BUILDING AFRICA'S FINANCIAL FUTURE

ECOBANK GROUP SUSTAINABILITY REPORT

2018
“I believe sustainability in banking offers the chance to adjust our course and that of our clients towards environmentally friendly and socially acceptable practices in our businesses and operations.”

EMMANUEL IKAZOBOH
Group Chairman, Ecobank Transnational Incorporated (ETI)
“In our journey towards delivering on our Roadmap to Leadership, we strive to create trust and value in a sustainable manner for customers, shareholders, employees and our other stakeholders while contributing to economic and social development. In addition we are focussed on delivering environmental prosperity in the communities in which we operate.”

ADE AYEYEMI
Group Chief Executive Officer, Ecobank Transnational Incorporated (ETI)
This report also benefited from the advice and contribution of the following Ecobank colleagues, many of whom are the champions in the implementation of sustainability practices in Ecobank: Carl Manlan (Ecobank Foundation), Serge Messou (ETI-Finance), Osahon Akpata (ETI-Consumer Bank), Mireille Bokpe-Anoumou (ETI-Corporate Communication), Ama Okyere (ETI-Corporate Communication), Simon Rey (ETI-HR Academy), Stella Bagnah-Gamon (ETI-Consumer Bank), Walter Gohori (EPI EBS), Mark Kwafo-Ofori, (Regional E&S Coordinator Anglophone West Africa), Lydie Bagui (Regional E&S Coordinator Francophone West Africa), Yves Djomo (Regional E&S Coordinator Central, Eastern and Southern Africa), Christian Ene (Regional E&S Coordinator Nigeria), Daniel Litu (E&S Coordinator for EAC), Ferdinand Kabalawoza (E&S Coordinator for SADC), Adotey Akpagana (ETI-Finance) and Nadia Rahmoune (EUK-Corporate). Finally, we recognise the team at BrandComms UK for their indispensable support.
The Group Executive Risk Management and Internal Control acknowledges the input of all internal and external stakeholders to the development of Ecobank’s Sustainability Report 2018.

The Sustainability Report was prepared under the overall guidance of the Social, Ethics and Reputation Committee (SERC), led by Dr. Catherine Ngahu, Interim Chairperson of the Committee, as well as Mr Bashir Ifo, as member.

The Committee exercises oversight on sustainability practices and initiatives in Ecobank. The Committee is assisted by Senior Executives of Ecobank in executing sustainability-related initiatives. The key individuals who led the development and implementation of sustainability initiatives in the Bank, at both the Board and Management levels, are listed below:

**Eric Odhiambo**  
Group Executive Risk Management & Internal Control

**Dr. Catherine W. Ngahu**  
Non-Executive Director of ETI Board & Interim Chairperson, SERC

**Bashir M. Ifo**  
Non-Executive Director of ETI Board & Member, SERC

**Ade Ayeyemi**  
Executive Member of the ETI Board & Group Chief Executive of Ecobank

**Mrs. Josephine Anan-Ankoma**  
Group Executive, Commercial Banking

**Mr. Yves Mayilamene**  
Group Executive, Human Resources

**Mr. Musa Salah**  
Group Manager, Environmental and Sustainability Unit, Group Risk Management/ Secretary, SERC
FOREWORD

Dr. Catherine W. Ngahu

INTERIM CHAIRPERSON, SERC COMMITTEE

Seizing the momentum towards sustainability

I am delighted to present Ecobank’s Sustainability Report 2018, an account of our actions towards delivering on the 2030 Sustainable Development Goals (SDGs). This publication documents the progress we are making in pursuit of the sustainability tenets of financial, economic, social and environment in our business and operations.

As Ecobank is seizing the global momentum in strengthening sustainability in its products, services and operations, at the same time the Bank is responding to its customers, shareholders, employees and other stakeholder interests. The Social, Ethics and Reputation Committee (SERC) of the ETI Board, with oversight of the sustainability report process, reaffirmed its commitment to ensuring that sustainability is effectively mainstreamed in Ecobank.

With its geographical footprint in 36 countries in middle Africa, the Committee is inspired by Ecobank’s commitment to promoting financial inclusion by bringing banking services to the underbanked and non-banked communities in Africa.

This is evidenced in many areas, including the deployment of our digital banking channel in rural communities of the Sahel, with dispersed settlement and intense climatic conditions. It is also evidenced through the Ecobank Foundation, where we have noticed the innovative partnership collaboration with the International Federation of Red Cross and Red Crescent (IFRC) on knowledge sharing and joint resource mobilisations towards a more impactful humanitarian relief assistance to victims of disasters and environmental mishaps.

Recognising that deforestation can exacerbate global warming and climate-related hazards, which can unravel development gains, I am pleased that Ecobank is not relenting in its commitment to the natural resources and environmental protection in our business. In this report, the Bank has demonstrated assurance in making its lending transactions comply with Ecobank’s environmental and social risk policy, thus, we are prepared for the future opportunities in addressing climate challenges.

In 2019, we will work with the Bank to consolidate on our collective efforts to achieve quality and sustainable banking services in a manner that is accessible and affordable to all stakeholders. At the same time, we will drive sustainable business opportunities as a necessary gain in delivering the SDGs in banking.

I am therefore delighted that you are accompanying us on this sustainability journey.
Corporate Sustainability stewardship

Ecobank remains committed to the Sustainable Development Goals (SDGs) and the 2030 Agenda, which have redefined the corporate and public sectors’ collective focus in creating a better world, while translating global needs and desires into development solutions. This means that Ecobank continues to recognise the interlinkages in integrating economic, social and environmental aspects in the business, so as to achieve sustainable development in all its dimensions. In doing so, Ecobank is resolute in its commitment to integrate SDGs to strengthen the business viability, identification and management of material risks and costs, the creation of, and access to, new markets, and innovation in the business models. This makes them more efficient and thus aligns the strategy and expectations of Ecobank with its employees, shareholders, customers and the communities in which we operate.

Managing Sustainability in Ecobank

Under the auspices of the Social, Ethics and Reputation Committee of the ETI Board and direct management of the Group Chief Risk Officer, Ecobank’s commitment towards the achievement of SDGs is aligned to its business interest and focus on areas where Ecobank has a comparative advantage. Ecobank assesses progress towards the achievement in these areas through the implementation reports submitted to the United Nations Global Compact and other Environment, Social and Governance (ESG) frameworks to which it has subscribed on an annual basis. In an interlinkage approach between the SDG targets and Ecobank actions, the company focuses its SDGs implementation target on the goals 1, 2, 5, 7, 9, 13, 15 and 17. This is further presented in the table below as a mapping of actions taken in the company towards the achievement of SDGs in the selected focus areas in 2018:

<table>
<thead>
<tr>
<th>SDGs</th>
<th>Target</th>
<th>Ecobank’s Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No Poverty</td>
<td>Ecobank contributes to reducing the poverty gap and severity by stimulating investment-led growth in the economic performance in its host countries.</td>
</tr>
<tr>
<td>2</td>
<td>Zero Hunger</td>
<td>Ecobank is actively involved in the upstream, midstream and downstream agricultural value-chain activities. The bank is driving market access efficiency, market supply consistency and market returns improvement through stakeholder partnership collaboration so as to reduce famine and ultimately eliminate hunger.</td>
</tr>
<tr>
<td>5</td>
<td>Gender Equality</td>
<td>Ecobank has adopted gender mainstreaming as an approach to achieve gender equality in its business and operations. Furthermore, the bank sanctions all forms of discrimination, particularly on the basis of gender.</td>
</tr>
<tr>
<td>7</td>
<td>Affordable &amp; Clean Energy</td>
<td>Ecobank has adopted renewable energy technologies such as solar to power its infrastructure and office equipment and at the same time encourages its clients to consider modern low carbon energy sources, such as gas to replace diesel in their operations. In so doing, the bank organizes training for its Account Relationship Officers with clients’ interface responsibility to identify and harness opportunity for clean and affordable energy business.</td>
</tr>
<tr>
<td>9</td>
<td>Industry, Innovation &amp; Infrastructure</td>
<td>Ecobank is investing in infrastructure development to drive industrialisation and technological innovation in an environmentally friendly, socially acceptable and energy efficient manner. This is in fulfilment of the bank’s commitment to investment in infrastructure development and economic transformation as a key driver of sustainable growth.</td>
</tr>
<tr>
<td>13</td>
<td>Climate Action</td>
<td>Ecobank is acting upon the profound linkages between a healthy financial system, transition to green economy and the pursuit of long-term sustainability in the delivery of global warming and climate change actions.</td>
</tr>
<tr>
<td>15</td>
<td>Life on Land</td>
<td>Biodiversity in the Ecobank context, is the variability among living organisms from all sources, including terrestrial, coastal and other marine as well as sensitive ecosystems. Protection and conservation of biodiversity and sustainably living natural resources are an integral part of the Environmental and Social Risk Management unit, within the Group Risk Management in the bank.</td>
</tr>
<tr>
<td>17</td>
<td>Partnerships</td>
<td>Ecobank has been helping to shape and implement the Goal 17 on partnership with others in business, government and civil society. Through our sustainability thought leadership initiative and speaking at several events, we demonstrate our commitment to applying our knowledge, skill and experience to inspire and equip collaborators to increase their contribution to socio-environmental, economic and financial development.</td>
</tr>
</tbody>
</table>
Ecobank Sustainability Framework

In Ecobank, our Sustainability Framework, developed in 2011, defines our objectives, inspires our strategy and guides in the assessment of our journey and adherence to the overarching goals towards the achievements of the current SDGs. It focuses on four thematic areas that support values and growth with indicators, which can be integrated with the Global Reporting Initiative (GRI) standards in a manner that represents the company’s actions as it strives towards the achievement of its SDG focus. In this regard, the thematic areas of the framework are: stimulating sustainable economic transformation, promoting socially responsible banking, driving human capital development and managing natural resources and protecting the environment in our business and operations.

The Framework reflects:

- Our stakeholders’ approach to sustainable development.
- Our need to balance profitability with the fight against poverty and protection of our planet.
- Our taking seriously the welfare and development of the communities in which we operate.
- Our consistent factoring of social and environmental concerns into our business operations.

We are constantly exploring innovative ways to drive our business, meet the expectation of our collective stakeholders, while charting forward the Ecobank sustainability stewardship.
Driving Economic Transformation

Creating Economic Values:

A vibrant economy is key to the performance of the banking sector and vice versa. Thus, Ecobank, like other banks, is stimulating Africa’s economic transformation and development. In so doing, Ecobank is contributing to the growth of Gross Domestic Products (GDP) and the overall socio-economic development nexus in the countries in which it operates in. Our business operations are geared toward supporting rapid, equitable and sustainable economic growth across the continent. We are in business to ensure sustainable revenues and profits, with significant contributions to our stakeholders, wages to our employees, payments to suppliers, interest on deposits from customers, taxes to governments, dividends to our shareholders, and corporate social responsibility to our societies.

In 2018, the company generated operating income or net revenues of $1,825 million. As presented in the Distribution of Wealth Created table below, we provided loans and other financial assistance to the tune of $9,169 million, mainly to support private sector companies, enterprises, individuals as well as the public sector in Africa. These economic benefits have been distributed and applied in the form of taxes, salaries, operating expenses, dividends and retentions to support our future growth. In the same vein, we paid a total of $108 million in taxes in 2018 to governments across Africa. In addition, we also collected taxes and duties of several millions of dollars on behalf of various government entities from various revenues and duties.

<table>
<thead>
<tr>
<th>Distribution of Wealth Created</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government taxes</td>
<td>107,544</td>
<td>60,757</td>
<td>70,924</td>
</tr>
<tr>
<td>Distribution to shareholders and non-controlling interests</td>
<td>267,322</td>
<td>291,339</td>
<td>186,154</td>
</tr>
<tr>
<td>Employee compensation and benefits</td>
<td>498,891</td>
<td>515,040</td>
<td>535,061</td>
</tr>
<tr>
<td>Operating expenses including premises and procurement from suppliers</td>
<td>587,989</td>
<td>616,511</td>
<td>702,150</td>
</tr>
</tbody>
</table>
Total Tax Contribution:
Ecobank also made contributions to its host countries to generate domestic resources through tax revenues for effective state functioning and socio-economic infrastructure financing. As of 31 December, 2018, Ecobank Group made a Total Tax Contribution (TTC) of $406 million in the 36 countries in which it operates, a 15% increase from $32 million of TTC in 2017. This increase is mainly as a result of an increase in the Group’s profits in 2018.

The graph below presents a comparison between 2018 TTC and 2017 TTC by geographies.

The Group’s Total Tax Contribution to its countries of operations is in the nature of various taxes, contributions, levies, withholding taxes and fees.

Taxes by category
In terms of percentage the largest category of taxes paid in 2018 was consumption tax with 37% (vs 33% in 2017), followed by company income tax with 37% (vs 35% in 2017), people tax with 24% (vs 28% in 2017) and stamp duties with 4% (vs 2% in 2017). The doughnut chart alongside presents our taxes paid.
The tables below present the different tax categories:

<table>
<thead>
<tr>
<th>Corporate Tax Borne</th>
<th>% TTC by Tax Type</th>
<th>People Tax Borne</th>
<th>% TTC by Tax Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Income Tax</td>
<td>20%</td>
<td>Payroll Tax</td>
<td>1%</td>
</tr>
<tr>
<td>Others</td>
<td>1%</td>
<td>Employer SSC</td>
<td>4%</td>
</tr>
<tr>
<td>Corporate Tax Collected</td>
<td></td>
<td>Other Employee Cont.</td>
<td>1%</td>
</tr>
<tr>
<td>Tax deducted at source</td>
<td>14%</td>
<td>People Tax Collected</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>35%</td>
<td>PAYE</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Employee SSC</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>24%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consumption Tax Borne</th>
<th>% TTC by Tax Type</th>
<th>Property/Registration Tax Borne</th>
<th>% TTC by Tax Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrecoverable VAT</td>
<td>2%</td>
<td>Property Tax</td>
<td>2%</td>
</tr>
<tr>
<td>Reverse VAT</td>
<td>1%</td>
<td>Property/Registration Tax Collected</td>
<td></td>
</tr>
<tr>
<td>WHT on imported Services</td>
<td>1%</td>
<td>Stamp Duty &amp; Patent</td>
<td>2%</td>
</tr>
<tr>
<td>Others</td>
<td>6%</td>
<td>Total</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>37%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Tax borne**
Taxes borne are those taxes which are a cost to the business and which therefore directly affect Ecobank’s financial results. They are estimated at US$ 166 million in 2018 against US$ 138 million in 2017. The profile for these taxes across Ecobank Group is as presented below:

<table>
<thead>
<tr>
<th>No</th>
<th>Tax Category</th>
<th>Tax Borne 2018 (USD’000)</th>
<th>% Tax Borne 2018</th>
<th>Tax Borne 2017 (USD’000)</th>
<th>% Variation 2018 vs 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Company Income Tax</td>
<td>86,907</td>
<td>52%</td>
<td>67,590</td>
<td>29%</td>
</tr>
<tr>
<td>2</td>
<td>Reverse VAT</td>
<td>3,930</td>
<td>2%</td>
<td>4,722</td>
<td>-17%</td>
</tr>
<tr>
<td>3</td>
<td>Employers’ Social Sec. Cont.</td>
<td>16,898</td>
<td>10%</td>
<td>20,315</td>
<td>-17%</td>
</tr>
<tr>
<td>4</td>
<td>Irrecoverable Input Vat</td>
<td>6,085</td>
<td>4%</td>
<td>10,208</td>
<td>-40%</td>
</tr>
<tr>
<td>5</td>
<td>Other Employer Contributions</td>
<td>1,696</td>
<td>1%</td>
<td>1,067</td>
<td>59%</td>
</tr>
<tr>
<td>6</td>
<td>Payroll Tax</td>
<td>3,000</td>
<td>2%</td>
<td>3,290</td>
<td>-9%</td>
</tr>
<tr>
<td>7</td>
<td>Wht On Imported Services</td>
<td>3,775</td>
<td>2%</td>
<td>3,019</td>
<td>25%</td>
</tr>
<tr>
<td>8</td>
<td>Property Tax</td>
<td>1,192</td>
<td>1%</td>
<td>1,030</td>
<td>16%</td>
</tr>
<tr>
<td>9</td>
<td>Others</td>
<td>42,236</td>
<td>25%</td>
<td>26,976</td>
<td>57%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>165,719</strong></td>
<td><strong>100%</strong></td>
<td><strong>138,218</strong></td>
<td><strong>20%</strong></td>
</tr>
</tbody>
</table>
**Tax collected**

Taxes collected are those taxes that Ecobank collects and administers on behalf of the Government, and which are generated as a result of Ecobank’s activities. Taxes collected are not a cost to Ecobank (other than the administration cost) and do not directly affect Ecobank’s results. Taxes collected in 2018 are estimated at US$ 240 million against US$ 214 million in 2017. The profile of these taxes across Ecobank affiliates are presented below:

<table>
<thead>
<tr>
<th>No</th>
<th>Tax Profile/Category</th>
<th>Tax Collected 2018 (USD’000)</th>
<th>% Tax Collected 2018</th>
<th>Tax Collected 2017 (USD’000)</th>
<th>% Variation 2018 vs 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pay Roll Tax</td>
<td>60 865</td>
<td>25%</td>
<td>63 616</td>
<td>-4%</td>
</tr>
<tr>
<td>2</td>
<td>Tax Deducted At Source</td>
<td>55 513</td>
<td>23%</td>
<td>60 757</td>
<td>-9%</td>
</tr>
<tr>
<td>3</td>
<td>Tob/Taf</td>
<td>33 642</td>
<td>14%</td>
<td>34 420</td>
<td>-2%</td>
</tr>
<tr>
<td>4</td>
<td>Net Vat</td>
<td>27 744</td>
<td>12%</td>
<td>26 661</td>
<td>4%</td>
</tr>
<tr>
<td>5</td>
<td>Tax On Money Transfers</td>
<td>34 582</td>
<td>14%</td>
<td>14 658</td>
<td>136%</td>
</tr>
<tr>
<td>6</td>
<td>Employees’ Social Sec.Cont.</td>
<td>11 538</td>
<td>5%</td>
<td>10 045</td>
<td>15%</td>
</tr>
<tr>
<td>7</td>
<td>Stamp Duty</td>
<td>880</td>
<td>0%</td>
<td>1 246</td>
<td>-29%</td>
</tr>
<tr>
<td>8</td>
<td>Others</td>
<td>15 195</td>
<td>6%</td>
<td>2 847</td>
<td>434%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>239 958</td>
<td>100%</td>
<td>214 250</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Fostering Financial and Economic Integration**

As a pan-African bank with a geographic footprint in 36 countries, we help to promote the economic integration of different monetary zones and the geopolitical regions of Central, Eastern, Southern and Western Africa in a coordinated and enhanced negotiated manner that promotes trade, physical development and financial services between countries for both the consumers and producers. We continue to offer seamless cross-border transactional banking in a more convenient, accessible and efficient manner. With our unique integrated competencies and approach to business in middle Africa, we have built economies of scale based on a ‘one-bank’ model with extensive banking coverage in 33 countries with over 11,600 POS, 888 branches and over 2,600 ATMs.

Our geographic coverage has the largest number of intra-African migrants. The number of intra-African migrants has risen from 17 million in 2015 to 19 million in 2017. Our money transfer products such as the Ecobank online Rapidtransfer platform (My money. My Africa.) and other Ecobank money transfer partnerships such as with Western Union, Wari, Ria Money Transfer and MoneyGram remain the market leader to serve them. This product enables diaspora African clients to transfer and remit funds faster to their relatives and to support projects in their home country.

As the banking industry is experiencing a change in customer behaviour coupled with increasing expectations and disruptive digitisation of business, the transformational banking products have been enhanced. In addition to the loan and liquidity, cash management, FX and fixed income and trade financing, the electronic banking platform in the Commercial banking business segment has added new products, including the Omni Lite, PoS and EcobankPay in rendering banking services to customers in a more efficient manner, while promoting financial integration.
## Fostering Partnership for Economic Integration through sustainable business and digital banking

Mr. Ade Ayeyemi, Group CEO of Ecobank participated and exchanged ideas with the leading sustainability practitioners at the FMO Future of Finance Conference 2018, under the theme ‘Tomorrow Matters’, held in Utrecht, the Netherlands from 30 September to 2 October, 2018. He participated as a panel discussant and articulated on the need for banks to conduct their business in an environmentally friendly and socially acceptable manner. He added that doing business in this manner will help the bank to chart forward its corporate sustainability stewardship, while at the same time addressing climate change and supporting transitioning to a low-carbon, more resource-efficient and sustainable economy. He also emphasised the role of digital banking in the future of finance.

Future of Finance is a bi-annual conference of FMO that brings together over 500 leading financial experts and executives from around the world, all of whom share the conviction that ‘Tomorrow Matters’. Perhaps the most obvious benefit of attending is learning and establishing professional and knowledge networking contacts for skill building on sustainability in banking.

## Banking the institution that is serving the world - The United Nations (UN) relationships

In 2016, Ecobank and the United Nations signed the Master Banking Agreement, as part of the Harmonization of Business Practices in the UN System, to adopt a standardized, coordinated approach to the procurement and administration of global banking services. Since then, Ecobank has been supporting the UN agencies with various banking services to the UN and all participating Funds and Programmes, Specialized Agencies and Related Organizations as well as its staff and vendors. Banking services being offered to the global institutions include:

- Account openings in 34 Sub-Saharan African countries
- FX at central level from our Paris subsidiary EBISA and local Treasuries
- Cash deliveries and disbursements in remote locations
- Mobile Money and digital solutions

The Bank has a strong relationship with 12 UN Agencies in Europe and the US and more than 120 individual relationships with the UN organisations across our network, including the UN Peacekeeping Missions in CAR, Guinea Bissau and South Sudan.

Over the course of Ecobank and the UN’s working relationship, the Bank has invested in this collaborative Group to help its International Organisation partners, including the United Nations, implement their development programmes and humanitarian relief assistance in more efficiently with innovative solutions throughout the continent. Subsequently, Ecobank has won the request for banking proposals (RFP) in Benin, Burkina Faso, Central African Republic, Côte d’Ivoire, DRC, Liberia, Mali, Nigeria, Rwanda, South Sudan and Zambia.
Impacting sustainability in our consumer banking:

In 2018, we continued our push to serve millions of customers sustainably, leveraging the ubiquity of the mobile phone device. We grew the number of registered Ecobank Mobile users from 2 million at the end of 2017 to over 8.5 million, generating 32 million transactions worth over $1.5 billion in 2018. These Ecobank Mobile users can open an instant Ecobank Xpress Account, transfer funds domestically and between 33 African countries, make mobile payments using EcobankPay QR via Masterpass, Visa and Mcash, pay bills, purchase airtime and much more, all done digitally and thus reducing the usage of paper.

We launched our agency banking network, Ecobank Xpress Points this year, where customers conduct simple transactions such as making deposits and withdrawals conveniently in their neighbourhoods. With over 14,000 Ecobank Xpress Points registered, the network processed over 750,000 transactions worth $550 million, saving consumers time and transportation costs. We also expanded our network of merchants accepting EcobankPay to over 100,000, providing the QR solution to businesses large and small, with an average transaction size of $30 and some as low as $3.

To equip Africans living in the diaspora with affordable, convenient, secure and affordable means of remitting funds home, we launched the Rapidtransfer app in 2018. This makes our proprietary money transfer product, Rapidtransfer, accessible to all Africans from the 33 countries where Ecobank operates, wherever in the world they are. It is estimated that there are 33 million Africans living outside their countries of origin making over $37 billion in foreign exchange flows into and around sub-Saharan African countries. In serving Africans in the diaspora with this channel, we are focused on driving electronic flows into stored value accounts such as Ecobank Current and Savings Accounts, Ecobank Xpress Accounts, other bank accounts and mobile money wallets, with an option for beneficiaries to receive cash across the counter at Ecobank branches and Xpress Points.

Socially Responsible Banking:

Ecobank Foundation:

The Ecobank Foundation is helping to address life-threatening diseases and achieve sustainable social positive change in Africa. In 2016, the Foundation adopted a collaborative focus strategy to inspire its contribution to the transformation of Africa. Fast track to 2018, we have made progress in linking our core capabilities to strengthening health systems and communities. In doing so, within our focus on health, education and financial inclusion, we established new partnerships and strengthened our ongoing collaborative initiatives, such as our partnership with the International Federation of Red Cross and Red Crescent Societies (IFRC) and our ongoing collaboration with the Global Fund.

In partnering with the International Federation of Red Cross and Red Crescent Societies (IFRC), we have agreed to collaborate in empowering the local communities to cope with disasters in a more efficient manner. This is to ensure that innocent lives are not lost because of insufficient investment in disaster preparedness. Also, the growing gap between funds needed by humanitarian groups and funds available to them is a major cause of communities’ vulnerability to disasters. In this regard, Ecobank is partnering with National Red Cross and Red Crescent Societies in Africa in fundraising to support local first aid volunteers, using the Ecobank MobileApp platform with a unique QR code. The Foundation and the Ecobank Academy are jointly committed to support the training and development of IFRC staff through the development of customised programmes in a manner that is aligned with the IFRC methodology.
Global Fund
In the same vein, and in line with collaborative partnership with the Global Fund to the tune of our $1 million a year funding grant, the Foundation and the Ecobank Academy facilitated and delivered a training on fund management at the Pan-African Centre, Lomé, Togo. 25 Finance Managers of the Global Fund beneficiary organisations from 8 countries comprising Cameroon, Chad, Central African Republic, Côte d'Ivoire, Guinea, Niger, Senegal, and Togo participated in the training workshop. The blended programme ensures that leadership, financial management and strategy execution skills are delivered to the finance managers of health programmes. Working with finance managers allows us to strengthen our own understanding of health programmes. Ultimately, strengthening systems is one of our core capabilities.

Community engagement
Ecobank Day – Creating a better future for African children
Ecobank Day – Creating a better future for African children, the 2018 Ecobank flagship CSR event, was celebrated on Saturday 17 November, 2018 and was another great success for the company. Staff across the Ecobank network of countries devoted their time and resources to projects related to their communities. The 2018 Ecobank Day marks the sixth edition of the Pan-African volunteer event, which started in 2013. The theme of 2018 was: Support for Orphanages in Africa.

In Lomé, Togo, Ecobank offered support to a local SOS Children’s Villages orphanage with over 100 orphans between the ages of 8 and 15 years. Ecobank supported the drilling of a borehole for safe drinking water in an attempt to eliminate water borne diseases. The bank also donated 10 computers, video projectors and facilitated internet access in the orphanage to further stimulate digital information knowledge.

According to Mr. Ade Ayeyemi, Group CEO of Ecobank, Ecobank Day demonstrates the strong culture of the bank.

He added that many orphanages in Africa are underfunded and under-resourced and deserve all the support that they can get. So, it was an easy decision to make them the beneficiaries of this year’s Ecobank Day. Furthermore, he was humbled by the willingness to volunteer, the hard work and the much evident compassion of all at Ecobank in helping such a worthy cause and making a real difference.
Natural Resource and Environmental Protection

The Group continues to strive in managing the risks associated with Natural Resources and Environmental Protection and reaffirms its commitment to conducting business in an environmentally friendly and socially acceptable manner, while helping its clients to carry out their business operations in a more sustainable manner. In managing these risks, the Group continues to screen, classify, assess, formulate and monitor transactions in the eligible sectors such as mining, oil & gas, manufacturing, heavy construction, power (generation, transmission & distribution) and real estate for compliance with the risks within the acceptable limits for both internal and external reports.

In line with Ecobank’s commitment, a new management information template was introduced in 2018 to capture E&S data. The template was designed to drive efficiency by collating E&S information on the qualifying transactions with total value of ≥USD5M and tenor ≥24 months from High E&S risk designated affiliates; and transaction with total value of ≥USD2M and tenor of ≥24months from Medium E&S risk designated affiliates and these will be reported to the Group E&S management level for detailed review and oversight. This means transactions below these value thresholds and tenor are captured and managed at the Regional and affiliate levels. Hence a reduced number of transactions were reported at the Group level in December 2018, compared to the same period in 2017. In so doing, the template offers a single view opportunity for reviewing information relating to the E&S risks and impacts, such that a request for supplementary information, where a gap exists can be made in a timely manner. Hence, the new template is helping to reduce the turnaround time in E&S relevant decisions.

Environmental & Social Management System (ESMS)

The procedures for the Ecobank ESMS implementation are as follows:

- Screening transactions against the Exclusion List activities
- Reviewing transactions for E&S risks in accordance with E&S sector guidelines
- Identifying project/transaction sectors for the Environmental and Social risk classification (E&S risk classification)
- Verifying transactions for potential E&S risk identification
- Classifying transactions for E&S risk into Low, Medium B, Medium A and High
- For E&S low risk transactions, the Relationship Officer (RO) will sign off Environmental and Social Due Diligence (ESDD) forms to be verified by the Country Risk Manager (CRM)
- For all Medium B, Medium A & High-risk transactions, detailed ESDD is required (RO and CRM’s will sign-off all Medium risk rated transactions to be verified by the Group Manager for E&S):
  - General Information
  - Health, Safety & Security
  - Labour & Working Conditions
  - Internal Environmental resource efficiency (energy, waste, pollution etc.)
  - Community
  - Legislation
  - Internal Environmental & Social Management System (ESMS)
  - Mitigation & Improvement Action Plan.

Action plans are included in Credit Applications (CAs) in the table related to “covenant”. As “covenant”, E&S conditions are captured in the loan agreement like other “credit covenants” and periodic monitoring is carried out as indicated in the facility agreement.
ESMS Procedures

Exclusion List

E&S Checklist
E&S Classification criteria

Input
E&S checklist
E&S Sector Guidelines

E&S Action Plans
Offer Letter

Action Plan
E&S Risk level
Ecobank total exposure
Loan conditions
Reporting template

Stage

Screening

Classification

Due Diligence

Formulation & incorporation of agreed Action Plan in offer letter

Compliance
Monitoring & Reporting

Output

Decision to proceed or reject

Classification
Determination of Due Diligence level

E&S specific requirements
Mitigation measures
Action Plan

E&S Action Plan

E&S monitoring report
**E&S Portfolio Review**

As of 31 December, 2018, Group E&S management managed a total of 110 transactions in sectors with significant E&S risks such as the extractive industry activities, mid & downstream oil and gas, heavy infrastructure construction, manufacturing, power generation/transmission/distribution and commercial real estate. The combined exposures to the severe (Medium B) and more severe (Medium A) E&S categories stood at 90. Furthermore, a total of 13 of the screened transactions in 2018, were in the Low E&S risk category. The Low risk category signifies that the qualifying transactions pose less severe risk with negligible impact on the aesthetic quality of Environmental and Social standards. Below are the E&S eligible transactions in various categories as of December 2018:

<table>
<thead>
<tr>
<th>Activity</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of transactions screened in 2018</td>
<td>110</td>
</tr>
<tr>
<td>Number of High risk</td>
<td>7</td>
</tr>
<tr>
<td>Number of Medium (A&amp;B) risk</td>
<td>90</td>
</tr>
<tr>
<td>Number of Low risk</td>
<td>13</td>
</tr>
</tbody>
</table>

**Analysis of E&S risk eligible transactions:**

As of December 2018, a total of 110 transactions in the E&S sensitive sectors were reported and managed for E&S risks and impacts at the Group level. The UEMOA Region, as presented in the chart alongside, had the largest number of transactions managed for E&S (57), whilst AWA region had the least number of transactions (12). A further analysis of the transactions according to the severity of E&S risks and impacts revealed that 90 qualifying transactions, which corresponded to 81.8% are in the combined Medium B & A categories on Ecobank E&S risk classification.

The large concentration of E&S eligible transactions in UEMOA region reflects a positive correlation between the volume and market viability. It reinforces the market size of affiliates in the region, scope, volume and values of the qualifying transactions. In essence, the concentration also implies the need for enhanced monitoring of the qualifying transactions to encourage compliance with the E&S standards in the region, that will ultimately help shape practices to reduce the stark gaps in E&S outcomes observed during the portfolio review visits.

**Transactions managed for E&S Risk across Ecobank Regions in 2018**

In light of the above, the concentration of qualifying transactions in the combined Medium category further implies that Ecobank exposure to E&S risk transactions remains in a stable position within the management containment limit.
Training and capacity building:
ESRM is a relatively new discipline, both in the risk management and the bank alike. Albeit, the understanding and appreciation of ESRM as a key emerging risk is growing and the Group E&S management continues to create knowledge and stimulate awareness of the essence of ESRM. In 2018, a total of 129 staff participated in the face to face training workshops organised in seven affiliates: Kenya, Senegal, Uganda, Rwanda, Tanzania, Zambia and Ghana. Another 35 staff participated in the online ESRM training delivered via the Ecobank Virtual Banking Institute (VBI). The areas covered in the training included:

- Introduction to ESRM
- Ecobank Sustainability framework
- Importance of ESRM
- Business rationale for ESRM and Sustainable business opportunity
- Green credits
- Policy guidance on E&S
- Definitions
- Classifications of E&S risks
- E&S risk process and procedures
- E&S risk assessments and mitigation measures
- Formulation of corrective action plan
- Compliance, monitoring and reporting
- Reporting template.

Key ESMS activities carried out in 2018 were as follows:
Continuous progress in the implementation of E&S risk management: In view of the growing interests of Ecobank in taking action and demonstrating leadership on the environment and climate change issues, we continue to ensure that our businesses and operations are carried out in an environmentally friendly and socially acceptable manner. In so doing, we are charting forward the Ecobank corporate sustainability stewardship, while maintaining healthy relationships between the finance and environment standards. Furthermore, the bank is also harnessing opportunity in the origination of additional sustainable business within the related areas of energy efficiency, renewable energy and all things green to complement business viability.

Review of the E&S classification: To drive efficiency and reduce the turnaround time, Ecobank refined aspects of its ESRM procedures. Consequently, all transactions in the E&S sensitive sectors are to be managed according to the Ecobank E&S risk process and procedures. For the purpose of monthly reporting, all affiliates were delineated into High and Medium levels for Ecobank E&S risk classification. In High level affiliates, E&S risk eligible transactions with total value of $5 million with a tenor of ≥24 months are to be presented to the Group office for review. This means that the Country Risk Management team and Cluster E&S risk coordinators are being empowered and resourced to review and manage transactions below $5 million. In Medium level affiliates, E&S risk eligible transactions with a total value of $2 million with a tenor of between 12 months and 24 months are to be presented to the Group E&S management for a detailed monthly review and monitoring oversight.

Enhanced focus on the E&S corrective Action plan compliance monitoring: To ensure in-depth due diligence and monitoring procedures, the embedded "Three lines of defence" principle in ESRM was strengthened. The Relationship Managers/Officers in the business are taking a proactive role in driving ESRM culture by screening and properly classifying eligible transactions for E&S risk categorisation. Similarly, the country risk team is on the second level to make sure that any oversight misapplication of ESRM procedures is corrected and the RMs are guided. On the third level is the E&S Management at Group Office with overarching ‘detective’ responsibility to ensure that the ESRM procedures are duly pursued and that evidence of E&S practices is obtained and documented for reviews.

Revision of Ecobank E&S Policy manual: In view of the emerging E&S issues and the changing scope of the implementation of E&S management, it was realised that the E&S policy, which was approved by the ETI Board in 2014, required revision and updating. The revision became necessary so that the policy will stand the test of time and adequately address the emerging ESRM issues, including those associated with agri-input financing (e.g. fertilizer and storage facility) and labour abuse in the project financed and/or project related corporate financed transactions, which continued to pose unanticipated challenges in the implementation of ESRM with potential financial loss to the bank. In so doing, the Group E&S management has commenced the revision of the E&S risk policy manual and the revision process is expected to be completed in 2019.
Highlights of the E&S activities in 2018 are presented below:

**Major ESM Activities in 2018**

- Ecobank signed agreements with Qatar National Bank and Belgian Investment Company (BIO) to share knowledge and exchange ideas on the implementation of ESRM, October 2018.
- Participated in BIO workshop for Financial Institutions, facilitated by ENCLUDE and shared experience on the implementation of ESRM at Phnom Penh, Cambodia, June 2018.
- 129 staff were trained on ESRM in 7 affiliates; 35 participated in the online ESRM training via VBI.
- Facilitated a workshop on Ecobank ESRM and Green Credit at BIO Head Office in Belgium, November 2018.
- Presenter and discussant on Short Lived Climate Pollutants Mitigation Measures at the Ecowas Sustainable Energy Forum, Senegal, November 2018.
- Managed 110 transactions for E&S risks & impacts.
- Group Chief Executive Officer (GCEO) participated in and contributed to Future of Finance conference, organised by FMO in the Netherlands, October 2018.
Ecobank Tree Planting to celebrate the 2018 World Environment Day (WED)

Drawing upon the deliberations and recommendation of the 8th meeting of the Social, Ethics and Reputation Committee (SERC) of the ETI Board in September 2017, a decision on the tree planting exercise to commemorate the 2018 World Environment Day (WED) on 5 June, 2018 was reached. This decision highlighted the healthy linkages between the tree planting, climate change and global warming phenomena. It stressed the importance of trees in removing carbon dioxide from the atmosphere, and producing the oxygen that we need to breathe. Trees also reduce the amount of storm water runoff, which mitigates erosion and pollution in our waterways as well as the effects of destructive flooding, particularly in the rainy season. Furthermore, trees also serve as a windbreak for turbulent winds and the symbiotic relationship between trees and animal species cannot be overemphasised. In line with the decision, the Ecobank tree planting exercise which was held on 5 June, 2018, helped to showcase the bank’s commitment to reducing our carbon emissions footprint, while at the same time helping to make a greener environment.

Subsequently, 24 Ecobank affiliates participated in the tree planting exercise, namely: Togo, Niger, Côte d’Ivoire, Burkina Faso, Mali, Guinea Bissau, Benin, the Gambia, Ghana, Guinea, Kenya, Liberia, Tanzania, Rwanda, Cameroon, Zimbabwe, Zambia, Democratic Republic of Congo, Republic of Congo, Uganda, South Sudan, Chad, Burundi and Mozambique. Over 28,000 tree seedlings were planted with Ecobank Uganda at the top of the list with 10,000 seedlings, followed by Ecobank Kenya and Ecobank Côte d’Ivoire with 3,000 seedlings each. Overall, the tree planting exercise was well attended and appreciated by an array of collaborative stakeholders.

Theme: The global theme for the 2018 WED commemoration is ‘Beating Plastic Pollution’. In Ecobank, the choice of tree planting as an event to commemorate the 2018 WED is in recognition of the increasing impact of deforestation on ecosystems and livelihoods in the community. In this regard, tree planting is an actionable activity with a measurable outcome that is meaningful, visible and resonates with the development agenda such as the Sustainable Development Goals (SDGs). It is a means of inspiring corporate citizenship as well as engendering business partnerships and opportunities. Therefore, the 2018 tree planting is a support towards delivering a tangible and specific global solution that will have sufficient breadth for all Ecobank affiliates to participate.

Collaborating partners: In implementing the ETI Board’s decision on tree planting on 5 June, 2018, Ecobank staff in the affiliates, in collaboration with other stakeholders in the host countries, including the public and private sectors, students, civil society organisations and international development organisations planted various tree species at different locations to commemorate the 2018 WED across the Ecobank Group. Notably, among the stakeholders that attended the event were the Ministries responsible for the environment, land and forestry in the host countries; Departments for parks and forestry; the United Nations agencies; African Development Bank; AMISTAD-NGO in Côte d’Ivoire; Green Belt Movement in Kenya (founded by Prof. Wangari Maathai – 2004 Nobel Peace Laureate for contribution to the sustainable development, democracy and peace); MTN in Benin; Group de Scouts Notre Dame de la Sagesse in DRC; Saint Thomas Aquinas Senior High School in Accra, Ghana; Lotus Primary School in Lusaka, Zambia. Others included students from the primary, secondary and tertiary institutions, as well as the Ecobank Board Chairperson and members at the affiliate level. This collaboration enabled the bank to successfully carry out the tree planting, whilst continuing to improve its own environmental performance and support community groups to do likewise.
ETI Board & Ecobank Affiliate levels: Ms. Dolika Banda, outgone Non-Executive Director of ETI and past Chairperson of the SERC of the ETI Board and Dr. Catherine Ngahu, Non-Executive Director of ETI and member of the SERC of the ETI Board participated in the tree planting exercises organised in Lusaka, Zambia and Nairobi, Kenya, respectively. Furthermore, Mr. Ade Ayeyemi, Group CEO of Ecobank led the Group Executive Committee and other ETI staff, while the Managing Director of Ecobank Togo led the Ecobank Togo staff in collaboration with the Ministry responsible for environment to plant 1500 tree seedlings in Lomé, Togo. The day’s event also included the GCEO’s message on the importance of tree planting, which was broadcast via email to all staff. This was followed by speeches and remarks by various Managing Directors and distinguished guests delivered at the various venues of the tree planting. On his part, the GCEO reminded the staff that on 5 June, the bank was focusing on tree planting as part of its commitment to the sustainable environment. He called on all staff to join in the campaign and take action to create the world we want, in order to support financial growth and economic prosperity in an environmentally friendly and socially acceptable manner.

Tree species: In most Ecobank affiliates, the trees planted were indigenous species selected with the support of the host country’s departments responsible for parks and gardens to improve the green environment. The species planted include Guava, Mango, Orange, Lemon, Avocado and Date Palms. The tree planting activities were mainly carried out on public premises, including primary, secondary and tertiary institutions, such as the University of Kinshasa in the DRC, the beach front in Cotonou, Benin as well as at the forest reserve in Abidjan, Côte d’Ivoire.

Affiliate specific activity by cluster:

In Zambia, several guests spoke at the tree planting exercise that was launched at the Lotus Basic School in Lusaka on 5 June 2018 by the Minister of Lands and Natural Resources, who was represented by the Permanent Secretary Mr. Trevor Kaunda. He emphasised the essence of environmental education as a means for creating awareness and stimulating interest among school pupils and teachers about environmental conservation activities in the education curricula. In her brief remarks, the Board Chairperson of Ecobank Zambia informed the participants that today’s school children are tomorrow’s leaders. They are the actors that will enable and champion the sustainable development in its three dimensions: economic, social, and environmental. Also speaking at the event, Ms. Dolika Banda said that it was everyone’s responsibility to take care of the natural resources. She added that “Trees absorb harmful gases from the environment and they give us oxygen and food. It is for this reason that we should all take care of them”. The event in Lusaka also featured a poem on ‘trees as sources of hope and when the last tree dies, the last man dies’, recited by the school children. Subsequently, the Managing Director of Ecobank Zambia announced that Ecobank Zambia, in collaboration with its partners, is poised to plant 50 seedlings of 5 different species at 50 schools across Zambia to celebrate the 2018 WED. The Managing Director and the school principal then led the guests and other participants to plant trees in the school orchard.

In Ghana, Ecobank, in collaboration with the office of the Wife of the Vice President, Ghana Forestry Commission, Environmental Protection Agency and selected secondary schools carried out the planting of trees across the cities of Accra, Kumasi and Tamale. The Managing Director of Ecobank Ghana and his counterpart Managing Director of Ecobank e-Process International led the staff to Saint Thomas Aquinas Senior High School, where the tree planting in Accra took place. Several dignitaries, including the wife of the Vice President, the Chief Executive Officer of Ghana Forestry Commission, the Executive Director of Ghana’s Environmental Protection Agency and senior officials of ZoomLion Waste Management Company, as well as staff and students from the host school, joined the staff in planting the trees.
In Côte d’Ivoire, Ecobank, in collaboration with the Ministry of Environment and Sustainable Development, the United Nations agencies and the non-governmental organisation Actions for the Mobilisation of Initiatives and Strategies for Development Assistance (AMISTAD) planted 3,000 tree seedlings at a location near Anguededou forest reserve in Abidjan. On his part, the Managing Director of Ecobank Côte d’Ivoire expressed his delight at the turnout and thanked the participants, particularly the collaborating institutions, that honoured the invitations. According to him, the tree planting exercise is a symbol of the beauty and strength of the bank’s environmental commitment to nature and development. He added that planting trees is one of the important things the bank can do to contribute to the healthy planet as an essential role in mitigating the impact of climate change.

In conclusion, with the tree planting exercise on 5 June, Ecobank demonstrated its interest and commitment to a greener environment in its host countries. The event also afforded the bank an opportunity to gain more goodwill from an array of stakeholders, while charting forward our corporate sustainability programmes, aligning with internationally agreed norms as well as consolidating partnerships. Furthermore, it has helped to strengthen co-operation with the public sector on climate change, water scarcity and natural resource protection discussions.

Launching of Ecobank Group Chairman’s Sustainability Award (GCSA)

Following the deliberations of the ETI Board on the Group Chairman’s Sustainability Award (GCSA) in Ecobank in April 2018, the GCSA was launched by the Group Chairman, Mr. Emmanuel Ikazobo at the 28th Annual General Meeting (AGM) of ETI shareholders in Lomé, Togo in April 2018. Subsequently, an announcement has been broadcast to all staff to create awareness and guidance on the criteria and modality for the award evaluation, among others. Other announcements have been made on a quarterly basis to consolidate the awareness and further stimulate the participation of Ecobank affiliates.

Global ESG Initiatives

At the global level, Ecobank continues to ensure that its commitment to sustainability goes beyond compliance with our legal requirements, whilst remaining an effective tool for gaining competitive intelligence and widening networking opportunities. Our participation in the global sustainability initiatives is aimed at leveraging best practices to improve our internal programmes for the implementation of sustainability.
Ecobank Sustainability Thought Leadership events:

ESMS Thought Leadership

Ecobank’s thought leadership role in the implementation of Environmental and Social Risk Management (ESRM) was externally recognised by the Qatar National Bank (QNB) and the Belgian Investment Company for Developing Countries (BIO – a development lender). Subsequently, Ecobank has signed separate agreements with both BIO and QNB on knowledge management and the exchange of ideas on the development and implementation of ESMS.

ECOWAS Sustainable Energy Summit, 2018

Ecobank was proud to play a role as a facilitator in a side-event on the Reduction of Emission on Short-Lived Climate Pollutant (SLCPs) during the Ecowas Sustainable Energy Summit in November 2018 in Dakar, Senegal. Ecobank articulated an array of financial instruments that can be applied in reducing and ultimately eliminating the SLCP emissions. Ecobank posited that addressing SLCPs needs an investment in the kinds of clean technologies for growth and development, such as:

- Redirecting investments in conventional technologies to sustainable alternatives, including green energy, green real estate, social housing, climate-smart resources etc.
- Encouraging participation of institutional investors (insurance, pension funds, sovereign funds) by ensuring attractive and standard tariffs
- Easing overly time consuming bureaucracy to promote project development
- Others include:
  - Market supply efficiency
  - Favourable & customised credit lines
  - Appropriate risk sharing mechanism
  - Tailored capacity building

United Nations Environment Programme Finance Initiative (UNEPFI)

Ecobank remains an active member of UNEPFI and a signatory to the UNEPFI Statements of Commitment by Financial Institutions on Sustainable Development to develop and promote financing for sustainable development and an inclusive green economy. Ecobank is serving on the UNEPFI Global Steering Committee and the bank is also a working member of the UNEPFI African Task Force (‘ATF’) supporting the UNEPFI secretariat activities in countries across the bank’s geographic footprint.

To develop the capacity needed for environmental and social analysis, selected Ecobank staff participated in an online training course on Environmental and Social Risk Analysis (ESRA), organised by UNEPFI. Participants learnt how to include environmental and social variables in traditional lending and investment decision-making. The ESRA course provided in-depth, personalised training, as well as facilitating delegate debates. Ecobank’s delegates were involved in a range of activities, from simulating the implementation of environmental and social policy guidelines and case study analyses to carrying out exercises based on their own client ESRA experiences.

The online courses taught participants how to incorporate environmental and social variables in traditional analyses when making lending and/or investment decisions. Each course includes five consecutive modules:

- Introduction to Sustainable Finance
- Identification of Environmental and Social Risks
- Categorisation
- Evaluation of Environmental and Social Risks
- Administration of Environmental and Social Risks
SUSTAINABILITY REPORT

International Finance Corporation’s (‘IFC’) Performance Standards on Environmental and Social Management

In line with Ecobank’s contractual obligations with IFC, all the conditions related to the Environmental and Social Management System (ESMS) have been met. Ecobank subsidiaries with direct IFC investments have also completed and submitted their Annual Environmental Performance Review (AEPR) report. Ecobank has also prepared and published the grievance mechanism on its corporate websites, as requested by IFC. Furthermore, Ecobank subsidiaries, which have recently signed an SME Risk Sharing Facility agreement with IFC, have also been trained on ESMS.

Equator Principles

Ecobank adopted the Equator Principles (‘EP’) in 2012 and has modified them to help improve internal policies governing project finance and project related corporate loans for projects with a total value of $10 million or more. They are also applied to larger projects, where Ecobank’s project-related corporate loans exposure is $50 million and above. Hence, Ecobank continues to demonstrate its commitment to environmental and social performance beyond the EP recommendations.

Furthermore, Ecobank has integrated the Equator Principles within its internal Environmental and Social Management Systems (‘ESMS’), which were developed on the basis of our engagement with the IFC Performance Standards, as well as our association with other financial institutions.

Ecobank has gained a better understanding of how to ensure that projects financed, and eligible transactions, are developed in a socially responsible manner and reflect sound environmental management practices. We continue to ensure that negative socio-environmental impacts are avoided and, where possible, we urge project participants to implement corrective/mitigating measures. We make sure that our clients agree to these measures and put compliance monitoring and reporting into operation.

EP guidelines were taken into consideration in financing all EP eligible project finance and transactions in 2018, which were mostly in categories C and B. The bank did not compromise on its environmental and social performance obligations. Tenors of Ecobank’s participation, both as sole financier and as a participant, range from renewable short-medium terms to long-term financing.

Within the EPFI, Ecobank is an active member of the Cross-Sector Biodiversity Initiative (‘CSBI’). This group facilitates networking and knowledge sharing in cooperation with multilateral institutions and development banks that undertake project finance in Africa in accordance with EP guidelines.

United Nations Global Compact (‘UNGC’)

In November 2011, Ecobank Transnational Incorporated became a signatory to the Ten Principles of the UNGC in the areas of human rights, labour, environment and anti-corruption. In December 2012, the Bank reaffirmed its support of the UNGC and submitted its maiden annual report, ‘Communication on Progress’. The report outlined the bank’s actions and steps being taken towards the integration of the Global Compact’s principles into our business strategies and practices.

The Ecobank Group is a registered member of UNGC and this membership covers all Ecobank subsidiaries. Thus, the annual membership obligation report to the UNGC secretariat is prepared at Group level and incorporates information from Ecobank’s subsidiaries. At the country level, Ecobank is a steering committee member of the UNGC Local Networks in Ghana.
WORLD ENVIRONMENT DAY 2018

The Social, Ethics and Reputation Committee of the ETI Board organised special tree planting exercises across the Group to commemorate World Environment Day on 5 June, 2018.

Tree planting in Kenya

Tree planting in Zambia
WORLD ENVIRONMENT DAY 2018

Tree planting in Togo

Tree planting in Ghana

Tree planting in Cameroon