



# Fullrange MFB – Compliance Policies

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# Outline

- CG Policy Documents**
  - Memorandum and Articles of Association (“MemArt”)
  - Board Charter
  - Business Continuity and Disaster Recovery
  - Compliance
  - ICT, Others

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- Practical Considerations for Whistleblowing Policy**

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- Practical Considerations for a CSR**

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# CG Docs

## MemArt

- **Memorandum of Association**
- Name
- Objectives/Nature of Business
- Type of Company
- Liability of Members
- Issued Share Capital
- Subscribers to the MemArt
- **Articles of Association**
- Regulations or Bye-Laws



# CG Docs

## Board Charter

- Minimum of 5 and maximum of 7 INEDs other than MD.
- Tenure of Directors: 4 years and maximum of 12 years.
- MD's Tenure: 5 years and maximum of 10 years.
- **Meetings** – minimum of 4 times in a year.
- **Circumvention/Direct Reporting to the Board** – Heads of Internal Control, Finance, Compliance and Credit (where MDs action creates expediency)
- Board Committees: Credit/Risk Management, Audit, Finance and General Purpose, and ICT.
- Related party transactions to be within limit and reported to CBN.
- **Company Secretary.**



# CG Docs

## Business Continuity and Disaster Recovery

- Objective to ensure staff and businesses keep moving, even if not at 100% capacity during disruptive activities.
- And for business to get up and start running as quickly as possible after a disruption
- Disruptive Activities – Covid 19, Natural Disasters, Sudden Deaths, Terrorist Attacks
- Measures include maintaining potential service providers e.g., hospitals, fire service, security agencies.
- Maintaining contacts with key suppliers.
- Transportation, backups, data base.
- CMT (Crisis Management Team) – comprising of MD/CEO and other staff.



# CG Docs

## Compliance

- CBN Circular on Compliance Functions.
- Monitoring strict compliance with CBN, SCUML, anti-money laundering, regulatory standards, codes and directives.
- Focus on statutory compliance, CBN reporting and compliance requirements and codes, Bank's internal policies and prevention of money laundering and funding of illegal activities.
- Prompt dissemination of regulatory prescriptions and guidelines; periodic updates; compliance monitoring.
- Qualified executive with cognate experience in the banking sector as compliance officer/head.
- Remuneration not tied to business line; ensure access to information.
- Compliance Head should be set up at the Head Office.
- Branch Managers as compliance officers for their branches.



# CG Docs

## ICT, and Others

- Information is now majorly stored in digital format.
- Need to protect information; data privacy issues.
- Password security e.g., passwords should not relate to job or personal life, at least 7 characters long, changed every 30 days, immediate reset, must not be shared under any circumstances.
- Transaction limits – on no account should a senior officer override TLs without DD checks.
- Blocking of accounts – on court orders or regulatory orders; customer's requests for safety reasons.
- Computer/System Access Control – user-IDs, immediate withdrawal of system privileges for disengaged staff.
- No removal of physical systems from offices.
- Physical access to server rooms, e.t.c, must be strictly controllers out-of-bounds to unauthorized persons.



# CG Docs

## Others

- Other Policies: Finance, Impact Management, Internal Control, Investment, Product Development, Risk Management.
- Board Committee Charters
- Operations Manual,
- Guidelines for Preparing Strategic Plans/Appendixes





# Whistleblowing Considerations

## Facilitates Internal Reporting/Protect Informants

- By other names e.g., Speak-up Policy or Stakeholders Concern Policy, etc. “Whistleblower” comes with a baggage. Some are praised others condemned.
- Why?
- What? – don’t use blanket terms, be specific and detailed to guide your stakeholders.
- Where/How?
- Confidentiality.
- Anonymity.
- Anti-Retaliation.
- Board Protection.



# CSR Statements

## Environmental, social and economic performance on internal and external stakeholders

- Synonymous to - corporate responsibility, corporate sustainability, and “triple bottom line.” Others treat each CSR item separately, such as environmental management, community relations, or employee relations.
- More than “doing good for your community. ” CSR should be a viable component of overall business strategy, that include, marketing, branding, research and development, innovation, talent management, and operations.
- Should be written – either in separate CSR policy or part of a larger policy.
- Incorporate into planning and budget.
- Encourage employees to provide CRS initiatives and feedback.
- Board should provide support. CSR will be difficult or impossible without the support of the board.
- Create CSR accountability.

Thank You





# Thank You

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