FCMB | SUSTAINABLE DEVELOPMENT GOALS

EXPANDING FINANCIAL INCLUSION

End poverty in all its forms and improve lives of the unbanked and underbanked in Nigeria.

INTRODUCTION

Africa is at a turning point. Many countries have achieved high growth rates over the past decade, and many aspire to structural transformation, but the good performance has not translated into significant poverty reduction and shared prosperity. It has yet to provide low-income households and other vulnerable groups enough opportunity to improve their living standards. Financial inclusion is therefore necessary to ensure that economic growth performance is inclusive and sustained.

According to the World Bank, financial inclusion means individuals and businesses having access to basic financial services and products such as bank accounts, loans, and insurance, in a manner that is sustainable and affordable. It, therefore, refers to all initiatives that make formal financial services Available, Accessible and Affordable to all segments of the population.

This requires particular attention to specific portions of the population that have been historically excluded from the formal financial sector either because of their income level and volatility, gender, location, type of activity, or level of financial literacy. There is a need to harness the untapped potential of those individuals and businesses currently excluded from the formal financial sector or underserved, and enable them to develop their capacity, strengthen their human and physical capital, engage in income-generating activities, and manage risks associated with their livelihoods.

In Nigeria, the principle of financial inclusion has assumed greater level of importance in recent times due to its perceived importance as a driver of economic growth. Giving access to the hundreds of millions of men and women who are presently

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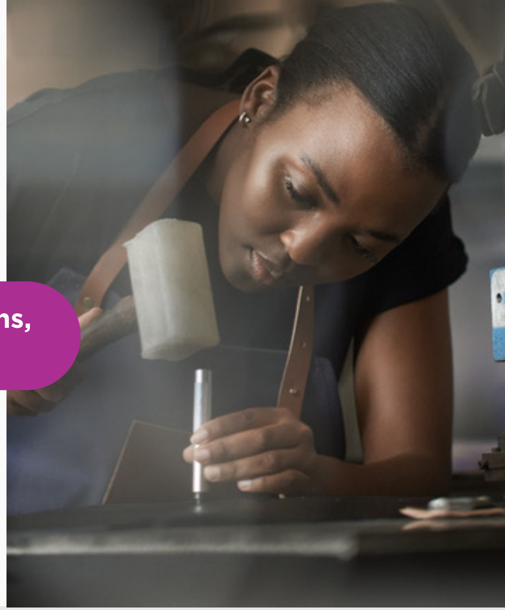
WE ARE DRIVING IMPACT WITH FINANCIAL INCLUSION IN NIGERIA

FCMB onboards 1m unbanked Nigerians, lends N28.7bn to 200,000 women.

First City Monument Bank (FCMB), through EasyAgents, its agency banking network and other channels, has successfully onboarded and empowered one million financially excluded Nigerians, ensuring they have a better and more sustainable future through access to financial services.



FCMB

easy account

your phone number is your account number

The last 10 digits only

SUSTAINABLE DEVELOPMENT GOALS

FCMB provides 300,000 underbanked Nigerians with Microloans worth N40bn

Our goal is to enable rural dwellers expand their businesses and improve their standard of living by making financial services and credit facilities easily accessible. Thereby, catering to the socioeconomic needs of farmers, petty traders, artisans, SMEs, etc.

As part of its financial inclusion programme:

• The Bank has provided microloans valued at N40 billion to over 300,000 beneficiaries comprising 200,000 women traders across the country who have accessed over US$51.28 million (N28.7 billion) of the total loan sum.

• Onboarded 1,000,000+ customers on the FCMB Easy Account platform, which enables a user open a bank account on any mobile phone and/or transfer funds to any phone user in Nigeria.

• Acquired over 100,ooo new to bank customers in 2021 with over 50% of them without BVN prior to now. 500,000 farmers were also added to Easy Club platform in 2021, with ongoing pilot in 6 states with the support of World Savings Banks Institute (WSBI).

• Over 10,000 agents within our agent banking network, with a plan to onboard an additional 20,000 in 2022.

• N40bn+ Value of microloans disbursed since 2014 to over 100,000 loan beneficiaries (90% of them female and 70% youth), with N10.4b disbursed as overdraft and term loans.

• 3,880,000+ customers projected from the community development initiative that seeks to bank and lend. with more than 5,000 customers in each of the 776 local governments of the federation.

"We are proud of our significant role in integrating Nigeria's huge informal economy driven by small-scale farmers, traders, artisans, and other small and medium-sized businesses into the formal economy through affordable and sustainable access to financial services. Access to financial services enables prosperity and allows disadvantaged and vulnerable people to improve their lives, create wealth and reduce poverty. So, we will continue championing and executing initiatives that deepen access to affordable and sustainable financial services in our local communities to empower individuals and businesses".

- Mrs Yemisi Edun (Managing Director of FCMB)

(On affordable and sustainable financial services for unbanked and underbanked Nigerians)

AGENT BANKING

Agent banking is a channel used to bring financial services closer to the unbanked and underbanked segment of the society by empowering existing businesses within the communities to deliver these services.

FCMB has invested in close to 10,000 agency bankers that bring financial services to the streets and doorsteps of millions of Nigerians in peri-urban and rural areas. They are currently driving the onboarding and empowering of unbanked and under-banked Nigerians.

Through our network of Agent bankers, bank accounts are now being opened through agency bankers by hitherto unbanked and underbanked citizens. As a result, they now conveniently and securely make cash deposits, transfer funds, make withdrawals, obtain loans, buy airtime, and pay bills, among other financial transactions.

EASYCLUB

Agriculture was the mainstay of Nigeria's economy before the discovery of crude oil. Nigeria's agricultural sector contributes to a significant part of the country's GDP; as at Q2 2021 agriculture constituted 23.78% share of GDP. As a continent, Africa's food import bill stood at about US$35 billion in 2016 and its projected to rise to US$110 billion by 2025. In addition, Africa's agribusiness sector is projected to reach $1 trillion in 2025, driven by the continent's rapidly growing middle class.

Africa's agricultural sector is bedeviled with weak value chain. For instance, out of the US$62 billion in agricultural products exported by Africa in 2017, only US$12 billion were classified as processed goods. About 90% of Africa's agricultural export to non-African market are dominated by primary or semi-processed products while about half of intraregional trade is associated with processed products.

FCMB through the Easy Club is strengthening the agro-value chains in a bid to significantly reduce agricultural imports from outside the continent.

Farmers are empowered with opportunities to access the Bank's Agric value chain platform (EasyClub) and microloans to boost their standard of living and grow businesses.

PARTNERSHIPS AS CRITICAL SUCCESS CRITERIA

In driving financial inclusion, First City Monument Bank embraced partnerships as critical success criteria. Last year, the Bank partnered with the World Savings Banks Institute (WSBI) to deepen agency banking and financial inclusion by rolling out an integrated savings account – 'Easy Account'- to empower two million farmers by 2023. Under the first phase of the partnership, covering over 150,000 unbanked and under-banked farmers across five states, beneficiaries are provided funds and training support through agricultural agents operating under FCMB's agency banking proposition. The states are Kaduna, Kano, Nasarawa, Ogun and Oyo.

In addition, FCMB also recently signed a partnership agreement with Shee-Coops, an international organisation that raises women's active participation in Cooperatives around the world, to provide funding to millions of women in the next five years to pursue opportunities that improve their livelihoods.

We are open to partnerships to strengthen the means of implementation for Sustainable Development.

BOARD OF DIRECTORS AND KEY STAKEHOLDERS

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Managing Director

Mrs. Oluwatoyin Olaiya
Executive Director

Mr. Obaro Odeghe
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Ms. Olayemi Keri
Non-Executive Director

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Non-Executive Director

Mr. Folabi Esan
Non-Executive Director

A purpose beyond profit commercial banking institution, First City Monument Bank is a member of FCMB Group Plc, led by Ladi Balogun as Group Chief Executive. The Bank is committed to COVID-19 recovery, income equality and poverty reduction by easing credit constraints to disadvantaged individuals and small businesses.

For more info, email:
agentbanking@fcmb.com, or visit https://www.fcmb.com/agent-banking, https://www.fcmb.com/driving-inclusion/