



POLARIS
BANK

STAKEHOLDER MANAGEMENT AND COMMUNICATION POLICY

February 2021

DOCUMENT REVIEW AND APPROVAL


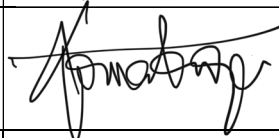

Name	Designation	Signature
Mr. Babatunde Osibodu	General Counsel/Company Secretary	
Mr. Austin Jo-Madugu	Chairman, Board Governance, Nominations and Compensation Committee (BGNCC)	
Mr. Muhammad K. Ahmad (OON)	Chairman, Board of Directors	



Table of Contents

ABBREVIATIONS AND ACRONYMS	5
1. INTRODUCTION	6
2. PURPOSE	6
3. PRINCIPLES OF ENGAGEMENT	6
4. ENGAGEMENT PROCESS	7
4.1 Stakeholder Identification and Listing	7
4.2 Stakeholder Matrix Analysis	7
4.3 Identification of Engagement Strategies	8
4.4 Development of Engagement Plan	9
4.5 Evaluation and Feedback	9
5. REPORTING	9
5.1 Stakeholders Register	10
5.2 Stakeholders Engagement Plan	10
6. ROLES AND RESPONSIBILITIES.....	10
7. REVIEW	10



ABBREVIATIONS AND ACRONYMS

AGM	Annual General Meeting
Bank	Polaris Bank Limited
Board	Board of Directors
Committee	Board Committee



1. INTRODUCTION

The Stakeholders Engagement Policy ("this policy") has been developed to provide guidance for Polaris Bank Limited ("Polaris" or "the Bank") to proactively identify and effectively manage its relevant stakeholders whilst increasing its efficient service delivery. This policy sets out the strategies and tools that may be employed for different levels of engagement.

2. PURPOSE

The purpose of this Policy includes the following:

- a. To ensure that the Bank has a clear and defined process of engaging stakeholders;
- b. To ensure the prompt identification of stakeholders and adequate stakeholder groups based on their level of interest and influence;
- c. To facilitate the formulation of strategies for effective management of stakeholder expectations;
- d. To give stakeholders the opportunity to contribute as experts in their fields to the development of policies and programs;
- e. To provide an adequate platform for obtaining and addressing concerns of stakeholders;
- f. To bring in diverse perspectives and encourage stakeholder collaboration in problem solving and decision-making process; and
- g. To contribute to the development of open, honest and transparent stakeholder relationships.

3. PRINCIPLES OF ENGAGEMENT

The Bank has identified five (5) underlying principles to guide all stakeholder engagement activities. These principles align with the goal of the Bank to create strong, functional, well-structured and all-encompassing relationship with all of its stakeholders. They include:

- a. **Purposefulness:** All engagement activities shall be planned purposefully and will be communicated clearly to the stakeholders.
- b. **Relevance:** The method of engagement shall be planned to bear in mind the different categories of stakeholders. Each stakeholder group will be engaged through relevant means of communication.
- c. **Inclusion:** The core purpose of the policy is to ensure proper inclusion of all stakeholder categories. As such, all engagement activities will be tailored towards achieving the inclusion of stakeholders, their diverse backgrounds and interests.

- d. **Transparency:** All engagement activities will be carried out with complete openness, providing avenues for stakeholders to ask questions and be provided with clarifications required on issues of concern to them. We would seek insights and openly report inputs from our stakeholders. Information provided to stakeholders would be in clear and of true terms.
- e. **Timeliness:** Communication with stakeholders would be carried out in a timely manner. We would agree timelines and methods of engagements with all stakeholders beforehand. Activities will be communicated to stakeholders in time to allow for proper preparation.

4. ENGAGEMENT PROCESS

The Bank has identified five (5) steps in the process of engaging stakeholders. The following steps are to be followed when building an engagement activity:

- Stakeholder Identification and Listing
- Stakeholder Matrix Analysis
- Identification of Engagement Strategies
- Development of Engagement plan
- Evaluation and Feedback

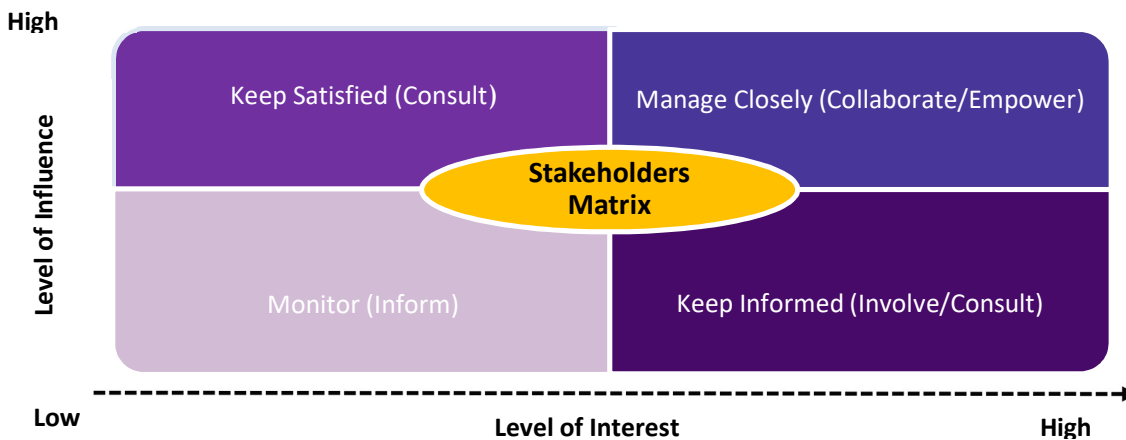
4.1 Stakeholder Identification and Listing

This involves the identification of all relevant stakeholders of the Bank and creation of a list or register containing relevant information on all identified stakeholders. Stakeholders may be identified via the following:

- a. Identification of all classes of stakeholders of the Bank e.g. shareholders, regulatory stakeholders, community, employees and so on.
- b. Internet research on the stakeholders that relate to the Bank
- c. Brainstorming sessions and interviews with relevant employees of the Bank

4.2 Stakeholder Matrix Analysis

Stakeholders are also prioritised based on the category they belong to on the stakeholder matrix. This classification also informs the level and method of communication with stakeholders. The Bank will ensure that stakeholders are properly classed in order to ensure that each category is communicated with through appropriate means and the required level of priority. The Matrix is shown below:



4.3 Identification of Engagement Strategies

Following the accurate classification of stakeholders, the Bank shall then identify the most effective way of communicating with them. Selecting the appropriate method of engaging stakeholders may vary depending on the situation, time, skill and budget for activities. The objectives and method of engagement of the various category of stakeholder is summarized below:

	Manage Closely	Keep Satisfied	Keep Informed	Monitor
Objectives	The Bank shall endeavor to work together with this stakeholder through collaboration for the development of mutually agreed decisions	The Bank shall ensure that all the needs and expectations of this stakeholders are met and that they are consulted in order to make more informed decisions	The Bank shall ensure that this category of stakeholders are kept informed	The Bank shall ensure that this category of stakeholders are provided with the information they need to remain abreast of the Bank's operations
Methods	<ul style="list-style-type: none"> One on One meetings Joint Projects Email communication Annual general meetings Focus groups Integration in governance structures (committees) Workshop and seminars Surveys 	<ul style="list-style-type: none"> Email Communications One-on-one meetings Annual general meetings Workshops and seminars Focus groups Consultative and Advisory panels and committees 	<ul style="list-style-type: none"> Factsheets and websites publications Bulletins Annual reports and general meetings Forums Deliberative polling Media releases and advertising Email communications 	<ul style="list-style-type: none"> Information sharing through websites, emails, bulletins and circulars/ Open houses Media releases and publications Annual general meetings

4.4 Development of Engagement Plan

This stage of engagement includes the creation of periodic plan for the engagement of stakeholders. The plan should include the following:

- a. Category of Stakeholder
- b. Identified means of engagement appropriate for the stakeholders
- c. Type of data required (including the method of collation)
- d. Timing (required frequency)
- e. Logistics
- f. Responsibility
- g. Risks associated with the means of engagement and mitigating factors

4.5 Evaluation and Feedback

The process of engagement should be reviewed and evaluated at the end of every planned activity. This is necessary to assess the effectiveness of how we engage our stakeholders and also learn from the experiences. The process should include the following:

- a. Method of evaluation of engagement activities
- b. Performance against key success indicators
- c. Consideration of the representation of stakeholder groups
- d. Timing and resource planning
- e. Result analysis and knowledge sharing

At the end of each engagement activity, feedback would also be gotten from the stakeholders to assess the effectiveness and relevance of the method of engagement. There shall be a close monitoring of the methods of engagement to ensure adequacy and continuous improvement.

5. REPORTING

The Bank shall ensure that a minimum of the following guiding documents are available for the guiding of the activities of engagement:

- a. Stakeholders Register
- b. Stakeholders Engagement Plan

5.1 Stakeholders Register

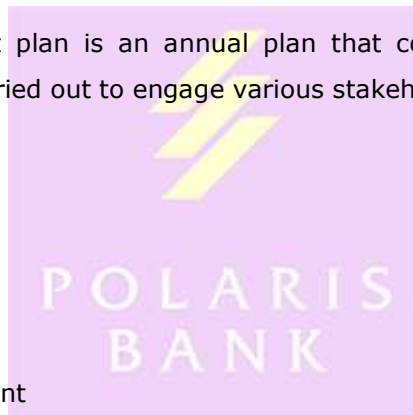
This is a document that contains information on the stakeholders of the Bank. It is a detailed list of individual names, groups and organizations that have been identified as stakeholders of the Bank. It should consist of a minimum of the following:

- Name of stakeholder
- Contact details of stakeholders
- Area of impact
- Level of existing relationship
- Engagement Strategy
- Primary Relationship Owner
- Secondary Relationship Owner

5.2 Stakeholders Engagement Plan

The stakeholders' engagement plan is an annual plan that contains the activities that contains the activities to be carried out to engage various stakeholders. It should consist of a minimum of the following:

- Name of stakeholder
- Category of Stakeholder
- Type of activity
- Frequency of activity
- Proposed date of engagement
- Responsibility



6. ROLES AND RESPONSIBILITIES

- a. The Board is responsible for approving stakeholder relations policies.
- b. The Stakeholders Relations committee is responsible for planning of engagement activities and follow up on effectiveness of the methods employed. The committee is also responsible for providing feedbacks to the Board on all activities.
- c. Employees of the Bank are responsible for engaging stakeholders using approved strategies and methods.

7. REVIEW

The Board through the Stakeholders Relations Committee shall review this policy at least every three (3) years, or more frequently to ensure that it remains relevant and

appropriate. All changes and approvals shall be signed by the Board Chairman following deliberations and approval by the full Board.

