



2022

GREEN BOND

ANNUAL IMPACT REPORT

GREEN BOND ISIN – NGAGB2024S08

Index

01	CEO's Introduction	3
02	Summary	5
03	Commitment to Sustainability	10
	ESG Framework	12
04	Green Bond Program	13
	Green Bond Framework	14
	Core Pillars	14
	Process for Project Evaluation and Selection	15
	Green Bond Committee	16
05	Green Bond Issuance and Progress Report	16
	Use of Proceeds and Impact Metrics	16
06	Green Project Highlights	19
07	Green Bond Asset Portfolio	20
	Flood Defence Project (Project A)	20
	Solar Energy Project (Project B)	22
08	Allocation of Green Bond Proceeds	24
	Unallocated Green Bond Proceeds	24
	Allocation per Category	24
	Alignment of Green Bond Portfolio with SDGs	25
09	Access Bank Sustainable Finance Milestones	26
10	Annex	28
11	Conclusion	29

01



CEO's Introduction

Dr. Herbert Wigwe

Group Managing Director/Chief Executive Officer

Access Bank has an important role to play in tackling sustainability challenges. This is because, as an African financial institution, we are working with clients across the continent in nearly every sector of the economy. Our reach and expertise position us well to support sustainable solutions, and to enable the transition to a low-carbon and more inclusive economy. We are pursuing this all-important objective by raising capital to help our clients to access financing that they need to build infrastructure, develop and upscale technologies, and implement business strategies for the transition to a sustainable economy.

/// *One of the components of our sustainability strategy is green finance, particularly issuing green bonds, to finance projects that contribute to environmental sustainability. Green bonds are increasingly accelerating the financing of solutions that address environmental challenges.* **///**

Since 2018, Access Bank has played an influential role in stimulating the growth of the green bond market in Nigeria, through our co-launch of the Nigerian Green Bond Market Development Programme. We have continued to support the financial market to enhance its depth and diversification for the benefit of issuers and investors alike, by bringing new structures to the market and encouraging progressive dialogue. Additionally, our NGN15 billion inaugural green bond, issued in March 2019, has seen the allocation of a total amount equal to the net proceeds of the offering, to fund eligible green assets.

In Nigeria, Access Bank has been at the forefront of sustainable finance, leading in innovative growth and the adoption of global best practices. In 2009, in light of the establishment of the Environmental and Social Risk Management (ESRM) framework for banks, Access Bank became a signatory of the Equator Principles. Also, in line with our efforts to grow the Bank's green portfolio, Access Bank became a member of the International Capital Markets Association (ICMA) and its Advisory Council in 2021.

With our membership of, or being a signatory to, other global sustainability-focused initiatives including the Principles for Responsible Banking (PRB), Principles for Responsible Investments (PRI), UN Global Compact, and the Sustainability Standards and Certification Initiative (SSCI), we are continually looking for new and innovative ways of delivering sustainable value to our stakeholders.

This report provides an overview of our Green Bond Framework and summarises the use of the proceeds, and the impact metrics, of our inaugural green bond issuance. I am proud to see our clients turning their sustainable project aspirations into reality, in view of the global net-zero target. We hope to continue to leverage our sustainability leadership and innovation culture as we continue to play a catalytic role in promoting prosperity, economic resilience, and a brighter future in Africa and beyond.

Thank you.

Dr. Herbert Wigwe

Group Managing Director/Chief Executive Officer



02

Summary

The issuance of Access Bank's Green Bond is an integral part of the Bank's sustainability strategy. It is in accordance with our priority actions in addressing climate risk.

This report gives an overview of the allocation of the proceeds to eligible green assets and describes the impact of the green bond at a portfolio level.



Innovating today for tomorrow's needs

Because we are closer than ever.

We remain committed to listening
and designing relevant solutions
for your banking needs.

#CommittedtoGivingMore



Scan to download
AccessMore app



More Information:

01- 2712005, 01- 2712006, 01- 2712007.

accessbankplc.com



Facebook.com/accessbankplc | Twitter.com/myaccessbank
Youtube.com/accessbankplc | LinkedIn.accessbankplc
Instagram/myaccessbank



more than banking

NIGERIA

Branches(#) **563**
Employees(#) **5906**

UNITED KINGDOM

Branches(#) **3**
Employees(#) **143**

GHANA

Branches(#) **51**
Employees(#) **544**

SIERRA LEONE

Branches(#) **4**
Employees(#) **46**

GAMBIA

Branches(#) **6**
Employees(#) **38**

CONGO

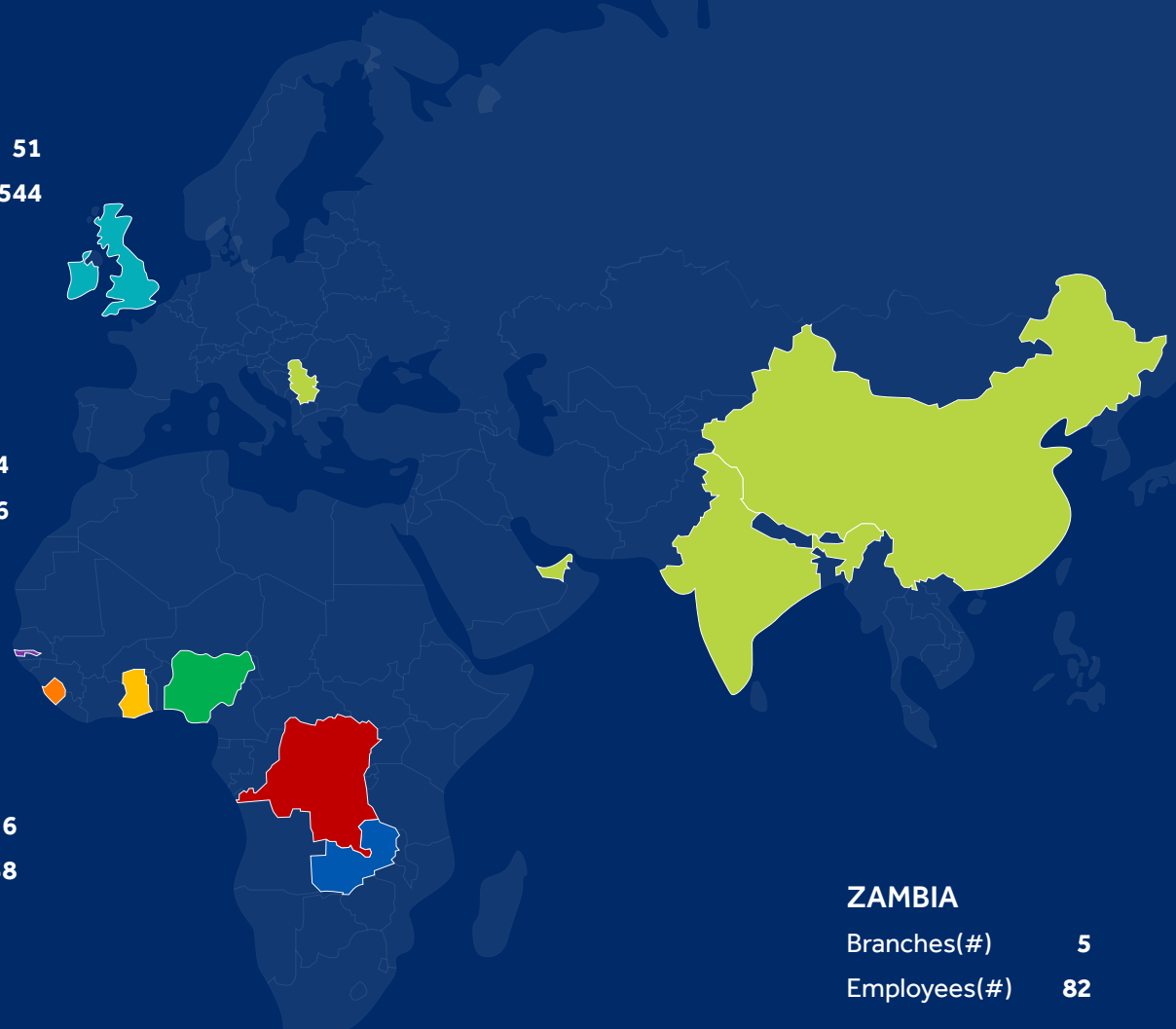
Branches(#) **6**
Employees(#) **80**

RWANDA

Branches(#) **8**
Employees(#) **71**

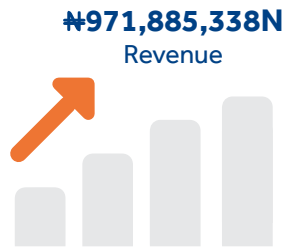
ZAMBIA

Branches(#) **5**
Employees(#) **82**



Financial Performance FY1

(N' Billion)



Listings



Primary Equity Listing



\$300mn Senior Bond



₦30bn (\$82mn) Local bond



₦15bn (\$41mn) Green Bond

Shareholders



₦1,050,028,723N Shareholders Funds

Channels

We have a wide range of channels to deliver seamless banking experience



3,080 ATMs



552 Branches

Credit Ratings

MOODY'S = A1

FitchRatings = A+

STANDARD & POOR'S = BBB

Agusto&Co. = AA-

Presence & SBU's

We serve various markets including Nigeria, UK, Ghana, Gambia, Rwanda, Sierra Leone, Zambia and Congo DR working through four SBUs

Corporate



Commercial



Business



Retail

2021 Accolades



Awards & Recognition

- Most Sustainable Bank, Nigeria - World Finance Award;
- Sustainability Award, Pan-Africa - EMEA Finance African Banking Award;
- Sustainable Bank of the Year, Africa - International Investor Award;
- Best CSR Bank, Nigeria - Finance Derivative Award;
- Sustainable Bank of the Year, Africa - PAN Finance Award;
- Best CSR Bank, Nigeria - Global Brands Magazine Award.



Statement of Responsibility

The directors of Access Bank PLC are responsible for the preparation of this report and all supporting records, including selecting appropriate reporting criteria to form the Green Bond Policy, and assessing the statement as to Use of Proceeds against that policy. The allocation and tracking of funds received is the responsibility of our Green Bond Committee as described on page 7 in this report. We confirm that the statement as to Use of Proceeds is properly prepared in accordance with the policy for the year ended 28 February 2022.

03

Commitment to Sustainability

Access Bank's strategic approach focuses on mobilising financial resources into the African region to promote investments in infrastructure, energy, social development, environmental sustainability, and climate change mitigation and adaptation. In line with our overarching sustainability strategy, Access Bank's Green Bond Program focuses on environmental objectives that link to the Sustainable Development Goals (SDGs) and delivering direct and indirect impacts.

Our sustainability vision: ***"To be the Most Sustainable and Respected Bank in Africa, financing and facilitating brighter futures for all our stakeholders through innovative services and best-in-class operations"***, helps us in delivering long-term value to our stakeholders. It also guides our sense of moral responsibility and accountability to our stakeholders, the society at large, and the planet.



Sustainability is integrated across our business at four levels.

1 Running a responsible and profitable business

We strive to innovate and deliver financial products/ services both in response to the needs of customers and to drive inclusive economic growth. Our business model is also designed to give the Bank a competitive advantage, maintain our leading market share, and boost growth. In essence, we strive to make sustainability profitable at Access Bank.

2 Helping to shape a more environmentally safe future

Due to our innovative approach, our product and service offerings promote environmental and social responsibility. Also, our clients are encouraged and supported, to be environmental champions and socially responsible citizens.

3 Making a positive contribution to society

We contribute to the development of local economies by creating jobs, boosting skills, sourcing from local suppliers, as well as paying taxes and royalties. We also support projects that are based on the needs of the communities we serve.

4 Support for international agreements

Through collaboration and partnership with diverse and relevant stakeholders, we are committed to playing our part to support governments and help society to achieve the global 2030 Agenda for Sustainable Development.



To learn more, please visit our website, including the sustainability section and read our Sustainability Reports.: <https://www.accessbankplc.com/pages/Sustainable-Banking.aspx>

ESG Framework

Access Bank's credit architecture and lending decision-making process incorporate relevant environmental and social (E&S) risk management measures (screening, risk assessment, decision and documentation, monitoring, and reporting) detailed in our Environmental and Social Risk Management (ESRM) Manual. In line with this, assets in the green bond portfolio also undergo requisite E&S due diligence and monitoring in accordance with the ESRM procedures.

Our governance framework is guided by the Central Bank of Nigeria's Code of Corporate Governance for Banks and Discount Houses in Nigeria (the CBN Code), the Securities and Exchange Commission Code of Corporate Governance for Public Companies (the SEC Code), and the Post-Listing Rules of the Nigerian Exchange Group (NGX) (formerly known as the Nigerian Stock Exchange). These, as well as the Board Charter and the Bank's Memorandum and Articles of Association, collectively provide the foundation for Access Bank's sound corporate governance.

The frameworks governing the Bank and its subsidiaries enable the Board to perform its oversight functions, while also ensuring the Bank's regulatory compliance. Our subsidiaries also align their governance frameworks with that of the Group, while complying with the statutory and regulatory requirements of their individual countries of operation.

Access Bank's E&S Due Diligence Methodology

Access Bank's ESRM Manual sets out a detailed framework for managing environmental and social risks inherent in its business activities.

The manual follows applicable laws and regulations of Nigeria and international best practices, including the IFC's Performance Standards, Equator Principles, and the Nigerian Sustainable Banking Principles (NSBP).





Green Bond Program

About Green Bonds and the Green Bond Taxonomy

A green bond is a fixed income instrument, specifically earmarked to raise funds to finance and/or refinance eligible climate and environmentally beneficial projects.

The Climate Bond Taxonomy is a guide for green assets and projects. It is a tool for issuers, investors, governments, and municipalities to help them understand the key investments that will deliver a low-carbon economy. The taxonomy is grounded in the latest climate science and has been developed through an extensive multi-stakeholder approach, leveraging the work of The Climate Bond Initiative's (CBI) Technical and Industry Working Groups.

The taxonomy aims to encourage and be an important resource for common green-bond-related definitions across global markets, in a way that supports the growth of a cohesive, thematic bond market that delivers a low-carbon economy.

About Green Bonds and the Green Bond Taxonomy

The Access Bank Green Bond Framework provides a progressive framework for climate-friendly investments. The framework defines projects and assets that promote low-carbon transition and climate-resilient growth, in line with the Bank's commitment to enabling sustainable investing.

The framework serves as the Bank's guide on green bonds and other green debt instruments. The proceeds from the green bonds will fund Eligible Green Assets that are consistent with the Climate Bonds Initiatives (CBI) and the Green Bond Principles of the International Capital Markets Association (ICMA).

Below is a summary of the components of Access Bank's Green Bond Framework:

Core Pillars

1. Use of Proceeds:

Access Bank will allocate an amount at least equivalent to the net proceeds of the green bonds issued to finance and/or re-finance, in whole or in part, green assets which meet the eligibility criteria of the following **Eligible Green Project categories**:

- Renewable Energy
- Energy Efficiency
- Efficient Green Buildings
- Sustainable Waste Management
- Sustainable Land Use
- Clean Transportation
- Sustainable Water Management
- Climate Change Adaptation
- Green Trade
- Climate Smart Agriculture
- Non-GHG Emissions Reduction

2. Approval for use of proceeds:

Access Bank has instituted a governance process for selecting and appraising assets that meet the requirements for green bond financing. Under

this pillar, verification of assets is completed by an external party in line with the Bank's Green Bond Framework and the CBI sector criteria. The assets to be financed are also screened and assessed for environmental and social risks as applicable in the business sector. This assessment is guided by the Bank's robust ESRM policy, IFC Performance Standards, Equator Principles, and applicable national laws.

3. Management and tracking:

The proceeds of the green bonds will be tracked via the Bank's internal Monitoring System. Each Access Bank Green Bond will be booked under an earmarked position set up for each Green Bond specifically in the appropriate internal system. Unallocated proceeds are invested by the Trustees in treasury bills.

4. Reporting:

During the tenor of a green bond, Access Bank will provide an annual Green Bond Impact Report that includes information on the aggregate amount of proceeds allocated to each eligible sector together with a description of the types of business and assets financed, the balance of unallocated proceeds, and a confirmation that the use of the proceeds conforms to the Green Bond Framework.

Process for Project Evaluation and Selection

Our project evaluation and selection process ensure that the proceeds of our green bonds are allocated to finance or refinance Eligible Green Assets that meet the criteria and objectives set out above in the Use of Proceeds section.

The process for identifying Eligible Green Assets includes:

- 01 Strategic Business Units originate transaction wherein the obligor falls within the Bank's Target Market / Risk Acceptance Criteria.
- 02 Obligor meets the Bank's Credit Governance and Risk Acceptance Criteria and satisfies other requirements and is considered eligible for inclusion in the Use of Proceeds.
- 03 Obligor's business activities or the asset which Access Bank is financing is assessed for compliance with standards such as applicable Nigerian laws, the Bank's ESRM Policy, IFC Performance Standards, and Equator Principles.
- 04 The nature of customer's business activities and/or the project which Access Bank is funding is assessed for alignment with CBI Taxonomy and ICMA Green Bond Principles.
- 05 Group ESRM Team will put forward requests to the Green Bond Committee for final approval.

Green Bond Committee

The Access Bank Green Bond Committee encompasses various functions within the Bank, including Risk Management, Sustainability, Corporate Finance, Project & Structured Finance, Financial Control, Treasury, Strategic Investment, Legal, Conduct and Compliance, and the Strategic Business Units. Those represented in the committee are the heads of the various functions. The Committee is led by the Executive Director, Risk Management, with the support of the Executive Director, African Subsidiaries.

The Committee governs our Green Bond Framework with the responsibility of approving the allocation/reallocation of green bond proceeds, impact reporting on the green bond portfolio, and other related matters as required.



Green Bond Committee Members



GREG JOBOME
Executive Director,
Risk Management




SEYI KUMAPAYI
Executive Director,
African Subsidiaries



PATTISON BOLEIGHA
Chief Conduct and
Compliance Officer



SUMBO OLATUNJI
Group Head,
Treasury



RALPH OPARA
Group Head,
Commercial Banking



CHUMA AJENE
Group Head,
Strategic
Investments



OMOBOLANLE VICTOR-LANIYAN
Head, Sustainability



SEUN OLUFEKO
Group Head
Corporate Finance



VICTOR OKAFOR
Group Head,
Financial Institution



GBENGA ADELEKE
Head, Group
Environmental & Social
Risk Management

Green Bond Issuance & Progress Report

05

In March 2019, Access Bank issued its first green bond and became the first African bank to issue a certified corporate climate bond¹. The green bond was awarded an AA- rating by Agosto & Co and certified by the Climate Bonds Initiative, having met global climate bonds standards. The debt instrument, initially listed on the Nigerian Stock Exchange (NSE) and the FMDQ OTC Securities Exchange, was subsequently cross-listed on the Luxembourg Green Exchange (LGX).

Issuer Name:	Access Bank Nigeria
Green Bond ISIN:	NGAGB2024S08
Issue Date:	March 2019
Issued Amount:	NGN 15,000,000,000.00
Tenor:	5 years

Use of Proceeds and Impact Metrics

The use of the green bond proceeds is in line with the environmental objectives and the stated eligible activities included in Access Bank's Green Bond Framework. Eligible assets were reviewed and approved by the Green Bond Committee (GBC) of Access Bank. The selected eligible activities were classified and assessed in line with the eligibility requirements specified in part B of the Climate Bond Initiative standards.

The impact reporting of the selected activities uses indicators consistent with those recommended by the Handbook and Framework for Harmonized Impact Report published² by ICMA.

The renewable energy generated from the asset financed can power over

41,991 Nigerian households.

The avoided GHG emissions equate to approximately

3,590 passenger cars off the road.

The protected hectareage from the flood defence system is equivalent to the size of

1,400 football fields.

A total amount of NGN14.521 billion³ has been allocated to two eligible green assets: a flood defence system for the Victoria Island axis of Lagos, and one solar photovoltaic (PV) equipment asset.

The annual impact of the use of the proceeds is estimated at:

- Greenhouse (GHG) emission reductions of 17,037.50 tCO₂eq/y
- Installed renewable energy capacity of 21.46 MW
- Renewable energy generation of 35,718.02 MWh/y
- 900 hectares protected from flooding
- 400,000 residents protected against flooding.

Access Bank has engaged PricewaterhouseCoopers LLP as an independent verifier to provide limited assurance over the selected information as shown in the full assurance report for the 2022 Green Bond Impact Report.

¹ The bond was the first-ever Climate Bonds Initiative (CBI)-certified corporate green bond in Africa.

² <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2019/Handbook-Harmonized-Framework-for-Impact-Reporting-WEB-100619.pdf>

³ Exact amount NGN14,520,697,001.4

leading the charge

for a greener and
healthier environment



Sustainable Waste Management | Energy and Water Efficiency
Green Social Entrepreneurship | Paper-to-Pencil Initiative

accessbankplc.com/sustainability



Facebook.com/accessbankplc | Twitter.com/myaccessbank
Youtube.com/accessbankplc | LinkedIn/accessbankplc
Instagram/myaccessbank



more than banking

Green Project Highlights

06

The impact indicators used in this report align with those recommended by the Handbook and Framework for Harmonized Impact Report published⁴ by ICMA. The impacts reported are based on ex-ante estimates of expected annual results for a representative year once the eligible projects are completed and operating at normal capacity. The reporting is thus not intended to provide actual results achieved in a specific year or reporting period. The method of estimating the impacts is included in Appendix 1.

NGN14,521 billion has been allocated to two eligible activities: One flood defence system for Victoria Island in Lagos, and one solar project. The annual impacts of the use of the proceeds are estimated at greenhouse emission reductions of 17,037.50tCO₂eq/y; installed renewable energy capacity of 21.46 MW; renewable energy generation of 35,718.02 MWh/y; 900 hectares protected from flooding; and 400,000 residents protected against flooding.



Number of assets in Green Bond Portfolio

= 2



Total amount of proceeds allocated to assets

= NGN14,520,697,001.4



Total number of renewable energy assets

= 1



Total number of sustainable land use asset

= 1



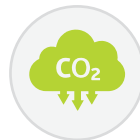
Total installed capacity for renewable energy

= 21.46MW



Annual renewable energy generation

= 35,718.02 MWh/y



Annual GHG emission reductions

= 17,037.50 tCO₂eq/y

Total land area resilient against flooding

= 900 hectares



Total number of people benefitting from improved resilience against flooding

= 400,000



⁴ <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2019/Handbook-Harmonized-Framework-for-Impact-Reporting-WEB-100619.pdf>

Green Bond Asset Portfolio

07

The Green Bond Asset Portfolio covers investments within a twelve-month period effective from the date of issuance.

Flood Defence Project (Project A)

The Flood Defence Project is an eight (8) kilometres protective sea wall around the coastline of Victoria Island, Lagos, the city's main business and financial centre. When completed, the sea revetment, consisting of x-bloc armour units, of over 8km long, will provide a protective barrier for the Victoria Island shoreline. The green bond proceeds will be applied towards the installation of water infrastructure including surge barriers, pumping stations, levees, and gates.

Climate Risk

Coastal protection schemes have been put in place over time in a bid to reduce the erosion threat to Victoria Island, including several nourishment schemes. With no action, the highly valued areas of residential and commercial property would continue to be threatened by intrusion of the sea water, causing destruction of properties, loss of income, and harm to lives.



Vulnerability to Climate Change



Lagos is encompassed by lagoons, islands, and the Atlantic Ocean. The projected rise in sea levels due to climate change, further intensifies the risks of the city being inundated by water. According to the Maplecroft Climate Change Vulnerability Index⁵, Lagos has an "Extreme" vulnerability⁶ to the impacts of climate extremes and changes in climate. The index assesses the city's exposure to climate extremes, climate change adaptation capacity, and human sensitivity to climate stressors.

Adaptation Measure

The project will ensure climate resilience of the main reclaimed area of approximately 7.5km long with a width of 2.3km on the western end, tapering 0.5km on the eastern end. The outer edge of the reclaimed area will be protected from the sea by a long rock revetment, approximately 8km to provide shoreline protection to the new land and to Victoria Island itself. This formation has also been modelled to accommodate expected sea level rises and greater annual tidal surges under future climate scenarios.

⁵ <https://www.maplecroft.com/risk-indices/climate-change-vulnerability-index/>

⁶ The Climate Change Vulnerability Index evaluates the susceptibility of human populations to the impacts of climate extremes and changes in climate over the next three decades. It combines exposure to climate extremes and change with the current human sensitivity to those climate stressors and the capacity of the country to adapt to the impacts of climate change. Lagos rating – 0.81 with ranking from 0 ranking highest risk and 10 ranking lowest risk.

Project Name	Signed amount (NGN)	Eligibility for green bonds (%)	Allocated amount (NGN)	Area protected against flooding	Number of Beneficiaries
Flood defense project in Lagos State. Location: Victoria Island Lagos	12,720,697,001.40	100%	12,720,697,001.40	900 hectares	400,000



The Green Bond Asset Portfolio covers investments within a twelve-month period effective from the date of issuance.

Solar Energy Project (Project B)

Access to energy for all Nigerians remains the aim of Nigeria's Nationally Determined Contribution (NDC) submitted to the United Nations Framework Convention on Climate Change (UNFCCC)⁷. Nigeria's solar PV industry, although still nascent, continues to gain traction with an increasing penetration of off-grid, distributed, and privately-owned solar installations.

As the second-largest market for Commercial & Industrial solar in sub-Saharan Africa, Nigeria has over 200 MW of installed solar PV capacity as of year-end 2020. This sector is set to play a significant role in terms of achieving greenhouse gas emissions reduction targets pledged in the country's NDC and the ambitious targets for increasing national power generation capacity and the share of renewable energy in the national energy mix.



Proceeds from the Access Bank's green bond have been used to finance one renewable energy asset that will support solar PV generation in the following geo-political zones of Nigeria: South-East (Enugu), South-West (Lagos), South-South (Port Harcourt) and the Federal Capital Territory (Abuja).

Nigeria's Renewable Energy Master Plan (REMP) aims to increase the share of renewable energy from 13% of total electricity generation in 2015 to 23% in 2025 and 36% by 2030. Solar energy is set to play an integral role in achieving the intended diversification of Nigeria's energy mix and bridging the energy gap in rural areas. Nigeria's solar irradiation (the sun's radiant energy) is bountiful, with peak sun hours averaging 6.25 hours a day, making solar PV a viable energy solution for the country.

The opportunities in energy access in the country can create over \$9 billion in market opportunities annually for mini-grids and solar systems⁸. While there are still barriers to private investments in the sector, the regulatory environment is responding to investors' apprehensions, and there have been progressive reforms to encourage private financing of solar energy.

In total, NGN1.8 billion of the green bond's proceeds has been allocated towards the financing of 21.46 MW of installed solar energy capacity.

Greenhouse Gas (GHG) Emissions Reductions

Given the shortage of electricity supply from the grid, resulting in extensive reliance on diesel generators and the associated high cost (which varies between \$0.25/kWh and \$0.30/kWh – including diesel cost, maintenance cost, generator replacement, and depreciation – depending on the generator's capacity), solar PV offers a pragmatic on-site option for addressing the unreliable energy supply situation in the country.

The expected installed capacity will lead to total GHG emissions reduction of 17,037.50 tCO₂eq/y.

⁷ https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Nigeria%20First/Approved%20Nigeria%27s%20INDC_271115.pdf

⁸ Rural Electrification Agency (REA) and Rocky Mountain Institute

Access to Energy

Nigeria's dearth of energy is costing the country over \$25 billion loss in economic revenue annually⁹, and it is estimated that businesses are spending over \$14 billion yearly in generating private power, which is both expensive and polluting. For businesses in Nigeria, this additional cost for generating energy is cited as the most significant challenge to doing business.

The expected installed capacity from this project will lead to a total annual renewable energy generation of 35,718.02 MWh/y. The total installed capacity contributes towards Nigeria's renewable energy targets.

Project Name	Signed amount (NGN)	Eligibility for green bonds (%)	Allocated amount (NGN)	Renewable energy installed capacity (in MW)	Renewable energy generation (in MWh/y)	Annual GHG emissions reduced (in tons CO2 equivalent tCO2eq/y)
Solar Energy Project B.	1,800,000,000.00	100%	1,800,000,000.00	21.46	35,718.02	17,037.50

Green Bond Portfolio as of 28 February 2022

S/N	Obligor	Loan Amount (NGN)
1	Project A	12,720,697,001.00
2	Project B	1,800,000,000.00
	Total:	14,520,697,001.4

⁹ Federal Republic of Nigeria, Power Recovery Programme: 2017 – 2020 report. Jan 2018

Allocation of Green Bond Proceeds

Unallocated Green Bond Proceeds

NGN295,153,998.59 has been invested in money market instrument as an interest-bearing asset by the Trustee (Coronation Merchant Bank Limited).

Allocation per Category

	Climate Change Adaptation	Renewable Energy	Total
As of 28 February 2022	NGN12,720,697,001.40	NGN1,800,000,000	NGN14,520,697,001.4
As of 28 February 2021	NGN13,037,527,975.14	NGN103,722,982.85	NGN13,141,250,957.99
As of 29 February 2020	NGN 12,845,114,325.79	NGN1,778,323,024.85	NGN14,623,437,350.64



Alignment of Green Bond Portfolio with SDGs

The assets funded by Access Bank’s green bond have positively impacted the following SDGs:

Use of Proceeds	SDG	SDG Impact
<p>Flood Defence Project</p>	<p>Goal 11: Sustainable Cities and Communities</p> <p>Goal 13: Climate Action</p>	<p>11.b: Increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters.</p> <p>13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.</p>
<p>Solar Energy Project</p>	<p>Goal 7: Affordable and Clean Energy</p> <p>Goal 13: Climate Action</p>	<p>7.2: Increase substantially the share of renewable energy in the global energy mix.</p> <p>13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.</p>

Sustainable Finance Milestones

- 
- 2008**
 - Established CSR function
 - Employee Volunteering fully adopted bank-wide
 - 2009**
 - Published pioneering Sustainability Report
 - Nigerian pioneering signatory to Equator Principles, GRI, LBG, BiTC, UNPRI, UNEPFI
 - 2010**
 - Embedded Sustainability into Corporate Philosophy
 - Signed on to the United Nations Global Compact
 - 2011**
 - Initiated Nigerian Sustainable Finance Week leading to NSBP development
 - 1st financial institution to deploy a customized Sustainable Finance toolkit
 - 2012**
 - Partnered with relevant stakeholders to develop Nigerian Sustainable Banking Principles
 - Appointed Leadership Group Member, United Nations Women Empowerment Principles
 - 2013**
 - Established Development Banking Group
 - Embedded sustainability into vendor criteria
 - 2014**
 - Developed robust Sustainability strategy themed 'Financing the Future'
 - Appointed co-Chair United Nations Environment Program Finance Initiative, Africa & Middle East Task Force and member Global Steering Committee

- 
- 2015**
- Appointed co-Chair United Nations Global Compact Local Network Steering Committee
 - Appointed Board member, Nigerian Business Coalition on Sustainable Development
- 2016**
- Joined the GRI GOLD community
 - Pioneered waste recycling in Nigeria financial sector
 - Built AFF from recyclable materials
- 2017**
- Launched Employee Volunteering Awareness Day
 - Launched the “Save today, Take Tomorrow” Campaign focused on driving financial inclusion
- 2018**
- Launched Digital Sustainability Report
 - Worked with 72 global banks to develop the Global Principles For Responsible Banking
 - Commenced SSCI certification journey
- 2019**
- Launched First Ever Corporate Green Bonds certified by Climate Bonds Initiative
 - Membership of SSCI council
 - Established stand alone Board Sustainability Committee (was previously reporting to board Governance & Nomination Committee)
- 2020**
- Green Bonds cross listed on the Luxembourg Green Exchange
 - Launched inaugural Green Bonds Impact Report
 - First African Commercial sustainability certified bank under SSCI
- 2021**
- Appointed as a member of Advisory Council of the Green Bond Principles and Social Bond Principles Executive Committee of the International Capital Markets Association
 - Organised the Fintech-based Naija SDG Hackathon
 - Co-launched the Guidance Document for Financial Inclusion Target-Setting under the Principles for Responsible Banking

Annex

Annex I: About the methodology used for impact calculation

GHG emission reductions have been calculated for renewable energy projects that received proceeds from Access Bank green bond. The calculations have followed the Harmonized Approach for assessing the mitigation benefits, or net greenhouse gas (GHG) emissions, of renewable energy (RE) projects in accordance with the International Financial Institution (IFI) Framework for a Harmonized Approach to Greenhouse Gas Accounting¹⁰.

For the purpose of promoting greater harmonisation, the IFI GHG Accounting TWG (IFI TWG) maintains a common dataset containing Default Emissions Factors¹¹ (DEFs) for countries and interconnected grids where applicable. The default emissions factor for the Nigerian power grid recommended by the DEF has been applied in the calculation of GHG emission reductions.

To be on the very conservative side the calculations take the following assumptions:

- Average of 19.2% capacity factor¹².
- Although the solar projects may be displacing Diesel power generators, for the sake of conservativeness we assume that in the long term the renewable energy equipment will be displacing grid power (which has a lower GHG intensity compared to Diesel power). From the DEF referred above, the forward looking GHG intensity of the grid power of 0.477 tCO₂eq/MWh.

The following are the details of the calculations:

Project B:

Annual renewable electricity generated:

$$21.46\text{MW} * 365\text{d/y} * 24\text{h/d} * 0.19 = 35,718.02 \text{ MWh/y}$$

$$\text{GHG emission reduction} = 35,718.02 \text{ MWh/y} * 0.477 \text{ tCO}_2\text{eq/y} = 17,037.50 \text{ tCO}_2\text{eq/y (rounding)}$$

¹⁰ <https://unfccc.int/climate-action/sectoral-engagement/ifis-harmonization-of-standards-for-ghg-accounting>

¹¹ https://unfccc.int/sites/default/files/resource/Harmonized_Grid_Emission_factor_data_set.xlsx

¹² Table 10, page 41 2018 IRENA "Planning and Prospects for Renewable Power"
https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2018/Nov/IRENA_Planning_West_Africa_2018.pdf

11

Conclusion

Access Bank is focused on delivering sustainable approaches to support our client's financing requirements. Whether we are working with 'pure green' companies to continue to invest in their sustainable projects, or with 'high carbon' companies that need support to begin or develop their transition to a lower-carbon business, we are focused on delivering the most appropriate sustainable financing solutions.



MORE IN AFRICA MORE TO THE WORLD

At Access Bank, we invest in projects that help improve the lives of individuals and the economy as a whole.

Fuel your capacity to grow beyond limits and experience more than banking with us.

accessbankplc.com



Africa | Asia | Europe | Middle East



more than banking

Contact us for more



www.accessbankplc.com



Sustainability@accessbankplc.com



Access Bank Plc.
14/15 Prince Alaba Abiodun Oniru Road,
Victoria Island,
Lagos, Nigeria



[Facebook.com/accessbankplc](https://www.facebook.com/accessbankplc) | [Twitter.com/myaccessbank](https://twitter.com/myaccessbank)
[Youtube.com/accessbankplc](https://www.youtube.com/accessbankplc) | [LinkedIn/accessbankplc](https://www.linkedin.com/accessbankplc)
[Instagram/myaccessbank](https://www.instagram.com/myaccessbank)



access

more than banking