

SELF REPORTING ASSESSMENT TEMPLATE - JAIZ BANK REPORT 2021

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Jaiz Bank Plc is the premier Non-Interest (Islamic) Financial Institution operating across the six geo-political zones in Nigeria. Our products and services offerings span across Personal Banking, Corporate banking, Trade Finance, Agricultural Finance, and MSME banking, and for all spheres of people irrespective of tribe, religion, or ethnicity.</p>	<p>Details available in our Year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>As an ethical bank, Jaiz Bank is continually guided by Shariah Principles which ensures that its business activities and operations are conducted fairly and justly. By this, our business strategy is fully aligned to, and contributes to the Sustainable Development Goals, and other required frameworks. This is indicated in the forward given by our Chief Executive Officer in our Sustainability report, and our Sustainability Overview</p>	<p>Details available in our Year 2021 Sustainability report. "Sustainability Overview"</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
<p>Principle 2: Impact and Target Setting We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		

<p>2.1 Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p>a) <u>Scope</u>: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under I.I. have been considered in the scope of the analysis.</p> <p>b) <u>Scale of Exposure</u>: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) <u>Context & Relevance</u>: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) <u>Scale and intensity/salience of impact</u>: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services. (your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> • Identified and disclosed its areas of most significant (potential) positive and negative impact • Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p>Based on further review of our impact analysis, we continue to:</p> <ul style="list-style-type: none"> ❖ Identify areas of significant (potential) positive and negative impacts. ❖ Identified impacts in core business activities in terms of industries, technologies, and geographies. ❖ The Identification of these impacts has led to further engagements with various internal stakeholders, and customers to provide necessary guidance and support. ❖ Most of the significant positive impact include our financial inclusion drive and the Agriculture sector. 	<p>Details available in our Year 2021 Sustainability report – Expressing our Sustainability Targets.</p> <p>Link:</p> <p>https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>

<p>2.2 Target Setting</p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>SMART targets have been set for year 2022, across the three pillars that we have reported on. This is based meetings with relevant stakeholders to critically review and agree on achievable goals.</p> <p>The stakeholders will continue to have regular meetings to review progress on these set targets while adjusting where necessary.</p>	<p>Details available in our Year 2021 Sustainability report – Targets for 2022, set under each item of the three (3) pillars – “Expressing Our Sustainability Targets”.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
<p>Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.</p>		
<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>Part of our action plan in place to ensure that we adequately monitor the implementation of set targets is having a robust compliment of the Risk Management Team who collaborates with other stakeholders to ensure appropriate monitoring implementation.</p> <p>A robust monitoring process and plan is also being put in place for better reporting.</p>	<p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
<p>Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p>	<p>The progress achieved over the last 12months are indicated in the “Summary of Key Performance”, “Our Sustainable Development Goals (SDG) progress”, and Expressing Our Sustainability Targets” reported.</p>	<p>Year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>

<p>Report on your bank’s progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>		<p>SUSTAINABILITY-REPORT.pdf</p>
<p>Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets</p>		
<p>Principle 3: Clients and Customers We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p>3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>We have continued to engage our customers, especially promoting financial inclusion through our Jaiz Financial Inclusion Centers (JAFIC) and empowering women to bridge gender inequality in mostly the remote communities of our country of operation. We are equally leveraging partnerships to promote sustainable agriculture, while creating avenues such as workshops and seminars programmes to further help our customers grow sustainably.</p>	<p>Our Sustainable Development Goals (SDGs) Progress and Expressing Sustainability Targets - year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>We have engaged and continue to identify and collaborate with companies (such as Partnering with the Promotion of Agricultural Finance for Agri-Based Enterprises in Rural Areas – Nigeria Project- AgFin, a GIZ funded project to support Small Holder Farmers (SHFs), reduce poverty level, reduce hunger, and promote sustainable jobs.</p>	<p>Indicated in our “SDGs progress” of our year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
<p>Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.</p>		

<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>Continuous consultation and collaboration with our regulatory authorities (e.g. the CBN on Sustainable Banking Practices) and other areas, the local communities, including internal stakeholders such as other financial institutions, to ensure that we collectively achieve our set goals.</p>	<p>Indicated in the "Stakeholder Engagement" of our year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
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Principle 5: Governance & Culture
We will implement our commitment to these Principles through effective governance and a culture of responsible banking

<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>We have put in place governance structure from top executives to sustainable champions to drive the implementation and ensure we achieve the set targets in the implementation of the Principles for Responsible Banking, and the Bank's Sustainability Practices as a whole</p>	<p>Indicated in the "Sustainability Governance Structure" of our year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
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<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>We have continued to build capacity across various levels from top Executive Management to every employee across board, working with Human Resources and our external ESG Consultants.</p> <p>We also continue to engage our Corporate Communications Department to ensure contact awareness are created around the Principles that the Bank has signed on to.</p>	<p>Indicated in the "SDG Progress", and "Expressing our Sustainability Targets" of our year 2021 Sustainability report.</p> <p>Link: https://jaizbankplc.com/wp-content/uploads/2022/04/2021-JAIZ-SUSTAINABILITY-REPORT.pdf</p>
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<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set</p> <p>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>Our governance structure for the implementation of the PRB, and the targets sets are indicated in our year 2021 Sustainability report.</p>	<p>Indicated in the "Sustainability Governance Structure" and "Expressing our Sustainability Targets"</p> <p>Link:</p>
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Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

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Principle 6: Transparency & Accountability
We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

<p>6.1. Progress on Implementing the Principles for Responsible Banking</p> <p>Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</p> <p>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</p> <p>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>In compliance to Principle 6: Transparency & Accountability, our progress report, and the year 2021 stand-alone Sustainability report is thus produced.</p>	<p>Link: https://jaizbankplc.com/wp-content/uploads/2021/04/sustainability-REport-compressed.pdf</p>
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

Jaiz Bank with the support of the UNEP FI Team and the various Stakeholders (internal and external) has so far been able to achieve the progress being reported in our year 2021 Sustainability report, and as highlighted above. Some challenges were experienced such as data gathering for impact review, and inadequate resource required. However, despite these challenges, we are excited that we recorded progress.

As a Bank that is focused on promoting sustainability and the six PRB Principles, we will continue to strive to achieve milestone progress on our implementation journey, ultimately creating the desired positive impacts to the People and Planet in our drive to make Profit.

We will continue to collaborate respective stakeholders on this journey because we understand that we cannot do it alone.