Mortgages Ltd and was the National President of the Mortgage Banking Association of Nigeria. She is a Fellow and Past President of the Chartered Institute of Bankers of Nigeria, a Fellow of the Chartered Institute of Taxation of Nigeria, the Nigerian Institute of Management, the Association of Enterprise Risk Management Professionals and the Institute of Directors.

As an astute researcher and writer, 'Debola has published several articles and papers on primary mortgage institutions, the creation of mortgages and financial literacy. At the national level, she served as a member of the Presidential Committee on Urban Development and Housing and the Presidential Committee on Mortgage Finance, and an Executive Member of the Nigerian Real Estate Developers Association. She has attended several executive programmes at prestigious local and international institutions, including INSEAD, Kellogg School of Management, London Business School and Euromoney Learning. 'Debola is married with children and grandchildren and enjoys playing basketball, polo and golf.



## LEADERSHIP

### Omatseyin Ayida

Non-Executive Director



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

He is currently the Managing Director of Saken Capital Partners Ltd. Omatseyin was previously the Managing Director of Capital Bank International Ltd, where he led the well-executed buyout of the bank from Commercial Bank (Credit Lyonnais) Nigeria in 2001, and the subsequent successful merger with Access Bank Plc and Marina International Bank Ltd in 2005. During his successful banking career with Commercial Bank (Credit Lyonnais) Nigeria, he worked in various departments and rose to become the Deputy Managing Director in 1998.

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



## LEADERSHIP

### Dr Adesola Adeduntan

Non-Executive Director



Dr Adesola Adeduntan joined the Board of FBN Holdings Plc as a Non-Executive Director in 2016. He is an accomplished professional with extensive experience in commercial and investment banking, development finance, audit, and consulting; a philanthropist and leader with keen interest in providing platforms for the development of other young leaders.

He is the Chief Executive Officer of FirstBank Group, the commercial banking arm of FBN Holdings Plc in Nigeria and subsidiaries comprising FBNBank UK, FBNBank DRC, FBNBank Ghana, FBNBank Senegal, FBNBank Guinea, FBNBank Gambia, FBNBank Sierra Leone and First Pension Custodian as well as Representative Offices in France and China. He is overseeing one of the most extensive transformation programmes in sub-Saharan African financial services industry, with the goal to reposition FirstBank Group to market pre-eminence. He is leading FirstBank on the journey to win the most significant emerging business opportunities in the financial services industry through the development and execution of a digital-led strategy that has established FirstBank as the clear leader in digital banking propositions. The FirstBank Group's transformation programme, under the leadership of Adesola, has enabled FirstBank to: grow customer accounts from about 10 million in 2015 to over 30 million, become the second largest issuer of cards in Africa with over 11.3 million issued cards, onboard about 12 million active customers on FirstBank's USSD platform and over 4.4 million users on FirstBank's Mobile Banking App, and initiate and grow the most expansive bank-led Agent Banking Network in Africa with about 100,000\* agents.

Adesola is currently on the Boards of the Africa Finance Corporation (AFC), FBN Holdings Plc, FBN Bank UK Limited, Shared Agent Network Expansion Facilities Limited (SANEF), and Nigeria Interbank Settlement System (NIBSS). He is a past Executive Director and Chief Financial Officer of FirstBank. Prior to FirstBank, he was a Director and pioneer CFO/Business Manager of Africa Finance Corporation (AFC). At AFC, he led the team that designed and executed the Corporation's "International Credit Rating Strategy", which culminated in the Corporation being assigned an A3 international credit rating by Moody's, making it the second highest rated lending entity in Africa. Adesola also served as a Senior Vice-President & CFO at Citibank Nigeria Limited, a Senior Manager in

the Financial Services Group of KPMG Professional Services and a Manager at Arthur Andersen.

His career in banking and finance spans almost three decades and has earned him various recognitions and awards including Forbes Best of Africa - Outstanding Leader in Africa; Distinguished Alumnus Award by both the School of Management, Cranfield University, UK and the University of Ibadan; African Banking Personality of the Year; African Banker of the Year Award and induction into the African Leadership Magazine (ALM) Hall of Fame; Honorary Citizenship of the State of Georgia and Congressional Commendation Award from the Georgia Senate – USA; Bank CEO of the Year by the AES Excellence Club and several other awards.

He holds an MBA from Cranfield University Business School, United Kingdom which he attended as a Chevening Scholar and a Doctor of Veterinary Medicine (DVM) awarded by University of Ibadan. He has attended various executive and leadership programmes at Harvard Business School (USA), Wharton School (USA), London Business School (UK), IESE (Spain), University of Oxford (UK), University of Cambridge (UK), CEIBS (China) and INSEAD (France). He is a fellow of both the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Bankers of Nigeria (CIBN).

A philanthropist per excellence, Adesola is a member of the Bretton Woods Committee - the nonpartisan network of prominent global citizens that works to demonstrate the value of international economic cooperation and foster strong, effective Bretton Woods institutions as forces for global well-being. He is also a member of Sigma Educational Foundation - focused on enhancing the quality of tertiary education system in Nigeria, a member of the Steering Committee of the Private Sector Coalition Against COVID-19 (CACOVID) in Nigeria, a member of the Governing Council of CIBN, the Chairman of CIBN's Committee on Establishment of The Banking Museum, the Vice Chairman of CIBN's Body of Banks' Chief Executive Officers, and a member of the Board of Lagos State Security Trust Fund.

Dr Adeduntan is married with children and loves music, especially African folk music.

\*As at 31 March 2021



## LEADERSHIP

### Cecilia Akintomide, OON

Independent Non-Executive Director



Cecilia Akintomide, *OON*, joined the Board of FBN Holdings Plc in 2016 as an Independent Non-Executive Director. She is also an Independent Non-Executive Director on the Board of Ondo State Development and Investment Promotion Agency (ONDIPA), a state government agency focused on promoting development and investments as well as CcHUB Growth Capital, Nigeria's first social innovation fund, supporting high-potential early-stage businesses. She is also a member of the Board of Regents of Covenant University, one of Nigeria's leading universities, and a member of the Institute of Directors, Nigeria. She is a seasoned executive with expertise in Development Finance, Corporate Governance, Law, and General Management.

Cecilia was Vice President Secretary-General of the African Development Bank (AfDB), where she provided leadership for the dynamic relationship of the AfDB and its then 80 member states, and served as Secretary to the Boards of Directors and the Ministerial Boards of Governors. She was a member of the Presidential Council, as well as the Operations and the Senior Management Coordination Committees.

She was also Vice Chairperson of the Operations Crisis Management Committee and Chairperson of the Annual Meetings Committee and the Committees for the Elections of the President and Executive Directors. Cecilia also served as the Head of Private and Public Sector Projects and Policy in the General Counsel & Legal Department of the AfDB, working on the legal aspects of projects, programmes and development policies.

Prior to the AfDB, Cecilia practiced law in Lagos, Washington D.C., and New York, at the law firms of O. Thomas & Co.; Thompson & Co. and Weil, Gotshal & Manges, with a focus on Business Reorganisations, Corporate and Commercial Law.

Cecilia holds a Bachelor of Laws degree from the University of Ife (now OAU); Master of Laws from the University of Miami Law School; Master of Laws from the University of Pennsylvania Law School; and an Executive MBA from TRIUM (a combined programme by LSE, NYU and HEC). She was also admitted to the Nigerian Bar and the New York State Bar.

Cecilia is an ardent champion of girls and women's economic empowerment. She is passionate about corporate governance, the accelerated and sustainable development of African countries, and innovation and entrepreneurship. She is a member of Women in Management, Business & Public Service (WIMBIZ) and serves on the WIMBoard Committee and the WIMBIZ Endowment Fund Committee. She mentors, and is a deacon and a member of her church choir. She enjoys swimming which resulted in receiving the gold and bronze medals in the [event] competition. She was accorded the National Award of the Officer of the Order of the Niger (*OON*) by the Federal Republic of Nigeria in recognition of her contribution to sustainable development. In addition, in 2019, Cecilia received the African Business Law Icon of the Year Award.



## LEADERSHIP

### Seni Adetu

Independent Non-Executive Director



Seni Adetu was appointed to the Board of FBN Holdings Plc in 2020. He was the former Managing Director/CEO of Guinness Nigeria Plc, has 35 years of private sector experience garnered at the highest levels primarily with John Holt Plc, The Coca-Cola Company and Diageo (Guinness) Plc in various countries within and outside Africa. He holds a first degree in Chemical Engineering and a Master's in Business Administration (with specialisation in Marketing), both from the University of Lagos.

Seni was at various times Marketing Director for Coca-Cola Nigeria Ltd, Managing Director of Coca-Cola Nigeria, and the first African Managing Director/CEO and Executive Vice Chairman of Guinness Ghana Plc. In 2009, Seni was appointed Group Managing Director/CEO of East African Breweries (EABL), the biggest company in East Africa, based in Kenya, during which time he was named Runner-up Forbes/CNBC CEO of the Year 2012 in East Africa. Subsequently, he was appointed MD/CEO of Guinness Nigeria Plc and Executive Chairman Diageo Brands Nigeria, becoming the first Nigerian in nearly 20 years to lead that company. Seni has had working stints in Hungary and the UK and has been exposed to various high-profile leadership courses internationally, including at the prestigious Harvard Business School.

He has served on the Boards of various multinational companies in both Executive and Non-Executive capacities in Nigeria and abroad, and was until recently an Independent Non-Executive Director on the Board of Fidelity Bank Plc and a Non-Executive Director at APT Pensions Ltd, among others.

Seni is the Founder/Group CEO of Algorithm Media Ltd and Ogilvy Nigeria Ltd, two leading marketing communication agencies in Nigeria, in partnership with WPP, the world's largest advertising and media agency network. He is a member of many reputable social clubs including the Metropolitan Club Lagos. He is also the immediate past National Vice President of the University of Lagos Alumni Association.



## LEADERSHIP

### Juliet Anammah

Independent Non-Executive Director

Juliet Anammah was appointed to the Board of FBN Holdings Plc in 2020. She is the chairperson of Jumia Nigeria and Head of Institutional Affairs at Jumia Group. Jumia is the largest e-commerce platform in Africa and the first African Tech start-up to be listed on the NYSE.

She is an experienced executive with over 28 years of professional experience and over seven years at Partner/Chief Executive level. Before her current role, she was the CEO of Jumia Nigeria. Prior to joining Jumia, Juliet spent 16 years at Accenture and was the Partner managing Accenture's consumer goods practice in West Africa.

A pharmacist by training, she started her career in Sales and Marketing with May & Baker (Sanofi-Aventis) in 1991 before joining Accenture as a Senior Strategy Consultant in 1999. Juliet also serves on corporate and non-profit Boards in a non-executive capacity.



She is currently on the Boards of Flour Mills of Nigeria and APT Pensions as an independent non-executive member. She is also an EXCO member of the Consultative Group to Assist the Poor (CGAP), a not-for-profit agency funded by the World Bank, Bill and Melinda Gates Foundation and several bilateral/multilateral agencies.

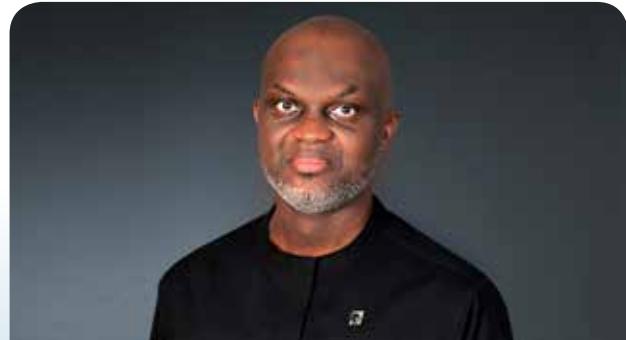
Juliet holds a Bachelor of Pharmacy degree, an MBA (Finance track) and is an alumna of both Wharton College University of Pennsylvania (AMP) and Yale University.



## LEADERSHIP

### Otu Hughes

Non-Executive Director



Otu Hughes was appointed to the Board of FBN Holdings Plc in 2020. He has over 25 years of experience in operations and strategy, mergers and acquisition, principal investment and capital raising in both the US and Sub-Saharan Africa. He began his career in 1993 with Lehman Brothers, providing strategic and financial advisory services to government entities and companies in privatisation and empowerment issues, notably in Brazil (power and mining), Ghana (mining) and South Africa (empowerment programmes), amongst others.

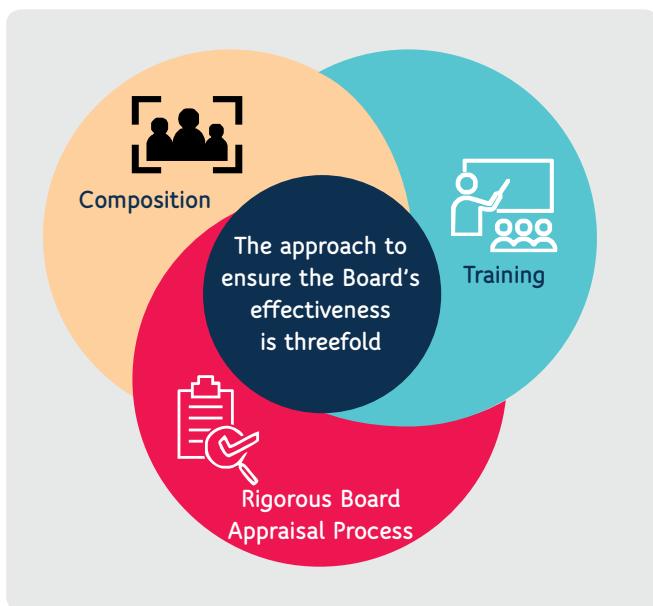
Otu joined Deutsche Bank in 1998 as Associate – Mergers, Acquisitions and Corporate Advisory Group with the oversight responsibilities of providing mergers, acquisitions, corporate and strategic financial advisory services to companies and government agencies across industries countries, rising to become Vice President. He is the Co-founder and Principal of Rofgam/Hughes Consulting and worked at KeyBanc Capital Markets, amongst many other organisations.

Otu is the Co-Founder and Managing Director of Candesco Ltd, set up with the primary responsibility of developing and managing off-grid and independent power projects for the Sub-Saharan Africa market, providing affordable, clean and stable power to clusters of communities.

# EFFECTIVENESS

## Board Effectiveness

In today's ever-changing business environment, an effective Board must be capable and dynamic in managing a wide range of challenges and risks. With its overarching responsibility for an organisation's performance, a Board must set the strategic direction (often across various structures, markets and geographies), monitor the Company's risk profile, evaluate the performance of the Group Managing Director and other Executives, and be accountable to all stakeholders.



## Guiding Principles on Composition

The first approach is to appoint the right people: individuals who have displayed excellent business knowledge and Board experience.

Effective observance of Codes of Corporate Governance (Codes) must be complemented by an ethical Board. It is essential that Board members are persons of integrity, willing to comply with the letters and spirit of the Codes, as well as monitor the harnessing of available resources. With this understanding, we have ensured that the current composition of the Board is the best mix of competence and experience required for us to enhance shareholder value.

We have aligned with global best practice on the ratio of Non-Executives to Executives on the Board. The Non-Executive Directors outnumber the Executive Directors by 11:1, underscoring the overwhelming independence of the Board from the management of the Company.

In strategic formation, Non-Executive Directors are expected to monitor and contribute creative and informed ideas for the effective management of the Company and to critically examine the objectives and plans developed by the Executive team.

## Training of Directors

In 2020, Directors attended executive education programmes to improve their decision-making capability and contributions. This demonstrates the Company's commitment to maintaining a highly effective Board. An Annual Training Plan was agreed by the Board, with the Company Secretariat tasked with its implementation.

Due to the impact of the COVID-19 pandemic, the majority of the trainings attended by the Directors were virtual.

## 2020 Board Trainings

S/N	NAMES	COURSE	INSTITUTION	DATE	STATUS
1.	All Directors	Current Global Economy, COVID-19 Impact and Nigeria/Financial Services Sector Specificities	Financial Derivatives Company Ltd.	May 2020	Attended
2.	Chidi Anya	Improving the Performance of Audit Committees	DCSL Corporate Services Ltd.	June 2020	Attended
3.	Cecilia Akintomide, OON	Improving the Performance of Audit Committees	DCSL Corporate Services Ltd.	June 2020	Attended
4.	Cecilia Akintomide, OON	Company Direction Course	Institute of Directors (IoD)	July 2020	Attended
5.	Chidi Anya	Corporate Governance Imperatives in Building Organisational Resilience in the New Normal: The Role of Boards and Senior Management	IoD Centre for Corporate Governance	November 2020	Attended



## EFFECTIVENESS

### Board Appraisal

The Board engaged the services of an independent consultant, Messrs PricewaterhouseCoopers (PwC), to conduct an appraisal of the Board of Directors and an evaluation of the corporate governance practices for the year ended 31 December 2020.

The Board Appraisal covered the Board's structure and composition, processes, relationships, competencies, roles and responsibilities, while the corporate governance evaluation covered the Governance structures and practices, including the relationship between the Board and Management, oversight of the Company's performance, the ethical climate within the Company, oversight of risk management, corporate compliance and internal controls, stakeholder engagement and financial reporting.

PwC's appraisal revealed that FBNHoldings' corporate governance practices were largely in compliance with the key provisions of the Code of Corporate Governance of the Central Bank of Nigeria, Financial Reporting Council of Nigeria and the guidelines of the Securities and Exchange Commission. Specific recommendations for further improvement of the governance practices were also articulated and included in a detailed report to the Board.

### Access to Independent Professional Advice

The Board has the power to obtain advice and assistance from independent or external professional advisers or experts as it deems necessary or appropriate to aid its effectiveness, at the Company's expense. This option was exercised at different times within the 2020 financial year.

### Board Responsibilities

The Board's principal responsibility is to promote the long-term success of the Group by creating and delivering sustainable shareholder value. The Board leads and provides direction by setting policy and strategy directions, as well as overseeing their implementation. The Board seeks to ensure Management delivers on both its long-term growth and short-term objectives, striking the right balance between both goals. In setting and monitoring the execution of the strategy, consideration is given to the impact of those decisions on the Group's obligations to various stakeholders – shareholders, regulators, employees, suppliers, and the community.

The Board is also responsible for ensuring that effective systems of internal controls and risk management are maintained across the Group, determining and promoting the collective vision of the Group's purpose, values and culture.

Specific key decisions and matters have been reserved for approval by the Board. These include decisions on the Group's strategy, approval of risk appetite, capital and liquidity matters, acquisitions, mergers or disposals, Board membership, financial results, and governance issues, as well as the approval of the corporate governance framework.

More specifically, the Board's responsibilities as enumerated in the Board Charter include:

- Building long-term shareholder value by ensuring adequate systems, procedures and policies are in place to safeguard the Group's assets;
- Appointing, developing and refreshing the overall competency of the Board, as necessary;
- Articulating and approving the Group's strategies and financial objectives, as well as monitoring the implementation of those strategies and objectives;
- Approving the appointment, retention and removal of the Group Managing Director (GMD) and any other Executive Director in the Group;
- Reviewing the succession planning for the Board and Senior Management on a regular basis and recommending changes where necessary;
- Overseeing the implementation of corporate governance principles and guidelines;
- Reviewing and approving the recommendations of the Board Governance and Nomination Committee concerning the remuneration of Directors;
- Overseeing the establishment, implementation and monitoring of a Group-wide risk management framework to identify, assess and manage business risks encountered by the Group;



## EFFECTIVENESS

- Articulating and approving the Group's risk management strategies, philosophy, risk appetite and initiatives;
- Maintaining a sound system of internal controls to safeguard shareholders' investments and the assets of the Group; and

### The Role of the Group Chairman

The roles of the Group Chairman and Group Managing Director (GMD) are distinct and are not performed by one individual. The principal role of the Group Chairman is to manage and provide leadership to the Board of Directors of FBNHoldings. The Group Chairman is accountable to shareholders and responsible for the effective and orderly conduct of Board and General meetings.

More specifically, the duties and responsibilities of the Group Chairman are to:

- Act as a liaison between the Management and the Board;
- Provide independent advice and counsel to the GMD;

- Overseeing the Group's corporate sustainability practices with regards to its economic, social and environmental obligations.

- Keep abreast of the activities of the Company and Management;
- Ensure the Directors are properly informed and have sufficient information to form appropriate judgements;
- Develop and set the agenda for Board meetings;
- Assess and make recommendations to the Board annually on the effectiveness of the Board, its Committees, and individual Directors; and
- Ensure that upon completion of the ordinary business of a Board meeting, the Directors hold discussions regularly without members of Management present.

### The Role of Group Managing Director

The Group Managing Director (GMD) has the overall responsibility for leading the development and execution of the Group's long-term strategy and create sustainable shareholder value. The GMD's mandate is to manage the day-to-day operations of FBNHoldings and ensure that operations are consistent with the policies developed by the Board of Directors and that they are executed effectively. The GMD's leadership role also entails responsibility for all day-to-day management decisions and for implementing the Group's long- and short-term plans.

More specifically, the duties and responsibilities of the GMD are to:

- Lead the development of the Company's strategy in conjunction with the Board, and oversee the implementation of the Company's long-and short-term plans in accordance with its strategy;

- Ensure the Company is appropriately organised and staffed, as well as to hire and terminate staff as deemed necessary, to enable the Company achieve the approved strategy;
- Ensure the Group has appropriate systems to conduct its activities both lawfully and ethically;
- Ensure the Company maintains a high standard of corporate citizenship and social responsibility wherever it does business;
- Act as a liaison between the Management and the Board, and communicate effectively with shareholders, employees, government authorities, other stakeholders and the public;
- Ensure the Directors are properly informed, and that sufficient information is provided to the Board to enable the Directors form appropriate judgements;



## EFFECTIVENESS

- Abide by specific internally established control systems and authorities, lead by personal example and encourage all employees to conduct their activities in accordance with all applicable laws and the Company's standards and policies, including its environmental, health and safety policies;
- Manage the Group within established policies, maintain a regular policy review process, and revise or develop policies for presentation to the Board;

- Ensure the Group operates within approved budgets and complies with all regulatory requirements of a holding company; and
- Develop and recommend to the Board the annual operating and capital budget, and upon approval, with fully delegated authority, to implement the plan in its entirety.

### The Role of the Company Secretary

The Company Secretary's appointment and duties are regulated by statutes, particularly the Companies and Allied Matters Act (CAMA) (Sections 330-340), regulations and the Articles of Association of the Company. The duties of the Company Secretary include:

- Attending meetings of the Company, Board of Directors and Board committees, rendering all necessary secretarial services in respect of such meetings, and advising on compliance and regulatory issues;
- Setting the agenda of the meetings through consultations with the Group Chairman and the GMD;
- Maintaining statutory registers and other records of the Company;
- Rendering proper and timely returns as required under CAMA;
- Providing a central source of guidance and advice to the Board and the Company on matters of ethics, conflict of interest and good corporate governance; and
- Executing administrative and secretarial duties as directed by the Directors of the Company, and where duly authorised by the Board of Directors, exercising any powers vested in the Directors.



## EFFECTIVENESS

### MAKING BOARD MEETINGS EFFECTIVE

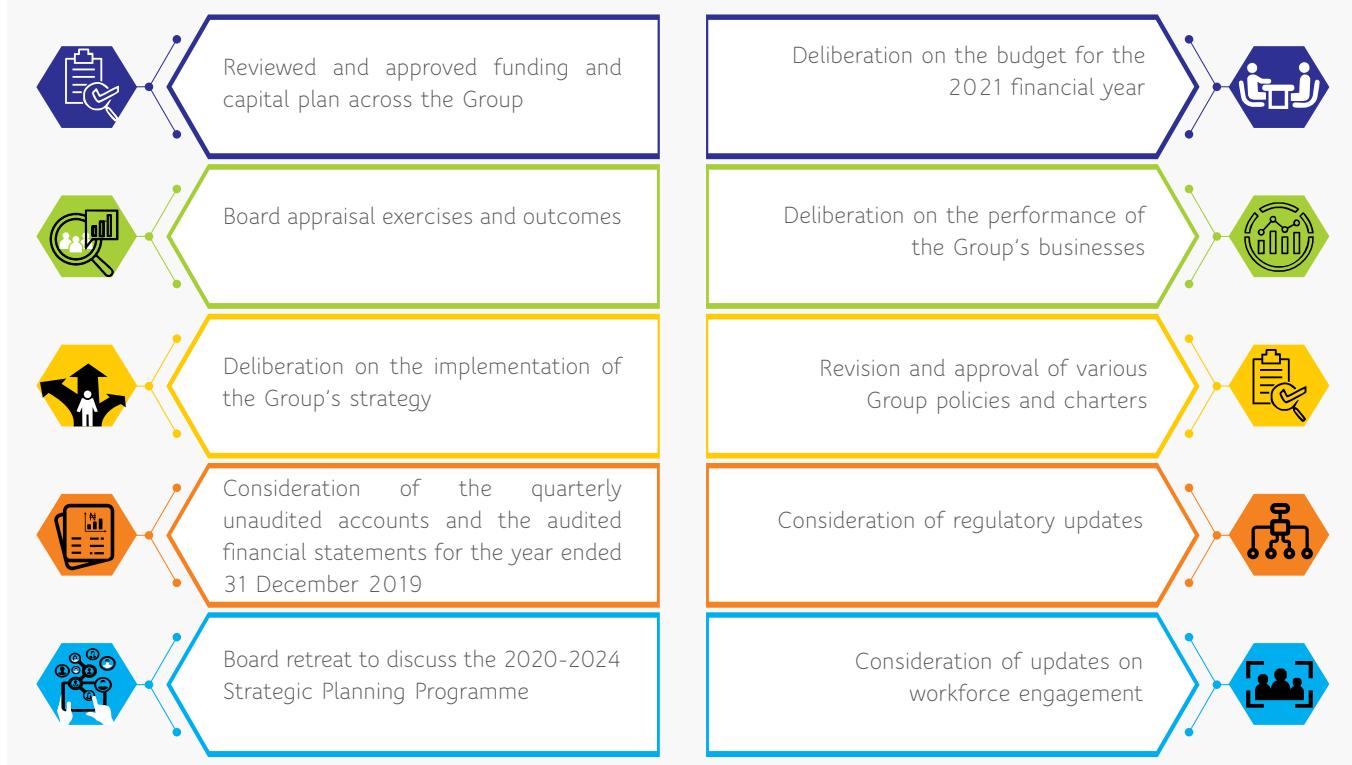
How FBNHoldings Board meetings work:

- The Board meets quarterly and as required.
- The annual calendar of Board meetings is approved in advance at the last Board meeting of the preceding year.
- The annual calendar of Board activities includes a Board retreat to consider strategic matters and Group policy directions, and to review opportunities as well as challenges encountered by the Group.
- Urgent and material decisions may be taken between meetings through written resolutions.
- Notices for meetings are transmitted to Board members at least two weeks before the scheduled meeting.
- The Company Secretariat circulates memoranda electronically to members of the Board.
- All Directors are provided with an agenda and meeting papers in advance of each meeting. Board memoranda are transmitted in advance to enable Directors have adequate time to review and prepare for meetings.
- Meetings last for an average of four hours. The number of issues identified for deliberation, and more importantly the complexity of the issues, are major factors in determining the duration of the meetings.
- Any Director may request that a topic be considered at meetings. In addition, any Director may raise any issue deemed deserving of discussion; this is usually considered under Any Other Business during the meeting.

## EFFECTIVENESS

### BOARD DISCUSSION

Major Board discussions in 2020



### Attendance at Board Meetings

The Board of FBNHoldings met nine times in 2020

NAMES	31 JANUARY	11 MARCH	17 APRIL	24 APRIL	03 JUNE	29 JULY	27 OCTOBER	03 NOVEMBER	22 DECEMBER
Dr Oba Otudeko, CFR	✓	✓	✓	✓	✓	✓	✓	✓	✓
U.K. Eke, MFR	✓	✓	✓	✓	✓	✓	✓	✓	✓
Oye Hassan-Odukale, MFR	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chidi Anya	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Hamza Wuro Bokki	✓	✓	✓	✓	✓	✓	✓	✓	✓
'Debola Osibogun	✓	✓	✓	✓	✓	✓	✓	✓	✓
Omatseyin Ayida	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Adesola Adeduntan	✓	✓	✓	✓	✓	✓	✓	✓	✓
Oluwande Muoyo*	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A
Cecilia Akintomide, OON	✓	✓	✓	✓	✓	✓	✓	✓	✓

\*Oluwande Muoyo resigned from the Board of FBN Holdings Plc effective 30 April 2020



## EFFECTIVENESS

### BOARD COMMITTEE REPORTS

#### Board and Committee Governance Structure

The Board carries out its oversight function through its standing committees, each of which has a charter that clearly defines its purpose, composition and structure, frequency of meetings, duties, and tenure. The Board monitors these responsibilities to ensure effective coverage of, and control over, the operations of the Group. In line with best practice, the Chairman of the Board does not sit on any of the committees.

FBNHoldings has the following constituted Board Committees:

#### Board Governance and Nomination Committee Membership

- ☛ 'Debola Osibogun – Chairman
- ☛ Dr Hamza Wuro Bokki
- ☛ Oluwande Muoyo\* (resigned)
- ☛ Omatseyin Ayida



#### Attendance at Board Governance and Nomination Committee Meetings

The Board Governance and Nomination Committee met four times in 2020.

NAMES	29 JANUARY	16 APRIL	24 JULY	23 OCTOBER
'Debola Osibogun	✓	✓	✓	✓
Dr Hamza Wuro Bokki	✓	✓	✓	✓
Oluwande Muoyo*	✓	✓	N/A	N/A
Omatseyin Ayida	✓	✓	✓	✓

\*Oluwande Muoyo resigned from the Board of FBN Holdings Plc effective 30 April 2020.

#### Key Responsibilities

The responsibilities of the Committee are to:

- Develop and maintain an appropriate corporate governance framework for the Group;
- Develop and maintain an appropriate policy on the remuneration of Directors, both Executive and Non-Executive;
- Nominate new Directors to the Board;
- Develop succession plans for the Board of Directors and key Management staff across the Group;
- Nominate and endorse individuals for Board appointments for subsidiary companies;
- Recommend Directors' remuneration to the Group;
- Oversee Board performance and evaluation within the Group;
- Identify individuals for consideration for Board appointment and make recommendations to the Board for approval;
- Recommend potential appointment and re-election of Directors (including the GMD) to the Board, in line with FBNHoldings' approved Director selection criteria;
- Ensure the Board composition includes at least three Independent Non-Executive Directors who meet the independence criteria as defined by CAMA;
- Make recommendations on the amount and structure of the remuneration of the Group Chairman and other Non-Executive Directors to the Board for approval;



## EFFECTIVENESS

- Review and make recommendations to the Board on all retirement and termination payment plans of the Executive Directors;
- Ensure proper disclosure of Directors' remuneration to stakeholders;
- Ensure compliance with regulatory requirements and other international best practices on corporate governance;
- Review and approve amendments to the Group's Corporate Governance framework;
- Nominate independent consultants to conduct an annual review or appraisal of the performance of the Board and make recommendations to the Board. This review or appraisal should cover all aspects of the Board's structure, composition, responsibilities, individual competencies, operations, role in strategy setting, oversight of corporate culture, evaluation of Management's performance, and stewardship towards shareholders;
- Evaluate the performance of the Board Committees and Boards of subsidiary companies annually. The Committee may utilise the service of the independent consultant duly approved by the Board for the annual Board appraisal as it deems fit. The evaluation process will be in line with the Group's Evaluation Policy;
- Perform such other matters relating to the operations of the Group as may be specifically delegated to the Committee by the Board;
- Evaluate the role of the Board Committees and Boards of subsidiary companies and ratify the performance appraisals of the Executive Directors as presented by the GMD; and
- Ensure compliance with the Codes of Corporate Governance of CBN, FRCN, the guidelines of SEC and global best practices on corporate governance.

## EFFECTIVENESS

### Board Audit and Risk Assessment Committee Membership

- Omatseyin Ayida – Acting Chairman
- Oluwande Muoyo\* (resigned)
- 'Debola Osibogun
- Chidi Anya



### Attendance at Board Audit and Risk Assessment Committee Meetings

The Board Audit and Risk Assessment Committee met five times in 2020.

NAMES	22 JANUARY	11 MARCH	16 APRIL	23 JULY	21 OCTOBER
Omatseyin Ayida	✓	✓	✓	✓	✓
'Debola Osibogun	✓	✓	✓	✓	✓
Chidi Anya	✓	✓	✓	✓	✓
Oluwande Muoyo*	✓	✓	✓	N/A	N/A

\*Oluwande Muoyo resigned from the Board of FBN Holdings Plc effective 30 April 2020.

### Key Responsibilities

The responsibilities of the Committee are to:

- Ensure there is an efficient risk management framework for the identification, quantification and management of business risks facing the Group;
- Evaluate the Group's risk profile and the controls in place to mitigate such risks;
- Ensure the development of a comprehensive internal control framework for the Group;
- Review the Group's system of internal control to ascertain its adequacy and effectiveness;

- Evaluate internal processes for identifying, assessing, monitoring and managing key risk areas, especially market, liquidity and operational risks, the exposures in each category, significant concentrations within those risk categories, the metrics used to monitor the exposures, and Management's views on the acceptable and appropriate levels of those risk exposures;
- Review the independence and authority of the risk management function;
- Receive the decisions of the Statutory Audit Committee on the statutory audit report from the Company Secretary and ensure its full implementation; and
- Assess and confirm the independence of the External Auditor annually. The report of this assessment should be submitted to the Board and the Statutory Audit Committee.

## EFFECTIVENESS

### Board Finance and Investment Committee Membership

- Oye Hassan-Odukale, *MFR* – Chairman
- Cecilia Akintomide, *OON*
- Dr Hamza Wuro Bokki
- U.K. Eke, *MFR*



### Attendance at Board Finance and Investment Committee Meetings

The Board Finance and Investment Committee met five times in 2020.

NAMES	21 JANUARY	16 APRIL	22 JULY	21 OCTOBER	14 DECEMBER
Oye Hassan-Odukale, <i>MFR</i>	✓	✓	✓	✓	✓
Cecilia Akintomide, <i>OON</i>	✓	✓	✓	✓	✓
Dr Hamza Wuro Bokki	✓	✓	✓	✓	✓
U.K. Eke, <i>MFR</i>	✓	✓	✓	✓	✓

### Key Responsibilities

The responsibilities of the Committee are to:

- Understand, identify and discuss with Management the key issues, assumptions, risks and opportunities relating to the development and implementation of the Group's strategy;
- Participate in an annual strategy retreat for the Board and Management, ensuring the Board retains sufficient knowledge of the Group's business and the industries in which it operates to provide strategic input and identify any critical strategic relevance of Management's assumptions for planning purposes;
- Critically evaluate and make recommendations to the Board for approval of the Group's business strategy periodically;
- Periodically engage Management and act as a sounding board on strategic issues;
- Regularly review the effectiveness of the Group's strategic planning and implementation monitoring process;
- Review and make recommendations to the Board regarding the Group's investment strategy, policy and guidelines, its implementation and compliance with those policies and guidelines, and the performance of the Group's investment portfolio;
- Oversee the Group's investment planning, execution and monitoring processes;
- Oversee the long-term financing options for the Group;
- Review the Group's financial projections, as well as the capital and operating budgets, and have quarterly reviews with Management on the progress of key initiatives, including appraising actual financial results against targets and projections;
- Review and recommend for Board approval the Group's capital structure, which should not be limited to mergers, acquisitions, business expansions, allotment of new capital, debt limits and any changes to the existing capital structure; and
- Recommend for Board approval the Group's dividend policy, including nature and timing; and ensure an effective tax policy is implemented.



## EFFECTIVENESS

### STATUTORY AUDIT COMMITTEE (SAC)

Section 404 (2) and (3) of CAMA 2020 requires every public company to establish a Statutory Audit Committee composed of two Non-Executive Directors and three representatives of its shareholders, subject to a maximum of five members. These provisions will take effect from the election of SAC members at the AGM. The current composition of the SAC was based on the provisions of CAMA 1999.

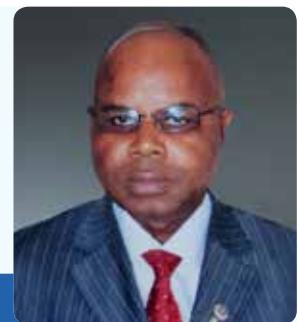
#### Shareholder Representative Profile



**Kolawole Durojaiye, FCA**

*Chairman, Statutory Audit Committee*

Kolawole Durojaiye, FCA, was re-elected as Shareholders' Representative on the SAC on 27 April 2020 and brings to the Committee 31 years' experience in auditing and banking. Before his appointment, he worked with the Central Bank of Nigeria for 24 years, rising to the position of Director. He was Assistant Manager at KPMG Nigeria between 1986 and 1996, leading teams in commercial and merchant banks, finance companies and other financial institutions. Kolawole was part of the team that codified the Nigeria Microfinance Policy Framework, following an international study tour of countries with successful microfinance histories, and was fully involved in its implementation as Secretary to the Joint CBN – NDIC Consultative Committee on Microfinance Banking. A Fellow of the Institute of Chartered Accountants of Nigeria, Kolawole has attended several training courses and conferences. He also participated in the sixth Global Housing Finance Conference, led by the World Bank Group, in Washington DC, USA in May 2014, and led the specialist team that formulated the recent reforms of primary mortgage banks in Nigeria. Kolawole is married with children.



**Nnamdi Okwuadigbo, FCA**

*Shareholder Representative*

Nnamdi Okwuadigbo, FCA, was re-elected as Shareholders' Representative on the SAC on 27 April 2020 and brings to the Committee over 30 years' experience in auditing, accounting/financial reporting, taxation, debt recovery, business advisory, financial management, portfolio management and management consulting, within the public and private sectors. He is the Founder and Managing Partner of the firm of Nnamdi Okwuadigbo & Co. He is a professional with industry responsibility, having worked with Gearhart Nigeria Ltd. as Financial Controller and Barclays Bank Nigeria Ltd.

He is a Fellow and the immediate past President of the Institute of Chartered Accountants of Nigeria (ICAN). He holds a Certificate in International Financial Reporting (Cert IFR). Nnamdi is married with children.



## EFFECTIVENESS



**Fuad Farouk Umar**

*Shareholder Representative*

Fuad Umar, was elected as Shareholders' Representative on the SAC on 27 April 2020. His wealth of experience spans his previous roles as the Investment Coordinator, LINKS-Tetra Tech (FCDO funded program), Access to Finance Adviser, MAFITA-Adam Smith International (DFID funded program), and Business Development Service Provider, MAFITA. Thereafter, he established and managed his investment portfolio, Fuad Allied Nigeria Ltd where he serves as the Chief Executive Officer.

Fuad has served in several leadership positions in numerous organisations, including Ocean Securities and Stockbrokers Ltd, the Association for the Advancement of the Rights of Nigerian Shareholders, Quantico International and Fuad Agro.

His people-centered approach to problem-solving has seen him contribute remarkably to developing sustainable strategies for investment, risk analysis, expansion, and dividend pay-outs.

An exemplary scholar, Fuad holds a first-class Bachelor of Science degree in Management Information Systems from the American University of Nigeria (AUN) and a master of business administration from the Dangote Business School, Bayero University, Kano. His dedication to work and knowledge acquisition has earned him several awards and recognitions. In 2012, while studying at AUN, his outstanding academic performance earned him a place at the Kogod Business School in Washington DC for a year-long exchange program. This was followed by other honours for leadership, academic excellence, community engagement, and development.

His leadership roles in Fuad Allied Nigeria Ltd, Quantico International, and the Association for the Advancement of the Rights of Nigerian Shareholders demonstrate his penchant for excellence in professional services. Fuad's mastery and experience in building sustainable business models in Nigeria while adopting new technologies has aided in shaping Nigeria's business landscape.

### Audit Committee Members

S/N	NAMES	ROLE	STATUS	EDUCATIONAL QUALIFICATIONS
1.	Kolawole Durojaiye, <i>FCA</i>	Chairman	Shareholder representative	FCA, MBF, BSc (Agric Economics)
2.	Nnamdi Okwuadigbo, <i>FCA</i>	Member	Shareholder representative	FCA, BSc (Accounting)
3.	Fuad Farouk Umar	Member	Shareholder representative	Bsc Management Information System, MBA
4.	Oye Hassan-Odukale, <i>MFR*</i>	Member	Non-Executive Director	MBA Finance, BBA, BSc (Business Administration)
5.	Chidi Anya*	Member	Non-Executive Director	MILD, BL, LLB
6.	Cecilia Akintomide, <i>OON*</i>	Member	Independent Non-Executive Director	LLM, BL, LLB

\*Please refer to the Leadership section for the profiles of the Directors.

### Independence of the Statutory Audit Committee

The independence of the SAC is fundamental to upholding public confidence in the reliability of its reports and the Company's financials. The Committee has access to the external auditor to seek explanations and additional information.

The Committee is composed of six members as required in the former CAMA of 1999; three of these, including the Chairman, are shareholder representatives, who are independent and answerable to the shareholders. The other three members include two Non-Executive Directors and an Independent Non-Executive Director. This composition underpins the independence of the SAC from executive influence.



## EFFECTIVENESS

### Attendance at Statutory Audit Committee Meetings

The Statutory Audit Committee met four times in 2020.

NAMES	11 MARCH	23 JUNE	22 SEPTEMBER	10 DECEMBER
Kolawole Durojaiye, <i>FCA</i>	✓	✓	✓	✓
Nnamdi Okwuadigbo, <i>FCA</i>	✓	✓	✓	X
Fuad Farouk Umar*	N/A	✓	✓	✓
Oye Hassan-Odukale, <i>MFR</i>	✓	✓	✓	✓
Chidi Anya	✓	✓	✓	✓
Cecilia Akintomide, <i>OON</i>	✓	✓	✓	✓

\*Fuad Farouk Umar was elected at the Annual General Meeting of 27 April 2020.

### The Responsibilities of the Committee

The statutory duties and role of the SAC are encapsulated in Section 404 (7) of CAMA. In addition, the various Codes of Corporate Governance, including the CBN and FRCN Codes, set out the role and responsibilities of the SAC, which are to:

- Ascertain whether the Company's accounting and reporting policies are in accordance with legal requirements and agreed ethical practices;
- Review the scope and planning of audit requirements;
- Review the findings on Management matters in conjunction with the external auditor and departmental responses thereon;

- Keep under review the effectiveness of the Company's system of accounting and internal control;
- Make recommendations to the Board regarding the appointment, remuneration and removal of the external auditor of the Company, ensuring the independence and objectivity of the external auditor and ensure there is no conflict of interest, which could impair the independent judgement of the external auditor;
- Authorise the internal auditor to carry out investigations into any activity of the Company that may be of interest or concern to the Committee; and
- Assist in the oversight of the integrity of the Company's financial statements and in the establishment and development of the internal audit function.



## EFFECTIVENESS

### Group Executive Committee (GEC)

The role of the GEC is to ensure the implementation and alignment of the Group's strategy. The GEC is a management committee and meets quarterly, or as may be required. The GEC met four times in 2020.

#### Membership

The GMD of FBN Holdings Plc serves as the Chairman while the other members are:

- MD/CEO, First Bank of Nigeria Ltd
- MD/CEO, FBNQuest Merchant Bank Ltd
- MD/CEO, FBNQuest Capital Ltd
- MD/CEO, FBNQuest Trustees Ltd
- MD/CEO, FBN Insurance Brokers Ltd
- Chief Financial Officer, FBN Holdings Plc
- Company Secretary, FBN Holdings Plc
- Head, Strategy and Corporate Development, FBN Holdings Plc
- Chief Financial Officer, First Bank of Nigeria Ltd
- Chief Risk Officer, First Bank of Nigeria Ltd



#### Key Responsibilities

The responsibilities of the GEC are to:

- Ensure overall alignment of the Group strategy and plans;
- Review strategic and business performance against approved plans and budget of the Group and agree on recommendations and corrective actions;
- Promote the identification of synergies and ensure the implementation of synergy initiatives;
- Monitor the progress of Group synergy realisation initiatives and make recommendations;
- Discuss and monitor compliance of Group policies such as risk management, internal audit and others; and
- Review and recommend modifications to Group policies.

## EFFECTIVENESS

### Management Committee (MANCO)

The role of the MANCO is to deliberate and take policy decisions on the efficient and effective management of the Holding Company.

#### Membership

The GMD of FBN Holdings Plc serves as the Chairman, while the other members are:

- Chief Financial Officer
- Company Secretary
- Head, Risk Management and Compliance
- Head, Investor Relations
- Head, Internal Audit
- Head, Strategy and Corporate Development
- Head, Marketing and Corporate Communications
- Head, Human Resources



#### Key Responsibilities

The responsibilities of the MANCO are to:

- Develop and review, on an ongoing basis, the Holding Company's business focus and strategy, subject to the approval of the Board;
- Confirm alignment of the Holding Company's plan with the Group's overall strategy;
- Recommend proposals to the Board on the strategies to achieve the Group's objectives regarding investment and divestment activities;
- Track and manage the strategic and business performance of the Group against approved plans and the budget of the Holding Company; and
- Make proposals to the Board and Board Committees on major policies and decisions relating to staff compensation, major capital spending, organisational structure, and other issues related to the business.



## EFFECTIVENESS

### Going Concern

On the recommendation of the SAC, the Board annually considers and assesses the Company as a going concern for the preparation of the financial statements at year-end. The Board continues to view the Company as a going concern for the foreseeable future.

### External Auditors

The external auditor for the 2020 financial year was Messrs. KPMG Professional Services (KPMG).

FBNHoldings is in full compliance with the CBN and FRCN Codes as its external auditor was appointed as auditor in the 2020 financial year, and hence has been retained for a year.

### 2020 Audit Fees

The audit fee paid by FBNHoldings (the Company) to the external auditor for the 2020 statutory audit was ₦25mn . There were no non-audit services rendered to the Company during the year.

### Prohibition of Insider Dealing

In line with Section 17.2 of the Amendment to the Listing Rules of the Nigerian Stock Exchange, structures have been put in place to ensure compliance, and to communicate closed periods to insiders and the Nigerian Stock Exchange. Compliance is ensured through the Registrars that within this period, Directors, persons discharging managerial responsibilities, advisers, and other persons with access to insider information or their connected persons, are not allowed to deal in the securities of FBNHoldings.

### Succession Planning

The Board Governance and Nomination Committee is tasked with the responsibility for the Group's succession planning process. The Committee identifies critical positions on the Board and Executive Management level that are deemed important to the achievement of the Company's business objectives and strategies and have a significant impact on the operations of the Group. These critical positions include the following:

- Board Chairman
- Non-Executive Directors
- Executive Management
- Subsidiary Managing Directors

- Subsidiary Board Chairmen

The Committee defines the competency requirements for the key positions. The competency requirements provide a blueprint of the requirement to succeed in each position and include the required knowledge, skills and attitude, ethics, value and codes of conduct.

The competency requirements are identified and defined in line with the future needs and strategic objectives of the Group. They also provide the basis to assess potential successors for the identified key positions and identify skills gaps and developmental needs.

On conclusion of this phase, the Committee determines the scale and competency gaps as well as identifies the talent pool.

For the Chairman's position, the existing Chairman of the Board will articulate the developmental needs of each Non-Executive Director on the Board, develop a plan to bridge those gaps and thereafter position them as potential successors.

For Non-Executive Directors, the Governance and Nomination Committee will periodically undertake a detailed analysis of the existing Board's strengths and weaknesses, and skills and experience gaps, based on the exit of Directors from the Board and current deficiencies, while noting the Company's long-term business strategy and plans. Based on this assessment, the Committee shall define the skills and competency profile that reflects the needs of the Board.

For Executive Management positions, the Committee, in conjunction with the GMD, shall note and review the skills and gaps of the possible successors against expected competency requirements.

### Performance Monitoring

As part of its oversight role, the Board continually engages the Management and contributes ideas to the Group's strategy, from the planning phase to execution. The Board holds an annual Board retreat at which it formulates and monitors strategy. Once a strategy is defined, updates on specific strategic objectives become part of the ongoing Board agenda, providing the Board with access to sufficient detail to critique the implementation of the strategy.

During this process, the Board is continually updated on significant issues, risks or challenges encountered during strategy implementation across the Group, and on the steps taken to alleviate those risks.

## EFFECTIVENESS

The Management reviews the Group's financial and performance indicators with the Board quarterly, and the Board continually assesses progress and confirms alignment or otherwise, with the Group's strategic goals and objectives.

The Group's actual performance relative to budget is presented to the Board to give insights on achievement or otherwise and address challenges where they exist.

In addition, peer benchmarking is a regular part of Board meetings to compare FBNHoldings' performance against competitors.

## REMUNERATION STRUCTURE

### Introduction

This section provides stakeholders with an understanding of the remuneration philosophy and policy adopted at FBNHoldings for Non-Executive Directors, Executive Directors and employees.

### Remuneration Philosophy

FBNHoldings' compensation and reward philosophy represent the values and beliefs that drive the Company's Compensation Policy.

The compensation philosophy is in line with the Group's quest to attract and retain highly skilled personnel who will keep the Group ahead of the competition. In reviewing the compensation packages, factors to be considered include organisational policy, market positioning, the Group's financial performance, government policies, regulations, industry trends, inflation and the cost-of-living index.

### Remuneration Strategy

FBNHoldings' compensation and reward strategies aim to attract, reward and retain a motivated talent pool to drive the Company's values, ideology and strategic aspirations. The compensation strategy supports the corporate strategy and is reviewed as required to reflect changes in internal and external conditions. The compensation and reward strategies seek to position the Group as an employer of choice within its market by offering an attractive and sustainable compensation package. Compensation is also differentiated and is used as a tool for retaining high-potential talent and driving our desired culture and values.

### Compensation Policy

The Group's Compensation Policy provides the guidelines for administration of staff compensation and is aimed at attracting, rewarding and retaining a motivated talent pool. The compensation structure is categorised into Remuneration, Perquisites and Benefits. Remuneration includes base pay and allowances, as well as performance-based bonuses and incentives, detailed as follows:

- Base pay includes the salary component for the defined job grade and is mainly cash-based. It is guaranteed and payable monthly in arrears, as per the employment contract. It is the basis for the computation of some allowances and most benefits.
- Allowances are other pay items outside base pay and are structured to support a standard of living for respective grades. These allowances include housing, furniture, lunch and clothing. They are payable in cash and are paid monthly, quarterly, or yearly for tax planning, liquidity planning and staff convenience. Allowances are separated into two: those that form part of staff salary and those categorised purely as allowances.
- Bonuses and incentives are related to the achievement of organisational and individual targets and may be cash or non-cash, such as performance bonuses and commendation letters.
- Perquisites are usually lifestyle-oriented and designed to ensure comfort, motivation, commitment and the retention of staff, particularly those at the senior level or with high potential. These may include status cars, power generators, gym equipment and other choice items.



## EFFECTIVENESS

- Benefits are entitlements usually attainable subject to organisational conditions. They include leave, medical allowances and social club subscriptions. To guarantee staff convenience and in line with the Group's ethical stance of being socially responsible and a good corporate citizen, payments are structured so that while ensuring adequate cash flow for staff, the Group does not run contrary to tax laws and other statutory regulations.

### **Executive Remuneration**

As a Board, we are mindful of the views of the various stakeholders on Executive remuneration. We aim to motivate, incentivise and retain best talents while keeping an eye on the prevailing economic outlook.

The remuneration for Executive Directors is determined by the Board and usually reflects competitive benchmarking in the industry, while ensuring that it adequately attracts and retains the best and most experienced individuals for the role. This also applies to Non-Executive Directors, who are entitled to Directors' fees, reimbursable expenses and sitting allowances.

## BOARD COMPENSATION

### **Non-Executive Directors**

In line with the FRCN and CBN Codes, Non-Executive Directors receive fixed annual fees and sitting allowances for their services to the Board and Board Committee. There are no contractual arrangements for compensation for loss of office. Non-Executive Directors do not receive short-term incentives, nor do they participate in any long-term incentive schemes.

### **Remuneration for Executive Directors**

Remuneration for Executive Directors is performance-driven and restricted to base salaries, allowances, performance bonuses. Executive Directors are not entitled to sitting allowances.

For more details on remuneration, please refer to Note 48 of FBNHoldings' 2020 Financial Statements.

The Group continually ensures that its remuneration policies and practices remain competitive and are in line with its core values to incentivise and drive performance.



# STATEMENT OF COMPLIANCE

## STATEMENT OF COMPLIANCE WITH THE NIGERIAN STOCK EXCHANGE (NSE) LISTING RULES ON SECURITIES TRADING POLICY

In line with Section 14 of the Nigerian Stock Exchange (NSE) Amendments to the Listing Rules (Rules), we wish to state that we have adopted a code of conduct regarding securities transactions by our Directors, and it is in line with the required standard set out in the Rules.

FBNHoldings' Securities Trading Policy (Policy) is embedded in the Board-approved Group Disclosure Policy, and having made specific enquiries from all our Directors regarding compliance with the Policy, we hereby confirm to the best of our knowledge that our Board of Directors are compliant with FBNHoldings' Securities Trading Policy and the Rules on Securities Trading.

**Oluseye Kosoko**  
Company Secretary

**Dr Oba Otudeko, CFR**  
Group Chairman

## STATEMENT OF COMPLIANCE WITH THE NIGERIAN STOCK EXCHANGE ON LISTING ON THE PREMIUM BOARD

In compliance with Section 4 of the Rules of the Nigerian Stock Exchange on Listing on the Premium Board, we wish to state that the SEC Code of Corporate Governance (Code) governs the operations of FBN Holdings Plc.

We hereby confirm to the best of our knowledge that FBNHoldings is in full compliance with the Code.

**Oluseye Kosoko**  
Company Secretary

**Dr Oba Otudeko, CFR**  
Group Chairman

## STATEMENT OF COMPLIANCE WITH SECTION 34 OF THE SEC CODE OF CORPORATE GOVERNANCE

In compliance with Section 34 of the SEC Code of Corporate Governance (SEC Code), we hereby confirm to the best of our knowledge the following.

- That FBNHoldings has in place effective internal audit functions and the Risk Management Control and Compliance system operates efficiently and effectively.
- That FBNHoldings' sustainability initiatives are in alignment with Part D of the SEC Code.
- That FBNHoldings' related party transactions are being monitored in compliance with the provisions of the SEC Code.

**Oluseye Kosoko**  
Company Secretary

**Dr Oba Otudeko, CFR**  
Group Chairman

## CENTRAL BANK OF NIGERIA (CBN) AND SECURITIES AND EXCHANGE COMMISSION'S (SEC) CODES OF CORPORATE GOVERNANCE

In compliance with Section 4.2 of the Listings Rules of the Nigerian Stock Exchange on Listing on the Premium Board, we wish to state that the CBN and SEC Codes of Corporate Governance (Codes) govern the operations of FBN Holdings Plc.

We hereby confirm that to the best of our knowledge we are in compliance with the Codes.

**Oluseye Kosoko**  
Company Secretary

**Dr Oba Otudeko, CFR**  
Group Chairman

# ACCOUNTABILITY

## Risk Governance Framework

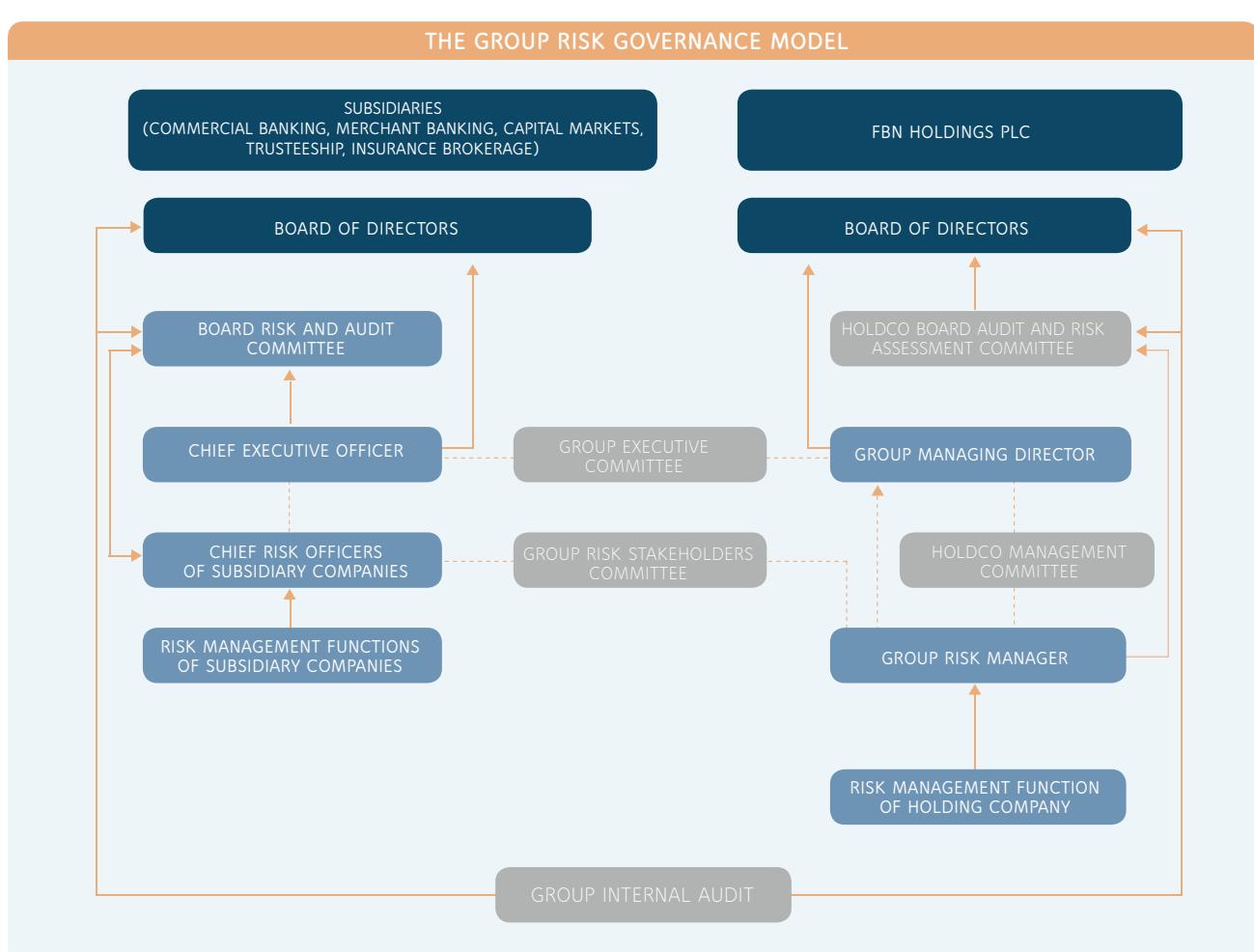
At FBN Holdings Plc, risk management is executed through the Group's Enterprise Risk Management framework which is a robust governance structure that establishes individual and collective accountabilities for risk management, risk oversight and risk assurance. The framework is implemented across all the subsidiaries and in other jurisdictions, except where its provisions are not consistent with the requirements of the local laws or regulations. The approved risk management framework is consistently communicated across the Group.

The framework ensures risks are managed consistently across the Group and provides important considerations for the Board and its subcommittees in defining and addressing their oversight responsibilities.

This is reinforced by the Board's delegation of authority, which sets the appropriate tone through the Management hierarchy. The Risk Governance Framework is supported by a committee-based structure designed to confirm that the risk management system across the Group is in line with regulations and best practices.

The Group's risk governance architecture comprises:

- Defined accountability arrangements and expectations of relevant stakeholders in the risk management process;
- Defined policy for the management of various risks; and
- A system of internal control supported by appropriate assurances in the risk management process.





## ACCOUNTABILITY

- a. The Board has ultimate responsibility for risk management and is accountable for approving risk management policies and associated amendments. The Board Audit and Risk Assessment Committee (BARAC) oversees the Board's risk responsibilities. Every year, BARAC decides on and supervises the risk appetite and the risk strategy. The Committee is also responsible for the development of a sound and consistent Group-wide risk culture, which is based on a clear understanding of the risks that could be encountered by the Group, and the management of such risks. The Chief Risk Officers of the various subsidiaries have access to BARAC through the Head, Risk and Compliance of FBNHoldings, who makes quarterly presentations to the Committee. This ensures effective management of risk by the Board across the Group. The specific roles and responsibilities of BARAC are listed under the Board Committee reports on page 28.
- b. The Executive Committee is responsible for reviewing and challenging risk information and escalating issues to the Board. The Executive Committee ensures the integrity of the reporting and monitoring system, making sure the reporting structure does not distort or suppress material information presented to the Board, and that the reporting process promotes timely response to material risk.
- c. The Risk Management Directorate of the subsidiaries is headed by the Chief Risk Officers of each subsidiary, who is a qualified Senior Management with requisite experience. They facilitate and coordinate risk management activities in their subsidiaries.
- d. The Strategic Business Units and other departments are the risk-takers responsible for implementing internal control procedures. They identify risks in products, activities, processes and systems, and initiate actions, apply mitigating strategies and report risks associated with their respective functions.
- e. Internal Control, Internal or External Audit and External Assessors are responsible for providing independent assurance on the effectiveness of the risk management processes, practices and control systems.

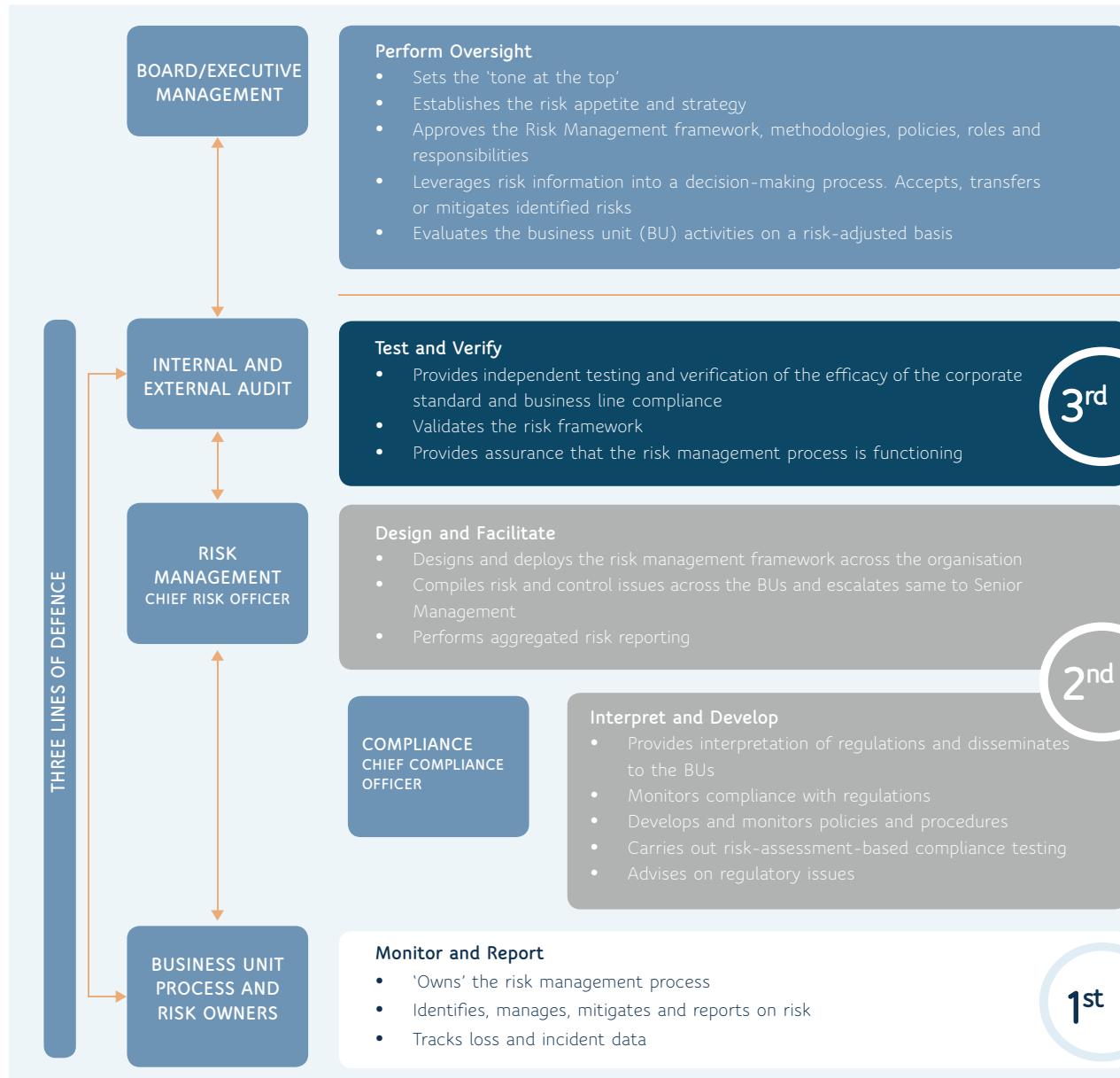
The Group's approved Risk Governance Model is characterised by the following:

- The FBNHoldings Board of Directors, assisted by BARAC, provides robust oversight of the Group's risk strategy. The Board approves the Group's risk appetite, reviews the adequacy of the Risk Management framework and controls effectiveness.
- The Group Risk Stakeholders Committee comprises the Chief Risk Officers, Heads of Department of the risk directorates, Chief Compliance Officers and Chief Internal Auditors of all the operating entities, and the Head of Risk Management and Compliance of the Holding Company. The Committee ensures that a strong and effective relationship exists between the operating entities' risk management functions and the Holding Company, thus enhancing the risk coordination and aggregation processes across the Group. The Committee is accountable to the Group Executive Committee and the Board Audit and Risk Assessment Committee.

## ACCOUNTABILITY

### THE GROUP RISK OPERATING MODEL

The Group risk operating model ensures clarity and simplicity of the risk management process and enhances a robust and practical risk governance structure in the Group. The Three Lines of Defence model is adopted in reinforcing the Risk Governance Framework.



The model shows the responsibilities and accountabilities for risk management and internal control across the business units within the Group. The model provides clarity between the roles and responsibilities within each line, all of which play an integral

role in assuring the effectiveness of the risk management and internal control systems. For more information on the Group's Risk Management and the Three Lines of Defence models, please refer to the Risk Overview section of the FBNHoldings 2020 Annual Report.

## WHISTLEBLOWING PROCEDURES

The Board and Management of FBN Holdings Plc actively encourage employees to embrace the Group's values of integrity, dependability and transparency. The Group has a robust whistleblowing procedure that encourages reporting of financial and ethical improprieties through dedicated and confidential channels. Employees and other stakeholders are obliged to report any unlawful, irregular or unethical conduct observed.

Furthermore, the policy and practice provide effective protection for whistleblowers, as part of an open organisational culture where employees are not only aware of how to report, but also have the confidence to make such reports. The identity of any whistleblower is protected, and details of whistleblowing incidents are kept confidential in line with the Whistleblowing Policy. The Group does not condone or tolerate any acts of retaliation against those who raise concerns.

All escalated concerns are thoroughly investigated and reported to the appropriate authorities, including the Chairman, Board Audit and Risk Assessment Committee. Reports made through this policy should not be based on mere speculation, rumours or gossip; rather, they should be based on factual knowledge, as evidence may be required to ensure proper prosecution and consequent management. The full version of the Group's Whistleblowing Policy can be accessed on the website: [www.fbnholdings.com/whistle-blowing/](http://www.fbnholdings.com/whistle-blowing/).

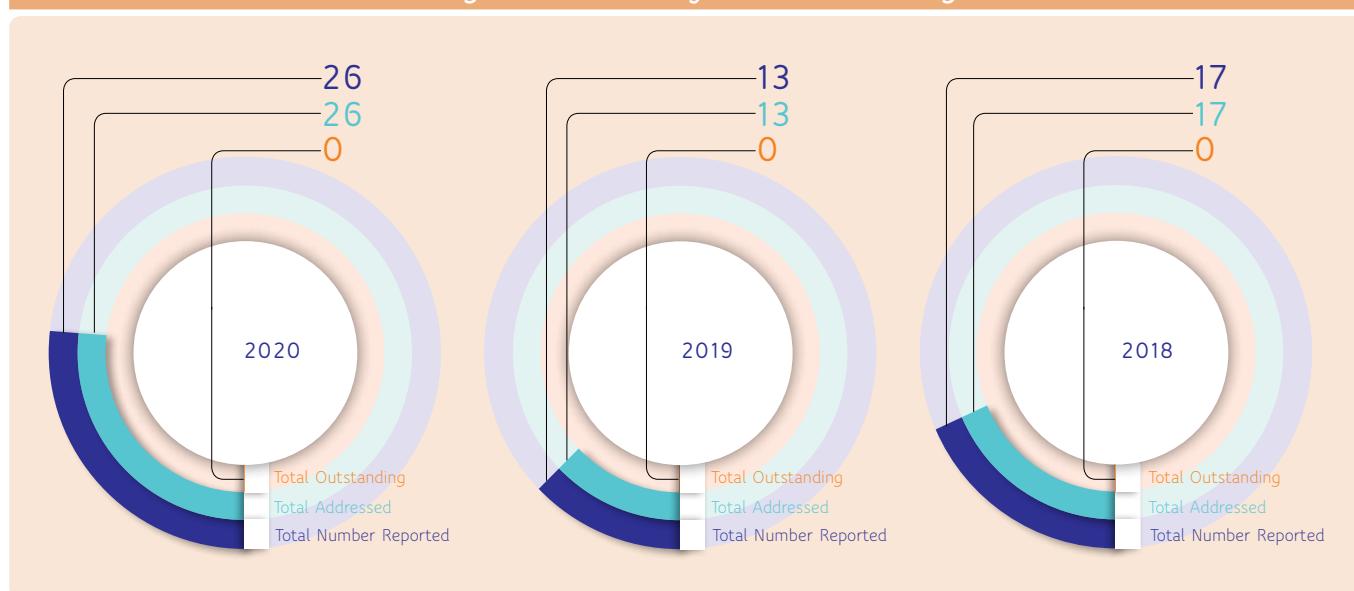
The whistleblower can report through any of the following channels, either by declaration or in confidence/anonymous:

- A formal letter to the Group Managing Director, FBN Holdings Plc and/or Head, Internal Audit FBN Holdings Plc
- Dedicated phone number: 0817 597 8505
- Dedicated email address:  
FBNHoldingsWhistleBlowing@fbnholdings.com

Any issue raised should include all relevant background information (including dates), as well as the reason(s) why the whistleblower is particularly concerned about the situation.

The whistleblower, whether internal or external, may elect to disclose information directly to any of the listed regulatory bodies, such as the Central Bank of Nigeria (mail to: [anticorruptionunit@cbn.gov.ng](mailto:anticorruptionunit@cbn.gov.ng)), the Nigeria Deposit Insurance Corporation (mail to: [info@ndic.org.ng/helpdesk@ndic.org.ng](mailto:info@ndic.org.ng/helpdesk@ndic.org.ng)), the Securities and Exchange Commission (mail to: [sec@sec.gov.ng](mailto:sec@sec.gov.ng)), the Nigeria Insurance Commission (mail to: [info@naicom.gov.ng](mailto:info@naicom.gov.ng)), the National Pension Commission (mail to: [info@pencom.gov.ng](mailto:info@pencom.gov.ng)) or the Nigerian Stock Exchange (mail to: [x-whistle@lse.com.ng](mailto:x-whistle@lse.com.ng)).

FBNHoldings Three-Year Analysis of Whistleblowing Cases





# ENGAGEMENT

In line with the FBNHoldings engagement plan, our focus in 2020 and amid the protracted pandemic was to foster a deeper relationship with our shareholders and sustain stakeholder communication. The Group remains committed to effective engagement through regular dialogue with our shareholders.

Across the Group, engagement sessions are given high priority because they provide valuable opportunities to gain insight into our shareholders' concerns. Through these channels, the Group is able to communicate its activities, strategy, governance, performance and outlook. These engagements ensure the views of our shareholders are considered in creating mutually supportive business opportunities and outcomes.



## Employee Engagement

Our people are our most valuable asset and an embodiment of our culture. They are a critical success factor to the Group, and our investment in them protects and strengthens our values. To this end, the Group promotes and maintains a diverse and inclusive workforce in which our people (of all backgrounds) are treated equally and supported to achieve their potential within a positive and value-driven work environment.

The Group is committed to employees' wellbeing, diversity and inclusion, and aims to upskill and develop the capabilities of its workforce. In line with the engagement

plan, the Group encourages an open culture where employees feel connected and motivated to speak up. The Group promotes a work environment where the leadership encourages feedback.

Our employees take pride in working for an inclusive and diverse Group, and with their support, we are building a culture in which everyone feels involved, empowered and inspired to do the right thing for our shareholders. Finally, for more details on our employee engagement programme, please refer to the 'Empowering Our People for Success' section of this Annual Report.



## Regulatory Engagement

The Board and Management are committed to engaging regulators to engender an atmosphere of cordiality and ensure the highest level of compliance with relevant existing regulations across the Group.

## ENGAGEMENT



### Shareholder Engagement

#### Domestic Retail Investors

The Group understands the need to effectively communicate with current and potential shareholders, briefing them on strategy, performance and outlook of the business while obtaining their feedback.

At FBNHoldings, we aim to stimulate increased involvement of retail and institutional shareholders within the local market. Consistent with this focus, domestic retail shareholders are updated on the Group's governance mechanism, strategy direction, financial performance and outlook. This we achieve through the Annual General Meetings (AGM), information uploaded to our websites, fund managers' engagements, research notes circulated by analysts and visits to shareholder associations.

In light of the physical restrictions necessitated by the pandemic and to further enhance engagement with our shareholders as well as create platforms for constructive

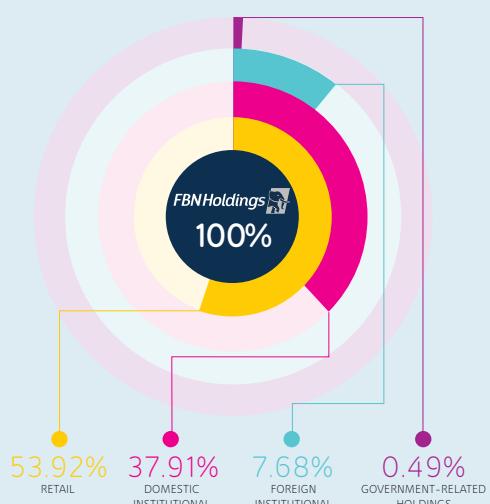
dialogue, email interactions and virtual forms of communication were encouraged. For instance, shareholders were encouraged to forward enquiries to the FBNHoldings Investor Relations Team at [investor.relations@fbnholdings.com](mailto:investor.relations@fbnholdings.com) or contact the Registrars through the website at <https://www.fbnholdings.com/shareholders-information/contact-the-registrars/>

#### Institutional Investors

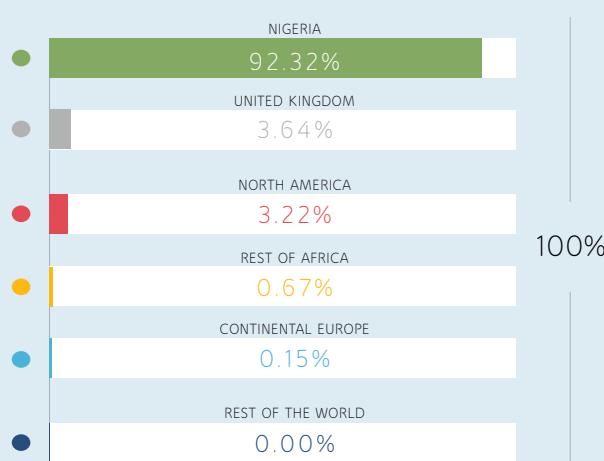
In 2020, there was a decline in the participation of international institutional shareholders. This was not peculiar to FBNHoldings as the Nigeria Stock Exchange also experienced a similar trend in international participation. The notable reversal of international investors' interest in Nigeria can be attributed to the acute foreign exchange liquidity challenges in the country and concerns around the macro/regulatory/business landscapes. Notwithstanding, domestic investors have continued to provide support owing to the strong FBNHoldings franchise.

## SHAREHOLDING STRUCTURE AS AT 31 DECEMBER 2020

### BREAKDOWN OF SHAREHOLDERS BY TYPE



### GEOGRAPHICAL BREAKDOWN OF SHAREHOLDERS





## ENGAGEMENT

### Investor Relations Role

The Investor Relations (IR) team plays a pivotal role in providing details on the organisation's performance and outlook to stakeholders and a wide range of interested parties. IR engages current and potential shareholders, investors and analysts for effective and proactive dissemination of FBNHoldings' strategic information and corporate disclosures. Furthermore, IR leads and manages relations between FBNHoldings and the financial community, by positively projecting the Group's intrinsic value and enhancing investor confidence.

The Investor Relations function aims to:

- Enhance the Group's external relationships with existing and potential investors, shareholders, and analysts;
- Continuously gather market intelligence and monitor investor and analyst perception of the Group;
- Manage shareholders' expectations and ensure an upward flow of information to the Board through Executive Management;

- Keep the market informed of events and developments that may influence the share price in a reliable, consistent, comparable and transparent manner;
- Expand the potential pool of capital accessible to the Group to finance its growth objectives; and
- Project the fair value of the Company's shares.

In 2020, the channels of communication with our shareholders included websites, virtual meetings, email interactions, regular financial results and strategy announcements, conference calls and the AGM. The Investor Relations section of the website, [www.fbnholdings.com/investor-relations/](http://www.fbnholdings.com/investor-relations/), facilitates the effective distribution of information in a timely, transparent and consistent manner.

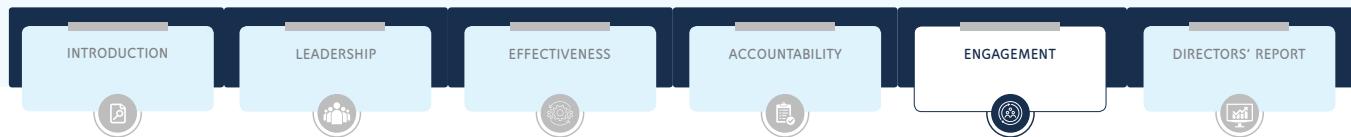
Enquiries on matters relating to the Group are welcome and should be directed by email to [companysecretariat@fbnholdings.com](mailto:companysecretariat@fbnholdings.com) or [investor.relations@fbnholdings.com](mailto:investor.relations@fbnholdings.com).

### Key Engagement Activities in the FBNHoldings Investor Relations Programme

ACTIVITY	DESCRIPTION	CHANNEL	TARGET AUDIENCE
Financial Results Press Release	<ul style="list-style-type: none"> <li>Press releases of financial results, detailing the Group's performance and outlook for the period under review.</li> <li>This is usually done quarterly when the financial results are made public.</li> <li>Press releases of the first, second and third quarters, as well as the full-year 2020 financial results, can be accessed at <a href="https://www.fbnholdings.com/press-releases/">https://www.fbnholdings.com/press-releases/</a></li> </ul>	<ul style="list-style-type: none"> <li>Website</li> <li>Email interactions</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Investors</li> <li>Analysts</li> <li>Credit-rating Agencies</li> </ul>
Operational/Ad Hoc Press Release	<ul style="list-style-type: none"> <li>Operational or ad hoc press releases provide essential up-to-date information to stakeholders on key operational developments or corporate actions outside scheduled reporting periods.</li> </ul>	<ul style="list-style-type: none"> <li>Website</li> <li>Email interactions</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Investors</li> <li>Analysts</li> <li>Credit-rating Agencies</li> </ul>

## ENGAGEMENT

ACTIVITY	DESCRIPTION	CHANNEL	TARGET AUDIENCE
Financial Results Conference Call	<ul style="list-style-type: none"> <li>This activity, led by the Senior and Executive Management across the Group, takes place after the publication of the financial results.</li> <li>The financial results presentation, which is prepared quarterly and uploaded to the IR website, provides further disclosures on the performance of the business during the relevant period.</li> <li>The presentations for the first, second and third quarters, as well as the full-year 2020 financial results, can be accessed at <a href="http://www.fbnholdings.com/financialinformation/results-presentations/">www.fbnholdings.com/financialinformation/results-presentations/</a></li> <li>The conference call has a question-and-answer session.</li> </ul>	<ul style="list-style-type: none"> <li>Video/audio conferencing</li> <li>An audio recording is regularly available on the IR website 48 hours after the call, while the transcript is available one week after such conference calls</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Investors</li> <li>Analysts</li> <li>Credit-rating Agencies</li> </ul>
International Non-Deal Roadshows	<ul style="list-style-type: none"> <li>These involve engagement with key international institutional investors and shareholders on the performance, outlook and key strategic objectives of the Group.</li> <li>The objective is to develop a supportive pool of capital and enhance international visibility.</li> </ul>	<ul style="list-style-type: none"> <li>Video/audio conferencing</li> <li>Email interactions</li> </ul>	<ul style="list-style-type: none"> <li>International Investors</li> </ul>
Domestic Investor Meetings	<ul style="list-style-type: none"> <li>The Group's Senior Management engages Shareholder Associations across zonal offices in Nigeria to address issues relating to performance, strategic direction, Corporate Governance and outlook.</li> </ul>	<ul style="list-style-type: none"> <li>Video/audio conferencing</li> <li>Email interactions</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Investors</li> <li>Analysts</li> </ul>
Investor Conferences	<ul style="list-style-type: none"> <li>These local and international conferences are a platform for the Group's Senior Management to address performance and market outlook relating to the business.</li> <li>The meetings engender confidence in the Management team and enhance local and international visibility.</li> <li>Conferences attended in 2020 include: <ul style="list-style-type: none"> <li>Standard Bank West Africa Investors virtual conference call</li> <li>International Debt Roadshow</li> <li>EFG Hermes virtual conference call.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Video/audio conferencing</li> <li>Email interactions</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Investors</li> <li>Analysts</li> </ul>



## ENGAGEMENT

ACTIVITY	DESCRIPTION	CHANNEL	TARGET AUDIENCE
Annual General Meeting	<ul style="list-style-type: none"> <li>The Board and Management team consider the AGM a major opportunity for shareholder engagement. FBNHoldings held its 8th AGM on Monday, 27 April 2020 at the Oriental Hotel, Victoria Island, Lagos, Nigeria.</li> <li>The following resolutions were presented and approved at the AGM: <ul style="list-style-type: none"> <li>▶ Receive the Annual Report and Accounts</li> <li>▶ Dividend Declaration</li> <li>▶ Election of Directors</li> <li>▶ Appointment of Auditors</li> <li>▶ Remuneration of Auditors</li> <li>▶ Election of the Audit Committee.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Physical location</li> <li>Video/audio conferencing</li> <li>Other virtual platforms</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Regulators (NSE, SEC, CBN, CAC)</li> <li>External Auditors, Consultants, Registrars, Legal Advisers</li> <li>Investors and Analysts</li> <li>Other Professional Advisers</li> <li>Observers</li> <li>The Media</li> </ul>
Pension Fund Managers Forum (PFAs and CPFAs)	<ul style="list-style-type: none"> <li>Engagement with domestic Pension Fund Administrators (PFAs) and Closed Pension Fund Administrators (CPFAs) provides an opportunity to share with them; the Group's governance mechanism, strategic direction, financial performance and outlook.</li> </ul>	<ul style="list-style-type: none"> <li>Video/audio conferencing</li> <li>Email interactions</li> </ul>	<ul style="list-style-type: none"> <li>Pension Fund Managers (PFAs and CPFAs)</li> </ul>

## ENGAGEMENT

### DIVERSITY OF THE INVESTOR RELATIONS WORLD AND INFORMATION REQUIREMENTS

#### PROXY ADVISERS

- Corporate governance
- Remuneration
- Disclosure



#### BOND INVESTORS

- Operational and financial updates
- Balance sheet strength
- Free cash flow generation and debt levels



#### RATING AGENCIES

- Business risk profile
- Balance sheet leverage
- Capital adequacy



#### RETAIL INVESTORS

- Dividend Policy
- Operational developments
- Reputation management



**FBNHoldings**   
**INVESTOR  
RELATIONS**

#### FINANCIAL MEDIA

- Monitor project-related news
- Management profiling
- Corporate transactions



#### STRATEGIC PARTNERS AND VENDORS

- Monitor related news
- Capex considerations
- Operational developments



#### SELL-SIDE ANALYSTS

- Operational and financial updates
- Corporate governance
- Relative outperformance



#### EQUITY INVESTORS

- Operational and financial updates
- Strategy updates
- Dividend Policy





## ENGAGEMENT

### The Rights of Shareholders

The Companies and Allied Matters Act 2020 (CAMA) states several basic rights of shareholders. These rights include, but are not limited to, the following:

- Every shareholder shall have the right to attend any general meeting of the Company in accordance with the provisions of Section 107 of CAMA. A shareholder has the right to query a company for not receiving notice to attend any general meeting, irrespective of the number of shares the person has in the Company.
- Shareholders have the right to speak and vote on any resolution before the meeting, in accordance with the provision of Section 107 of CAMA.
- Shareholders have the right to vote in person or in absentia, and equal effect shall be given to votes cast in person or in absentia.
- Shareholders should be given sufficient and timely information concerning the date, location and agenda of the general meetings, as well as full and timely information regarding the issues to be decided at the meeting.
- Shareholders shall be given the opportunity to ask the Board questions and to place items on the agenda at the general meeting, subject to reasonable limitations.

Shareholders' rights are respected and upheld at FBNHoldings Group. For shareholder enquiries, please refer to the contact details located on the rear cover of the Annual Report.

### Responsibilities of the Shareholders

The Statutory Audit Committee (SAC) oversees the Group's operations on behalf of shareholders. In this age of increasing transparency, shareholders' perceptions, expectations and understanding of the Group's operations and performance are important to the business. The SAC's duties are therefore to:

- Ensure that the Group's accounting and reporting policies comply with legal requirements and agreed ethical practices;
- Review the scope and planning of audit requirements;

- Review the findings on Management matters in conjunction with the external auditor;
- Keep the effectiveness of the Company's system of accounting and internal controls under review;
- Make recommendations to the Board regarding the appointment, removal and remuneration of external auditors to the Company;
- Authorise the internal auditor to carry out investigations into any activities;
- Hold the Board accountable for the observance of effective corporate governance practices; and
- Approve the appointment of members of the Board of Directors and the external auditors, as well as granting approval for certain corporate actions, such as approval of dividend payments.

### Events at the Annual General Meeting

FBNHoldings held its 8th Annual General Meeting on Monday, 27 April 2020 at 10.00am at the Oriental Hotel, Victoria Island, Lagos, Nigeria. The Notice of AGM is typically sent out at least 21 days before the AGM and published in at least two national daily newspapers. Documents for consideration at the meeting are sent to the shareholders' addresses through surface or registered mail or disseminated electronically. All businesses transacted at the AGM are deemed special businesses, except for specific businesses which are stipulated as ordinary businesses under the Companies and Allied Matters Act. These include: receiving the consolidated Annual Report and Accounts, declaring a dividend, re-election of Directors, appointment and fixing of the remuneration of the Auditors and appointment of the members of the Audit Committee.

The AGM is a forum to engage shareholders, particularly domestic holders, on key issues regarding the Group and any questions that may arise. Resolutions to be considered at the AGM are published on the FBNHoldings Investor Relations website ([www.fbnholdings.com/investor-relations](http://www.fbnholdings.com/investor-relations)). The AGM is also an avenue for shareholders to appraise the Company's performance, deliberate on all items on the agenda, vote for or against the proposed resolutions, and discuss related matters of concern with regards to the Company, Board of Directors and Management.

## ENGAGEMENT

In view of the COVID-19 pandemic and the directives issued by relevant authorities on physical distancing as well as the ban on large gathering, the Corporate Affairs Commission has approved that attendance to the meeting shall only be by proxies. Consequently, Members are required to appoint a proxy of their choice from the following proxies to attend and vote in his/her/ its stead:

-  Dr Oba Otudeko, *CFR* – Group Chairman
-  U.K. Eke, *MFR* – Group Managing Director
-  Dr Adesola Adeduntan – Non-Executive Director

However, the AGM will be streamed live online. This will enable shareholders and other relevant stakeholders who are unable to attend the meeting to participate in the proceedings.

The link for the live streaming will be made available on the Company's website: [www.fbnholdings.com](http://www.fbnholdings.com) and by the Registrar.

The AGM proceedings will be monitored by members of the press, representatives of the Nigerian Stock Exchange, the Central Bank of Nigeria, the Securities and Exchange Commission, the Financial Reporting Council and the Corporate Affairs Commission. The Registrars will officiate at the AGM, which involves accreditation and registration of shareholders, as well as verification of shareholdings. The Registrars will also conduct the elections and ensure a seamless process.

### Voting by Poll

Voting by poll is provided for under Sections 248 - 250 of CAMA. At the AGM, resolutions put to vote are decided by a poll (before or on the declaration of the result of the show of hands) demanded by any of the following:

- The Chairman, where he or she is a shareholder or a proxy.
- At least three members present in person or by proxy.
- Any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- Any member or members holding shares in the Company conferring a right to vote at the meeting whose shares represent an aggregate sum that has been paid up, and which is equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

However, there shall be no right to demand a poll on the election of the Audit Committee members.

### Conclusion

As we progress, our intent as a Group is to further expand engagement with all our current and potential stakeholders, towards deepening and augmenting our relationships across board.

To this end, FBNHoldings aims to build a sustainable communication infrastructure, using virtual platforms and traditional channels to ensure seamless flow of communication/information. This is aimed towards ensuring our unwavering commitment of enhanced shareholder engagement.



# DIRECTORS' REPORT

The Directors present their report on the affairs of FBN Holdings Plc ('the Company'), together with the financial statements and auditors' report for the period ended 31 December 2020.

## a. Legal Form

The Company was incorporated as a private limited liability company in Nigeria in 2010 and was converted to a public company in September 2012, when it commenced operations. The Company's shares were listed on the floor of the Nigerian Stock Exchange on 26 November 2012, after the shares of First Bank of Nigeria Plc (now First Bank of Nigeria Limited) were delisted on 23 November 2012.

## b. Principal Activity and Business Review

The principal activity of the Company is the raising and allocation of capital and resources.

The Company is also responsible for coordinating Group-wide financial reporting to shareholders and managing shareholder, investor, and external relations of the Group, as well as developing and coordinating the implementation of Group strategies.

COMMERCIAL BANKING	MERCHANT BANKING	CAPITAL MARKETS	TRUSTEESHIP	INSURANCE BROKERAGE
<b>First Bank of Nigeria Limited</b> <ul style="list-style-type: none"> <li>• FBNBank (UK) Limited</li> <li>• FBNBank DRC Limited</li> <li>• FBNBank Ghana Limited</li> <li>• FBNBank The Gambia Limited</li> <li>• FBNBank Guinea Limited</li> <li>• FBNBank Sierra Leone Limited</li> <li>• FBNBank Senegal Limited</li> <li>• First Pension Custodian Nigeria Limited</li> </ul>	<b>FBNQuest Merchant Bank Limited</b> <ul style="list-style-type: none"> <li>• FBNQuest Asset Management Limited</li> <li>• FBNQuest Securities Limited</li> </ul>	<b>FBNQuest Capital Limited</b> <ul style="list-style-type: none"> <li>• FBNQuest Funds Limited</li> </ul>	<b>FBNQuest Trustees Limited</b>	<b>FBN Insurance Brokers Limited</b>
The Group's core business is providing financial services to individuals, corporate customers, and public institutions. This business segment includes the domestic, international, and representative offices offering commercial banking services in 10 countries.  The Flagship, First Bank of Nigeria Limited founded 1894	These businesses comprise corporate banking, investment banking, asset and wealth management, fixed income securities trading and trust services, serving a diverse customer base of corporates, banks, public institutions, institutional investors, high-net worth individuals (HNIs) and the retail market.			This Company offers expert risk management and insurance brokerage as well as advisory services in life and general insurance businesses.



## DIRECTORS' REPORT

### c. Operating Results

Highlights of the operating results for the period under review are as follows:

	GROUP		COMPANY	
	31 Dec 2020 ₦'mn	31 Dec 2019 ₦'mn	31 Dec 2020 ₦'mn	31 Dec 2019 ₦'mn
Gross earnings	579,429	590,386	38,601	18,396
Profit before tax	83,703	75,286	34,073	13,874
Income tax expense	(8,111)	(9,242)	(213)	(12)
Profit for the year from continuing operations	75,592	66,044	33,860	13,862
Profit for the year from discontinued operations	14,138	7,621	-	-
Profit for the year	89,730	73,665	33,860	13,862
<b>Profit attributable to:</b>				
Non-controlling interests	1,744	3,747	-	-
Equity holders of the parent entity	87,986	69,918	33,860	13,862
Earnings per share (kobo) - Basic	245	195	94	39
Earnings per share (kobo) - Diluted	245	195	94	39

### d. Dividend

The Board of Directors, pursuant to the powers vested in it by the provisions of Section 426 of the Companies and Allied Matters Act (CAMA) 2020, has recommended a dividend of 45 kobo per ordinary share of 50 kobo each, amounting to ₦16,152,881,755.95. Withholding tax will be deducted at the time of payment.



## DIRECTORS' REPORT

### e. Directors' Shareholding

The direct and indirect interests of Directors in the issued share capital of the Company, as recorded in the register of Directors' shareholding and/or as notified by the Directors for the purposes of Sections 301 and 302 of the Companies and Allied Matters Act and the listing requirements of the Nigerian Stock Exchange, are noted as follows:

S/N	Name	2020 HOLDINGS		2019 HOLDINGS		Entities
		Direct	Indirect	Direct	Indirect	
1.	Dr Oba Otudeko, CFR	5,895,264	113,079,843	5,895,264	113,079,843	Metropolitan Trust Nig. Limited
		-	44,188,168	-	44,188,168	Honeywell Staff Ct & Cs
		-	70,206,271	-	70,206,271	Orbit International Limited
		-	111,663,659	-	111,663,659	Springwater Limited
		-	72,138,423	-	72,138,423	Landbond Limited
		-	52,394,669	-	52,394,669	Coral Products Limited
		-	68,404,806	-	68,404,806	Network Securities Limited
	<b>TOTAL</b>	<b>5,895,264</b>	<b>532,075,839</b>	<b>5,895,264</b>	<b>532,075,839</b>	
2.	Oye Hassan-Odukale, MFR	8,854,003	112,552	8,854,003	112,552	Lac Investments Limited
		-	13,229,148	-	13,229,148	Haskal Holdings Limited
		-	34,917,414	-	29,917,414	Oho Investments Limited
		-	1,004,528	-	1,004,528	Leadway Capital & Trusts Limited
		-	311,697,449	-	266,697,449	Leadway Assurance Co. Limited
	<b>TOTAL</b>	<b>8,854,003</b>	<b>360,961,091</b>	<b>8,854,003</b>	<b>310,961,091</b>	
3.	Chidi Anya	-	52,168	-	52,168	Muonta and Guonta Limited
		-	500,000	-	500,000	Guonta & Yonta Limited
	<b>TOTAL</b>	<b>-</b>	<b>552,168</b>	<b>-</b>	<b>552,168</b>	
4.	Dr Hamza Wuro Bokki	6,680,863	-	6,680,863	-	-
5.	'Debola Osibogun	4,127,659	-	1,171,612	-	-
6.	Omatseyin Ayida	1,100,000	4,018,131	1,100,000	4,018,131	Alemaje and Company Limited
		-	40,627,606	-	40,627,606	Apricot Securities Limited
		-	89,994,505	-	99,994,505	Jurewa Investment Limited
	<b>TOTAL</b>	<b>1,100,000</b>	<b>134,640,242</b>	<b>1,100,000</b>	<b>134,680,565</b>	
7.	U.K. Eke, MFR	85,268,414	-	65,196,390	-	-
8.	Dr Adesola Adeduntan	18,871,689	-	18,871,689	-	-
9.	Oluwande Muoyo*	2,814,714	798,596	1,971,481	798,596	Clayder Limited
10.	Cecilia Akintomide, OON	1,005,500	-	5,500	-	-
11.	Seni Adetu	-	-	-	-	-
12.	Juliet Anammah	-	-	-	-	-
13.	Otu Hughes	-	-	-	-	-

\*Resigned with effect from 30 April 2020

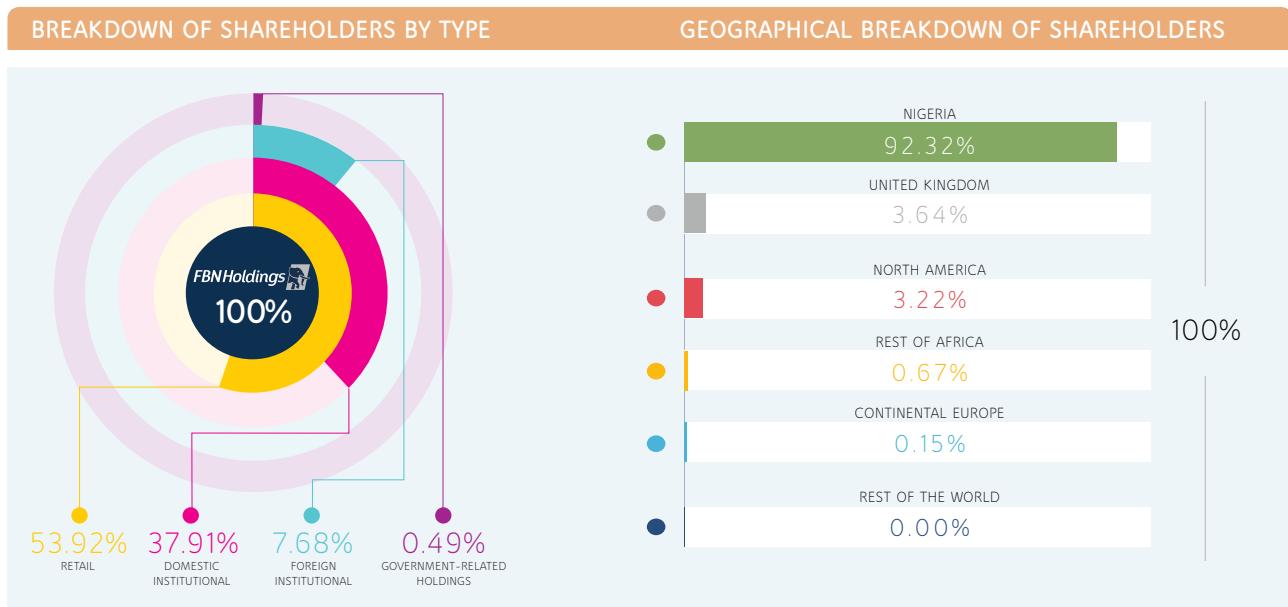
## DIRECTORS' REPORT

### f. Shareholding Analysis

Shareholding Range Analysis as at 31 December 2020

RANGE			No. of Holders	% Holders	Units	% Units
1	-	1,000	292,365	24.33	212,776,599	0.59
1,001	-	5,000	491,819	40.94	1,182,644,697	3.29
5,001	-	10,000	170,414	14.18	1,171,659,435	3.26
10,001	-	50,000	204,022	16.98	4,144,495,378	11.55
50,001	-	100,000	20,922	1.74	1,458,108,857	4.06
100,001	-	500,000	17,401	1.45	3,469,556,250	9.67
500,001	-	1,000,000	2,184	0.18	1,539,101,963	4.29
1,000,001	-	5,000,000	1,821	0.15	3,507,609,127	9.77
5,000,001	-	10,000,000	215	0.02	1,518,067,538	4.23
10,000,001	-	50,000,000	213	0.02	4,423,273,877	12.32
50,000,001	-	100,000,000	31	0.00	2,129,282,620	5.93
100,000,001	-	35,895,292,791	40	0.00	11,138,716,450	31.03
			1,201,447	100.00	35,895,292,791	100.00

### Shareholding Analysis as at 31 December 2020

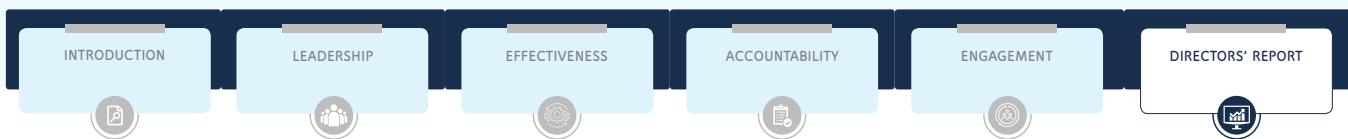


### g. Substantial Interest in Shares

According to the Register of Members as at 31 December 2020, there is no shareholder with up to 5% of the shares of FBN Holdings Plc.

### h. Directors' Interests in Contracts

In accordance with Section 303 of CAMA 2020, none of the Directors had direct or indirect interests in contracts or proposed contracts with the Company during the year.



## DIRECTORS' REPORT

### i. Donation and Charitable Gifts

The Company, a non-operating financial holding company did not make any donation during the year ended 31 December 2020. However, the subsidiaries of the company that are operating entities made donations to various worthy causes, such as FirstBank's participation in the Coalition Against COVID-19 (CACOVID) where the sum of ₦1bn and other relief materials were donated.

### j. Property and Equipment

Information relating to changes in property and equipment is given in Note 31 to the Accounts. In the Directors' opinion, the market value of the Company's properties is not less than the value shown in the financial statements.

### k. Events after the Reporting Date

There were no other events after the reporting date which could have a material effect on the financial position of the Group as at December 31, 2020 and profit attributable to equity holders on the date other than as disclosed in the financial statements.

### l. Human Resources Policy

#### Recruitment

The Company conforms with all regulatory requirements in the employment of staff, while also ensuring that only fit and proper persons are approved for appointment to the Board or top management positions. All prescribed pre-employment screening for prospective employees and other requirements for regulatory confirmation of top management appointments are duly implemented.

#### Employment of Physically Challenged Persons

It is the policy of the Company that there should be no discrimination in considering applications for employment, including those from physically challenged persons. All employees, whether physically challenged or not, are given equal opportunities to develop.

In the event of members of staff becoming disabled, all efforts will be made to ensure that their employment with the Company continues and that appropriate training is arranged to ensure that they fit into the Company's working environment.

#### Employee Involvement and Training

The Company encourages participation of employees in arriving at decisions in respect of matters affecting their wellbeing through various forums including Town Hall meetings. Towards this end, the Company provides opportunities for employees to deliberate upon issues affecting the Company and employees' interests, with a view to making inputs to decisions therein.

The Company places a high premium on the development of its workforce. Consequently, the Company sponsored its employees for various training courses in the year under review.

#### Health, Safety and Welfare at Work

The Company maintains business premises designed with a view to guaranteeing safe and healthy working conditions for its employees. Employees are adequately insured against occupational and other hazards. In the wake of the COVID-19 pandemic, emergency preparedness and response activities were strengthened under the steering of the Incident Management Team, a work from home program leveraging on technology was adopted along with a segmented work on site program.

The Company has a comprehensive health insurance scheme for staff, through which the medical needs of staff and their immediate family members are met.

Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

The Company operates a Group Life and Group Personal Accident (formerly known as Workmen's Compensation) Insurance cover and makes Employee Compensation Act contributions for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act of 2004 (amended in 2014).



## DIRECTORS' REPORT

### Gender Analysis

The number and percentage of men and women employed as at 31 December 2020 relative to the total workforce are as follows:

	Number		% Male Female	
	Male	Female		
Employees	23	14	62	38

Gender analysis in terms of Board and Management as at 31 December 2020 is as follows:

	Number			% Male Female	
	Male	Female	Total		
Board	9	3	12	75	25
Management	7	2	9	78	22

### m. Auditors

During the year, Messrs. PricewaterhouseCoopers (PwC resigned as auditors of both FBN Holdings Plc and First Bank of Nigeria Limited having acted as auditors for eight years and ten years respectively. Accordingly, Messrs. KPMG Professional Services were appointed as auditors and they have indicated their willingness to continue in office as auditors.

In accordance with Section 408(1) of CAMA 2020, a resolution will be proposed at the next Annual General Meeting (AGM) of the Company seeking shareholders' approval to allow Directors fix the renumeration to be paid to the auditors.

### BY ORDER OF THE BOARD

**Seye Kosoko**  
Company Secretary  
FRC/2013/NBA/00000002006  
Lagos, Nigeria.



# REPORT ON THE OUTCOME OF THE BOARD EVALUATION

## FOR THE PERIOD ENDED 31 DECEMBER 2020



PricewaterhouseCoopers ('PwC') was engaged to carry out an evaluation of the Board, its committees, and the individual directors of FBN Holdings Plc's ('FBNH') or ('FBN Holdings') as prescribed by Principle 14 of the Nigerian Code of Corporate Governance (NCCG) for the period ended 31 December 2020.

Our responsibility was to reach a conclusion on the Board's performance based on work carried out within the scope of our engagement as contained in our Letter of Engagement dated 28 January 2021. In carrying out the evaluation we have relied on representations made by members of the Board and Senior Management and on the documents provided for our review.

The Board has complied significantly with the provisions of the Securities and Exchange Commission (SEC) Guidelines and the NCCG. Areas of strength include: the Board's oversight of strategy development and execution, devotion of sufficient time to the governance of the Company, all Directors having achieved 100% attendance at all Board and Board Committee meetings in the year under review. The Board also displayed resilience and agility in its operations and processes by leveraging the use of technology following the onset of the COVID-19 pandemic in the course of the year.

Details of our other findings and recommendations are contained in our report.

Yours faithfully,

for: PricewaterhouseCoopers Chartered Accountants

**Femi Osinubi**

Partner

FRC/2017/ICAN/00000016659



# REPORT ON THE OUTCOME OF THE CORPORATE GOVERNANCE EVALUATION FOR THE PERIOD ENDED 31 DECEMBER 2020



PricewaterhouseCoopers ('PwC') was engaged to carry out a Corporate Governance Evaluation of FBN Holdings Plc's Corporate Governance practice as prescribed by Principle 15.1 of the Nigerian Code of Corporate Governance and the SEC Corporate Governance Guidelines for the period ended 31 December 2020.

Our responsibility was to reach a conclusion on the adequacy and effectiveness of FBN Holdings Plc's Corporate Governance practices and processes based on work carried out within the scope of our engagement as contained in our Letter of Engagement dated 28 January 2021. In carrying out the evaluation we have relied on representations made by members of the Board and Senior Management and the documents provided for our review.

FBN Holdings Plc has complied significantly with the principles set forth in the Nigerian Code of Corporate Governance, and the provisions of the SEC Corporate Governance Guidelines. In the 2020 period, the Company maintained a strong ethical and business culture flowing from the tone at the top emanating from the Boardroom. The Board maintained oversight of the following amongst others - strategy development and execution, risk management, compliance, internal control systems and processes, and deployed effective crisis response protocols in response to the pandemic. Furthermore, members of the Board demonstrated strong commitment to the business and affairs of the Company having achieved 100% attendance rating in all Board and Committee meetings during the year.

Details of our other findings and recommendations are contained in our report.

Yours faithfully,

for: PricewaterhouseCoopers Chartered Accountants

**Femi Osinubi**

Partner

FRC/2017/ICAN/00000016659



#### Shareholder Enquiries

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#### Head, Investor Relations

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