CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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ACCESS BANK PLC
Index to the consolidated and separate financial statements
For the year ended 31 December 2023

Corporate information

This is the list of Directors who served in the Bank during the year

Directors	
*Dr. (Mrs.) Ajoritsedere Josephine Awosika, MFR, mni	Chairman/Non-Executive Director
**Mr. Paul Usoro, SAN	Chairman/Non-Executive Director
Mr. Adeniyi Adedokun Adekoya	Independent Non-Executive Director
Mr. Iboroma Tamunoemi Akpana	Independent Non-Executive Director
Mrs. Ifeyinwa Yvonne Osime	Independent Non-Executive Director
Dr. Okey Vitalis Nwuke,FCA	Non-Executive Director
Mr. Hassan Tanimu Musa Usman,FCA	Independent Non-Executive Director
Mrs. Omosalewa Temidayo Fajobi	Non-Executive Director
Mrs. Titilayo Osuntoki, HCIB	Non-Executive Director
Mr. Herbert Onyewumbu Wigwe, FCA	Non-Executive Director
Mr. Roosevelt Michael Ogbonna,FCA,CFA	Managing Director/Chief Executive Officer
Mr. Victor Okenyenbunor Etuokwu, HCIB	Deputy Managing Director
Mrs. Chizoma Joy Okoli, HCIB	Deputy Managing Director
Dr. Gregory Ovie Jobome, HCIB	Executive Director
Ms. Hadiza Ambursa	Executive Director
Mr. Oluseyi Kolawole Kumapayi,FCA	Executive Director
***Mrs. Iyabo Soji-Okusanya, FCA, FCIB	Executive Director

*Retired effective May 22, 2023
**Appointed as Chairman effective May 22, 2023
***Appointed effective June 14, 2023

Company Secretary
Mr Sunday Ekwochi

Corporate Head Office
Access Bank Plc
Plot 14/15, Prince Alaba Oniru Street, Oniru Estate, Victoria Island, Lagos
Victoria Island, Lagos.

Telephone: +234 (01) 4619264 - 9
+234 (01) 2773300-99

Email: info@accessbankplc.com
Website: www.accessbankplc.com
Company Registration Number: RC125 384
FRC Number: FRC/2012/0000000000271

Independent Auditors
KPMG Professional Services
KPMG Tower, Bishop Aboyade Cole Street, Victoria Island, Lagos.
Telephone: (01) 271 8955
Website: www.kpmg.com/ng

Corporate Governance Consultant
Ernst & Young
10th Floor UBA House
57, Marina, Lagos
Telephone: +234 (01) 6314500
FRC Number: FRC/2023/COY/209403

Actuaries
Alexander Forbes Consulting Actuaries Nig. Ltd
Rio Plaza, 2nd Floor , Plot 235, Muri Okunola Street
Victoria Island, Lagos
Telephone: (01) 271 1081
FRC Number: FRC/2012/ICAN/0000000000504

Registrars
Coronation Registrars Limited
9, Amodu Ojikutu Street, Off Saka Tinubu

Victoria Island, Lagos
Telephone: +234 01 2272570

Investor Relations
Access Bank Plc has a dedicated investors' portal on its corporate website which can be accessed via this link https://www.accessbankplc.com/pages/investor-relations.aspx

For further information please contact:

Access Bank Plc.
+234 (1) 236 4365
Investor Relations Team investor.relations@accessbankplc.com
TIN: 00792879-0001

Directors' Report
For the Year ended 31st December, 2023

The Directors have pleasure in presenting their report on the affairs of Access Bank Plc (the "Bank") together with its subsidiaries (the "Group"), the Group and the Bank's Audited Financial Statements with Auditor's Report for the year ended 31st December 2023.

Legal form and principal activities

The Bank was incorporated as a private limited liability company on 8 February 1989 and commenced business on 11 May 1989. The Bank was converted to a public limited liability company on 24 March 1998 and its shares were listed on the Nigerian Stock Exchange on 18 November 1998. The Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February 2001.

The Bank's principal activities include the provision of money market products and services, retail banking, granting of loans and advances, equipment leasing, corporate finance and foreign exchange operations.

The Bank has the following subsidiaries: Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank (Zambia) Limited, The Access Bank (UK) Limited, Access Bank (Ghana) Plc, Access Bank (Rwanda), Access Bank (D.R. Congo), Access Bank (Guinea), Access Bank (Mozambique), Access Bank (South Africa), Access Bank (Kenya), Access Bank (Botswana) , Access Bank (Cameroon), Access Bank (Angola) and Access Investors Services Nominees Ltd.

The Bank also operates a Representative office in China, Lebanon and India. The Access Bank (UK) Limited operates a branch in United Arab Emirates (UAE) and also operates a branch in Paris, France which was commissioned on the 11th of May, 2023. In December 2023, Access Bank (UK) also received the approval from Hing Kong Mandatory Authority (HKMA) to commence opeartion in Hong Kong.

Following the Court sanction of the Scheme of Arrangement between the Bank and its former shareholders, leading to the establishment of Access Holdings Plc, the Bank's shares were delisted from the floor of the Nigeria Exchange Limited (NGX) on 28 March, 2022. The Bank's shares were subsequently admitted on Nigerian Association of Securities Dealers Plc (NASD Plc) on 28, March 2022 on a non-trading basis.

The financial results of all operating subsidiaries have been consolidated in these financial statements.

Operating results

In millions of Naira	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Gross earnings	**2,589,874**	**1,382,773**	**2,048,912**	**1,125,012**
Profit before income tax	751,086	170,402	569,140	162,709
Income tax	(105,624)	(14,529)	(33,460)	3,951
Profit from continuing operations	645,462	155,873	535,680	166,660
Discontinued operations	-	(700)		
Profit for the year	645,462	155,174	535,680	166,660
Other comprehensive income/(loss)	401,185	75,361	(88,984)	78,995
Total comprehensive income for the year	1,046,647	231,235	446,697	245,655
Non-controlling interest	39,515	(7,750)	-	-
Total comprehensive income attributable to equity holders of the bank	1,007,132	238,985	446,697	245,655

	Group December 2023	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Earnings per share - Basic (k)	1,804	452	1,507	469
Earnings per share - Diluted (k)	1,804	436	1,507	469

In millions of Naira	**Group December 2023**	***Restated Group December 2022**	**Bank December 2023**	***Restated Bank December 2022**
Total equity	2,348,432	1,226,891	1,531,986	1,068,666
Total impaired loans and advances	251,982	176,940	91,116	85,196
Total impaired loans and advances to gross risk assets (%)	2.78%	3.15%	1.49%	1.92%

Interim dividend

The Board of Directors paid an interim Dividend of 40 Kobo per ordinary share of 50 Kobo (HY2022: 27 Kobo) on the 35,545,225,622 issued ordinary shares of 50k each to shareholders on the register of shareholding at the closure date. Withholding Tax was deducted at the time of payment.

Proposed dividend

The Board of Directors proposed Final Dividend of ₦2.22 (Two Naira, twenty-two kobo only) per ordinary share of 50 Kobo (HY2023: 40 Kobo) on the 35,545,225,622 issued ordinary shares of 50k each payable to shareholders on the register of shareholding at the closure date. Withholding Tax will be deducted at the time of payment.

Events after Reporting period
Subsequent to the end of the financial year, the following events occurred:

On the 17th of January 2024, Access Bank entered into a definitive agreement with Finance Trust Bank Uganda to acquire 80.88% shareholding in the Ugandan entity.

On the 5th of Jan 2024, Access Bank concluded the acquisition of African Banking Corporation (Atlas Mara) Zambia.

On the 20 March 2024, Access Bank Plc entered into a binding agreement with Kenyan-based KCB Group Plc ("KCB") for the acquisition of the entire issued share capital of National Bank of Kenya Limited ("NBK") from KCB.

Other than the above mentioned, there were no other events after reporting date requiring adjustment of, or disclosure in, these consolidated and separate financial statements.

Directors and their interests
The Directors who served during the year, together with their direct and indirect interests in the issued share capital of the Bank as recorded in the Register of Directors' Shareholding and as notified by the Directors for the purposes of Sections 301 and 302 of the Companies and Allied Matters Act is noted below:

Number of Ordinary Shares of 50k each held as at 31st December 2023

	December 2023		December 2022	
	Direct	Indirect	Direct	Indirect
H. O. Wigwe, FCA	1	-	1	-
R. M. Ogbonna,FCA,CFA	1	-	1	-
V. Etuokwu, HCIB	-	-	-	-
P. Usoro, SAN**	-	-	-	-
A. Awosika, MFR, mni*	-	-	-	-
G. Jobome, HCIB	-	-	-	-
I.T. Akpana	-	-	-	-
A. A. Adekoya	-	-	-	-
H. Ambursa	-	-	-	-
C. J. Okoli, HCIB	-	-	-	-
O. Nwuke,FCA	-	-	-	-
I. Osime	-	-	-	-
H. Usman,FCA	-	-	-	-
O. Kumapayi,FCA	1	-	1	-
O. Fajobi	-	-	-	-
T. Osuntoki, HCIB	-	-	-	-
I. Soji-Okusanya, FCA, FCIB***	-	-	-	-

* Retired effective May 22, 2023
** Appointed as Chairman effective May 22, 2023
*** Appointed effective June 14, 2023

Directors' interest in contracts
In accordance with the provisions of Section 303 (1) and (3) of the Companies and Allied Matters Act of Nigeria, the underlisted directors have disclosed their interest in the underlisted vendors to the Bank

Related director	Interest in entity	Name of company	Services to the Bank
Mr. Paul Usoro (SAN)	Managing Partner	Paul Usoro & Co	Legal Services
Dr. Okey Nwuke	Director	Access Pensions Ltd.	Pensions
Dr. Okey Nwuke	Director & Shareholder	Simply Gifts and Interiors	Corporate gifts and interior decoration
Dr. Okey Nwuke	Shareholder	Claritus Limited	Property Rentals
Mr. Herbert Wigwe	Shareholder	Coronation Insurance Plc	Insurance
Mr. Herbert Wigwe	Shareholder	Coronation Securities Limited	Financial Services
Mr. Herbert Wigwe	Shareholder	Trium Networks Limited	Digital Transformation
Mr. Herbert Wigwe	Shareholder	Coronation Merchant Bank & Subsidiaries	Merchant Banking
Mr. Herbert Wigwe	Shareholder	Coronation Capital Ltd & Investee Companies	Financial Services
Dr. Gregory Jobome	Director	CRC Credit Bureau Ltd	Credit Bureau Reference Service
Mrs. Omosalewa Fajobi	Director	Coronation Securities Limited	Financial Services
Mrs. Omosalewa Fajobi	Director	Coronation Insurance Plc	Insurance
Mr. Victor Etuokwu	Director	Unified Payment Services Ltd (UPSL)	Payment services
Mr. Victor Etuokwu	Director	E-Tranzact Plc	Payment services
Mr. Victor Etuokwu	Director	ACT Foundation	Implementing partner for Sustainability Projects
Mr. Roosevelt Ogbonna	Director	Central Securities Clearing System Plc	Securities Depository Services
Mrs. Titilayo Osuntoki	Director	Coronation Insurance Plc	Insurance
Mrs. Titilayo Osuntoki	Director	Konga Online Nigeria Limited	E-Commerce Partnership

Analysis of shareholding:
The shareholding pattern of the Bank as at 31st December 2023 was as stated below:

	December 2023			
Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1 - 1,000	4	80%	4	0.00%
1,001 - 5,000	-	0%	-	0.00%
5,001 - 10,000	-	0%	-	0.00%
10,001 - 50,000	-	0%	-	0.00%
50,001- 100,000	-	0%	-	0.00%
100,001 - 500,000	-	0%	-	0.00%
500,001 - 1,000,000	-	0%	-	0.00%
1,000,001 - 5,000,000	-	0%	-	0.00%
5,000,001 - 10,000,000	-	0%	-	0.00%
10,000,001 - 50,000,000	-	0%	-	0.00%
50,000,001 - 100,000,000	-	0%	-	0.00%
100,000,001 - 500,000,000	-	0%	-	0.00%
500,000,001 - 1,000,000,000	-	0%	-	0.00%
1,000,000,001 - 10,000,000,000	-	0%	-	0.00%
10,000,000,001 and Above	1	20%	35,545,225,618	100.00%
	5	**100%**	**35,545,225,622**	**100%**
Foreign Shareholders	**-**	**0%**	**-**	**0.00%**
Total	**5**	**100%**	**35,545,225,622**	**100%**

Shareholding Analysis as at 31st December 2023

Type of Shareholding	**Holdings**	**Holding %**
Retail investors	4	0.00%
Domestic institutional investors	35,545,225,618	100.00%
Foreign institutional investors	-	0.00%
Foreign retail Investors	-	0.00%
Government related entities	-	0.00%
	35,545,225,622	**100%**

The shareholding pattern of the Bank as at 31 December 2022 is as stated below:

	December 2022			
Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1 - 1,000	4	80.00%	4	0.00%
1,001 - 5,000	-	0.00%	-	0.00%
5001 - 10,000	-	0.00%	-	0.00%
10,001 - 50,000	-	0.00%	-	0.00%
50,001- 100,000	-	0.00%	-	0.00%
100,001 - 500,000	-	0.00%	-	0.00%
500,001 - 1,000,000	-	0.00%	-	0.00%
1,000,001 - 5,000,000	-	0.00%	-	0.00%
5,000,001 - 10,000,000	-	0.00%	-	0.00%
10,000,001 - 50,000,000	-	0.00%	-	0.00%
50,000,001 - 100,000,000	-	0.00%	-	0.00%
100,000,001 - 500,000,000	-	0.00%	-	0.00%
500,000,001 - 1,000,000,000	-	0.00%	-	0.00%
1,000,000,001 - 10,000,000,000	1	20.00%	35,545,225,618	100.00%
	5	**100.00%**	**35,545,225,622**	**100.00%**
Foreign Shareholders				
1 - 1,000	0	0	0	0.00%
1,001 - 5,000	0	0	0	0.00%
5001 - 10,000	0	0	0	0.00%
10,001 - 50,000	0	0	0	0.00%
50,001- 100,000	0	0	0	0.00%
100,001 - 500,000	0	0	0	0.00%
500,001 - 1,000,000	0	0	0	0.00%
1,000,001 - 5,000,000	0	0	0	0.00%
5,000,001 - 10,000,000	0	0	0	0.00%
10,000,001 - 50,000,000	0	0	0	0.00%
50,000,001 - 100,000,000	0	0	0	0.00%
100,000,001 - 500,000,000	0	0	0	0.00%
500,000,001 - 1,000,000,000	0	0	0	0.00%
1,000,000,001 - 10,000,000,000	0	0	0	0.00%
	-	**0.00%**	**-**	**0.00%**
Total	**5**	**100.00%**	**35,545,225,622**	**100.00%**

Shareholding Analysis as at 31 December 2023

Type of Shareholding	**Holdings**	**Holding %**
Retail investors	4	0.00%
Domestic institutional investors	35,545,225,618	100.00%
Foreign institutional investors		0.00%
Foreign retail Investors		0.00%
Government related entities		0.00%
	35,545,225,622	**100%**

Substantial interest in shares

According to the register of members at 31 December 2023, the following shareholders held more than 5% of the issued share capital of the Bank as follows:

	December 2023		**December 2022**	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
Access Holdings Plc*	35,545,225,618	100%	35,545,225,618	100%

*Access Holdings Plc is the ultimate parent of the banking group

**Stanbic Nominees held the shares as custodian for various investors. Stanbic Nominees did not exercise any right over the underlying shares. All the rights resides with the various investors on behalf of whom Stanbic Nominees carries out the custodian services.

Donations and charitable gifts

The Bank identifies with the aspirations of the community and the environment in which it operates. The Bank made contributions to charitable and non-charitable organisations amounting to N2,652,091,773 (December 2022: N1,612,717,672) during the year, as listed below:

S/N	Purpose	Amount (₦)
1	Sponsorship payment to Fifth Chukker for SA Polo	707,349,968
2	Sponsorship payment to 2023 Art X	380,000,000
3	Sponsorship of Afrexim Bank's2023 IATF (INTRA AFRICAN TRADE FAIR)	337,338,000
4	Sponsorship of the 2023 Fifth Chukker Polo Tournament in UK and KADUNA	240,000,000
5	Sponsorship Payment for AFRIFF (AFRICAN INTERNATIONAL FILM FESTIVAL)	150,000,000
6	Donation to Prince Trust International- The initiative was founded by Prince Charles III to tackle global crisis of Youth unemployement.	100,000,000
7	Sponsorship of A King's Passion; a 21st Century Patron of African Art- HRM Igwe Nnaemeka Alfred Achebe's book.	84,868,025
8	Support to Duke of Edinburg's Foundation	75,149,250
9	Sponsorship of the National MSME Clinics and Awards	40,000,000
10	Sponsorship of City of Knowledge 10th Year Anniversary	36,977,450
11	Sponsorship payment for Unusual Entrepreneur Economic empowerment Initiative created out of Unusaual Praise that provides seed fundings and Mentorship to SME's	30,000,000
12	Sponsorship for the Nigerian Bar Association (NBA) Annual Conference 2023	30,000,000
13	Support to Ovie Brume Foundation for Youth Centre in Surulere	30,000,000
14	Sponsorhip of Entertainment Week Lagos 2023	25,000,000
15	Sponsorship of the Nigeria International Digital Conference and Exhibition 2023	20,000,000
16	Support to MoBaby Care for Project UWAR 3.0 & 4.0	20,000,000
17	Sponsorship of the 2023 European Organisation for Sustainable Development (EOSD) Sustainability summit	18,750,000
18	Payment to Hacey Health Initiative for Zero carbon Africa Impact Project- Ghana, Kenya, Rwanda, South Africa and Zambia	16,735,140
19	Support for 2023 STEAM FUN FEST- Science Technology Engineering Art and Mathematics	16,102,980
20	Sponsorship payment for CIBN Investiture	15,000,000
21	Support for TAHF Impact Driven Project	14,400,000
22	Support to TAHF for Bone marrow transplant	12,500,000
23	Support to HACEY Health Initiative for One Health Intervention Program for Other African Countries- Cameroun, Kenya, Congo, Ghana	11,050,000
24	Support to HACEY Initiative for Maternal Health Project 3.0	10,000,000
25	Sponsorship of the 2023 IBB Indepence Golf and Tennis Tour	10,000,000
26	Sponsorship of the 2023 Annual Conference and Award Night of the Chartered Institute of Arbitrators (CIARB)	10,000,000
27	Support for the 58TH Annual Bankers Dinner for the Chartered Institute of Bankers of Nigeria 60th Anniversary	10,000,000
28	Sponsorship of 2023 Annual Conference and Business Meet of the Chartered Institute of Directors Nigeria	10,000,000
29	Support to HACEY health for 2023 International Day of the Girl Child	10,000,000
30	Support to HACEY health for Maternal Health 4.0	10,000,000
31	Support to St. Louis Owo Old Girls Association for Rennovation for Renovation and Equiping of ICT Center	10,000,000
32	Support to Hospitals for Humanity (HFH) for Open Heart Surgery Program	10,000,000
33	Support for UWAR Project 2.0 executed by Mobaby Care Nigeria	10,000,000
34	Support to Hacey Health Initiative for maternal Health Project	10,000,000
35	Sponsorship for 'Education in Nigeria' Book Launch by Dennis Okoro	10,000,000
36	Donation to Lagos Business School (LBS) for its Annual seminar on Managing Family Business	10,000,000
37	Sponsorship of French Week	9,000,000
38	Support for Clean Water Project 2.0	8,600,000
39	Support to Glow Initiative for Clean Water Project	8,363,000
40	Support for Zero Carbon Africa Impact Program	8,000,000
41	Support to Nerdzfactory for DIGIGAP campaign	8,000,000
42	Partnership and Support to Enterprise, Growth and Opportunities (EGO) Foundation for Women Traditional Textile Design Project	7,750,000
43	Sponsorship for Climate Finance for Sustainble Energy Transition in Africa Training	7,102,960
44	Support to Hacey Health Initiative for World Asthma Day	5,000,000
45	The Event Experience Africa (TEXA) 2023 Sponsorship	5,000,000
46	Sponsorship for LM Tech Hub in Anambra State	5,000,000
47	Support to Temitayo Awosika Help Foundation (TAHF) W50 Empowerment program in commemoration of World Sickle Cell Day	4,525,000
48	Support for 2023 World Wildlife Day Campaign Enugu	4,500,000
49	Support to GLOW Initiative for Economic Empowerment (GLEE) for Solar Champion Initiative for girls	4,500,000
50	Support to NerdzFactory for Powerup project 2023	4,500,000
51	Support for World Sickle cell day celebration	4,500,000
52	Support for Solar School Community project Utagba Ogbe, Delta State	4,000,000
53	Support to GLEE for the Save Biodiversity Project 2023	3,000,000
54	Sponsorship of Harvard Business School Association of Nigeria (HBSAN)'s Leadership Conference and Award Dinner	3,000,000
55	Support to The Made Women Foundation for 'PAD A GIRL' campaign	2,500,000
56	Sponsorship fee in respect of the Chartered Institute of Taxation of Nigeria (CITN) Conference	2,030,000
57	Sponsorship fee for 21st ICAN Lagos & District Society Investiture and Award	2,000,000
		2,652,091,773

Property and equipment

Information relating to changes in property and equipment is given in Note 28 to the financial statements. In the Directors' opinion, the fair value of the Group's property and equipment is not less than the carrying value in the financial statements.

Human resources

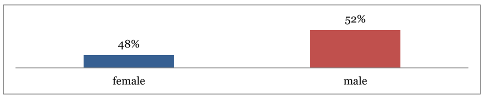
(i) Report on diversity in employment

The Bank operates a non-discriminatory policy in the consideration of applications for employment. The Bank's policy is that the most qualified and experienced persons are recruited for appropriate job levels, irrespective of an applicant's state of origin, ethnicity, religion, gender or physical condition.

We believe diversity and inclusiveness are powerful drivers of competitive advantage in developing and understanding of our customers' needs and creatively addressing them.

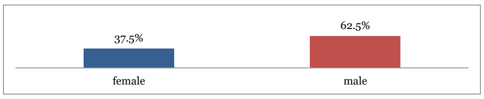
(a) Composition of employees by gender

Total number of female employees	1,980
Total number of male employees	2,185



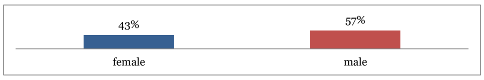
(b) Board Composition By Gender as at 31 December 2023

Total number of female on the Board	6
Total number of men on the Board	10



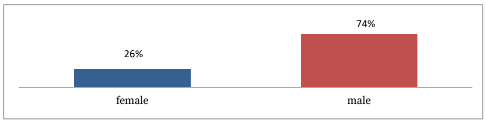
(c) Top Management (Executive Director To CEO) Composition By Gender

Total number of female in Executive Management position	3
Total number of men in Executive Management position	4



(d) Top Management (AGM To GM) Composition By Gender

Total number of female in Top Management position	18
Total number of men in Top Management position	52



(ii) Employment of disabled persons

In the event of any employee becoming disabled in the course of employment, the Bank will endeavour to arrange appropriate training to ensure the continuous employment of such a person without subjecting the employee to any disadvantage in career development. The Bank has a non-discriminatory policy on the consideration of applications for employment, including those received from disabled persons. All employees are given equal opportunities to develop themselves. The Bank's policy is that the highest qualified and most experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition.

(iii) Health, safety and welfare of employees

The Bank maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. In addition, the Bank retains top-class hospitals where medical facilities are provided for its employees and their immediate families at its expense.
Fire prevention and fire-fighting equipment are installed in strategic locations within the Bank's premises.

The Bank operates a Group Personal Accident and the Workmen's Compensation Insurance covers for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2014 as Amended and other benefit schemes for its employees.

(iv) Employee involvement and training

The Bank encourages participation of employees in arriving at decisions in respect of matters affecting their wellbeing. Towards this end, the Bank provides opportunities where employees deliberate on issues affecting the Bank and its employees' interests, with a view to making inputs to decisions thereon. The Bank places a high premium on the development of its manpower. Consequently, the Bank sponsors its employees for various training courses, both locally and overseas.

(v) Statement of commitment to maintain positive work environment

The Bank shall strive to maintain a positive work environment that is consistent with best practice to ensure that business is conducted in a positive and professional manner and to ensure that equal opportunity is given to all qualified members of the Group's operating environment.

Credit Ratings

The revised prudential guidelines, as released by the CBN, requires that banks should have themselves credit rated by a credit rating agency on a regular basis. It is also required that the credit rating be updated on a continuous basis from year to year.

Furthermore, it is required that banks should disclose this credit rating prominently in their published annual reports periodically.
Below are the credit ratings that Access Bank has been assigned by the various credit rating agencies that have rated the Bank, in no particular order:

Long Term Local Credit Ratings

	Long Term	**Date**
Standard & Poor's	BBB+	Aug-23
Fitch Ratings	A+	Jun-23
Agusto & Co	AA	Jun-23
Moody's	Baa3	Dec-23

Long Term Counterparty Credit Ratings

	Long Term	
Standard & Poor's	B-	Jun-23
Fitch Ratings	B-	Jun-23
Moody's	Caa1	Dec-23

Audit committee

Pursuant to Section 404(3) of the Companies and Allied Matters Act of Nigeria, the Bank has an Audit Committee comprising two directors and three shareholders as follows:

1	Mr. Henry Omatsola Aragho	-	Shareholder	Chairman
2	*Mr. Akindele Gbogboade	-	Shareholder	Member
3	Mr. Idaere Gogo-Ogan	-	Shareholder	Member
4	Mr. Adeniyi Adekoya	-	Director	Member
5	Dr. Okey Nwuke	-	Director	Member

*Appointed effective May 22, 2023
The functions of the Audit Committee are as provided in Section 404(7) of the Companies and Allied Matters Act of Nigeria.

Auditors:
PricewaterhouseCoopers completed their 10 year tenor as the Bank's external auditors in 2022. KPMG Professional Services was appointed as external auditors to the Bank at the Bank's Annual General Meeting (AGM) held on May 22, 2023 and having satisfied the relevant corporate governance rules have indicated their willingness to continue in the office as auditors to the Bank in accordance with section 401(2) of Companies and Allied Matters Act (CAMA)2020. Therefore, the independent auditor will be re-appointed at the next AGM of the Bank without any resolution being passed.

BY ORDER OF THE BOARD

No 14/15, Prince Alaba Oniru Road
Oniru, Lagos.

Sunday Ekwochi
Company Secretary
FRC/2013/PRO/NBA/002/00000005528

CUSTOMER COMPLAINTS AND FEEDBACK

Access Bank is fully committed to its core value of 'passion for customers. The Bank prides itself on providing exceptional services to customers at all times. At the same time, given the number and complexity of financial transactions that take place every day, the Bank recognizes that there will inevitably be occasions when mistakes and misunderstandings occur. In these situations, Access bank encourages customers to bring their concerns to the attention of the bank for prompt resolution. In addition, deliberate efforts are made to solicit customers' feedback on its products and services.

Complaints Channels

In order to facilitate seamless complaint and feedback process, the bank has provided various channels for customers. These include:

- 24 hour contact centre with feedback through emails, telephone, SMS, Livechat, Social Media etc.
- Feedback portal on the Bank's website
- Customer service desks in over 300 branches and toll-free telephone lines to the office of the Group Managing Director in the banking halls of key branches.
- Correspondence from customers
- The Voice of Customer Solution
- The Ombudsman desk

Complaints Handling

We handle customer complaints with sensitivity and in due regard for the needs and understanding of each complainant. Efforts are made to resolve customer's complaints at first level. Where this cannot be done, they are immediately referred to the appropriate persons for resolution. All complaints are logged and tracked for resolution and feedback is provided to the customer.

Resolve or Refer command Centre

The 'Resolve or Refer' command centre serves to encourage timely service delivery and First Time Resolution (FTR) of customer issues. The 'Resolve or Refer Command Centre' which is being run by a senior management staff has the mandate to ensure that most customer issues are resolved same day. The command centre provides support to all our departments and branches on issue resolution.

Complaints Tracking and Reporting

We diligently track complaint information for continuous improvement of our processes and services. An independent review of the root cause of complaints made is carried out and lessons learnt are fed back to the relevant business units to avoid future repetition. Customer complaint metrics are analysed and reports presented to Executive Management and the Operational Risk Management committee. Reports on customer complaints are also sent to the Central bank as required.

ACCESS BANK PLC CUSTOMERS' COMPLAINTS FOR THE YEAR ENDED 31 DECEMBER 2023

	NAIRA						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (NAIRA)		AMOUNT REFUNDED (NAIRA)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	6,118	306,116	14,868,818	249,742,931,153	-	-
2	Received Complaints	5,120,653	2,824,979	301,508,453,504	78,790,781,564	-	-
3	Resolved complaints	5,092,619	3,124,977	273,043,461,247	328,518,843,900	2,068,124,494	15,465,642,868
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	34,152	6,118	28,479,861,075	14,868,818	-	-

	USD						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (USD)		AMOUNT REFUNDED (USD)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	244	785	1,433,914	251,058,322	-	-
2	Received Complaints	28801	15,296	2,792,919,034	326,023,326	-	-
3	Resolved complaints	28277	15,837	2,611,614,279	575,647,733	2,161	355,153
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	768	244	182,738,669	1,433,914	-	-

	GBP						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (GBP)		AMOUNT REFUNDED (GBP)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	-	34	1	1,193,776		-
2	Received Complaints	328	337	134,403,353	5,885,295	-	-
3	Resolved complaints	326	371	131,550,368	7,079,069	-	-
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	2	-	2,852,985	1	-	-

	EUR						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (EUR)		AMOUNT REFUNDED (EUR)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	-	19	0	2,445,101	-	-
2	Received Complaints	335	300	9,884,450	1,013,621	-	-
3	Resolved complaints	335	319	9,884,450	3,458,722	-	-
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	-	-	0	0	-	-

Solicited Customer Feedback

Deliberate efforts are made to solicit feedback from customers and staff on the services and products of the bank through the following:

- Questionnaires
- Customer interviews
- Customers forum
- Quest for Excellence Sessions (for staff)
- Voice of Customer Surveys

The various feedback efforts are coordinated by our Service and innovation Group

The feedback obtained from customers are reviewed and lessons learnt are used for staff training and service improvement across the bank.

REPORTS ON FRAUD AND FORGERIES

This report represents the fraud and forgery incidents that occurred during the period. It is a summation of attempted and successful fraud incidents. The actual loss that was incurred by the Bank for the year is N6.15Bn (December 2022: N1.4bn).

December 2023

		Successful				Unsuccessful			
S/N	**Category**	**Frequency**	**Amount involved ₦'000**	**Actual Loss ₦'000**	**% Loss**	**Frequency**	**Amount involved ₦'000**	**Actual loss ₦'000**	**% Loss**
1	Electronic Fraud/USSD	6,597	986,889	92,203	9%	174	1,699,090	-	-
2	Cash Theft/ Suppression/Pilferage/Dry posting	13	34,024	9,783	29%	-	-	-	-
3	Fraudulent Transfer/Withdrawals/Reactivation of account	16	7,549,302	6,009,546	80%	-	-	-	-
4	Fraudulent cash Lodgement	2	11,759	11,759	0%	-	-	-	-
5	Armed Robbery	2	22,007	21,508	0%	-	-	-	-
6	Cyber Attack	-	-	-	0%	-	-	-	-
7	Clearing	1	4,000	4,000	0%	-	-	-	-
8	Presentation of Forged Instrument	3	-	-	0%	-	-	-	-
9	Fraudulent manipulation of "Form M"	-	-	-	0%	-	-	-	-
10	Fraudulent diversion of funds	-	-	-	0%	-	-	-	-
11	Electronic Fraud/Cybersecurity	-	-	-	0%	1,136	-	-	-
12	Electronic Fraud/wallet/Suspicious wallet	-	-	-	0%	5,095	-	-	-
	TOTAL	**6,634**	**8,607,981**	**6,148,799**	**118%**	**6,405**	**1,699,089**	**-**	**-**

December 2022

		Successful				Unsuccessful			
S/N	**Category**	**Frequency**	**Amount involved ₦'000**	**Actual Loss ₦'000**	**% Loss**	**Frequency**	**Amount involved ₦'000**	**Actual Loss ₦'000**	**% Loss**
1	Electronic Fraud/USSD	11,403	10,545,959	1,154,256	80%	1,471	3,406,880	-	-
2	Cash Theft/ Suppression/Pilferage/Dry posting	25	192,759	168,552	12%	-	-	-	-
3	Fraudulent Transfer/Withdrawals/Reactivation of account	7	86,157	60,057	4%	-	-	-	-
4	Fraudulent cash Lodgement	-	-	-	0%	1	625	-	-
5	Armed Robbery	3	37,344	37,344	3%	-	-	-	-
6	Cyber Attack	-	-	-	0%	-	-	-	-
7	Clearing	-	-	-	0%	-	-	-	-
8	Presentation of Forged Instrument	-	-	-	0%	-	-	-	-
9	Fraudulent manipulation of "Form M"	-	-	-	0%	-	-	-	-
10	Fraudulent diversion of funds	2	50,264	20,303	1%	-	-	-	-
11	Electronic Fraud/Cybersecurity	-	-	-	0%	1,152	-	-	-
12	Electronic Fraud/wallet/Suspicious wallet	-	-	-	0%	3,016	-	-	-
	TOTAL	**11,440**	**10,912,483**	**1,440,512**	**100%**	**5,640**	**3,407,504**	**-**	**-**

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED DECEMBER 31, 2023

The Board of Access Bank Plc ('the Bank') is pleased to present the Corporate Governance Report for the 2023 Financial Year. The report provides insight into the operations of our governance framework and Board's key activities during the reporting year.

The Board recognises that sustainable competitiveness and excellence require the implementation of effective corporate governance frameworks and best practices. It understands that sound governance practices are required to earn the trust of stakeholders, which is essential for sustainable growth. The Board is focused on protecting stakeholders' interests and enhancing shareholders' value. The Group's corporate governance framework is designed to align management's actions with the interest of shareholders while ensuring an appropriate balance with the interests of other stakeholders.

Our corporate governance systems ensure on-going compliance with the Bank's policies and board and committee charters; as well as requirements of relevant Codes of Corporate Governance. Our governance model is founded on key pillars of diversity, accountability, responsibility, transparency, independence, fairness and discipline and our policies and structures are regularly reviewed to reflect changes in the operating environment, regulation and leading practices.

The governance framework enables the Board to discharge its oversight functions, provide strategic direction to the Bank, take decisions, and ensure regulatory compliance. The Bank's subsidiaries comply with the statutory and regulatory requirements of their host countries and align their governance framework to the Bank's framework to the extent allowed by their local regulations.

The Board

The Board is led by the Group Chairman and sets the Group's strategy and risk appetite. It also approves capital and operating plans for the attainment of the Group's strategic objectives on the recommendation of Management. The Board's composition during the 2023 financial year is detailed below.

S/N	DIRECTOR	ROLE
1.	Dr. (Mrs.) Ajoritsedere Awosika*	Chairman/ Non-Executive Director
2.	Mr. Paul Usoro, SAN**	Chairman/ Non-Executive Director
3.	Mr. Adeniyi Adekoya	Independent Non-Executive Director
4.	Mr. Iboroma Akpana	Independent Non-Executive Director
5.	Dr. Okey Nwuke	Non-Executive Director
6.	Mrs. Ifeyinwa Osime	Independent Non-Executive Director
7.	Mr. Hassan Usman	Independent Non-Executive Director
8.	Mrs. Titilayo Osuntoki	Non-Executive Director
9.	Mrs. Omosalewa Fajobi	Non-Executive Director
10.	Dr. Herbert Wigwe ****	Non-Executive Director
11.	Mr. Roosevelt Ogbonna	Managing Director/Chief Executive Officer
12.	Mr. Victor Etuokwu	Deputy Managing Director, Retail North
13.	Mrs. Chizoma Okoli	Deputy Managing Director, Retail South
14.	Dr. Gregory Jobome	Executive Director
15.	Ms. Hadiza Ambursa	Executive Director
16.	Mr. Oluseyi Kumapayi	Executive Director
17.	Mrs. Iyabo Soji-Okusanya***	Executive Director

* Retired from the Board of Directors with effect from May 22, 2023 following her attainment of the retirement age.

** Appointed as the Chairman of the Board effective May 22, 2023

*** Appointed as an Executive Director of the Bank effective June 14, 2023.

**** Passed away on February 10, 2024

Composition and Role

As of December 31, 2023, the Board was made up of 16 members comprising 9 Non-Executive and 7 Executive Directors. Six of the Board members are female.

Board Members Profile

Mr. Paul Usoro, SAN
Chairman/Non-Executive Director

Mr. Usoro is a Senior Advocate of Nigeria, a Fellow of the Chartered Institute of Arbitrators and the founder and Senior Partner of the Law firm of Paul Usoro & Co. He has over 30 years of law practice experience and is acknowledged as a highly experienced litigator and communication law expert.

Mr. Usoro holds a Bachelor of Laws degree from the University of Ife (1981) and was called to the Nigerian Bar in 1982.

He was elected President of the Nigerian Bar Association in August 2018 for a two-year term and is currently a Non-Executive Director of Dakkada Luxury Estates Limited and Empee Ventures Limited.

He joined the Board in January 2014 and represented the Bank as a Non-Executive Director on the board of the defunct Intercontinental Bank Plc.

Mr. Usoro was appointed Chairman of the Board on May 22, 2023, following the retirement of Dr. (Mrs.) Ajoritsedere Awosika. Prior to his appointment as Chairman, he chaired the Board Human Resources and Sustainability Committee and Technical Committee on Retail Expansion and served as the Vice-Chairman of the Risk Management Committee.

He is 65 years old as at the end of the reporting period and is resident in Nigeria.

Mr. Adeniyi Adekoya
Independent Non- Executive Director

Mr. Adekoya is a highly experienced maritime and oil and gas industry expert with significant experience in investment banking. He worked as a General Manager in Peacegate Holdings Ltd where he was responsible for setting up and developing the company's marine operations. He was also a consultant to Maine Nigeria Ltd where he developed the framework for a private placement to raise USD 500 million start-up capital and led the company's participation in bid rounds for oil blocks in the Republic of Equatorial Guinea.

Mr. Adekoya worked with Mobil Oil Producing Nigeria Unlimited as a Budget Officer, Exploration Department and obtained financial service industry experience from AIM Fund and Trimark Investment Service, both in Ontario, Canada. Mr. Adekoya holds a Bachelor's degree in Business Administration from the University of Lagos. He sits on the boards of Synerpet Ltd, Weston Integrated Services Ltd and G-SAG Nigeria Limited.

He joined the Board in March 2017 and currently chairs the Board Digital and Information Technology Committee. He is also the Vice-Chairman of the Board Governance, Nomination and Remuneration Committee and the Board Technical Committee on Retail Expansion.

He is 57 years old as at the end of the reporting period and is resident in Nigeria.

Mr. Iboroma Akpana
Independent Non- Executive Director

Mr. Akpana is the Managing Partner of Solola & Akpana, one of the leading commercial and oil and gas law firms in Nigeria. He is a consummate corporate and commercial lawyer with a career spanning over two decades. Mr. Akpana has a proven track record of academic excellence. He graduated as a top student in Law from the University of Jos and obtained a Master's degree from Harvard Law School. He is a Notary of the Federal Republic of Nigeria.

Based on his work, he was recognised in the Chambers Global 2006, 2007, 2008 and 2009 editions as a 'Leading Individual' in Nigeria in its Corporate and Commercial section. Similarly, the International Financial Law Review 1000 ranked him as a 'Leading Lawyer' in Nigeria in its 2006, 2007, 2008 and 2009 editions while the Legal 500 Europe, Middle East and Africa profiled him as a 'Recommended Individual'.

Mr. Akpana is a member of the International Bar Association, American Bar Association, New York State Bar Association, Nigerian Bar Association and the Law Society of England and Wales. He joined the Board in March 2017 and currently chairs the Board Governance, Nomination and Remuneration Committee. He is also the Vice-Chairman of the Board Audit Committee and Board Human Resources and Sustainability Committee. He sits on the boards of Contracting Plus Limited.

He is 59 years old as at the end of the reporting period and is resident in Nigeria.

Mrs. Ifeyinwa Osime
Independent Non-Executive Director

Mrs. Osime is a versatile and result oriented professional with over 30 years' experience in the insurance industry and commercial legal practice at management and board levels. She has deep knowledge and experience in the management of administrative, legal, and company secretarial functions in financial and other related institutions.

She had championed and established a special needs programme which is actively involved in the management and care of children and young people with special needs. She is currently engaged in legal practice with Macpherson Legal Practitioners, a Lagos-based law firm. Mrs. Osime is a Non-Executive Director in Ebudo Trust Limited.

Mrs. Osime was the former Chairperson of PHB Healthcare Limited as well as a former Director of Bank PHB Plc (now Keystone Bank Limited), Insurance PHB Limited (now KBL Insurance) and Coronation Life Assurance Limited. She was the Company Secretary/Legal Adviser of African Development Insurance Company Limited (now NSIA Insurance) between 1989 and 1997. She currently sits on the Board of Ebudo Trust Limited.

She holds a Master's degree in Law from University of London (1989) with specialisation in Corporate and Commercial Law and Bachelor's of Law degree from the University of Benin (1986).

She joined the Board in November 2019 and currently chairs the Board Human Resources and Sustainability Committee. She is also the Vice-Chairman of the Board Digital and Information Technology Committee.

She is 56 years old as at the end of the reporting period and is resident in Nigeria.

Dr. Okey Nwuke, FCA
Non-Executive Director

Dr. Nwuke has over 30 years' experience in finance and corporate governance working with top corporates and leading commercial banks in Nigeria. He is a Fellow of both the Institute of Chartered Accountants of Nigeria and Chartered Institute of Taxation of Nigeria, an honorary member of Chartered Institute of Bankers of Nigeria and a member of Business Recovery and Insolvency Practitioners.

He has garnered considerable expertise in credit analysis and bank financial management through professional training as a Chartered Accountant, from relevant training programmes as well as on the job training. He was an Executive Director in Access Bank from 2004 to 2013 and served as the Chairman of the Board of Directors of the Bank's subsidiaries in Rwanda and Burundi. Dr. Nwuke was a pioneer Non-Executive Director of Stanbic IBTC Pension Managers Limited representing Access Bank and subsequently a Non-Executive Director of defunct Access Pension Fund Custodian Limited.

Dr. Nwuke's key competencies include finance, strategy development and execution, organizational restructuring and transformation, leadership and change management. He currently sits on the Boards of Coscharis Ghana Limited, Coscharis Technologies Limited, Coscharis Mobilities Limited, Simply Gift and Interiors Limited, Claritus Limited, Rekit Financial Advisers Limited and Access Pensions Limited.

He holds a Bachelor's degree in Accountancy from the University of Nigeria, Nsukka and a Master's in Business Administration (Distinction) in International Banking and Finance from the Birmingham Business School, United Kingdom. Dr. Nwuke holds a Doctorate Degree in Business Administration (DBA) from Walden University, Minnesota, USA with a research focus on leadership transition challenges in family businesses. He has been exposed to several leadership and professional development programmes at renowned institutions including Harvard Business School, Boston (AMP 175), Wharton Business School, Pennsylvania (both in U.S.A), INSEAD and IMD.

He joined the Board in November 2019 and is currently the Chairman of the Board Credit Committee and Board Technical Committee on Retail Expansion Committee.

He is 57 years old as at the end of the reporting period and is resident in Nigeria.

Mr. Hassan M.T Usman, FCA
Independent Non-Executive Director

Mr. Usman is the Founder/Chief Executive Officer of New Frontier Development Limited, an investment company focused on financial advisory, hospitality, real estate and proprietary investments in start-ups and challenged companies in the SME space.
He is also the Founder/Chairman of the Board of Trustees of the Al-Qalam (Pen) Foundation, a Not-for-Profit Organisation that provides educational opportunities to disadvantaged children.

Prior to this, he was the Managing Director/Chief Executive Officer of Aso Savings and Loans Plc and an Executive Director at Abuja Investment and Property Development Company Limited. He was at various times the Deputy Director and Head of Petrochemicals and Gas Unit; Transport Sector Reform Team as well as the Deputy Director Telecoms Reform Team Lead and Head NITEL Privatisation at the Bureau of Public Enterprises. He also worked with Central Bank of Nigeria, Arthur Andersen and CitiBank Nigeria.

Mr. Usman sits on the Boards of New Frontier Development Limited, Sentinel Energy and Gas Limited, Blue Atlantic Ventures Partners Ltd, NFD Agro Ltd, Northcapital Resources Limited, Ire Clay Products Limited, Kairos Capital Ltd, Allied Trust Asset Management and First Atlantic Nigeria Limited.

Mr. Usman holds a Bachelor of Arts Degree in Economics from University of Sussex and a Master of Philosophy in Development Economics from University of Cambridge. He is a Fellow of the Institute of Chartered Accountants of England and Wales. Mr. Usman is also an Eisenhower Fellow and Archbishop Desmond Tutu Fellow of the African Leadership Institute.

Over the years, he has served as a member of the Board of Directors of the Nigeria Sovereign Investment Authority, Nigeria Mortgage Refinance Company, and Council of the Nigeria Stock Exchange (now Nigerian Exchange Group).

Mr. Usman joined the Board in August 2020 and chairs the Board Audit Committee

He is 56 years old as at the end of the reporting period and is resident in Nigeria.

Mrs. Omosalewa Fajobi
Non-Executive Director

Mrs. Fajobi is an experienced legal counsel and governance professional with a demonstrated history of working in the financial, investment and legal services industry. She is currently an Operating Director at Tengen Family Office Ltd.

She is a versatile solicitor with strong competencies in negotiation, business risk management and financial analysis who has provided support in setting up companies across different sectors, creating operational bases that have proved effective and efficient.

Mrs. Fajobi worked with International Finance Corporation from May 2014 to June 2017 as Project Lead (Nigeria) Africa Corporate Governance Programme. She also had extensive corporate counsel experience working at Standard Chartered Bank, Access Bank, and the defunct Ocean Bank Plc.

She holds an LLM Degree (Merit) from University of London (2009) with specialisation in Corporate and Commercial Law and Second-Class Upper Degree from University of Lagos (1999). She is a member of the Nigerian Bar Association.

She sits on the Boards of Coronation Insurance Plc, Coronation Securities Limited, Coronation GPS Limited and One Terminals Limited.

Mrs. Fajobi joined the Board in November 2020 and is currently the Vice-Chairman of the Board Risk Management Committee.

She is 46 years old as at the end of the reporting period and is resident in Nigeria.

Mrs. Titilayo Osuntoki, HCIB
Non-Executive Director

Mrs. Osuntoki is an accomplished banker and business consultant with over two decades of cognate experience cutting across all facets of banking. She worked with Guaranty Trust Bank from 1991 to 2011 where she served in various functions including Foreign Exchange Desk; Financial Control and Risk Management; Corporate Finance and Commercial Banking. She served as Executive Director between 2008 and 2011.

Mrs. Osuntoki was subsequently appointed as an Executive Director in Access Bank Plc in 2013 where she effectively led the Business Banking Division until her resignation on March 18, 2019. She is currently the Chief Executive Officer, GTO Professional Services Limited, a business and management consulting firm and sits on the boards of Coronation Insurance Plc, Konga Online Nigeria Limited, Saro Oil Palm Ltd, Richardson Oil & Gas Ltd and HelpGate Foundation.
She obtained a bachelor's degree in Civil Engineering and an MBA from University of Lagos in 1987 and 2000, respectively. She is an alumnus of Canfield University School of Management, UK. She is a member of the Non-Oil/Non-Agric Policy Commission of the Nigerian Economic Summit Group. She is also an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria.

Mrs. Osuntoki joined the Board as a Non-Executive Director in April 2022 and currently chairs the Board Risk Management Committee. She is also the Vice-Chairman of the Board Credit Committee.

She is 57 years old as at the end of the reporting period and is resident in Nigeria.

Mr. Herbert Wigwe, FCA
Non-Executive Director

Mr. Wigwe started his professional career with Coopers & Lybrand Associates, an international firm of Chartered Accountants. He spent over 10 years at Guaranty Trust Bank Plc where he managed several portfolios, including financial institutions, large corporates and multinationals. He left Guaranty Trust Bank as an Executive Director to co-lead the transformation of Access Bank Plc in March 2002 as Deputy Managing Director. He was appointed Group Managing Director/CEO effective January 1, 2014. He resigned as the GMD/CEO in May 2022 and was appointed as a Non-Executive Director.

Mr Wigwe was an alumnus of the Harvard Business School Executive Management Programme. He held a master's degree in Banking and International Finance from the University College of North Wales, a master's degree in Financial Economics from the University of London and a B.Sc. degree in Accounting from the University of Nigeria, Nsukka. He was also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr Wigwe was the Chairman of The Access Bank (UK) Ltd and a Non-Executive Director in Nigerian Mortgage Refinance Company Plc; NG Clearing Limited, Agri-Business/ SME Enterprises Investment Scheme. He also sits on the Boards of HIV Trust Fund of Nigeria, Nigerian Business Coalition Against Aids, Access Pensions Limited. He was the Group Chief Executive Officer of Access Holdings Plc.

He was 57 years old as at the end of the reporting period.

Mr. Roosevelt Ogbonna, FCA, CFA
Managing Director/Chief Executive Officer

Mr Ogbonna was appointed Executive Director, Commercial Banking Division in October 2013. He was the appointed as the Group Deputy Managing Director on May 1, 2017 and became the Managing Director/Chief Executive Officer in May 2022. He has over 20 years' experience in banking, cutting across Treasury, Commercial and Corporate Banking. He joined Access Bank Plc in 2002 as a Manager from Guaranty Trust Bank Plc.

He is a Chartered Financial Analyst, a Fellow of the Institute of Chartered Accountants of Nigeria and a member of Chartered Institute of Bankers of Nigeria.

Amongst other academic attainments, Mr. Ogbonna holds a master's degree in International Corporate and Commercial Law from King's College, London and Executive Master's Degree and Master's Degree from Cheung Kung Graduate School of Business and Institute of Management Development respectively. He graduated with a Second-Class Upper degree in Banking and Finance from University of Nigeria, Nsukka and has attended Executive Management Development Programmes on diverse areas of banking and management in world leading institutions.

Mr. Ogbonna is a Non-Executive Director of the Bank's subsidiaries in UK and South Africa and represents the Bank on the Boards of its investee companies - African Finance Corporation, Central Securities Clearing System Plc and Shared Agent Network Expansion Facilities Limited. He is also a Non-Executive Director in Access Holdings Plc.

He is 49 years old as at the end of the reporting period and is resident in Nigeria.

Mr. Victor Etuokwu, HCIB
Deputy Managing Director, Retail North

Mr. Etuokwu's appointment as Executive Director was renewed in January 2022 following the expiration of his second term. He was first appointed Executive Director of the Bank in January 2012. He oversees the Personal Banking Division and has over two decades of banking experience cutting across Operations, Information Technology, and Business Development. He was appointed as the Deputy Managing Director, Retail North in May 2022.

He joined the Bank in July 2003 from Citibank Nigeria. Mr Etuokwu holds a Bachelor of Science degree and a Master's in Business Administration from the University of Ibadan and the University of Benin respectively.
He is an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria and represents the Bank on the boards of Unified Payment Services Ltd (UPSL), E-Tranzact Plc, Hydrogen Payments Services Ltd and Access Pensions Limited. He is also a board member of ACT Foundation.

He is 56 years old as at the end of the reporting period and is resident in Nigeria.

Mrs. Chizoma Okoli, HCIB
Deputy Managing Director, Retail South

Mrs. Okoli commenced her banking career as an Executive Trainee in the Operations Unit of Diamond Bank Plc in April 1992 and served in various capacities in the bank until her appointment as an Executive Director in Diamond Bank in September 2016.

She joined the Board of Access Bank Plc in March 2019 following the merger with the former Diamond Bank. She was appointed as the Deputy Managing Director, Retail South in May 2022.

She is a 1989 Law Graduate from the University of Benin and was called to the Nigerian Bar in December 1990. She holds an MBA from Warwick Business School, Coventry, UK. Mrs. Okoli has attended various courses in Nigeria and abroad including the Advanced Management Programme of Wharton Executive Education, University of Pennsylvania, and the Senior Management Programme of the Lagos Business School. She is also an Honorary Member of the Chartered Institute of Bankers of Nigeria. She represents the Bank on the board of Bank Directors Association of Nigeria.

She is 55 years old as at the end of the reporting period and is resident in Nigeria.

Dr. Gregory Jobome, HCIB
Executive Director
Chief Risk Officer

Dr. Jobome is a thoroughbred banking professional with a strong academic background. He obtained a first-class degree in Economics from the University of Maiduguri in 1986 and a Distinction in Master's in Business Administration from Obafemi Awolowo University in 1990. Dr Jobome also obtained a Master of Science Degree (1994) and a Doctorate degree (2002) both in Economics and Finance from Loughborough University, UK.

He has over 26 years of working experience obtained from Guaranty Trust Bank, the University of Liverpool Management School, Manchester Business School and Access Bank Plc. He joined Access Bank Plc in July 2010 as a General Manager and Chief Risk Officer. Prior to joining the Bank, he was a Risk Management Consultant to Guaranty Trust Bank Plc. Dr. Jobome has been instrumental to the many giant strides attained by the Bank in the risk management space.

Dr. Jobome is a highly sought-after resource person and has held several key industry leadership positions, including Chairman, CRC Credit Bureau Ltd; President, Risk Management Association of Nigeria; Member, Working Group on Regulatory Reforms of the Institute of International Finance and Member, Capacity Building Committee. He is also an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria. He was appointed to the Board in January 2017.

He represents the Bank on Boards of the Access Bank UK Limited and CRC Credit Bureau Ltd.

He is 58 years old as at the end of the reporting period and is resident in Nigeria.

Ms. Hadiza Ambursa
Executive Director
Commercial Banking

Ms. Ambursa was appointed Executive Director, Commercial Banking Division in November 2017.

She has over two decades of banking experience from Guaranty Trust Bank and Access Bank. Her experience spans across Transaction Services, Public Sector, Commercial Banking and Corporate Finance. Prior to joining Access Bank in 2003, she was a Relationship Manager, Public Sector in Guaranty Trust Bank Plc.

Ms. Ambursa graduated with a Bachelor of Science degree in Political Science from University of Jos in 1991 and obtained a master's degree in Law and Diplomacy in 1996 from the same university. She subsequently attended Massachusetts Institute of Technology ('MIT') where she obtained a Master's in Business Administration in 2009. She has attended several Executive Management Development Programmes in leading institutions, including Harvard Business School and MIT.

She represents the Banks on the Board of Access Bank Ghana Plc.

She is 53 years old as at the end of the reporting period and is resident in Nigeria.

Mr. Oluseyi Kumapayi, FCA
Executive Director, African Subsidiaries

Prior to his appointment as an Executive Director in November 2020, Mr. Kumapayi was the Group Chief Financial Officer of Access Bank Plc, a position he held since 2008. He is a highly accomplished and result-driven professional. He has over 20 years of progressive banking experience spanning across Finance, Strategy, Risk Management, and Treasury.

He joined Access Bank in 2002 as the Head of Financial Control and Credit Risk Management. Prior to joining Access Bank, he held controller and analyst positions with First City Monument Bank Limited and Guaranty Trust Bank Plc, respectively.

Since joining Access Bank, he has played a significant role in the creation of the largest retail bank in Nigeria and specific corporate actions that have supported the Bank's growth objectives and enhanced its capacity to play in key local and international markets.

Mr. Kumapayi is an alumnus of Harvard Business School. He holds a master's degree in Mechanical Engineering from the University of Lagos, and a bachelor's degree in Agricultural Engineering from the University of Ibadan, Nigeria. He has also attended several Executive Management Development programme in leading institutions including INSEAD, IMD and London Business School. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), and a member of the Global Association of Risk Professionals (GARP), the Chartered Institute of Taxation of Nigeria (CITN) and the Chartered Institution of Bankers of Nigeria (CIBN).

Mr. Kumapayi is a Non-Executive Director in Access Holdings Plc and represents the Bank on the boards of its subsidiaries in Ghana, Botswana, and Kenya.

He is 52 years old as at the end of the reporting period and is resident in Nigeria.

Mrs. Iyabo Soji-Okusanya, FCA, FCIB
Executive Director
Corporate and Investment Banking Division

Mrs. Soji-Okusanya is a seasoned professional with over three decades' experience in corporate and commercial banking, accounting, and human capital development.

She has deep institutional knowledge of the Bank, having worked with the institution for about 25 years and successfully executed critical projects, including the creation of several banking products.

Mrs. Soji-Okusanya holds a Bachelor of Science degree in Accounting from University of Ilorin and is a Fellow of both the Institute of Chartered Accountants of Nigeria (FCA) and the Chartered Institute of Bankers of Nigeria.

She has attended several leadership development courses and is an alumnus of Harvard Business School, Institute of Management Development (IMD), Lausanne Switzerland and INSEAD, Fontainebleau, France.

Mrs. Soji-Okusanya was appointed Executive Director, Corporate and Investment Banking Division on June 14, 2023 and represents the Bank on the boards of Access Bank Cameroon, Fiducia Data Services Limited and Access Investors Services Nominees Limited.

She is 56 years old as at the end of the reporting period and is resident in Nigeria.

Sunday Ekwochi, HCIB
Company Secretary

Mr. Ekwochi was appointed the Company Secretary of the Bank in March 2010. He graduated as a top student in Law from the University of Jos with a second-class upper degree in 1996 and from the Nigerian Law School in February 1998 with a second-class upper degree. He has over 2 decades of banking experience from the then African Express Bank, Fidelity Bank and Access Bank Plc. He is also the Company Secretary of Access Holdings Plc.

Mr. Ekwochi qualified as a Chartered Secretary with the Institute of Chartered Secretaries and Administrators, London in 2003. He has attended Management Development Programmes at London Business School, Euromoney, Wharton Business School and IMD. He is an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria.

Performance Monitoring and Evaluation

The Board, in the discharge of its oversight function, continues to engage management in the planning, definition and execution of the Bank's strategy. Management's report on the execution of defined strategic objectives is a regular feature of the Board's agenda, thus providing the Board with the opportunity to evaluate and constructively challenge management in the execution of strategy.

The Board usually holds an annual Board retreat, where the strategy for the coming year is rigorously debated and agreed between Management and the Board. The Board held its Group Retreat on March 24-25, 2023. Management provides the Board with quarterly update on implementation of the strategy, affording the Board the opportunity to critique the Management's performance and assess significant risk issues as well as mitigating controls implemented.

Management's report on the Group's actual financial performance is presented relative to the planned budget to enable the Board assess performance. Peer comparison is also a regular feature of Management reporting to the Board to benchmark performance against that of our competitors.

The Bank's performance on Corporate Governance is continuously monitored and reported. We carry out extensive reviews of the Bank's compliance with the relevant Codes of Corporate Governance and with appropriate reports rendered to the regulators.

Board assessment, when done effectively provides the Board the opportunity to identify and remove obstacles to better performance and to strengthen what works well. The Board has established a system of independent annual evaluation of its performance, that of its Committees and individual Directors. The evaluation is done by an independent consultant approved by the Board. Ernst and Young was engaged to conduct the Board performance evaluation for the Financial Year Ended December 31, 2023. The Consultants also conducted an evaluation of the Bank's corporate governance practices by reviewing the Bank's corporate governance framework as well as all relevant policies and procedures. Ernst and Young was appointed as the Bank's Corporate Governance Consultant in 2018 and has held office for six years.

The Board believes that the use of an independent consultant promotes the objectivity and transparency of the evaluation process. Our Board and corporate governance assessment transcends box ticking and involves a rigorous process of on-line self-evaluation and 360° feedback with a heavy focus on qualitative considerations. It includes the assessment of the Bank's corporate governance frameworks and polices, evaluation of the Board and the Committees as well as the effectiveness of the Independent Directors.

In compliance with the CBN Code, the 2022 Annual Board Performance Evaluation Report was presented to shareholders at the Bank's 34th Annual General Meeting by a representative of Ernst and Young while the result of the 2023 Board Performance was presented at the Board meeting held on January 30, 2023.

Board Composition- Guiding Principles

The Group's Fit and Proper Person Policy is designed to ensure that the Bank and its subsidiary entities are managed and overseen by competent, capable, and trustworthy individuals. The Governance, Nomination and Remuneration Committee is responsible for Executive Directors' succession planning and recommends new appointments to the Board. The Committee takes cognisance of the existing range of skills, experience, background and diversity on the Board in the context of the Bank's strategic direction before articulating the specifications for the candidate sought. The Committee also considers the need for appropriate demographic and gender balance in recommending candidates for Board appointments. Candidates who meet the criteria set by the Committee are subjected to enhanced due diligence enquiries. We are comfortable that the Board is sufficiently diversified to optimise its performance and deliver sustainable value to stakeholders.

The Board's composition subscribes to global best practice on the need for Non-Executive Directors to exceed Executive Directors. In 2023, the Board had more Non-Executive Directors than Executive Directors, with four of the Non-Executive Directors being independent. Non-Executive Directors are appointed to the Board to bring independent, specialist knowledge and impartiality to strategy development and execution monitoring. The Board is committed to improving gender diversity in its composition in line with its diversity policy. 42% of the Executive Management team is composed of females while the Board had 37% female memberships as of December 31, 2023.

Retirement and Re-election of Directors

In accordance with the Bank's Articles of Association, one third of all Non-Executive Directors (rounded down) are offered for re-election every year (depending on their tenure on the Board) together with Directors appointed by the Board since the last Annual General Meeting.

Mr. Paul Usoro, SAN, Dr. Okey Nwuke and Mrs. Ifeyinwa Osime retired at the Bank's 34th Annual General Meeting held on May 22, 2023 and being eligible for re-election were duly re-elected by shareholders. The shareholders also approved the appointment of Mrs. Titilayo Osuntoki and Mr. Herbert Wigwe as Non-Executive Directors. The appointment of the new Directors was earlier approved by the Board and the Central Bank of Nigeria.

Board Effectiveness

Today's boards are required to be more engaged, more knowledgeable and more effective than in the past as they contend with a host of new pressures, challenges and risks. As stakeholders' expectations from the Board continue to grow, the Board must set its strategic priorities often across diverse business segments and markets and monitor the firm's risk profile. The Board must demonstrate that good corporate governance is not a box-ticking exercise by setting the right ethical tone from the top. The effectiveness of the Board is achieved through composition, induction, training and a rigorous evaluation process. The effectiveness of the Board derives from the diverse range of skills and competences of the Executive and Non-Executive Directors who have exceptional degrees in banking, financial and broader professional and entrepreneurial experiences.

Training and Induction

We recognise that being a director is becoming increasingly more challenging, thus we ensure that board members are provided with regular domestic and international trainings to improve their decision-making capacity, thereby contributing to the overall effectiveness of the Board.

New Directors are exposed to a personalised induction programme which includes one-on-one meetings with Executive Directors and Senior Executives responsible for the Bank's key business areas. Such sessions focus on the challenges, opportunities and risks facing the business areas. The induction programme covers an overview of the Strategic Business Units as well as Board processes and policies.

A new director is provided with an induction pack containing charters of the various Board Committees, significant reports, important statutes and policies, minutes of previous Board meetings and a calendar of Board activities. Based on the recommendation of the Governance, Nomination and Remuneration Committee, the Board approves the annual training plan and budget for directors while the Company Secretary ensures the implementation of the plan with regular reports to the Board.

During the period under review, the Directors attended the training programmes detailed below:

S/N	Director	Training	Facilitator	Date
1	Okey Nwuke	Driving Digital Strategy	Harvard Business School	March 12-17, 2023

2	Adeniyi Adekoya	Finance and Accounting for the Nonfinancial Executive	Columbia Business School, New York, USA	March 20-24, 2023
3	Omosalewa Fajobi	Leading Digital Transformation	Wharton Executive School	May 1-5, 2023
4	Ifeyinwa Osime	Competing in the Age of Digital Platforms	Harvard Business School	May 7-10, 2023
5	Hassan Usman	High Performance People Skills for Leaders	London Business School	June 26-30, 2023
		'Effective Audit Committees: Entrenching Good Governance	DCSL Academy, Lagos, Nigeria	June 12-17, 2023
		Audit Committee Oversight of Cybersecurity	Audit Committee Institute	September 6-7, 2023
6	Mrs. Ifeyinwa Osime	Retooling Businesses for Change: Leveraging AI Technology and Corporate Governance Evolution	Institute of Directors Centre for Corporate Governance	19-Sep-23
7	Mrs. Titi Osuntoki	Cybersecurity Governance for the Board of Directors'	Massachusetts Institute of Technology	November 28-30, 2023
		Board and Risk	IMD	November 20-22, 2023
8	Mr. Adeniyi Adekoya	Audit Committee Oversight of Cybersecurity	Audit Committee Institute	September 6-7, 2023
	Mr. Hassan Usman	Audit Committee Oversight of Cybersecurity	Audit Committee Institute	September 6-7, 2023
9	Victor Etuokwu	Advanced Management Program	Harvard Business School	February 12 – May 19, 2023
10	Chizoma Okoli	Senior Executive Program	London Business School	February 20 – March 3, 2023/April 17 – 28, 2023
11	Gregory Jobome	Senior Executive Program	London Business School	February 20 – March 3, 2023/September 10-28, 2023
12	Seyi Kumapayi	MBA	IMD	June 2022 – December 2023.
13	Hadiza Ambursa	Women on Boards: Succeeding as a Corporate Director	Harvard Business School	December 2 – 6, 2023
14	Iyabo Soji-Okusanya	The Women's Leadership Forum	Harvard Business School	March 6 – 10, 2023
		Project and Infrasturcture Finance	London Business School	November 27 – December 1, 2023
15	Mr. Paul Usoro	Risk Master Class for Board Members	KPMG and Other Internal Facilitators	November 28, 2023
	Mr. Iboroma Akpana			
	Mr. Adeniyi Adekoya			
	Mrs. Ifeyinwa Osime			

	Dr. Okey Nwuke			
	Mr. Hassan Usman			
	Mrs. Omosalewa Fajobi			
	Mrs. Titilayo Osuntoki			
	Mr. Herbert Wigwe			
	Mr. Roosevelt Ogbonna			
	Mr. Victor Etuokwu			
	Dr. Gregory Jobome			
	Ms. Hadiza Ambursa			
	Mrs. Chizoma Okoli			
	Mr. Oluseyi Kumapayi			
	Iyabo Soji-Okusanya			

Shareholders and Regulatory Engagement

The Board recognizes the importance of free flow of complete, adequate, and timely information to shareholders to enable them to make informed decisions and is committed to maintaining high standards of corporate disclosure. The implementation of our Investor Communication and Disclosure Policy helps the Board to understand shareholders views about the Bank. The Bank's website www.accessbankplc.com is regularly updated with both financial and non-financial information.

Shareholders' meetings are convened and held in an open manner in line with the Bank's Articles of Association and existing statutory and regulatory regimes, for the purpose of deliberating on issues affecting the Bank's strategic direction. The Annual General Meeting is a medium for promoting interaction between the Board, management and shareholders. Attendance at the Annual General Meeting is open to shareholders or their proxies, while proceedings at such meetings are usually monitored by members of the press, representatives of the National Association of Securities Dealers (NASD) OTC Exchange, the Central Bank of Nigeria and the Securities and Exchange Commission. The Board ensures that shareholders are provided with adequate notice of meetings. An Extraordinary General Meeting may also be convened at the request of the Board or shareholders holding not less than 10% of the Bank's Paid-Up Capital.

The Group has a dedicated Investors Relation Unit that facilitates communication with shareholders and analysts on a regular basis and addresses their queries and concerns. Investors and stakeholders are frequently provided with information about the Bank through various channels, including Quarterly Investors Conference Calls, the General Meeting, the Bank's website, the Annual Report and Accounts and Investors Forum.

The Board ensures that communication with the investing public about the Bank and its subsidiaries is timely, factual, broadly disseminated and accurate in accordance with all applicable legal and regulatory requirements. The Bank's reports and communication to shareholders and other stakeholders are in plain, readable, and understandable format. The Board ensures that shareholders' statutory and general rights are always protected, particularly their right to vote at general meetings. The Board also ensures that all shareholders are treated equally regardless of the size of their shareholding and social conditions. Our shareholders are encouraged to share in the responsibility of sustaining the Bank's corporate values by exercising their rights as protected by law.

Access to Information and Resources

Management recognises the importance of ensuring the flow of complete, adequate and timely information to the Directors on an ongoing basis to enable them to make informed decisions in discharge of their responsibilities. There is ongoing engagement between Executive Management and the Board, and the Heads of Strategic Business Units attend Board meetings to make presentations. The Bank's External Auditors attend the meetings of the Group Board Audit Committee and the Group Statutory Audit Committee to make presentation on the audit of the Group's Financial Statements. Directors have unrestricted access to Management and company information in addition to the necessary resources to carry out their responsibilities including access to external professional advice at the Bank's expense in line with policy.

Board Responsibilities

The primary function of the Board is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. It has the overall responsibility for reviewing the strategic plans and performance objective, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance review and corporate governance practices.

Term of Office

The Bank's Non-Executive Directors are appointed for an initial term of four years. Subject to the provisions of the Articles of Association on the retirement of Non-Executive Directors by rotation, they can be re-elected for a maximum of two subsequent terms of four years each, subject to satisfactory performance and shareholders' approval. The Independent Non-Executive Directors are subject to a maximum tenure of eight years, while Executive Directors are appointed for an initial term of four years and a maximum cumulative tenure of twelve years in line with CBN's Corporate Governance Guidelines. Executive Directors are prohibited from holding other directorships outside the Access Bank Group or investee companies.

Separation of Roles

In line with best practice, the Chairman and Chief Executive Officer's roles are assumed by different individuals; this ensures the balance of power and authority. The Board can reach impartial decisions as its Non-Executive Directors are a blend of Independent and Non-Independent Directors with no shadow or Alternate Directors, thus ensuring that their independence is brought to bear on decisions of the Board.

The Role of the Board

The principal responsibility of the Board is to promote the long-term success of the Group by creating and delivering sustainable shareholder value. The Board leads and provides direction for the Management by setting policy directions and strategy, and by overseeing their implementation. The Board seeks to ensure that Management delivers on both its long-term growth and short-term objectives, striking the right balance between both goals. In setting and monitoring the execution of our strategy, consideration is given to the impact that those decisions will have on the Group's obligations to various stakeholders, such as shareholders, employees, suppliers, and the community in which the Group operates.

The Board is responsible for ensuring that robust systems of internal controls are maintained, and that Management maintains an effective risk management and oversight process across the Group so that growth is delivered in a controlled and sustainable way. In addition, the Board is responsible for determining and promoting the collective vision of the Group's purpose, values, culture and behaviours.

In carrying out its oversight functions, matters reserved for the Board include but are not limited to:

- Defining the Bank's business strategy and objectives.
- Formulating risk policies.
- Approval of quarterly, half yearly and full year financial statements.
- Approval of significant changes in accounting policies and practices.
- Appointment or removal of Directors and the Company Secretary.
- Approval of major acquisitions, divestments of operating companies, disposal of capital assets or capital expenditure.
- Approval of charter and membership of Board Committees.
- Setting of annual Board objectives and goals.
- Approval of allotment of shares.
- Appointment and removal of Chief Audit Executive.
- Approval of the framework for determining the policy and specific remuneration of Executive Directors.
- Monitoring delivery of the strategy and performance against plan.
- Reviewing and monitoring the performance of the Managing Director and the Executive team.
- Ensuring the maintenance of ethical standard and compliance with relevant laws.
- Performance appraisal and compensation of Board members and Senior Executives.
- Ensuring effective communication with shareholders.
- Ensuring the integrity of financial reports by promoting disclosure and transparency.
- Succession planning for key positions.

The principal role of the Chairman is to provide leadership and direction to the Board. The Group Chairman is accountable to the Board and shareholders and liaises directly with the Board and the Management of the Company, through the Managing Director/Chief Executive Officer. The positions of the Group Chairman and the Managing Director/Chief Executive Officer are held by separate individuals.

More specifically, the duties and responsibilities of the Group Chairman are as follows:

- Primarily responsible for the effective operation of the Board and ensures that the Board works towards achieving the Bank's strategic objectives.
- Setting the agenda for Board meetings in conjunction with the Managing Director/Chief Executive Officer and the Company Secretary.
- Approval of the Annual Board Activities Calendar.
- Playing a leading role in ensuring that the Board and its Committees have the relevant skills, competencies for their job roles.
- Ensuring that Board meetings are properly conducted and that the Board is effective and functions in a cohesive manner.
- Ensuring that the Directors receive accurate and clear information about the affairs of the Bank in a timely manner to enable them to take sound decisions.
- Acting as the main link between the Board and the Managing Director/Chief Executive Officer as well as advising the Managing Director/Chief Executive Officer on the effective discharge of his duties.
- Ensuring that all Directors focus on their key responsibilities and play constructive roles in the affairs of the Bank
- Ensuring that induction programmes are conducted for new Directors and continuing education programmes are in place for all Directors.
- Ensuring effective communication with the Bank's institutional shareholders and strategic stakeholders.
- Taking a leading role in the assessment, improvement, and development of the Board.
- Presiding over General Meetings of shareholders.

The Role of Managing Director/Chief Executive Officer ('MD/CEO')

The MD/CEO has the overall responsibility for leading the development and execution of the Bank's long-term strategy, with a view to creating sustainable shareholder value. He manages the day-to-day operations of the Bank and ensures that operations are consistent with the policies approved by the Board.

Specifically, the duties and responsibilities of the MD/CEO include the following:

- Acts as head of the Management team and is answerable to the Board.
- Responsible for ensuring that a culture of integrity and legal compliance is imbibed by personnel at all levels of the Bank.
- Responsible for the Bank's consistent achievement of its financial objectives and goals.
- Ensures that the Bank's philosophy, vision, mission, and values are disseminated and practised throughout the Bank.
- Ensures that the allocation of capital reflects the Bank's risk management philosophy.
- Ensures that the Bank's risks are controlled and managed effectively, optimally and in line with the Bank's strategies and objectives.
- Supervision of the Deputy Managing Directors, Executive Directors and all subsidiaries and affiliate companies.
- Serves as the Bank's Chief Spokesman and ensures that it is properly presented to its various publics.
- Ensures that the Directors are provided with enough information to support their decision making.

The Role of the Deputy Managing Directors ('DMDs')

The DMDs provides support to the MD/CEO towards the achievement of the corporate philosophy, business strategy, financial and other objectives of the Bank. They report to the MD/CEO and are responsible for the supervision of such aspects of the Bank as may be approved by the Board of Directors and exercises such powers and carry out such functions as may be delegated by the MD/CEO.

The Role of the Company Secretary

Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that the Company's Memorandum and Articles of Association, plus relevant rules and regulations, are complied with. He also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value. The Company Secretary assists the Chairman in ensuring good information flow within the Board and its Committees and between Management and Non-Executive Directors.

The Company Secretary also facilitates the orientation of new Directors and coordinates their professional development. As primary compliance officer for Group's compliance with the listing rules of the National Association of Securities Dealers (NASD) OTC Securities Exchange, the Company Secretary is responsible for designing and implementing a framework for the Bank's compliance with the listing rules, including advising Management on prompt disclosure of material information. The Company Secretary attends and prepares the minutes for all Board meetings. As secretary for all Board Committees, the Company Secretary assists in ensuring coordination and liaison between the Board, the Board Committees and Management. The Company Secretary also assists in the development of the agenda for the various Board and Board Committee meetings. The appointment and the removal of the Company Secretary are the exclusive preserve of the Board.

Delegation of Authority

The ultimate responsibility for the Bank's operations rests with the Board. The Board retains effective control through a well-developed Committee structure that provides in-depth focus on the Board's responsibilities. Each Board Committee has a written terms of reference and presents regular reports to the Board on its activities. The Board delegates authority to the Managing Director/Chief Executive Officer to manage the affairs of the Group within the parameters established by the Board from time to time.

Board Meetings

The Board meets quarterly, and emergency meetings are convened as may be required. The Annual Calendar of Board and Committee meetings is approved in advance during the last quarter of the preceding year. Material decisions may be taken between meetings through written resolutions in accordance with the Bank's Articles of Association. The Annual Calendar of Board Activities includes a Board Retreat at an offsite location to consider strategic matters and review the opportunities and challenges facing the institution.

All Directors are provided with notices, agenda, and meeting papers in advance of each meeting to enable Directors adequately prepare for the meeting. Where a director is unable to attend a meeting, he/she is still provided with the relevant papers for the meeting. Such a director also reserves the right to discuss with the Chairman any matter he/she may wish to raise at the meeting. Directors are also provided with regular updates on developments in the regulatory and business environment.

The Board in demonstration of its commitment to environmental sustainability operates a secure electronic portal-Diligent Boardbook-for the circulation of board documentation to members.

The Board met 10 times during the period under review.

The Board devoted considerable time and efforts on the following issues in 2023.

- Approval of Interim and Full Year Audited Financial Statements
- Consideration of top Management and Board appointments
- Consideration and approval of the Group's 2023 budget
- Approval of ICAAP document
- Approval of subsidiary expansion activities
- Approval of credit facilities
- Review and approval of policies
- Approval of appointments to subsidiary Boards
- Approval of reviewed Board and Board Committees' Charters
- Approval of Recovery and Resolution Plan
- Review and approval of policies

Board Meeting Attendance in 2023

The membership of the Board and attendance at meetings in the first half of 2023 are set out below.

Type of Meeting	**EGM**	**Annual Board Retreat**	**AGM**	**BOARD MEETINGS**									
Date	**15/2/2 023**	**March 24-25, 2023**	**22/5/2 23**	**30/1/2 023**	**2/2/202**	**19/4/ 2023**	**05/5/ 2023**	**22/05 /202 3**	**26/7/ 2023**	**5/8/2 023**	**25/10/ 2023**	**28/11/ 2023**	**12/12 /202 3**
Ajoritsedere Awosika	P	P	P	P	P	P	P	P	RT	RT	RT	RT	RT
Paul Usoro	P	P	P	P	P	P	P	P	P	P	P	P	P
Adeniyi Adekoya	P	P	P	P	P	P	P	P	P	P	P	P	P
Iboroma Akpana	P	P	P	P	P	P	P	P	P	P	P	P	P
Okey Nwuke	P	P	P	P	P	P	P	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P	P	P	P	P	P	P	P	P
Hassan Usman	P	P	P	P	P	P	P	P	P	P	P	P	P
Omosalewa Fajobi	P	P	P	P	P	P	P	P	P	P	P	P	P
Herbert Wigwe	P	P	P	P	P	P	P	P	P	P	P	P	P
Roosevelt Ogbonna	P	P	P	P	P	P	P	P	P	P	P	P	P
Victor Etuokwu	P	P	P	P	P	P	P	P	P	P	A	P	P
Gregory Jobome	P	P	P	P	P	P	P	P	P	P	P	P	P
Hadiza Ambursa	P	P	P	P	P	P	P	P	P	P	P	P	P
Chizoma Okoli	P	P	P	P	P	P	P	P	P	P	A	A	P
Seyi Kumapayi	P	P	P	P	P	P	P	P	P	P	P	P	P
Titilayo Osuntoki	P	P	P	P	P	P	P	P	P	P	P	P	P
Iyabo Soji-Okusanya	NM	NM	NM	NM	NM	NM	NM	NM	P	P	P	P	P

Board Committees

The Board exercises oversight responsibility through its standing committees, each of which has a charter that clearly defines its purpose, composition, structure, frequency of meetings, duties, tenure and reporting lines to the Board. In line with best practice, the Chairman of the Board is not a member of any Committee.

The Board has seven standing committees, namely: the Risk Management Committee, the Audit Committee, the Governance, Nomination and Remuneration Committee, the Human Resources and Sustainability Committee, Digital and Information Technology Committee, Credit Committee and Technical Committee on Retail Expansion.

While the various Board committees have the authority to examine issues within their remit and report their decisions and/or recommendations to the Board, the ultimate responsibility for all matters lies with the Board.

Reports of Board Committees

This section highlights the activities of the Board Committees in 2023.

Board Human Resources and Sustainability Committee

The membership of the Committee and attendance at the meetings in 2023 are as set out below:

Name	09/1/2023	12/04/2023	11/07/2023	9/10/2023	23/10/2023
*Paul Usoro	P	P	LC	LC	LC
Iboroma Akpana	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P
Okey Nwuke	P	P	P	P	P
Adeniyi Adekoya	P	P	P	P	P
Hassan Usman	P	P	P	P	P
Herbert Wigwe	P	P	P	P	P
Titilayo Osuntoki	P	P	P	P	P
Roosevelt Ogbonna	P	P	P	P	P

The Committee advises the Board on its oversight responsibilities in relation to the Bank's human resource policies, plans, processes, and procedures as well as sustainability best practices.

The key decisions of the Committee in the reporting period included recommendation of top management appointments, and consideration of quarterly reports on human resources and sustainability.

The Committee met 5 times during the reporting period.

Mrs. Ifeyinwa Osime is the Chairman of the Committee.

Board Governance, Nomination and Remuneration Committee

The membership of the Committee and attendance at the meeting in 2023, are as set out below.

Name	14/04/2023	12/7/2023	10/10/2023
Iboroma Akpana	P	P	P
Adeniyi Adekoya	P	P	P
Herbert Wigwe	P	P	P
*Paul Usoro	P	LC	LC
Ifeyinwa Osime	P	P	P
Hassan Usman	NM	P	P

The Committee advises the Board on its oversight responsibilities in relation to governance, appointment, re-election, and removal of Directors. The Committee also advises the Board on issues related to Directors' induction, training as well as Board performance evaluation. The Committee is responsible for recommending appropriate remuneration for Directors and other staff to the Board for approval.

The key decisions of the Committee in the reporting period included Board appointments, including subsidiary Board appointments as well as 2024 training plan and budget for Non-Executive Directors.

The Committee met 3 times during the reporting period.

Mr. Iboroma Akpana is the Chairman of the Committee.

Board Credit Committee

The membership of the Committee and Directors' attendance at meetings in 2023 are as set out below.

Name	**09/1/23**	**15/2/23**	**20/3/23**	**12/4/23**	**17/5/23**	**21/6/23**	**11/7/23**	**15/8/23**	**14/9/23**	**9/10/23**	**15/11/23**	**14/12/23**
Okey Nwuke	P	P	P	P	P	P	P	P	P	P	P	P
Iboroma Akpana	P	P	P	P	P	P	P	P	P	P	P	P
*Paul Usoro	P	P	P	P	P	LC	LC	LC	LC	LC	LC	LC
Adeniyi Adekoya	P	P	P	P	P	P	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P	P	P	P	P	P	P	P
Hassan Usman	P	P	P	P	P	P	P	P	P	P	P	P
Omosalewa Fajob	P	P	P	P	P	P	P	P	P	P	P	P
Roosevelt Ogbonna	P	P	P	P	P	P	P	P	P	P	P	P
Victor Etuokwu	P	P	P	P	P	P	P	P	P	P	P	P
Gregory Jobome	P	P	P	P	P	P	P	P	A	P	P	P
Hadiza Ambursa	P	P	P	P	P	P	P	A	P	P	P	P
Chizoma Okoli	P	P	P	P	P	P	P	P	P	P	A	P
Seyi Kumapayi	A	P	A	P	P	P	P	P	A	P	P	A
Titilayo Osuntoki	P	P	P	P	P	P	P	P	P	P	P	P
Iyabo Soji-Okusanya	NM	NM	NM	NM	NM	P	P	P	P	P	P	P

The Committee considers and approves loan applications above certain limits (as defined by the Board from time to time) which have been recommended by the Management Credit Committee. It also acts as a catalyst for credit policy change and oversees the administration and effectiveness of the Bank's credit policies.

The Committee's key activities during the period included review and approval of credit facilities; review of Risk Based Examination updates, review of subsidiaries' credit portfolios, review of the Credit Portfolio and Collateral Adequacy Assessment reports as well as review of audit report on the Credit Risk Management function.

The Committee met 12 times during the reporting period.

Dr. Okey Nwuke is the chairman of the Committee.

Board Risk Management Committee

The membership of the Committee and attendance at meetings in 2023 are as set out below.

Name	10/01/2023	14/4/2023	12/7/2023	10/10/2023
Hassan Usman	P	P	P	P
*Paul Usoro	P	P	LC	LC
Adeniyi Adekoya	P	P	P	P
Iboroma Akpana	P	P	P	P
Okey Nwuke	P	P	P	P
Omosalewa Fajobi	P	P	P	P
Titilayo Osuntoki	P	P	P	P
Herbert Wigwe	P	P	P	P
Roosevelt Ogbonna	P	P	P	P
Gregory Jobome	P	P	P	P

The Committee assists the Board in fulfilling its oversight responsibility relating to the establishment of policies, standards and guidelines for non-credit risk management and compliance with legal and regulatory requirements. In addition, it oversees the establishment of a formal written policy on the overall risk management system. The Committee also ensures compliance with established policies through periodic review of management's reports and ensures the appointment of qualified officers to manage the risk function. It evaluates the Bank's risk policies on a periodic basis to accommodate major changes in the internal or external environment.

During the period under review, the Committee considered and recommended some policies to the Board for approval, considered stress test reports on the Bank's Balance Sheet, received risk reports from all the risk areas except credit and made relevant recommendations to the Board for approval.

The Committee met 4 times during the reporting period.

Mrs. Titilayo Osuntoki is the Chairman of the Committee.

Board Audit Committee

The membership of the Committee and attendance at meetings in 2023 are as set out below.

Name	11/1/23	27/1/23	13/4/23	13/7/23	25/7/23	11/10/23	14/12/23
Adeniyi Adekoya	P	P	P	P	P	P	P
Iboroma Akpana	P	P	P	P	P	P	P
*Paul Usoro	P	P	P	LC	LC	LC	LC
Okey Nwuke	P	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P	P	P
Hassan Usman	P	P	P	P	P	P	P
Omosalewa Fajobi	P	P	P	P	P	P	P
Titilayo Osuntoki	NM	NM	NM	P	P	P	P

The Committee supports the Board in performing its oversight responsibility relating to the integrity of the Bank's Financial Statements and the financial reporting process, as well as the independence and performance of the Bank's Internal and External Auditors. It oversees the Bank's system of internal control and the mechanism for receiving complaints regarding the Bank's accounting and operating procedures.

The Bank's Chief Audit Executive and Chief Compliance Officer have access to the Committee and make quarterly presentations to the Committee.

The key issues considered by the Committee during the period included the review and recommendation of the 2023 Full Year Audited Financial Statements. The Committee also considered Whistle blowing reports as well as reports of the Group Internal Auditor and Internal Audit Consultants.

The Committee met 7 times during the reporting period.

Mr. Adeniyi Adekoya is the Chairman of the Committee.

Board Digital & Information Technology Committee

The membership of the Committee and attendance at meetings in 2023 are as set out below.

Name	12/1/2023	12/4/2023	10/7/2023	12/10/2023
Adeniyi Adekoya	P	P	P	P
Ifeyinwa Osime	P	P	P	P
Titilayo Osuntoki	P	P	P	P
Iboroma Akpana	P	P	LC	LC
Okey Nwuke	P	P	P	P
Hassan Usman	P	P	LC	LC
Omosalewa Fajobi	P	P	P	P
Herbert Wigwe	P	P	P	P
Roosevelt Ogbonna	P	P	P	P
Victor Etuokwu	P	P	P	A
Gregory Jobome	P	P	P	P

The Committee was established to oversee the end-to-end digital delivery of the Bank's products and services. The Committee receives regular reports on the Bank's digital ecosystem and customer experience. It also provides oversight over the execution of the Bank's IT strategy and monitors the Bank's investment in IT infrastructure and support systems that underpin the safe and effective delivery of the products and services.

The key issues considered by the Committee during the period included the reports on cyber security and digital risk, partnerships and digital eco systems, customer feedback as well as audit report on the Bank's information technology and digital systems.

The Committee met 4 times during the reporting period.

Mr. Adeniyi Adekoya is the Chairman of the Committee.

Board Technical Committee on Retail Expansion

The membership of the Committee and attendance at meetings in 2023 are as set out below.

Name	11/01/23	28/03/23	13/04/23	5/7/23	13/7/23	5/9/23	11/10/23	24/11/23
Okey Nwuke	P	P	P	P	P	P	P	P
*Paul Usoro	P	P	P	LC	LC	LC	LC	LC
Adeniyi Adekoya	P	P	P	P	P	P	P	P
Iboroma Akpana	P	P	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P	P	P	P
Herbert Wigwe	P	P	P	A	P	P	P	A
Roosevelt Ogbonna	P	P	P	P	P	P	P	P
Gregory Jobome	P	P	P	P	P	P	P	P
Seyi Kumapayi	A	P	P	P	P	P	P	P

The Committee exercises oversight on the Bank's strategic expansion activities involving acquisition, strategic relationships, investment, and growth activities in the retail space. The Committee is saddled with the responsibility of reviewing, evaluating and approving acquisitions, mergers and strategic relationships as well as green and brown fields investments involving the Bank. It also oversees the post-acquisition integration and business development opportunities.

The key issues considered by the Committee during the period included the review of retail growth expansion strategies.

The Committee met 15 times during the reporting period.

Dr. Okey Nwuke is the Chairman of the Committee.

* Mr. Paul Usoro, SAN was appointed as the Chairman of the Board of Directors effective May 22, 2023 and immediately exited all Board Committees

Key

P	Present
A	Absent
RT	Retired
LC	Left Committee
NM	Not a Member

DIRECTORS' INTEREST IN CONTRACTS

Disclosure on Directors' interest in contracts is contained on page 101 of this report.

Executive Committee

The Executive Committee (EXCO) is made up of the Managing Director/CEO as Chairman, the Deputy Managing Directors, and all Executive Directors. The Committee is primarily responsible for the implementation of strategies approved by the Board and ensuring the efficient deployment of the Bank's resources.

Management Committees

These are standing committees made up of the Bank's Executive and Senior Management staff. The Committees are set up to identify, analyse and make recommendations on risks pertaining to the Bank's daily activities. They ensure that risk limits set by the Board and the regulatory bodies are complied with and provide input to the various Board Committees in addition to ensuring the effective implementation of risk polices. These Committees meet as frequently as risk issues occur and take actions and decisions within the ambit of their powers.

The Management Committees include Management Credit Committee, Asset and Liabilities Committee, Enterprise Risk Management Committee, the Operational Risk Management Committee, the Criticised Assets Committee and the IT Steering Committee.

Statutory Audit Committee

In compliance with Section 404 of the Companies and Allied Matters Act 2020, the Bank constituted a Statutory Audit Committee. The Committee is constituted to ensure its independence, which is fundamental to upholding stakeholders' confidence in the reliability of the Committee's report and the Group's Financial Statements. There is no Executive Director sitting on the Committee. The Chairman of the Committee is an ordinary shareholder, while the shareholders' representatives are independent and answerable to the shareholders.

The duties of the Committee are as enshrined in Section 404 (3) and (4) of CAMA 2020. The Committee is responsible for ensuring that the company's financials comply with applicable financial reporting standards.

The profiles of the shareholders' representatives in the Committee are as follows:

Henry Omatsola Aragho, FCA
Chairman, Statutory Audit Committee

Mr. Aragho obtained his Higher National Diploma (Accounting) from Federal Polytechnic Auchi in 1981 and a master's degree in Business Administration from Ogun State University (1999). He qualified as a Chartered Accountant with the Institute of Chartered Accountants of Nigeria (ICAN) in 1985. He was admitted as an Associate Member of Institute of Chartered Accountants of Nigeria in March 1986 and subsequently qualified as a fellow of the Institute. He joined the Nigerian Ports Authority in 1982 and retired as General Manager Audit in 2005. He is presently the Managing Consultant of Henrose Consulting Limited and Managing Director Henrose Global Resources Limited.

He was appointed the Chairman of the Committee on July 27, 2016.

Idaere Gogo-Ogan
Member, Statutory Audit Committee

Mr. Ogan is a 1987 graduate of Economics from the University of Port Harcourt and holds a master's degree in International Finance from Middlesex University, London. He joined the Corporate Banking Department of Guaranty Trust Bank Plc in 1996. He left Guaranty Trust Bank to found D' Group, incorporating Becca Petroleum Limited and Valuestream and Cordero Engineering Ltd.

He is a Non-Executive Director of Coronation Merchant Bank Limited and Chairman of Coronation Registrars Limited.

***Mr. Akindele Gbogboade**
Member, Statutory Audit Committee

Mr. Gbogboade holds a Bachelor of Science degree in Microbiology from Obafemi Awolowo University. He is also a member of the Chartered Institute of Taxation of Nigeria, and a Fellow of both the Institute of Chartered Accountants of Nigeria and Chartered Institute of Procurement and Supply (CIPS) UK.

He is currently a Partner at Gbogboade Akindele and Co Chartered Accountants, and the Managing Director of Diversified Procurement Solutions Limited.

Record of Attendance at Statutory Audit Committee Meetings in 2023

Name	27/1/2023	25/4/2023	25/7/2023	24/10/2023
Henry Aragho	P	P	P	P
Idaere Gogo-ogan	P	P	P	P
**Akindele Gbogboade	NM	NM	P	P
Okey Nwuke	P	P	P	P
Adeniyi Adekoya	P	P	P	P

*Mr. Gbogboade was appointed as a Member of the Statutory Audit Committee at the Bank's Annual General Meeting held on May 22, 2023.

Tenure of the Statutory Audit Committee

The tenure of each Committee member lasts from the date of election at an Annual General Meeting till the next. The membership may, however, be renewed through re-election at the next Annual General Meeting.

Role and Focus of the Statutory Audit Committee

The duties of the Statutory Audit Committee are as enshrined in Section 404 (3) and (4) of CAMA. The statutory provisions are supplemented by the provision for the Codes of Corporate Governance issued by the CBN and SEC and are highlighted as follows:

- Ascertaining whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.
- Reviewing the scope and planning of audit requirements.
- Reviewing the findings on management matters in conjunction with the external auditor and management's responses thereon.
- Keeping under review the effectiveness of the Company's system of accounting and internal control.
- Makings recommendations to the Board on the appointment, removal and remuneration of the external auditors of the Company, ensuring the independence and objectivity of the external auditors and that there is no conflict of interest which could impair their independent judgement.
- Authorising the internal auditor to carry out investigations into any activity of the Company which may be of interest or concern to the Committee.
- Assisting in the oversight of the integrity of the company's financial statements and establish and develop the internal audit function.

FY 2023 Audit Fees

The audit fees paid by the Bank to KPMG, external auditors for the 2023 statutory audit was ₦450,000,000 while fees for non-audit services rendered to the Bank during the year amounted to ₦270,397,000

Going Concern

The Directors confirm that after making appropriate enquiries, they have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Statutory Auditors

Messrs KPMG acted as our external auditors for the first half of 2023. The Board confirms that the Bank has complied with the regulatory requirement as enshrined in the CBN and SEC Codes of Corporate Governance on the rotation of audit firm and audit partners. KPMG was appointed the Bank's sole external auditors effective January 1, 2023.

Succession planning

The Board has a robust policy which is aligned to the Bank's performance management process. The policy identifies key positions, including Country Managing Director positions for all the Group's operating entities in respect of which there will be formal succession planning. The policy provides that potential candidates for positions shall be identified at the beginning of each financial year.

Code of Ethics

The Bank's Codes of Conduct specifies expected behaviours for its employees and Directors. The Codes are designed to empower employees and Directors and enable effective decision making at all levels of the business according to defined ethical principles.

New employees are required to read and sign an attestation that they understood the content. In addition, there is an annual re-affirmation exercise for all employees. There is a Compliance Manual that provides guidelines for addressing violations/breaches and ensuring enforcement of discipline amongst staff. The Bank also has a Disciplinary Guide which provides sample offences/violations and prescribes disciplinary measures to be adopted in various cases. The Head Group Human Resources is responsible for the design and implementation of the "Code of Conduct", while the Chief Conduct and Compliance Officer is responsible for monitoring compliance.

The Chief Conduct and Compliance Officer issues at the beginning of the year an Ethics and Compliance message to all employees. The message reiterates the Bank's policy of total compliance with all applicable laws, regulations, corporate ethical standards and policies in the conduct of the Bank's business. It enjoins staff to promote the franchise and advance its growth in a sustainable manner while ensuring compliance with relevant policies, laws, and regulations.

The Directors also undertake to abide by the provisions of the Bank's Code of Ethics for the Board.

Remuneration Policy

The Group has established a remuneration policy that seeks to attract and retain the best talent in countries that it operates. To achieve this, the Group seeks to position itself among the best performing and best employee rewarding companies in its industry in every market that it operates. This principle will act as a general guide for the determination of compensation in each country. The objective of the policy is to ensure that salary structures, including short- and long-term incentives, motivate sustained high performance and are linked to corporate performance. It is also designed to ensure that stakeholders can make reasonable assessment of the Bank's reward practices. The Group complies with all local tax policies in the countries of operation.

Operating within the guidelines set by the principles above, compensation for country staff is based on the conditions in the local economic environment as well as the requirements of local labour laws. The Group Office usually commissions independent annual compensation surveys in the subsidiaries to obtain independent statistics the local markets pay to arrive at specific compensation structures for each country. Compensation will be determined annually at the end of the financial year. All structural changes to compensation must be approved by the Group Office.

Total compensation provided to employees will typically include guaranteed and variable portions. The specific proportion of each will be defined at the country level. Guaranteed pay will include base pay and other guaranteed portions while variable pay may be both performance-based and discretionary.

The Bank has put in place a performance bonus scheme which seeks to attract and retain high-performing employees. Awards to individuals are based on the job level, business unit performance and individual performance. Other determinants of the size of individual award amounts include pay levels for each skill set which may be influenced by the relative dearth of skills in an area.

The Bank complies with the Pension Reform Act on the provision of retirement benefit to employees at all levels. The Bank also operates an Employee Performance Share Plan for the award of units of the Bank's shares to its employees, subject to terms and conditions determined by the Board of Directors.

The Bank's long-term incentive programme rewards top management staff for their loyal and productive service to the Bank. This is to ensure that they share in the Bank's success and focus on its long-term sustainability. The justification for a long-term incentive plan for top management employees is very compelling. The stability, loyalty and commitment of top management employees need to be strengthened by a long-term incentive programme.

Whistle-Blowing Procedure

The Bank expects all its employees and Directors to observe the highest level of probity in their dealings with it and its stakeholders. Our Whistle-Blowing Policy covers internal and external whistle-blowers and extends to the conduct of the stakeholders including employees, vendors, and customers. It provides the framework for reporting suspected breaches of the Bank's internal policies and laws and regulations. The Bank has engaged Deloitte to provide consulting assistance in the implementation of the policy. The policy provides that suspected wrongdoing by an employee, vendor, supplier or consultant may be reported through the Bank's or Deloitte's Ethics lines or emails, details of which are provided below.

Internal Channels:

Toll-free Hotline: +234(1)2712010

Email: Whistleblower@accessbankplc.com

IP: 4160

External Channels:

Toll-free Hotline: 0800TIP-OFFS (0800 847 6337)
Email: tip-offs@deloitte.com.ng

Web Portal Link: https://tip-offs.deloittemanagedsolutions.com.ng/

Mobile App: Deloitte Tip-Offs Anonymous App

Available on Google Play Store for Android and App Store for Apple

The Bank's Chief Audit Executive is responsible for monitoring and reporting on whistleblowing. Quarterly reports are rendered to the Board Audit Committee.

In addition to the foregoing, stakeholders may also report unethical practices to the Central Bank of Nigeria via anticorruptionunit@cbn.gov.ng.

Customer Complaints and Resolution

The Bank complied with the provision of CBN Circular FPR/DIR/C IR/GEN/01/020 dated 16 August 2011 on handling consumer complaints. The Bank in line with the rules of the Securities and Exchange Commissions has implemented Investors Enquiries and Complaints Management Policy. The Policy is available in the Investor portal on the Bank's website.

Highlights of the Bank's Clawback Policy

The objective of the Clawback policy is to recover excess and undeserved rewards such as bonuses, incentives, profit sharing and other performance-based compensation from current and former Executives and applicable Senior Management employees.

The policy would be triggered if the Bank's financial performance on which the reward was based is discovered to be materially false, misstated, erroneous or in instances of misdemeanour, fraud, material violation of the Bank's policy or regulatory infractions.

The Executives, Chief Financial Officer and applicable senior management employee must have served the Bank during the 'look back period' and incentives paid to them must have been tied to a financial parameter. The policy applies to any incentive-based compensation paid during any of the three fiscal completed years immediately preceding the date the Bank is required to restate its financial results (look back period), meaning the earlier of:

i. The date that the Audit Committee concludes that the Bank's previously issued financial statement contains a material error or

ii. The date on which a court, regulator or other similarly authorized body causes the Bank to restate its financial information to correct a material error.

Highlights of Sustainability Policies

The Bank's sustainability vision and strategy are underpinned by international principles, frameworks and standards that support the design of best-in-class local policies that enable effective mainstreaming of sustainability in the Bank for strategic growth and long-term success. The Bank's policies and frameworks (such as Enterprise Security Risk Management [ESRM], Health, Safety, Security and Environment [HSSE], Human Rights, and employee volunteering policies), continue to facilitate the achievement of its vision. These enable the Bank, its people, and processes to address key issues such as supply chain management, human rights, environmental management, ethics, compliance and corruption, data security and privacy, diversity and equality, amongst others. The strict adherence to these policies is one of the ways to ensure Access Bank remains a responsible corporate citizen.

Access Bank Plc respects the rights of all people, men, women, old, young, people living with HIV/AIDS (PLWHA). Access Bank was the first Nigerian bank to have a fully operational workplace policy on HIV/AIDS. We pioneered the HIV/ AIDS Workplace Policy Programme across all our subsidiaries. The Bank has demonstrated an unwavering commitment to sustainability, evident in its leadership role in developing the Nigerian Sustainable Banking Principles (NSBPs) in 2012 – a set of nine principles by which all banks in Nigeria are encouraged to live the sustainability ethos.

The Bank has deployed several environmental protection initiatives including recycling, conservation of energy and water.

Statement of Compliance

We hereby confirm to the best of our knowledge the Bank has complied with the following Codes of Corporate Governance and Listing Standards

1. The Code of Corporate Governance for Public Companies in Nigeria as Issued by the Securities and Exchange Commission
2. The Code of Corporate Governance for Bank and Discount Houses in Nigeria and the Guidelines for Whistle Blowing in the Nigerian Banking Industry
3. The Nigerian Code of Code of Corporate Governance issued by the Financial Reporting Council of Nigeria
4. The Rules and Regulations of the National Association of Securities Dealers OTC Exchange

Save that in the event of any conflict regarding the provisions of the respective Codes and Rules the Bank will defer to the provisions of the CBN Code as its primary regulator.

Paul Usoro
Chairman

Sunday Ekwochi
Company Secretary

Statement of Directors' Responsibilities in Relation to the Consolidated and Separate Financial Statements for the year ended 31 December, 2023

The Companies and Allied Matters Act and the Banks and Other Financial Institutions Act, require the directors to prepare financial statements for each financial period that gives a true and fair view of the state of financial affairs of the bank and Group at the end of the year and of its profit or loss. The responsibilities include ensuring that the Bank and Group;

- **I.** Keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Bank and Group and comply with the requirements of the Companies and Allied Matters Act and the Banks and Other Financial Institutions Act;
- **II.** Establish adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- **III.** Prepare financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The directors accept responsibility for the consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with;

- IFRS standards as issued by the International Accountant Standards Board (IFRS Accounting standards)
- Prudential Guidelines for Licensed Banks in Nigeria;
- Relevant circulars issued by the Central Bank of Nigeria;
- The requirements of the Banks and Other Financial Institutions Act
- The requirements of the Companies and Allied Matters Act; and
- The Financial Reporting Council of Nigeria (Amendment) Act 2023

The directors are of the opinion that the consolidated financial statements give a true and fair view of the state of the financial position of the Bank and Group and of the financial performance and cash-flows for the year. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the directors to indicate that the Bank and Group will not remain a going concern for at least twelve months from the date of this statement.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Roosevelt Ogbonna
Group Managing Director
FRC/2017/PRO/DIR/003/00000016638

Seyi Kumapayi
Executive Director
FRC/2013/PRO/DIR/003/00000000911

Report of the statutory audit committee

To the members of Access Bank Plc:

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act of Nigeria, the members of the Audit Committee of Access Bank Plc hereby report on the financial statements for the year ended 31 December 2023 as follows:

We have exercised our statutory functions under section 404(7) of the Companies and Allied Matters Act of Nigeria and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

We are of the opinion that the accounting and reporting policies of the Bank and Group are in agreement with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 December 2023 were satisfactory and reinforce the Group's internal control systems.

We are satisfied that the Bank has complied with the provisions of Central Bank of Nigeria Circular BSD/1/2004 dated 18 February 2004 on "Disclosure of insider related credits in the financial statements of banks". We hereby confirm that an aggregate amount of N851,131,112 (December 2022: N613,249,712) was outstanding as at 31 December 2023 and was performing as at 31 December 2023 (see note 45)

We have deliberated on the findings of the external auditors who have confirmed that necessary cooperation was received from management in the course of their audit and we are satisfied with management's responses thereon and with the effectiveness of the Bank's system of accounting and internal control.

FRC/2017/PRO/ICAN/002/00000016270
Mr. Henry Omatsola Aragho
Chairman, Audit Committee
26 January 2024

Members of the Audit Committee are:

1	Mr. Henry Omatsola Aragho	Shareholder	Chairman
2	*Mr. Akindele Gbogboade	Shareholder	Member
3	Mr Idaere Gogo Ogan	Shareholder	Member
4	Mr. Adeniyi Adekoya	Director	Member
5	Dr. Okey Nwuke	Director	Member

*Appointed effective May 22, 2023

In attendance:
Sunday Ekwochi – Company Secretary

Statement of Corporate Responsibility

In line with the provision of S.405 of CAMA 2020 we have reviewed the consolidated and separate audited financial statements of the Group for the year ended 31 December 2023 and based on our knowledge confirm as follows;

- **I.** The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading under the circumstances they were made
- **II.** The financial statements and other financial information, included in the report fairly present in all material respects, the financial condition and result of operations of the Group as of, and for the period presented in the report.
- **III.** We are responsible for maintaining internal controls
- **IV** We have designed such internal controls to ensure that material information relating to the company and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the period in which the annual reports are being prepared
- **V** We have evaluated the effectiveness of the company's internal controls as of date within 90 days prior to the report
- **VI** We have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date
- **VII** There were no significant deficiencies in the design or operation of internal controls which could adversely affect the Group record, process, summarize and report financial data. Furthermore, there were no identified material weaknesses in the Group Internal Control system.
- **VIII** We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of their valuation, including any corrective actions with regard to significant deficiencies and material weaknesses.

  There were no fraud events involving Senior Management or other employees who have a significant role in the company's internal control.

Taiwo Fowowe
Chief Financial Officer
FRC/2021/PRO/ICAN/001/00000024694
26 January, 2024

Roosevelt Ogbonna
Group Managing Director
FRC/2017/PRO/DIR/003/00000016638
26 January, 2024

Risk Management Report

The year 2023 presented formidable challenges marked by unprecedented occurrences, including geopolitical upheavals and the collapse of major international banking institutions. The global economy has experienced enduring repercussions of the overlapping crises of the past four years: the COVID-19 pandemic, the incursion of the Russian Federation into Ukraine, and the escalation of inflation followed by a significant tightening of global monetary policies. Moreover, a substantial crisis erupted in the Middle East, exacerbating geopolitical tensions, fostering uncertainty in commodity markets, and adversely affecting worldwide trade and economic growth.

Amidst the barrage of upheavals, the global economy demonstrated remarkable resilience. Global output grew by 3.1% in 2023 (according to estimates by the International Monetary Fund) – the same level recorded in the previous year. Inflation fell faster than expected from its 2022 peak as major economies weathered the swiftest surge in interest rates witnessed in the past four decades, notably devoid of the typical consequences such as steep unemployment rates or financial collapses. Furthermore, global inflation is being curbed without precipitating a recession - an uncommon feat, given that countries seldom manage to reduce inflation rates without triggering an economic downturn.

A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. However, the rising momentum was only felt in some places, as weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment weighed on the output in some economies. Global trade in goods and services was virtually flat in 2023, growing by an estimated 0.2 percent - the slowest expansion outside global recessions in the past 50 years. Goods trade contracted, reflecting declines in key advanced economies and deceleration in Emerging Market and Developing Economies (EMDEs) and mirroring the sharp slowdown in global industrial production growth.

Low-income economies experienced significant output losses amid elevated borrowing costs compared to their pre-pandemic paths. Financial conditions in Emerging Markets and Developing Economies (EMDEs) were tight, especially for sovereigns with weaker creditworthiness, resulting in increased financial strains evidenced by substantial currency depreciations and capital outflows. Growth in sub-Saharan Africa decelerated to 2.9 percent in 2023, influenced by heightened living expenses, which dampened consumption growth, alongside an escalation of political instability in certain areas of the region. The region also faced high debt and interest rates, which constrained fiscal flexibility and amplified financing requirements.

On the domestic front, 2023 was a notable year in Nigeria marked by elections and a salvo of policy shifts with significant impacts on livelihood and economic activities. As a result, the country's growth softened to 2.9 percent in 2023, according to the World Bank estimate. Despite a significant weakening in services growth in 2023, partially attributed to a disruptive currency demonetization policy implemented in the first quarter of the year and inflationary pressure, annual oil production experienced a notable increase following a decline in previous years.

Recognizing the need to put the country on a sustainable growth path, the new administration implemented reforms to revitalize the economic fundamentals and foster inclusive growth. The Nigerian government abolished the gasoline subsidy, consolidated multiple foreign exchange (FX) windows that had distorted relative prices, deregulated the exchange rate to reflect market dynamics more accurately and removed restrictions on purchasing FX in the official market for importing product lines.

Global growth in 2024 will likely remain steady at 3.1 percent (according to the International Monetary Fund) due to greater-than-expected resilience in the United States and several large Emerging Markets and Developing Economies. With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could further ease financial conditions. On the downside, new commodity price spikes from geopolitical shocks - including continued attacks in the Red Sea - and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions.

In sub-Saharan Africa, growth is projected to rise from an estimated 3.3 percent in 2023 to 3.8 percent in 2024 as the negative effects of earlier weather shocks subside and supply issues gradually improve. As macro-fiscal reforms gradually bear fruits, Nigeria is expected to post improved growth in 2024, projected at 3.3 percent. The country's inflation is expected to gradually ease as the effects of last year's exchange rate adjustments and elimination of fuel subsidies diminish. Also, the structural reforms are expected to bolster Nigeria's fiscal revenue this year.

At Access Holdings Plc, our dedication remains steadfast. We are fully committed to navigating emerging and evolving risks within this demanding landscape. Our confidence for 2024 is rooted in the robust foundation we have diligently established over the years. Substantial investments in digital and technological capabilities have been made to capitalize on opportunities and maintain competitiveness amidst heightened competition and disruptions.

We take pride in our extensive talent pool and have implemented an integrated framework to assess risk across the entire holding company.

Whilst we recognize the forthcoming challenges, we are well-equipped and resolute in our pledge to serve our clients, shareholders, and communities. Together, we will continue to advance Access Holdings Plc's vision of fostering a globally connected community and ecosystem inspired by Africa for the world.

ENTERPRISE-WIDE RISK MANAGEMENT

Our Enterprise-wide Risk Management (ERM) Policy is hinged on the establishment of risk oversight, monitoring, and reporting that foster enterprise-wide risk integration. This ensures that we strive for sustainable financial success while strengthening relationships with diverse stakeholders.

We apply a robust risk management framework in identifying, assessing, monitoring, controlling, and reporting the inherent and residual risks associated with our business and ensure that our targets are achieved optimally.

Risk strategies and policies are set by the Board of Directors of Access Bank. These policies, which define acceptable levels of risk for day-to-day operations as well as the willingness of Access Bank to assume risk, weighed against the expected rewards, are detailed in the Enterprise-Wide Risk Management (ERM) Policy. The ERM is a structured approach to identifying opportunities, assessing the risk inherent in these opportunities, and actively cost-effectively managing these risks. Specific policies are also in place for managing risks in the different core risk areas of credit, compliance, market, operational, liquidity, strategic, reputational risks, and Information and Cyber Security amongst others.

The Bank regularly reviews risk exposure limits risk control and self-assessment to position itself against adverse scenarios. This is an invaluable tool which the Bank uses to predict and successfully manage both the local and global shocks with impact the macroeconomy. Market volatilities and economic uncertainties are typically contained because the Group regularly subjects its exposures to a range of stress tests across a wide variety of products, currencies, portfolios and customer segments.

The Risk Management Division headed by the Chief Risk Officer is part of the second line of defense and supports the Bank's risk policy by constantly monitoring risk, to identify and quantify significant risk exposures and acting upon such exposures as necessary.

Access Bank approaches risk, capital and value management robustly and we believe that our initiatives and practices have positioned us at the leading edge of risk management.

RISK MANAGEMENT PHILOSOPHY, CULTURE, APPETITE, AND OBJECTIVES

Our Risk Culture Statement:

At Access Bank, we embrace a moderate risk appetite, whilst delivering strategic objectives. We anticipate the risks in our activities and reward behavior that aligns with our core values, controls and regulations. Challenges are discussed in an open environment of partnership and shared responsibility.

Access Bank's Risk Management philosophy and culture is embedded in the delivery of our strategic objectives. We operate within our moderate risk appetite by minimizing exposure concentrations, limiting potential losses and efficient liquidity management.

The Bank's risk management process has continued to achieve desired results as evidenced by improved risk ratios and independent risk ratings. In line with the Bank's core value of excellence, its Risk Management group is continuously evolving and improving, given the context that all market developments, need to be anticipated always. Executive Management has remained closely involved with important risk management initiatives, which have focused particularly on preserving appropriate levels of asset quality, liquidity and capital as well as optimizing the risk portfolios.

Risk management is fundamental to the Bank's decision-making and management process. It is embedded in the role of all employees via the organizational culture, thus enhancing the quality of strategic, capital allocation, and day-to-day business decisions.

Access Bank aligning with the corporation considers risk management philosophy and culture as the set of shared beliefs, values, attitudes and practices that characterize how it considers risk in everything it does, from strategy development and implementation to its day-to-day activities. In this regard, the risk management philosophy is that a moderate and guarded risk attitude ensures sustainable growth in shareholder value and reputation.

The Bank believes that enterprise-wide risk management provides oversight to identify and assess the full spectrum of risks and enables staff at all levels to better understand and manage risks. This ensures that:

- Risk acceptance is done in a responsible manner
- The Executives and the Board of the Bank have adequate risk management support
- Uncertain outcomes are better anticipated
- Accountability is strengthened
- Stewardship is enhanced

Access Bank identifies the following attributes as guiding principles for its risk culture.

a) Management and staff:

- Consider all forms of risk in decision-making
- Create and evaluate business-unit and Bank-wide risk profiles to consider what is best for their business units/departments and what is best for the bank as a whole
- Adopt a portfolio view of risk in addition to understanding individual risk elements
- Retain ownership and accountability for risk and risk management at the business unit or other points of influence level
- Accept that enterprise-wide risk management is mandatory and not optional
- Document and report all significant risks and enterprise-wide risk management deficiencies
- Adopt a holistic and integrated approach to risk management and bring all risks together under one or a limited number of oversight functions
- Empower risk officers to perform their duties professionally and independently without undue interference
- Ensure a clearly defined risk management governance structure
- Strive to maintain a conservative balance between risk and profit considerations
- Continue to demonstrate appropriate standards of behavior in the development of strategy and pursuit of objectives.

b) Risk officers partner with other stakeholders within and outside the Bank and are guided in the exercise of their powers by a deep sense of responsibility, professionalism and respect for other parties.
c) The Bank partners with its customers to improve their attitude to risk management and encourage them to build corporate governance culture into their business management
d) Risk management is governed by well-defined policies, which are communicated across the Bank.
e) Equal attention is paid to both quantifiable and non-quantifiable risks.
f) The Bank avoids products and businesses it does not understand.

GROUP RISK OVERSIGHT APPROACH

Managing risk is a fundamental part of banking. Access Bank manages risk as part of a long-term strategy of resilience. Risk management is embedded in all levels of Access Bank's organization and is part of the daily business activities and strategic planning to have a sustainable competitive advantage.

To achieve its risk management objectives, the Bank relies on a risk management framework that comprises risk policies and procedures formulated for the assessment, measurement, monitoring and reporting of risks including limits set to manage the exposure to quantifiable risks. The Bank recognizes that effective risk management is based on a sound risk culture, which is characterized, amongst others, by a high level of awareness concerning risk and risk management in the organization.

Our risk governance framework, of which the risk appetite framework is a significant element, ensures the appropriate oversight of and accountability for the effective management of risk. Our oversight starts with the strategy setting and business planning process. These plans help us articulate our risk appetite, which is then set as risk appetite limits for each business unit and subsidiary to work within.

We actively promote a strong risk culture where employees are encouraged to take accountability for identifying and escalating risks.

Expectations on risk culture are regularly communicated by senior management, reinforced through policies and training, and considered in the performance assessment and compensation processes.

The Risk function coordinates the process of monitoring and reporting risks across the Bank and subsidiaries.

Internal Audit has the responsibility of auditing the functions of risk management and control structures to ensure that all units charged with risk management (both first and second lines of defense) perform their roles effectively and continuously. They also test the adequacy of internal control and make appropriate recommendations where necessary.

RISK APPETITE

Access Bank's risk appetite, which is owned by the Board of Directors and expresses the aggregate level of risk that we are willing to assume in the context of achieving our strategic objectives.
Risk appetite is derived using both quantitative and qualitative criteria. Risk appetite in relation to the major risks to which the Bank is exposed is regulated by limits and thresholds. These metrics aid in reaching our financial targets and guiding the Bank's profitability profile.
In accordance with the bank's risk appetite, we are strongly committed to maintaining a moderate risk profile, which has been defined and cascaded measurably. The risk profile is managed based on an integrated risk management framework. In this framework, all types of risks are identified to provide one integrated view of the risk profile for the Bank and the Group as a whole.

RISK MANAGEMENT OBJECTIVES

The broad risk management objectives of the Bank are:

- Achieve leading financial stability indicator metrics such as asset quality, capital, and liquidity ratios.
- To enhance credit ratings, as well as depositor, analyst, investor and regulator perception
- To protect against unforeseen losses and ensure the stability of earnings
- To minimize adverse reputation risk issues as well as regulatory compliance issues
- To identify and manage existing and new risks in a planned and coordinated manner with minimal disruption and cost
- To maximize earnings potential and opportunities
- To maximize share price and stakeholder protection
- To develop a risk culture that encourages all staff to identify risks and associated opportunities and to respond to them with cost-effective actions.

Scope of risks

Within its risk management framework, Access Bank identifies the following key risk categories among others.

- Credit risk
- Operational risk
- Market and liquidity risk
- Capital Risk Management
- Legal and compliance risk
- Information and Cyber Security risk
- Environmental and Social risk
- Reputational risk
- Strategic risk

Although the risk management framework covers the enterprise-wide risk and the management, specific risk frameworks exist for the individual risk categories

THE BOARD AND MANAGEMENT COMMITTEES

The Board has ultimate responsibility for the Bank's risk organization and for ensuring satisfactory internal control. It carries out its oversight function through its standing committees. Each has a charter that clearly defines its purpose, composition, structure, frequency of meetings, duties, tenure, and reporting lines to the Board.

In line with best practice, the Chairman of the Board does not sit on any of the Committees. The Board has seven standing committees: The Board Risk Management Committee, the Board Audit Committee, the Board Remuneration Committee, the Board Governance and Nomination Committee, the Board Credit Committee, the Board Digital, and IT Committee, and the Board Technical Committee on Retail Expansion

The management committees which exist in the Group include The Executive Committee (EXCO), Enterprise-wide Risk Management Committee (ERMC), Management Credit Committee (MCC), Group Asset and liability Committee (Group ALCO), Digital Steering Committee (DSC), Information Security Council (ISC) and Operational Risk Management Committee (ORMC) among others.

Without prejudice to the roles of these committees, the full Board retains ultimate responsibility for risk management.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Access Bank Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Access Bank Plc ("the Bank") and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Bank and its subsidiaries as at 31 December 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements* section of our report. We are independent of the Group and Bank in accordance with International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected Credit Loss (ECL) allowance on Loans and advances to customers

The ECL allowance on loans and advances to customers is considered to be of most significance in the audit due to the high level of subjectivity, judgment, and assumptions applied in determining the amount to be recognized as loss allowance on the loans and advances to customers.

The Group uses an ECL model to determine the loss allowance for loans and advances to customers. The ECL Model requires the application of judgments, assumptions and certain financial indices (crude oil prices and prime lending rate) estimated from historical data obtained within and outside the Group as input into the model.

The loss allowance on the loans and advances is the output of the model and key judgments and assumptions include:

- Definition of default adopted by the Group
- Determination of the criteria for assessing the significant increase in credit risk (SICR);
- Incorporation of forward-looking information based on the economic scenarios within the model;
- Determination of the 12-month and lifetime probability of default (PD) used in the ECL model;
- Estimation of the Loss Given Default (LGD) based on collateral values and other cash flows.

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

We evaluated the design, implementation and operating effectiveness of the key controls over the impairment assessment such as:

− The Board Risk Credit Committee's review and monitoring of the performance of loans and advances to customers

− Management review of the model assumptions and inputs; and the resultant ECL allowance arising from the model;

− Management review and approval of the expected credit losses arising from the model.

- We assessed the Group's default definition and other qualitative default indicators by checking it to the requirements of the IFRS 9 *Financial Instruments*.
- We tested the appropriateness of the Group's determination of SICR, defaults and the resultant classification of loans and advances to customers into stages on a sample basis by reviewing the Obligor Risk rating model (ORR) and customers files for the terms of the loans and account statements for due and unpaid obligations.
- For loans and advances to customers that have shown a significant increase in credit risk, we evaluated the level of past due obligations based on the original terms of the loans and qualitative factors such as available industry information about the obligors to determine whether the Group should make an estimate based on the losses expected to result from default events within a year or defined default events over the life of the facilities.
- Assisted by our Financial Risk Management (FRM) specialists, we evaluated the appropriateness of the key data and assumptions used in the ECL model of the Group. Our procedures in this regard included the following:
  - We challenged the appropriateness and reasonableness of the Bank's ECL methodology by considering whether it reflects unbiased and probability-weighted amounts that are determined by evaluating a range of possible outcomes, the time value of money, reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.
  - For forward-looking assumptions comprising the Prime lending rate and Crude oil price used, we corroborated the Group's assumptions using publicly available information from external sources and checked that they were appropriate in the Group's circumstances.
  - For PD used in the ECL calculation, we reviewed the model used for the obligor risk rating and we validated the completeness and accuracy of the data used for default and non-default categories for corporate and retail loans by evaluating the reasonability of the

obligor risk rating model (ORR). We also checked the Group's PD methodology for reasonability given the current economic circumstance.

- We checked the calculation of the LGD used by the Group in the ECL calculations, including the appropriateness of the use of collateral, by recomputing the LGD, and assessing the haircuts applied by management on the recoverability of collateral considering the current economic conditions. On a sample basis, we analyzed the valuation of collaterals applied in the ECL computations and evaluated the competence of the valuers.
- We independently re-performed the calculation of ECL allowance for loans and advances to customers using the Group's impairment model and validated key inputs.

- We evaluated the adequacy of the consolidated and separate financial statements disclosures, including the disclosures of key assumptions and judgements, and also assessed whether disclosures in the consolidated and separate financial statements appropriately reflect the Group and Bank's exposure to credit risk in line with the requirements of the relevant accounting standards.

The accounting policy on ECL allowance for loans and advances to customers, disclosure on critical judgments and estimates, financial risk management disclosures and notes are shown in Note 3.9, 4.0, 5.1 and 23 respectively in the consolidated and separate financial statements for the year ended 31 December 2023.

Valuation of Derivatives

The Group and Bank's derivative instruments comprise foreign currency swaps, and foreign exchange forward contracts, which the Group and Bank have designated as hedging and non-hedging instruments to manage foreign exchange risk. Management uses a complex valuation methodology involving multiple inputs including discount rates, forward exchange rates, and the spot rate to estimate the fair value of these derivative instruments. We focused on this area due to the significance of these derivatives and the related estimation uncertainty in the fair valuation of these derivative instruments.

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

- We evaluated and tested the design, implementation and operating effectiveness of key controls over the inputs used in determining the Group and Bank's valuation of derivative instruments.
- We inspected derivative contracts on a sample basis and substantiated the terms of the derivatives.
- Assisted by our Valuation specialists, we performed the following procedures:
  - We assessed whether the valuation model used by the Group and Bank was in line with acceptable market practice.
  - We validated the inputs used in the valuation model such as discount rates, forward exchange rates, yields, etc. by obtaining quoted rates from relevant external sources, and other relevant markets and compared these rates to the mark-to-market rates used.
  - We independently developed a range estimate of the fair value of the derivatives assets and liabilities.

- We evaluated the hedge documentation in line with the requirements of IFRS 9 *Financial Instruments* and agreed that the hedge ratio is in line with the ratio stated in the approved hedge documentation at the inception date.
- We recomputed the spot element of the derivatives to assess the accuracy of the amount recognized by the Bank and the Group.
- We evaluated the adequacy and appropriateness of the disclosures made on derivative financial instruments in the consolidated and separate financial statements.

The Group and Bank's accounting policy, disclosure on critical judgments and estimates, financial risk management disclosures, and notes are shown in Note 3.22, 4.0, 5.1 and Note 21 in the consolidated and separate financial statements for the year ended 31 December 2023.

Remeasurement of the financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy

Access Bank (Ghana) Plc is one of the subsidiaries of Access Bank Plc and accounts for N204.8 billion (8.0%), N77.2 billion (10.4%) and N1.0 trillion (3.9%) of the Group's revenue, profit before tax and total assets respectively.

In 2023, Ghana's economic environment showed characteristics which indicates the existence of hyperinflation and therefore the remeasurement of the financial statements in accordance with International Accounting Standards 29: *Financial Reporting in Hyperinflationary Economies* (IAS 29) was applied. The determination of the existence of hyperinflation is a matter of judgement based on the characteristics of the economic environment. The methodology adopted as well as the detailed calculation for the remeasurement of the non-monetary items using the consumer price index (CPI) at the reporting date is complex and requires significant judgement. We focused on this area due to the judgement required and complexity of the methodology adopted in determining the remeasured amounts, as well as the nature of disclosure required in the consolidated financial statements.

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

- We evaluated management's assessment of the characteristics of the economic environment of Ghana in 2023 which indicates the existence of hyperinflation.
- We challenged management's assumptions and judgements applied in the selection of the general price index for the assessment of the economy by comparing to publicly available information and economic analysis.
- We evaluated management's methodology and approach to the remeasurement of the financial statements in accordance with IAS 29, by checking the appropriateness of the classification of financial statements items as monetary and non-monetary items.
- We independently evaluated the remeasurement calculations prepared and used to determine the remeasured amounts by checking the accuracy in the computations.
- We evaluated the reliability and reasonableness of the data used in the remeasurement calculations by checking the underlying historical data and publicly available information sources.
- We evaluated the adequacy and relevance of the presentation and disclosures in the financial statements as required by IAS 29.

The Group and Bank's accounting policy, disclosure on critical judgments and estimates, and notes are shown in Note 3.5, 4.0, and Note 27 (d) in the consolidated and separate financial statements for the year ended 31 December 2023.

Other Matter
The consolidated and separate financial statements for the year ended 31 December 2022 were audited by another auditor who expressed unmodified opinion on those consolidated and separate financial statements on 17 April 2023.

Other Information
The Directors are responsible for the other information. The other information comprises Corporate information, Directors' report, Customers' Complaints & feedback, Report on Fraud and Forgeries, Corporate Governance report, Statement of Directors' Responsibilities, Report of the Statutory Audit Committee, Reports on Fraud and Forgeries, Whistleblowing report, Statement of Corporate Responsibility, and Other National Disclosures, which we obtained prior to the date of the auditor's report, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Other information also include Business and Financial Highlights, Locations and Offices, Chairman's Statement, Chief Executive Officer's Review, Corporate Philosophy, Commercial Banking, Retail Banking, Corporate and Investment Banking, Transaction Services, Settlement Banking and IT, Digital Banking, People, Culture and Diversity, Sustainability, Risk Management, The Board, Management Team, Reports of the External Consultant, Shareholder Engagement, Notice of Annual General Meeting, Explanatory Notes to the Proposed Resolutions, Dividend Payment History, Capital Formation History, Proxy Form, Branch Network and Onsite ATM Locations, Offsite ATM Locations, Correspondent Banks and Agency Banking Network, together the "outstanding reports", which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements
The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Bank or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Statutory Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Statutory Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Statutory Audit Committee, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020.

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

iii. The Bank's statement of financial position and statement of comprehensive income are in agreement with the books of account and returns.

Compliance with Section 26 (3) of the Banks and Other Financial Institutions Act, 2020 and Central Bank of Nigeria circular BSD/1/2004

i. The Bank and Group paid penalties in respect of contravention of the Banks and Other Financial Institutions Act of Nigeria and CBN Circulars during the year ended 31 December 2023. Details of penalties paid are disclosed in Note 41 to the consolidated and separate financial statements.

ii. Related party transactions and balances are disclosed in Note 43 to the consolidated and separate financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Bank and Group's internal control over financial reporting as of December 31, 2023. The work performed was done in accordance with ISAE 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We issued an unqualified conclusion on the effectiveness of the Bank and Group's internal control over financial reporting in our report dated 27 March 2024.

Kabir Okunlola, FCA
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
27 March 2024
Lagos, Nigeria.

Consolidated and separate statements of comprehensive income

In millions of Naira	*Notes*	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Interest income calculated using effective interest rate	8	1,564,038	769,078	1,199,479	589,609
Interest income on financial assets at FVTPL	8	90,067	57,506	44,297	39,418
Interest expense	8	(937,490)	(467,730)	(809,590)	(404,199)
Net interest income		716,615	358,854	434,186	224,828
Net impairment charge on financial assets	9	(139,535)	(197,790)	(123,303)	(118,682)
Net interest income after impairment charges		577,080	161,064	310,883	106,146
Fee and commission income	10 (a)	264,001	195,470	182,064	153,535
Fee and commission expense	10 (b)	(69,291)	(51,851)	(57,982)	(44,907)
Net fee and commission income		194,710	143,619	124,082	108,628
Net gains on financial instruments at fair value	11a,b	371,286	281,304	369,754	280,029
Net foreign exchange gains	12 a	39,461	34,500	(9,678)	11,419
Net gains on fair value hedge (Hedging effectiveness)	12 b	222,816	19,742	222,816	19,742
Other operating income	13 (a)	37,291	24,660	40,181	31,261
Loss on disposal of subsidiaries	46	-	(397)	-	-
Personnel expenses	14	(160,830)	(114,763)	(76,971)	(71,083)
Depreciation	28	(44,104)	(30,298)	(29,497)	(23,394)
Amortization	29	(18,071)	(13,825)	(10,174)	(10,081)
Other operating expenses	15	(469,467)	(335,720)	(372,257)	(289,959)
Share of profit of investment in Associate	27 (a)	914	513	-	-
Profit before tax		751,086	170,394	569,140	162,704
Income tax	16	(105,624)	(14,529)	(33,460)	3,951
Profit for the year from continuing operations		**645,462**	**155,865**	**535,680**	**166,655**
Discontinued operations					
(Loss)/Profit from Discontinued operations	46	-	(700)	-	-
Profit for the year		**645,462**	**155,165**	**535,680**	**166,655**
Other comprehensive income/(loss) (OCI):					
Items that will not be subsequently reclassified to income statement:					
Gross Actuarial (loss) on retirement benefit obligations	37 (a) i	(4,670)	(1,658)	(4,670)	(1,658)
Items that may be subsequently reclassified to the income statement:					
Unrealised foreign currency translation difference		481,059	(6,706)	-	-
Changes in fair value of FVOCI debt financial instruments	25	(93,439)	61,902	(84,882)	76,640
Changes in allowance on FVOCI debt financial instruments	25	16,694	21,283	(973)	3,472
Income tax relating to these items		1,541	539	1,541	539
Other comprehensive income/(loss), net of related tax effects		401,185	75,360	(88,984)	78,993
Total comprehensive income for the year		**1,046,647**	**230,525**	**446,696**	**245,648**
Profit attributable to:					
Owners of the bank		641,172	155,830	535,680	166,655
Non-controlling interest	38	4,290	(665)	-	-
Profit for the year		**645,462**	**155,165**	**535,680**	**166,655**
Total comprehensive income attributable to:					
Owners of the bank		1,007,132	238,275	446,696	245,648
Non-controlling interest	38	39,515	(7,750)	-	-
Total comprehensive income for the year		**1,046,647**	**230,525**	**446,696**	**245,648**
Total profit/(loss) attributable to owners of the bank:					
Continuing operations		641,172	156,530	535,680	166,655
Discontinued operations		-	(700)	-	-
		641,172	**155,830**	**535,680**	**166,655**
Total comprehensive income/(loss) attributable to owners of the bank:					
Continuing operations		1,007,132	238,975	446,696	245,648
Discontinued operations		-	(700)	-	-
		1,007,132	**238,275**	**446,696**	**245,648**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	1,804	452	1,507	469
Diluted (kobo)	17	1,804	436	1,507	469
Earnings per share from continuing operations attributable to owners of the bank					
Basic (kobo)	17(a)	1,804	454	1,507	469
Diluted (kobo)	17(b)	1,804	438	1,507	469
Earnings per share from discontinued operations attributable to owners of the bank					
Basic (kobo)	17(a)	-	(2)	-	-
Diluted (kobo)	17(b)	-	(2)	-	-

The notes are an integral part of these consolidated financial statements.

Consolidated and separate statements of financial position
as at 31 December 2023

In millions of Naira	*Notes*	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Assets					
Cash and balances with banks	18	2,975,484	1,961,100	2,345,773	1,445,659
Investment under management	19	7,423	3,742	7,423	3,742
Non pledged trading assets	20	209,208	102,690	157,798	77,624
Derivative financial assets	21	2,050,432	402,497	2,033,286	399,058
Loans and advances to banks	22	880,534	455,710	659,546	322,610
Loans and advances to customers	23	8,037,723	5,100,807	5,369,154	4,084,352
Pledged assets	24	1,211,641	1,265,278	1,211,641	1,265,278
Investment securities	25	5,342,156	2,761,068	3,346,780	1,946,559
Investment properties	31a	437	217	437	217
Restricted deposit and other assets	26	5,076,416	2,487,696	4,693,995	2,346,052
Investment in associates	27a	8,424	7,510	6,904	6,904
Investment in subsidiaries	27b	-	-	390,325	283,046
Property and equipment	28	418,181	293,152	277,527	245,070
Intangible assets	29	128,148	73,782	73,105	59,365
Deferred tax assets	30	35,417	15,023	-	7,707
		26,381,624	14,930,272	20,573,694	12,493,243
Asset classified as held for sale	31b	75,418	42,039	75,418	42,038
Total assets		**26,457,042**	**14,972,311**	**20,649,112**	**12,535,281**
Liabilities					
Deposits from financial institutions	32	4,387,020	2,005,317	3,907,192	1,637,318
Deposits from customers	33	15,322,752	9,251,238	11,239,847	7,530,063
Derivative financial liabilities	21	475,997	32,737	471,819	31,071
Current tax liabilities	16	20,450	4,501	14,501	7,556
Other liabilities	34	1,695,403	753,875	1,503,893	667,195
Deferred tax liabilities	30	11,160	1,796	9,544	-
Debt securities issued	35	585,024	307,253	577,378	303,297
Interest-bearing borrowings	36	1,602,226	1,385,426	1,384,472	1,286,871
Retirement benefit obligation	37	8,577	3,277	8,480	3,244
Total liabilities		**24,108,609**	**13,745,420**	**19,117,126**	**11,466,615**
Equity					
Share capital and share premium	38	251,811	251,811	251,811	251,811
Additional Tier 1 Capital	38	345,030	206,355	345,030	206,355
Retained earnings		737,133	409,653	605,619	321,181
Other components of equity	38	960,548	344,677	329,526	289,319
Total equity attributable to owners of the Bank		**2,294,521**	**1,212,496**	**1,531,986**	**1,068,666**
Non controlling interest	38	53,911	14,395	-	-
Total equity		**2,348,432**	**1,226,891**	**1,531,986**	**1,068,666**
Total liabilities and equity		**26,457,042**	**14,972,311**	**20,649,112**	**12,535,281**

Signed on behalf of the Board of Directors on 29 January, 2024 by:

MANAGING DIRECTOR
Roosevelt Ogbonna
FRC/2017/PRO/DIR/003/00000016638

EXECUTIVE DIRECTOR
Oluseyi Kumapayi
FRC/2013/PRO/DIR/003/00000000911

CHIEF FINANCIAL OFFICER
Taiwo Fowowe
FRC/2021/PRO/ICAN/001/00000024694

Consolidated statements of changes in equity

In millions of Naira Group	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
	Attributable to owners of the Bank													
Balance at 1 January 2023	17,773	234,038	206,355	78,556	158,305	3,514	(11,228)	3,489	78,959	33,083	409,653	**1,212,495**	14,396	**1,226,891**
Total comprehensive income for the period:														
Profit for the period	-	-	-	-	-	-	-	-	-	-	641,172	641,172	4,290	645,461
Other comprehensive income/(loss), net of tax														
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	468,712	-	468,712	12,347	481,059
Actuarial (loss) on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	(3,129)	(3,129)	-	(3,129)
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(116,318)	-	-	(116,318)	22,878	(93,439)
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	16,694	-	-	16,694	-	16,694
Total other comprehensive (loss)/ income	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**(99,624)**	**468,712**	**(3,129)**	**365,959**	**35,225**	**401,185**
Total comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(99,624)**	**468,712**	**638,043**	**1,007,135**	**39,515**	**1,046,651**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	138,675	-	-	-	-	-	-	-	-	138,675	-	138,675
Dividend/Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	-	-	(57,884)	(57,884)	-	(57,884)
Transfers between reserves	-	-	-	68,410	170,656	-	-	-	-	-	(239,066)	-	-	-
Effects of hyperinflation	-	-	-	-	-	-	-	-	-	-	47,880	47,880	-	47,880
Restructuring of parent shares purchased for staff	-	-	-	-	-	(7,298)	-	-	-	-	-	(7,298)		(7,298)
Scheme shares	-	-	-	-	-	1,320	11,228	-	-	-	-	12,549	-	12,549
Vested shares	-	-	-	-	-	2,463	-	-	-	-	-	2,463	-	2,463
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(61,493)	(61,493)	-	(61,493)
Total contributions by and distributions to equity holders	**-**	**-**	**138,675**	**68,410**	**170,656**	**(3,515)**	**11,228**	**-**	**-**	**-**	**(310,563)**	**74,892**	**-**	**74,892**
Balance at 31 December 2023	**17,773**	**234,038**	**345,030**	**146,966**	**328,960**	**-**	**-**	**3,489**	**(20,665)**	**501,795**	**737,133**	**2,294,522**	**53,911**	**2,348,432**

Consolidated statement of changes in equity

In millions of Naira Group	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
	Attributable to owners of the Bank													
Balance at 1 January 2022	**17,773**	**234,038**	**206,355**	**6,714**	**136,728**	**3,217**	**(7,513)**	**3,489**	**(9,713)**	**38,191**	**397,273**	**1,026,552**	**23,477**	**1,050,029**
Total comprehensive income for the period:														
Profit for the period	-	-	-	-	-	-	-	-		-	155,838	155,838	(665)	155,173
Other comprehensive income/(loss), net of tax														
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	(5,108)	-	(5,108)	(1,599)	(6,707)
Actuarial gain on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	(1,119)	(1,119)	-	(1,119)
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	67,389	-	-	67,389	(5,486)	61,904
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	21,283	-	-	21,283	-	21,283
Total other comprehensive income/(loss)	-	-	-	-	-	-	-	-	88,672	(5,108)	(1,119)	82,445	(7,085)	75,359
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**88,672**	**(5,108)**	**154,720**	**238,283**	**(7,750)**	**230,533**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuing Cost of additional Tier 1 Capital	-	-	-				-	-	-	-	(14,441)	(14,441)	-	(14,441)
Transfers between reserves	-	-	-	71,842	21,577	-	-	-	-	-	(93,419)	-	-	-
Additional shares	-	-	-	-	-	1,871	(3,715)	-	-	-	-	(1,844)	-	(1,844)
Scheme shares (See Note 14)	-	-	-	-	-	(1,574)	-	-	-	-	-	(1,574)	-	(1,574)
Transfer from disposed subsidiaries	-	-	-	-	-	(409)	-	-	-	-	-	-	-	-
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(34,479)	(34,479)	(1,331)	(35,810)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**71,842**	**21,577**	**296**	**(3,715)**	**-**	**-**	**-**	**(142,340)**	**(52,338)**	**(1,331)**	**(53,672)**
Balance at 31 December 2022	**17,773**	**234,038**	**206,355**	**78,556**	**158,305**	**3,514**	**(11,228)**	**3,489**	**78,959**	**33,083**	**409,653**	**1,212,497**	**14,396**	**1,226,890**

Statements of changes in equity
In millions of Naira

Bank	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserve	Share Scheme reserve	Capital Reserve	Fair value reserve	Retained earnings	Total Equity
Balance at 1 January, 2023	17,773	234,038	206,355	76,336	136,767	2,674	3,489	70,053	321,181	**1,068,667**
Total comprehensive income for the period:										
Profit for the period	-	-		-	-	-	-	-	535,680	535,680
Other comprehensive income/(loss), net of tax										
Actuarial loss on retirement benefit obligations (net of tax)	-	-		-	-	-	-	-	(3,129)	(3,129)
Changes in fair value of FVOCI debt financial instruments	-	-		-	-	-	-	(84,882)	-	(84,882)
Changes in allowance on FVOCI debt financial instruments					-			(973)	-	(973)
Total other comprehensive (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(85,855)**	**(3,129)**	**(88,984)**
Total comprehensive (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(85,855)**	**532,551**	**446,696**
Transactions with equity holders, recorded directly in equity:										
Additional Tier 1 (AT1) Capital issued	-	-	138,675	-	-	-	-	-	-	138,675
Dividend/Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	(57,884)	(57,884)
Transfers between reserves	-	-	-	48,384	80,352	-	-	-	(128,736)	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	(61,493)	(61,493)
Reclassification of parent shares purchased for staff	-	-	-	-	-	(3,505)	-	-	-	(3,505)
Scheme shares	-	-	-	-	-	831	-	-	-	831
Vested shares	-	-		-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**138,675**	**48,384**	**80,352**	**(2,674)**	**-**	**-**	**(248,113)**	**16,624**
Balance at 31 December 2023	**17,773**	**234,038**	**345,030**	**124,720**	**217,119**	**-**	**3,489**	**(15,802)**	**605,619**	**1,531,985**

Statement of changes in equity
In millions of Naira

Bank	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share Scheme reserve	Capital Reserve	Fair value reserve	Retained earnings	Total Equity
Balance at 1 January, 2022	17,773	234,038	206,355	1,118	111,767	2,190	3,489	(10,058)	304,778	**871,449**
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	-	-	166,660	166,660
Other comprehensive income/(loss), net of tax										
Actuarial gain on retirement benefit obligations (net of tax)	-	-	-	-	-	-	-	-	(1,119)	(1,119)
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	76,640	-	76,640
Changes in allowance on FVOCI debt financial instruments					-			3,472	-	3,472
Total other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**80,111**	**(1,119)**	**78,993**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**80,111**	**165,542**	**245,654**
Transactions with equity holders, recorded directly in equity:										
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	(14,441)	(14,441)
Transfers between reserves	-	-	-	75,218	24,999		-	-	(100,217)	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	(34,479)	(34,479)
Scheme shares (See Note 14)	-	-	-	-	-	1,541	-	-	-	1,541
Vested shares	-	-	-	-	-	(1,057)	-	-	-	(1,057)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**75,218**	**24,999**	**484**	**-**	**-**	**(149,137)**	**(48,436)**
Balance at 31 December 2022	**17,773**	**234,038**	**206,355**	**76,336**	**136,767**	**2,674**	**3,489**	**70,053**	**321,181**	**1,068,667**

Consolidated and separate statements of cashflows

In millions of Naira	Note	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Cash flows from operating activities					
[1] Profit before income tax		751,086	169,703	569,140	162,704
Adjustments for:					
Depreciation	28	44,104	30,298	29,497	23,394
Amortisation	29	18,071	13,825	10,174	10,081
Gain on disposal of property and equipment	13	(255)	(1,123)	(146)	(762)
Gain/(Loss) on lease modification	28	45	330	45	330
Fair value gain on financial assets at FVPL	11	(193,175)	(3,628)	(193,135)	(3,517)
Gain on disposal of investment securities and Non pledged trading assets	11	(93,675)	(111,380)	(92,183)	(110,216)
Impairment on financial assets	9	139,535	197,790	123,304	118,678
Additional gratuity provision	14	687	5,769	687	5,769
Restricted share performance plan expense	14	1,320	1,871	831	1,541
Write-off of property and equipment	28	444	203	444	132
Write-off of intangible assets	29	135	1,039	135	35
Share of profit from associate	27	(914)	(513)	-	-
Gain on modification of loans	8	(3,569)	-	(3,569)	-
Fair value gain on investment property		(220)	-	(220)	-
Net interest income	8	(713,046)	(358,854)	(430,617)	(224,828)
Change arising from goodwill reassessment	29	-	(83)	-	-
Foreign exchange gain on revaluation	12	(39,461)	(34,501)	9,678	(5,423)
Loss on derecognition of ROU assets	28	-	6,546	-	-
Fair value of derivative financial instruments excluding hedged portion	11	(84,436)	(166,296)	(84,436)	(166,296)
Loss from discontinued operations	46	-	700	-	-
Dividend income	13	(5,223)	(3,672)	(23,387)	(15,159)
Net gain on fair value hedge (Hedging ineffectiveness)	12(b)	(222,816)	(19,742)	(222,816)	(19,742)
Loss on disposal of subsidiaries		-	397	-	-
		(401,363)	(271,322)	(306,573)	(223,280)
Changes in operating assets					
Changes in non-pledged trading assets	48 (i)	(147,102)	714,468	(120,121)	654,730
Changes in pledged assets	48 (ii)	56,993	(630,837)	56,994	(630,837)
Changes in other restricted deposits with central banks	48 (iii)	476,693	(372,202)	477,789	(370,580)
Changes in loans and advances to banks and customers	48 (iv)	(3,758,609)	(1,131,732)	(1,758,947)	(839,250)
Changes in restricted deposits and other assets	48 (v)	(3,484,575)	(497,739)	(2,502,253)	(437,388)
Changes in operating liabilities					
Changes in deposits from banks	48 (vi)	2,316,740	238,423	2,224,250	146,421
Changes in deposits from customers	48 (vii)	5,919,893	2,279,299	3,704,491	1,998,026
Changes in other liabilities	48 (viii)	944,429	432,644	841,272	366,894
		1,923,099	761,001	2,616,901	664,734
Interest paid on deposits to banks and customers	48 (ix)	(720,581)	(357,957)	(655,524)	(304,307)
Interest received on loans and advances to bank and customers	48 (x)	1,127,415	421,225	565,546	310,052
Interest received on non-pledged trading assets	48 (x)	92,041	60,006	44,599	37,440
		2,421,976	884,273	2,571,522	707,920
Payment out of retirement benefit obligation	37(i)	(120)	(8,029)	(120)	(8,029)
Income tax paid	16	(68,391)	(20,511)	(6,177)	(1,368)
Net cash generated from operating activities		**2,353,465**	**855,733**	**2,565,226**	**698,523**
Cash flows from investing activities					
Net acquisition of investment securities	48 (xi)	(3,673,857)	(1,981,681)	(3,520,411)	(1,828,663)
Interest received on investment securities	48 (x)	763,053	278,554	610,244	214,349
Transfer from/additional investment in fund manager	48 (xi)	(3,681)	3,003	(3,681)	3,003
Dividend received	13	5,223	3,672	23,387	9,164
Acquisition of property and equipment	28	(149,644)	(75,764)	(61,837)	(54,770)
Proceeds from the sale of property and equipment	48 (xiii)	29,475	16,747	450	3,312
Acquisition of intangible assets	29	(47,087)	(17,913)	(24,049)	(10,747)
Proceeds from disposal of asset held for sale	48 (xiii)	1,957	8,384	1,957	8,384
Proceeds from matured investment securities	48 (xiii)	2,199,706	1,189,922	2,169,007	1,189,922
Additional investment in associate	27 a	-	(4,356)	-	(4,356)
Additional investment in subsidiaries	48 (xi)	-	-	(117,356)	(65,543)
Net cash acquired on business combination	44	39,121	-	-	-
Proceeds from sale of subsidiary and associates	46 (b)	-	2,000	-	2,000
					-
Net cash used in investing activities		**(835,735)**	**(577,434)**	**(922,291)**	**(533,945)**
Cash flows from financing activities					
Interest paid on interest bearing borrowings and debt securities issued	48 (ix)	(114,218)	(68,961)	(108,081)	(63,464)
Proceeds from interest bearing borrowings	36	310,975	678,377	152,003	612,579
Proceeds from Additional Tier 1 capital issued	38	138,675	-	138,675	-
Payments on Issuing cost of Additional Tier 1 capital	48 (xv)	(57,884)	(14,441)	(57,884)	(14,441)
Repayment of interest bearing borrowings	36	(763,774)	(509,479)	(723,837)	(446,598)
Proceeds from debt securities issued	35	-	21,887	-	21,887
Lease payments	48 (xii)	(7,378)	(32,138)	(138)	(23,314)
Purchase of own shares	48 (xii)	(291)	(4,700)	(291)	(4,700)
Dividends paid to owners	48 (xv)	(61,493)	(35,810)	(61,493)	(34,479)
Net cash generated from financing activities		**(555,389)**	**34,734**	**(661,046)**	**47,468**
Net increase in cash and cash equivalents		962,341	313,033	981,889	212,046
Cash and cash equivalents at beginning of year	40	1,894,931	1,528,923	1,384,149	1,113,369
Net increase in cash and cash equivalents		962,341	313,032	981,889	212,051
Effect of exchange rate fluctuations on cash held		531,179	52,975	398,384	58,726
Cash and cash equivalents at end of year	40	3,388,451	1,894,930	2,764,422	1,384,146

[1] Contained in the profit before tax for December 2022 is the amount of N170.39bn from continuing operations and the loss of N700million from discontinued operations for the Group

1.0 General information

Access Bank Plc ("the Bank") is a bank domiciled in Nigeria. The address of the Bank's registered office is No 14/15, Prince Alaba Oniru Road, Oniru, Lagos (formerly Plot 999c, Danmole Street, off Adeola Odeku/Idejo Street, Victoria Island, Lagos). The consolidated and separate financial statements of the Group for the year ended 31 December 2023 comprise the Bank and its subsidiaries (together referred to as "the Group" and separately referred to as "Group entities"). The Group is primarily involved in investment, corporate, commercial and retail banking. The Bank is listed on National Association of Securities Dealers (NASD).

These financial statements were approved and authorised for issue by the Board of Directors on 29 January 2024. The directors have the power to amend and reissue the financial statements.

2.0 Statement of compliance with International Financial Reporting Standards

The consolidated and separate financial statements of the Group and Bank respectively, have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standard) issued by the International Accounting Standards Board (IASB). Additional information required by national regulations are included where appropriate.

3.0 Basis of preparation

This financial statement has been prepared in accordance with the guidelines set by International Financial Reporting Standards (IFRS Accounting Standard) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. This consolidated and separate financial statement comprise the consolidated and separate statement of comprehensive income, the consolidated and separate statement of financial position, the consolidated and separate statements of changes in equity, the consolidated and separate cash flow statement and the accompanying notes.

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, modified to include fair valuation of particular financial instruments, non current assets held for sale and investment properties to the extent required or permitted under IFRS as set out in the relevant accounting policies.

(i) Summary of accounting policies

The principal accounting policies applied in the preparation of these consolidated and separated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in naira,which is Access Bank Plc's functional and presentation currency; except where indicated, financial information presented in Naira has been rounded to the nearest millions.

(b) Basis of measurement

These consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value.
- non-derivative financial instruments at fair value through profit or loss are measured at fair value.
- financial instruments at fair value through OCI are measured at fair value.
- the liability for defined benefit obligations is recognised as the present value of the defined benefit obligation and related current service cost
- non-current assets held for sale measured at lower of carrying amount and fair value less costs to sell.
- Balances for entities in hyper-inflation economies
- share based payment at fair value or an approximation of fair value allowed by the relevant standard.
- Investment properties are measured at fair value.

(c) Use of estimates and judgments
The preparation of the consolidated and separate financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimation uncertainties and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 4.

3.1 Changes in accounting policy and disclosures

Changes in accounting policies
Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2023. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

Amendments to IAS 8 – Definition of Accounting Estimates
The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.
This amendment did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

Changes in material accounting policies

(I) Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense).

This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

The amendment does not have any material impact on the Group.

(II) Material accounting policy information

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3.3 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

3.2 Standards and interpretations issued/amended but not yet effective

The following standards have been issued or amended by the IASB but are yet to become effective for annual periods beginning on 1 January 2023:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current effective Jan 1, 2024
In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The amendment clarify:

* What is meant by a right to defer settlement.
* That a right to defer must exist at the end of the reporting period.
* That classification is unaffected by the likelihood that an entity will exercise its deferral right.
* That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The Board also added two new paragraphs (Paragraph 76A and 76B) to IAS1 to clarify what is meant by “settlement” of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

The amendment is not expected to have any material impact on the Group.

Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback effective Jan 1, 2024
In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full terminaton of a lease.

The amendment is not expected to have any significant impact on the Group at the time it will take effect, as there is non-existent of such transaction as Sale and Leaseback within the Group or with external parties.

Amendments to IAS 7 & IFRS 7 – Supplier Finance Arrangements effective Jan 1, 2024
In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity’s suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions.

The amendment is not expected to have any material impact on the Group.

3.3 Summary of material accounting policies

Basis of consolidation

(a) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Group exercises control.
Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity:

[i] power over the investee;
[ii] exposure, or rights, to variable returns from its involvement with the investee; and
[iii] the ability to use its power over the investee to affect the amount of the investor’s returns

The Group reassess periodically whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed. The existence and effect of potential voting rights are considered when assessing whether the group controls another entity.

The Group assesses existence of control where it does not have more than 50% of the voting power i.e. when it holds less than a majority of the voting rights of an investee. The group considers all relevant facts and circumstances in assessing whether or not it's voting rights are sufficient to give it power, including:

[i] a contractual arrangement between the group and other vote holders
[ii] rights arising from other contractual arrangements
[iii] the group’s voting rights (including voting patterns at previous shareholders' meetings)
[iv] potential voting rights

The subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.
Subsidiaries are measured at cost less impairment in the separate financial statement.

(b) Business combinations

The Group applies IFRS 3 *Business Combinations (revised)* in accounting for business combinations.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights.

The Group measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; Plus
- the recognized amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When this total is negative, a gain from a bargain purchase is recognised immediately in statement of comprehensive income.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in in the income statement.

Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.
Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the income statement.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognised amount of the identifiable net assets, at the acquisition date.

(c) Investment Funds

The Group acts as a fund manager for the RSPP funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of the aggregate economic interest of the Group in the fund. The group has concluded that it acts as an agent for the investment in all cases, and therefore has not consolidated its funds.

(d) Loss of control

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments.

(e) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.
The gain/loss arising from disposal of subsidiaries is included in the profit/loss of discontinued operations in the statement of comprehensive income, if the disposal subsidiary meets the criteria specified in IFRS 5.
Foreign currency translation differences become realised when the related subsidiary is disposed.

(f) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(g) Transactions eliminated on consolidation
Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(h) Non controlling interest
The group recognises non-controlling interests in an acquired entity either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

3.4 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Executive Committee (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

3.5 Foreign currency translation

(a) Functional and presentation currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Naira', which is the group and the Bank's presentation currency.

The Group in the normal course of business sets up Structured Entries (SEs) for the sole purpose of raising finance in foreign jurisdictions. The SEs raises finance in the currency of their jurisdictions and pass the proceeds to the group entity that set them up. All costs and interest on the borrowing are borne by the sponsoring group entity. These SEs are deemed to be extensions of the sponsoring entity, and hence, their functional currency is the same as that of the sponsoring entity.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest, impairment and payments during the year, and the amortised cost in the foreign currency translated at the spot exchange rate at the end of the year. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are
recognised in OCI:
• equity investments in respect of which an election has been made to present subsequent changes in fair value in OCI;
• a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
• qualifying cash flow hedges to the extent that the hedges are effective.

(c) Foreign Operations

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency(except for Access Bank Ghana who has a currency of hyper-inflation) as follows:

[i] assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

[ii] income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

[iii] all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

(d) Hyperinflationary Accounting

In 2023, the Group applied hyperinflationary accounting to a subsidiary operation in the country where the three-year cumulative inflation rate approached or exceeded 100% in accordance with the provisions of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29).
This affected the Group's operations in Ghana with a functional currency of Ghana Cedis where the three years cumulative inflation has reached over 100% as evidenced by the official Consumer Price Index (CPI) that moved from 107.01 in 2021 to 200.5 in 2023. The Group adopted hyperinflation accounting from 1 January 2023 for the results and financial position of the subsidiary in Ghana.
The Group applies IAS 29 to the underlying financial information of relevant subsidiary to restate their local currency results and financial position to be stated in terms of the measuring unit current at the end of the reporting period. Those restated results are translated into the Group's presentation currency of Naira for consolidation at the closing rate at the balance sheet date. Group comparatives are not restated for inflation. The hyperinflationary gain or loss in respect of the net monetary position of the relevant subsidiary is included in profit or loss.

The restatement of transactions and balances for the Ghana subsidiary are as follows:
- Corresponding figures as of, and for, the prior year ended, are restated by applying the change in the index from the end of the prior year to the end of the current year.
- Monetary assets and liabilities for the current year, are not restated because they are already stated in terms of the measuring unit current at statement of financial position date;
- Non-monetary assets and liabilities, and components of shareholders equity/funds, are restated by applying the change in index from date/month of transaction or, if applicable, from the date of their most recent revaluation to the statement of financial position date;
- Property, plant and equipment and intangible assets are restated by applying the change in the index from the date of transaction, or if applicable from the date of their most recent/last revaluation, to the statement of financial position date. Depreciation and amortisation amounts are based on the restated amounts;
- Profit or loss statement items/transactions, are restated by applying the change in index during the period to statement of financial position date;
- Consequential adjustments to the opening balance sheet in relation to hyperinflationary subsidiary are presently directly in equity
- Gains and losses arising from net monetary asset or liability positions are included in the profit or loss statement; and
- All items in the cash flow statement are expressed in terms of the measuring unit current at the statement of financial position date.

3.6 Operating income

It is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Revenue is recognised when control of goods or services have been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset.

Principal versus Agency considerations
The Group is the principal in an arrangement where it obtains control of the goods or services of another party in advance of transferring control of those goods or services to a customer. The Group is the principal in its card services.

The Group is an agent where its performance obligation is to arrange for another party to provide the goods and services. The Group is the agent in its arrangement with mobile network providers, card vendors and insurance companies.

Where the group is acting as an agent, it recognises as revenue only the commission retained by the group (in other words, revenue is recognised net of the amounts paid to the principal). Where the group is the principal, it will recognise as revenue the gross amount paid and allocated to the performance obligation. It will also recognise an expense for the direct costs of satisfying the performance obligation.

(a) Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within "interest income" and "interest expense" in the consolidated and separate income statement using the effective interest method.
The Group calculates interest income by applying the Effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets
When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instruments but not future credit losses.

The calculation of the effective interest rate includes contractual fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income and expense presented in the statement of comprehensive income include:
- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis.

- interest on fair value through other comprehensive income investment securities calculated on an effective interest basis.

Interest income on fair value through profit or loss instruments is recognised using the contractual interest rate on investment securities.

(b) Fees and commission income and expense

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Fee and commission presented in the income statement includes:

- Credit related fees: This includes advisory, penal and commitment fees. These are fees charged for administration and advisory services to the customer up to the customer's acceptance of the offer letter. The advisory and commitment fees are earned at the point in time where the customer accepts the offer letter which is when the Bank recognises its income. These fees are not integral to the loan, therefore, they are not considered in determining the effective interest rate. The penal fee on default also forms part of the items warehoused in this line.When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

- Account maintenance fees: These are fees charged to current accounts. N1 on every N1,000 in respect of all customer induced debit transactions is charged on these accounts. These fees are earned by the Bank at the time of each transaction and the Bank recognises its income accordingly.

- Card maintenance fees: The Bank charges these fees to customers for maintaining their cards. The fees are earned and recognised by the Bank over the validity period of the card. The Bank charges the customers for this service on a monthly basis.

- Other fees and commission income, includes commission on bills and letters of credit, account handling charge, commissions on other financial services, commission on foreign currency denominated transactions, channel and other e-busiess income, and retail account charges. These fees and commissions are recognised as the related services are performed.

Fees and commissions expenses are fees charged for the provision of services to customers transacting on alternate channels platform of the Bank and on the various debit and credit cards issued for the purpose of these payments. They are charged to the Bank on services rendered on internet banking, mobile banking and online purchasing platforms. The corresponding income lines for these expenses include the income on cards (both foreign and local cards), online purchases and bill payments included in fees and commissions.

(c) Net loss/gains on financial instruments at fair value

Net loss/gains on financial instruments comprise of the following:

- Net gains/losses on financial instruments classified as fair value through profit or loss: This includes the gains and losses arising both on sale of trading instruments and from changes in fair value of derivatives instruments.

- Net gains on financial instruments held as Fair value through other comprehensive income: This relates to gains arising from the disposal of financial instruments held as Fair value through other comprehensive income as well as fair value changes reclassified from other comprehensive income upon disposal of debt instruments carried at fair value through other comprehensive income

(d) Net Foreign exchange gain and losses

Net foreign exchange gain and losses include realised and unrealised foreign exchange gains or losses on revaluation of the foreign currency denominated transactions

(e) Other operating income

Other operating income includes items such as dividends, gains on disposal of properties, rental income, income from asset management, brokerage and agency as well as income from other investments.

Dividend on Fair value through other comprehensive income equity securities: This is recognised when the right to receive payment is established. Dividends are reflected as a component of other operating income in the income statement.

3.7 Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the bank and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. It is recognized in the current tax liabilities caption in the statement of financial positions

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty

(b) Minimum Tax

Based on the provisions of The Finance Act 2019, minimum tax will be applicable at 0.5% of gross turnover less franked investment income. This is shown in note 16

(c) Deferred tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated statement of financial position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.8 Financial assets and liabilities

Investments and other financial assets

Recognition and derecognition

The Group initially recognizes financial instruments (including regular-way purchases and sales of financial assets) on the settlement date, which is the date that the instrument is delivered to or by the Group.

(a) Financial assets

i *Classification*

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured subsequently at amortised cost.

The classification for debt financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The group reclassifies debt investments when and only when its business model for managing those assets changes. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Where the fair value is different from the transaction price, the resulting gain or loss is recognized in trading gains or losses on financial instruments only when the fair value is evidenced by a quoted price in an active market for an identical asset (i.e. level 1 input) or based on a valuation technique that uses only data from observable markets"

ii ***Debt instruments***

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the contractual cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

● Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in Net (loss)/gain on financial instruments at fair value together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

● FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other operating income. Interest income from these financial assets is included in interest income using the effective interest rate method. Foreign exchange gains and losses are presented in net gains/(loss) on financial instruments at fair value and impairment expenses are presented as separate line item in net impairment charge on financial assets

● FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within net gains/(loss) on financial instruments at fair value in the period in which it arises.

If in a subsequent period, the fair value of an impaired fair value through other comprehensive income debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through the income statement; otherwise, any increase in fair value is recognised through OCI.

The Group only measures cash and balances with banks, Loans and advances to banks and customers and other financial investments at amortised cost if both of the following conditions are met:
• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
The details of these conditions are outlined below.

iii ***Equity instruments***

The group initially measures all equity investments at fair value through profit or loss. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.
Changes in the fair value of financial assets at FVPL are recognised in net gains/(loss) on financial instrument at fair value in the statement of profit or loss as applicable.

iv Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.
The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:
• How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
• The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
• How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
• The expected frequency, value and timing of sales are also important aspects of the Group’s assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case’ scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

v The SPPI test

As a second step of its classification process, the Group assesses the contractual terms of financial instruments to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).
The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.
In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

(b) Financial Liabilities

Financial liabilities that are not classified at fair value through profit or loss are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date. Interest expense is included in 'Interest expense' in the Statement of comprehensive income.

Financial liabilities that are classified at fair value through profit or loss include derivatives, financial liabilities held for trading and other financial liabilities designated as such at initial recognition. Gains and losses attributable to changes in Group's credit risk are recognised in other comprehensive income and the fair value of the liability are recognised in profit or loss.
If recognition of own credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, all fair value gains/losses are recognised in profit or loss.

The table below reconciles classification of financial instruments to the respective IFRS 9 category.

Financial assets	Financial assets at fair value through profit or loss
	Financial assets at amortised cost
	Fair value through other comprehensive income
Financial liabilities	Financial liabilities at fair value through profit or loss
	Financial liabilities at amortised cost

(c) Classification of financial assets

[i] Fair value through profit or loss
This category comprises financial assets classified as hold to sell upon initial recognition.

A financial asset is classified as fair value through profit or loss if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised measured at fair value through profit or loss unless they are designated and effective as hedging instruments. Financial assets held for trading consist of debt instruments, including money-market instruments, as well as financial assets with embedded derivatives. They are recognised in the consolidated statement of financial position as 'non-pledged trading assets '.

Financial assets included in this category are recognised initially at fair value; transaction costs are taken directly to the consolidated income statement. Gains and losses arising from changes in fair value are included directly in the consolidated income statement and are reported as " Net (loss)/gain on financial instruments at fair value". Interest income and expense and dividend income on financial assets held for trading are included in 'Interest income', "Interest expense' or 'Other operating income', respectively. The instruments are derecognised when the rights to receive cash flows have expired or the Group has transferred substantially all the risks and rewards of ownership and the transfer qualifies for derecognising.

The Group is mandated to classify certain financial assets upon initial recognition as at fair value through profit or loss (fair value option) when the following conditions are met:

- The asset does not meet the solely principal and interest on the principal amount outstanding (SPPI) test

- The financial asset is held within a business model whose objective is achieved by selling financial assets.

The Group may designate certain financial assets upon initial recognition as at fair value through profit or loss (fair value option). This designation cannot subsequently be changed. The fair value option is only applied when the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.

[ii] Amortized cost

Amortized cost financial assets are assets that are held for collection of contractual cashflows, where those cashflows represent solely payments of principal and interest.

These are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method. Any sale or reclassification of a significant amount of amortized cost investments not close to their maturity would result in a reassessment of the Bank's business model for managing the assets. However, sales and reclassifications in any of the following circumstances would not trigger a reclassification:

- Sales or reclassification that are so close to maturity that changes on the market rate of interest would not have a significant effect on the financial asset's fair value.
- Sales or reclassification after the Group has collected substantially all the asset's original principal.
- Sales or reclassification attributable to non-recurring isolated events beyond the Group's control that could not have been reasonably anticipated.

Interest on amortized cost investments is included in the consolidated income statement and reported as 'Interest income'. In the case of an impairment, the impairment loss is been reported as a deduction from the carrying value of the investment and recognised in the consolidated income statement as 'net impairment loss on financial assets'. Amortised cost investments include treasury bills and bonds.

[iv] Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are assets that are held for the collection of contractual cashflows and selling of the financial assets where the asset's cashflow represents solely payments of principal and interest.

Unquoted equity securities that have been elected as fair value through other comprehensive and other fair vlaue through other comprehensive income investments are carried at fair value.

Interest income is recognised in the income statement using the effective interest method. Dividend income is recognised in the income statement when the Group becomes entitled to the dividend. Foreign exchange gains or losses on such investments are recognised in the income statement.

Other fair value changes are recognised directly in other comprehensive income until the debt investment is sold or impaired whereupon the cumulative gains and loses previously recognised in other comprehensive income are recognised to the income statement as a reclassification adjustment.

Fair value through other comprehensive income instruments include investment securities and equity investments that are so elected.

(d) Classification of financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or fair value through profit or loss.

[i] Financial liabilities at amortised cost

(i) Financial liabilities at amortised cost
Financial liabilities that are not classified as at fair value through profit or loss are measured at amortised cost using the effective interest method. Interest expense is included in 'Interest expense' in the Statement of comprehensive income.

Deposits and debt securities issued are the Group's sources of debt funding. When the Group sells a financial asset and simultaneously enters into a "repo" or "stock lending" agreement to repurchase the asset (or a similar asset) at a fixed price on a future date, the arrangement is accounted for as a deposit, and the underlying asset continues to be recognised in the Group's financial statements as pledged assets.

The Group classifies debt instruments as financial liabilities in accordance with the contractual terms of the instrument.

Deposits and debt securities issued are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Group designates liabilities at fair value through profit or loss.
On this statement of financial position, other financial liabilities carried at amortised cost include deposit from banks, deposit from customers, interest bearing borrowings, debt securities issued and other liabilities.

[ii] Financial liabilities at fair value

(ii) Financial liabilities at fair value

The Group may enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and foreign currency options. Further details of derivative financial instruments are disclosed in Note 21 to the financial statements.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives are presented as financial assets or financial liabilities.

Derivative assets and liabilities are only offset if the transactions are with the same counterparty, a legal right of offset exists and the parties intend to settle on a net basis.

(e) Measurement of financial asset and liabilities

[i] Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

[ii] Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When available, the Group measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Group establishes fair value using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, and discounted cash flow analysis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in the income statement on initial recognition of the instrument.

In other cases the difference is not recognised in the income statement immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Assets and long positions are measured at a bid price; liabilities and short positions are measured at an asking price. Where the Group has positions with offsetting risks, mid-market prices are used to measure the offsetting risk positions and a bid or asking price adjustment is applied only to the net open position as appropriate. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes a third-party market participant would take them into account in pricing a transaction.

Reclassification of financial assets and liabilities

(f) Reclassification of financial assets

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group changes its business model for managing a financial asset; the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

The following are not changes in business model;

a. change in intention related to particular financial assets (even in circumstances of significant changes in market conditions).
b. the temporary disappearance of a particular market for financial assets.
c. a transfer of financial assets between parts of the entity with different business models.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to amortised cost categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Reclassification date
The first day of the first reporting period following the change in business model that results in an entity reclassifying financial assets.

A change in the objective of the Group's business model must be effected before the reclassification date. For example, if Group decides on 15 February to shut down its Corporate & investment Banking business and hence must reclassify all affected financial assets on 1 April (i.e. the first day of the Group's next reporting period), the Group must not accept new Corporate & investment Banking business or otherwise engage in activities consistent with its former business model after 15 February.

All reclassifications are applied prospectively from the reclassification date.
When the Group reclassifies a financial asset between the amortised cost measurement category and the fair value through other comprehensive income measurement category, the recognition of interest income is not changed and it continues to use the same effective interest rate.
However, when the Group reclassifies a financial asset out of the fair value through profit or loss measurement category, the effective interest rate is determined on the basis of the fair value of the asset at the reclassification date.

(g) Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset or liability, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition in the statement of comprehensive income, to the extent that an impairment loss has not already been recorded. The terms and conditions have been renegotiated substantially if the discounted cash flows under the new terms are at least 10 per cent different from the discounted remaining cash flows of the original terms. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated Credit Impaired (POCI).

When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors:

• Change in currency of the loan
• Introduction of an equity feature
• Change in counterparty
• If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded. This is recognized in the statement of comprehensive income.

(i) Derecognition other than for substantial modification - Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

• The Group has transferred its contractual rights to receive cash flows from the financial asset or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

• The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
• The Group cannot sell or pledge the original asset other than as security to the eventual recipients
• The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Group has transferred substantially all the risks and rewards of the asset or
• The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.
When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.
If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Bank would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Derecognition other than for substantial modification - Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms such as the beneficiary, tenor, prinicpal amount or the interest rate, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

(h) Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Group has a legal enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

Sale and repurchase agreements
Securities sold subject to repurchase agreements ('repos') remain on the statement of financial position; the counterparty liability is included in amounts due to other banks, deposits from banks, other deposits or deposits due to customers, as appropriate. Securities purchased under agreements to resell (reverse repos') are recorded as money market placement. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

Securities lent to counterparties are also retained in the financial statements. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in Net (loss)/gain on financial instruments at fair value.

(i) Measurement of specific financial assets

(i) Cash and balances with banks

Cash and balances with banks include notes and coins on hand, balances held with central banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, unrestricted balances with foreign and central banks, money market placements and other short-term highly liquid investments with original maturities of three months or less.

(ii) Repossessed collateral

Repossessed collateral are equities, investment properties or other investments repossessed from a customer and used to settle the outstanding obligation. Such investments are classified in accordance with the intention of the Group in the asset class which they belong and are also separately disclosed in the financial statement.

When collaterals are repossessed in satisfaction of a loan, the receivable is written down against the allowance for losses. Repossessed collaterals are included in the financial statement based on how the Bank intends to realize benefit from such collateral such as "Non current assets held for sale" and carried at the lower of cost or estimated fair value less costs to sell, if the Group intends to sell or cost less accumulated depreciation, if for use in the normal course of business.

(iii) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets (for example, for exchange-traded options), including recent market transactions, and valuation techniques (for example for swaps and currency transactions), including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The Group mitigates the credit risk of derivatives by holding collateral in the form of cash.

(iv) Pledged assets

Financial assets transferred to external parties that do not qualify for de-recognition are reclassified in the statement of financial position from financial assets carried at fair value through profit or loss or investment securities to assets pledged as collateral, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms.

Initial recognition of assets pledged as collateral is at fair value, whilst subsequent measurement is based on the classification of the financial asset. Assets pledged as collateral are either classified as fair value through profit or loss, Fair value through other comprehensive income or Amortized cost. Where the assets pledged as collateral are classified as fair value through profit or loss, subsequent measurement is at fair value through profit and loss, whilst assets pledged as collateral classified as Fair value through other comprehensive income are measured at fair-value through equity. Assets pledged as collateral are measured at amortized cost.

[v] Investment under management

Investment under management are funds entrusted to Asset management firms who acts as agents to the bank for safe keeping and management for investment purpose with returns on the underlying investments accruable to the Bank, who is the principal.

The investment decision made by the Asset management is within an agreed portfolio of high quality Nigerian fixed income and money market instruments which are usually short tenured.

The investments are carried at amortized cost.

3.9 Impairment of financial assets

Overview of the ECL principles

The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

• An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
• The time value of money; and
• Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Staging Assessment

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.
Based on the above process, the Group categorises its financial instruments into Stage 1, Stage 2,Stage 3 , as described below. All POCI (Purchased or originated credit impaired) financial instruments are categorized under stage 3.

• Stage 1: When a financial instrument is first recognised, the Group recognises an allowance based on 12m Expected credit Loss. Stage 1 also includes financial instruments where the credit risk has improved (after review over a period of 90 days) and the financial instruments has been reclassified from Stage 2.

• Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Group records an allowance for the Lifetime ECLs. Stage 2 financial instruments also include instances, where the credit risk has improved (after review over a period of 90 days) and the financial instrument has been reclassified from Stage 3.

• Stage 3: Financial instruments considered credit-impaired.The Group records an allowance for the Lifetime ECLs.

POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

Change in credit quality since initial

Stage 1	Stage 2	Stage 3
(Initial Recognition) 12-months expected credit losses	(Initial Recognition) Lifetime expected credit losses	(Credit-impaired assets) Lifetime expected credit losses

Measuring the Expected Credit Loss

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

• The PD represents the likelihood of a borrower defaulting on its financial obligation (as per Definition of default and credit-impaired above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

• EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

• Loss Given Default represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

• For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

• For revolving products, the exposure at default is predicted by taking current drawn balance and adding a credit conversion factor which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Group's recent default data.

When estimating the ECLs, the Group considers three scenarios (optimistic, best-estimate and downturn) and each of these is associated with different PDs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure (i.e. be paid in full or no longer credit-impaired) and the value of collateral or the amount that might be received for selling the asset.
The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

• For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.

• For unsecured products, LGDs are typically set at product level due to the limitation in recoveries achieved across different borrower. These LGDs are influenced by collection strategies, including contracted debt sales and price.

The mechanics of the ECL method are summarised below:

• Stage 1: The 12 month ECL is calculated as the portion of Lifetime ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date.
These expected 12-month default probabilities are applied to a forecast 12 month EAD and multiplied by the expected 12 month LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.

• Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the Lifetime ECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

• Stage 3: For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

• POCI: Purchase or Originated Credit Impaired (POCI) assets are financial assets that are credit impaired on initial recognition. The Group only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the three scenarios, discounted by the credit adjusted EIR.

• Loan commitments and letters of credit: When estimating Lifetime ECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected
life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the three scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.
For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognised within net impairment charge on financial assets

• Financial guarantee contracts: The Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement, and the ECL provision. For this purpose, the Group estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure. The calculation is made using a probability-weighting of the three scenarios. The ECLs related to financial guarantee contracts are recognised within net impairment charge on financial assets

• Sovereign Debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers 'low credit risk' for such instruemnts to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Significant increase in credit risk (SICR)
The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria:
The remaining Lifetime PD at the reporting date has increased, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

Deterioration in the credit rating of an obligor either based on the Bank's internal rating system or an international credit rating. However, the downgrade considers movement from a grade band to another e.g. Investment grade to Standard.
The Group also considers accounts that meet the criteria to be put on the watchlist bucket in line with CBN prudential guidelines since they have significantly increased in credit risk.

The Bank continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Bank assesses whether there has been a significant increase in credit risk since initial recognition.

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information. The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:
• The remaining lifetime PD as at the reporting date, with
• The remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure
The Bank uses three criteria for determining whether there has been a significant increase in credit risk:
• A quantitative test based on movement in PD
• Qualitative indicators; and
• A backstop of 30 days past due for all financial assets (regardless of the change in internal credit grades

Qualitative criteria:
For Retail loans, if the borrower meets one or more of the following criteria:
• In short-term forbearance
• Direct debit cancellation
• Extension to the terms granted
• Previous arrears within the last [12] months

For Corporate portfolio, if the borrower is on the watchlist and/or the instrument meets one or more of the following criteria:
• Significant increase in credit spread
• Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
• Actual or expected forbearance or restructuring
• Actual or expected significant adverse change in operating results of the borrower
• Significant change in collateral value (secured facilities only) which is expected to increase risk of default
• Early signs of cash flow/liquidity problems such as delay in servicing of trade creditors/loans

The assessment of SICR incorporates forward-looking information and is performed on a quarterly basis at a portfolio level for all Retail financial instruments held by the Group. In relation to Wholesale and Treasury financial instruments, where a Watchlist is used to monitor credit risk, this assessment is performed at the counterparty level and on a periodic basis. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

For modified financial assets the Group assesses whether there has been a significant increase in credit risk of the financial instrument by comparing the risk of default occurring at the reporting date (based on the modified contractual terms) and the risk of default occurring at initial recognition (based on the original unmodified contractual terms)

Backstop
A backstop indicator is applied and the financial instrument is considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due and 90 days past due on its contractual payments for both stage 2 and stage 3 respectively.

Definition of default and credit-impaired assets
The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria
The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria
The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
• The borrower is in long-term forbearance
• The borrower is deceased
• The borrower is insolvent
• The borrower is in breach of financial covenant(s)
• An active market for that financial asset has disappeared because of financial difficulties
• Concessions have been made by the lender relating to the borrower's financial difficulty
• It is becoming probable that the borrower will enter bankruptcy
• Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

Incorporation of forward looking information and macroeconomic factors
In its ECL models, the Group relies on a broad range of forward looking information as economic inputs. The macroeconomic variables considered for the adjustment of the probabilities of default are listed below:

- Crude oil prices,
- Exchange rates (USD/NGN), and
- GDP growth rate

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The ECLs include forward-looking information which translates into an allowance for changes in macro-economic conditions and forecasts when estimating lifetime ECLs. It is important to understand the effect of forecasted changes in the macro-economic environment on ECLs, so that an appropriate level of provisions can be raised.

A regression model was built to explain and predict the impact of macro-economic indicators on default rates. Such regression models are usually built on a history of default rates and macro-economic variables covering at least one economic cycle, but preferable more.

Historical data on macro-economic indicators from a host of reliable sources, including the International Monetary Fund was gathered. As a proxy for default rates, the Group provided their non-performing loans as a percentage of gross loans ("NPL%") metric. The time series data extended from the first quarter of 2012 to the second quarter of 2020. Quarterly data was used to increase granularity.

The macro-economic model regressed historical NPL% (the target variable) on a list of candidate macro-economic indicators. The Bank's Economic Intelligence currently monitors and forecasts certain macro-economic indicators. These indicators are GDP growth rate, crude oil prices and the foreign exchange rate.The most predictive variables that were selected in the regression model (the most predictive indicators) were determined. The logic of the relationships between the indicators and the target variable was considered and assessed to ensure indicators are not highly correlated with one another.

The model produced best-estimate, optimistic and downturn forecasts of the selected macro-economic indicators, based on trends in the indicators and macro-economic commentary. This was done through stressing the indicator GDP, which in turn stressed the other indicators based on their assumed historical correlation with GDP. The regression formula obtained was applied to the forecasted macro-economic indicators in order to predict the target variable.

The best-estimate, optimistic and downturn scalars of predicted target variables were determined. In order to remove the impact of any historical trends included in the data, the scalar denominator was adjusted based on the estimation period used to derive the PDs. The scalars calculated were applied to the lifetime PDs. This process results in forward-looking best-estimate, optimistic and downturn lifetime PD curves, which are used in the ECL calculations.

Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodic basis.

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as external valuers.

Collateral repossessed

The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Group's policy.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Either the counterparty can no longer pay the obligation or proceeds from the collateral will not be sufficient to pay back the exposure. As directed by CBN guideline on write-off, board approval is required before any write-off can occur. For insider-related loans, CBN approval is required. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount to derecognize the asset. The recovery department continues with recovery efforts and any subsequent recoveries are credited to bad debt recovered under other operating income

Expected credit loss on loans and receivables

The Group considers all loans and advances, financial assets at FVOCI and amortized cost investments at specific level for expected credit loss assessment.

In assessing expected credit loss, the Group uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current and forecasted economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate. The ECL on restricted deposits and other assets is calculated using the simplified model approach.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognised in the income statement and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

Expected credit loss on fair value through other comprehensive income securities

Impairment losses on fair value through other comprehensive income investment securities are recognised in profit or loss and the impairment provision is not used to reduce the carrying amount of the investment but recognised in other comprehensive income.

For debt securities, the group uses the criteria referred above to assess impairment.

The Group writes off previously impaired loans and advances (and investment securities) when they are determined not to be recoverable. The Group writes off loans or investment debt securities that are impaired (either partially or in full and any related allowance for impairment losses) when the Group credit team determines that there is no realistic prospect of recovery.

3.10 Investment properties

An investment property is an investment in land or buildings held primarily for generating income or capital appreciation and not occupied substantially for use in the operations of the Group. An occupation of more than 15% of the property is considered substantial. Investment properties is measured initially at cost including transaction cost and subsequently carried in the statement of financial position at their fair value and revalued periodly on a systematic basis. Investment properties are not subject to periodic charge for depreciation. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the period which it arises as: "Fair value gain/loss on investment property"

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in income statement inside other operating income or other operating expenses dependent on whether a loss or gain is recognized after the measurement

When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting applicable to property and equipment

3.11 Property and equipment

(a) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

When significant parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognised net within other operating income in the Income statement.

(b) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. The costs of the day-to-day repairs and maintenance of property and equipment are recognised in Income statement as incurred.

(c) Depreciation

Depreciation is recognised in the income statement on a straight-line basis to write down the cost of items of property and equipment, to their residual values over the estimated useful lives.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives for the current and comparative periods of significant items of property and equipment are as follows:

Freehold Land	Not depreciated
Leasehold improvements and building	Over the shorter of the useful life of the item or lease term
Buildings	60 years
Computer hardware	4.5 years
Furniture and fittings	6 years
Plant and Equipment	5 years
Motor vehicles	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each date of the statement of financial position. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset’s fair value less costs to sell and value in use.

Capital work in progress is not depreciated. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

(d) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included within other operating income in the income statement in the period the asset is derecognised.

3.12 Leases

Group as the Lessee:
The Bank leases several assets including buildings and land. Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension options as described in the "extension and termination options header" below. The lease period ranges from 1 period to 40 periods. The lease agreements do not impose any covenants, however, leased assets may not be used as security for borrowing purposes.

Contracts may contain both lease and non-lease components. The Bank has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Bank. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities

At commencement date of a lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the Bank under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Bank exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Bank’s incremental borrowing rate is used, being the rate that the Bank would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions. The weighted average incremental borrowing rate applied to the lease liabilities as at 31 December 2023 was 15.79%. Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right of use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Short-term leases and leases of low value

The Bank applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. low value assets). Low-value assets are assets with lease amount of less than $5,000 or its equivalent in Naira when new. Lease payments on short-term leases and leases of low-value assets are recognised as expense in profit or loss on a straight-line basis over the lease term.

Extension and termination options

Extension and termination options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Bank's operations. The majority of extension and termination options held are exercisable only by the Bank.

A group company is the lessor;

When assets are held subject to a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

3.13 Intangible assets

(a) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is tested annually for impairment.

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified in accordance with IFRS 8.

Goodwill has an indefinite useful life and is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets are derecognized on disposal or when no economic benefits are expectedfrom their use or disposal

(b) Software

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset. Software has a finite useful life, the estimated useful life of software is four and half years (4.5). Amortisation methods, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate.

(c) Brand, Customer Relationships and Core Deposits
These are intangible assets related to acquisitions. At acquisition date, they are initially recorded at their fair value and subsequently at cost less accumulated amortization. Amortization expense is recorded in amortization of intangible assets in the Consolidated Statement of Profit or Loss. Intangible assets are amortized over the period during which the Group derives economic benefits from the assets, on a straight-line basis, over a period of 10 years.

The useful lives of the assets are reviewed annually for any changes in circumstances. The assets are tested annually for impairment or at such time where there is an impairment trigger, or changes in circumstances indicate that their carrying value may not be recoverable.

3.14 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than goodwill and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

The recoverable amount of goodwill is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets (the "cash-generating unit" or CGU). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to the groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.15 Discontinued operations

The Group presents discontinued operations in a separate line in the consolidated income statement if an entity or a component of an entity has been disposed of or is classified as held for sale and:

(a) Represents a separate major line of business or geographical area of operations;
(b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
(c) Is a subsidiary acquired exclusively with a view to resale (for example, certain private equity investments).

Net profit from discontinued operations includes the net total of operating profit and loss before tax from operations, including net gain or loss on sale before tax or measurement to fair value less costs to sell and discontinued operations tax expense. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group´s operations and cash flows. If an entity or a component of an entity is classified as a discontinued operation, the Group restates prior periods in the consolidated income statement.

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are re-measured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's accounting policies.

Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on re-measurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale or distribution, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3.16 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.
Investment property classified as non-current asset held for sale are measured at fair value, gain or loss arising from a change in the fair value of investment property is recognised in income statement for the period in which it arise.

3.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expenses.

(a) Restructuring
A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

3.18 Financial guarantees

Financial guarantees which includes Letters of credit are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable).
Letters of credits which have been guaranteed by Access bank but funded by the customer is included in other liabilities while those guaranteed and funded by the Bank is included in deposit from financial institutions.

3.19 Employee benefits

(a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting period.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value at the reporting date.

The Bank operates a funded, defined contribution pension scheme for employees. Employees and the Bank contribute 8% and 10% respectively of the qualifying staff salary in line with the provisions of the Pension Reforms Act 2014.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(c) Post employment defined benefit plan

The Bank has a non-contributory, un-funded lump sum defined benefit plan for top executive management of the Bank from General Manager and above based on the number of years spent in these positions.

Depending on their grade, executive staff of the Bank upon retirement are entitled to certain benefits based on their length of stay on that grade. The Bank's net obligation in respect of the long term incentive scheme is calculated by estimating the amount of future benefits that eligible employees have earned in return for service in the current and prior periods. That benefit is discounted to determine its present value. The rate used to discount the post employment benefit obligation is determined by reference to the yield on Nigerian Government Bonds, that have maturity dates approximating the terms of the Bank's obligations.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is immediately recognized in the income statement. The Bank recognizes all actuarial gains or losses and all expenses arising from defined benefit plan immediately in the profit and loss account, with a charge or credit to other comprehensive income (OCI) in the periods in which they occur. They are not recycled subsequently in the income statement.

(d) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(e) Share-based payment remuneration scheme

The Group applies IFRS 2 Share Based Payments in accounting for employee remuneration in the form of shares.
Employee incentives include awards in the form of shares . The cost of the employee services received in respect of the shares or share granted is recognised in the income statement over the period that employees provide services, generally the period between the date the award is granted or notified and the vesting date of the shares. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.
The number of shares expected to vest takes into account the likelihood that non-market vesting and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a forfeiture, resulting in an acceleration of recognition of the cost of the employee services.
The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability. The cost recognised as a result of shares granted in the period has been expensed within Personnel expenses, with a corresponding increase in the liability account as the scheme is cash-settled.

3.20 Share capital and reserves

(a) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

(b) Additional Tier 1 Capital

The Group classifies financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Additional tier 1 securities issued by the Bank are not redeemable by the subscribers and bear an entitlement to coupons at the sole discretion of the board of directors of the Bank. Accordingly, they are presented within equity. Distributions thereon are recognized in Equity. Based on the Group's assessment of the terms of the AT 1 securities, the coupon payments meet the definition of dividend. Therefore, the related tax impacts are recognized in profit or loss in accordance with IAS 12.See note 38c) for more details

(c) Dividend on the Bank's ordinary shares

Dividends on ordinary shares are recognised in equity in the period when approved by the Bank's shareholders. Dividends for the period that are declared after the end of the reporting period are disclosed in the subsequent events note.

(d) Earnings per share
The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(e) Regulatory risk reserve
In compliance with the Prudential Guidelines for Licensed Banks, the Group assesses qualifying financial assets using the guidance under the Prudential Guidelines. The guidelines apply objective and subjective criteria towards providing losses in risk assets. Assets are classified as performing or non- performing. Non performing assets are further classed as substandard, doubtful or lost with attendant provisions. There are no restrictions to the distribution of these reserves

Classification	Percentage	Basis
Substandard	10%	Interest and/or principal overdue by 90 days but less than 180 days
Doubtful	50%	Interest and/or principal overdue by 180 days but less than 365 days
Lost	100%	Interest and/or principal overdue by more than 365 days

A more accelerated provision may be done using the subjective criteria. A 2% provision is taken on all risk assets that are not specifically provisioned.

The results of the application of Prudential Guidelines and the expected credit loss determined for these assets under IFRS 9 are compared. The IFRS 9 determined impairment charge is included in the income statement.

Where the Prudential Guidelines provision is greater, the difference is appropriated from retained earnings and included in a non - distributable 'Statutory credit reserve'. Where the IFRS 9 exected credit loss is greater, no appropriation is made and the amount of IFRS 9 expected credit loss is recognised in the income statement.

Following an examination, the regulator may also require more amounts to be set aside on risk and other assets. Such additional amounts are recognised as an appropriation from retained earnings to regulatory risk reserve.

(f) Capital reserve

This balance represents the surplus nominal value of the reconstructed shares of the Bank which was transferred from the share capital account to the capital reserve account after the share capital reconstruction in October 2006. The Shareholders approved the reconstruction of 13,956,321,723 ordinary shares of 50 kobo each of the Bank in issue to 6,978,160,860 ordinary shares of 50 kobo each by the creation of 1 ordinary shares previously held.

(g) Fair value reserve
The fair value reserve comprises the net cumulative change in the fair value of investments measured through other comprehensive income until the investment is derecognised or impaired.

(h) Foreign currency translation reserve
This balance appears only in the Group accounts and represents the foreign currency exchange difference arising from translating the results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency.

(i) Retained earnings
Retained earnings are the undistributable profit carried forward recognised income net of expenses plus current period profit attributable to shareholders.

3.21 Levies

The Group recognizes liability to pay levies progressively if the obligating event occurs over a period. However, if the obligation is triggered on reaching a minimum threshold, the liability is recognised when that minimum threshold is reached. The Group recognizes an asset if it has paid a levy before the obligating event but does not yet have a present obligation to pay that levy. The obligating event that gives rise to a liability to pay a levy is the event identified by the legislation that triggers the obligation to pay the levy.

3.22 Derivatives and hedging activities

Access Bank Plc applies hedge accounting to manage its foreign exchange risk

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Bank designates certain derivatives as hedges of the fair value of recognised liabilities (fair value hedges).

At inception of the hedge relationship, the Bank documents the economic relationship between hedging instruments and hedged items, including whether changes in the fairvalue of the hedging instruments are expected to offset changes in the fair value of hedged items. The Bank documents its risk management objective and strategy for undertaking its hedge transactions. The Bank uses the actual ratio between the hedged item and hedging instruments to determine its hedge ratio.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in notes to the financial statements. The full fair value of a hedging derivative is presented as a non-current asset or liability when the remaining maturity is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months. Trading derivatives are classified as a current asset or liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.The Bank uses forward contracts to hedge the fair value changes attributable to foreign exchange risk on the hedged item. The Bank generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. The change in the forward element of the forward contract is not part of the hedging relationship and is recognised separately in the statement of profit or loss within Net gain on financial instruments at fair value through profit or loss. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the profit or loss within Net Foreign Exchange Gain/(Loss) together with the changes in the fair value of the hedged liabilities attributable to foreign exchange risk while the gains or losses relating to the ineffective portion are recognised within Net loss on fair value hedge (Hedging ineffectiveness) in the profit or loss.

Hedge effectiveness

The Bank determines hedge effectiveness at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. The hedge effectiveness is determined every reporting period.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments are not designated for hedge accounting. Changes in the fair value of any derivative instrument that are not designated for hedge accounting are recognised immediately in profit or loss and are included in Net gain on financial instruments at fair value through profit or loss.

3.23

Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. The group's investment in associates includes goodwill identified on acquisition. In the separate financial statements, investments in associates are carried at cost less impairment.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statement where appropriate.
The Group's share of post-acquisition profit or loss is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Associates are carried at cost.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss)' of associates in the income statement.

Profits and losses resulting from transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

The cost of an associate acquired in stages is measured as the sum of the fair value of the interest previously held plus the cost of any additional consideration transferred as of the date when the investment became an associate. Changes in fair value of previously held interest are recognized in profit or loss.

4.0 Use of estimates and judgements

- **Critical judgements**

These disclosures supplement the commentary on financial risk management (see note 5). Estimates where management has applied judgements are:
i) Allowance for credit losses
ii) Assessment of impairment on goodwill on acquired subsidiaries
iii) Defined benefit plan
iv) Valuation of unquoted equities
v) Valuation of derivatives
vi) Depreciation of property and equipment
vii) Amortisation of intangible assets
viii) Impairment of property and equipment
ix) Impairment of intangible assets
x) Litigations claims provisions
xi) Equity settled share-based payment
xii) Determination of intangible assets arising on business combination

Management has assessed the first four estimates as having the key sources of estimation certainty, and are explained in further detail below. The other estimates have been assessed in their individual accounting policies.

Economic loss impact of Ghana sovereign debt on the Group's position
The Group took an impairment of ₦195.30Bn in (December 2022: 103.10Bn) in recognition of the economic loss impact of Ghana sovereign debt crisis (Domestic debt and Eurobonds). Whilst the economic loss on Ghana Domestic debt has been determined via a Domestic Debt Exchange Programme (DDE) with definite terms, unlike the DDE, the Ghanaian government has not yet presented restructuring terms for the Eurobonds. Though, restructuring parameters are subject to uncertainty, the possibility of further material impairment charge for this event is considered remote. The carrying value and fair value for Ghana sovereign debts in the books of the Group amounts to ₦794.75Bn (December 2022: ₦348.15Bn).

Extension and termination options - Determining the lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Bank is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Bank is typically reasonably certain to extend (or not terminate).
- Otherwise, the Bank considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Bank becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial period, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was a decrease in recognised lease liabilities and right-of-use assets of N492.18 million.

Key sources of estimation uncertainty
(i) *Allowances for credit losses*
Loans and advances to banks and customers are accounted for at amortised cost and are evaluated for impairment on a basis described in accounting policy (see note 3.9)

The measurement of impairment losses both under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.
The Group’s ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:
• The Group’s internal credit grading model, which assigns PDs to the individual grades
• The Group’s criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs
• Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels, exchange rates, crude oil prices, GDP and collateral values, and the effect on PDs, EADs and LGDs
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.
It has been the Group’s policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The standard requires recognition of an impairment allowance on financial instruments, based on 12 months or lifetime expected credit losses. The ECL calculations are based on the components discussed in the previous sections.

IFRS 9 requires the calculation of probability-weighted ECL impairments. Three ECL figures were therefore calculated for each scenario (optimistic, best-estimate and downturn ECLs) and probability-weighted to arrive at a single ECL impairment for each account. The likelihood of the best-estimate, downturn and optimistic scenarios were assumed to be 34.67%, 30.00% and 35.33% respectively.

The EIR, as provided by the Bank, is used to discount all ECLs to the reporting date. The method followed for accounts classified as Stage 1, Stage 2 or Stage 3 are set out below; For accounts with no EIR information, the contractual rate is used as a proxy

Stage 1
Account-level ECL figures are calculated projecting monthly expected losses for the next 12-months of each account. The forward, macro-adjusted monthly PDs are applied to the applicable LGD estimate and EAD or the collateral adjusted EAD (if secured) at the start of each month.

Stage 2
Account-level ECL figures are calculated projecting monthly expected losses for the remaining lifetime of each account. The forward, macro-adjusted monthly PDs are applied to the applicable LGD estimate and the EAD or collateral adjusted EAD (if secured) at the start of each month.

Stage 3
For the purposes of this model, account-level ECL figures are calculated by applying the applicable LGD estimate to the balance as at the reporting date

The final ECL impairment is calculated as the probability-weighted average of the ECLs produced for the three macro-economic scenarios.

The Group reviews its loan portfolios to assess impairment at least on a half periodly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgements as to whether there is any observable data indicating a significant increase in credit risk followed by measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a bank, or national or local economic conditions that correlate with defaults on assets in the Group.

The Group makes use of estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

The specific component of the total allowances for impairment applies to financial assets evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently reviewed by the Credit Risk Management Department (CRMD).

A collective component of the total allowance is established for:
- Groups of homogeneous loans that are not considered individually significant and
- Groups of assets that are individually significant but were not found to be individually impaired

Collective allowance for groups of homogeneous loans is established using statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Collective allowance for group of assets that are individually significant but that were not found to be individually impaired cover credit losses inherent in portfolios of loans and advances and held to maturity investment securities with similar credit characteristics when there is objective evidence to suggest that they contain impaired loans and advances and held to maturity investment securities, but the individual impaired items cannot yet be identified. In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances depends on estimates of future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances are estimated.

(ia) ***Sensitivity of Exposure at default - Probability of Default (PD) & Loss Given Default (LGD)***

Loans and Advances To Customers
In establishing sensitivity to ECL estimates for corporate loans, four variables (GDP growth rate, Crude Oil Price, inflation and US exchange rate were considered). Of these variables, the bank's corporate loans reflects greater responsiveness to GDP growth rate and crude oil price

On balance Sheet Exposure

GDP growth rate : Given the signficant impact on companies performance and collateral valuations
Oil price : Given it impacts on purchasing power, demand as well as overall health of the economy

The table below outlines the total ECL for wholesale portfolios as at 31 December 2023, if each of the key assumptions used change by plus or minus 10%. The responsiveness of the ECL estimates to variation in macroeconomic variables have been presented below while putting in perspective, interdependencies between the various economic inputs. An increase and decrease in Macroeconomic Scalars by 10% results in an increase/Decrease in Impairment of N7.35bn and N4.60bn respectively. Further increase/Decrease in the Probability of default by 10% results in an impairment increase/decrease of N7.20bn and N4.45bn respectively.

	-10%	+10%
P & L Impact of change in Macroeconomic variables	(4,604)	7,350

	-10%	+10%
Asset Quality Impact of change in Macroeconomic variables	(4,468)	7,203

Off balance Sheet Exposure
GDP growth rate : Given the signficant impact on companies performance and collateral valuations
Oil price : Given it impacts on purchasing power, demand as well as overall health of the economy

The table below outlines the total ECL for wholesale off balance sheet exposures as at 31 December 2023, if the assumptions used to measure ECL remain as expected (amount as presented in the statement of financial position), as well as if each of the key assumptions used change by plus or minus 10%. The responsiveness of the ECL estimates to variation in macroeconomic variables have been presented below while putting in perspective, interdependencies between the various economic inputs.

	-10%	+10%
P & L Impact of change in Macroeconomic variables	(324)	323

Statement of prudential adjustments
Provisions under prudential guidelines are determined using the time based provisioning regime prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the expected credit loss model required by IFRS 9. As a result of the differences in the methodology/provision regime, there will be variances in the impairments allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelines for Deposit Money Banks in Nigeria stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted. However, Banks would be required to comply with the following:

a) Provisions for loans recognised in the profit or loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:
- Prudential Provisions is greater than IFRS provisions; the excess provision resulting should be transferred from the retained earnings account to a "regulatory risk reserve".
- Prudential Provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the retained earnings account

b) The non-distributable reserve should be classified under Tier 1 as part of the core capital.
The Bank has complied with the requirements of the guidelines as follows:

Statement of prudential adjustments *In millions of Naira*		**December 2023**	**December 2022**
Bank	Note		
Expected credit loss (ECL) on Exposures			
- Loans to banks	22	244	341
- Loans to individuals	23(b)	9,482	8,152
- Loans to corporate	23(b)	89,686	56,910
- Placement	18	961	-
- Contingents	34 (e)	3,318	-
- Investment Securities at Fair value through other comprehensive income (FVOCI)	25	2,721	-
- Investment Securities at Amortized cost (AMC)	25	116,788	-
- Pledged assets at Amortized cost (AMC)	24	921	-
- Pledged assets at Fair value through other comprehensive income (FVOCI)	24	189	-
- Other assets	26	22,125	-
- Litigation	34 (f)	3,838	-
Total impairment allowances on loans per IFRS		**250,273**	**65,403**
Total regulatory impairment based on prudential guidelines		**374,993**	**141,739**
Balance, beginning of the year		76,336	1,118
Additional transfers to/(from) regulatory risk reserve		48,384	75,218
Balance, end of the year		**124,720**	**76,336**

The Central Bank of Nigeria (CBN) via its circular BSD/DIR/GEN/LAB/08/052 issued on 11 November 2015, directed banks in Nigeria to increase the general provision on performing loans from 1 percent to 2 percent for prudential review of credit portfolios in order to ensure adequate buffer against unexpected loan losses.

(ii) Assessment of impairment of goodwill on acquired subsidiaries

Goodwill on acquired subsidiaries were tested for impairment by comparing the value-in-use for the cash generating unit to the carrying amount of the goodwill based on cash flow projections. Projected cash flows for Kenya were discounted to present value using a discount rate of 27.77% and a cash flow terminal growth rate of 5.47%. Projected cash flows for Rwanda was discounted using a discount rate of 21.24% and terminal growth rate of 6.72%. Projected cash flows for Former Diamond Bank was discounted using a discount rate of 29.63% and terminal growth rate of 3.20%. Projected cash flows for Access Botswana was discounted using a discount rate of 8.72% and terminal growth rate of 4.29%. The Group determined the appropriate discount rate at the end of the period using the Capital Asset Pricing Model. See note 29b for further details.

(iii) Defined benefit plan

The present value of the long term incentive plan depends on a number of factors that are determined in an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of obligations. The assumptions used in determining the net cost (income) for pensions include the discount rate. The Group determines the appropriate discount rate at the end of the period. In determining the appropriate discount rate, reference is made to the yield on Nigerian Government Bonds that have maturity dates approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions. See note 37 for the sensitivity analysis.

	December 2023		**December 2022**	
Entity	**Discount Rate**	**Terminal Growth rate**	**Discount Rate**	**Terminal Growth rate**
Access Diamond	29.63%	3.20%	31.78%	3.19%
Access Botswana	8.72%	4.29%	8.80%	4.16%
Access Kenya	27.77%	5.41%	23.22%	5.47%
Access Rwanda	21.24%	6.72%	22.44%	6.60%

(iv) Valuation technique unquoted equity:

The investment valuation policy (IVP) of the Group provides the framework for accounting for the Group's investment in unquoted equity securities while also providing a broad valuation guideline to be adopted in valuing them. Furthermore, the IVP details how the group decides its valuation policies and procedures and analysis of changes in fair value measurements from period to period.

In accordance with IFRS 13 fair value measurement, which outlines three approaches for valuing unquoted equity instruments; market approach, the income approach and the cost approach. The Group estimated the fair value of its investment in each of the unquoted equity securities at the end of the financial period using the market approach.

The adjusted fair value comparison approach of P/BV ratios was adopted in valuing each of these equity investments taken into cognizance the suitability of the model to each equity investment and the availability of financial information while minimizing the use of unobservable data.

Description of valuation methodology and inputs:

The fair value of the other unquoted equity securities were derived using the Adjusted fair value comparison technique. Adjusted fair value comparison approach of P/BV ratios are used as input data .

The steps involved in estimating the fair value of the Group's investment in each of the investees (i.e. unquoted equity securities) are as follows:

Step 1: Identify quoted companies with similar line of business ,structure and size

Step 2: Obtain the EV/EBITDA or the P/B or P/E ratios of these quoted companies identified from Bloomberg, Reuters or Nigeria Stock Exchange

Step 3: Derive the average or median of EV/EBITDA or the P/B or P/E ratios of these identified quoted companies
Step 4: Apply the lower of average (mean) or median of the identified quoted companies ratios on the Book Value or Earnings of the investment company to get the value of the investment company

Step 5: Discount the derived value of the investment company by applying an Illiquidity discount and size adjustment/haircut to obtain the Adjusted Equity Value

Step 6: Multiply the adjusted equity value by the present exchange rate for foreign currency investment
Step 7: Compare the Adjusted Equity value with the carrying value of the investment company to arrive at a net gain or loss

a. Enterprise Value (EV):
Enterprise value measures the value of the ongoing operations of a company. It is calculated as the market capitalization plus debt, minority interest and preferred shares, minus total cash and cash equivalents of the company.

b. Earnings Before Interest ,Tax Depreciation and Amortization (EBITDA):
EBITDA is earnings before interest, taxes, depreciation and amortization. EBITDA is one of the indicator's of a company's financial performance and is used as a proxy for the earning potential of a business.

EBITDA = Operating Profit + Depreciation Expense + Amortization Expense

c. Price to Book (P/B Ratio):
The price-to-book ratio (P/B Ratio) is used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest company book value per share or by dividing the company's market capitalization by the company's total book value from its balance sheet.

b. Price to Earning (P/E Ratio):
The price-earnings ratio (P/E Ratio) values a company using the current share price relative to its per-share earnings.

The sources of the observable inputs used for comparable technique were gotten from Reuters, Bloomberg and the Nigeria Stock Exchange

Valuation Assumptions :

i. Illiquidity discount of 25% is used to discount the value of the investments that are not tradable
ii. EPS Hair cut "emerging market" discount of 40% to take care of inflation and exchange rate impact being that the comparable companies are in foreign countries

Basis of valuation:
The assets is being valued on a fair open market value approach. This implies that the value is based on the conservative estimates of the reasonable price that can be obtained if and when the subject asset is offered for sale under the present market conditions.

Method of Valuation
The comparative method of valuation is used in the valuation of the asset. This method involves the analysis of recent transaction in such asset within the same asset type and the size of the subject asset after due allowance have been made for peculiar attributes of the various asset concerned.

The key elements of the control framework for the valuation of financial instruments include model validation and independent price verification. These functions are carried out by an appropriately skilled Finance team, independent of the business area responsible for the products. The result of the valuation are reviewed quarterly by senior management.

(b) Hyperinflationary accounting
The restatement in respect of hyperinflationary accounting has been calculated by means of conversion factors derived from the consumer price index (CPI) published by International Monetary Fund (IMF). The conversion factors used to restate the financial statements at 31 December 2023 are as follows:
☐

Entity	Index☐	Conversion Factor
31 December 2023	200.50☐	1.00
31 December 2022	162.80	1.23
31 December 2021	107.01☐	1.87

4.1 *Valuation of financial instruments*
The table below analyses financial and non-financial instruments measured at fair value at the end of the financial period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

4.1.1 Recurring fair value measurements

In millions of Naira
Group
December 2023

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	197,120	-	-	197,120
Government Bonds	10,146	-	-	10,146
Eurobonds	1,942	-	-	1,942
Derivative financial instrument	-	2,050,432	-	2,050,432
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	445,262	-	-	445,262
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	32,235	-	-	32,235
Government Bonds	1,193	-	-	1,193

	Level 1	Level 2	Level 3	Total
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,943,342	-	-	1,943,342
Government Bonds	239,630	-	-	239,630
State government bonds	-	20,431	31,945	52,376
Corporate bonds	-	18,059	-	18,059
Eurobonds	89,227	-	-	89,227
Commercial paper		-	-	-
Promissory notes	16,714	-	-	16,714
-Financial assets at FVPL				-
Equity	-	7,746	398,409	406,155
Investment properties			437	437
Assets held for sale	-	-	75,418	75,418
	2,976,811	2,096,668	506,209	5,579,691
Liabilities				
Derivative financial instrument	-	475,997	-	475,998
	-	475,997	-	475,998

* There are no transfers between levels during the period

Group
December 2022

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	88,116	-	-	88,116
Government Bonds	12,280	-	-	12,280
Eurobonds	2,294	-	-	2,294
Derivative financial instrument	-	402,497	-	402,497
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	72,565	-	-	72,565
Government Bonds	2,567	-	-	2,567
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,046,120	-	-	1,046,120
Government Bonds	168,293	-	-	168,293
State government bonds	-	65,652	-	65,652
Corporate bonds	-	20,599	-	20,599
Eurobonds	41,695	-	-	41,695
Commercial paper		3,869		3,869
Promissory notes	217,305	-	-	217,305
-Financial assets at FVPL				
Equity	-	4,964	162,943	167,907
Investment properties	-	-	217	217
Assets held for sale	-	-	42,039	42,039
	2,102,711	497,582	205,200	2,805,484
Liabilities				
Derivative financial instrument	-	32,737	-	32,738
	-	32,737	-	32,738

Bank
December 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	150,038	-	-	150,038
Government Bonds	5,819	-	-	5,819
Eurobonds	1,942	-		1,942
Derivative financial instrument	-	2,033,286	-	2,033,286
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	445,262	-	-	445,262
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	32,235	-	-	32,235
Government Bonds	1,193	-	-	1,193
Promissory Notes	-	-	-	-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	905,038	-	-	905,038
Government Bonds	68,321	-	-	68,321
State government bonds	-	52,376	-	52,376
Corporate bonds	-	18,059	-	18,059
Eurobonds	53,394	-	-	53,394
Commercial paper		-	-	-
Promissory notes	16,714	-	-	16,714
Bonds	-	-	-	-
Equity	-	7,746	394,966	402,711
Investment properties			437	437
Asset held for sale	-	-	75,418	75,418
	1,679,957	2,111,468	470,821	4,262,244
Liabilities				
Derivative financial instrument	-	471,819	-	471,819
	-	471,819	-	471,819

* There are no transfers between levels during the period

Bank
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	73,012	-	-	73,012
Government Bonds	2,319	-	-	2,319
Eurobonds	2,294	-	-	2,294
Derivative financial instrument	-	399,058	-	399,058
Pledged assets				
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	72,565	-	-	72,565
Government Bonds	2,567	-	-	2,567
Investment securities				
-Financial assets at FVOCI				
Treasury bills	703,695	-	-	703,695
Government Bonds	50,774	-	-	50,774
State government bonds	-	65,652	-	65,652
Corporate bonds	-	20,599	-	20,599
Eurobonds	21,182	-	-	21,182
Commercial paper		3,869		3,869
Promissory notes	217,305	-	-	217,305
-Financial assets at FVPL				
Equity	-	-	162,658	162,658
Investment properties	-	-	217	217
Asset held for sale	-	4,964	42,038	47,002
	1,597,189	494,144	204,914	2,296,247
Liabilities				
Derivative financial instrument	-	31,072	-	31,072
	-	31,072	-	31,072

4.1.2

Financial instruments not measured at fair value
Group
December 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,975,484	2,975,484
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	7,423	-	-	7,423
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	880,534	880,534
Loans and advances to customers	-	-	8,037,723	8,037,723
Pledged assets				
Treasury bills	80,286	-	-	80,286
Bonds	623,360	-	-	623,360
Promissory notes	30,226	-	-	30,226
Investment securities				
-Financial assets at amortised cost				
Treasury bills	754,810	-	-	754,810
Government Bonds	851,788	-		851,788
State government bonds	-	3,958	-	3,958
Corporate bonds	7,566	-	-	7,566
Eurobonds	1,067,418	-	-	1,067,418
Preferential Shares Note	-	-	-	-
Promissory notes	94,690	-	-	94,689
Equity	-	-	-	-
Other assets	-	-	4,940,239	4,940,239
	3,517,567	3,958	16,833,980	20,355,505
Liabilities				
Deposits from financial institutions	-	-	4,387,020	4,387,020
Deposits from customers	-	-	15,322,752	15,322,752
Other liabilities	-	-	1,679,174	1,679,174
Debt securities issued	585,024	-	-	585,024
Interest-bearing borrowings	-	-	1,602,226	1,602,226
	585,024	-	22,991,172	23,576,196

* There are no transfers between levels during the period

Group
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	1,961,100	1,961,100
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Nigerian Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	-	-	-	-
Corporate Bonds	-	3,742	-	3,742
Loans and advances to banks	-	-	455,710	455,710
Loans and advances to customers	-	-	5,100,807	5,100,807
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	296,061	-	-	296,061
Bonds	411,582	-	-	411,582
Promissory notes	32,639	-	-	32,639
Investment securities				
-Financial assets at amortised cost				
Treasury bills	192,795	-	-	192,795
Government Bonds	437,679	-	-	437,679
State government bonds	-	4,734	-	4,734
Corporate bonds	-	7,579	-	7,579
Eurobonds	420,119	-	-	420,119
Total return notes	9,752	-	-	9,752
Promissory notes	37,762	-	-	37,762
Other assets	-	-	2,451,927	2,451,927
	1,838,390	**16,055**	**9,969,544**	**11,823,987**

	Level 1	Level 2	Level 3	Total
Liabilities				
Deposits from financial institutions	-	-	2,005,316	2,005,316
Deposits from customers	-	-	9,251,238	9,251,238
Other liabilities	-	-	743,153	743,153
Debt securities issued	307,253	-	-	307,253
Interest-bearing borrowings	-	-	1,385,424	1,385,424
	307,253	**-**	**13,385,131**	**13,692,385**

Bank
December 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,345,773	2,345,773
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Nigerian Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	7,423	-	-	7,423
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	659,546	659,546
Loans and advances to customers	-	-	5,369,154	5,369,154
Pledged assets				
-Financial instruments at amortized cost				
Bonds	326,741	-	-	326,741
Treasury bills	127,240	-	-	127,240
Promissory notes	33,974	-	-	33,974
Investment securities				
Financial assets at amortised cost				
Treasury bills	585,470	-	-	585,470
Government Bonds	346,468	-	-	346,468
State government bonds	-	3,958	-	3,958
Corporate bonds	-	7,566	-	7,566
Eurobonds	901,666	-	-	901,666
Preferential Shares Note	-	7,138	-	7,138
Promissory notes	94,690	-	-	94,690
Other Assets	-	-	4,586,587	4,586,587
	2,423,672	18,662	12,961,060	15,403,394

Liabilities				
Deposits from financial institutions	-	-	3,907,192	3,907,192
Deposits from customers	-	-	11,239,847	11,239,847
Other liabilities	-	-	1,494,072	1,494,072
Debt securities issued	577,378		-	577,378
Interest-bearing borrowings	-	-	1,384,472	1,384,472
	577,378	-	18,025,583	18,602,963

Bank
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	1,445,659	1,445,659
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Nigerian Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	3,742	-	-	3,742
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	322,610	322,610
Loans and advances to customers	-	-	4,084,352	4,084,352
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	296,061	-	-	296,061
Bonds	411,582	-	-	411,582
Promissory notes	32,639	-	-	32,639
Investment securities				
Financial assets at amortised cost				
Treasury bills	102,399	-	-	102,399
Government Bonds	171,648	-	-	171,648
State government bonds	-	4,734	-	4,734
Corporate bonds	-	7,579	-	7,579
Eurobonds	411,046	-	-	411,046
Promissory notes	37,763	-	-	37,763
Other Assets	-	-	2,321,538	2,321,538
	1,466,880	12,313	8,174,159	9,653,352
Liabilities				
Deposits from financial institutions	-	-	1,637,318	1,637,318
Deposits from customers	-	-	7,530,062	7,530,062
Other liabilities	-	-	660,463	660,463
Debt securities issued	303,297		-	303,297
Interest-bearing borrowings	-	-	1,286,869	1,286,869
	303,297	-	11,114,712	11,418,011

*** There are no transfers between levels during the period**

Financial instrument measured at fair value

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily of government bonds, corporate bonds, treasury bills and equity investments classified as trading securities or fair value through other comprehensive income investments.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include:
(i) Quoted market prices or dealer quotes for similar instruments;
(ii) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
(iii) Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(c) Financial instruments in level 3

The Group uses widely recognised valuation models for determining the fair value of its financial assets. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Examples of instruments involving significant unobservable inputs include certain Investment securities for which there is no active market. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate.

For level 2 assets, fair value was obtained using a recent market transaction during the period under review. Fair values of unquoted debt securities were derived by interpolating prices of quoted debt securities with similar maturity profile and characteristics.

Transfers between fair value hierarchy

The group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting year.

4.1 ***Valuation techniques used to derive Level 2 fair values***

Level 2 fair values of investments have been generally derived using the market approach. Below is a table showing sensitivity analysis of material unquoted investments categorised as Level 2 fair values.

Description	Fair value at 31 December 2023	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Relationship of observable inputs to fair value
Derivative financial assets	2,033,286	Forward and swap: Fair value through market rate from a quoted market Futures: Fair value through reference market rate	Market rates from quoted market	1,583,630	1,587,821	The higher the market rate, the higher the fair value of the derivative financial instrument
Derivative financial liabilities	471,819					
Investment in CSCS	7,440	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	7,812	7,142	The higher the share price, the higher the fair value
Nigerian Mortgage Refinance Company	306	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	321	290	The higher the share price, the higher the fair value
State bonds measured at fair value	52,376	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	54,995	49,757	The higher the market price, the higher the fair value
Corporate bonds measured at fair value	18,059	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	18,962	17,156	The higher the market price, the higher the fair value
State bonds not measured at fair value	3,958	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	4,156	3,760	The higher the market price, the higher the fair value
Corporate bonds not measured at fair value	7,566	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	7,944	7,188	The higher the market price, the higher the fair value
Preferential Notes not measured at fair value	7,138	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	7,495	6,782	The higher the market price, the higher the fair value

4.1 ***Valuation techniques used to derive Level 3 fair values***

Level 3 fair values of investments have been generally derived using the adjusted fair value comparison approach. Quoted price per earning or price per book value, enterprise value to EBITDA ratios of comparable entities in a similar industry were obtained and adjusted for key factors to reflect estimated ratios of the investment being valued. Adjusting factors used are the Illiquidity Discount which assumes a reduced earning on a private entity in comparison to a publicly quoted entity and the Haircut adjustment which assumes a reduced earning for an entity located in Nigeria contributed by lower transaction levels in comparison to an entity in a developed or emerging market.

Description	Fair value at 31 December 2023	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Fair value if unobservable inputs increased by 5%	Fair value if unobservable inputs decreased by 5%	Relationship of unobservable inputs to fair value
Investment in Africa Finance Corporation	333,769	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	350,457	317,081	329,360	338,178	The higher the illiquidity ratio, the control premium and the size adjustment/haircut, the higher the fair value
Investment in Unified Payment System Limited	8,247	Adjusted fair value comparison approach	Median PE ratios of comparable companies	7,893	7,142	8,138	8,356	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in NIBSS	36,109	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	37,915	34,304	35,632	36,587	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in Afrexim	1,108	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	1,163	1,052	1,102	1,113	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in FMDQ	7,783	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	8,172	7,394	7,635	7,930	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CRC Bureau	311	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	327	296	307	315	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value

Capital Alliance Equity Fund	7,154	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	7,512	6,797	7,512	6,797	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
NG Clearing	434	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	456	412	431	437	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
SANEF	50	Adjusted fair value comparison approach	Fair value of transactions at settlement date	53	48	53	48	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value

4.1.5 Reconciliation of Level 3 Investments

The following tables presents the changes in Level 3 instruments for the year ended 31 December 2023

Financial assets at fair value through profit or loss (Equity)	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Opening balance	156,166	152,105	155,879	151,822
Total unrealised gains in P/L	234,460	4,061	231,304	4,057
Balance, year end	**390,626**	**156,166**	**387,183**	**155,879**

Assets Held for Sale	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Opening balance	42,231	42,737	42,039	42,547
Additions	35,337	7,878	35,335	7,876
Disposals	(1,957)	(8,384)	(1,957)	(8,384)
Write Off	-	-	-	-
Balance, year end	**75,611**	**42,231**	**75,417**	**42,039**

Investment under management

	Group December 2023	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Opening balance	-	13,045	-	13,045
Additions	-	-	-	-
Reclassification	-	(13,045)	-	(13,045)
Balance, year end	**-**	**-**	**-**	**-**

(b) Fair value of financial assets and liabilities not carried at fair value

The fair value for financial assets and liabilities that are not carried at fair value were determined respectively as follows:

(i) Cash

The carrying amount of cash and balances with banks is a reasonable approximation of fair value.

(ii) Loans and advances to banks and customers

Loans and advances are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(iii) Investment securities and pledged assets

The fair values are based on market prices from financial market dealer price quotations. Where this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

The fair value comprises equity securities and debt instruments. The fair value for these assets are based on estimations using market prices and earning multiples of quoted securities with similar characteristics.

(iv) Other assets

The bulk of these financial assets have short maturities and the amounts is a reasonable approximation of fair value.

(v) Deposits from banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

(vi) Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value. They comprise of short term liabilities which are available on demand to creditors with no contractual rates attached to them.

(vii) Interest bearing borrowings

The estimated fair value of fixed interest-bearing borrowings not quoted in an active market is based on the market rates for similar instruments for these debts over their remaining maturity.

(viii) Debt securities issued

The estimated fair value of floating interest rate debt securities quoted in an active market is based on the quoted market rates as listed on the irish stock exchange for these debts over their remaining maturity.

4.3 Financial assets and liabilities
(a) Fair value measurement

Accounting classification measurement basis and fair values

The table below sets out the classification of each class of financial assets and liabilities, and their fair values.

Group In millions of Naira December 2023	Financial assets designated as FVPL	Financial assets mandatorily measured through FVPL	Financial assets measured at amortized cost	Financial assets measured at FVOCI	Financial liabilities mandatorily measured through FVPL	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
Cash and balances with banks	-	-	3,025,651	-	-	-	3,025,651	2,975,484
Investment under management	-	-	7,423	-	-	-	7,423	7,423
Non pledged trading assets		-	-	-	-	-		
Treasury bills	-	197,120	-	-	-	-	197,120	197,120
Bonds	-	12,088	-	-	-	-	12,088	12,088
Derivative financial instruments	-	2,050,432	-	-	-	-	2,050,432	2,050,432
Loans and advances to banks	-	-	880,534	-	-	-	880,534	880,534
Loans and advances to customers	-	-	8,037,723	-	-	-	8,037,723	8,037,723
Pledged assets		-						
Treasury bills	-	32,235	80,286	445,262	-	-	557,783	556,815
Government bonds	-	1,193	623,360	-	-	-	624,553	457,335
Promissory Notes	-	-	30,226	-	-	-	30,226	26,775
Investment securities								
- Financial assets at FVOCI		-						
Treasury bills	-	-	-	1,943,342	-	-	1,943,342	1,943,342
Government Bonds	-	-	-	239,630	-	-	239,630	239,630
State government bonds	-	-	-	52,376	-	-	52,376	52,376
Corporate bonds	-	-	-	18,059	-	-	18,059	18,059
Eurobonds	-	-	-	89,227	-	-	89,227	89,227
Commercial paper	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	16,714	-	-	16,714	16,714
- Financial assets at FVPL								
Equity	-	406,154	-	-	-	-	406,154	406,154
- Financial assets at amortised cost								
Treasury bills	-	-	754,810	-	-	-	754,810	632,759
Government Bonds	-	-	851,788	-	-	-	851,788	978,181
State government bonds	-	-	3,958	-	-	-	3,958	4,360
Corporate bonds	-	-	7,566	-	-	-	7,566	6,935
Eurobonds	-	-	1,067,418	-	-	-	1,067,418	1,060,349
Promissory Notes	-	-	94,690	-	-	-	94,690	114,956
Other assets	-	-	4,947,684	-	-	-	4,947,684	4,947,684
	-	**2,699,222**	**20,413,118**	**2,804,612**	**-**	**-**	**25,916,952**	**25,712,458**

Deposits from financial institutions	-	-	-	-	-	4,387,020	4,387,020	4,628,113
Deposits from customers	-	-	-	-	-	15,322,752	15,322,752	15,982,072
Other liabilities	-	-	-	-	-	1,679,174	1,679,174	1,679,174
Derivative financial instruments	-	-	-	-	475,997	-	475,997	475,997
Debt securities issued	-	-	-	-	-	585,024	585,024	599,058
Interest bearing borrowings	-	-	-	-	-	1,602,226	1,602,226	1,671,168
	-	**-**	**-**	**-**	**475,997**	**23,576,196**	**24,052,192**	**25,035,582**

	Financial assets designated as FVPL	**Financial assets mandatorily measured through FVPL**	**Financial assets measured at amortized cost**	**Financial assets measured at FVOCI**	**Financial liabilities mandatorily measured through FVPL**	**Financial liabilities measured at amortised cost**	**Total carrying amount**	**Fair value**
Group								
In millions of Naira								
December 2022								
Cash and balances with banks	-	-	1,961,100	-	-	-	1,961,100	1,961,100
Investment under management	-	-	3,742	-	-	-	3,742	3,742
Non pledged trading assets		-						
Treasury bills	-	88,116	-	-	-	-	88,116	88,116
Bonds	-	14,574	-	-	-	-	14,574	14,574
Derivative financial instruments	-	402,497	-	-	-	-	402,497	402,497
Loans and advances to banks	-	-	455,710	-	-	-	455,710	455,710
Loans and advances to customers	-	-	5,100,807	-	-	-	5,100,807	5,100,807
Pledged assets		-						
Treasury bills	-	72,565	296,061	451,476	-	-	820,102	921,820
Government bonds	-	2,567	411,582	-	-	-	414,150	423,166
Promissory Notes	-	-	32,639	-	-	-	32,639	70,402
Investment securities			-				-	
- Financial assets at FVOCI		-						
Treasury bills	-	-	-	1,046,120	-	-	1,046,120	1,046,120
Government Bonds	-	-	-	168,293	-	-	168,293	168,293
State government bonds	-	-	-	65,652	-	-	65,652	65,652
Corporate bonds	-	-	-	20,599	-	-	20,599	20,599
Eurobonds	-	-	-	41,695	-	-	41,695	41,695
Commercial paper	-	-	-	3,869	-	-	3,869	3,869
Promissory Notes	-	-	-	217,305	-	-	217,305	217,305
- Financial assets at FVPL		-						
Equity	-	167,906	-	-	-	-	167,906	167,906
- Financial assets at amortised cost								
Treasury bills	-	-	192,795	-	-	-	192,795	397,352
Government bonds	-	-	437,679	-	-	-	437,679	440,776
State government bonds	-	-	4,734	-	-	-	4,734	5,212
Corporate bonds	-	-	7,579	-	-	-	7,579	7,599
Eurobonds	-	-	420,119	-	-	-	420,119	256,662
Promissory Notes	-	-	37,762	-	-	-	37,762	32,639
Other assets	-	-	2,454,143	-	-	-	2,454,143	2,454,143
	-	**748,225**	**11,816,452**	**2,015,009**	**-**	**-**	**14,579,686**	**14,767,759**

Deposits from financial institutions	-	-	-	-	-	2,005,316	2,005,316	2,005,316
Deposits from customers	-	-	-	-	-	9,251,238	9,251,238	9,251,238
Other liabilities	-	-	-	-	-	743,153	743,153	743,153
Derivative financial instruments	-	-	-	-	32,737	-	32,737	32,737
Debt securities issued	-	-	-	-	-	307,253	307,253	307,253
Interest bearing borrowings	-	-	-	-	-	1,385,424	1,385,424	1,385,424
	-	**-**	**-**	**-**	**32,737**	**13,692,384**	**13,725,121**	**13,725,122**

The Group reclassified Cash reserve requirement, classified as restricted deposits with Central banks and special reserve intervention funds, from Cash and cash equivalents to Other assets for financial reporting purposes.

Bank *In millions of Naira* **December 2023**	**Financial assets designated as FVPL**	**Financial assets mandatorily measured through FVPL**	**Financial assets measured at amortized cost**	**Financial assets measured at FVOCI**	**Financial liabilities mandatorily measured through FVPL**	**Financial liabilities measured at amortised cost**	**Total Carrying amount**	**Fair value**
Cash and balances with banks	-	-	2,345,773	-	-	-	2,345,773	2,345,773
Investment under management	-	-	7,423	-	-	-	7,423	7,423
Non pledged trading assets								
Treasury bills	-	150,037	-	-	-	-	150,037	150,037
Bonds	-	7,761	-	-	-	-	7,761	7,761
Equity	-	-	-	-	-	-	-	-
Derivative financial instruments	-	2,033,286	-	-	-	-	2,033,286	2,033,286
Loans and advances to banks	-	-	659,546	-	-	-	659,546	659,546
Loans and advances to customers	-	-	5,369,154	-	-	-	5,369,154	5,369,154
Pledged assets								
Treasury bills	-	32,235	127,240	445,262	-	-	604,737	556,815
Government bonds	-	1,193	326,741	310,423		-	638,357	457,335
Promissory Notes	-	-	33,974	-	-	-	33,974	26,775
Investment securities								
- Financial assets at FVOCI								
Treasury bills	-	-	-	905,038	-	-	905,038	905,038
Government bonds	-	-	-	68,321	-	-	68,321	68,321
State government bonds	-	-	-	52,376	-	-	52,376	52,376
Corporate bonds	-	-	-	18,059	-	-	18,059	18,059
Eurobonds	-	-	-	53,394	-	-	53,394	53,394
Commercial paper	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	16,714	-	-	16,714	16,714
- Financial assets at FVPL								
Equity	-	402,711	-	-	-	-	402,711	402,711
- Financial assets at amortised cost								
Treasury bills	-	-	585,470	-	-	-	585,470	606,655
Preferential Shares Note	-	-	7,138	-	-	-	7,138	8,478
Government Bonds	-	-	346,468	-	-	-	346,468	937,827
State government bonds	-	-	3,958	-	-	-	3,958	4,180
Corporate bonds	-	-	7,566	-	-	-	7,566	6,649
Eurobonds	-	-	901,666	-	-	-	901,666	1,016,605
Promissory Notes	-	-	94,690	-	-	-	94,690	110,213
Other assets	-	-	4,594,032	-	-	-	4,594,032	4,594,032
	-	**2,627,223**	**15,410,841**	**1,869,587**	**-**	**-**	**19,907,650**	**20,415,160**

Deposits from financial institutions	-	-	-	-	-	3,907,192	3,907,192	4,075,314
Deposits from customers	-	-	-	-	-	11,239,847	11,239,847	11,723,483
Other liabilities	-	-	-	-	-	1,494,072	1,494,072	1,494,072
Derivative financial instruments	-	-	-	-	471,819	-	471,819	471,819
Debt securities issued	-	-	-	-	-	577,378	577,378	599,058
Interest bearing borrowings	-	-	-	-	-	1,384,472	1,384,472	1,444,044
	-	**-**	**-**	**-**	**471,819**	**18,602,961**	**19,074,780**	**19,807,791**

Bank	**Financial**	**Financial**	**Financial**	**Financial**	**Financial**	**Financial**	**Total carrying amount**	**Fair value**
In millions of Naira **December 2022**	**assets designated as FVPL**	**assets mandatorily measured through FVPL**	**assets measured at amortized cost**	**assets measured at FVOCI**	**liabilities mandatorily measured through FVPL**	**liabilities measured at amortised cost**		
Cash and balances with banks	-	-	1,445,659	-	-	-	1,445,659	1,445,659
Investment under management	-	-	3,742	-	-	-	3,742	3,742
Non pledged trading assets								
Treasury bills	-	73,011	-	-	-	-	73,011	73,011
Bonds	-	4,613	-	-	-	-	4,613	4,613
Equity	-	-	-	-	-	-	-	-
Derivative financial instruments	-	399,058	-	-	-	-	399,058	399,058
Loans and advances to banks	-	-	322,610	-	-	-	322,610	322,610
Loans and advances to customers	-	-	4,084,352	-	-	-	4,084,352	4,084,352
Pledged assets								
Treasury bills	-	72,565	296,061	451,476	-	-	820,102	921,820
Government bonds	-	2,567	411,582	411,582		-	825,731	423,166
Promissory Notes	-	-	32,639	-	-	-	32,639	70,402
Investment securities								
- Financial assets at FVOCI								
Treasury bills	-	-	-	703,695	-	-	703,695	703,695
Government bonds	-	-	-	50,774	-	-	50,774	50,774
State government bonds	-	-	-	65,652	-	-	65,652	65,652
Corporate bonds	-	-	-	20,599	-	-	20,599	20,599
Eurobonds	-	-	-	21,182	-	-	21,182	21,182
Commercial paper				3,869			3,869	3,869
Promissory Notes	-	-	-	217,305	-	-	217,305	217,305
- Financial assets at FVPL								
Equity	-	167,622	-	-	-	-	167,622	167,622
- Financial assets at amortised cost								
Treasury bills	-	-	102,399	-	-	-	102,399	397,176
Government Bonds	-	-	171,648	-	-	-	171,648	440,776
State government bonds	-	-	4,734	-	-	-	4,734	5,212
Corporate bonds	-	-	7,579	-	-	-	7,579	6,448
Eurobonds	-	-	411,046	-	-	-	411,046	256,662
Promissory Notes	-	-	37,763	-	-	-	37,763	60,620
Other assets	-	-	2,323,754	-	-	-	2,323,754	2,323,754
	-	**719,436**	**9,655,568**	**1,946,134**	**-**	**-**	**12,321,139**	**12,489,778**
Deposits from financial institutions	-	-	-	-	-	1,637,318	1,637,318	1,657,547
Deposits from customers	-	-	-	-	-	7,530,062	7,530,062	7,623,095
Other liabilities	-	-	-	-	-	660,463	660,463	27,916
Derivative financial instruments	-	-	-	-	31,072	-	31,072	31,072
Debt securities issued	-	-	-	-	-	303,297	303,297	306,600
2 Interest bearing borrowings	-	-	-	-	-	1,286,869	1,286,869	1,302,768
	-	**-**	**-**	**-**	**31,072**	**11,418,009**	**11,449,081**	**10,948,998**

The Group reclassified Cash reserve requirement, classified as restricted deposits with Central banks and special reserve intervention funds, from Cash and cash equivalents to Other assets for financial reporting purposes.

CREDIT RISK MANAGEMENT

In the Access Bank, everyone is involved in Risk Management with ultimate responsibility residing with the Board. We operate the three (3) lines of defense model which enhances the understanding of risk management and control by clarifying roles and responsibilities. The risk management process of the bank is well fortified to mitigate and/or eliminate any risk events on the bank's business.

The management of the bank took a proactive approach to protect the loan book from the impact of Covid-19 by analyzing the potential impact of the pandemic on different sectors and sub-sectors of the economy. This enabled us to understand our customers' challenges and outlook. We took steps to ensure loan repayment by our borrowers and preserve the risk assets quality of the bank, working within regulatory guidance.

The Risk Management Division has continued to take advantage of advancement and innovation in the technology space to automate the management of risk. Credit and analytics tools are in use to enhance the credit decision-making and monitoring process in the bank. The Risk Dashboard has been enhanced to present the Bank's measurable risk metrics for ease of decision-making.

PRINCIPAL CREDIT POLICIES

The following are some of the principal credit policies of the Bank:

Credit Risk Management Policy: The core objective is to enable maximization of returns on a risk-adjusted basis from banking book credit risk exposures that are brought under the ambit of the Credit Risk Management Policy. This is done by putting in place robust credit risk management systems consisting of risk identification, risk measurement, setting of exposure and risk limits, risk monitoring and control as well as reporting of credit risk in the banking book.

Credit Risk Rating Policy: The objective of this policy is to ensure reliable and consistent Obligor Risk Ratings (ORRs) and to provide guidelines for risk rating for retail and non-retail exposures in the banking book covering credit and investment books of the Bank.

RESPONSIBILITIES OF BUSINESS UNITS AND INDEPENDENT CREDIT RISK MANAGEMENT

In the Bank, Business Units and independent credit risk management have joint responsibility for the overall accuracy of risk ratings assigned to obligors and facilities. Business relationship managers are responsible for deriving the Obligor Risk Rating ('ORR') using approved methodologies. However, independent credit risk management officers validate such ratings.

Notwithstanding who derives the risk rating, Credit Risk Management is responsible for reviewing and ensuring the correctness of the ORR assigned to borrowers and facilities. This review includes ensuring the ongoing consistency of the business' risk rating process with the Bank's risk rating policy; ongoing appropriate application of the risk rating process and tools; review of judgmental and qualitative inputs into the risk rating process; ensuring the timeliness and thoroughness of risk rating reviews; and ensuring that the documentation of the risk rating process is complete and current.

CREDIT PROCESS

The Bank's credit process starts with portfolio planning and target market identification. Within identified target markets, credits are initiated by relationship managers. The proposed credits are subjected to review and approval by relevant credit approval authorities. Further to appropriate approvals, loans are disbursed to beneficiaries.
Ongoing management of loans is undertaken by both relationship management teams and our Credit Risk Management Group. The process is applied across the Bank and replicated in the subsidiaries.

A loan request is initiated by the relationship officer and reviewed by the relationship manager/Sector Head/Group Head of the respective business teams. Further detailed review is carried out by Credit Risk Management. The concurrence of Credit Risk Management must be obtained for any credit extension. If the loan application passes the detailed analysis, it is submitted to the appropriate approval authority based on the size and risk rating of the facility.

The standard credit evaluation process is based both on quantitative figures from the Financial Statements and on an array of qualitative factors such as the PESTLE analysis, SWOT analysis, Porter's five forces etc. Information on the borrower is collected as well as pertinent macroeconomic data, such as an outlook for the relevant sector. These factors are assessed by the analyst and all individuals involved in the credit approval process, relying not only on quantitative factors but also on extensive knowledge of the company in question, its management, industry, the country of operation and the impact of globalization.

Risk Rating Scale and external rating Equivalence

Access Bank operates a 12-grade numeric risk rating scale. The risk rating scale runs from 1 to 8. Rating 1 represents the best obligors and facilities while rating 8 represents the worst obligors and facilities. The risk rating scale incorporates sub-grades and full grades reflective of realistic credit migration patterns.

The risk rating scale and the external rating equivalent is detailed below:

Access Bank risk Rating	External Rating Equivalent	Grade
1	AAA	Investment Grade
2+	AA	
2	A	
2-	BBB	
3+	BB+	Standard Grade
3	BB	
3-	BB-	
4	B	Non-Investment Grade
5	B-	
6	CCC	Default Grade
7	C	
8	D	

TRAINING / CERTIFICATION

In line with the CBN's competency framework, members of the Group have consistently upgraded their competency level by passing necessary certification examinations like Certified Risk Manager (Risk Management Association of Nigeria), ACIB (CIBN), ICAN, ACCA, CFA, and other relevant professional certifications.

The Bank also partnered with renowned international firms like Dun and Bradstreet, KPMG, and Moody's Analytics for training in Credit Risk Analysis and Financial Risk Management for the first and second lines of defense. These are in addition to regular training conducted within the Bank to enhance staff capacity in handling transactions in the dynamic business environment and ever-evolving banking industry.

CREDIT OFFICER RISK RATING

To reshape the understanding of risk, the Bank has a Credit Officer Risk Rating model which assigns ratings to credit officers based on the risk conscientiousness and attention to administrative and monitoring requirements for the risk asset portfolio managed by the individual officer. The rating of a credit officer determines whether the officer can create or manage a credit in the Bank. In addition, those that are rated above average or high risk would require a Risk Appreciation Programme with evidence of remediation skills to qualify for a subsequent assessment. All of these put the Bank in a more disciplined position in the credit appraisal, approval, and monitoring processes

CREDIT RISK CONTROL AND MITIGATION

AUTHORITY LIMITS ON CREDIT IN THE BANKING GROUP

The highest credit approval authority is the Board of Directors, supported by the Board Credit Committee and followed by the Management Credit Committee in the banking group. Individuals are also assigned credit approval authorities in line with the Banking group's criteria for such delegation set out in its Credit Risk and Portfolio Management Plan.

The credit approval limits of the principal officers of the banking group are shown in the table below:

In addition, approval and exposure limits based on internal Obligor Risk Ratings have been approved by the Board for the relevant approving authorities and credit committees as shown in the second table below:

APPROVING AUTHORITY	**APPROVED LIMIT (New Credits) Standard Grade (NGN)**	**APPROVED LIMIT (New Credits Investment Grade) NGN**	**Renewal of Existing Credits (NGN)**
Executive Director	200 million	250 million	300million
Executive Director African Subsidiary	200 million	250 million	300million
Deputy Managing Director	600 million	700 million	800million
Managing Director/CEO	800 million	900 million	1,000million

Access Bank Risk Rating	Management Credit Committee Approval Limit (NGN)	Board Credit Committee Approval Limit (NGN)	Board of Directors Limit
1	40 billion	60 billion	Legal lending limit
2+	20 billion	40 billion	
2	10 billion	20 billion	
2-	5 billion	15 billion	
3+	4 billion	10 billion	
3	3 billion	10 billion	
3-	2 billion	5 billion	
4	Above 0.1 billion		

COLLATERAL POLICIES

It is the Group's policy that all credit exposures are adequately collateralized. Credit risk mitigation is an activity of reducing credit risk in exposure or transferring it to a counterparty, at the facility level, by a safety net of tangible and realizable securities including approved third-party guarantees/ insurance.

However, the primary consideration for approving credits is hinged largely on the obligor's financial strength and debt-servicing capacity. The guidelines relating to risk mitigants as incorporated in the guidance note of the Basel Committee on Banking Supervision ('BCBS') on "Principles for the Management of Credit Risk" are to be taken into consideration while using a credit risk mitigant to control credit risk.

The Bank utilizes transaction structure, collateral and guarantees to help mitigate risks (both identified and inherent) in individual credits but transactions should be entered into primarily on the strength of the borrower's repayment capacity. Collateral cannot be a substitute for a comprehensive assessment of the borrower or the counterparty, nor can it compensate for insufficient information. It is recognized that any credit enforcement actions (e.g. foreclosure proceedings) can eliminate the profit margin on the transaction. In addition, we are mindful that the value of collateral may well be impaired by the same factors that have led to the diminished recoverability of the credit.

The range of collaterals acceptable to the Bank include:

- Mortgage on landed property (Legal mortgage/mortgage debenture)
- Debenture/Charge on assets (Fixed and/or floating)
- Cash/Money market investment (letter of lien and set-off over fixed deposits/money market investments)
- Treasury bills and other government securities
- Chattel/vessel mortgage
- Legal ownership of financed assets amongst others.

OPERATIONAL RISK MANAGEMENT

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems, or from external events. Our definition of operational risk excludes regulatory risks, strategic risks and potential losses related solely to judgments about taking credit, market, interest rate, liquidity, or insurance risks.

It also includes the reputation and franchise risk associated with business practices or market conduct in which the Bank is involved. Operational risk is inherent in the Bank's global business activities and, as with other risk types, is managed through an overall framework designed to balance strong corporate oversight with well-defined independent risk management.

This framework reflects:

- Recognition of risk ownership by the businesses

- Oversight by independent risk management
- Independent review by Internal Audit

The Bank has a Business Continuity Plan that defines how it manages incidents in case of a disaster or other disruptive incidents, and how to recover its activities within set deadlines. The purpose of the plan is to:

- Predefine the resources and specify actions required to minimize losses that might otherwise result from a business interruption irrespective of the cause
- Ensure a business-as-usual level of performance while in contingency mode
- Ensure the timely and orderly restoration of business activities

We seek to minimize exposure to operational risk, subject to cost trade-offs. Operational risk exposures are managed through a consistent set of management processes that drive risk identification, assessment, control and monitoring. Our operational risk strategy seeks to minimize the impact that operational risk can have on stakeholder value. The Bank's strategy is to:

- Reduce the likelihood of occurrence of expected events and related costs by managing the risk factors and implementing loss prevention or reduction techniques to reduce variation in earnings

- Minimize the impact of unexpected and catastrophic events and related costs through risk financing strategies that would support the Bank's long-term growth, cash flow management and balance sheet protection

- Eliminate inefficiencies, improve productivity, optimize capital requirements, and improve overall performance through the institution of well-designed and implemented internal controls

To create and promote a culture that emphasizes effective operational risk management and adherence to operating controls, there are three distinct levels of operational risk governance structure in Access Bank Plc.

Level 1 refers to the oversight function carried out by the Board of Directors, the Board Risk Management Committee, and the Executive Management. Responsibilities at this level include ensuring effective management of operational risk and adherence to the approved operational risk policies.

Level 2 refers to the management function carried out by the operational risk management group. It has direct responsibility for formulating and implementing the Bank's operational risk management framework including methodologies, policies, and procedures approved by the Board.

Level 3 refers to the operational risk function carried out by all business units and support functions in the Bank. These units/functions are fully responsible and accountable for the management of operational risk in their units. They work in liaison with operational risk management to define and review controls to mitigate identified risks. Internal Audit provides an independent assessment and evaluation of the Bank's operational risk management framework. This periodic confirmation of the existence and utilization of controls in compliance with approved policies and procedures assures the effectiveness of the Bank's operational risk management framework. Some of the tools being used to assess, measure, and monitor operational risks in the Bank include: a loss database of operational risk events; an effective risk and control self-assessment process that helps to analyze business activities and identify operational risks that could affect the achievement of business objectives; and key risk indicators which are used to monitor operational risks on an ongoing basis.

ALLOCATING CAPITAL TO BUSINESS UNITS

An allocation methodology is applied for allocating capital to business units. For each business unit, the allocation takes into consideration not only the size of the business unit but also measures the business unit's control environment, namely; open audit findings, RCSA results, and loss experience. This translates to a risk-sensitive allocation with the opportunity afforded to business units to identify actions to positively impact on their respective allocated operational risk capital.

INSURANCE MITIGATION

Insurance policies are used to mitigate operational risks. These policies are current and remain applicable at the Bank and Group Level. Insurance coverage is purchased at Group or cluster level to discharge statutory and regulatory duties, or to meet counterparty commitments and stakeholder expectations. The primary insurance policies managed by the Group are:

- Comprehensive crime and electronic crime
- Directors' and officers' liability
- Professional indemnity

MARKET RISK MANAGEMENT

The Bank's capital and earnings are exposed to risk due to adverse changes in market prices. Consequently, a leading market risk management framework is in place to manage exposure to adverse changes in interest rates, foreign exchange, and equity prices.

The objective is not to completely avoid these risks but to ensure exposure to these risks through our trading and banking book positions are kept within the Bank's defined risk appetite and tolerance.

MARKET RISK POLICY, MANAGEMENT AND CONTROL

Over the years, the Nigerian financial market has witnessed a dramatic expansion in the array of financial services and products. This tremendous growth in scale and scope has also generated new risks with global consequences, especially market risk, necessitating an assessment of exposures to the volatility of the underlying risk drivers. This has prompted the upgrading of the Market Risk Policy; Asset and Liability Management Policy; Liquidity Policy; Stress Testing Policy, and so on, to ensure the risks faced across business activities and on an aggregate basis are within the stipulated risk appetite of the Bank. These policies have been benchmarked with industry-leading practices and CBN regulations.

The Bank runs an integrated and straight-through processing treasury system to enable efficient monitoring and management of interest rate and foreign exchange risks.

Liquidity, Exchange Rate, and Interest Rate risks are managed through various approaches, viz. Liquidity Gap Analysis, Dynamic Cash Flow Analysis, Liquidity Ratios, Earnings at Risk (EaR) and Sensitivity Analysis. The primary aim of these processes is risk forecasting and impact mitigation through management action and portfolio rebalancing.

The Bank regularly conducts stress testing to monitor its vulnerability to unfavorable shocks. It monitors and controls its risk, using various internal and regulatory risk limits for the trading book and banking book which are set according to several criteria including economic scenario, business strategy, management experience, peer analysis, and the Bank's risk appetite.

BANKING BOOK

Market risk management actively manages the Banking book to optimize its income potential. This risk arises from the mismatch between the future yield on assets and their funding cost, due to interest rate changes. The Bank uses a variety of tools to track and manage this risk:

- Re-pricing gap analysis
- Liquidity gap analysis
- Earnings-at-Risk (EAR) using various interest rate forecasts
- Sensitivity Analysis

INTEREST RATE RISK

Interest rate risk is the exposure of the Bank's earnings to adverse movements in interest rates, yield curves, and credit spreads. The Bank is exposed to interest rate risk through the interest-earning assets and interest-bearing liabilities in its trading and banking books.

i. RE-PRICING AND LIQUIDITY GAP ANALYSIS

The Bank's objective for the management of interest rate risk in the banking book is to manage interest rate mismatch and lower interest rate risk over an interest rate cycle. This is achieved by hedging material exposures with the external market.

The Bank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. In the case of floating-rated assets and liabilities, the Bank is exposed to basis risk, which is the difference in re-pricing characteristics of the various floating rate indices, such as the savings rate and 90-day NIBOR and different types of interest.

Non-traded interest rate risk arises in the banking book from the provision of retail and wholesale (non-traded) banking products and services, as well as from certain structural exposures within the Group's balance sheet, mainly due to re-pricing timing differences between assets, liabilities and equities. These risks impact both the earnings and the economic value of the Group. Overall, non-trading interest rate risk positions are managed by Treasury, which uses investment securities, advances to banks and deposits from banks to manage the overall position arising from the Group's non-trading activities.

ii. EARNINGS-AT-RISK APPROACH

Earnings at risk is the potential change in net income due to adverse movements in interest rates over a defined period. It guides the Bank to understand the impact that a change in interest rates can make on our position and projected cash flow.

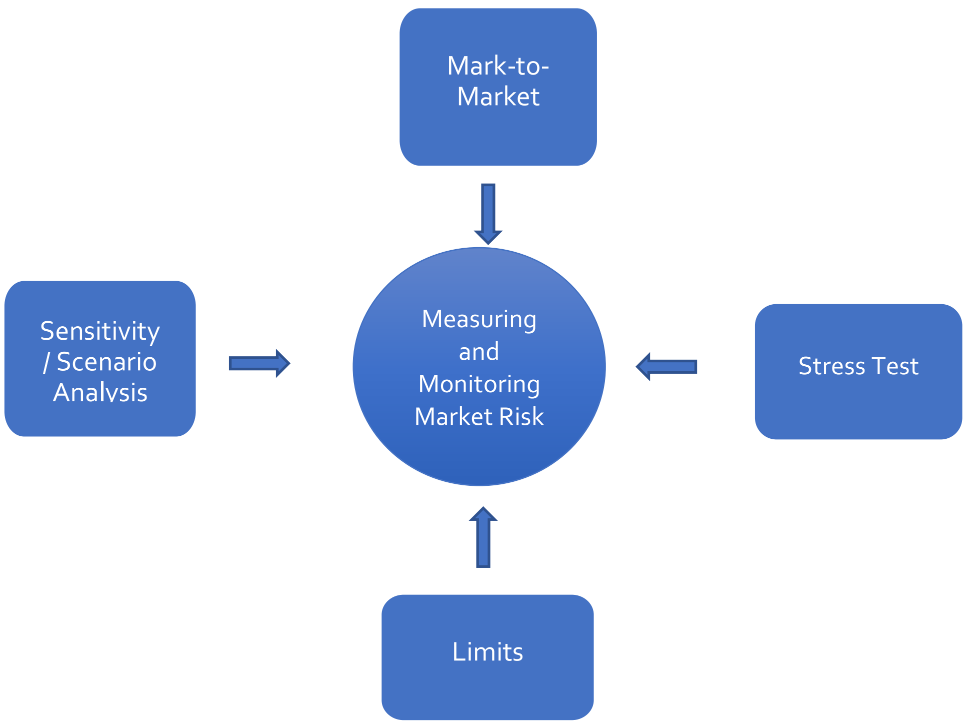
The Bank has limits drawn for this risk measure. They are designed to monitor and control the risk to our projected earnings using various rate scenarios and assumptions. The limit is expressed as a change in projected earnings over a specified time horizon and rate scenario. Scenarios adopted by the Bank include parallel and non-parallel shifts in yield.

iii. SENSITIVITY ANALYSIS

The Bank employs the use of scenario and sensitivity analysis in evaluating its exposures per time. Scenario analysis is the process of predicting the possible balance sheet impact to changes that may occur to existing variables whilst sensitivity analysis is the study of how the outcome of a decision changes due to variations in input.

TRADING PORTFOLIO

The measurement and control techniques used to measure, and control traded market risk (interest rate and foreign exchange risk) include daily valuation of positions, limit monitoring, gap analysis, sensitivity analysis, stress testing, etc. as summarized in the diagram below.



LIMITS

The Bank uses risk limits to restrict the size of investments that traders can take for proprietary and non-proprietary purposes. Limiting the size of investments is one of the primary ways the Bank controls risk and capital consumption. The following limits currently exist;

Fixed income and FX Open Position Limits (NOPL): The Bank, in keeping with the prudence concept, sets its policy limit for Open Position at a level lower than the maximum NOPL approved by the regulatory authority. In setting the internal NOPL, the following considerations are imperative:

- The Regulatory NOPL
- The Bank's tolerance and appetite for FX risk
- The size and depth of the FX market in Nigeria
- The degree of volatility of traded currencies
- The Bank's desired positioning in the relevant FX market with requirements for international business support

Inter-bank placement and takings Limit: In line with the Bank's drive to be a top liquidity provider in the financial market, stringent controls have been set to ensure that any takings from interbank are preceded by proper authorization, to reduce the risks that come with huge interbank borrowing.

Management Action Trigger (MAT): This establishes decision points to confirm the Board of Directors' tolerance for accepting trading risk losses on a cumulative basis. MAT, therefore, considers actual cumulative profit/loss as well as potential losses and the loss tolerance is defined as a percentage of Gross Earnings.

Stop Loss Limit: This limit sets a maximum tolerable unrealized profit/loss to date which will trigger the closing or reduction of a position to avoid any further loss based on existing exposures.

Dealer Limits: This limit sets a maximum transaction limit for a dealer. It is based on the experience and knowledge of the dealer.

Duration Limit

The Bank utilizes duration to measure the sensitivity of the price of assets in its portfolio to changes in interest rate. The Bank has duration limits for the varying asset classes in its investment/trading portfolio.

MARK TO MARKET (MTM)

The marking-to-market technique establishes the potential profit and loss by revaluing money market exposures to prevailing market prices. When no market prices are available for a specific contract period, mark-to-model is used to derive the relevant market prices. It is the Bank's policy to revalue all exposures categorized under the securities trading portfolio daily. As a general guide, marking to market is performed independently of the trading unit i.e. prices/rates are obtained from external sources.

STRESS TESTING

A consistent stress testing methodology is applied to trading and non-trading books. The stress testing methodology assumes that the scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs.

Stress testing is an integral part of the market risk management framework and considers both historical market events and forward-looking scenarios. Stress testing indicates the potential size of losses that could arise in extreme conditions. It helps to identify risk concentrations across business lines and assist senior management in capital planning decisions.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the potential that the Bank may be unable to meet expected or unexpected current or future cash flows and collateral needs without affecting its daily operations or its financial condition. The Bank preserves a high degree of liquidity so that it can meet the requirements of its customers always, including during periods of financial stress.

The Bank has developed a liquidity management framework based on a statistical model underpinned by conservative assumptions about cash inflows and the liquidity of liabilities. In addition, liquidity stress tests assuming extreme withdrawal scenarios are performed. These stress tests specify additional liquidity requirements to be met by holdings of liquid assets.

The Bank's liquidity has consistently been materially above the minimum liquidity ratio and the requirements of its stress tests. The Group ALCO, in conjunction with the Board and its committees, monitors our liquidity position and reviews the impact of strategic decisions on our liquidity. Liquidity positions are measured by calculating the Bank's net liquidity gap and by comparing selected ratios with targets as specified in the Liquidity Risk Management Manual.

CONTINGENCY FUNDING PLAN

The Bank has a contingency funding plan which incorporates early warning indicators to monitor market conditions. The Bank monitors its liquidity position and funding strategies on an ongoing basis but recognizes that unexpected events, economic or market conditions, earnings problems, or situations beyond its control could cause either a short or long-term liquidity crisis. It reviews its contingency funding plan annually.

The contingency funding plan covers the available sources of contingent funding to supplement cash flow shortages; the lead times to obtain such funding; the roles and responsibilities of those involved in the contingency plans; and the communication and escalation requirements when early warning indicators signal deteriorating market conditions. Both short-term and long-term funding crises are addressed in the contingency funding plan.

CAPITAL RISK MANAGEMENT

Capital risk is the risk of possible erosion of the Bank's capital base due to poor capital management.

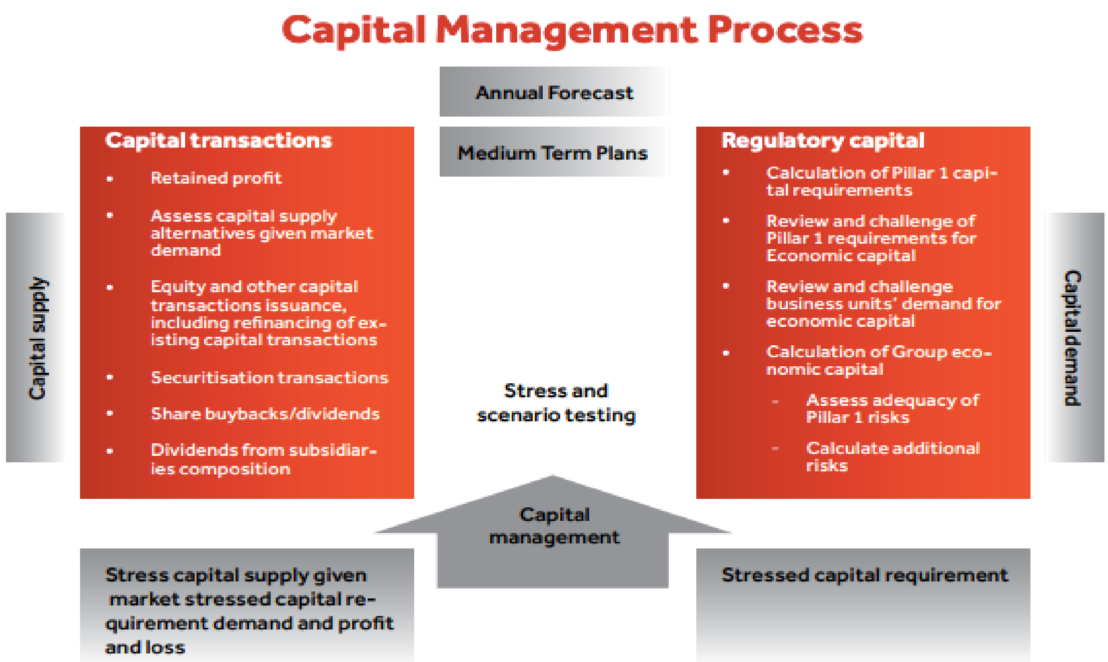
Capital management objectives:

The Group's capital management objectives include:

- To meet the capital ratios required by its regulators and the Group's Board
- To maintain an adequate level of available capital resources as cover for the economic capital (EC) requirements
- To generate enough capital to support asset growth

CAPITAL MANAGEMENT STRATEGY:

The Group's capital management strategy is focused on maximizing shareholder value by optimizing the level and mix of capital resources. Decisions on the allocation of capital resources are based on several factors including return on economic capital (EC) and on regulatory capital (RC) and are part of the internal capital adequacy assessment process (ICAAP).



IMPORTANCE OF CAPITAL MANAGEMENT

Capital management is critical to the Bank's survival. Hence, capital is managed as a board-level priority in the Group. The Board is responsible for assessing and approving the Group's capital management policy, capital target levels and capital strategy. A capital management framework provides effective capital planning, capital issuance, alignment to the Basel accord, EC utilization and economic profit (EP) performance measurement criteria. The diagram above illustrates the process the Group follows to ensure end-to-end integration of the Group's strategy, risk management and financial processes into the capital management process. The purpose is to ensure that capital consumption in the business divisions is planned for and reflected in their performance measurement, which in turn translates into management performance assessment, product pricing requirements and achievement of the overall strategy within the Group's risk appetite.

ENTERPRISE-WIDE SCENARIO AND STRESS TESTING

The Bank uses robust and appropriate scenario stress testing to assess the potential impact on the Group's capital adequacy and strategic plans. Our stress testing and scenario analysis program are central to the monitoring of strategic and potential risks. They highlight the vulnerabilities of our business and capital plans to the adverse effect of extreme but plausible events. As a part of our core risk management practices, the Bank conducts enterprise-wide stress tests periodically to better understand earnings, capital and liquidity sensitivities to certain economic scenarios, including economic conditions that are more severe than anticipated. We leveraged the Bank's ICAAP in the selection of our scenarios and improved on them to ensure they are representative of the recent macroeconomic developments. The outcome of the testing and analysis is also used to assess the potential impact of the relevant scenarios on the demand for regulatory capital compared with its supply. These enterprise-wide stress tests provide an understanding of the potential impacts on our risk profile, capital and liquidity. It generates and considers pertinent and plausible scenarios that have the potential to adversely affect our business. Stress testing and scenario analysis are used to assess the financial and management capability of the Bank to continue operating effectively under extreme but plausible trading conditions. Such conditions may arise from economic, legal, political, environmental and social factors. Scenarios are carefully selected by a group drawn from senior business development, risk and finance executives. Impacts on each line of business from each scenario are then analyzed and determined, primarily leveraging the models and processes utilized in everyday management routines. Impacts are assessed along with potential mitigating actions that may be taken in each scenario. Analyses from such stress scenarios are compiled and reviewed through our Group Asset and Liability Committee, and the Enterprise Risk Management Committee. These are then incorporated alongside other core business processes into decision-making by management and the Board. These scenario and stress testing procedures were significantly enhanced during the recent pandemic and its macroeconomic fallouts. Management actions that arose from them were pivotal in enabling the Bank to mitigate and optimize risk outcomes in order to strengthen capital

COMPLIANCE RISK MANAGEMENT

The Bank's compliance function organizes and sets priorities for the management of its compliance risk in a way that is consistent with risk management strategy and structures.

The integrated compliance function working closely with Internal Audit and Risk Management to achieve risk convergence providing the backbone for integrated assurance and higher visibility of risk management and control consciousness across the Group.

The compliance function has continued to redefine and fine-tune its approach and continue to improve on its advisory role with an intense focus on regulatory intelligence gathering, compliance monitoring, compliance testing, and closer cooperation with business units within the Bank. The Group on the other hand acts as a contact point for compliance inquiries from staff members. The Business Unit Compliance Officers and Quality Assurance desk across the business units have further strengthened and deepened the cooperation with the first line of defense.
We enhanced the monitoring to online real-time to catch up with the current digital banking environment. We receive alerts of transactions on a risk-based approach by focusing on the high-risk areas thereby spotting non-conformities on time and have also enhanced our Compliance management standard.

MEASUREMENT, MONITORING AND MANAGEMENT OF COMPLIANCE RISK

In the Bank, the Compliance risk is measured through the following:

- Measured by reference to identified metrics, incident assessments (whether affecting it or the wider industry), regulatory feedback, Compliance Testing and the judgment of our external assessors as it relates to AML/CFT and other compliance vulnerabilities

- Monitored against our compliance risk assessments and metrics, the results of the continuous monitoring and reporting activities of the compliance function and the results of internal and external audits and regulatory inspections

- Managed by establishing and communicating appropriate policies and procedures, training employees on them, and monitoring activity to assure their observance

The Bank continues to recognize its accountability to all its stakeholders under the legal and regulatory requirements applicable to its business. The Conduct and Compliance function, including all staff of Access Bank Plc and its subsidiaries, are committed to high standards of integrity and fair dealing in the conduct of business. The Bank's compliance risk management philosophy is deepened by the effective convergence of risk management through the 'Three Lines of Defense' model.

Effective Compliance Risk Management in Access Bank and its subsidiaries will continuously be coordinated in the following manner:

- Where a business unit is subject to regulatory requirements, it will comply with those requirements. The business unit will further establish and maintain systems of internal control to monitor and report the extent of compliance with those requirements with the support of the Conduct and Compliance function.

In the absence of regulatory requirements for all or part of a business unit, certain minimum standards of conduct is established and maintained by that business unit to the extent required as determined by the management of that business unit and in line with global best compliance practice.

INFORMATION AND CYBERSECURITY RISK MANAGEMENT

The global cybersecurity threat landscape has continued to evolve with increasing dynamism since the last pandemic and its impact on social interactions has led to both increased digital collaboration between malicious threat actors and the commercialization of cybercrime. Our approach to this malaise is hinged on a proactive cyber strategy that combines a solid defensive foundation, deep threat intelligence and resilience capabilities.

Hence, as part of these strategic initiatives, the bank established a comprehensive cybersecurity framework and implemented a defense-in-depth approach to protect our information assets, our human capital, and our business across Access Nation. The Security function has been expanded to cover Cybersecurity Governance, 3rd Party Risk & Application Programming Interface (API) Management, Forensic Analysis, and Incident Response.

A key digital change in the mode of operations is reflected in our steady drive to improve incident detection and response capabilities to deliver more resiliency and prevent breaches across the Bank.

As the Bank continues to grow its retail base, close attention is paid to cybersecurity given the digital threat landscape and constant operational security challenges of our environments. Therefore, a particular initiative that our proactive and defensive measures deliver is a reduction of our attack surface to the barest minimum to ensure there is no financial loss. We are also constantly improving our visibility into potential anomalous digital interactions across the Bank through our world-class 24/7 Security Operations Center (SOC).

We have also implemented global best-practice security frameworks to ensure compliance with both regulatory requirements and international standards. This is followed up with a yearly compliance reassessment of our status as part of our cyber governance across the Bank and its Subsidiaries. Our human capital is a cardinal part of our strategy, and their capability is constantly being honed through user awareness training. Through this, our technical controls are well complemented by an alert workforce, whose ability to recognise the tricks of hackers with their malicious appendages is highly developed, therefore, disrupting the cyber-attack chain and improving our collective resistance to social engineering attacks.

The constant improvement and breakthroughs in technology, as well as the never-ending desire to improve services, have made Digital Banking, Fintech Integration & Cloud Adoption, key strategic objectives. Therefore, as we work towards realising these objectives, the implementation of proper risk mitigation measures will reduce the business risks inherent in these opportunities and deliver more optimal outcomes. We are committed to maintaining a "moderate overall cyber risk appetite" while driving compliance and resilience.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

The main objective of our environmental and social ("E&S") risk management strategy is to reduce the negative impacts of climate change and harness the opportunities inherent in portfolio transition towards a near-zero economy on our business. We recognize that our customers' activities and operations can have an impact on the environment and communities around them. We have developed, implemented and refined our approach to working with our customers to understand and manage these issues. Our robust governance framework, policies, and procedures have ensured that we remain resilient in our E&S risk management commitments, particularly as the Bank has acquired new markets in the African continent and across the globe. We believe that the key to managing environmental risk is creating partnerships with our customers and aligning activities on our transition path to more sustainable environmental practices. More importantly, our Environmental, Social and Governance (ESG) systems have evolved from environmental and social risks into environmental and social opportunities. This continuous evolution has ensured that we continually strive towards attaining a more refined ESG risk management structure, thus building on our E&S pedigree including embedding and automation of our E&S lending risk review processes, and pioneer corporate certified green bonds amongst others.

Responding to Climate Change

We consider climate change to be one of the greatest challenges facing the world today. We are dedicated to achieving the commitments of the Paris Agreement on carbon emissions reductions, whilst ensuring that we stay focused on managing the potential environmental issues. With the increasing awareness around financed emissions and the impact of climate change potential within our portfolio, we have taken strategic steps towards understanding these potential exposures, and their implications and incorporating requisite mitigating measures to manage these risks. We have therefore taken forward-looking measures by becoming a core participating member of internationally recognised climate risk initiatives. These initiatives include:

UNEP FI's Taskforce on Climate-related Financial Disclosures (TCFD) adopted by leading global financial institutions and aimed at identifying and managing the impact of climate risks in the portfolio of Financial Institutions. The Bank became a member of the working group in 2019 and has been working on aligning the emissions from both our own operations and our financing activities to the Paris Goal of below two degrees of global warming.

Partnership for Carbon Accounting Financials (PCAF) is a global partnership aimed at harmonising the approach to accessing and disclosing greenhouse gas (GHG) emissions associated with loans and investments. The Bank became a member of the steering group in June 2020. We have built capacity around data collection and incorporating the PCAF methodology to measure our financed emissions.

We have also further developed our climate risk strategy by expanding our portfolio of green assets. We have designed a system to identify, measure, track and report on the progress made in developing a diversified green loan portfolio. We recognise the critical role green product development plays in achieving this objective, and we are at an advanced stage in developing a bouquet of green products to catalyse more green loans into our loan portfolio. We have set targets for reducing the carbon emissions from our operations and have taken strong steps toward achieving this goal.

REPUTATIONAL RISK MANAGEMENT

Reputational risk arises when the Bank's reputation is damaged by one or more reputational events from negative publicity about the organization's business practices, conduct, or financial condition. The Bank's Reputational Risk Management is mandated to protect the Bank from potential threats to its reputation. The team continuously uses proactive means in minimizing the effects of reputational events, thereby averting the likelihood of major reputational crises with a view to ultimately ensure the survival of the organisation. The Bank has put in place a framework to properly articulate, analyze and manage reputational risk factors.

The Bank takes the management of reputational risks seriously because of its far-reaching implications, which are buttressed by the fact that the Bank operates under:

- A highly regulated financial services industry with high visibility and vulnerability to regulatory actions that may adversely impact its reputation. (e.g., corporate governance crises)
- Keen competition and largely homogeneous products and services have led customers not to perceive significant differences between financial service providers
- Given the financing nature of products and services they provide, banks are not only exposed to their own reputation, but also to the reputation of their clients
- Increasing use of social media platforms for the dissemination of news, where it is difficult to manage and control negative news even if they are false.

With banks operating and competing in a global environment, risks emerging from a host of different sources and locations are difficult to keep up with and to know how best to respond if they occur. The effects of the occurrence of a reputational risk event include but are not limited to the following:

- Loss of current or future customers
- Loss of public confidence
- Loss of employees leading to an increase in hiring costs, or staff downtime
- Reduction in current or future business partners
- Increased costs of capitalization via credit or equity markets
- Regulatory sanctions
- Increased costs due to government regulations, fines, or other penalties
- Loss of banking license

The Bank's policy provides for the protection of the Group's reputation and should at all times take priority over all other activities, including revenue generation. Reputational risk will arise from the failure to effectively mitigate any or a combination of country, credit, liquidity, market, regulatory and operational risks. It may also arise from the failure to comply with social, environmental governance, and ethical standards. All employees are responsible for day-to-day identification and management of reputational risk.

COMPILATION OF TRIGGER EVENTS

To assist in the identification of key reputational risk events, triggers that would set off the risk drivers are compiled through regular workshops with participants across the Bank. The following table illustrates some trigger events for relevant risk drivers.

Risk Drivers	Trigger Events
Corporate Governance and Leadership	• Corporate frauds and scandals • Association with dishonest and disreputable characters as directors, management • Association with politically exposed persons • Incidence of shareholders conflict and Board Instability.
Regulatory Compliance	• Non - Compliance with laws and regulation • Non-submission of Regulatory returns
Delivering Customer Promise	• Security Failure • Shortfall in quality of service/fair treatment • Bad behavior by employees
Workplace Talent and Culture	• Unfair employment practices • Not addressing employee grievances • Uncompetitive remuneration
Corporate Social Responsibility	• Lack of community development initiatives
Corporate Culture	• Lack of appropriate culture to support the achievement of business objectives. • Ineffective risk management practices. • Unethical behaviors on the part of staff and management. • Lack of appropriate structure for employees to voice their concerns
Risk Management and Control Environment	• Inadequate Risk Management and Control environment • Continuous violations of existing policies and procedures
Financial Soundness and Business Viability	• Consistent poor financial performance • Substantial losses from unsuccessful Investment
Crisis Management	• Inadequate response to a crisis or even a minor incident

APPROACH TO MANAGING REPUTATION RISK EVENTS

The approach to managing reputational events, including any relevant strategy and policies, is approved by the Board or its delegated committee and subject to periodic review and regularly updated by senior management to ensure that it remains appropriate over time. In addition, the approach is well documented and communicated to all relevant personnel.

POST-REPUTATION EVENT REVIEWS

After a reputation event, the post-event review is conducted by Internal Audit and Risk Management Division to identify any lessons learnt, or problems and weaknesses revealed, from the event. Such reviews are useful for providing feedback and recommendations for enhancing the Bank's reputation risk management process and should at least be conducted on any major event affecting Access Bank. The Board and senior management are informed of the results of any such review conducted in order to take appropriate actions to improve their capacity to manage reputational risk

STRATEGIC RISK MANAGEMENT

In the Bank, we define Strategic Risk Management as the process of identifying, assessing and managing risks and uncertainties affected by internal and external events or scenarios that could inhibit the Bank's ability to achieve its strategy and strategic objectives with the ultimate goal of creating and protecting shareholder and stakeholder value. It is a primary component and necessary foundation of our Enterprise-wide Risk Management.

Strategic risk management, therefore, is the current or prospective risk to earnings and capital arising from adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment. It can also be defined as the management of the risk associated with future business plans and strategies, including plans for entering new business lines, expanding existing services through mergers and acquisitions, and enhancing infrastructure.

The following principles govern the Bank's strategic risk management:

The Board and Senior Management are responsible for Strategic Risk Management and oversee the effective functioning of the strategic risk management framework.
The functional units (i.e. the units which carry out business or operational functions) assist the Board and Senior Management in formulating and implementing strategies, providing input to the strategic planning and management processes; as well as implementing the strategic risk management framework.

The strategic risk management function supports the Board and senior management in managing strategic risks and other related processes in the Bank.

The measures and controls it has put in place include the following:

- Strategic plans are approved and monitored by the Board.
- Regular environmental scans, business strategy sessions and workshops are set up to discuss business decisions and exposure to strategic risk triggers.
- Close monitoring to ensure that strategic plans are properly aligned with the business model.
- Regular performance review by Executive Management and business plans that are approved by the Board.

The Bank also maintains a well-defined succession plan, proper monitoring and well-defined structures to align its activities to international best practices.

ECONOMIC INTELLIGENCE

Economic Intelligence (EI) team provides economic, business and financial analysis that supports the Bank in achieving their strategic objectives. Its value propositions include assisting the Bank in realizing its targeted moderate risk appetite, price competitiveness, improvement to business intelligence, and brand enhancement.

Some of the Unit's roles and responsibilities include:

- Monitoring and interpreting current economic developments/trends globally and wherever the Bank has a presence and preparing economic outlook to aid decision-making.
- Proactively providing industry analysis, identifying investment trends and opportunities for the Bank; monitoring, interpreting, and conducting policy-relevant research.
- Developing contact and collaborative economic/business and financial information with research institutes/ bodies within the country and outside.

5.1 Credit risk management

5.1.1 Maximum exposure to credit risk before collateral held or other credit enhancements

Credit risk exposures relating to financial assets are as follows:

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Cash and balances with banks				
- Current balances with banks	1,310,295	272,128	973,628	123,023
- Unrestricted balances with central banks	719,502	186,534	415,846	89,148
- Money market placements	220,222	152,680	309,541	24,669
- Other deposits with central banks	-	536,677	-	536,677
Investment under management	7,423	3,742	7,423	3,742
Non pledged trading assets				
Treasury bills	197,120	88,116	150,037	73,011
Bonds	12,088	14,574	7,761	4,613
Derivative financial instruments	2,050,432	402,497	2,033,286	399,058
Loans and advances to banks	880,534	455,710	659,546	322,610
Loans and advances to customers	8,037,723	5,100,807	5,369,154	4,084,352
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	445,262	451,476	445,262	451,476
Bonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial instruments at amortized cost				
Treasury bills	80,286	296,061	80,286	296,061
Bonds	623,360	411,582	623,360	411,582
Promissory notes	30,226	32,639	30,226	32,639
-Financial instruments at FVPL				
Treasury bills	32,235	72,565	32,235	72,565
Bonds	1,193	2,567	1,193	2,567
Promissory notes	-	-	-	-
Investment securities				
-Financial instruments at FVOCI				
Treasury bills	1,943,342	1,046,120	905,038	703,695
Bonds	399,292	296,240	192,150	158,208
Promissory notes	16,714	217,305	16,714	217,305
- Financial assets at amortised cost				
Treasury bills	754,810	192,795	585,470	102,399
Preferential Shares Note	-	-	7,138	-
Bonds	1,930,731	870,110	1,259,658	632,770
Promissory notes	94,690	37,762	94,690	37,763
Preferential Shares Note	-	-	7,138	-
Restricted deposit and other assets	4,947,684	2,454,143	4,594,032	2,323,754
Total	**24,735,166**	**13,594,830**	**18,800,814**	**11,103,689**
Off balance sheet exposures				
Transaction related bonds and guarantees	744,454	693,915	735,514	618,742
Clean line facilities for letters of credit and other commitments	1,645,678	842,563	1,060,454	606,878
Total	**2,390,132**	**1,536,478**	**1,795,968**	**1,225,620**

Balances included in other Assets above are those subject to credit risks. The table above shows a worst-case scenario of credit risk exposure to the Group as at 31 December 2023 and 31 December 2022, without taking account of any collateral held or other credit enhancements attached.

For on-balance-sheet assets, the exposures set out above are based on net amounts reported in the statements of financial position.

The Directors are confident in their ability to continue to control exposure to credit risk which can result from both its Loans and Advances portfolio and debt securities.

5.1.2 Gross loans and advances to customers per sector is as analysed follows:

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Agriculture	96,308	57,578	37,533	42,900
Construction	659,880	388,368	595,928	336,573
Education	7,827	2,082	992	1,217
Finance and insurance	171,034	146,689	133,268	119,512
General	859,734	387,965	416,304	325,038
General commerce	1,235,002	687,600	569,258	421,501
Government	501,692	498,493	466,024	447,289
Information And communication	626,897	249,350	440,999	225,405
Other manufacturing (Industries)	345,297	241,682	248,997	193,371
Basic metal Products	20,936	5,100	3,744	2,705
Cement	85,201	151,930	85,201	140,605
Conglomerate	224,239	106,685	224,239	97,363
Flourmills And bakeries	8,530	12,130	8,530	11,446
Food manufacturing	304,045	243,975	242,256	153,276
Steel rolling mills	104,595	108,790	104,595	99,932
Oil And Gas - downstream	272,785	274,678	244,090	242,012
Oil And Gas - services	577,509	644,592	512,560	540,730
Oil And Gas - upstream	570,434	277,713	552,084	253,236
Crude oil refining	43,624	47,428	43,624	44,771
Real estate activities	253,780	273,074	196,483	226,454
Transportation and storage	415,762	192,583	226,046	160,182
Power and energy	173,544	47,101	98,110	42,469
Professional, scientific and technical activities	4,570	8,322	2,889	4,193
Others	630,990	145,842	14,567	17,236
	8,194,213	**5,199,752**	**5,468,319**	**4,149,413**

5.1.3(a) Group
December 2023
Credit quality by class

Loans to retail customers

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Standard grade	864,986	40,001	-	904,987	6,890	1,842	-	8,732	896,256
Non-Investment	-	-	67,619	67,619	-	-	19,150	19,150	48,469

Loans to corporate customers

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	2,631,426	-	-	2,631,426	2,392	-	-	2,392	2,629,034
Standard grade	3,832,822	572,996	-	4,405,818	39,612	26,484	-	66,096	4,339,722
Non-Investment	-	-	184,362	184,362	-	-	60,120	60,120	124,243

Loans and advances to banks

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	880,152	-	-	880,152	396	-	-	396	879,757
Standard grade	794	-	-	794	17	-	-	17	777

Off balance sheet

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	1,669,187	-	-	1,669,187	1,205	30	-	1,235	1,667,952
Standard grade	699,954	11,404	-	711,358	2,375	36	228	2,639	708,719
Non-Investment	-	-	9,586	9,586	1	-	52	53	9,533

Investment securities

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	1,999,002	-	-	1,999,002	1,153	-	-	1,153	1,997,849
Non-Investment	2,752,687	-	794,754	3,547,442	8,892	-	193,531	202,423	3,345,019

Pledged Assets

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	1,212,562	-	-	1,212,562	921	-	-	921	1,211,642

Cash and balances with banks;
-Money market placements

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Non-Investment	270,390	-	-	270,390	1,350	-	-	1,350	269,039

Other assets

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	3,507,443	-	-	3,507,443	19,166	-	-	19,166	3,488,276
Standard grade	34,582	149,677	-	184,259	891	3,854	-	4,745	179,514

5.1.3(b) Bank
December 2023
Credit quality by class

Loans to retail customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	-	-	-	-	-	-	-	-	-
Standard grade	165,156	238	-	165,394	4,071	27	-	4,098	161,296
Non-Investment	-	-	11,951	11,951	-	-	5,383	5,383	6,568

Loans to corporate customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	1,751,039	-	-	1,751,039	2,067	-	-	2,067	1,748,972
Standard grade	2,891,507	569,264	-	3,460,772	36,113	25,138	-	61,251	3,399,521
Non-Investment	-	-	79,164	79,164	-	-	26,368	26,368	52,796

Loans and advances to banks

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	658,996	-	-	658,996	228	-	-	228	658,768
Standard grade	794	-	-	794	17	-	-	17	777

Off balance sheet

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	1,247,299	-	-	1,247,299	1,128	-	-	1,128	1,246,171
Standard grade	542,077	1,888	-	543,965	2,140	31	-	2,171	541,795
Non-Investment	-	-	4,703	4,703	-	-	20	20	4,684

Investment securities

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	402,711	-	-	402,711	-	-	-	-	402,711
Standard grade	-	-	-	-	-	-	-	-	-
Non-Investment	2,752,687	-	308,172	3,060,859	8,911	-	107,876	116,788	2,944,071

Pledged Assets

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	1,212,562	-	-	1,212,562	921	-	-	921	1,211,640

Cash and balances with banks;

-Money market placements

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Non-Investment	309,541	-	-	309,541	961	-	-	961	308,580

Other assets

In millions of Naira	**Stage 1 Gross amount**	**Stage 2 Gross amount**	**Stage 3 Gross amount**	**Total Gross amount**	**Stage 1 ECL**	**Stage 2 ECL**	**Stage 3 ECL**	**Total ECL**	**Carrying amount**
Internal rating grade									
Investment	3,170,980	-	-	3,170,980	17,735	-	-	17,735	3,153,245
Standard grade	31,265	135,318	-	166,583	824	3,567	-	4,391	162,193

5.1.3(a) Group
December 2022
Credit quality by class

Loans to retail customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Standard grade	444,333	20,465	-	464,797	6,928	1,095	-	8,022	456,775
Non-Investment	-	-	35,915	35,914	-	-	11,016	11,016	24,899

Loans to corporate customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment									
Standard grade	1,249,929	-	-	1,249,929	1,931	-	-	1,932	1,247,997
Non-Investment	2,898,346	409,856	-	3,308,202	18,951	16,646	-	35,598	3,272,605
	-	-	140,906	140,907	-	-	42,374	42,374	98,533

Loans and advances to banks

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	452,329	-	-	452,329	345	-	-	345	451,983
Standard grade	3,640	-	-	3,640	6	-	-	6	3,633
Non-Investment	-	-	119	119	-	-	28	28	91

Off balance sheet

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	904,234	8,466	-	912,700	1,431	513	-	1,944	910,755
Standard grade	607,459	4,188	10,117	621,764	1,805	-	2,519	4,323	617,441
Non-Investment	1,304	-	709	2,015	14	-	588	602	1,412

Investment securities

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	1,005,861	-	-	1,005,861	233	-	-	233	1,005,629
Non-Investment	1,488,514	-	348,111	1,836,626	2,003	-	78,555	80,558	1,756,067

Pledged Assets

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	1,266,891	-	-	1,266,891	1,612	-	-	1,612	1,265,279

Cash and balances with banks;
Money market placements

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	128,011	-	-	128,011	158	-	-	158	127,854
Non-Investment	24,669	-	-	24,669	563	-	-	563	24,107

Other assets

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	2,410,425	-	-	2,410,425	4,359	-	-	4,359	2,406,066
Standard grade	24,227	25,675	-	49,902	1,958	2,073	-	4,031	45,871
Non-Investment	-	-	-	-	-	-	-	-	-

5.1.3(b) Bank
December 2022
Credit quality by class

Loans to retail customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Standard grade	138,481	562	-	139,043	5,260	21	-		5,281	133,762
Non-Investment	-	-	10,227	10,227	-	-	2,869		2,869	7,359

Loans to corporate customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Investment	1,249,929	-	-	1,249,929	1,931	-	-		1,931	1,247,997
Standard grade	2,286,214	389,151	-	2,675,365	16,692	15,852	-		32,547	2,642,819
Non-Investment	-	-	74,848	74,848	-	-	22,436		22,436	52,412

Loans and advances to banks

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Investment	319,192	-	-	319,192	308	-	-	-	308	318,885
Standard grade	3,640	-	-	3,640	6	-	-	-	6	3,634
Non-Investment	-	-	119	119	-	-	28	-	28	91

Off balance sheet

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Investment	748,805	8,466	-	757,271	890	333	-	-	1,223	756,048
Standard grade	452,030	4,188	10,117	466,336	6,659	45	2,554	-	9,258	457,078
Non-Investment	1,304	-	709	2,013	14	-	353	-	367	1,646

Investment securities

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Investment										
Standard grade	372,316	-	-	372,316	-	-	-	-	-	372,316
	1,488,514	**-**	**125,038**	**1,613,552**	**1,988**	**-**	**37,320**	**-**	**39,308**	**1,574,244**

Pledged Assets

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Investment	1,264,323	-	-	1,264,323	1,612	-	-		1,612	1,262,711

Cash and balances with banks; Money market placements

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Non-Investment	24,669	-	-	24,669	563	-	-		563	24,106

Other assets

In thousands of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL		Total ECL	Carrying amount
Internal rating grade										
Investment	2,281,567	-	-	2,281,567	2,461	-	-	-	2,461	2,279,106
Standard grade	22,932	24,303	-	47,234	2,249	2,381	-	-	4,630	42,604
Non-Investment	-	-	-	-	-	-	-	-	-	-

5.1.3 Credit quality

(c) Credit quality by risk rating class

Group

In millions of Naira
December 2023

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	642	-	-	642	18	-	-	18	624
BB	Standard	3	857,463	4	-	857,468	6,693	0	-	6,694	850,774
BB-	Standard	3-	6,881	39,764	-	46,645	178	1,814	-	1,993	44,652
B	Non-Investment	4	-	92	1,071	1,163	-	19	265	283	879
B-	Non-Investment	5	-	141	-	141	-	9	-	9	133
CCC	Non-Investment	6	-	-	29,607	29,607	-	-	8,161	8,161	21,446
C	Non-Investment	7	-	-	16,825	16,825	-	-	4,417	4,417	12,408
D	Non-Investment	8	-	-	20,116	20,116	-	-	6,307	6,307	13,808
Carrying amount			**864,987**	**40,001**	**67,619**	**972,606**	**6,890**	**1,842**	**19,150**	**27,882**	**944,725**

Loans and advances to corporate customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	580,073	-	-	580,073	311	-	-	311	579,762
AA	Investment	2+	709,126	-	-	709,126	560	-	-	560	708,566
A	Investment	2	264,257	-	-	264,257	387	-	-	387	263,870
BBB	Investment	2-	1,077,970	-	-	1,077,970	2,036	-	-	2,036	1,075,934
BB+	Standard	3+	616,754	-	-	616,754	2,805	-	-	2,805	613,949
BB	Standard	3	3,018,887	17,441	-	3,036,328	30,321	1,133	-	31,454	3,004,874
BB-	Standard	3-	197,181	474,793	-	671,974	5,585	19,897	-	25,482	646,492
B	Non-Investment	4	-	23,361	-	23,361	-	1,356	-	1,356	22,005
B-	Non-Investment	5	-	57,401	-	57,401	-	4,098	-	4,098	53,303
CCC	Non-Investment	6	-	-	130,188	130,188	-	-	43,336	43,336	86,852
C	Non-Investment	7	-	-	35,734	35,734	-	-	10,426	10,426	25,309
D	Non-Investment	8	-	-	18,440	18,440	-	-	6,358	6,358	12,082
			6,464,248	**572,996**	**184,362**	**7,221,606**	**42,004**	**26,484**	**60,120**	**128,608**	**7,092,999**

Loans and advances to banks

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	-	-	-	-	-	-	-	-	-
AA	Investment	2+	880,152	-	-	880,152	396	-	-	-	880,152
BB	Standard	3	794	-	-	794	17	-	-	17	777
			880,947	**-**	**-**	**880,947**	**413**	**-**	**-**	**17**	**880,930**

Investment securities

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
A	Investment	2	1,999,002	-	-	1,999,002	1,153	-	-	1,153	1,997,849
B	Non-Investment	4	2,752,687	-	794,754	3,547,442	8,892	-	193,531	202,423	3,345,019
			4,751,689	**-**	**794,754**	**5,546,443**	**10,045**	**-**	**193,531**	**203,576**	**5,342,868**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2023	Fair Value December 2023
AAA-A	Investment	1	3,048,718	1,696,231
AA	Investment	2+	217,350	(435,883)
A	Investment	2	68,002	34,969
BBB	Investment	2-	145,719	84,069
BB+	Standard	3+	121,852	(10,082)
BB	Standard	3	97,146	61,410
BB-	Standard	3-	688,973	143,686
B	Non-Investment	4	-	-
Gross amount			**4,387,760**	**1,574,400**

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies. These instruments are neither past due nor impaired

Other Assets

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying
AAA	Investment	1	3,413,409	-	-	3,413,409	17,372	-	-	17,372	3,396,037
AA	Investment	2+	5,497	-	-	5,497	2	-	-	2	5,495
A	Investment	2	1,532	-	-	1,532	2	-	-	2	1,530
BBB	Investment	2-	87,005	-	-	87,005	1,790	-	-	1,790	85,215
BB+	Standard	3+	34,582	-	-	34,582	891	-	-	891	33,692
BB	Standard	3	-	149,677	-	149,677	-	3,854	-	3,854	145,822
			3,542,026	**149,677**	**-**	**3,691,702**	**20,056**	**3,854**	**-**	**23,911**	**3,667,792**

Bank
December 2023
In millions of Naira

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	642	-	-	642	18	-	-	18	624
BB	Standard	3	157,633	4	-	157,638	3,874	0	-	3,875	153,763
BB-	Standard	3-	6,881	0	-	6,881	178	0	-	178	6,703
B	Non-Investment	4	-	92	-	92	-	19	-	19	73
B-	Non-Investment	5	-	141	-	141	-	9	-	9	133
CCC	Non-Investment	6	-	-	4,907	4,907	-	-	2,052	2,052	2,854
C	Non-Investment	7	-	-	1,199	1,199	-	-	552	552	647
D	Non-Investment	8	-	-	5,845	5,845	-	-	2,778	2,778	3,067
Carrying amount			**165,156**	**239**	**11,951**	**177,345**	**4,071**	**27**	**5,383**	**9,481**	**167,865**

Loans and advances to corporate customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	386,000	-	-	386,000	188	-	-	188	385,813
AA	Investment	2+	471,876	-	-	471,876	166	-	-	166	471,710
A	Investment	2	175,845	-	-	175,845	127	-	-	128	175,717
BBB	Investment	2-	717,317	-	-	717,317	1,585	-	-	1,585	715,732
BB+	Standard	3+	514,213	-	-	514,213	2,091	-	-	2,091	512,123
BB	Standard	3	2,212,896	17,441	-	2,230,337	29,520	1,133	-	30,653	2,199,683
BB-	Standard	3-	164,398	471,061	-	635,461	4,502	18,552	-	23,053	612,408
B	Non-Investment	4	-	23,361	-	23,361	-	1,356	-	1,356	22,005
B-	Non-Investment	5	-	57,401	-	57,401	-	4,098	-	4,098	53,303
CCC	Non-Investment	6	-	-	65,830	65,830	-	-	22,894	22,894	42,936
			4,642,546	**569,264**	**65,830**	**5,277,640**	**38,179**	**25,138**	**22,894**	**86,211**	**5,191,429**

Loans and advances to banks

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	658,996	-	-	658,996	228	-	-	228	658,768
BB	Standard	3	794	-	-	794	17	-	-	17	777
			659,790	**-**	**-**	**659,790**	**244**	**-**	**29**	**273**	**659,516**

Investment securities

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
A	Investment	2	402,711	-	-	402,711	-	-	-	-	402,711
B	Non-Investment	4	2,752,687	-	308,172	3,060,859	8,911	-	107,876	-	3,060,859
			3,155,400	**-**	**308,172**	**3,463,571**	**8,911**	**-**	**107,876**	**-**	**3,463,570**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2023	Fair Value December 2023
AAA-A	Investment	1	2,986,994	1,682,296
AA	Investment	2+	684,774	(432,302)
A	Investment	2	66,625	34,682
BBB	Investment	2-	203,200	142,505
BB+	Standard	3+	119,385	(9,999)
BB	Standard	3	95,179	60,906
BB-	Standard	3-	142,769	83,378
Gross amount			**4,298,926**	**1,561,466**

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies. These instruments are neither past due nor impaired

Other Assets

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying
AAA	Investment	1	3,085,966	-	-	3,085,966	16,075	-	-	16,075	3,069,891
AA	Investment	2+	4,970	-	-	4,970	2	-	-	2	4,968
A	Investment	2	1,385	-	-	1,385	2	-	-	2	1,383
BBB	Investment	2-	78,659	-	-	78,659	1,656	-	-	1,656	77,003
BB+	Standard	3+	31,265	-	-	31,265	824	-	-	824	30,441
BB	Standard	3	-	135,318	-	135,318	-	3,567	-	3,567	131,752
			3,202,245	**135,318**	**-**	**3,337,563**	**18,559**	**3,567**	**-**	**22,126**	**3,315,438**

5.1. Credit quality
(c) Credit quality by risk rating class

Group

In millions of Naira
December 2022

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	467	-	-	467	17	-	-	17	450
BB	Standard	3	437,732	238	956	438,927	6,668	12	236	6,916	432,011
BB-	Standard	3-	6,134	20,227	203	26,565	243	1,083	64	1,390	25,175
B	Non-Investment	4	-	-	496	496	-	-	156	156	340
CCC	Non-Investment	6	-	-	18,765	18,765	-	-	5,815	5,815	12,952
C	Non-Investment	7	-	-	7,149	7,149	-	-	2,175	2,175	4,974
D	Non-Investment	8	-	-	8,345	8,345	-	-	2,570	2,570	5,776
Carrying amount			**444,334**	**20,465**	**35,915**	**500,713**	**6,928**	**1,095**	**11,016**	**19,043**	**481,671**

Loans and advances to corporate customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	206,038	-	-	206,038	42	-	-	42	205,997
AA	Investment	2+	579,429	-	-	579,429	815	-	-	815	578,614
A	Investment	2	297,399	-	-	297,399	603	-	-	603	296,796
BBB	Investment	2-	167,063	-	-	167,063	471	-	-	471	166,591
BB+	Standard	3+	414,749	15	-	414,764	1,351	13	-	1,363	413,400
BB	Standard	3	2,327,897	-	-	2,327,897	15,292	-	-	15,292	2,312,605
BB-	Standard	3-	155,700	409,840	-	565,539	2,309	16,634	-	18,941	546,598
CCC	Non-Investment	6	-	-	102,912	102,912	-	-	31,973	31,973	70,939
C	Non-Investment	7	-	-	28,739	28,739	-	-	7,779	7,779	20,959
			4,148,273	**409,855**	**131,652**	**4,689,782**	**20,882**	**16,646**	**39,753**	**77,281**	**4,612,500**

Loans and advances to banks

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	452,329	-	-	452,329	345	-	-	345	451,984
BB	Standard	3	3,640	-	-	3,640	6	-	-	6	3,634
CCC	Non-Investment	6	-	-	119	119	-	-	28	28	91
			455,970	**-**	**119**	**456,088**	**351**	**-**	**28**	**378**	**455,710**

Investment securities

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
A	Investment	2	1,005,861	-	-	1,005,861	233	-	-	233	1,005,629
B	Non-Investment	4	1,488,514	-	348,111	1,836,625	2,003	-	78,555	80,558	1,756,067
			2,494,375	**-**	**348,111**	**2,842,486**	**2,236**	**-**	**78,555**	**80,791**	**2,761,696**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2022	Fair Value December 2022
AAA-A	Investment	1	1,674,145	326,235
AA	Investment	2+	116,993	(4,479)
A	Investment	2	96,991	(1,248)
BBB	Investment	2-	11,813	(1,031)
BB+	Standard	3+	267,312	50,392
BB	Standard	3	1,076	(76)
BB-	Standard	3-	518	(32)
Gross amount			**2,168,848**	**369,760**

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies. These instruments are neither past due nor impaired

Other Assets

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	2,334,924	-	-	2,334,924	3,963	-	-	3,963	2,330,960
AA	Investment	2+	2,165	-	-	2,165	10	-	-	10	2,155
A	Investment	2	12,552	-	-	12,552	195	-	-	195	12,356
BBB	Investment	2-	60,785	-	-	60,785	190	-	-	190	60,595
BB+	Standard	3+	24,227	-	-	24,227	1,958	-	-	1,958	22,269
BB	Standard	3	-	25,675	-	25,675	-	2,073	-	2,073	23,602
			2,434,652	**25,675**	**-**	**2,460,327**	**6,317**	**2,073**	**-**	**8,390**	**2,451,937**

Bank
December 2022
In millions of Naira

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	467	-	-	467	17	-	-	17	450
BB	Standard	3	131,880	238	956	133,076	5,000	12	236	5,248	127,829
BB-	Standard	3-	6,134	324	203	6,662	243	9	64	315	6,346
B	Non-Investment	4	-	-	-	-	-	-	-	-	2
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	5,921	5,921	-	-	1,649	1,649	4,270
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	3,146	3,146	-	-	921	921	2,226
Carrying amount			**138,482**	**563**	**10,227**	**149,271**	**5,260**	**20**	**2,869**	**8,155**	**141,116**

Loans and advances to corporate customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	206,038	-	-	206,038	42	-	-	42	205,997
AA	Investment	2+	579,429	-	-	579,429	815	-	-	815	578,614
A	Investment	2	297,399	-	-	297,399	603	-	-	604	296,795
BBB	Investment	2-	167,063	-	-	167,063	471	-	-	471	166,591
BB+	Standard	3+	414,749	15	-	414,765	1,351	13	-	1,363	413,401
BB	Standard	3	1,715,765	-	-	1,715,765	13,032	-	-	13,032	1,702,733
BB-	Standard	3-	155,700	389,136	-	544,837	2,309	15,839	-	18,146	526,690
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	73,854	73,854	-	-	22,308	22,308	51,546
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	994	994	-	-	128	128	866
			3,536,143	**389,151**	**74,848**	**4,000,142**	**18,623**	**15,853**	**22,436**	**56,910**	**3,943,232**

Loans and advances to banks

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	319,192	-	-	319,192	308	-	-	308	318,884
BB	Standard	3	3,640	-	-	3,640	6	-	-	6	3,634
CCC	Non-Investment	6	-	-	119	119	-	-	28	28	91
			322,832	**-**	**119**	**322,951**	**314**	**-**	**28**	**341**	**322,610**

Investment securities

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
A	Investment	2	372,316	-	-	372,316	-	-	-	-	372,316
BB	Standard	3	-	-	-	-	-	-	-	-	-
B	Non-Investment	4	1,488,514	-	125,038	1,613,552	1,988	-	37,320	39,308	1,574,244
			1,860,832	**-**	**125,038**	**1,985,869**	**1,988**	**-**	**37,320**	**39,308**	**1,946,561**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2022	Fair Value December 2022
AAA-A	Investment	1	1,605,574	324,669
A	Investment	2+	112,201	(4,458)
AA	Investment	2	93,018	(1,242)
BBB	Investment	2-	11,329	(1,026)
BB+	Standard	3+	256,363	50,150
BB	Standard	3	1,032	(76)
BB-	Standard	3-	497	(32)
Gross amount			**2,080,014**	**367,986**

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies. These instruments are neither past due nor impaired

Other Assets

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying
AAA	Investment	1	2,210,102	-	-	2,210,102	2,007	-	-	2,007	2,208,095
AA	Investment	2+	2,049	-	-	2,049	11	-	-	11	2,038
A	Investment	2	11,881	-	-	11,881	225	-	-	225	11,656
BBB	Investment	2-	57,535	-	-	57,535	218	-	-	218	57,317
BB+	Standard	3+	22,932	-	-	22,932	2,249	-	-	2,249	20,683
BB	Standard	3	-	24,303	-	24,303	-	2,381	-	2,381	21,921
			2,304,499	**24,303**	**-**	**2,328,802**	**4,711**	**2,381**	**-**	**7,092**	**2,321,710**

5.1.3 (d) The table below summarises the risk rating for other financial assets:

Group
In millions of Naira

December 2023	**Total**	**Risk Rating 1-3**	**Risk Rating 4-5**	**Risk Rating 6**	**Risk Rating 7**	**Risk Rating 8**
Cash and balances with banks						
Current balances with banks	1,310,295	1,310,295	-	-	-	-
Unrestricted balances with central banks	719,502	719,502	-	-	-	-
Money market placements	218,873	-	218,873			
Other deposits with central banks	-	-				
Investment under management	7,423	7,423	-	-	-	-
Non-pledged trading assets						
Treasury bills	197,120	197,120	-	-	-	-
Bonds	12,088	12,088	-	-	-	-
Derivative financial instruments	2,050,432	2,050,432	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI			-	-	-	-
Treasury bills	445,262	-	445,262	-	-	-
Bonds	-	-	-			
-Financial instruments at amortized cost						
Treasury bills	80,216	-	80,216	-	-	-
Bonds	622,555	-	622,555	-	-	-
Promissory Notes	30,181	-	30,181	-	-	-
-Financial instruments at FVPL						
Treasury bills	32,235	-	32,235	-	-	-
Bonds	1,193	-	1,193	-	-	-
Investment securities						
-Financial instruments at FVOCI						
Treasury bills	1,943,342	-	1,943,342	-	-	-
Bonds	679,165	-	656,308	22,857	-	-
Promissory Notes	16,714	-	16,714	-	-	-
- Financial assets at amortised cost						
Treasury bills	754,810	-	754,810	-	-	-
Bonds	1,930,731	-	1,352,363	578,367	-	-
Preferential Shares Note	-	-	-	-	-	-
Promissory Notes	94,690	-	94,690	-	-	-
- Financial assets at FVPL						
Equity	406,154	406,154	-	-	-	-
Restricted deposit and other assets	4,940,239	4,940,239	-	-	-	-
	16,493,220	**9,643,255**	**6,248,744**	**601,224**	**-**	**-**

The rating here represents internal grade ratings

Group
In millions of Naira
December 2022

	Total	Risk Rating 1-3	Risk Rating 4-5	Risk Rating 6	Risk Rating 7	Risk Rating 8
Cash and balances with banks						
Current balances with banks	272,128	272,128	-	-	-	-
Unrestricted balances with central banks	186,534	186,534	-	-	-	-
Money market placements	151,959	127,854	24,106		-	-
Other deposits with central banks	536,677	536,677			-	-
Investment under management	3,742	3,742	-	-	-	-
Non-pledged trading assets						
Treasury bills	88,116	88,116	-	-	-	-
Bonds	14,574	14,574	-	-	-	-
Derivative financial instruments		-			-	-
Pledged assets	402,497	402,497	-	-		
-Financial instruments at FVOCI						
Treasury bills			-	-	-	-
Bonds	451,476	-	451,476	-	-	-
-Financial instruments at amortized cost	-	-				
Treasury bills					-	-
Bonds	295,404	-	295,404	-	-	-
Promissory Notes	410,700	-	410,700	-	-	-
-Financial instruments at FVPL	32,567	-	32,567	-		
Treasury bills					-	-
Bonds	72,565	-	72,565	-	-	-
Investment securities	2,567	-	2,567	-		
-Financial assets at FVOCI						
Treasury bills					-	-
Bonds	1,046,120	-	1,046,120	-	-	-
Promissory Notes	217,305	204,695	12,611	-	-	-
- Financial assets at amortised cost						
Treasury bills	192,795	-	192,795	-	-	-
Bonds	870,111	-	449,991	420,119	-	-
Total return notes	9,752	9,752	-	-	-	-
Promissory Notes	37,762	-	37,762	-	-	-
- Financial assets at FVPL						
Equity	167,906	167,906	-	-	-	-
Restricted deposit and other assets	2,451,927	2,451,927	-	-	-	-
	8,215,293	**4,466,404**	**3,287,079**	**461,814**	**-**	**-**

The table below summarises the risk rating for other financial assets:

Bank
In millions of Naira
December 2023

	Total	Risk Rating 1-3	Risk Rating 4-5	Risk Rating 6	Risk Rating 7	Risk Rating 8
Cash and balances with banks						
Current balances with banks	973,628	973,628	-	-	-	-
Unrestricted balances with central banks	415,846	415,846	-	-	-	-
Money market placements	308,580	-	308,580	-	-	-
Other deposits with central banks	-	-	-	-	-	-
Investment under management	7,423	7,423	-	-	-	-
Non-pledged trading assets						
Treasury bills	150,037	150,037	-	-	-	-
Bonds	7,761	7,761	-	-	-	-
Derivative financial instruments	2,033,286	2,033,286	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI						
Treasury bills	445,262	-	445,262	-	-	-
Bonds	-	-	-			
-Financial instruments at amortized cost						
Treasury bills	80,216	-	80,216	-	-	-
Bonds	622,669	-	622,669	-	-	-
Promissory Notes	30,181	-	30,181	-	-	-
-Financial instruments at FVPL						
Treasury bills	32,235	-	32,235	-	-	-
Bonds	1,193	-	1,193	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	905,038	-	905,038	-	-	-
Bonds	192,150	-	191,353	797	-	-
Promissory Notes	16,714	-	16,714	-	-	-
- Financial assets at amortised cost						
Treasury bills	584,667	-	584,667	-	-	-
Bonds	1,143,830		944,332	199,499	-	-
Preferential Shares Note	7,119	-	7,119	-	-	-
Promissory Notes	94,552	-	94,552	-	-	-
- Financial assets at FVPL						
Equity	402,711	402,711	-	-	-	-
Restricted deposit and other assets	4,586,587	4,586,587	-	-	-	-
	13,041,684	**8,577,280**	**4,264,113**	**200,295**	**-**	**-**

The rating here represents internal grade ratings

Bank
In millions of Naira
December 2022

	Total	**Risk Rating 1-3**	**Risk Rating 4-5**	**Risk Rating 6**	**Risk Rating 7**	**Risk Rating 8**
Cash and balances with banks						
Current balances with banks	123,023	123,023	-	-	-	-
Unrestricted balances with central banks	89,148	89,148	-	-	-	-
Money market placements	24,106	-	24,106	-	-	-
Other deposits with central banks	536,677	536,677	-	-	-	-
Investment under management	3,742	3,742	-	-	-	-
Non-pledged trading assets						
Treasury bills	73,011	73,011	-	-	-	-
Bonds	4,613	4,613	-	-	-	-
Derivative financial instruments	399,058	399,058	-		-	-
Pledged assets				-		
-Financial instruments at FVOCI			-			
Treasury bills	451,476	-	451,476	-	-	-
Bonds	-	-		-	-	-
-Financial instruments at amortized cost						
Treasury bills	295,404	-	295,404		-	-
Bonds	410,700	-	410,700	-	-	-
Promissory Notes	32,567	-	32,567	-	-	-
-Financial instruments at FVPL				-		
Treasury bills	72,565	-	72,565		-	-
Bonds	2,567	-	2,567	-	-	-
Investment securities				-		
-Financial assets at FVOCI						
Treasury bills	703,695	-	703,695		-	-
Bonds	162,077	-	161,898	-	-	-
Promissory Notes	217,305	204,695	12,611	179	-	-
- Financial assets at amortised cost				-		
Treasury bills	102,171	-	102,171		-	-
Bonds	556,010		468,472	-	-	-
Total return notes	-	-	-	87,539	-	-
Promissory Notes	37,680	-	37,680	-	-	-
- Financial assets at FVPL				-		
Equity	167,622	167,622	-		-	-
Restricted deposit and other assets	2,321,538	2,321,538	-	-	-	-
	6,786,754	**3,923,126**	**2,775,912**	**87,717**	**-**	**-**

5.1.3 Credit Type
(e) Credit staging by type

Group
In millions of Naira
December 2023
Loans and advances to retail customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	2,529	70	135	2,734	23	1	22	46	2,687
Credit Card	31,083	26	458	31,567	1,226	11	221	1,459	30,109
Finance Lease	94	-	-	94	2	-	-	2	91
Mortgage Loan	156,325	7,714	11,580	175,619	643	339	2,871	3,854	171,767
Overdraft	28,636	1,030	9,511	39,177	495	83	4,272	4,850	34,326
Personal Loan	434,017	20,298	28,914	483,228	3,468	1,063	8,336	12,867	470,361
Term Loan	199,242	10,212	15,765	225,218	1,220	482	4,300	6,001	219,217
Time Loan	13,060	651	1,257	14,968	36	7	225	268	14,700
	864,987	40,000	67,619	972,606	7,115	1,978	20,255	29,351	943,255

Loans and advances to corporate customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	11,474	525	611	12,610	181	60	331	571	12,039
Credit Card	1,447	-	29	1,476	28	-	12	40	1,434
Finance Lease	31,731	177	826	32,734	539	27	179	744	31,992
Mortgage Loan	60,870	143	3,507	64,520	111	39	973	1,123	63,398
Overdraft	313,116	37,034	31,109	381,260	3,743	3,652	13,966	21,361	359,897
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	3,281,759	473,544	77,989	3,833,293	25,140	20,407	24,308	69,855	3,763,438
Time Loan	2,763,852	61,573	70,290	2,895,716	12,119	2,248	19,081	33,449	2,862,267
	6,464,249	572,995	184,362	7,221,607	41,869	26,433	58,850	127,142	7,094,465

Loans and advances to banks

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	5	-	-	5	0	-	-	0	5
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	789	-	-	789	17	-	-	17	772
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	38,074	-	-	38,074	29	-	-	29	38,045
Time Loan	842,078	-	-	842,078	367	-	-	367	841,711
	880,947	-	-	880,947	414	-	-	413	880,535

Bank
In millions of Naira
December 2023
Loans and advances to retail customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	1,389	5	44	1,438	23	0	17	40	1,398
Credit Card	30,771	8	433	31,213	1,225	10	216	1,452	29,760
Finance Lease	94	-	-	94	2	-	-	2	91
Mortgage Loan	20,788	13	799	21,600	120	2	316	438	21,162
Overdraft	10,539	1	8,072	18,612	365	0	3,640	4,005	14,607
Personal Loan	78,159	79	607	78,845	1,826	6	315	2,147	76,698
Term Loan	21,765	129	1,647	23,541	484	8	705	1,196	22,345
Time Loan	1,650	2	349	2,002	25	0	174	200	1,802
	165,156	238	11,951	177,345	4,071	27	5,383	9,481	167,865

Loans and advances to corporate customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	9,902	522	521	10,945	168	56	217	441	10,504
Credit Card	1,447	-	29	1,476	28	-	12	39	1,436
Finance Lease	21,489	156	235	21,879	526	22	62	611	21,270
Mortgage Loan	160	18	1	179	1	-	1	1	177
Overdraft	157,562	36,716	22,127	216,405	3,309	3,500	10,141	16,949	199,455
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	2,551,538	472,048	35,821	3,059,407	23,534	19,842	10,140	53,516	3,005,890
Time Loan	1,900,448	59,805	20,431	1,980,683	10,613	1,719	5,795	18,127	1,962,556
	4,642,545	569,264	79,165	5,290,973	38,179	25,138	26,368	89,685	5,201,289

Loans and advances to banks

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	5	-	-	5	0	-	-	0	5
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	789	-	-	789	17	-	-	17	772
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	658,996	-	-	658,996	228	-	-	228	658,768
	659,790	-	-	659,790	244	-	-	244	659,546

5.1.3 Credit Type
(e) Credit staging by type

Group
In millions of Naira
December 2022
Loans and advances to retail customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	1,184	51	94	1,329	20	2	24	46	1,282
Credit Card	18,759	8	142	18,909	1,026	4	62	1,091	17,818
Finance Lease	984	56	72	1,111	10	3	26	39	1,073
Mortgage Loan	68,565	4,122	5,567	78,254	348	142	1,146	1,635	76,620
Overdraft	21,172	252	6,410	27,834	920	40	2,010	2,970	24,864
Personal Loan	256,964	11,780	16,645	285,387	3,644	761	6,172	10,575	274,812
Term Loan	71,753	3,897	6,522	82,171	916	116	1,347	2,379	79,792
Time Loan	4,953	301	463	5,717	45	27	230	302	5,414
	444,334	20,464	35,915	500,713	6,929	1,087	11,024	19,043	481,671

Loans and advances to corporate customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	4,849	421	286	5,556	49	17	188	255	5,301
Credit Card	1,274	7	25	1,306	7	1	34	43	1,262
Finance Lease	7,942	249	328	8,519	60	9	136	204	8,317
Mortgage Loan	27,770	958	2,985	31,713	99	35	870	1,003	30,711
Overdraft	251,107	12,433	22,643	286,183	2,095	304	9,476	11,875	274,306
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	3,179,153	361,865	76,963	3,617,982	16,402	15,770	25,113	57,285	3,560,697
Time Loan	676,178	33,924	37,676	747,779	2,170	510	6,558	9,238	738,540
	4,148,275	409,855	140,906	4,699,037	20,891	16,646	42,375	79,903	4,619,134

Loans and advances to banks

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	ECL	Stage 3 ECL	Total ECL	Carrying amount
				-					
Auto Loan	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	3,639	-	119	3,758	6	-	28	33	3,724
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	452,330	-	-	452,330	345	-	-	345	451,985
Time Loan	-	-	-	-	-	-	-	-	-
	455,969	-	119	456,088	352	-	28	378	455,710

Bank
In millions of Naira
December 2022
Loans and advances to retail customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	525	8	39	572	17	0	9	26	546
Credit Card	18,640	-	132	18,772	1,020	-	34	1,054	17,718
Finance Lease	127	-	-	127	5	-	-	5	124
Mortgage Loan	5,222	-	247	5,471	127	-	69	195	5,278
Overdraft	17,307	-	6,086	23,393	858	-	1,708	2,567	20,826
Personal Loan	78,374	158	1,645	80,178	2,473	7	454	2,935	77,240
Term Loan	17,794	386	1,990	20,170	756	14	568	1,339	18,831
Time Loan	491	10	89	590	4	0	27	31	559
	138,473	563	10,228	149,271	5,260	21	2,869	8,151	141,127

Loans and advances to corporate customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	4,323	403	229	4,955	37	12	77	127	4,827
Credit Card	1,075	-	3	1,078	3	-	0	3	1,075
Finance Lease	5,964	182	115	6,259	50	5	43	98	6,164
Mortgage Loan	110	22	-	133	0	-	-	0	131
Overdraft	223,833	11,510	19,700	255,042	1,626	139	5,333	7,097	247,945
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	2,921,844	353,162	49,196	3,324,203	15,076	15,304	13,406	43,785	3,280,417
Time Loan	378,995	23,872	5,605	408,472	1,832	391	3,577	5,800	402,672
	3,536,142	389,151	74,849	4,000,142	18,623	15,852	22,436	56,910	3,943,232

Loans and advances to banks

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	3,639	-	119	3,758	6	-	28	33	3,724
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	319,193	-	-	319,193	308	-	-	308	318,885
Time Loan	-	-	-	-	-	-	-	-	-
	322,832	-	119	322,951	314	-	28	341	322,610

5.1.3 (g) Disclosure of fair value of Collateral held against loans and advances to customers by staging

Group

In millions of Naira — December 2023

Loans to retail customers

	Stage 1	Stage 2	Stage 3
Gross amount	864,987	40,000	67,619
ECL	(7,115)	(1,978)	(20,255)
Collateral held at fair value			
Property	58,882	2,685	4,539
Cash	28,182	877	1,553
Pledged goods/receivables	84,195	833	7,719
Others	43,074	1,895	3,381
Total	**214,333**	**6,289**	**17,191**

Loans to corporate Customers

	Stage 1	Stage 2	Stage 3
Gross amount	6,464,249	572,995	184,362
ECL	(41,869)	(26,433)	(58,850)
Collateral held at fair value			
Property	450,757	38,635	22,035
Cash	2,249,160	125,278	5,004
Pledged goods/receivables	1,378,803	85,889	25,557
Others	4,068,568	736,461	110,556
Total	**8,147,287**	**986,263**	**163,153**
Total collateral held at fair value	**8,361,619**	**992,553**	**180,344**

Bank

In millions of Naira — December 2023

Loans to retail customers

	Stage 1	Stage 2	Stage 3
Gross amount	165,156	238	11,951

ECL	(4,071)	(27)	(5,383)
Collateral held at fair value			
Property	73,450	336	6,879
Cash	9,228	-	72
Pledged goods/receivables	826	-	-
Others	2,228	5	188
Total	**85,732**	**341**	**7,138**

Loans to corporate Customers

	Stage 1	Stage 2	Stage 3
Gross amount	4,642,545	569,264	79,165
ECL	(38,179)	(25,138)	(26,368)
Collateral held at fair value			
Property	1,298,503	78,779	23,263
Cash	1,886,358	112,737	957
Pledged goods/receivables	16,885	115	626
Others	3,763,309	709,434	33,828
Total	**6,965,054**	**901,065**	**58,674**
Total	**7,050,786**	**901,406**	**65,812**

[1] Collateral types included in others are All Asset debentures, Domiciliation, Counter Indemnity, Authority to collect,Irrevocable standing payment order, Guarantees

Collateral held and other credit enhancements, and their financial effect

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional consideration in the credit process and the Group generally requests that corporate borrowers provide collateral. The Group may take collateral in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees. The Bank will sell or repossess a pledged collateral only in the event of a default and after exploring other means of repayment. In addition to the Group's focus on creditworthiness, the Group aligns with its Credit Policy Guide to periodically review the valuations of collaterals held against all loans to customers. This is done in line with the approved Framework for valuing various categories of collateral accepted by the Bank.

The fair values of collaterals are based upon last annual valuation undertaken by independent valuers on behalf of the bank. The valuation technique adopted for properties are based on fair values of similar properties in the neighborhood.
The fair values of non-property collaterals (such as equities, bond, treasury bills, etc.) are determined with reference to market quoted prices or market values of similar instruments.

There are no collaterals held against other financial assets. The Group obtained a property during the year by taking possession of collateral held as security against a loan. The Group's policy is to pursue timely realisation of the collateral in an orderly manner. The Group does not generally use the non-cash collateral for its own operations. Hence, the repossessed collateral has been included in assets classified as held for sale (Note 31).

5.1.3 (g) Disclosure of Collateral staging held against loans and advances to customers by by staging

Group | **December 2022**

In millions of Naira

Loans to retail customers

	Stage 1	Stage 2	Stage 3
Gross amount	444,334	20,464	35,915
ECL	(6,929)	(1,087)	(11,024)
Collateral held at fair value			
Property	88,593	36,500	43,932
Equities	-	-	-
Cash	25,112	3,378	1,265
Pledged goods/receivables	16,136	5,424	647
Others	22,142	10,077	6,224
Total	**151,982**	**55,378**	**52,068**

Loans to corporate Customers

	Stage 1	Stage 2	Stage 3
Gross amount	4,148,275	409,855	140,906
ECL	(20,891)	(16,646)	(42,375)
Collateral held at fair value			
Property	1,321,873	218,651	64,410
Cash	655,496	32,995	15,242
Pledged goods/receivables	55,877	7,151	390
Others	9,466,635	141,344	49,620
Total	**11,499,881**	**400,140**	**129,663**
Total collateral held at fair value	**11,651,862**	**455,519**	**181,731**

Bank | **December 2022**

In millions of Naira

Loans to retail customers

	Stage 1	Stage 2	Stage 3
Gross amount	138,473	563	10,228
ECL	(5,260)	(21)	(2,869)
Collateral held at fair value			
Property	52,938	8,102	8,277
Cash	25,014	81	1,168
Pledged goods/receivables	16,136	159	647
Others	18,189	2,583	2,271
Total	**112,277**	**10,925**	**12,363**

Loans to corporate Customers

	Stage 1	Stage 2	Stage 3
Gross amount	3,536,142	389,151	74,849
ECL	(18,623)	(15,852)	(22,436)
Collateral held at fair value			
Property	1,207,887	135,847	28,510
Cash	630,902	32,995	1,676
Pledged goods/receivables	55,877	6,044	390
Others	8,982,743	138,912	49,620
Total	**10,877,410**	**313,799**	**80,196**
Total collateral held at fair value	**10,989,687**	**324,723**	**92,559**

5.1.5 (a) Credit concentration

The Group's risk profile is assessed through a 'bottom-up' analytical approach covering all of the Group's major businesses and products. The risk appetite is approved by the Board and forms the basis for establishing the risk parameters within which the businesses must operate, including policies, concentration limits and business mix.

The Group monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of net credit risk at the reporting date is shown below:

Group
By Sector

December 2023

In millions of Naira	**Corporate**	**Commercial**	**Bank**	**Retail**	**Government**	**Others**	**Total**
Cash and balances with banks	-	-	3,025,652	-	-	-	3,025,652
Investment under management	-	-	7,423	-	-	-	7,423
Non pledged trading assets							
Treasury bills	-	-	-	-	197,120	-	197,120
Bonds	-	-	243	-	11,845	-	12,088
Equity	-	-	-	-	-	-	-
Derivative financial instruments	964	208	14,256	1,024	1,557,948	-	1,574,400
Loans and advances to banks	-	-	880,534	-	-	-	880,534
Loans and advances to customers							
Auto Loan	82	11,957	-	2,688	-	-	14,727
Credit Card	58	1,379	-	30,109	-	-	31,545
Finance Lease	-	31,989	-	91	-	-	32,080
Mortgage Loan	-	63,397	-	171,766	-	-	235,163
Overdraft	101,471	253,473	-	34,326	4,956	-	394,225
Personal Loan	-	-	-	470,361	-	-	470,361
Term Loan	1,719,328	1,509,369	-	219,218	534,740	-	3,982,655
Time Loan	1,696,932	1,126,462	-	14,700	38,874	-	2,876,967
Pledged assets							
Treasury bills	-	-	-	-	556,863	-	556,863
Bonds	-	-	-	-	624,554	-	624,554
Promissory Notes	-	-	-	-	30,226	-	30,226
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	1,943,342	-	1,943,342
Bonds	18,059	-	-	-	381,233	-	399,292
Promissory Notes	-	-	-	-	16,714	-	16,714
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	551,234	-	551,234
Preferential Shares Note	-	-	-	-	-	-	-
Bonds	442,412	-	-	427,698	-	-	870,110
Promissory Notes	-	-	-	-	94,690	-	94,690
Restricted deposit and other assets	68,280	(17,748)	3,369,058	157,477	1,329,883	169,454	5,076,403
Total	**4,047,586**	**2,980,486**	**7,297,166**	**1,529,458**	**7,874,223**	**169,454**	**23,898,370**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	563,312	8,668	156,182	16,293	-	-	744,454
Clean line facilities for letters of credit and other commitments	1,101,612	2,453	24	541,589	-	-	1,645,678
Total	**1,664,924**	**11,121**	**156,206**	**557,882**	**-**	**-**	**2,390,132**

Group
By Sector

December 2022 *In millions of Naira*	**Corporate**	**Commercial**	**Bank**	**Retail**	**Government**	**Others**	**Total**
Cash and balances with banks	-	-	1,961,100	-	-	-	1,961,100
Investment under management	-	-	3,742	-	-	-	3,742
Non pledged trading assets							
Treasury bills	-	-	-	-	88,116	-	88,116
Bonds	-	-	2,294	-	12,280	-	14,574
Equity	-	-	-	-	-	-	-
Derivative financial instruments	51,734	8,127	2,271	1,239	306,389	-	369,760
Loans and advances to banks	-	-	455,709	-	-	-	455,709
Loans and advances to customers							
Auto Loan	327	4,974	-	1,283	-	-	6,584
Credit Card	91	1,173	-	17,818	-	-	19,082
Finance Lease	-	8,314	-	1,073	-	-	9,386
Mortgage Loan	-	30,710	-	76,619	-	-	107,329
Overdraft	105,562	168,731	-	24,864	14	-	299,171
Personal Loan	-	-	-	274,812	-	-	274,812
Term Loan	1,696,281	1,418,052	-	79,793	446,364	-	3,640,489
Time Loan	470,798	267,743	-	5,414	-	-	743,955
Pledged assets							
Treasury bills	-	-	-	-	818,490	-	818,490
Bonds	-	-	-	-	414,150	-	414,150
Promissory Notes	-	-	-	-	32,639	-	32,639
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	1,046,120	-	1,046,120
Bonds	20,599	-	-	-	275,641	-	296,240
Promissory Notes	-	-	-	-	221,174	-	221,174
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	112,005	-	112,005
Total Return Notes	9,752	-	-	-	-	-	9,752
Bonds	442,412	-	-	427,698	-	-	870,110
Promissory Notes	-	-	-	-	37,762	-	37,762
Restricted deposit and other assets	23,673	6,255	2,289,780	23,217	75,285	35,932	2,454,143
Total	**2,821,229**	**1,914,079**	**4,714,897**	**933,828**	**3,886,428**	**35,932**	**14,306,394**

Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	7,589	1,767	295,620	388,940	-	-	693,915
Clean line facilities for letters of credit and other commitments	1,820	228,261	4,090	608,392	-	-	842,563
	-	-	-	-	-	-	
Total	**9,409**	**230,028**	**299,710**	**997,332**	**-**	**-**	**1,536,477**

5.1.5(a)i Concentration by location for loans and advances is measured based on the location of the Group entity holding the asset, which has a high correlation with the location of the borrower. Concentration by location for investment securities is measured based on the location of the issuer of the security.

By geography

Group

December 2023 *In millions of Naira*	**Nigeria**	**Rest of Africa**	**Europe**	**Others**	**Total**
Cash and balances with banks	1,262,987	725,332	1,025,487	11,846	3,025,652
Investment under management	7,423	-	-	-	7,423
Non pledged trading assets					
Treasury bills	197,120	-	-	-	197,120
Bonds	243	-	11,845	-	12,088
Equity	-	-	-	-	-
Derivative financial instruments	1,561,466	11,970	1,000	-	1,574,435
Loans and advances to banks	659,546	-	220,988	-	880,534
Loans and advances to customers					
Auto Loan	11,902	2,825	-	-	14,727
Credit Card	31,197	349	-	-	31,545
Finance Lease	21,361	10,719	-	-	32,080
Mortgage Loan	21,339	111,966	101,857	-	235,163
Overdraft	214,062	179,966	197	-	394,225
Personal Loan	76,698	393,663	-	-	470,361
Term Loan	3,028,236	476,202	478,217	-	3,982,655
Time Loan	1,964,358	27,714	884,895	-	2,876,967
Pledged assets					
Treasury bills	556,863	-	-	-	556,863
Bonds	624,554	-	-	-	624,554
Promissory Notes	30,226	-	-	-	30,226
Investment securities					
-Financial assets at FVOCI					
Treasury bills	905,038	1,038,304	-	-	1,943,342
Bonds	192,150	171,309	35,833	-	399,292
Promissory Notes	16,714	-	-	-	16,714
-Financial assets at amortised cost					
Treasury bills	-	-	551,234	-	551,234
Preferential Shares Note	-	-	-	-	-
Bonds	855,747	909,232	165,752	-	1,930,731
Promissory Notes	94,690	-	-	-	94,690
Restricted deposit and other assets	1,351,109	75,222	3,510,033	140,039	5,076,403
Total	**13,685,029**	**4,134,771**	**6,987,339**	**151,886**	**24,959,025**

Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	831,977	39,389	-	-	871,366
Clean line facilities for letters of credit and other commitments	1,155,394	-	-	-	1,155,394
Total	**1,987,371**	**39,389**	**-**	**-**	**2,026,760**

By geography

Group

December 2022 *In millions of Naira*	**Nigeria**	**Rest of Africa**	**Europe**	**Others**	**Total**
Cash and balances with banks	1,101,962	434,211	421,902	3,025	1,961,100
Investment under management	3,742	-	-	-	3,742
Non pledged trading assets					
Treasury bills	88,116	-	-	-	88,116
Bonds	2,294	-	12,280	-	14,574
Equity	-	-	-	-	-
Derivative financial instruments	367,986	1,377	397	-	369,760
Loans and advances to banks	3,738	-	451,971	-	455,709
Loans and advances to customers					
Auto Loan	5,374	1,210	-	-	6,584
Credit Card	18,794	288	-	-	19,082
Finance Lease	6,285	3,101	-	-	9,386
Mortgage Loan	5,406	57,179	44,744	-	107,329
Overdraft	268,771	30,385	15	-	299,171
Personal Loan	77,243	197,569	-	-	274,812
Term Loan	3,299,247	174,583	166,658	-	3,640,489
Time Loan	403,231	38,032	302,692	-	743,955
Pledged assets					
Treasury bills	818,490	-	-	-	818,490
Bonds	414,150	-	-	-	414,150
Promissory Notes	32,639	-	-	-	32,639
Investment securities					
-Financial assets at FVOCI					
Treasury bills	703,695	342,425	-	-	1,046,120
Bonds	158,208	117,519	20,513	-	296,240
Promissory Notes	221,174	-	-	-	221,174
-Financial assets at amortised cost					
Treasury bills	-	-	112,005	-	112,005
Total Return Notes	9,752	-	-	-	9,752
Bonds	442,412	7,579	420,119	-	870,110
Promissory Notes	37,762	-	-	-	37,762
Restricted deposit and other assets	268,166	142,137	2,043,840	-	2,454,143
Total	**8,758,639**	**1,547,596**	**3,997,135**	**3,025**	**14,306,394**

Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	618,742	67,855	7,318	-	693,915
Clean line facilities for letters of credit and other commitments	606,878	7,424	228,261	-	842,563
Total	**1,832,498**	**82,702**	**463,840**	**-**	**2,379,040**

Credit risk management

5.1.5 (b) By Sector

Bank
December 2023

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	2,345,774	-	-	-	2,345,774
Investment under management	-	-	7,423	-	-	-	7,423
Non pledged trading assets							
Treasury bills	-	-	-	-	150,037	-	150,037
Bonds	-	-	243	-	7,518	-	7,761
Equity	-	-	-	-	-	-	-
Derivative financial instruments	171,071	-	-	604,402	785,992	-	1,561,466
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers							
Auto Loan	54	10,450	-	1,398	-	-	11,902
Credit Card	58	1,379	-	29,760	-	-	31,197
Finance Lease	-	21,269	-	91	-	-	21,361
Mortgage Loan	-	178	-	21,162	-	-	21,339
Overdraft	62,477	134,107	-	14,607	2,871	-	214,062
Personal Loan	-	-	-	76,698	-	-	76,698
Term Loan	1,359,505	1,218,008	-	22,345	428,378	-	3,028,236
Time Loan	1,162,426	767,197	-	1,802	32,933	-	1,964,358
Pledged assets							
Treasury bills	-	-	-	-	556,863	-	556,863
Bonds	-	-	-	-	624,554	-	624,554
Promissory Notes	-	-	-	-	30,226	-	30,226
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	905,038	-	905,038
Bonds	18,059	-	-	-	174,091	-	192,150
Promissory Notes	16,714	-	-	-	-	-	16,714
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	468,682	-	-
Preferential Shares Note	-	-	7,138	-	-	-	7,138
Bonds	7,566	-	901,666	-	350,426	-	1,259,658
Promissory Notes	-	-	-	-	94,690	-	94,690
Restricted deposit and other assets	44,046	-	3,208,305	100,232	1,303,255	38,161	4,694,000
Total	**2,841,977**	**2,152,588**	**6,470,549**	**872,497**	**5,915,554**	**38,161**	**17,822,646**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	147,448	295,322	110,527	182,216	-	-	735,514
Clean line facilities for letters of credit and other commitments	326,260	466,529	132,725	60,821	74,118	-	1,060,454
Total	**473,708**	**761,851**	**243,252**	**243,037**	**74,118**	**-**	**1,795,967**

By Sector

Bank
December 2022

In millions of Naira	**Corporate**	**Commercial**	**Bank**	**Retail**	**Government**	**Others**	**Total**
Cash and balances with banks	-	-	1,445,659	-	-	-	1,445,659
Investment under management	-	-	3,742	-	-	-	3,742
Non pledged trading assets							
Treasury bills	-	-	-	-	73,011	-	73,011
Bonds	-	-	2,294	-	2,319	-	4,613
Equity	-	-	-	-	-	-	-
Derivative financial instruments	41,734	6,524	2,298	1,059	316,371	-	367,986
Loans and advances to banks	-	-	322,610	-	-	-	322,610
Loans and advances to customers							
Auto Loan	138	4,691	-	546	-	-	5,374
Credit Card	15	1,060	-	17,719	-	-	18,794
Finance Lease	-	6,163	-	123	-	-	6,285
Mortgage Loan	-	132	-	5,274	-	-	5,406
Overdraft	95,017	152,914	-	20,826	14	-	268,771
Personal Loan	-	-	-	77,243	-	-	77,243
Term Loan	1,528,113	1,305,940	-	18,830	446,364	-	3,299,247
Time Loan	269,276	133,395	-	559	-	-	403,231
Pledged assets							
Treasury bills	-	-	-	-	818,490	-	818,490
Bonds	-	-	-	-	414,150	-	414,150
Promissory Notes	-	-	-	-	32,639	-	32,639
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	703,695	-	703,695
Bonds	20,599	-	-	-	137,609	-	158,208
Promissory Notes	217,305	-	-	-	3,869	-	221,174
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	63,091	-	-
Total Return Notes	-	-	-	-	-	-	-
Bonds	7,579	-	411,046	-	176,382	-	595,007
Promissory Notes	-	-	-	-	37,763	-	37,763
Restricted deposit and other assets	2,877	5	2,200,226	18,121	76,844	25,680	2,323,754
Total	**2,182,653**	**1,610,824**	**4,387,875**	**160,300**	**3,302,611**	**25,680**	**11,606,852**

Credit risk exposures relating to other credit commitments at gross amount are as follows:

Transaction related bonds and guarantees	207,676	300,803	3,262	107,001	-	-	618,742
Clean line facilities for letters of credit and other commitments	216,289	186,386	16,235	186,365	1,603	-	606,878
							-
Total	**423,965**	**487,189**	**19,497**	**293,366**	**1,603**	**-**	**1,225,620**

5.1.5 (b)i By geography

Bank **December 2023** *In millions of Naira*	**Nigeria**	**Rest of Africa**	**Europe**	**Others**	**Total**
Cash and balances with banks	1,095,424	469,170	781,144	36	2,345,774
Investment under management	7,423	-	-	-	7,423
Non pledged trading assets					
Treasury bills	150,037	-	-	-	150,037
Bonds	7,761	-	-	-	7,761
Equity	-	-	-	-	-
Derivative financial instruments	1,561,466	(0)	(0)	-	1,561,466
Loans and advances to banks	-	-	-	-	-
Loans and advances to customers					
Auto Loan	11,902	-	-	-	11,902
Credit Card	31,197	-	-	-	31,197
Finance Lease	21,361	-	-	-	21,361
Mortgage Loan	21,339	-	-	-	21,339
Overdraft	214,062	-	-	-	214,062
Personal Loan	76,698	-	-	-	76,698
Term Loan	3,028,236	-	-	-	3,028,236
Time Loan	1,964,358	-	-	-	1,964,358
Pledged assets					
Treasury bills	556,863	-	-	-	556,863
Bonds	624,554	-	-	-	624,554
Promissory Notes	30,226	-	-	-	30,226
Investment securities					
-Financial assets at FVOCI					
Treasury bills	905,038	-	-	-	905,038
Bonds	192,150	-	-	-	192,150
Promissory Notes	16,714	-	-	-	16,714
-Financial assets at amortised cost					
Treasury bills	468,682	-	-	-	468,682
Bonds	1,134,799	-	124,859	-	1,259,658
Promissory Notes	94,690	-	-	-	94,690
Preferential shares notes	-	7,138	-	-	7,138
Restricted deposit and other assets	1,365,707	55,654	3,188,065	84,574	4,694,000
Total	**14,715,488**	**531,962**	**4,218,926**	**84,610**	**19,550,986**
Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	728,717	-	6,796	-	735,514
Clean line facilities for letters of credit and other commitments	1,060,454	-	-	-	1,060,454
Total	**1,789,171**	**-**	**6,796**	**-**	**1,795,967**

By geography

Bank **December 2022** *In millions of Naira*	**Nigeria**	**Rest of Africa**	**Europe**	**Others**	**Total**
Cash and balances with banks	1,061,639	184,765	196,327	2,928	1,445,659
Investment under management	3,742	-	-	-	3,742
Non pledged trading assets					
Treasury bills	73,011	-	-	-	73,011
Bonds	4,613	-	-	-	4,613
Equity	-	-	-	-	-
Derivative financial instruments	364,383	2,330	1,237	36	367,986
Loans and advances to banks	3,738	-	318,872	-	322,610
Loans and advances to customers					
Auto Loan	5,374	-	-	-	5,374
Credit Card	18,794	-	-	-	18,794
Finance Lease	6,285	-	-	-	6,285
Mortgage Loan	5,406	-	-	-	5,406
Overdraft	268,771	-	-	-	268,771
Personal Loan	77,243	-	-	-	77,243
Term Loan	3,299,247	-	-	-	3,299,247
Time Loan	403,231	-	-	-	403,231
Pledged assets					
Treasury bills	818,490	-	-	-	818,490
Bonds	414,150	-	-	-	414,150
Promissory Notes	32,639	-	-	-	32,639
Investment securities					
-Financial assets at FVOCI					
Treasury bills	703,695	-	-	-	703,695
Bonds	158,208	-	-	-	158,208
Promissory Notes	221,174	-	-	-	221,174
-Financial assets at amortised cost					
Treasury bills	63,091	-	-	-	63,091
Total Return Notes					-
Bonds	470,148	-	124,859	-	595,007
Promissory Notes	37,763	-	-	-	37,763
Restricted deposit and other assets	266,438	87,353	1,969,962	-	2,323,754
Total	**8,781,274**	**274,448**	**2,611,257**	**2,965**	**11,669,943**

Credit risk exposures relating to other credit commitments at gross amount are as follows:

Transaction related bonds and guarantees	607,693	-	11,048	-	618,742
Clean line facilities for letters of credit and other commitments	606,878	-	-	-	606,878
Total	**1,214,572**	**-**	**11,048**	**-**	**1,225,620**

Market risk management

5.2.1 Interest rate gap position

Repricing gap measures the difference between the Bank's interest sensitive assets and liabilities within certain maturity ranges. Differences between these assets and liabilities pose as potential losses from unexpected changes in interest rate. Negative Gaps represent situations when assets are less than liabilities and the Bank is exposed to an increase in interest rates. Where assets are more than liabilities this can be described as positive gap and the Bank is exposed to decline in interest rates.

The results below shows a negative gap of N4.11billion {Bank: N5.36Bn}, (December 2022: N4.26billion {Bank: N3.58Bn}) in the 'less than 3 months' time bucket, however this is as a result of the contractual nature of Non Maturity deposits. A significant portion of this gap is as a result of the contractual nature of Non Maturing Deposits.

A summary of the Group's interest rate gap position on financial instruments is as follows:
Group

	Re-pricing period						
In millions of Naira **December 2023**	**Less than 3 months**	**4 - 6 months**	**7 - 12 months**	**1 - 5 years**	**More than 5 years**	**Non-Interest bearing**	**Total**
Non-derivative assets							
Cash and balances with banks	220,222	-	-	-	-	2,755,263	2,975,484
Investment under management	-	-	-	-	7,423	-	7,423
Non pledged trading assets							
Treasury bills	78,091	65,546	51,702	1,779	-	-	197,120
Bonds	493	9	-	-	11,586	-	12,088
Loans and advances to banks	381,658	252,969	243,411	2,495	-	-	880,534
Loans and advances to customers							
Auto Loan	2,920	114	524	11,169	-	-	14,727
Credit Card	2,070	650	1,910	26,914	-	-	31,545
Finance Lease	3,119	580	2,164	26,217	-	-	32,080
Mortgage Loan	135,813	-	18	1,978	97,353	-	235,163
Overdraft	204,604	43,432	146,112	77	-	-	394,225
Personal Loan	375,514	80,845	5,060	7,221	1,721	-	470,361
Term Loan	343,439	1,614	56,109	2,150,897	1,430,596	-	3,982,655
Time Loan	1,678,355	534,334	664,278	-	-	-	2,876,967
Pledged assets							-
Treasury bills	283,274	177,173	97,336	-	-	-	557,783
Bonds	73,906	-	-	343,818	206,830	-	624,554
Promissory notes	-	-	30,226	-	-	-	30,226
Investment securities							
-Financial assets at FVOCI							
Treasury bills	989,497	723,445	200,999	29,401	-	-	1,943,342
Bonds	-	-	6,055	26,753	367,194	-	400,002
Promissory notes	356	-	-	16,358	-	-	16,714
-Financial assets at amortised cost							
Treasury bills	-	65,053	689,757	-	-	-	754,810
Bonds	115,210	-	-	678,243	1,137,277	-	1,930,731
Promissory notes	1,971	-	44,634	48,086	-	-	94,690
Preferential Shares Note	-	-	-	-	-	7,138	7,138
Restricted deposit and other assets	-	-	-	-	-	4,947,684	4,947,684
	4,890,512	**1,945,765**	**2,240,296**	**3,371,407**	**3,259,980**	**7,710,085**	**23,418,047**
Non-derivative liabilities							
Deposits from financial institutions	2,937,616	1,007,867	441,537	-	-	-	4,387,020
Deposits from customers	6,058,965	843,438	1,246,659	345,546	4	6,828,141	15,322,753
Other liabilities	-	-	-	-	-	1,679,169	1,679,169
Debt securities issued	-	-	-	585,024	-	-	585,024
Interest bearing borrowings	5,949	-	598,610	393,243	604,424	-	1,602,226
	9,002,530	**1,851,305**	**2,286,805**	**1,323,813**	**604,428**	**8,507,311**	**23,576,192**
Total interest re-pricing gap	(4,112,018)	94,460	(46,510)	2,047,595	2,655,552	(797,226)	(158,145)

Group

In millions of Naira **December 2022**	Re-pricing year **Less than 3 months**	**4 - 6 months**	**7 - 12 months**	**1 - 5 periods**	**More than 5 years**	**Non-Interest bearing**	**Total**
Non-derivative assets							
Cash and balances with banks	152,680	-	-	-	-	1,808,420	1,961,100
Investment under management	-	-	-	-	3,742	-	3,742
Non pledged trading assets							
Treasury bills	23,520	44,813	19,156	-	-	-	87,490
Bonds	-	2,631	3,260	-	9,966	-	15,857
Loans and advances to banks	215	27,646	369,893	57,955	-	-	455,709
Loans and advances to customers							
Auto Loan	2	473	533	5,577	-	-	6,584
Credit Card	18,785	-	50	248	-	-	19,082
Finance Lease	199	183	173	8,831	-	-	9,386
Mortgage Loan	612	550	367	98,021	7,778	-	107,329
Overdraft	155,823	25,694	116,777	877	-	-	299,171
Personal Loan	68,147	24,625	24,844	153,846	3,350	-	274,812
Term Loan	135,280	173,755	299,168	1,284,729	1,747,557	-	3,640,489
Time Loan	55,927	108,946	566,280	12,657	146	-	743,955
Pledged assets							-
Treasury bills	287,002	208,193	324,907	-	-	-	820,102
Bonds	-	24,347	639	88,256	300,907	-	414,150
Promissory notes	4,148	-	629	26,471	-	-	31,248
Investment securities							
-Financial assets at FVOCI							
Treasury bills	390,744	282,291	373,084	-	-	-	1,046,120
Bonds	12,731	41,126	523	22,341	229,521	-	306,242
Promissory notes	-	-	12,655	204,650	-	-	217,305
-Financial assets at amortised cost							
Treasury bills	68,532	35,593	89,296	-	-	-	193,421
Bonds	-	50,687	191	187,247	631,985	-	870,110
Promissory notes	5,013	-	760	31,990	-	-	37,762
Total return notes	-	-	9,752	-	-	-	9,752
Restricted deposit and other assets	-	-	-	-	-	2,454,143	2,454,143
	1,379,358	**1,051,554**	**2,212,936**	**2,183,695**	**2,934,952**	**4,262,562**	**14,025,060**
Non-derivative liabilities							
Deposits from financial institutions	576,948	511,466	371,098	572,532	11,391	-	2,043,436
Deposits from customers	4,749,033	187,455	309,667	11,835	2	3,992,061	9,250,054
Other liabilities	-	-	-	-	-	743,153	743,153
Debt securities issued	-	-	-	307,253	-	-	307,253
Interest bearing borrowings	311,143	-	-	423,316	651,128	-	1,385,587
	5,637,125	**698,920**	**680,765**	**1,314,936**	**662,522**	**4,735,215**	**13,729,483**
Total interest re-pricing gap	(4,257,767)	352,633	1,532,170	868,760	2,272,430	(472,652)	295,577

5.2.1 A summary of the Bank's interest rate gap position on securitty portfolios is as follows:

Bank

In millions of Naira **December 2023**	**Re-pricing period** **Less than 3 months**	**4 - 6 months**	**7 - 12 months**	**1 - 5 periods**	**More than 5 years**	**Non-Interest bearing**	**Total**
Non-derivative assets							
Cash and balances with banks	309,540	-	-	-	-	2,036,231	2,345,772
Investment under management	-	-	-	-	7,423	-	7,423
Non- pledged trading assets							
Treasury bills	59,304	51,193	38,188	1,352	-	-	150,037
Bonds	295	5	-	-	7,460	-	7,761
Loans and advances to banks	254,511	210,367	194,667	-	-	-	659,546
Loans and advances to customers							
Auto Loan	95	114	524	11,169	-	-	11,902
Credit Card	1,722	650	1,910	26,914	-	-	31,197
Finance Lease	3,009	165	1,391	16,795	-	-	21,361
Mortgage Loan	106	-	18	1,978	19,237	-	21,339
Overdraft	100,710	8,617	104,735	-	-	-	214,062
Personal Loan	236	69,525	791	6,145	-	-	76,698
Term Loan	-	-	-	1,597,640	1,430,596	-	3,028,236
Time Loan	1,185,281	322,470	456,607	-	-	-	1,964,358
Pledged assets							
Treasury bills	283,274	177,173	97,336	-	-	-	557,783
Bonds	73,906	-	-	343,818	206,830	-	624,554
Promissory note	-	-	30,226	-	-	-	30,226
Investment securities							
-Financial assets at FVOCI							
Treasury bills	541,752	243,615	103,725	15,947	-	-	905,038
Bonds	-	-	7,195	33,200	151,755	-	192,150
Promissory note	319	-	77	14,566	-	-	14,962
-Financial assets at amortised cost							
Treasury bills	-	53,222	532,247	-	-	-	585,470
Bonds	69,110	-	-	464,457	820,781	-	1,354,348
Promissory note	1,971	-	44,634	48,086	-	-	94,690
Preferential Shares Note	-	-	-	-	-	7,138	7,138
Restricted deposit and other assets	-	-	-	-	-	4,594,032	4,594,032
	2,885,143	**1,137,118**	**1,614,263**	**2,582,068**	**2,644,084**	**6,637,402**	**17,500,089**
Non-derivative liabilities							
Deposits from financial institutions	2,718,640	961,273	227,280	-	-	-	3,907,192
Deposits from customers	5,519,386	328,552	388,516	2,289	4	5,001,100	11,239,847
Other liabilities	-	-	-	-	-	1,494,082	1,494,082
Debt securities	-	-	-	577,378	-	-	577,378
Interest bearing borrowings	5,949	-	598,610	175,430	604,484	-	1,384,472
	8,243,975	**1,289,825**	**1,214,405**	**755,098**	**604,488**	**6,495,182**	**18,602,974**
Total interest re-pricing gap	(5,358,832)	(152,702)	399,866	1,826,971	2,039,596	142,220	(1,102,883)

Bank

In millions of Naira **December 2022**	**Re-pricing period** Less than 3 months	**4 - 6 months**	**7 - 12 months**	**1 - 5 periods**	**More than 5 periods**	**Non-Interest bearing**	**Total**
Non-derivative assets							
Cash and balances with banks	24,668	-	-	-	-	1,420,989	1,445,658
Investment under management	-	-	-	-	3,742	-	3,742
Non- pledged trading assets							
Treasury bills	19,627	37,397	15,987	-	-	-	73,011
Bonds	-	796	987	-	2,829	-	4,613
Loans and advances to banks	215	27,646	236,757	57,992	-	-	322,610
Loans and advances to customers							
Auto Loan	2	-	164	5,208	-	-	5,373
Credit Card	18,785	-	-	9	-	-	18,794
Finance Lease	27	11	173	6,075	-	-	6,285
Mortgage Loan	-	-	-	685	4,721	-	5,406
Overdraft	155,823	25,694	86,377	877	-	-	268,771
Personal Loan	68,147	4	224	5,518	3,350	-	77,243
Term Loan	135,280	173,755	299,168	943,487	1,747,557	-	3,299,247
Time Loan	55,927	108,946	225,764	12,448	146	-	403,231
Pledged assets							
Treasury bills	287,002	208,193	324,907	-	-	-	820,102
Bonds	-	24,347	639	88,256	300,907	-	414,150
Promissory notes	4,148	-	629	26,471	-	-	31,248
Investment securities							
-Financial assets at FVOCI							
Treasury bills	262,834	189,883	250,978	-	-	-	703,695
Bonds	6,654	21,494	273	11,676	118,110	-	158,208
Promissory note	(355)	-	12,655	205,005	-	-	217,305
-Financial assets at amortised cost							
Treasury bills	36,366	18,887	47,146	-	-	-	102,399
Bonds	-	34,662	130	128,049	469,929	-	632,770
Promissory note	5,013	-	760	31,991	-	-	37,763
Total return notes	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	-	-	-	2,340,433	2,340,433
	1,080,162	**871,717**	**1,503,710**	**1,523,748**	**2,651,293**	**3,761,423**	**11,392,062**
Non-derivative liabilities							
Deposits from financial institutions	576,948	511,466	540,940	34,692	11,391	-	1,675,437
Deposits from customers	3,774,904	187,455	309,667	11,835	2	3,262,868	7,546,732
Other liabilities	-	-	-	-	-	658,190	658,190
Debt securities	-	-	-	303,297	-	-	303,297
Interest bearing borrowings	311,143	-	-	423,316	552,410	-	1,286,869
	4,662,997	**698,920**	**850,607**	**773,142**	**552,412**	**3,921,059**	**11,470,526**
Total interest re-pricing gap	(3,582,835)	172,801	653,111	750,607	2,098,881	(159,636)	(78,466)

Market risk management

The Group trades on bonds, treasury bills and foreign currency. Market risk in trading portfolios is monitored and controlled using tools such as position limits, value at risk and present value of an assumed basis points change in yields or exchange rates coupled with concentration limits. The major measurement technique used to measure and control market risk is outlined below.

The table below sets out information on the exposure to fixed and variable interest instruments.

Exposure to fixed and variable interest rate risk
Group
In millions of Naira

December 2023	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	220,222	-	2,756,611	2,976,833
Non pledged trading assets	209,208	-	-	209,208
Derivative financial instruments	-	-	2,050,432	2,050,432
Loans and advances to banks	880,534	-	-	880,534
Loans and advances to customers	79,186	7,958,537	-	8,037,723
Pledged assets		-	-	-
Treasury bills	557,783	-	-	557,783
Bonds	624,554	-	-	624,554
Promissory notes	30,226	-	-	30,226
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	1,943,342	-	-	1,943,342
Bonds	399,292	-	-	399,292
Promissory notes	16,714	-	-	16,714
-Financial assets at amortised cost				
Treasury bills	754,810	-	-	754,810
Bonds	1,727,154	-	-	1,727,154
Promissory notes	94,690	-	-	94,690
TOTAL	**7,537,717**	**7,958,537**	**4,807,043**	**20,303,297**
LIABILITIES				
Deposits from financial institutions	4,387,020	-	-	4,387,020
Deposits from customers	5,697,621	9,625,132	-	15,322,754
Derivative financial instruments	-	-	475,997	475,997
Debt securities issued	585,024	-	-	585,024
Interest-bearing borrowings	859,850	742,376	-	1,602,226
TOTAL	**11,529,515**	**10,367,508**	**475,997**	**22,373,020**

December 2022	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	152,680	-	1,809,141	1,961,821
Non pledged trading assets	102,690	-	-	102,690
Derivative financial instruments	-	-	402,497	402,497
Loans and advances to banks	455,710	-	-	455,710
Loans and advances to customers	28,778	5,072,029	-	5,100,807
Pledged assets		-	-	-
Treasury bills	820,102	-	-	820,102
Bonds	414,150	-	-	414,150
Promissory notes	32,639	-	-	32,639
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	1,046,120	-	-	1,046,120
Bonds	300,109	-	-	300,109
Promissory notes	217,305	-	-	217,305
-Financial assets at amortised cost				
Treasury bills	192,795	-	-	192,795
Bonds	799,072	-	-	799,072
Promissory notes	37,762	-	-	37,762
TOTAL	**4,599,914**	**5,072,029**	**2,211,638**	**11,883,580**
LIABILITIES				
Deposits from financial institutions	2,005,316	-	-	2,005,316
Deposits from customers	3,462,402	5,788,837	-	9,251,239
Derivative financial instruments	-	-	32,737	32,737
Debt securities issued	307,253	-	-	307,253
Interest-bearing borrowings	716,184	669,241	-	1,385,424
TOTAL	**6,491,155**	**6,458,078**	**32,737**	**12,981,969**

Bank

December 2023	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	309,541	-	2,036,232	2,345,773
Non pledged trading assets	157,798	-	-	157,798
Derivative financial instruments	-	-	2,033,286	2,033,286
Loans and advances to banks	659,546	-	-	659,546
Loans and advances to customers	46,978	5,322,176	-	5,369,154
Pledged assets		-	-	-
Treasury bills	557,783	-	-	557,783
Bonds	624,554	-	-	624,554
Promissory notes	30,226	-	-	30,226
Investment securities:				-
-Financial assets at FVOCI	-	-	-	-
Treasury bills	905,038	-	-	905,038
Bonds	192,149	-	-	192,149
Promissory notes	16,714	-	-	16,714
-Financial assets at amortised cost				-
Treasury bills	585,470	-	-	585,470
Bonds	1,150,008	-	-	1,150,008
Promissory notes	94,690	-	-	94,690
TOTAL	**5,330,495**	**5,322,176**	**4,069,518**	**14,722,188**
LIABILITIES				
Deposits from financial institutions	3,907,192	-	-	3,907,192
Deposits from customers	3,667,657	7,572,189	-	11,239,847
Derivative financial instruments	-	-	471,819	471,819
Debt securities issued	577,378	-	-	577,378
Interest-bearing borrowings	918,700	465,772	-	1,384,472
TOTAL	9,070,926	8,037,962	471,819	17,580,707

December 2022	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	24,669	-	1,421,554	1,446,223
Non pledged trading assets	77,624	-	-	77,624
Derivative financial instruments	-	-	399,058	399,058
Loans and advances to banks	322,610	-	-	322,610
Loans and advances to customers	14,063	4,070,289	-	4,084,352
Pledged assets				-
Treasury bills	820,102	-	-	820,102
Bonds	414,150	-	-	414,150
Promissory notes	32,639	-	-	32,639
Investment securities:				-
-Financial assets at FVOCI	-	-	-	-
Treasury bills	703,695	-	-	703,695
Bonds	379,382	-	-	379,382
Promissory notes	217,305	-	-	217,305
-Financial assets at amortised cost				-
Treasury bills	102,399	-	-	102,399
Bonds	593,462	-	-	593,462
Promissory notes	37,763	-	-	37,763
TOTAL	**3,739,863**	**4,070,289**	**1,820,611**	**9,630,763**
LIABILITIES				
Deposits from financial institutions	1,637,318	-	-	1,637,318
Deposits from customers	2,586,980	4,943,082	-	7,530,061
Derivative financial instruments	-	-	31,072	31,072
Debt securities issued	303,297	-	-	303,297
Interest-bearing borrowings	665,194	621,675	-	1,286,869
TOTAL	5,192,789	5,564,757	31,072	10,788,618

Derivative financial instruments include elements of interest rate differential between the applicable underlying currencies. Further details on the fair value of derivatives have been discussed in Note 21 of the financial statement.

Interest rate risk
Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing (note 5.2.1) that may be undertaken, which is monitored daily by Group Treasury.

Cash flow and fair value interest rate risk
The group's interest rate risk arises from risk assets, long-term borrowings, deposits from banks and customers. Borrowings issued at variable rates expose the group to cash flow interest rate risk.

The management of interest rate risk against interest rate gap limits is supplemented with monitoring the sensitivity of the Group's financial assets and liabilities to various scenarios.

Interest rate movement have both cash flow and fair value effect depending on whether interest rate is fixed or floating. The impact resulting from adverse or favourable movement flows from either retained earnings or OCI and ultimately ends in equity in the following manner:

(i) Retained earnings arising from increase or decrease in net interest income and the fair value changes reported in profit or loss.

(ii) Fair value reserves arising from increases or decreases in fair value through other comprehensive income financial instruments report directly in other comprehensive income.

Group
Interest sensitivity analysis- December 2023
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'm)

	Cash flow interest rate risk	
Time Band	**100 basis points decline in rates**	**100 basis points increase in rates**
Less than 3 months	41,913	(41,913)
6 months	913	(913)
12 months	(232)	232
	42,594	**(42,594)**

Interest sensitivity analysis- December 2022
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'm)

	Cash flow interest rate risk	
Time Band	**100 basis points decline in rates**	**100 basis points increase in rates**
Less than 3 months	(33,704)	33,704
6 months	1,770	(1,770)
12 months	2,734	(2,734)
	(29,199)	**29,199**

Bank
Interest sensitivity analysis - December 2023
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cash flow interest rate risk	
Time Band	**100 basis points decline in rates**	**100 basis points increase in rates**
Less than 3 months	41,101	(41,101)
6 months	(159)	159
12 months	(902)	902
	40,040	**(40,040)**

Interest sensitivity analysis - December 2022
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cash flow interest rate risk	
Time Band	**100 basis points decline in rates**	**100 basis points increase in rates**
Less than 3 months	(28,610)	28,610
6 months	176	(176)
12 months	1,693	(1,693)
	(26,740)	**26,740**

The table above sets out the impact on net interest income of a 100 basis points parallel fall or rise in all yields. A parallel increase in yields by 100 basis points would lead to an increase in net interest income while a parallel fall in yields by 100 basis points would lead to a decline in net interest income. The interest rate sensitivities are based on simplified scenarios and assumptions, including that all positions will be retained and rolled over upon maturity. The figures represent the effect of movements in net interest income based on the 100 basis point shift in interest rate and subject to the current interest rate exposures. However, the effect has not taken into account the possible risk management measures undertaken by the Bank to mitigate interest rate risk. In practice, the Assets and Liability Committee, ALCO seeks proactively to change the interest rate risk profile to minimize losses and optimise net revenues. The projections also assume that interest rates on various maturities will move within similar ranges, and therefore do not reflect any potential effect on net interest income in the event that some interest rates may change and others remain unchanged.

Price sensitivity analysis on bonds, promissory notes and treasury bills
The table below shows the impact of likely movement in yields on the value of bonds and treasury bills. This relates to the positions held for fair value through profit or loss and fair value through other comprehensive income. Since an increase in yields would lead to decline in market values of bonds and treasury bills, the analysis was carried out to show the likely impact of 50 and 100 basis points increase in market yields. The impact of fair value through profit or loss investments is on the income statement while the impact of fair value through other comprehensive income instruments is on the statement of other comprehensive income.

Group **December 2023**	**Carrying Value**	**Impact of 50 basis points increase in yields**	**Impact of 100 basis points increase in yields**
Impact on Statement of Comprehensive income			
Fair value through profit or loss: Bonds	10,146	(608)	(1,175)
Fair value through profit or loss: T-bills	197,120	(425)	(850)
Fair value through profit or loss: Eurobond	1,942	172	138
Fair value through profit or loss: Bonds - Pledged	1,193	-	-
Fair value through profit or loss: T-bills - Pledged	32,235	(70)	(140)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	242,636	(932)	(2,027)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	399,292	(36,935)	(40,442)
-Financial assets at FVOCI-Tbills	1,943,342	(3,255)	(3,548)
-Financial assets at FVOCI-Promissory notes	16,714	(115)	(205)
Financial assets at FVOCI - Bonds - Pledged	-	(57)	(107)
Financial assets at FVOCI - T-Bills - Pledged	445,262	(750)	(1,499)
Financial assets at FVOCI - Promissory notes - Pledged	-	-	-
	2,804,611	(41,110)	(45,802)
TOTAL	**3,047,247**	**(42,042)**	**(47,829)**

December 2022	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
Impact on Statement of Comprehensive			
Investment under management T-Bills			
Fair value through profit or loss: Bonds	12,280	229	411
Fair value through profit or loss: T-bills	88,116	(171)	(342)
Fair value through profit or loss: Eurobond	2,294	(17)	(43)
Fair value through profit or loss: Bonds - Pledged	2,567	45	82
Fair value through profit or loss: T-bills - Pledged	72,565	(137)	(273)
	177,822	(51)	(167)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	296,240	(5,881)	(11,028)
-Financial assets at FVOCI-Tbills	1,046,120	(2,618)	(5,237)
-Financial assets at FVOCI-Promissory notes	217,305	(2,667)	(5,334)
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	451,476	(3,038)	(5,697)
	2,011,141	(14,205)	(27,296)
TOTAL	**2,188,963**	**(14,255)**	**(27,463)**

Bank

December 2023	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
Impact on Statement of Comprehensive Income			
Fair value through profit or loss: Bonds	5,819	(370)	(715)
Fair value through profit or loss: T-bills	150,037	(323)	(646)
Fair value through profit or loss: Eurobond	1,942	72	(46)
Fair value through profit or loss: Bonds - Pledged	1,193	-	(91)
Fair value through profit or loss: T-bills - Pledged	32,235	(70)	(541)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	191,226	(690)	(2,039)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	192,150	(9,858)	(19,318)
-Financial assets at FVOCI-Tbills	905,038	(3,878)	(7,757)
-Financial assets at FVOCI-Promissory notes	16,714	(156)	(311)
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	445,262	(363)	(726)
Financial assets at FVOCI - Promissory notes - Pledged	-	-	-
	1,559,165	(14,255)	(28,112)
TOTAL	**1,750,391**	**(14,946)**	**(30,151)**

December 2022	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
Impact on Statement of Comprehensive Income			
Fair value through profit or loss: Bonds	2,319	41	74
Fair value through profit or loss: T-bills	73,011	(143)	(286)
Fair value through profit or loss: Eurobond	2,294	(17)	(43)
Fair value through profit or loss: Bonds - Pledged	2,567	45	82
Fair value through profit or loss: T-bills - Pledged	72,565	(137)	(273)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	152,756	(210)	(447)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	158,208	(3,038)	(1,689)
-Financial assets at FVOCI-Tbills	703,695	(1,761)	(10,468)
-Financial assets at FVOCI-Promissory notes	217,305	(2,667)	(284)
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	451,476	(3,038)	(5,697)
	1,530,684	(10,505)	(18,138)
TOTAL	**1,683,440**	**(10,714)**	**(18,586)**

Foreign currency sensitivity analysis

The Group's principal foreign currency exposure is to US Dollars, as it constitutes a significant portion of the Group's foreign currency exposure as at 31 Dec 2023. The table below illustrates the hypothetical sensitivity of the Group and Bank's reported profit to a 20% increase in the US Dollar/Naira exchange rates at the year end, assuming all other variables remain unchanged. The sensitivity rate of 20% increase represents the directors' assessment of a reasonable possible change based on historic volatility.

The analysis assumes that exchange rate fluctuations on currency derivatives that form part of an effective fair value hedge affects the income statement and the fair value of the hedging derivatives. For foreign exchange derivatives which are not designated hedges, movements in exchange rates impact the income statement.

Group

In millions of naira	**Impact on statement of comprehensive income December 2023**
Naira weakens by 20%	185,466

In millions of naira	**Impact on statement of comprehensive income December 2022**
Naira weakens by 10%	15,744

Bank

In millions of naira	**Impact on statement of comprehensive income December 2023**
Naira weakens by 20%	98,294

In millions of naira	**Impact on statement of comprehensive income December 2022**
Naira weakens by 10%	61,947

The NGN/USD exchange rate applied in the conversion of balances as at year end is N951.79/USD1 (2022: N461.10/USD1). The strengthening or weakening of Naira may not produce symmetrical results depending on the proportion and nature of balance sheet and the impact of derivatives.

	December 2023	**December 2022**
Market Risk for Hedging instruments		
Total exposure to foreign exchange risk	**N'm**	**N'm**
Derivative assets (fair value hedge)	1,995,401	288,188
Interest bearing loans and borrowings	(774,671)	(633,346)
Deposits from other financial institutions	(2,875,448)	(642,951)

The Bank uses foreign currency forwards to hedge its exposure to foreign currency risk on the US dollar denominated interest bearing loans and deposits for financial institutions. Under the Bank’s policy, the critical terms of the forward should align closely with the hedged items.
The Bank only designates the spot component of foreign currency forwards in hedge relationships. The spot component is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points. The forward points are discounted and are recognised in the profit or loss.

5.2. The table below summarises the Group's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency
Group

In millions of Naira

December 2023	Total	Naira	USD	GBP	Euro	Others
Cash and balances with banks	3,025,645	1,189,515	1,095,347	480,693	93,233	166,856
Investment under management	7,423	-	7,423	-	-	-
Non-pledged trading assets						
Treasury bills	197,120	150,037	-	-	-	47,083
Bonds	12,088	5,819	6,269	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	2,050,432	2,033,286	1,373	1,252	61	14,460
Loans and advances to banks	880,534	8	878,323	161	1,724	317
Loans and advances to customers						
Auto Loan	14,727	11,902	-	-	-	2,825
Credit Card	31,545	20,395	10,802	-	-	349
Finance Lease	32,080	21,361	-	-	-	10,719
Mortgage Loan	235,163	21,339	294	86,742	-	126,787
Overdraft	394,225	194,535	19,587	109	-	179,995
Personal Loan	470,361	76,280	418	-	-	393,663
Term Loan	3,982,655	2,379,682	1,311,985	89,473	1,826	199,688
Time Loan	2,876,967	381,250	2,388,948	60,497	30,162	16,110
Pledged assets						
-Financial assets at FVOCI						
Treasury bills	445,262	445,262	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	80,286	80,286	-	-	-	-
Bonds	623,360	623,360	-	-	-	-
Promissory notes	30,226	30,226	-	-	-	-
-Financial assets at FVPL						
Treasury bills	32,235	32,235	-	-	-	-
Bonds	1,193	1,193	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	1,943,342	905,038	-	-	-	1,038,304
Bonds	399,292	139,773	52,377	-	-	207,142
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL						
Equity	406,154	402,711	-	3,443	-	-

-Financial assets at amortised cost						
Treasury bills	754,810	585,470	(0)	-	-	169,340
Preferential Shares Note	-	-	-	-	-	-
Bonds	1,930,731	473,102	807,669	-	-	649,960
Promissory notes	94,690	94,690	-	-	-	-
Restricted deposit and other assets	4,947,675	3,271,901	1,494,845	7,061	35	173,833
	25,900,221	**13,570,657**	**8,075,660**	**729,431**	**127,042**	**3,397,432**
Deposits from financial institutions	4,437,187	254,955	4,104,630	12,846	39,018	25,737
Deposits from customers	15,322,753	7,871,563	4,632,938	749,743	126,903	1,941,606
Derivative financial instruments	475,997	471,819	357	388	56	3,377
Other liabilities	1,695,395	1,076,424	535,793	10,398	12,264	60,516
Debt securities issued	585,024	47,488	537,536	-	-	-
Interest bearing borrowings	1,602,225	609,801	829,373	-	2,578	160,473
	24,118,581	**10,332,050**	**10,640,627**	**773,375**	**180,819**	**2,191,708**
Off balance sheet exposures:						
Transaction related bonds and guarantees	744,454	481,379	124,367	68	124,318	14,322
Clean line facilities for letters of credit and other commitments	1,394,688	-	992,372	20,427	218,028	163,860
	2,139,142	**481,379**	**1,116,739**	**20,495**	**342,347**	**178,182**

*Included in Others are balances the group has in other currencies which includes South Africa Rand, Japanese Yen, Ghanaian Cedis, Dirham, Australian dollars, Canadian dollars, Swiss franc, Chinese Yuan etc.

Financial instruments by currency

Group
In millions of Naira

December 2022	**Total**	**Naira**	**USD**	**GBP**	**Euro**	**Others**
Cash and balances with banks	1,961,100	581,546	514,946	217,782	51,290	595,537
Investment under management	3,742	-	3,742	-	-	-
Non-pledged trading assets						
Treasury bills	87,490	73,011	-	-	-	14,479
Bonds	14,574	2,319	12,255	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	402,497	399,058	416	16	70	2,938
Loans and advances to banks	455,709	3,734	451,976	-	-	-
Loans and advances to customers						
Auto Loan	6,584	5,374	-	-	-	1,210
Credit Card	19,082	12,007	6,773	-	-	302
Finance Lease	9,386	6,285	-	-	-	3,101
Mortgage Loan	107,329	5,406	6,490	47,763	-	47,670
Overdraft	299,171	265,439	16,421	17	-	17,295
Personal Loan	274,812	77,078	13,332	72	-	184,330
Term Loan	3,640,489	2,521,502	920,202	3,320	16,689	178,776
Time Loan	743,955	231,440	398,884	1,154	723	111,753

Pledged assets						
-Financial assets at FVOCI						
Treasury bills	451,476	451,476	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	296,061	296,061	-	-	-	-
Bonds	411,582	411,582	-	-	-	-
Promissory notes	32,639	32,639	-	-	-	-
-Financial assets at FVPL						
Treasury bills	72,565	72,565	-	-	-	-
Bonds	2,567	2,567	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	1,046,120	703,695	-	-	-	342,425
Bonds	296,240	137,026	29,245	-	-	129,969
Promissory notes	3,869	3,869	-	-	-	-
-Financial assets at FVPL						
Equity	167,906	35,812	131,048	1,046	-	-
-Financial assets at amortised cost						
Treasury bills	193,421	102,399	-	-	-	91,022
Total return notes	9,752	-	-	-	-	9,752
Bonds	870,110	183,961	411,046	-	-	275,104
Promissory notes	37,762	37,762	-	-	-	-
Restricted deposit and other assets	2,451,927	2,045,497	287,495	2,610	539	115,787
	14,369,917	**8,701,110**	**3,204,270**	**273,778**	**69,312**	**2,121,449**
Deposits from financial institutions	2,005,316	319,756	1,520,169	23,892	29,371	112,129
Deposits from customers	9,251,238	5,999,097	2,074,687	260,958	45,631	870,865
Derivative financial instruments	32,737	31,072	667	291	4	703
Other liabilities	747,292	486,417	184,325	4,964	5,680	65,907
Debt securities issued	307,253	47,338	255,959	-	-	3,955
Interest bearing borrowings	1,385,424	653,523	644,551	13,611	-	73,739
	13,729,260	**7,537,203**	**4,680,358**	**303,716**	**80,686**	**1,127,298**
Off balance sheet exposures						
Transaction related bonds and guarantees	693,915	435,219	174,356	147	75,065	9,127
Clean line facilities for letters of credit and other commitments	-	-	-	-	-	-
	693,915	**435,279**	**959,978**	**1,422**	**106,263**	**33,536**

5.2. The table below summaries the Bank's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency

Bank
In millions of Naira

December 2023	Total	Naira	USD	GBP	Euro	Others
Cash and balances with banks	2,345,773	1,189,515	1,094,628	11,591	36,230	13,809
Investment under management	7,423	-	7,423	-	-	-
Non-pledged trading assets						
Treasury bills	150,037	150,037	-	-	-	-
Bonds	7,761	5,819	1,942	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	2,033,286	2,033,286	-	-	-	-
Loans and advances to banks	659,546	8	659,537	-	-	-
Loans and advances to customers						
Auto Loan	11,902	11,902	-	-	-	-
Credit Card	31,197	20,395	10,802	-	-	-
Finance Lease	21,361	21,361	-	-	-	-
Mortgage Loan	21,339	21,339	-	-	-	-
Overdraft	214,062	194,535	19,528	-	-	-
Personal Loan	76,698	76,280	418	-	-	-
Term Loan	3,028,236	2,379,682	646,675	53	1,826	-
Time Loan	1,964,358	381,250	1,541,629	4,704	20,665	16,110
Pledged assets						
-Financial assets at FVOCI						
Treasury bills	445,262	445,262	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	80,286	80,286	-	-	-	-
Bonds	623,360	623,360	-	-	-	-
Promissory notes	30,226	30,226	-	-	-	-
-Financial assets at FVPL						
Treasury bills	32,235	32,235	-	-	-	-
Bonds	1,193	1,193	-	-	-	-

Investment securities						
-Financial assets at FVOCI						
Treasury bills	905,038	905,038	-	-	-	-
Bonds	192,150	139,773	52,377	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL						
Equity	402,711	402,711	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	585,470	585,470	-	-	-	-
Preferential Shares Note	7,138	-	7,138	-	-	-
Bonds	1,259,658	473,102	786,556	-	-	-
Promissory notes	94,690	94,690	-	-	-	-
Restricted deposit and other assets	4,594,037	3,271,901	1,322,004	130	(0)	2
	19,826,433	**13,570,657**	**6,150,658**	**16,478**	**58,721**	**29,921**
Deposits from financial institutions	3,907,193	254,955	3,645,979	9	3,340	2,910
Deposits from customers	11,239,847	7,871,563	3,264,701	34,783	68,799	1
Derivative financial instruments	471,819	471,819	-	-	-	-
Other liabilities	1,494,078	1,076,424	403,237	883	12,057	1,477
Debt securities issued	577,378	47,488	529,890	-	-	-
Interest bearing borrowings	1,384,472	609,801	774,671	-	-	-
	19,074,787	**10,332,050**	**8,618,478**	**35,676**	**84,196**	**4,387**
Off balance sheet exposures:						
Transaction related bonds and guarantees	735,514	481,379	130,718	34	123,383	-
Clean line facilities for letters of credit and other commitments	1,060,454	250,990	595,077	39	205,129	9,219
	1,795,968	**732,369**	**725,795**	**73**	**328,512**	**9,219**

Financial instruments by currency

Bank
In millions of Naira

December 2022	**Total**	**Naira**	**USD**	**GBP**	**Euro**	**Others**
Cash and balances with banks	1,445,659	581,546	838,580	5,669	16,100	3,766
Investment under management	3,742	-	3,742	-	-	-
Non-pledged trading assets						
Treasury bills	73,011	73,011	-	-	-	-
Bonds	4,613	2,319	2,294	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	399,058	399,058	-	-	-	-
Loans and advances to banks	322,610	3,734	318,876	-	-	-
Loans and advances to customers						
Auto Loan	5,374	5,374	-	-	-	-
Credit Card	18,794	12,007	6,787	-	-	-
Finance Lease	6,285	6,285	-	-	-	-
Mortgage Loan	5,406	5,406	-	-	-	-
Overdraft	268,771	265,439	3,333	-	-	-
Personal Loan	77,243	77,078	93	72	-	-
Term Loan	3,299,247	2,521,502	756,896	1,905	16,716	2,229
Time Loan	403,231	231,440	171,791	-	-	-
Pledged assets						
-Financial assets at FVOCI						
Treasury bills	451,476	451,476	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	296,061	296,061	-	-	-	-
Bonds	411,582	411,582	-	-	-	-
Promissory notes	32,639	32,639	-	-	-	-
-Financial assets at FVPL						
Treasury bills	72,565	72,565	-	-	-	-
Bonds	2,567	2,567	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	703,695	703,695	-	-	-	-
Bonds	158,208	137,026	21,182	-	-	-
Promissory notes	3,869	3,869	-	-	-	-
-Financial assets at FVPL						
Equity	167,622	35,812	131,810	-	-	-
-Financial assets at amortised cost						
Treasury bills	102,399	102,399	-	-	-	-
Bonds	595,007	183,961	411,046	-	-	-
Promissory notes	37,763	37,763	-	-	-	-
Restricted deposit and other assets	2,321,538	2,045,497	276,014	22	-	5
	11,690,035	**8,701,111**	**2,942,442**	**7,668**	**32,816**	**6,000**

Deposits from financial institutions	1,637,318	319,756	1,312,768	161	2,364	2,270
Deposits from customers	7,530,062	5,999,097	1,485,756	15,359	29,850	-
Derivative financial instruments	31,072	31,072	-	-	-	-
Other liabilities	660,462	486,417	168,166	284	4,697	897
Debt securities issued	303,297	47,338	255,959	-	-	-
Interest bearing borrowings	1,286,869	653,523	633,346	-	-	-
	11,449,080	**7,537,203**	**3,855,995**	**15,803**	**36,911**	**3,168**
Off balance sheet exposures						
Transaction related bonds and guarantees	618,742	435,219	108,351	147	75,025	-
Clean line facilities for letters of credit and other commitments	606,878	60	561,961	764	23,556	20,537
	1,225,620	**435,279**	**670,312**	**911**	**98,581**	**20,537**

Liquidity risk management
The following table shows the undiscounted cash flows on the Group's financial assets and liabilities and on the basis of their earliest possible contractual maturity. The Gross nominal inflow / (outflow) disclosed in the table is the contractual, undiscounted cash flow on the financial liability or commitment.

The amounts in the table below have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities and financial assets	Undiscounted cash flows, which include estimated interest payments.
Issued financial guarantee contracts, and unrecognised loan commitments	Earliest possible contractual maturity. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.
Derivative financial liabilities and financial assets held for risk management purposes	Contractual undiscounted cash flows. The amounts shown are the gross nominal inflows and outflows for derivatives that have simultaneous gross settlement (e.g. forward exchange contracts and currency swaps) and the net amounts for derivatives that are net settled.
Trading derivative liabilities and assets forming part of the Group's proprietary trading operations that are expected to be closed out before contractual maturity	Fair values at the date of the statement of financial position. This is because contractual maturities are not reflective of the liquidity risk exposure arising from these positions. These fair values are disclosed in the 'less than three month' column.
Trading derivative liabilities and assets that are entered into by the Group with its customers	Contractual undiscounted cash flows. This is because these instruments are not usually closed out before contractual maturity and so the Group believes that contractual maturities are essential for understanding the timing of cash flows associated with these derivative positions.

The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. For example, demand deposits from customers are expected to remain stable or increase and unrecognised loan commitments are not all expected to be drawn down immediately. As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising Cash and balances with banks and debt securities issued by federal government, which can be readily sold to meet liquidity requirements.
In addition, the Group maintains agreed lines of credit with other banks and holds unencumbered assets eligible for use as collateral.

The negative gaps in the short term maturity buckets below do indicate liquidity concerns as the behavioral analysis of the book is different from this.

Contingency Funding Plan

The Group maintains a contingency funding plan which sets out strategies for addressing liquidity. The Plan:
(a) outlines strategies, policies and plans to manage a range of stresses;
(b) establishes a clear allocation of roles and clear lines of management responsibility;
(c) is formally documented;
(d) includes clear invocation and escalation procedures;
(e) is regularly tested and the result shared with the ALCO and Board;
(f) outlines that Group's operational arrangements for managing a huge funding run;
(g) is sufficiently robust to withstand simultaneous disruptions in a range of payment and settlement;
(h) outlines how the Group will manage both internal communications and those with its external stakeholders; and
As part of the contingency funding plan process, the Group maintains committed credit lines that can be drawn in case of liquidity crises. These lines are renewed as at when due.

Funding approach

Our sources of liquidity are regularly reviewed by both the ALCO and the Treasury Group in order to avoid undue reliance on large individual depositors and to ensure that a satisfactory overall funding mix is maintained at all times. The funding strategy is geared toward ensuring effective diversification in the sources and tenor of funding. The Group however places greater emphasis on demand and savings deposits as against purchased funds in order to minimize the cost of funding.
As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising cash and cash equivalents, and debt securities issued by sovereigns, which can be readily sold to meet liquidity requirements. In addition, the Group maintains agreed lines of credit with other banks

5.3.1 Residual contractual maturities of financial assets and liabilities

Group **December 2023** *In millions of Naira*	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 3 months**	**6 months**	**12 months**	**5 years**	**More than 5 years**
Cash and balances with banks	2,975,484	4,438,204	4,438,204	-	-	-	-
Investment under management	7,423	7,423	-	-	-	-	7,423
Non-pledged trading assets							

Treasury bills	197,120	130,025	11,000	109,025	10,000	-	-
Bonds	12,088	240,286	-	24,015	48,407	59,042	108,823
Derivative financial instruments	2,050,432	2,050,431	1,168,766	277,980	504,907	98,778	-
Loans and advances to banks	880,534	1,295,413	381,799	69,274	641,525	202,816	-
Loans and advances to customers							
Auto Loan	14,727	15,344	3,042	119	546	11,637	-
Credit Card	31,545	33,043	2,169	681	2,001	28,193	-
Finance Lease	32,080	32,828	3,192	593	2,214	26,828	-
Mortgage Loan	235,163	240,139	138,687	-	18	2,020	99,413
Overdraft	394,225	420,436	218,207	46,320	155,826	82	-
Personal Loan	470,361	483,229	385,787	83,057	5,199	7,418	1,768
Term Loan	3,982,655	4,058,511	349,981	1,645	57,178	2,191,864	1,457,844
Time Loan	2,876,967	2,910,683	1,698,024	540,596	672,063	-	-

Pledged assets							
-Financial instruments at FVOCI							
Treasury bills	445,262	495,005	321,159	159,149	14,697	-	-
Bonds	-	2,123	-	-	-	2,123	-
-Financial instruments at amortised cost							
Treasury bills	80,286	119,346	83,446	35,900	-	-	-
Bonds	623,360	748,047	-	-	122,359	264,373	361,315
Promissory note	30,226	33,261		-	33,261	-	-
-Financial instruments at FVPL							
Treasury bills	32,235	40,500	11,000	19,500	10,000	-	-
Bonds	1,193	-	-	-	-	-	-
Investment securities							
-Financial assets at FVOCI							
Treasury bills	1,943,342	1,947,320	146,968	1,306,792	493,559	-	-
Bonds	399,292	688,667	-	78,014	147,928	94,775	367,950
Promissory note	16,714	18,995	-	18,995	-	-	-
-Financial assets at amortised cost							
Treasury bills	754,810	789,994	625,481	164,512	-	-	-
Bonds	1,930,731	1,961,916	153,026	159,505	943,606	596,960	108,818
Promissory note	94,689	95,071	-	2,625	65,130	27,317	-
-Financial assets at FVPL							
'Equity	406,154	406,154	-	-	-	-	406,154
Restricted deposit and other assets	4,940,239	3,726,696	292,135	286,723	39,956	-	3,107,883
	25,859,339	**27,429,090**	**10,432,073**	**3,385,018**	**3,970,380**	**3,614,226**	**6,027,392**
Deposits from financial institutions	4,387,020	4,716,240	3,519,688	950,173	246,380	-	-
Deposits from customers	15,322,752	25,144,321	5,491,021	4,992,945	13,328,093	1,332,262	-
Derivative financial instruments	475,997	475,997	458,244	10,934	3,834	2,985	-
Other liabilities	1,679,174	1,697,243	1,092,699		429,866	174,678	-
Debt securities issued	585,024	766,586	-	-	-	766,586	-
Interest bearing borrowings	1,602,226	1,836,419	6,921	856	439,424	388,237	1,000,981
	24,052,193	**34,636,805**	**10,568,573**	**5,954,908**	**14,447,596**	**2,664,748**	**1,000,981**
Gap (asset - liabilities)	1,807,147	(7,207,716)	(136,500)	(2,569,889)	(10,477,216)	949,479	5,026,411
Cumulative liquidity gap			(136,500)	(2,706,389)	(13,183,605)	(12,234,126)	(7,207,716)
Off-balance sheet							
Transaction related bonds and guarantees	744,454	744,454	120,536	46,401	49,411	290,799	237,306
Clean line facilities for letters of credit and other commitments	1,645,678	1,645,678	1,111,307	225,829	199,248	109,294	-
	2,390,131	**2,390,131**	**1,231,843**	**272,230**	**248,659**	**400,093**	**237,306**

Group **December 2022** *In millions of Naira*	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 3 months**	**6 months**	**12 months**	**5 years**	**More than 5 years**
Cash and balances with banks	1,961,100	1,983,061	1,913,609	46,720	22,732	-	-
Investment under management	3,742	3,742	-	-	-	-	3,742
Non-pledged trading assets							
Treasury bills	88,116	90,735	31,979	29,955	28,800	-	-
Bonds	14,574	29,104	-	849	1,054	10,393	16,808
Derivative financial instruments	402,497	402,497	55,383	43,211	303,903	-	-
Loans and advances to banks	455,710	456,088	215	27,681	370,133	58,058	-
Loans and advances to customers							
Auto Loan	6,584	6,884	3	451	618	5,813	-
Credit Card	19,082	20,215	19,839	-	-	376	-
Finance Lease	9,386	9,630	208	202	179	9,042	-
Mortgage Loan	107,329	109,967	611	550	367	100,028	8,412
Overdraft	299,171	314,017	161,516	27,268	124,348	885	-
Personal Loan	274,813	285,388	70,352	25,656	25,895	159,930	3,555
Term Loan	3,640,489	3,700,153	135,779	174,621	300,743	1,311,976	1,777,034
Time Loan	743,955	753,495	56,511	112,367	571,777	12,687	154
Pledged assets							
-Financial instruments at FVOCI							
Treasury bills	451,476	461,987	461,987	-	-	-	-
Bonds	-	-	-	-	-	-	-
-Financial instruments at amortised cost							
Treasury bills	296,061	299,020	115,935	75,735	107,350	-	-
Bonds	411,582	684,031	-	-	60,936	192,551	430,544
Promissory note	32,639	32,846	-	-	-	32,846	-
-Financial instruments at FVPL							
Treasury bills	72,565	73,202	7,345	60,613	5,245	-	-
Bonds	2,567	3,080	-	-	-	3,080	-
Investment securities							
-Financial assets at FVOCI							
Treasury bills	1,046,120	1,117,734	351,039	437,443	329,252	-	-
Bonds	296,240	496,394	-	74,214	2,656	219,096	200,428
Promissory note	217,305	274,170	-	-	13,748	260,422	-
-Financial assets at amortised cost							
Treasury bills	192,795	207,741	183,484	24,257	-	-	-
Bonds	870,110	968,554	31,301	-	370,975	219,550	346,728
Promissory note	37,761	39,847	-	-	9,490	30,357	-
Restricted deposit and other assets	2,451,927	2,451,927	532,319	68,088	20,808	-	1,830,710
	14,415,449	**15,275,508**	**4,129,413**	**1,229,879**	**2,671,009**	**2,627,090**	**4,618,115**
Deposits from financial institutions	2,005,316	2,132,654	1,591,580	429,662	111,412	-	-
Deposits from customers	9,251,238	9,957,768	8,440,939	433,612	1,082,313	904	-
Derivative financial instruments	32,737	32,737	23,195	9,542	-	-	-
Other liabilities	743,153	743,153	592,644	-	89,338	17,370	43,801
Debt securities issued	307,253	467,320	-	-	-	467,320	-
Interest bearing borrowings	1,385,424	1,588,057	5,985	740	379,995	335,731	865,606
	13,725,122	**14,921,689**	**10,654,344**	**873,556**	**1,663,058**	**821,325**	**909,406**
Gap (asset - liabilities)	690,328	353,819	(6,524,931)	356,323	1,007,950	1,805,765	3,708,708
Cumulative liquidity gap			(6,524,931)	(6,168,608)	(5,160,657)	(3,354,892)	353,817

Off-balance sheet							
Transaction related bonds and guarantees	693,915	693,915	32,079	50,841	116,538	209,716	284,740
Clean line facilities for letters of credit and other commitments	842,563	842,563	615,520	84,650	63,815	78,577	-
	1,536,477	**1,536,476**	**647,600**	**135,492**	**180,353**	**288,293**	**284,740**

5.3.1 Residual contractual maturities of financial assets and liabilities

Bank **December 2023** *In millions of Naira*	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 3 months**	**6 months**	**12 months**	**5 years**	**More than 5 years**
Cash and balances with banks	2,345,773	4,013,955	3,557,521	66,324	390,110	-	-
Investment under management	7,423	7,423	-	-	-	-	7,423
Non-pledged trading assets							
Treasury bills	150,037	200,234	61,903	42,441	95,889	-	-
Bonds	7,761	24,683	-	7	392	283	24,001
Derivative financial instruments	2,033,286	2,033,286	1,168,766	277,980	488,454	98,086	-
Loans and advances to banks	659,546	659,790	254,555	210,446	194,789	-	-
Loans and advances to customers							
Auto Loan	11,902	12,383	123	115	566	11,578	-
Credit Card	31,197	32,688	1,828	692	1,994	28,174	-
Finance Lease	21,361	21,974	3,067	175	1,421	17,311	-
Mortgage Loan	21,339	21,779	183	-	22	2,098	19,476
Overdraft	214,062	235,017	117,665	9,008	108,345	-	-
Personal Loan	76,698	78,845	325	71,185	896	6,439	-
Term Loan	3,028,236	3,082,948	-	-	-	1,628,562	1,454,386
Time Loan	1,964,358	1,982,685	1,194,641	325,278	462,766	-	-
Pledged assets							
-Financial instruments at FVOCI							
Treasury bills	445,262	495,005	321,159	159,149	14,697	-	-
Bonds	-	2,123	-	-	-	2,123	-
-Financial instruments at amortised cost							
Treasury bills	80,286	80,346	63,946	16,400	-	-	-
Bonds	623,360	1,626,065	528,525	151,462	183,996	343,085	418,997
Promissory note	30,226	33,261	-	-	33,261	-	-
-Financial instruments at FVPL							
Treasury bills	32,235	40,500	11,000	19,500	10,000	-	-
Bonds	1,193	-	-	-	-	-	-
Investment securities							
-Financial assets at FVOCI							
Treasury bills	905,038	1,113,834	833,708	133,158	146,968	-	-
Bonds	192,150	297,542	-	77,014	137,928	58,955	23,643
Promissory note	16,714	18,995	-	18,995	-	-	-
-Financial assets at amortised cost							
Treasury bills	585,470	620,654	575,054	45,600	-	-	-
Bonds	1,259,658	284,346	56,869	56,869	56,869	56,869	56,869
Promissory note	94,690	95,071	-	2,625	65,130	27,317	-
Preferential Shares Note	7,138	7,138	-	7,138	-	-	-
-Financial assets at FVPL							
'Equity	402,711	402,711	-	-	-	-	402,711
Restricted deposit and other assets	4,586,587	3,373,044	162,471	273,802	39,956	-	2,896,816
	19,835,700	**20,898,333**	**8,913,308**	**1,965,365**	**2,434,451**	**2,280,886**	**5,304,326**

Deposits from financial institutions	3,907,192	4,152,592	3,099,042	836,615	216,935	-	-
Deposits from customers	11,239,847	21,006,678	4,023,675	3,320,066	12,330,675	1,332,262	-
Derivative financial instruments	471,819	471,818	458,244	10,275	315	2,985	-
Other liabilities	1,494,072	1,503,902	1,041,103	-	20,719	149,401	292,679
Debt securities issued	577,378	774,232	-	-	-	774,232	-
Interest bearing borrowings	1,384,472	1,586,778	5,980	739	379,689	335,460	864,909
	19,074,779	**29,496,000**	**8,628,045**	**4,167,696**	**12,948,333**	**2,594,340**	**1,157,588**
Gap (asset - liabilities)	760,920	(8,597,667)	285,263	(2,202,331)	(10,513,882)	(313,455)	4,146,739
Cumulative liquidity gap			285,263	(1,917,068)	(12,430,951)	(12,744,405)	(8,597,667)
Off balance-sheet							
Transaction related bonds and guarantees	735,514	735,514	79,182	59,086	84,527	240,048	272,670
Clean line facilities for letters of credit and other commitments	1,060,454	1,060,454	526,083	225,829	199,248	109,294	-
	1,795,967	**1,795,967**	**605,265**	**284,915**	**283,775**	**349,343**	**272,670**

Bank **December 2022** *In millions of Naira*	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 3 months**	**6 months**	**12 months**	**5 years**	**More than 5 years**
Cash and balances with banks	1,445,659	1,484,572	1,484,572	-	-	-	-
Investment under management	3,742	3,742	-	-	-	-	3,742
Non-pledged trading assets							
Treasury bills	73,011	74,957	42,655	15,227	17,075	-	-
Bonds	4,613	9,278	-	1,054	745	-	7,479
Derivative financial instruments	399,058	399,058	54,910	42,842	301,306	-	-
Loans and advances to banks	322,610	322,951	215	27,681	236,997	58,058	-
Loans and advances to customers							
Auto Loan	5,374	5,528	3	-	166	5,357	-
Credit Card	18,794	19,850	19,839	-	-	12	-
Finance Lease	6,285	6,387	27	12	179	6,170	-
Mortgage Loan	5,406	5,603	-	-	-	713	4,890
Overdraft	268,771	278,435	161,516	27,268	88,766	885	-
Personal Loan	77,243	80,179	70,352	5	244	6,022	3,555
Term Loan	3,299,247	3,344,371	135,779	174,621	300,743	956,194	1,777,034
Time Loan	403,231	409,063	56,511	112,367	227,344	12,687	154
Pledged assets							
-Financial instruments at FVOCI							
Treasury bills	451,476	458,525	276,453	69,173	112,898	-	-
Bonds	-	-	-	-	-	-	-
-Financial instruments at amortised cost							
Treasury bills	296,061	312,407	156,203	156,203	-	-	-
Bonds	411,582	534,977	-	39,851	-	147,376	347,750
Promissory note	32,639	40,266	-	-	-	40,266	-
-Financial instruments at FVPL							
Treasury bills	72,565	74,500	42,395	15,135	16,970	-	-
Bonds	2,567	2,796	-	-	-	2,796	-

Investment securities							
-Financial assets at FVOCI							
Treasury bills	703,695	705,875	172,090	204,532	329,252	-	-
Bonds	158,208	254,507	-	74,214	2,656	64,998	112,639
Promissory note	217,305	274,170	-	-	13,748	260,422	-
-Financial assets at amortised cost							
Treasury bills	102,399	114,425	60,201	54,224	-	-	-
Bonds	595,007	607,540	1,770	-	30,580	77,006	498,184
Promissory note	37,763	52,950	-	-	9,490	43,460	-
Restricted deposit and other assets	2,321,538	2,321,538	114,681	66,545	20,808	-	2,119,504
	11,735,850	**12,198,446**	**2,964,853**	**1,080,953**	**1,709,968**	**1,682,423**	**4,874,930**
Deposits from financial institutions	1,637,318	1,741,288	1,299,507	350,814	90,966	-	-
Deposits from customers	7,530,062	7,612,159	6,423,252	226,614	961,389	904	-
Derivative financial instruments	31,072	31,072	21,530	9,542	-	-	-
Other liabilities	660,463	660,463	516,781	-	5,454	94,428	43,801
Debt securities issued	303,297	471,275	-	-	-	471,275	-
Interest bearing borrowings	1,286,869	1,474,913	5,559	687	352,922	311,811	803,934
	11,449,080	**11,991,171**	**8,266,629**	**587,656**	**1,410,732**	**878,418**	**847,734**
Gap (asset - liabilities)	286,770	207,275	(5,301,776)	493,297	299,236	804,005	4,027,196
Cumulative liquidity gap			(5,301,776)	(4,808,479)	(4,509,243)	(3,705,238)	321,959
Off balance-sheet							
Transaction related bonds and guarantees	618,742	618,742	22,973	50,011	114,174	184,769	246,815
Clean line facilities for letters of credit and other commitments	606,878	606,878	384,779	82,807	62,425	76,866	-
	1,225,621	**1,225,621**	**407,753**	**132,818**	**176,599**	**261,635**	**246,815**

5.3.2

Group *In millions of Naira*	**December 2023** **Within 12 months**	**After 12 months**	**Total**	**December 2022** **Within 12 months**	**After 12 months**	**Total**
Cash and balances with banks	2,975,484	-	**2,975,484**	1,961,100	-	**1,961,100**
Investments under management	-	7,423	**7,423**	-	3,742	**3,742**
Non pledged trading assets						
Treasury bills	195,340	1,779	**197,119**	87,489	-	**87,489**
Bonds	503	11,586	**12,088**	5,891	9,966	**15,857**
Derivative financial instruments	2,050,432	-	**2,050,432**	296,218	106,279	**402,497**
Loans and advances to banks	878,039	2,495	**880,534**	397,755	57,955	**455,709**
Loans and advances to customers						
Auto Loan	3,558	11,169	**14,727**	1,014	5,570	**6,584**
Credit Card	4,631	26,914	**31,545**	18,852	230	**19,082**
Finance Lease	5,863	26,217	**32,080**	596	8,790	**9,386**
Mortgage Loan	135,831	99,332	**235,163**	635	106,694	**107,329**
Overdraft	394,148	77	**394,225**	298,294	877	**299,171**
Personal Loan	461,420	8,941	**470,361**	118,219	156,592	**274,813**
Term Loan	401,162	3,581,493	**3,982,655**	608,219	3,032,269	**3,640,489**
Time Loan	2,876,967	-	**2,876,967**	731,361	12,594	**743,955**
Pledged assets						
Treasury bills	557,783	-	**557,783**	820,102	-	**820,102**
Bonds	73,906	550,648	**624,554**	24,986	389,163	**414,150**
Promissory note	-	-	**-**	-	26,471	**26,471**
Investment securities						
-Financial assets at FVOCI						
Treasury bills	1,913,941	-	**1,913,941**	1,046,120	-	**1,046,120**
Bonds	6,055	393,947	**400,002**	54,380	251,862	**306,242**
Promissory note	357	16,358	**16,715**	12,656	204,650	**217,306**
-Financial assets at amortised cost						
Treasury bills	754,810	-	**754,810**	193,421	-	**193,421**
Bonds	115,210	1,815,520	**1,930,731**	50,877	819,233	**870,110**
Promissory note	46,605	48,086	**94,690**	5,773	31,990	**37,762**
Credit Link Notes	-	7,138	**7,138**	9,752	-	**9,752**
Restricted deposit and other assets	-	4,947,684	**4,947,684**	154,048	2,300,095	**2,454,143**
	15,034,381	**11,556,811**	**25,408,852**	**8,132,011**	**7,525,024**	**14,422,781**
Deposits from financial institutions	4,387,020	-	**4,387,020**	1,459,512	583,923	**2,043,436**
Deposits from customers	8,149,061	7,173,691	**15,322,752**	5,246,155	4,003,899	**9,250,054**
Derivative financial instruments	475,997	-	**475,997**	30,637	2,099	**32,737**
Debt securities issued	-	585,024	**585,024**	-	307,253	**307,253**
Other liabilities	1,679,169	-	**1,679,169**	743,153	-	**743,153**
Interest-bearing borrowings	604,558	997,668	**1,602,226**	311,143	1,074,444	**1,385,587**
	15,295,806	**8,756,384**	**24,052,188**	**7,790,601**	**5,971,618**	**13,762,219**

Bank	**December 2023** Within 12 months	After 12 months	Total	**December 2022** Within 12 months	After 12 months	Total
In millions of Naira						
Cash and balances with banks	2,345,773	-	**2,345,773**	1,445,659	-	**1,445,659**
Investment under management	-	7,423	**7,423**	-	3,742	**3,742**
Non pledged trading assets						
Treasury bills	148,685	-	**148,685**	73,011	-	**73,011**
Bonds	301	7,460	**7,761**	1,783	2,829	**4,613**
Derivative financial instruments	2,033,286	-	**2,033,286**	292,779	106,279	**399,058**
Loans and advances to banks	659,546	-	**659,546**	264,618	57,992	**322,610**
Loans and advances to customers						
Auto Loan	733	11,169	**11,902**	166	5,208	**5,374**
Credit Card	4,282	26,914	**31,197**	18,785	9	**18,794**
Finance Lease	4,565	16,795	**21,361**	211	6,075	**6,285**
Mortgage Loan	124	21,215	**21,339**	-	5,406	**5,406**
Overdraft	214,062	-	**214,062**	267,894	877	**268,771**
Personal Loan	70,553	6,145	**76,698**	68,374	8,868	**77,243**
Term Loan	-	3,028,236	**3,028,236**	608,203	2,691,044	**3,299,247**
Time Loan	1,964,358	-	**1,964,358**	390,637	12,594	**403,231**
Pledged assets						
Treasury bills	557,783	-	**557,783**	820,102	-	**820,102**
Bonds	73,906	550,648	**624,554**	24,986	389,163	**414,150**
Promissory note	-	-	**-**	-	26,471	**26,471**
Investment securities						
-Financial assets at FVOCI						
Treasury bills	889,091	15,947	**905,038**	703,695	-	**703,695**
Bonds	7,195	184,955	**192,150**	28,421	129,787	**158,208**
Promissory note	77	14,566	**14,643**	205,005	-	**205,005**
-Financial assets at amortised cost						
Treasury bills	585,470	-	**585,470**	102,399	-	**102,399**
Bonds	69,110	1,285,238	**1,354,348**	34,792	597,978	**632,770**
Promissory note	46,605	48,086	**94,690**	5,773	31,991	**37,763**
Restricted deposit and other assets	-	4,594,032	**4,594,032**	-	2,340,433	**2,340,433**
	10,857,842	**9,834,778**	**19,510,283**	**6,591,545**	**6,416,747**	**11,774,041**
Deposits from financial institutions	3,907,192	-	**3,907,192**	1,629,354	46,083	**1,675,437**
Deposits from customers	11,237,554	2,293	**11,239,847**	7,534,894	11,837	**7,546,732**
Derivative financial instruments	471,819	-	**471,819**	29,441	1,630	**31,072**
Debt securities issued	-	577,378	**577,378**	-	303,297	**303,297**
Other liabilities	-	1,494,082	**1,494,082**	522,235	138,228	**660,464**
Interest-bearing borrowings	604,558	779,913	**1,384,472**	311,143	975,726	**1,286,869**
	16,221,123	**2,853,667**	**19,074,789**	**10,027,068**	**1,476,803**	**11,503,871**

Capital adequacy ratio computation under Basel II guidelines

This represents the capital adequacy ratio under basel II guidelines

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Tier 1 capital without adjustment				
Ordinary share capital	17,773	17,773	17,773	17,773
Additional Tier 1 Capital	345,030	206,355	345,030	206,355
Share premium	234,038	234,038	234,038	234,038
Retained earnings	737,133	409,653	605,619	321,181
Other reserves	960,548	344,677	329,526	289,319
Non-controlling interests	53,911	14,395	-	-
	2,348,432	**1,226,891**	**1,531,986**	**1,068,665**
Add/(Less):				
Fair value reserve for fair value through other comprehensive income instruments	20,665	(78,959)	15,802	(70,053)
Foreign currency translation reserves	(501,795)	(33,083)	-	-
Other reserves	-	(3,514)	-	(2,674)
Total Tier 1	**1,867,302**	**1,111,335**	**1,547,787**	**995,938**
Add/(Less):				
Deferred tax assets	(35,417)	(15,023)	-	(7,707)
Regulatory risk reserve	(146,966)	(78,556)	(124,720)	(76,336)
Intangible assets	(128,148)	(73,782)	(73,105)	(59,365)
Treasury shares	-	11,228	-	-
Adjusted Tier 1	**1,556,771**	**955,202**	**1,349,962**	**852,530**
50% Investments in Banking subsidiaries	-	-	(195,163)	(136,484)
Receivable from Parent Company	(81,425)	-	(81,425)	-
Eligible Tier 1	**1,475,346**	**955,202**	**1,073,374**	**716,046**
Tier 2 capital				
Subordinated Debts	409,225	252,834	409,225	252,834
Fair value reserve for fair value through other comprehensive income instruments	(20,665)	78,959	(15,802)	70,053
Foreign currency translation reserves	501,795	33,083	-	-
Other reserves	-	3,514	-	2,674
Total Tier 2	**890,355**	**368,389**	**393,424**	**325,561**
Adjusted Tier 2 capital (33% of Tier 1)	**518,924**	**318,369**	**393,424**	**284,148**
50% Investments in subsidiaries	-	-	(195,163)	(136,484)
Eligible Tier 2	**518,924**	**318,369**	**198,261**	**147,664**
Total regulatory capital	**1,994,270**	**1,273,571**	**1,271,635**	**863,711**
Risk-weighted assets	**9,457,963**	**6,291,629**	**6,501,194**	**4,839,820**
Capital ratios				
Total regulatory capital expressed as a percentage of total risk-weighted assets	21.09%	20.24%	19.56%	17.85%
Total tier 1 capital expressed as a percentage of risk-weighted assets	15.60%	15.18%	16.51%	14.79%

Capital adequacy ratio computation under Basel III guidelines

According to the recent CBN circular on Basel III implementation guidelines for Banks in Nigeria, the recommendations contained therein will be implemented in a parallel run beginning November 2021 for a six-month period, which could be extended by another three months if supervisory expectations are achieved. According to the CBN, the Basel III Guidelines will run concurrently with the existing Basel II Guidelines during the parallel run, and the Basel Ill Guidelines will become completely effective after the parallel run is over.

7 Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the strategic business units, the Executive Management Committee reviews internal management reports on at least a quarterly basis. The Group presents segment information to its Executive Committee, which is the Group's Chief Operating Decision Maker, based on International Financial Reporting Standards.

Based on the market segment and extent of customer turnover, the group reformed the arrangement of segments from previous periods into four operational segments as described below;

- **Corporate and Investment Banking -** The division provides bespoke comprehensive banking products and a full range of services to multinationals, large domestic corporates and other institutional clients. The division focuses on customers in key industry sector with minimum annual turnover of N20Billion. It also provides innovative finance solutions to meet the short, medium and long-term financing needs for the Bank's clients as well as relationship banking services to the Bank's financial institutions customers.

- **Commercial banking** - The commercial banking division has presence in all major cities in the country. It provides commercial banking products and services to the non-institutional clients, medium and small corporate segments of the Nigerian market whose annual turnover is above N1bn. The division also provides financial services to public sector, commercial institutions and oriental corporates.

- **Retail banking** – The retail banking division is the retail arm of the bank which provides financial products and services to individuals (personal and inclusive segments) and private banking segment. This division has now been categorized into 'Retail Banking North' and 'Retail Banking South'. The private banking segment focuses on offering bespoke services to High Net worth Individuals (HNI) and Ultra High Net worth Individuals (UHNI) by handling their wealth portfolio needs both locally and abroad.

All of the Segments reported at the end of the period had its,

- Reported revenue, from both external customers and intersegment sales or transfers, 10 per cent or more of the combined revenue, internal and external, of all operating segments, or

-the absolute measure of its reported profit or loss 10 per cent or more of the greater, in absolute amount, of
(i) the combined reported profit of all operating segments that did not report a loss and
(ii) the combined reported loss of all operating segments that reported a loss, or

-its assets are 10% or more of the combined assets of all operating segments.

Unallocated Segments represents all other transactions than are outside the normal course of business and can not be directly related to a specific segment financial information.
Thus, in essence, unallocated segments reconcile segment balances to group balances. Material items comprising total assets and total liabilities of the unallocated segments have been outlined below;
Sales between segments are carried out at arm's length. The revenue from external parties reported to the executive committee is measured in a manner consistent with that in the income statement.

Material total assets and liabilities	**Group December 2023**	**Group December 2022**
In millions of Naira		
Other Assets	5,076,416	2,487,691
Deferred tax asset	35,417	15,023
Non Current Assets Held for Sale	75,418	42,039
Goodwill	15,695	12,747
	5,202,946	**2,557,501**
Other liabilities	1,695,403	753,875
Deferred tax liability	11,160	1,796
Retirement Benefit Obligation	8,577	3,277
Total liabilities	**1,715,139**	**758,948**

7a Operating segments (continued)
Group
December 2023

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Retail Banking South	Retail Banking North	Unallocated Segments	Total continuing operations	Total
Revenue:							
Derived from external customers	1,100,706	637,909	430,715	420,543	-	2,589,874	2,589,874
Total Revenue	1,100,706	637,909	430,715	420,543	-	2,589,874	2,589,874
Interest Income	640,592	498,218	261,556	253,738	-	1,654,105	1,654,105
Interest expense	(439,430)	(269,151)	(138,228)	(90,682)	-	(937,490)	(937,490)
Impairment Losses	(69,432)	(45,667)	(14,515)	(9,919)	-	(139,534)	(139,534)
Profit/(Loss) on ordinary activities before	417,587	212,788	69,965	50,750	-	751,091	751,091
Income tax expense	(67,459)	(16,139)	(12,217)	(9,808)	-	(105,624)	(105,624)
Profit after tax	350,129	196,650	57,750	40,942		645,468	645,468
Assets and liabilities:							
Loans and Advances to banks and customers	4,960,958	3,504,997	391,934	60,370	-	8,918,258	8,918,258
Goodwill					15,695	15,695	15,695
Tangible segment assets	8,434,194	6,407,938	4,332,504	2,079,463	-	21,254,098	21,254,098
Unallocated segment assets					5,202,945	5,202,945	5,202,945
Total assets	8,434,194	6,407,938	4,332,504	2,079,463	5,202,945	26,457,042	26,457,042
Deposits from customers	6,184,282	4,605,186	3,392,768	1,140,517	-	15,322,753	15,322,753
Segment liabilities	8,377,485	6,346,991	5,028,332	2,640,663	-	22,393,471	22,393,471
Unallocated segment liabilities					1,715,139	1,715,139	1,715,139
Total liabilities	8,377,485	6,346,991	5,028,332	2,640,663	1,715,139	24,108,609	24,108,609
Net assets	56,709	60,947	(695,829)	(561,200)	3,487,806	2,348,433	2,348,435

The line"Derived from external customers" comprises of interest income, fees and commission income, net gain on investment securities and net foreign exchange income. The basis of accounting of transactions among reportable operating segments is on accrual basis.

December 2022
Operating segments (continued)

In millions of Naira	**Corporate & Investment Banking**	**Commercial Banking**	**Retail Banking South**	**Retail Banking North**	**Unallocated Segments**	**Total continuing operations**	**Total**
Revenue:							
Derived from external customers	613,724	333,048	309,273	126,728	-	1,382,773	1,382,773
Total Revenue	613,724	333,048	309,273	126,728	-	1,382,773	1,382,773
Interest Income	347,360	253,678	161,894	63,653	-	826,584	826,584
Interest expense	(254,749)	(103,930)	(79,504)	(29,546)	-	(467,729)	(467,729)
Impairment Losses	(108,896)	(65,785)	(19,486)	(3,623)	-	(197,790)	(197,790)
taxation	81,459	45,127	28,023	15,792	-	170,402	170,402
Income tax expense	(8,184)	(3,186)	(1,347)	(1,812)	-	(14,529)	(14,529)
Profit after tax	73,276	41,942	26,677	13,981	-	155,873	155,873

December 2022

Assets and liabilities:							
Loans and Advances to banks and customers	2,186,701	2,926,208	359,405	84,203	-	5,556,517	5,556,517
Goodwill	-	-	-	-	12,747	12,747	12,747
Tangible segment assets	4,548,261	3,263,790	3,439,028	1,163,731	-	12,414,811	12,414,811
Unallocated segment assets	-	-	-	-	2,557,500	2,557,500	2,557,500
Total assets	4,548,261	3,263,790	3,439,028	1,163,731	2,557,500	14,972,310	14,972,310
Deposits from customers	3,599,577	1,838,037	2,838,072	975,552	-	9,251,238	9,251,238
	-	-	-	-	-		
Segment liabilities	4,241,586	3,705,687	3,757,734	1,281,463	-	12,986,471	12,986,471
Unallocated segment liabilities	-	-	-	-	758,948	758,948	758,948
Total liabilities	4,241,586	3,705,687	3,757,734	1,281,463	758,948	13,745,417	13,745,417
Net assets	306,675	(441,897)	(318,706)	(117,732)	1,798,552	1,226,892	1,226,894

The line"Derived from external customers" comprises of interest income, fees and commission income, net gain on investment securities and net foreign exchange income. The basis of accounting of transactions among reportable operating segments is on accrual basis.

7b Geographical segments

The Group operates in three geographic regions, being:

- Nigeria
- Rest of Africa
- Europe

December 2023

In millions of Naira	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Profit from associate	Intercompany elimination	Total
Derived from external customers	2,048,912	402,868	201,405	2,653,185	-	(64,224)	2,588,960
					914		914
Total revenue	2,048,912	402,868	201,405	2,653,185	914	(64,224)	2,589,874
Interest income	1,243,776	295,574	178,074	1,717,424	-	(63,319)	1,654,105
Impairment losses	(123,303)	(10,736)	(5,514)	(139,553)	-	19	(139,533)
Interest expense	(809,590)	(125,999)	(65,221)	(1,000,809)	-	63,319	(937,490)
Net fee and commission income	124,082	50,918	19,710	194,710	-	-	194,710
Operating income	1,239,324	276,869	136,184	1,652,376	914	(18,164)	1,652,384
Profit before income tax	569,140	100,758	98,422	768,321	914	(18,145)	751,089
Assets and liabilities:							
Loans and advances to customers and banks	6,028,699	1,203,403	2,772,584	10,004,687	-	(1,086,436)	8,918,251
Total assets	20,649,112	3,780,586	4,213,823	28,643,522	-	(2,186,477)	26,457,042
Deposit from customers	11,239,847	2,708,406	1,381,638	15,329,891	-	(7,138)	15,322,753
Total liabilities	19,117,126	3,249,199	3,543,721	25,910,046	-	(1,801,426)	24,108,620
Net assets	1,531,986	531,387	670,102	2,733,476	-	(385,052)	2,348,424

December 2022	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Profit from associate	Intercompany elimination	Total
Derived from external customers	1,125,012	206,645	69,952	1,401,609		(19,349)	1,382,260
					513		513
Total revenue	1,125,012	206,645	69,952	1,401,609	513	(19,349)	1,382,773
						-	-
Interest income	629,026	149,984	55,436	834,446	-	(7,862)	826,584
Impairment losses	(118,681)	(63,195)	(15,916)	(197,792)	-	-	(197,792)
Interest expense	(404,198)	(58,442)	(12,951)	(475,591)	-	7,862	(467,729)
Net fee and commission income	108,628	22,403	12,590	143,620	-	-	143,620
Operating income	720,814	148,204	57,001	926,018	513	(11,880)	915,044
Profit before income tax	162,709	(6,710)	25,071	181,069	513	(11,880)	169,702
Assets and liabilities:							
Loans and advances to customers and banks	4,406,961	498,254	1,103,281	6,008,496	-	(451,979)	5,556,517
Goodwill	-	-	-	-		-	-
Total assets	12,535,280	1,585,819	1,752,235	15,873,333	-	(900,945)	14,972,386
Deposit from customers	7,530,062	1,143,788	577,388	9,251,238	-	-	9,251,238
Total liabilities	11,466,613	1,372,550	1,524,958	14,364,120	-	(618,625)	13,745,495
Net assets	1,068,667	213,269	227,277	1,509,213	-	(282,320)	1,226,893

The Group's segment reporting is based on IFRS which is same as that of the financial statement reporting hence no reconciliation is required.

No revenue from transaction with a single external customer or a group of connected economic entities or counterparty amounted to 10% or more of the Group's total revenue in the period ended 31 December 2023 and for the period ended 31 December 2022.

8 Interest income calculated using effective interest rate

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Interest income				
Cash and balances with banks	5,761	11,374	32,989	5,535
Loans and advances to banks	79,557	20,032	32,600	5,461
Loans and advances to customers	747,215	461,193	503,062	358,407
Modification gain/(loss) on loans	3,569	162	3,569	162
Investment securities				
-Financial assets at FVOCI	288,701	178,326	258,844	142,806
-Financial assets at amortised cost	439,235	97,993	368,414	77,237
	1,564,038	769,080	1,199,478	589,608
-Financial assets at FVPL	90,067	57,506	44,297	39,418
	1,654,105	**826,586**	**1,243,775**	**629,026**
Interest expense				
Deposit from financial institutions	320,758	118,531	327,153	111,820
Deposit from customers	505,591	273,059	379,288	221,793
Debt securities issued	30,364	22,816	29,779	22,393
Lease liabilities	1,477	1,424	1,054	973
Interest bearing borrowings and other borrowed funds	79,300	51,900	72,316	47,220
	937,490	**467,730**	**809,590**	**404,199**
Net interest income	**716,615**	**358,856**	**434,185**	**224,827**

9 Net impairment charge on financial assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
(Allowance)/Write Back for impairment on money market placement (note 18)	(474)	(600)	(398)	(502)
Write Back/(Allowance) for impairment on loans and advance to banks (note 22)	492	241	310	94
Allowance for impairment on loans and advance to customers (note 23)	(84,373)	(73,653)	(75,870)	(56,819)
Allowance for impairment on pledged assets for FVOCI and AMC (note 24)	1,383	(2,468)	1,383	(2,468)
Allowance for impairment on investment securities for FVOCI and AMC (note 25a)	(43,600)	(108,218)	(35,461)	(41,772)
Allowance on impairment on financial assets in other assets (note 26)	(19,789)	(8,143)	(20,072)	(8,124)
(Allowance)/write back for impairment on off balance sheet items (note 34c)	6,827	(4,949)	6,803	(9,089)
	(139,535)	(197,790)	(123,303)	(118,682)

10 (a) Fee and commission income

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Credit related fees and commissions	99,639	89,850	69,389	71,568
Account maintenance charge and handling commission	31,945	25,563	28,880	23,735
Commission on bills and letters of credit	10,327	6,022	8,585	5,190
Commissions on collections	4,395	3,149	340	369
Commission on other financial services	12,539	7,012	(1,792)	2,497
Commission on foreign currency denominated transactions	4,454	3,204	196	396
Channels and other E-business income	99,144	59,653	75,696	49,148
Retail account charges	1,558	1,017	770	633
	264,001	**195,470**	**182,064**	**153,535**

Credit related fees and commissions are fees charged to customers other than fees included in determining the effective interest rates relating to loans and advances carried at amortized cost. These fees are accounted for in accordance with the Group's revenue accounting policy. The representation of all fees and commission recognised in the period and prior period at a point in time and over time is as shown below.

	Group	Group	Bank	Bank
	December 2023	**December 2022**	**December 2023**	**December 2022**
Point in Time	239,918	178,473	171,336	147,054
Over Time	24,083	16,996	10,727	6,481
	264,001	**195,470**	**182,064**	**153,535**

Channels and other E-business income include income from electronic channels, card products and related services.

10 (b) Fee and commission expense

In millions of Naira	December 2023	December 2022	December 2023	December 2022
Bank and electronic transfer charges	11,151	8,271	6,641	4,552
E-banking expense	58,140	43,580	51,341	40,355
	69,291	**51,851**	**57,982**	**44,907**

Fees and commissions expenses are fees charged for the provision of services to customers transacting on alternate channels platform of the Bank and on the various debit and credit cards issued for the purpose of these payments. They are charged to the Bank on services rendered on internet banking, mobile banking and online purchasing platforms. The corresponding income lines for these expenses include the income on cards (both foreign and local cards), online purchases and bill payments included in fees and commissions. Fees and commissions expense includes the cost incurred to the bank for providing alternate platforms for the purposes of internet banking, mobile banking and online purchases. It also includes expenses incurred by the Bank on the various debit and credit cards issued.

11 Net gains on financial instruments at fair value

a Net gains or (losses) on financial instruments at fair value through profit or loss

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Trading (loss)/gains on Fixed income securities	(39,169)	(74,374)	(40,163)	(74,843)
Fair value gain/ (loss) on Fixed income securities	559	1,523	518	1,412
Fair value gain/(loss) on non-hedging derivatives	84,436	166,296	84,436	166,296
Fair value gains on equity investments	192,616	2,105	192,616	2,105
Total Net gains on financial instruments at fair value through profit or loss	**238,442**	**95,550**	**237,407**	**94,970**

b (i) Net gains on disposal of financial instruments held as fair value through other comprehensive income

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Debt instruments at FVOCI				
Fixed income securities	132,844	185,754	132,346	185,058
	132,844	**185,754**	**132,346**	**185,058**
Total	**371,286**	**281,304**	**369,754**	**280,029**

(i) Net gains on financial instruments includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value.

(ii) Fair value gain on equity investments is from investments in which the Bank has interests. Based on IFRS 9, the Bank measures changes in fair value of equity investments through profit or loss.

(iii) Gain on derivative instruments are from transactions to which the Bank is a party in the normal course of business and are held at fair value. Derivative financial instruments consist of forward, swap and future contracts.

12 (a) Net foreign exchange gain

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Net Realized and unrealized Foreign exchange Gain/(loss) on items not hedged	39,461	34,500	(9,678)	11,419
Total Net Foreign Exchange gain	**39,461**	**34,500**	**(9,678)**	**11,419**

12 (b) Net (loss)/gain on fair value hedge (Hedging ineffectiveness)

Net gain on fair value hedge (Hedging effectiveness)	222,816	19,742	222,816	19,742
	222,816	**19,742**	**222,816**	**19,742**

Dec-23	**Average strike price**	**Nominal amount of hedging instrument**	**Carrying amount of hedging instrument (Assets)**	**Changes in fair value used for calculating hedge ineffectiveness**
Fair value hedges	**₦**	**₦'millions**	**₦'millions**	**₦'millions**
Hedging instrument	595.48	2,062,451	1,995,401	1,110,074

*The liabilities are interest bearing loans and deposits from financial institutions denominated in USD.
The hedging instrument is recognised within derivative financial assets on the statement of financial position.

	Carrying amount of hedged item		**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item**		**Line item in the statement of financial position where the hedging instrument is located**
	Assets	**Liabilities**	**Assets**	**Liabilities**	
Dec-23	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	
Fair value hedges					
Foreign exchange risk on foreign currency loan - Interest bearing loan	-	(774,671)	-	(335,066)	Interest bearing borrowings
Foreign exchange risk on foreign currency loan - Deposit from financial institution	-	(2,875,448)	-	(552,191)	Deposit from financial institution

Dec-23	**Hedge ratio**	**Change in the value of the hedging instrument recognised in profit or loss**	**Hedge ineffectiveness recognised in profit or loss**	**Line item in profit or loss (that includes hedge ineffectiveness)**	**Amount reclassified from the cash flow hedge reserve to profit or loss**
Fair value hedge		**₦'millions**	**₦'millions**		
Fair value changes in hedging instrument (forward element)	90%	1,110,074	222,816		

The following table shows the period in which the hedging contract ends:

Dec-23	3 months	6 months	12 months	5 periods	More than 5 periods
Fair value hedging	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**
Hedging assets	1,141,801	275,680	488,262	89,659	-

For hedges of foreign currency liabilities, the Bank enters into hedge relationships where the critical terms of the hedging instrument are closely aligned with the terms of the hedged item. The Bank therefore performs a qualitative assessment of effectiveness. Sources of ineffectiveness include timing differences between the settlement dates of the hedged item and hedging instruments, quantity or notional amount differences between the hedged item and hedging instrument and credit risk of the Bank and its counterparty to the forward contract.

13 (a) Other operating income

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Dividends on equity securities	5,223	3,672	23,387	15,159
Gain on disposal of property and equipment	255	1,123	146	762
Rental income	22	17	-	-
Bad debt recovered	16,403	10,194	12,107	10,454
Cash management charges	573	604	572	604
Income from agency and brokerage (i)	1,192	2,794	971	738
Income from asset management	-	1,427	-	1,427
Income from other investments	13,535	4,597	2,911	1,885
Gain on modification on leases	88	232	88	232.28
	37,291	**24,660**	**40,182**	**31,261**

(i) Included in income from agency and brokerage is an amount of N298.23Mn (Dec 2022: N257.79Mn) representing the referral commission earned from bancassurance products.

Other operating income includes a loss on net monetary positions of N12.03Bn (2022: Nil) as a result of applying IAS 29 'Financial Reporting in Hyperinflationary Economies'.

Other operating income	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Point in Time	37,268	24,643	40,182	31,261
Over time	22	17	-	-
	37,291	**24,660**	**40,182**	**31,261**

14 Personnel expenses

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Wages and salaries	153,578	103,882	73,351	62,461
Increase in defined benefit obligation (see note 37 (a) (i))	687	5,769	687	5,769
Contributions to defined contribution plans	5,245	3,241	2,102	1,312
Restricted share performance plan (See Note (a) below)	1,320	1,871	831	1,541
	160,830	**114,763**	**76,971**	**71,083**

(a) The incorporation of Access Holding plc ("corporation") in 2022 resulted in the shares of Access Bank ("the Bank") being fully acquired by Access Holding Plc which made the shareholders of Access Bank to become shareholders of the Corporation.

Consequently, the shares in RSPP previous accounted as equity settled became cash-settled because the shares being vested to the employees are shares of the ultimate parent.

Under the Restricted Share Performance Plan (RSPP), shares of the parent are awarded to employees based on their performance at no cost to them. Under the terms of the plan, the shares vest over a 3 year period from the date of award. The scheme applies to only employees of the Bank that meet the stipulated performance criteria irrespective of where they work within the Group. Some members of the Group also have a similar scheme, over the vesting period of 7 years. As the RSSP scheme are cash settled, a liability is recognized in the statement of financial position (see Note 34) and an expense is recognized in the statement of comprehensive income within staff cost over the course of the minimum vesting period. The liability is remeasured at each reporting date with gains and loss reported in the statement of comprehensive income. Should any employee within the scheme leave the Bank within the vesting period, the shares may be forfeited.

By the resolution of the Board and Shareholders, the Bank sets aside an amount not exceeding twenty (20) percent of the aggregate emoluments of the Bank's employees in each financial period to purchase shares of Access Holdings from the floor of the Nigeria Exchange Group for the purpose of the plan. The Structured Entity (SE) was transferred to the Parent (Access Holdings) to hold shares purchased on behalf of employees.
The shares previously held in the Structured Entity (SE) on behalf of the Bank is now recognized as a receivable from the parent. Upon vesting the shares are transferred to the employees

(i) The shares allocated to staff have a contractual vesting period of three to seven years commencing from the period of purchase/allocation to the staff. The Group has no legal or constructive obligation to repurchase or settle after the shares has vested.

(ii) The number and weighted-average exercise prices of shares has been detailed in table below;

Group

Description of shares	December 2023 Number of Shares	December 2023 Weighted Share Price per Share - Naira	December 2022 Number of Shares	December 2022 Weighted Share Price per Share - Naira
(i) Outstanding at the beginning of the year;	1,257	8.43	978	7.47
(ii) Granted during the year;	372	9.25	406	9.28
(iii) Forfeited during the year;	(702)	8.15	(449)	7.79
(iv) Exercised during the year;	(68)	8.82	(110)	7.07
(v) Allocated outstanding at the end of the year;	859	9.28	825	8.53
(vi) Shares under the scheme at the end of the year	1,114	8.84	1,257	8.20
	Naira ('Mn)	Price per Share - Naira	Naira ('Mn)	Price per Share - Naira
Share based expense recognised during the year	1,320	9.28	1,871	8.53

	Grant Date	Vesting period	Expiry date	Shares
Outstanding allocated shares for the 2018 - 2025 vesting year	1 July 2018	2018-2025	1 Jul 2025	2
Outstanding allocated shares for the 2019 - 2026 vesting year	1 Jan 2019	2019-2026	1 Jan 2026	6
Outstanding allocated shares for the 2019 - 2026 vesting year	1 July 2019	2019-2026	1 Jul 2026	11
Outstanding allocated shares for the 2020 - 2027 vesting year	1 Jul 2020	2020-2027	1 Jul 2027	6
Outstanding allocated shares for the 2021 - 2028 vesting year	1 Jan 2021	2021 - 2028	1 Jan 2028	136
Outstanding allocated shares for the 2021 - 2028 vesting year	1 Jul 2021	2021 - 2028	1 Jul 2028	65
Outstanding allocated shares for the 2022 - 2029 vesting year	1 Jan 2022	2022 - 2029	1 Jan 2029	210
Outstanding allocated shares for the 2022 - 2029 vesting year	1 Jan 2022	2022 - 2029	1 Jul 2029	104
Outstanding allocated shares for the 2023 - 2030 vesting year	1 Jan 2023	2023 - 2030	1 Jan 2030	195
Outstanding allocated shares for the 2023 - 2030 vesting year	1 Jan 2023	2023 - 2030	1 Jun 2030	124
				859

Bank

Description of shares	December 2023 Number of Shares	December 2023 Weighted Share Price per Share - Naira	December 2022 Number of Shares	December 2022 Weighted Share Price per Share - Naira
(i) Outstanding at the beginning of the year;	1,122	8.43	861	7.47
(ii) Granted during the year;	306	11.70	351	9.28
(iii) Forfeited during the year;	(702)	8.92	(446)	7.79
(iv) Exercised during the year;	(54)	6.55	(75)	6.60
(v) Allocated outstanding at the end of the year;	**672**	9.68	**691**	8.43
(vi) Shares under the scheme at the end of the year	927	9.68	1,122	8.43
	Naira ('000)	Price per Share - Naira	Naira ('000)	Price per Share - Naira
Share based expense recognised during the year	831	9.68	1,541	8.43

	Grant Date	Vesting period	Expiry date	Shares
Outstanding allocated shares for the 2019 - 2022 vesting year	1 Jan 2019	2020-2023	1 Jan 2023	-
Outstanding allocated shares for the 2019 - 2022 vesting year	1 July 2019	2020-2023	1 Jul 2023	(0)
Outstanding allocated shares for the 2020 - 2023 vesting year	1 Jul 2020	2021 - 2024	1 Jan 2024	123
Outstanding allocated shares for the 2021 - 2024 vesting year	1 Jan 2021	2021 - 2024	1 Jul 2024	55
Outstanding allocated shares for the 2021 - 2024 vesting year	1 Jul 2021	2022 - 2025	1 Jan 2025	187
Outstanding allocated shares for the 2022 - 2025 vesting year	1 Jan 2022	2022 - 2025	1 Jul 2025	55
Outstanding allocated shares for the 2022 - 2025 vesting year	1 Jul 2022	2023 - 2026	1 Jan 2026	195
Outstanding allocated shares for the 2023 - 2026 vesting year	1 Jan 2023	2023 - 2026	1 Jul 2026	58

	672

i. The weighted average remaining contractual life of the outstanding allocated shares is :

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
	Years	Years	Years	Years
Weighted average contractual life of remaining shares	5.50	4.43	1.48	1.38

Under the restricted share performance plan, N2.17billion worth of shares were granted to employees of the Bank at a weighted average fair value of N9.25per share on grant date. The fair value of shares is the grant date fair value of each ordinary shares of the Bank listed on the floor of the Nigerian Stock Exchange

ii. The average number of persons other than directors, in employment at the Group level during the period comprise:

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
	Number	Number	Number	Number
Managerial	544	513	240	254
Other staff	6,184	5,852	3,925	3,765
	6,728	**6,365**	**4,165**	**4,019**

iii. Employees, other than directors, earning more than N900,000 per annum, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions and certain benefits) in the following ranges:

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
	Number	Number	Number	Number
Below N900,000	-	-	-	-
N900,001 - N1,990,000	1	171	-	-
N1,990,001 - N2,990,000	-	6	-	6
N2,990,001 - N3,910,000	6	807	6	807
N3,910,001 - N4,740,000	716	568	-	28
N4,740,001 - N5,740,000	1,043	149	1,043	149
N5,740,001 - N6,760,000	438	452	-	2
N6,760,001 - N7,489,000	82	-	82	-
N7,489,001 - N8,760,000	321	1,440	5	1,105
N8,760,001 - N9,190,000	-	-	-	-
N9,190,001 - N11,360,000	1,447	722	1,119	401
N11,360,001 - N14,950,000	1,005	1,109	716	929
N14,950,001 - N17,950,000	745	278	574	208
N17,950,001 - N21,940,000	380	150	380	130
N21,940,001 - N26,250,000	172	134	-	1
N26,250,001 - N30,260,000	112	213	-	117
N30,261,001 - N45,329,000	190	113	170	83
Above N45,329,000	70	53	70	53
	6,728	**6,365**	**4,165**	**4,019**

In line with the provision of S.238 of CAMA 2020, the Remuneration of the managers of the company for the year ended Dec 2023 amounted to N6.368Bn (Dec 2022: N5.38Bn).

15 Other operating expenses

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Premises and equipment costs	34,269	27,933	27,853	24,735
Professional fees	22,165	15,063	12,119	9,539
Insurance	3,081	2,487	905	1,253
Business travel expenses	27,687	11,639	25,246	9,625
Asset Management Corporation of Nigeria (AMCON) surcharge	68,805	52,734	68,805	52,734
Bank charges	6,399	12,718	3,849	10,475
Deposit insurance premium	35,654	22,530	34,679	22,138
Auditor's remuneration	2,106	1,550	450	660
Administrative expenses	54,748	30,117	45,669	26,151
Net Monetary Loss (ii)	12,027	-	-	-
Board expenses	2,433	2,099	940	1,515
Communication expenses	13,639	14,746	7,818	10,192
IT and e-business expenses	76,952	44,551	56,172	33,879
Outsourcing costs	31,788	28,185	28,788	26,467
Advertisements and marketing expenses	18,810	13,811	15,276	12,331
Recruitment and training	8,215	6,793	7,048	6,259
Events, charities and sponsorship	21,434	11,992	17,249	11,183
Periodicals and Subscriptions	2,147	1,777	525	1,023
Security expenses	9,000	11,440	6,989	10,394
Cash processing and management cost	4,486	7,606	3,255	7,490
Stationeries, postage and printing	3,447	7,270	1,786	6,316
Office provisions and entertainment	927	2,610	309	2,295
Rent expenses	9,246	6,068	6,527	3,305
	469,465	**335,720**	**372,257**	**289,959**

(ii) Other operating expense includes a loss on net monetary positions of N12.03Bn (2022: Nil) as a result of applying IAS 29 'Financial Reporting in Hyperinflationary Economies'.

16 Income tax

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Current tax expense				
Corporate income tax	72,163	16,390	-	-
Minimum tax	7,195	5,549	7,195	5,549
IT tax	5,691	1,627	5,691	1,627
Education tax	-	-	-	-
Capital gains tax	163	-	163	-
Police fund tax levy	28	8	28	8
National Agency for Science and Engineering Infrastructure levy	1,423	407	1,423	407
Prior period's under provision	168	-	168	-
	86,832	23,981	14,669	7,590
Deferred tax expense				
Origination of temporary differences	18,792	(9,452)	18,792	(11,542)
Income tax expense	105,624	14,528	33,460	(3,951)
Items included in OCI	1,541	(539)	1,541	(539)

The computation of the Bank's income tax expense and deferred tax was carried out in accordance with the Finance Act, CITA and other relevant tax laws. The changes made by the new act was incorporated in the Bank tax computation and it is believed by the management of the Bank that there is no uncertainty over its Income and Deferred tax treatment that relevant tax authorities may disagree with.

The movement in the current income tax liability is as follows:

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Balance at the beginning of the period	4,501	4,643	7,556	3,132
Tax paid	(68,391)	(20,511)	(6,177)	(1,368)
Income tax charge	86,664	23,981	14,501	7,591
Prior period's under provision	168	-	168	-
Withholding tax utilization	(1,547)	(1,800)	(1,547)	(1,800)
Translation adjustments	(1,819)	(1,812)	-	-
Income tax receivable	874	-	-	-
Balance at the end of the year	**20,450**	**4,501**	**14,501**	**7,556**

Income tax liability is to be settled within one year

Income tax for the Bank has been assessed under the minimum tax regulation.

In millions of Naira	Group December 2023	Group December 2023	Group December 2022	Group December 2022
Profit before income tax		751,086		170,402
Income tax using the domestic tax rate	30%	225,326	30%	51,121
Effect of tax rates in foreign jurisdictions	2%	18,195	0%	-
Information technology tax	1%	5,691	1%	1,627
Unutilized deferred tax asset	-14%	(107,630)	0%	-
Non-deductible expenses	3%	25,562	27%	45,524
Tax exempt income	-9%	(70,498)	-57%	(96,644)
Effect of prior period underprovision	0%	168	0%	-
Capital gain tax	0%	163	0%	-
Origination and reversal of temporary deferred tax differences	0%	-	-6%	(9,452)
Company income Tax	0%	-	10%	16,390
Minimum tax effect	1%	7,195	3%	5,549
National Agency for Science and Engineering Infrastructure levy	0%	1,423	0%	407
Nigerian Police fund levy	0%	28	0%	8
Effective tax rate	**14%**	**105,624**	**9%**	**14,529**

In millions of Naira	Bank December 2023	Bank December 2023	Bank December 2022	Bank December 2022
Profit before income tax		569,140		162,709
Income tax using the domestic tax rate	30%	170,742	30%	48,813
Information technology tax	1%	5,691	1%	1,627
Non-deductible expenses	4%	25,562	28%	45,524
Tax exempt income	-12%	(70,498)	-58%	(94,337)
Education tax levy	0%	-	0%	-
Capital gain tax	0%	163	0%	-
National Agency for Science and Engineering Infrastructure levy	0%	1,423	0%	407
Nigerian Police fund levy	0%	28	0%	8
Effect of prior period under provision	0%	168	0%	-
Origination and reversal of temporary deferred tax differences	0%	-	-7%	(11,542)
Unutilized deferred tax asset	-19%	(107,015)	0%	-
Minimum tax effect	1%	7,195	3%	5,549
Effective tax rate	**6%**	**33,460**	**-2%**	**(3,951)**

Current income tax liabilities are due within 12 months from the period end date

Classified as:				
Current	20,450	8,716	4,501	7,556
Non current	-	-	-	-

17 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the company and held as treasury shares.

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Total profit/(loss) attributable to owners of the bank:				
Continuing operations	641,172	155,838	535,680	166,660
Discontinued operations	-	(700)		
Profit for the year	641,172	155,138	535,680	166,660
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
Weighted average number of treasury shares in issue	0	(1,257)	-	-
	35,545	34,288	35,545	35,545
In kobo per share				
Basic earnings per share from continuing operations	1,804	454	1,507	469
Basic earnings per share from discontinuing operations	-	(2)	-	-

(b) Diluted earnings per share

Diluted earnings per share is calculated by considering the impact of the treasury shares in weighted average number of ordinary shares outstanding

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Total profit/(loss) attributable to owners of the bank:				
Continuing operations	641,172	155,838	535,680	166,660
Discontinued operations	-	(700)	-	-
Profit for the year	641,172	155,138	535,680	166,660
Weighted average number of Total shares in issue	35,545	34,288	35,545	35,545
Weighted average number of treasury shares in issue	0	1,257	-	-
Weighted average number of convertible additional tier bond (AT 1)*	3	-	3	-
Weighted average number of ordinary shares in issue	35,548	35,545	35,548	35,545
In kobo per share				
Diluted earnings per share from continuing operations	1,804	438	1,507	469
Diluted earnings per share from discontinuing operations	-	(2)	-	-

*The number of shares that would be issued in the event of conversion of the $300 million convertible additonal tier 1 bond has a dilutive effect on the ordinary shares of the Bank

18 Cash and balances with banks

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Cash on hand and balances with banks (see note (i))	2,037,109	1,085,930	1,621,347	795,729
Unrestricted balances with central banks	719,502	186,534	415,846	89,148
Money market placements	220,222	152,680	309,541	24,669
Other deposits with central banks (see note (ii)	0	536,677	0	536,677
	2,976,833	**1,961,821**	**2,346,734**	**1,446,223**
ECL on Placements	(1,348)	(721)	(961)	(563)
	2,975,484	**1,961,100**	**2,345,773**	**1,445,659**

(i) Included in cash on hand and balances with banks is an amount of N83.60Bn (31 Dec 2022: N69.41Bn) representing the Naira value of foreign currencies held on behalf of customers to cover letter of credit transactions. The corresponding liability is included in customer's deposit for foreign trade reported under other liabilities (see Note 34). This has been excluded for cash flow purposes.

Movement in ECL on Placements

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance at beginning of the year	721	186	563	61
Charge for the year	474	600	398	502
Foreign translation reserve	154	(64)	-	-
Closing balance	**1,348**	**721**	**961**	**563**

19 Investment under management

Amortized cost

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Relating to unclaimed dividends:				
Eurobonds	7,423	3,742	7,423	3,742
	7,423	**3,742**	**7,423**	**3,742**

20 Non pledged trading assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Government bonds	10,146	12,280	5,819	2,319
Eurobonds	1,942	2,294	1,942	2,294
Treasury bills	197,120	88,116	150,037	73,011
	209,208	**102,690**	**157,798**	**77,624**

21 Derivative financial instruments

In millions of Naira	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	December 2023		**December 2022**	
Group				
Foreign exchange derivatives				
Total derivative assets	**3,399,040**	**2,050,432**	**1,738,833**	**402,497**
Non-deliverable future contracts	-	13,625	-	1,730
Forward and swap contracts	3,399,040	2,036,807	1,738,833	400,767
			-	-
Total derivative liabilities	**988,720**	**(475,997)**	**430,014**	**(32,737)**
Non-deliverable future contracts	-	(13,624)	-	(1,728)
Forward and swap contracts	988,720	(462,373)	430,014	(31,009)

	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	December 2023		**December 2022**	
Bank				
Foreign exchange derivatives				
Total derivative assets	**3,365,174**	**2,033,286**	**1,704,968**	**399,058**
Non-deliverable future contracts	-	13,625	-	1,730
Forward and swap contracts	3,365,174	2,019,661	1,704,968	397,328
Total derivative liabilities	**933,752**	**(471,819)**	**375,046**	**(31,071)**
Non-deliverable future contracts	-	(13,624)	-	(1,729)
Forward and swap contracts	933,752	(458,195)	375,046	(29,342)

	December 2023		**December 2022**	
	Fair Value		**Fair Value**	
Derivative Assets	**Group**	**Bank**	**Group**	**Bank**
Current (Hedging Instruments)	1,905,743	1,905,743	288,188	288,188
Non- Current (Hedging Instruments)	89,658,733	89,658,733	-	-
Current (Non-Hedging Instruments)	(89,514,043)	(89,531,190)	114,309	110,870
Derivative Liabilities				
Current (Non-Hedging Instruments)	(475,997)	(471,819)	(32,737)	(31,072)

Derivative financial instruments consist of forward, swap and future contracts. These are held for day to day cash management rather than for trading purposes and are held at fair value. The contracts have intended settlement dates of between 30 days and less than a year. Derivative contracts are valued with reference to data obtained from sources such as Bloomberg and FMDQ.

The movement in fair value is as a result of a depreciation of the reporting currency of the Group (Naira) within the period and volume of transactions.

22 Loans and advances to banks

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Loans and advances to banks	880,947	456,088	659,790	322,951
Less allowance for impairment losses	(413)	(378)	(244)	(341)
	880,534	**455,710**	**659,546**	**322,610**

Group

Impairment allowance for loans and advances to banks

In millions of Naira	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	396	-	-	396
Standard grade	17	-	-	17
Non Investment	-	-	-	-
Total	**413**	**-**	**-**	**413**

	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2023	351	-	28	378
-Charge for the year:				
Transfers to Stage 1	458	-	(458)	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the year	(923)	-	431	(492)
Foreign exchange revaluation	214	-	-	214
Amounts written off	-	-	-	-
Foreign exchange translation	313	-	-	313
At 31 December 2023	**413**	**-**	**0**	**413**

Impairment allowance for loans and advances to banks

In millions of Naira	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	345	-	-	345
Standard grade	6	-	-	6
Non Investment	-	-	28	28
Total	**351**	**-**	**28**	**378**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2022	493	9	117	620
Transfers to Stage 3	-	-	-	-
Total net P&L impact during the year	(143)	(9)	(90)	(241)
At 31 December 2022	**351**	**-**	**28**	**378**

Bank

Loans to banks

In millions of Naira	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
Internal rating grade:				
Investment	228	-	-	228
Standard grade	17	-	-	17
Total	**244**	**-**	**-**	**244**

	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2023	314	-	28	341
-Charge for the year:				-
Transfers to Stage 1	176	-	(176)	-
Total net P&L impact during the year	(458)	-	148	(310)
Foreign exchange revaluation	214	-	-	214
At 31 December 2023	**244**	**-**	**0**	**244**

Impairment allowance for loans and advances to banks

In millions of Naira

	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	308	-	-	308
Standard grade	6	-	-	6
Non Investment	-	-	28	28
Total	**314**	**-**	**28**	**341**

	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	343	8	84	435
-Charge for the year:	-	-	-	-
Total net P&L impact during the year	(29)	(8)	(57)	(94)
At 31 December 2022	**314**	**-**	**28**	**341**

23 Loans and advances to customers

a Group

In millions of Naira	**December 2023**
Loans to individuals	
Retail Exposures	
Auto Loan	2,734
Credit Card	31,567
Finance Lease (note 23c)	94
Mortgage Loan	175,619
Overdraft	39,177
Personal Loan	483,228
Term Loan	225,218
Time Loan	14,968
	972,604
Less allowance for expected credit loss	(29,346)
	943,258

Loans to corporate entities and other organizations

Non-Retail Exposures	
Auto Loan	12,610
Credit Card	1,476
Finance Lease (note 23c)	32,734
Mortgage Loan	64,520
Overdraft	381,260
Personal Loan	-
Term Loan	3,833,293
Time Loan	2,895,716
	7,221,608
Less allowance for expected credit loss	(127,143)
	7,094,465

Loans and advances to customers (Individual and corporate entities and other organizations)	8,194,213
Less allowance for expected credit loss	(156,490)
	8,037,723

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	**December 2023**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Standard grade	6,890	1,842	-	8,732
Non-Investment	-	-	19,150	19,150
Total	**6,890**	**1,842**	**19,150**	**27,882**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	6,928	1,095	11,016	19,039
- Charge for the year:				
Transfers to Stage 1	(521)	2,079	(1,559)	-
Transfers to Stage 2	12	4	(17)	-
Transfers to Stage 3	(71)	36	35	-
Total net P&L impact during the year	(281)	(1,756)	6,234	4,197
Amounts written off	-	-	(1,249)	(1,249)
Foreign exchange revaluation	-	-	-	-
Translation difference	823	383	4,690	5,895
At 31 December 2023	**6,890**	**1,843**	**19,150**	**27,882**

Loans to corporate entities and other organizations
In millions of Naira

	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	2,392	-	-	2,392
Standard grade	39,612	26,484	-	66,096
Non-Investment	-	-	60,120	60,120
Total	**42,004**	**26,484**	**60,120**	**128,609**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	20,849	16,648	42,406	79,903
- Charge for the year:				-
Transfers to Stage 1	6,989	(6,919)	(70)	-
Transfers to Stage 2	2,546	1,594	(4,139)	-
Transfers to Stage 3	15,348	2,748	(18,097)	-
Total net P&L impact during the year	(61,273)	9,613	131,836	80,176
Amounts written off	-	-	(99,948)	(99,948)
Foreign exchange revaluation	26,665	1,283	3,748	31,696
Translation difference	30,847	1,518	4,415	36,780
At 31 December 2023	**41,971**	**26,485**	**60,152**	**128,609**

Group

In millions of Naira

	December 2022
Loans to individuals	
Retail Exposures	
Auto Loan	1,329
Credit Card	18,909
Finance Lease (note 23c)	1,111
Mortgage Loan	78,254
Overdraft	27,834
Personal Loan	285,388
Term Loan	82,172
Time Loan	5,717
	500,713
Less Allowance for ECL/Impairment losses	(19,039)
	481,675

Loans to corporate entities and other organizations

Non-Retail Exposures	
Auto Loan	5,556
Credit Card	1,306
Finance Lease (note 23c)	8,519
Mortgage Loan	31,713
Overdraft	286,183
Personal Loan	-
Term Loan	3,617,981
Time Loan	747,778
	4,699,036
Less Allowance for ECL/Impairment losses	(79,903)
	4,619,133

Loans and advances to customers (Individual and corporate entities and other organizations)	5,199,749
Less Allowance for ECL/Impairment losses	(98,942)
	5,100,807

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Standard grade	6,928	1,095	-	8,023
Non-Investment	-	-	11,016	11,016
Total	**6,928**	**1,095**	**11,016**	**19,039**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	8,447	2,194	16,492	27,133
Transfers to Stage 1	468	(468)	-	-
Transfers to Stage 2	(1,544)	1,349	195	-
Transfers to Stage 3	(1)	(52)	53	-
Total net P&L impact during the year	(442)	(1,929)	(1,761)	(4,132)
Amounts written off	-	-	(3,978)	(3,978)
At 31 December 2022	**6,928**	**1,095**	**11,016**	**19,039**

Loans to corporate entities and other organizations

In millions of Naira

	December 2022			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	1,931	-	-	1,931
Standard grade	18,951	16,646	-	35,598
Non-Investment	-	7	42,374	42,374
Total	**20,882**	**16,653**	**42,374**	**79,903**

	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2022	28,756	25,350	68,662	122,767
Transfers to Stage 1	10,176	(8,596)	(1,581)	-
Transfers to Stage 2	(7,113)	7,120	(7)	-
Transfers to Stage 3	(202)	(5,208)	5,410	-
Total net P&L impact during the year	(10,863)	(2,018)	90,666	77,785
Amounts written off	-	-	(121,014)	(121,014)
Translation difference	94	-	270	364
At 31 December 2022	**20,849**	**16,648**	**42,406**	**79,903**

23 Loans and advances to customers

b Bank

In millions of Naira	December 2023
Loans to individuals	
Retail Exposures	
Auto Loan	1,438
Credit Card	31,213
Finance Lease (note 23c)	94
Mortgage Loan	21,600
Overdraft	18,612
Personal Loan	78,845
Term Loan	23,541
Time Loan	2,002
	177,345
Less Allowance for Expected credit loss	(9,481)
	167,865

Loans to corporate entities and other organizations

Non-Retail Exposures	
Auto Loan	10,945
Credit Card	1,476
Finance Lease (note 23c)	21,880
Mortgage Loan	179
Overdraft	216,405
Term Loan	3,059,407
Time Loan	1,980,683
	5,290,974
Less Allowance for Expected credit loss	(89,685)
	5,201,289
Loans and advances to customers (Individual and corporate entities and other organizations)	5,468,319
Less Allowance for Expected credit loss	(99,166)
	5,369,154

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	-	-	-	-
Standard grade	4,071	27	-	4,098
Non-Investment	-	-	5,383	5,384
Total	**4,071**	**27**	**5,383**	**9,482**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	5,260	21	2,869	8,152
- Charge for the year:				
Transfers to Stage 1	(527)	2,086	(1,559)	-
Transfers to Stage 2	13	3	(16)	-
Transfers to Stage 3	(72)	36	35	-
Total net P&L impact during the year	(604)	(2,120)	4,960	2,236
Amounts written off	-	-	(907)	(907)
At 31 December 2023	**4,071**	**27**	**5,383**	**9,482**

Loans to corporate entities and other organizations
In millions of Naira

	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	2,067	-	-	2,067
Standard grade	36,113	25,138	-	61,251
Non-Investment	-	-	26,369	26,369
Sub-standard grade	-	-	-	
Total	**38,179**	**25,138**	**26,369**	**89,686**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	18,623	15,851	22,436	56,910
- Charge for the year:				
Modification of contractual cash flows of financial assets				
Transfers to Stage 1	6,988	(6,918)	(69)	(0)
Transfers to Stage 2	2,545	1,594	(4,139)	-
Transfers to Stage 3	13,138	4,626	(17,764)	-
Total net P&L impact during the year	(29,779)	8,703	94,710	73,634
Amounts written off	-	-	(72,555)	(72,555)
Foreign exchange revaluation	26,665	1,283	3,748	31,696
At 31 December 2023	**38,179**	**25,138**	**26,368**	**89,683**

23 Loans and advances to customers

b Bank

	December 2022
In millions of Naira	
Loans to individuals	
Retail Exposures	
Auto Loan	572
Credit Card	18,772
Finance Lease (note 23c)	127
Mortgage Loan	5,470
Overdraft	23,393
Personal Loan	80,178
Term Loan	20,169
Time Loan	590
	149,271
Less Allowance for ECL/Impairment losses	(8,151)
	141,120

Loans to corporate entities and other organizations

Non-Retail Exposures	
Auto Loan	4,955
Credit Card	1,078
Finance Lease (note 23c)	6,260
Mortgage Loan	133
Overdraft	255,042
Term Loan	3,324,202
Time Loan	408,472
	4,000,142
Less Allowance for ECL/Impairment losses	(56,910)
	3,943,232

Loans and advances to customers (Individual and corporate entities and other organizations)	4,149,413
Less Allowance for ECL/Impairment losses	(65,061)
	4,084,352

Impairment allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	December 2022			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	5,260	21	-	5,281
Non-Investment	-	-	2,869	2,870
Total	**5,260**	**21**	**2,869**	**8,152**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2022	6,409	883	6,540	13,831
Transfers to Stage 1	362	(362)	-	0
Transfers to Stage 2	(1,088)	1,089	(1)	(0)
Transfers to Stage 3	(1)	(97)	97	-
Total net P&L impact during the year	(422)	(1,492)	(1,369)	(3,283)
Amounts written off	-	-	(2,398)	(2,398)
Foreign exchange revaluation				-
At 31 December 2022	**5,260**	**21**	**2,870**	**8,151**

Loans to corporate entities and other organizations
In millions of Naira

	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	1,931	-	-	1,931
Standard grade	16,692	15,852	-	32,543
Non-Investment	-	-	22,436	22,436
Sub-standard grade	-	-	-	
Total	**18,623**	**15,852**	**22,436**	**56,910**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	23,945	23,657	26,215	73,818
- Charge for the year				
Transfers to Stage 1	9,468	(7,329)	(2,138)	-
Transfers to Stage 2	(6,556)	6,563	(7)	-
Transfers to Stage 3	(100)	(4,743)	4,842	-
Total net P&L impact during the year	(8,134)	(2,296)	70,533	60,102
Amounts written off	-	-	(77,009)	(77,009)
Foreign exchange revaluation	-	-	-	-
At 31 December 2022	**18,623**	**15,851**	**22,436**	**56,909**

Modified loans:

	Group December 2023	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Amortized Cost before modification	24,234	33,302	24,234	33,302
Modification gain/(loss)	3,569	162	3,569	162
Amortized Cost after modication	**27,802**	**33,464**	**27,802**	**33,464**

23(c) Advances under finance leases

Loans and advances to customers at amortised cost include the following finance lease receivables for leases of certain property, automobile/vehicle and equipment where the group is the lessor:

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Gross investment in finance lease, receivable	32,833	9,630	21,979	6,388
Unearned finance income on finance leases	(2,925)	(1,813)	(1,958)	(1,232)
Net investment in finance leases	29,908	7,817	20,021	5,156
Gross investment in finance leases, receivable:				
Less than one year	6,005	588	4,668	218
Between one and five year	26,828	9,042	17,311	6,170
Later than five year	-	-	-	-
	32,832	9,630	21,979	6,388
Unearned finance income on finance leases	(2,925)	(1,813)	(1,958)	(1,232)
Present value of minimum lease payments	29,907	7,816	20,021	5,156
Present value of minimum lease payments may be analysed as:				
- Less than one year	5,928	316	4,609	208
- Between one and five year	23,980	7,501	15,412	4,948
- Later than five year	-	-	-	-

24 Pledged assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
-Financial instruments at FVOCI				
Treasury bills	445,262	451,476	445,262	451,476
Government bonds	-	-		-
Promissory note	-	-	-	-
	445,262	451,476	445,262	451,476
-Financial instruments at amortised cost				
Treasury bills	80,286	296,061	80,286	296,061
Government bonds	623,360	411,582	623,360	411,582
Promissory note	30,226	32,639	30,226	32,639
	733,872	740,282	733,872	740,282
ECL on financial assets at amortized cost	(921)	(1,612)	(921)	(1,612)
	732,951	738,670	732,951	738,670
-Financial instruments at FVTPL				
Treasury bills	32,235	72,565	32,235	72,565
Government bonds	1,193	2,567	1,193	2,567
Promissory note	-	-	-	-
	33,428	75,132	33,428	75,132
	1,211,641	**1,265,278**	**1,211,641**	**1,265,278**

The Financial instruments at FVTPL have been designated at fair value through profit or loss by the Group

ECL allowance on pledged assets at fair value through other comprehensive income (FVOCI)

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance	880		880	
Additional allowance	-	880	-	880
Allowance written back	(691)		(691)	
Balance, end of year	**189**	**880**	**189**	**880**

ECL on financial assets at fair value through OCI are presented in statement of changes in equity.

ECL allowance on pledged assets at amortized cost (AMC)

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance	1,612	23	1,612	23
Additional allowance	-	1,589	-	1,589
Allowance written back	(691)	-	(691)	-
Balance, end of year	**921**	**1,612**	**921**	**1,612**

The related liability for assets pledged as collateral include:				
Central Bank of Nigeria (CBN)	264,720	541,476	264,720	541,476
Bank of Industry (BOI)	15,581	8,383	1,405	8,383
	280,301	**549,859**	**266,125**	**549,859**

The other counterparties included in this category of pledged assets include FIRS, Valucard, Interswitch, NIBSS and others.

(i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above (where borrowings can be seen in Note 36). The pledges have been made in the normal course of business of the Bank. In the event of default, the pledgee has the right to realise the pledged assets. This disclosure in 24(i) is inclusive of only liabilities that actual cash has been received for.

25 Investment securities

At fair value through profit or loss	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
In millions of Naira				
Equity securities at fair value through profit or loss (see note (i) below)	406,154	167,906	402,711	167,622

At fair value through other comprehensive income (FVOCI)
In millions of Naira

Debt securities				
Government bonds	239,630	168,293	68,321	50,774
Treasury bills	1,943,342	1,046,120	905,038	703,695
Eurobonds	89,227	41,695	53,394	21,182
Corporate bonds	18,059	20,599	18,059	20,599
State government bonds	52,376	65,652	52,376	65,652
Commercial Paper	-	3,869	-	3,869
Promissory notes	16,714	217,305	16,714	217,305
	2,359,348	1,563,533	1,113,902	1,083,076
Changes in fair value of FVOCI instruments	(93,439)	61,904	(84,881)	76,641
Changes in allowance on FVOCI financial instruments	(16,696)	21,282	(973)	3,472
Net fair value changes in FVOCI instruments	**(110,135)**	**83,186**	**(85,854)**	**80,113**

At amortised cost (AMC)
In millions of Naira

Debt securities				
Treasury bills	754,810	192,795	585,470	102,399
Credit Link Notes	-	9,752	-	-
Federal government bonds	851,788	437,679	346,468	171,648
State government bonds	3,958	4,734	3,958	4,734
FGN Promissory notes	94,690	37,762	94,690	37,763
Corporate bonds	7,566	7,579	7,566	7,579
Eurobonds	1,067,418	420,119	901,666	411,046
Preferential Shares Note	-	-	7,138	-
Gross amount	2,780,230	1,110,420	1,946,956	735,169
ECL on financial assets at amortized cost	(203,576)	(80,791)	(116,788)	(39,308)
Carrying amount	2,576,654	1,029,629	1,830,168	695,861
Total	**5,342,156**	**2,761,068**	**3,346,780**	**1,946,559**

ECL allowance on investments at fair value through other comprehensive income (FVOCI)

In millions of Naira	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Opening balance at 1 January	21,750	468	3,694	222
Additional allowance	73	23,541	73	3,472
Allowance written back	(1,372)	-	(1,151)	-
Revaluation difference	(15,396)	(2,259)	105	-
Balance, end of year	**5,055**	**21,750**	**2,721**	**3,694**

ECL allowance on investments at amortized cost (AMC)

In millions of Naira	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Opening balance at 1 January 2023	80,790	2,005	39,308	1,008
Reclassification	(4,140)	-	-	-
-Charge for the year	44,899	84,676	36,539	38,300
Allowance written back	-	-	-	-
Revaluation difference	82,026	(5,891)	40,941	-
Balance, end of year	**203,576**	**80,790**	**116,788**	**39,308**
Total ECL charge on securities as seen in Note 9	43,600	108,218	35,461	41,772

(i) Equity securities at FVPL (carrying amount)

Central securities clearing system limited	7,440	4,673	7,440	4,673
Nigeria interbank settlement system plc.	36,109	12,635	36,109	12,635
Unified payment services limited	8,247	5,653	8,247	5,653
Africa finance corporation	333,769	131,633	333,769	131,633
African export-import bank	1,108	176	1,108	176
FMDQ Holdings	7,783	7,068	7,783	7,068
Nigerian mortage refinance company plc.	306	291	306	291
Credit reference company	311	383	311	383
NG Clearing Limited	434	325	434	325
Capital Alliance Equity Fund	7,154	4,735	7,154	4,735
Investment in Parent's Shares	2,755	-	-	-
Shared agent network expansion facility	50	50	50	50
Others	688	285	-	-
	406,154	**167,907**	**402,711**	**167,622**

25 (b) Debt instruments other than those designated at fair value through profit or loss

The table below shows the analysis of the Bank's debt instruments measured at FVOCI and amortized cost by credit risk, based on the Bank's internal credit rating system and period end- stage classificaton.

Group — **December 2023**

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	239,630	100
Treasury bills	1,943,342	1,118
Eurobonds	89,227	2,926
Corporate bonds	18,059	594
State government bonds	52,376	292
Promissory notes	16,714	26
Commercial Paper	-	-
Total	**2,359,348**	**5,056**

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	851,788	894	850,894
Treasury bills	754,810	1,476	753,334
Credit Link Notes	-	-	-
Eurobonds	1,067,418	200,808	866,610
Corporate bonds	7,566	237	7,329
State government bonds	3,958	23	3,935
FGN Promissory notes	94,690	138	94,552
Preferential Shares Note	-	-	-
Total	**2,780,231**	**203,576**	**2,576,654**

Bank

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	68,321	100
Treasury bills	905,038	690
Eurobonds	53,394	1,017
Corporate bonds	18,059	594
State government bonds	52,376	292
Commercial Paper	-	-
Promissory notes	16,714	26
Total	**1,113,902**	**2,719**

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	346,468	459	346,009
Treasury bills	585,470	803	584,667
Credit Link Notes	-	-	-
Eurobonds	901,666	115,110	786,556
Corporate bonds	7,566	237	7,329
State government bonds	3,958	23	3,935
Promissory notes	94,690	138	94,552
Preferential Shares Note	7,138	19	7,119
Total	**1,946,956**	**116,788**	**1,830,167**

Group

Debt instruments at fair value through other comprehensive income — **December 2023**
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	1,223,386	-	-	1,223,386
Standard grade	-	-	-	-
Non-Investment	1,113,106	-	22,857	1,135,963
Total	**2,336,492**	**-**	**22,857**	**2,359,349**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	4,434	-	17,317	21,751
- Charge for the year	-	-	73	73
Write Back	(1,372)	-	-	(1,372)
Foreign exchange adjustments	245	-	(15,641)	(15,396)
At 31 December 2023	**3,307**	**-**	**1,749**	**5,056**

Financial instruments at amortised cost
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				-
Investment	368,752	-	-	368,752
Standard grade	-	-	-	-
Non-Investment	1,639,581	-	771,897	2,411,478
Total	**2,008,333**	**-**	**771,897**	**2,780,230**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	4,176	-	76,615	80,791
Reclassification	-	-	(4,140)	(4,140)
- Charge for the year	7,412	-	37,486	44,899
Foreign exchange adjustments	(1,562)	-	83,589	82,026
Write back	-	-	-	-
At 31 December 2023	**10,026**	**-**	**193,550**	**203,576**

December 2023

Bank

Financial instruments at fair value through other comprehensive income
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				-
Investment	-	-	-	-
Standard grade	-	-	-	-
Non-Investment	1,113,106	-	797	1,113,903
Total	**1,113,106**	**-**	**797**	**1,113,903**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	3,591	-	102	3,694
- Charge for the year	-	-	73	73
Write back	(1,151)	-	-	(1,151)
Foreign exchange adjustments	-	-	105	105
At 31 December 2023	**2,440**	**-**	**280**	**2,721**

Financial instruments at amortised cost
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	-	-	-	-
Non-Investment	1,639,581	-	307,375	1,946,956
Total	**1,639,581**	**-**	**307,375**	**1,946,956**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	1,988	-	37,320	39,308
- Charge for the year	6,995	-	29,544	36,539
Write back	-	-	-	-
Foreign exchange adjustments	(71)	-	41,012	40,941
At 31 December 2023	**8,912**	**-**	**107,876**	**116,788**

26 Restricted deposits and other assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Financial assets				
Accounts receivable (see note (a)below)	308,600	118,915	177,151	66,498
Receivable from Parent company (see note (g) below)	81,425	69,656	81,425	69,656
Receivable on E-business channels (see note (b) below)	205,297	111,678	192,376	104,903
FX forwards receivable (see note (h) below)	1,220,988	-	1,220,988	-
Deposit for investment in AGSMEIS (see note (c)below)	31,265	22,932	31,265	22,932
Subscription for investment (see note (d)below)	8,692	26	8,692	26
Restricted deposits with central banks (see note (e) below)	3,107,883	2,136,953	2,896,816	2,064,617
	4,964,150	2,460,160	4,608,713	2,328,632
Non-financial assets				
Prepayments	116,264	30,886	89,093	20,327
Inventory (see note (f) below)	19,909	4,879	18,314	4,185
	136,173	35,765	107,407	24,512
Gross other assets	5,100,323	2,495,925	4,716,119	2,353,144
Allowance for impairment on other assets				
Financial assets	(16,465)	(6,012)	(14,680)	(4,876)
Non-financial assets	(7,445)	(2,216)	(7,445)	(2,216)
	(23,910)	(8,228)	(22,125)	(7,092)
	5,076,413	**2,487,697**	**4,693,995**	**2,346,052**
Classified as:				
Current	1,936,018	330,003	1,764,668	260,693
Non current	3,140,394	2,157,695	2,929,327	2,085,359
	5,076,412	**2,487,698**	**4,693,995**	**2,346,052**

Movement in allowance for impairment on other assets:

In millions of Naira	Group	Bank
Balance as at 1 January 2022	4,471	3,226
ECL allowance for the period:		
- Additional provision	8,143	8,124
- Provision no longer required	-	-
Net impairment	8,143	8,124
Allowance written back	-	-
Allowance written off	(4,258)	(4,258)
-Reclassification		-
-Transalation difference	(127)	-
Balance as at 31 Dec 2022/1 January 2023	8,229	7,092
ECL allowance for the period:		
- Additional provision	19,789	20,072
- Writeback		
Net ECL allowance	19,789	20,072
Acquired from business combination	-	-
Allowance written back	-	-
- Write Off	(7,008)	(7,008)
-Reclassification	500	500
Foreign exchange revaluation	1,470	1,470
-Translation difference	931	-
Balance as at 31 December 2023	23,912	22,125

(a) This represents the receivable from debtors to the Group that cuts across several services rendered in different capacities

(b) E-banking receivables represent settlements due from other banks use of our electronic channels by their customers. The Group's payables to other banks is contained in Note 34.

(c) Deposit for investment in AGSMEIS represents the Bank's deposit as equity investment in Agri-business/Small and Medium Enterprises Investment Scheme. As approved by the Bankers' Committee on 9th February 2017, all Deposit Money Banks are required to invest 5% of prior period's Profit After Tax as equity investment in the scheme.

(d) Subscription for investment balance relates to deposits paid for the acquisition of equity investments for which shares have not been issued to the Bank.

(e) Restricted deposits with central banks comprise the cash reserve requirements of the Central Bank of Nigeria and other central banks of jurisdictions that the Group operates in as well as the special intervention fund with the Central Bank of Nigeria introduced in January 2016 as a reduction in the cash reserve ratio with a view of channeling the reduction to financing the real sector. These balances are not available for day to day operations of the Group.

(f) Inventory consists of blank debit cards, cheque leaves, computer consumables and other stationery held by the Bank. Increase in prepayments resulted from services that have been paid in advance for the period for which the amortization will be over the relevant period of service. These include rents and advertisements.

In determining the ECL for other assets, the Group applies the simplified model in estimating the ECLs, adopting a provision matrix, where the receviables are grouped based on the nature of the transactions, aging of the balances and different historical loss patterns to determine the lifetime ECLs. Receivables relate to amount due for the provision of services to the Bank's customers. The provision matrix estimates ECLs on the basis of historical default rates adjusted for current and forward looking macroeconomic factors without undue cost and effort

(g) Included in the Receivable from Parent balance are shares due to employees of the Bank that were previously settled by the Bank with a value of N9.02Bn

(h) The balance of N1,220.99Bn represents the transaction value of outstanding forward contracts entered on behalf of customers, with the Central Bank of Nigeria.

27a Investments in associates

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Balance, beginning of year	7,510	2,641	6,904	2,548
Acquisition cost of additional interest during the year	-	4,356	-	4,356
Share of profit for the year	914	513	-	-
Balance, end of year	8,424	7,510	6,904	6,904

Set out below are the summarised financial information for associates which are accounted for using the equity method.

	E-tranzact	
	December 2023	December 2022
Assets		
Cash and balances with banks	11,850	9,510
Inventories	2,345	2,967
Trade and other receivables	428	883
Other assets	3,716	2,834
Deposit for shares	457	457
Intangible assets	52	96
Investment property	137	137
Property, plant and equipment	1,500	993
Total Assets	20,485	17,875
Financed by:		
Current tax liabilities	1,161	751
Trade and other payables	7,283	7,251
Long Term Loan	242	298
Deferred Grant Income	90	107
Deferred Tax Liabilities	-	-
Total Liabilities	8,777	8,408
Net Assets	**11,709**	**9,468**

Reconciliation to carrying amounts:

	December 2023
Opening Net Assets (1 January 2023)	9,468
Profit for the period	2,433
Impact of changes due to the net asset difference between 2022 Audited and Unaudited Financial statement*	(192)
Closing net assets (31 December 2023)	11,709

Summary statement of comprehensive income	**December 2023**
Revenue	33,720
Cost of sales	(25,312)
Interest Expense using the effective interest method	(25)
Interest Income using the effective interest method	-
Selling and marketing costs	(268)
Adminsitrative expenses	(4,736)
Other income	2
Finance cost	
Investment income	94
Taxation	(1,042)
Profit for the period	2,433

Reconciliation of net asset in associate

Interest in Associate's net asset - (Etz: 37.56%)	4,398
Notional goodwill on investment in associate	2,919
Impact of changes in net assets	1,107
Impact of changes in Percentage Holding	-
Other comprehensive income	-
Carrying amount of investment in associates	8,424
Carrying value	8,424

E-tranzact (ETRAN), a fully integrated fintech platform in Africa was founded in 2003 and is one of the leading independent players in Lagos, Nigeria with a diversified license and product capabilities. The company has enjoyed continuous and consistent growth in top line revenue and subscriber base and activity for a while now

The Group holds an equity interest of 3,455,729,217 ordinary shares of 50k each in E-tranzact International Plc as at 31 December 2023, representing 37.56% equity participation in the company. No dividend income was received from ETRAN during the year. The proportion of the Bank's interest is the same as the proportion of voting rights. As at 31 December 2023, the fair value of the Bank's investment was N20.9Bn

There are published price quotations for the associate on the Nigerian Stock Exchange. There are no significant restrictions on the ability of the associates to transfer funds to the group in the form of cash dividends, or repayments of loans or advances. The associate was accounted for using the equity method at the Group level and cost at the Bank level.

The Group exercises significant influence in E-tranzact International Limited by virtue of its more than 20% shareholding in the entity and the representation of one director on the board of the company and significant participation in the company's operating and financial policies.

The exisiting investment the Bank had in Etranzact was initially recognized in the books under equity instruments measured at Fair value through profit or loss. At the point of increasing the stakes of the Bank in Etranzact by means of the Right issue, the existing shares were reclasified to investment in associates at their fair value.

27(b) Subsidiaries (with continuing operations)

(i) Group entities

Set out below are the group's subsidiaries as at 31 December 2023. Unless otherwise stated, the subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of any member of the Group to the extent that regulation does not inhibit the group from having access, and in liquidation scenario, this restriction is limited to its level of investment in the entity.
There are no significant restrictions on the ability of subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances

			Ownership interest	
	Nature of business	**Country of incorporation**	**December 2023**	**December 2022**
Access Bank Gambia Limited	Banking	Gambia	88.00%	88.00%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	99.19%	99.19%
Access Bank Rwanda Limited	Banking	Rwanda	91.22%	91.22%
Access Bank Zambia	Banking	Zambia	80.98%	80.98%
The Access Bank UK	Banking	United Kingdom	100.00%	100.00%
Access Bank R.D. Congo	Banking	Congo	99.98%	99.98%
Access Bank Ghana	Banking	Ghana	93.40%	93.40%
Access Bank Guinea S.A	Banking	Guinea	100.00%	100.00%
Access Bank Mozambique	Banking	Mozambique	99.98%	99.98%
Access Bank Kenya	Banking	Kenya	99.98%	99.98%
Access Bank South Africa	Banking	South Africa	97.89%	97.89%
Access Bank Botswana	Banking	Botswana	78.15%	78.15%
Access Bank Cameroon	Banking	Cameroon	100.00%	100.00%
Access Bank Angola	Banking	Angola	99.20%	0.00%
Access Investors Services Nominees Limited	Asset Management	Nigeria	100.00%	0.00%

(ii) Structured entities:

			Ownership interest	
	Nature of business	**Country of incorporation**	**December 2023**	**December 2022**
Restricted Share Performance Plan (RSPP)	Financial services	Nigeria	100%	100%

27(c)(i) Investment in subsidiaries

In millions of Naira	**Bank December 2023**	**Bank December 2022**
Subsidiaries with continuing operations		
The Access Bank, UK	163,922	88,287
Access Bank, Ghana	32,196	32,196
Access Bank Rwanda	5,221	5,221
Access Bank, Congo	13,205	13,205
Access Bank, Zambia	8,411	8,411
Access Bank, Gambia	7,062	7,062
Access Bank, Sierra Leone	3,398	3,398
Access Bank, Guinea	10,067	5,441
Access Bank, Mozambique	20,693	15,310
Access Bank, Kenya	11,615	11,615
Investment in RSPP scheme	-	10,077
Access Bank, South Africa	38,320	38,320
Access Bank, Angola	31,547	-
Access Bank Botswana	34,111	34,111
Access Bank, Cameroon	10,557	10,392
Balance, end of year	**390,325**	**283,046**

Based on the contractual arrangements between the Bank and the shareholders in each of the entities, the Bank has the power to appoint and remove the majority of the board of Directors of each entity.

The relevant activities of each of the listed subsidiaries are determined by the Board of Directors of each entity based on simple majority shares. Therefore, the directors of the Bank concluded that the Bank has control over each of the above listed entities and were consolidated in the Bank financial statements.

All investment in subsidiaries have been classified as non current with a closing balance of N390.32Bn

27 (d) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at December 2023 are as follows:

Condensed profit and loss *In millions of naira*	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank Guinea	Access Bank PFC	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank Angola
Operating income	135,860	133,525	10,865	24,131	17,214	3,135	6,253	-	4,159	-	20,099	4,806	9,472	21,002	7,226	9,227
Operating expenses	(31,924)	(45,655)	(5,097)	(14,222)	(10,484)	(1,949)	(3,490)	-	(3,757)	-	(20,949)	(6,086)	(15,443)	(19,023)	(4,483)	(8,985)
Net impairment loss on financial assets	(5,514)	(10,152)	(292)	(334)	122	(32)	-	-	(40)	-	(261)	(25)	(242)	388	(452)	582
Profit before tax	98,422	77,719	5,476	9,575	6,852	1,155	2,763	-	363	-	(1,111)	(1,305)	(6,212)	2,368	2,291	824
Income tax expense	(25,091)	(37,965)	(1,643)	(2,873)	(2,056)	(77)	(691)	-	-	-	(871)	-	-	(547)	-	(349)
Profit for the year	**73,331**	**39,753**	**3,833**	**6,702**	**4,796**	**1,077**	**2,072**	-	**362**	-	**(1,982)**	**(1,305)**	**(6,213)**	**1,821**	**2,291**	**475**

The condensed financial data of the consolidated entities as at December 2023 are as follows:

(ii) Assets

	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank Guinea	Access Bank PFC	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank Angola
Cash and cash equivalents	447,845	210,629	51,194	193,023	126,455	23,257	31,930	-	7,508	-	145,045	35,308	36,964	131,411	10,369	84,829
Non pledged trading assets	-	47,982	-	-	-	-	-	-	-	-	-	549	-	2,879	-	-
Pledged assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	14,256	-	-	-	-	-	-	-	-	-	-	119	-	-
Loans and advances to banks	1,307,418	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	1,465,167	192,598	46,824	94,573	58,488	4,964	9,210	-	37,178	-	82,839	27,027	162,598	445,879	17,860	23,366
Investment securities	972,330	400,218	67,322	37,352	102,368	11,361	14,692	-	15,304	-	46,478	32,879	99,858	51,723	118,341	32,269
Investment properties	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
Other assets	13,198	74,511	7,797	12,157	7,222	14,710	1,280	-	1,074	-	28,669	2,735	5,078	6,755	2,539	1,733
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property and equipment	3,432	69,580	2,423	11,725	4,361	2,717	3,147	-	3,407	-	14,078	3,909	2,950	10,340	3,226	5,359
Intangible assets	4,433	6,327	1,139	1,223	518	1,255	322	-	986	-	833	1,217	4,926	3,478	1,266	23,432
Current tax assets	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
Deferred tax assets	-	32,495	-	-	-	-	-	-	-	-	6,392	1,531	-	172	-	2,314
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,213,823	1,034,340	190,955	350,053	299,414	58,264	60,582	-	65,456	-	324,334	105,155	312,373	652,756	153,602	173,302
Financed by:																
Deposits from banks	2,146,981	11,031	-	48,510	2,045	5,353	16,703	-	-	-	4	29,622	140	101	778	-
Deposits from customers	1,381,638	716,864	147,120	229,943	211,860	41,869	32,298	-	40,108	-	258,640	60,107	187,251	525,482	126,405	130,459
Derivative Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-	-	-	-	7,646	-	-	-
Retirement benefit obligations	-	55	-	-	41	-	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	1,120	1,589	1,861	3,629	-	-	138	-	-	-	-	-	-	430	-	(85)
Other liabilities	13,509	56,581	2,383	12,963	47,926	1,625	827	-	2,631	-	18,257	9,178	5,465	17,849	3,409	5,723
Interest-bearing loans and borrowings	-	86,550	13,610	2,022	5,398	-	-	-	-	-	8,807	-	67,455	33,911	-	-
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	473	7,307	473	-	569	95	7	-	-	-	-	-	-	-	-	180
Non - current liabilities held for sale	-		-	-	-	-	-			-	-	-	-	-	-	-
Equity	670,103	154,364	25,507	52,987	31,572	9,321	10,608	-	22,717	-	38,626	6,248	44,415	74,983	23,010	37,024
	4,213,823	1,034,340	190,955	350,053	299,414	58,264	60,582	-	65,456	-	324,334	105,155	312,373	652,756	153,602	173,302
Net cashflows from investing activities	(294,765)	(8,447)	(6,273)	(5,315)	(2,583)	6,355	(3,655)	-	-	-	512	(1,236)	(336)	(14,282)	(154)	(140)
Net cashflows from financing activities	75,019	(11,526)	-	(1,225)	(486)	-	-	-	-	-	15,372	5,047	-	8,485	(353)	(320)
Net cashflows from operating activities	64,179	(66,176)	10,735	80,328	23,371	5,453	647	-	-	-	59,761	16,721	(7,203)	71,547	257	233
Increase in cash and cash equivalents	(155,567)	(86,149)	4,462	73,789	20,301	11,807	(3,008)	-	-	-	75,645	14,874	(7,539)	65,751	(250)	(226)
Cash and cash equivalent, beginning of year	607,435	210,949	46,935	44,583	57,738	1,378	12,850	-	-	-	78,510	-	42,405	116,094	2,288	2,074
Effect of exchange rate fluctuations on cash held	(3,632)	2,245	-	-	-	-	-	-	-	-	-	-	-	3,098	41	37
Cash and cash equivalent, end of year	448,238	127,045	51,397	118,372	78,038	13,185	9,842	-	-	-	154,154	14,874	34,866	184,943	2,080	1,886

27 (e) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at December 2022 are as follows:

Condensed profit and loss *In millions of naira*	**The Access Bank UK**	**Access Bank Ghana**	**Access Bank Rwanda**	**Access Bank (R.D. Congo)**	**Access Bank Zambia**	**Access Bank Gambia**	**Access Bank Sierra**	**Access Bank Investme**	**Access Bank Guinea**	**Access Bank PFC**	**Access Bank Mozambiqu**	**Access Bank Kenya**	**Access Bank South Africa**	**Access Bank Botswana**	**Access Bank Cameroon**
Operating income	56,831	60,606	6,319	13,867	12,405	2,015	4,142	-	1,019	(700)	14,912	5,179	5,326	15,588	994
Operating expenses	(15,848)	(18,939)	(3,388)	(8,462)	(5,581)	(1,120)	(2,369)	-	(1,995)	-	(12,318)	(3,856)	(11,306)	(15,306)	(1,684)
Net impairment loss on financial assets	(15,916)	(63,961)	(154)	-	(888)	(8)	(26)	-	-	-	(79)	(8)	(203)	2,132	(6)
Profit before tax	25,067	(22,294)	2,776	6,547	5,936	888	1,747	-	(977)	(700)	2,515	1,315	(6,182)	2,415	**(695)**
Income tax expense	(5,709)	(10,199)	(832)	526	(1,033)	(255)	(5)	-	-	-	(454)	-	-	(519)	-
Profit for the year	19,358	(32,493)	1,944	7,072	4,903	633	1,742	-	(977)	(700)	2,061	1,315	(6,182)	1,896	(695)

(ii) The condensed financial data of the consolidated entities as at December 2022 are as follows:

Assets	**The Access Bank UK**	**Access Bank Ghana**	**Access Bank Rwanda**	**Access Bank (R.D. Congo)**	**Access Bank Zambia**	**Access Bank Gambia**	**Access Bank Sierra**	**Access Bank Investme**	**Access Bank Guinea**	**Access Bank PFC**	**Access Bank Mozambiqu**	**Access Bank Kenya**	**Access Bank South Africa**	**Access Bank Botswana**	**Access Bank Cameroon**
Cash and cash equivalents	294,179	138,679	19,950	70,876	44,600	6,808	13,879	-	3,109	-	38,353	10,486	21,499	51,988	6,498
Non pledged trading assets	-	22,721	-	-	-	-	-	-	-	-	-	882	-	1,463	-
Pledged assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	2,271	-	-	-	-	-	-	-	-	-	-	18	-
Loans and advances to banks	585,079	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	518,202	69,798	17,734	29,164	26,866	1,643	3,522	-	4,647	-	39,982	15,697	52,578	236,606	324
Investment securities	328,081	175,255	35,335	35,884	69,890	8,649	9,068	-	6,515	-	20,662	22,276	63,964	29,622	17,939
Investment properties	-	-	-	-	-	-	-		-	-	-	-	-	-	
Other assets	10,266	15,466	6,329	4,081	6,094	8,112	802	-	657	-	15,175	2,382	3,834	3,301	339
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	1,152	-	-	-	-	-	-	11,228	-	-	-	-	-	-	-
Property and equipment	2,272	17,334	1,412	5,237	3,314	1,230	1,263	-	1,236	-	7,368	1,495	2,031	5,034	704
Intangible assets	1,776	2,564	666	148	558	214	181	-	472	-	910	630	2,342	3,217	86
Deferred tax assets	-	745	-	2,694	748	-	328	-	-	-	3,096	569	-	1,317	-
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	2,397	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,741,006	442,562	83,698	148,085	152,071	26,656	29,045	11,228	16,636	2,397	125,546	54,417	146,249	332,567	25,890
Financed by:															
Deposits from banks	922,933	4,693	-	-	4,759	1,405	8,491	-	-	-	-	9,892	275	8	-
Deposits from customers	577,388	322,943	67,016	110,253	112,118	20,512	15,131	-	9,810	-	98,423	36,418	79,552	264,996	16,340
Derivative Liability	53	-	-	-	-	-	-	-	-	-	-	-	462	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-	-	-	-	3,955	-	-
Retirement benefit obligations	0	24	-	-	9	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	-	-	594	1,749	-	39	-	-	-	-	-	-	-	-	82
Other liabilities	13,131	41,288	1,760	5,260	8,860	444	1,297	-	1,304	-	8,341	1,085	2,408	7,461	1,189
Interest-bearing loans and borrowings	-	38,023	2,182	2,083	5,027	-	-	-	-	-	-	-	29,310	21,931	-
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	224	1,753	186	283	1,072	43	14	-	-	-	-	-	-	-	-
Equity	-		-	-	-	-				-	-	-	-	-	-
	227,278	33,837	11,961	28,457	20,228	4,214	4,114	11,228	5,522	2,397	18,782	7,023	30,286	38,171	8,279
	1,741,006	442,562	83,698	148,085	152,071	26,656	29,055	11,228	16,636	2,397	125,546	54,417	146,249	332,567	25,890
Net cashflows from investing activities	(48,985)	(4,299)	(9,611)	(1,002)	(5,472)	(1,786)	(8,259)	-	-	-	2,085	(415)	(18,678)	(4,336)	(288,682)
Net cashflows from financing activities	29,972	(38,026)	-	(3,774)	(1,509)	-	-	-	-	-	2,070	(469)	27,622	(9,947)	2,041,793
Net cashflows from operating activities	66,476	149,321	4,779	(43,256)	1,888	(4,679)	12,731	-	-	(69)	(35,154)	(3,052)	(10,503)	7,253	2,433,192
Increase in cash and cash equivalents	47,463	106,996	(4,832)	(48,031)	(5,093)	(6,465)	4,472	-	-	-	(30,999)	(3,936)	(1,559)	(7,029)	4,186,303
Cash and cash equivalent, beginning of year	246,699	43,583	25,034	76,635	39,565	13,274	1,753	-	-	-	3,732	-	25,056	64,454	628,557
Effect of exchange rate fluctuations on cash held	113	1,875	-	-	(48)	-	-	-	-	273	-	(3,936)	171	1,163	-
Cash and cash equivalent, end of year	294,277	152,453	20,201	28,604	34,422	6,809	6,225	-	-	273	(27,268)	(7,873)	23,668	58,587	4,814,860

28 (a) Property and equipment

Group

In millions of Naira

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Cost							
Balance at 1 January 2023	145,473	34,112	56,439	105,223	32,532	34,465	408,243
Acquired from business combination	-	709	-	-	-	-	709
Acquisitions	33,235	-	29,043	27,058	14,001	46,308	149,644
Disposals	(6,993)	(1,248)	(3,413)	(8,266)	(7,714)	(3,316)	(30,950)
Write-offs	-	-	-	-	-	(444)	(444)
Reversals/Reclassification from(to) others	-	-	-	-	-	(99)	(99)
Transfers	7,785	-	562	3,204	228	(11,779)	-
Translation difference	17,086	1,261	16,435	18,457	11,684	1,620	66,543
Balance at 31 December 2023	**196,586**	**34,834**	**99,066**	**145,676**	**50,731**	**66,755**	**593,646**

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Balance at 1 January 2022	137,621	32,985	45,393	86,838	30,367	21,461	354,665
Acquisitions	10,666	919	12,987	15,737	6,717	28,738	75,764
Disposals	(8,046)	(384)	(2,144)	(1,781)	(3,904)	(4,396)	(20,655)
Reclassifications	62	-	127	729	-	(919)	(1)
Write-offs	(72)	-	-	-	-	(132)	(203)
Transfers	993	-	777	5,122	-	(6,892)	-
Translation difference	4,248	592	(701)	(1,422)	(649)	(3,394)	(1,327)
Balance at 31 December 2022	145,473	34,112	56,439	105,223	32,532	34,465	408,243

Depreciation and impairment losses	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Balance at 1 January 2023	30,436	-	38,201	71,679	20,336	-	160,650
Charge for the year (a)	3,128	-	10,526	16,494	5,147	-	35,294
Disposal	(89)	-	(210)	(67)	(1,363)	-	(1,729)
Translation difference	9,854	-	8,495	10,449	5,097	-	33,893
Balance at 31 December 2023	**43,329**	**-**	**57,012**	**98,553**	**29,217**	**-**	**228,108**

Balance at 1 January 2022	21,062	-	33,919	62,537	19,448	-	136,966
Charge for the year	5,902	-	5,189	10,441	3,980	-	25,511
Disposal	(491)	-	(662)	(1,077)	(2,801)	-	(5,031)
Translation difference	3,965	-	(244)	(221)	(290)	-	3,209
Balance at 31 December 2022	30,436	-	38,201	71,679	20,336	-	160,652
Carrying amounts	**153,257**	**34,834**	**42,054**	**47,123**	**21,514**	**66,755**	**365,538**
Right of use assets (see 28(b) below)	**52,643**	-	-	-	-	-	**52,643**
Balance at 31 December 2023	**205,900**	**34,834**	**42,054**	**47,123**	**21,514**	**66,755**	**418,181**
Balance at 31 December 2022	160,596	34,112	18,238	33,544	12,196	34,465	293,152

Depreciation charge on property plant and equipment and right of use assets

Total Depreciation charge (a+b)	**11,938**	-	**10,526**	**16,494**	**5,147**	-	**44,104**

(a) Estimates of useful life and residual value, and the method of depreciation, are reviewed at a minimum at each reporting period. Any changes are accounted for prospectively as a change in estimate.

(b) The leasehold improvements do not represent lessor's asset

The total balance for non current property and equipment for the year is N418.18Bn

Classified as:

Current	-	-	-	-	-	-	-
Non current	**205,900**	**34,834**	**42,054**	**47,123**	**21,514**	**66,755**	**418,179**
	205,900	**34,834**	**42,054**	**47,123**	**21,514**	**66,755**	**418,179**

28 (b) Leases
Group

This note provides information for leases where the Group is a lessee.

i Right-of-use assets

	Land N'000	Building and Equipment N'millions	Total N'millions
Opening balance as at 1 January 2023	-	62,465	62,465
Acquired from business combination	-	1,243	1,243
Additions during the year	-	7,278	7,278
*Derecognition due to lease modifications	-	(45)	(45)
Translation difference	-	14,027	14,027
Closing balance as at 31 December 2023	**-**	**84,968**	**84,968**
Opening balance as at 1 January 2022		42,405	42,405
Additions during the year	-	27,240	27,240
Disposals during the year	-	(6,546)	(6,546)
*Derecognition due to lease modifications		(550)	(550)
Translation difference		(84)	(84)
Closing balance as at 31 December 2022	-	62,465	62,465
Depreciation			
Opening balance as at 1 January 2023	-	16,905	16,905
Acquired from business combination		813	813
Charge for the year (b)	-	8,810	8,810
Translation difference		5,797	5,797
Closing balance as at 31 December 2023	**-**	**32,325**	**32,325**
Net book value as at 31 December 2023	**-**	**52,643**	**52,643**
Opening balance as at 1 January 2022		12,371	12,371
Charge for the year	-	4,787	4,787
*Derecognition due to lease modifications	-	(221)	(221)
Translation difference	-	(33)	(33)
Closing balance as at 31 December 2022	-	16,905	16,905
Net book value as at 31 December 2022	-	45,560	45,560

ii Amounts recognised in the statement of profit or loss

	N'millions
Depreciation charge of right-of-use assets	8,810
Interest expense (included in finance cost)	1
Expense relating to short-term leases (included in other operating expenses)	-
Expense relating to leases of low-value assets (included in other operating expenses)	-
	-
Total cash outflow for leases as at December 2023	26,335

*This relates to lease contracts that were modified during the year, subsequently derecognized and new contracts were drawn up to represent the new leases

28 (c) Property and equipment

Bank

In millions of Naira	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Cost							
Balance at 1 January 2023	113,832	32,321	45,439	94,304	27,560	28,389	341,844
Acquisitions	1,817	-	18,294	12,956	6,766	22,004	61,837
Disposals	(6)	-	(90)	(306)	(1,580)	(75)	(2,057)
Reclassification from(to) others	-	-	-	-	-	(99)	(99)
Transfers	1,418	-	562	3,168	149	(5,298)	-
Write-Offs	-	-	-	-	-	(444)	(444)
Balance at 31 December 2023	**117,061**	**32,321**	**64,205**	**110,122**	**32,895**	**44,477**	**401,081**
Balance at 1 January 2022	111,191	32,319	36,704	78,283	25,709	9,283	293,490
Acquisitions	2,224	386	8,375	11,505	5,569	26,710	54,770
Disposals	(577)	(384)	(418)	(605)	(3,719)	(580)	(6,284)
Transfers	993	-	777	5,122	-	(6,892)	-
Write-Offs	-	-	-	-	-	(132)	(132)
Balance at 31 December 2022	113,832	32,321	45,439	94,304	27,560	28,389	341,844

Depreciation and impairment losses	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Balance at 1 January 2023	19,134	-	31,557	65,398	18,053	-	134,143
Charge for the year (a)	1,939	-	7,760	10,850	3,764	-	24,312
Disposal	(1)	-	(90)	(299)	(1,363)	-	(1,753)
Balance at 31 December 2023	**21,072**	**-**	**39,227**	**75,949**	**20,454**	**-**	**156,702**
Balance at 1 January 2022	17,071	-	27,162	56,049	17,116	-	117,398
Charge for the year (a)	2,192	-	4,800	9,918	3,568	-	20,479
Disposal	(128)	-	(406)	(568)	(2,631)	-	(3,733)
Balance at 31 December 2022	19,134	-	31,557	65,398	18,053	-	134,143
Carrying amounts	**95,989**	**32,321**	**24,978**	**34,173**	**12,441**	**44,477**	**244,379**
Right of use assets (see 28(d) below)	33,148	-	-	-	-	-	33,148
Balance at 31 December 2023	**129,137**	**32,321**	**24,978**	**34,173**	**12,441**	**44,477**	**277,527**
Balance at 31 December 2022	132,065	32,321	13,882	28,906	9,507	28,389	245,070

Depreciation charge on property and equipment and right of use assets

	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Total Depreciation/Impairment charge (a+b)	**7,124**	**-**	**7,760**	**10,850**	**3,764**	**-**	**29,497**

(a) Estimates of useful life and residual value, and the method of depreciation, are reviewed at a minimum at each reporting period. Any changes are accounted for prospectively as a change in estimate.

The total balance for non current property, plant and equipment for the period is N277.53Bn

Classified as:							
Current	-	-	-	-	-	-	-
Non current	**95,989**	**32,321**	**24,978**	**34,173**	**12,441**	**44,477**	**244,379**
	95,989	**32,321**	**24,978**	**34,173**	**12,441**	**44,477**	**244,379**

28 (d) Leases
Bank

This note provides information for leases where the Bank is a lessee.

i) Right-of-use assets

	Building and Equipment N'millions	**Total N'millions**
Opening balance as at 1 January 2023	46,403	46,403
Additions during the year	1,012	1,012
Disposals during the year	-	-
*Reversals due to lease modifications	(45)	(45)
Closing balance as at 31 December 2023	**47,370**	**47,370**
Opening balance as at 1 January 2022	24,320	24,320
Additions during the year	22,633	22,633
Disposals during the year	-	-
*Reversals due to lease modifications	(550)	(550)
Closing balance as at 31 December 2022	46,403	46,403
Depreciation		
Opening balance as at 1 January 2023	9,036	9,036
Charge for the year (b)	5,185	5,185
Disposals during the year	-	-
*Reversals due to lease modifications	0	0
Closing balance as at 31 December 2023	**14,222**	**14,222**
Net book value as at 31 December 2023	**33,148**	**33,148**
Opening balance as at 1 January 2022	6,341	6,341
Charge for the year (b)	2,916	2,916
*Reversals due to lease modifications	(221)	(221)
Closing balance as at 31 December 2022	9,036	9,036
Net book value as at 31 December 2022	37,367	37,367

ii) Amounts recognised in the statement of profit or loss

	N'millions
Depreciation charge of right-of-use assets (buildings)	5,185
Interest expense (included in finance cost)	1,054
Expense relating to short-term leases (included in other operating expenses)	17
Expense relating to leases of low-value assets (included in other operating expenses)	-
	-
Total cash outflow for leases as at December 2023	20,068

*This relates to lease contracts that were modified during the period, subsequently derecognized and new contracts were drwan up to represent the new leases

29 Intangible assets
Group

In millions of Naira	Goodwill	WIP	Purchased Software	Core deposit intangible	Customer relationship	Brand	Total Intangible
Cost							
December 2023							
Balance at 1 January 2023	12,747	10,729	61,000	28,665	12,652	4,725	130,517
Arising from business combination (See note 44)	2,948	-	23,225	-	-	-	26,173
Changes Arising from final assessment	-	-	-	-	-	-	-
Acquisitions	-	19,296	27,791	-	-	-	47,087
Reclassification	-	(957)	957	-	-	-	-
Write off	-	(135)		-	-	-	(135)
Translation difference	-	24	17,370	-	-	-	17,394
Balance at 31 December 2023	**15,695**	**28,957**	**130,343**	**28,665**	**12,652**	**4,725**	**221,036**
December 2022							
Balance at 1 January 2022	12,664	3,487	51,360	28,665	12,652	4,725	113,552
*Arising from business combination	83	-	-	-	-	-	83
Acquisitions	-	11,270	6,642	-	-	-	17,913
Reclassification	-	(4,001)	4,001	-	-	-	-
Write off	-	(35)	(1,933)	-	-	-	(1,967)
Translation difference	-	7	930	-	-	-	937
Balance at 31 December 2022	12,747	10,729	61,000	28,665	12,652	4,725	130,517
Amortization and impairment losses							
Balance at 1 January 2023	-	-	39,471	10,749	4,744	1,772	56,735
Amortization for the year	-	-	13,467	2,866	1,265	472	18,071
Write off	-	-		-	-	-	-
Translation difference	-	-	18,079	-	-	-	18,079
Balance at 31 December 2023	-	-	71,017	13,616	6,009	2,244	**92,885**
Balance at 1 January 2022	-	-	30,559	7,883	3,479	1,299	43,220
Amortization for the year	-	-	9,221	2,866	1,265	472	13,825
Impairment charge	-	-	-	-	-	-	-
Write off	-	-	(928)	-	-	-	(928)
Translation difference	-	-	619	-	-	-	619
Balance at 31 December 2022	-	-	39,471	10,749	4,744	1,772	56,735
Net Book Value							
Balance at 31 December 2023	**15,695**	**28,957**	**59,326**	**15,050**	**6,641**	**2,481**	**128,150**
Balance at 31 December 2022	12,747	10,729	21,530	17,915	7,906	2,953	73,782

*Changes Arising from final assessment: This relates to the changes recognized in the goodwill acquired from former BancABC by Access Botswana post audit of the acquired net asset. The original goodwill recognized was provisional as the net assets were still being audited. The final net asset led to a change in the purchase consideration based on the share purchase agreement leading to the changes observed in the goodwill initially recognized from the previous period.

Intangible assets
Bank

In millions of Naira	**Goodwill**	**WIP**	**Purchased Software**	**Core deposit intangible**	**Customer relationship**	**Brand**	**Total**
Cost							
December 2023							
Balance at 1 January 2023	11,148	9,670	40,083	28,665	12,652	4,725	106,943
Acquisitions	-	17,730	6,319	-	-	-	24,049
Reclassification	-	(696)	696				-
Write off	-	(135)					(135)
Balance at 31 December 2023	**11,148**	**26,569**	**47,098**	**28,665**	**12,652**	**4,725**	**130,857**
December 2022							
Balance at 1 January 2022	11,148	1,086	37,955	28,665	12,652	4,725	96,229
Acquisitions	-	9,044	1,703	-	-	-	10,747
Reclassification	-	(426)	426				-
Write off	-	(35)					(35)
Balance at 31 December 2022	11,148	9,670	40,083	28,665	12,652	4,725	106,943
Amortization and impairment losses							
Balance at 1 January 2023	-	-	30,312	10,749	4,744	1,772	47,578
Amortization for the year	-	-	5,570	2,866	1,265	472	10,174
Balance at 31 December 2023	**-**	**-**	**35,882**	**13,615**	**6,009**	**2,244**	**57,752**
Balance at 1 January 2022	-	-	24,836	7,883	3,479	1,299	37,497
Amortization for the year	-	-	5,477	2,866	1,265	472	10,081
Balance at 31 December 2022	-	-	30,312	10,749	4,744	1,772	47,578
Carrying amounts							
Balance at 31 December 2023	**11,148**	**26,569**	**11,216**	**15,050**	**6,643**	**2,481**	**73,105**
Balance at 31 December 2022	11,148	9,670	9,771	17,915	7,907	2,953	59,365

Amortization method used is straight line.

	Group December 2023	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Classified as:				
Current	-	-	-	-
Non current	128,150	73,782	73,105	59,365

29(b) Intangible assets

(i) **Goodwill is attributable to the acquisition of Diamond Bank Plc and the following subsidiaries:**

In millions of Naira	**Group December 2023**	**Group December 2022**	**Bank December 2023**	**Bank December 2022**
Diamond Bank Plc (see (a) below)	4,555	4,555	11,148	11,148
Access Bank Rwanda (see (b) below)	681	681	-	-
Access Bank Kenya (see (c) below)	6,545	6,545	-	-
Access Bank Botswana (see (d) below)	965	965	-	-
Access Bank Angola (see (e) below)	2,948	-		
	15,695	**12,747**	**11,148**	**11,148**

(a) Diamond bank:
The recoverable amount of Goodwill as at 31 December 2023 was greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N1,515Bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the year and no losses on goodwill were recognized as at 31 December 2023 (31 December 2022: Nil)

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Retail (Personal) Banking.

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. The approach is based on estimating the free cash flow to equity to determine the value in use. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 3.20%. A discount rate of 29.63% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the year are as follows:

Terminal growth rate (i)	3.20%
Discount rate (ii)	29.63%

(i) Weighted average growth rate used to extrapolate cash flows beyond the budget year.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 29.63% was applied in determining the recoverable amounts for Diamond Bank Plc. This discount rate was estimated using the a proxy of the average of thge beta for similar companies, the risk-free rate and the equity risk premium of the sovereign of the reporting entity.

Terminal growth rate
The terminal growth rate applied was based on the long term growth rate in GDP of Nigeria.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the entity (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

	10% increase	**10% decrease**
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(205,631)	264,073
Impact of change in growth rate on value-in-use computation (increase/(decrease)	25,049	(21,561)

There were no write-downs of goodwill due to impairment during the year

(b) Access Bank Rwanda:
The recoverable amount of Goodwill as at 31 December 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N57.60bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the year and no losses on goodwill were recognized as at 31 December 2023 (31 December 2022: Nil)

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Access Bank Rwanda.

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. The approach is based on estimating the free cash flow to equity to determine the value in use. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 6.7%. A discount rate of 21.2% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the year are as follows:

	December 2023
Terminal growth rate (i)	6.72%
Discount rate (ii)	21.24%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget year.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 21.24% was applied in determining the recoverable amounts for the goodwill of Access Bank Rwanda. This discount rate was estimated using beta, risk-free rate and the equity risk premium for Rwanda.

Terminal growth rate
Terminal growth rate applied was based on the long term growth rate in GDP of Rwanda.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the subsidiaries (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(8,030)	10,847
Impact of change in growth rate on value-in-use computation (increase/(decrease)	1,510	(1,376)

(c) Access bank Kenya:

The recoverable amount of Goodwill as at 31 December 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N25.25bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred.

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Access Bank Kenya.

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 5.41%. A discount rate of 27.77% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the year are as follows:

Terminal growth rate (i)	5.41%
Discount rate (ii)	27.77%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget year.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 27.77% was applied in determining the recoverable amounts for the goodwill of Access Bank Kenya. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium for Kenya.

Terminal growth rate

The terminal growth rate applied was based on the long term growth rate in GDP of Kenya.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the entity (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

In thousands of Naira	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(3,761)	4,936
Impact of change in growth rate on value-in-use computation (increase/(decrease)	324	(308)

There were no write-downs of goodwill due to impairment during the year.

(d) Access bank Botswana:

The recoverable amount of Goodwill as at 31 December 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N239.78bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. This is the first impairment assessment.

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Access Bank Botswana .

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 4.29%. A discount rate of 8.7% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the year are as follows:

Terminal growth rate (i)	4.29%
Discount rate (ii)	8.72%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget year.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 8.7% was applied in determining the recoverable amounts for the goodwill of Access Bank Botswana. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium for Botswana.

Terminal growth rate

The terminal growth rate applied was based on the long term growth rate in GDP of Botswana.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the entity (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

In thousands of Naira	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(42,403)	63,304
Impact of change in growth rate on value-in-use computation (increase/(decrease)	17,361	(14,302)

There were no write-downs of goodwill due to impairment during the year.

(e) Access bank Angola:

Goodwill represents the value derived from a larger branch network and combined synergies of operations. The Goodwill recognized from former Finibanco Bank is provisional as the Bank is yet to complete all assessments as relates to the acquisition . Goodwill is not deductible for tax purposes.

The goodwill N2.95Bn arising from the acquisition of former Finibanco (now Access Bank Angola) is provisional.

30 Deferred tax assets and liabilities

(a) Group

The following items gave rise to temporary differences during the period. Deferred tax assets and liabilities are attributable to the following items below:

In millions of Naira	December 2023			December 2022		
	Assets	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**
Property and equipment, and software	66,111	(1,143)	64,968	32,881	(2,468)	30,412
Allowances/(Reversal) for loan losses	42,454	-	42,454	36,678	-	36,678
Tax loss carry forward	20,719	-	20,719	66,021	-	66,021
Exchange gain/(loss) unrealised	-	(103,704)	(103,704)	-	(119,595)	(119,595)
Acquired Deferred tax asset	-	-	-	-	-	-
ECL on investment securities	-	(180)	(180)	-		-
Actuarial gain on retirement benefit obligation	-	-	-	-	-	-
Fair value gain on FVOCI investments	-	-	-	-	(289)	(289)
Deferred tax assets (net)	129,284	(105,027)	24,257	135,580	(122,353)	13,227

(b) Bank

Deferred tax assets and liabilities are attributable to the following:

In millions of Naira	December 2023			December 2022		
	Assets	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**
Property and equipment, and software	36,796	-	36,796	28,549	-	28,549
Allowances/(Reversal) for loan losses	42,454	-	42,454	35,776	-	35,776
Tax loss carry forward	14,437	-	14,437	62,978	-	62,978
Exchange gain unrealised	-	(103,231)	(103,231)	-	(119,595)	(119,595)
Acquired Deferred tax asset	-	-	-	-	-	-
Fair value gain on equity investments	-	-	-	-	-	-
Deferred tax on retirement benefit obligation			-			-
Deferred tax assets/(liabilities)	93,687	(103,231)	(9,544)	127,303	(119,595)	7,707

Deferred tax asset are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. After reviews of the medium-term profit forecasts, the Group considers that there will be sufficient profits in the future against which these losses will be offset.

The amount of unrecognised deferred tax asset as at December 31, 2023 is N53.27 billion (December 31, 2022: N45.91bn).

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Deferred income tax assets				
– Deferred income tax asset to be recovered after more than 12 months	107,422	67,091	79,250	64,324
– Deferred income tax asset to be recovered within 12 months	21,862	68,490	14,437	62,978
	129,284	135,580	93,687	127,303
Deferred income tax liabilities				
– Deferred income tax liability to be recovered after more than 12 months	(1,143)	(2,758)	-	-
– Deferred income tax liability to be recovered within 12 months	(103,884)	(119,595)	(103,231)	(119,596)
	(105,027)	(122,353)	(103,231)	(119,596)

30 Deferred tax assets and liabilities

(c) Movement on the net deferred tax assets / (liabilities) account during the year:

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Balance, beginning of year	13,227	2,129	7,707	(4,374)
Acquired from Business Combination	-	-	-	-
Tax charge	(18,792)	9,452	(18,792)	11,542
Translation adjustments	28,280	1,136	-	-
Prior adjustment on deferred tax on revaluation gain	-	-		
Items included in OCI	1,541	539	1,541	539
Disposal of subsidiary	-	(29)		
Net deferred tax assets/(liabilities)	24,257	13,227	(9,544)	7,707
Out of which				
Deferred tax assets	129,284	135,580	93,687	127,303
Deferred tax liabilities	(105,027)	(122,353)	(103,231)	(119,596)

	Group December 2023		Group December 2022	
	Deferred Tax Assets	Deferred Tax liabilities	Deferred Tax Assets	Deferred Tax liabilities
Entity				
Access Bank Sierra Leone	-	7	-	12
Access Bank Rwanda	-	473	-	186
Access Bank United Kingdom	-	472	-	223
Access Bank Ghana	25,188	-	-	1,008
Access Pensions	-	-	-	-
Access Bank Congo	-	-	2,412	-
Access Bank Gambia	-	95	-	43
Access Bank Zambia	-	569	-	324
Access Bank Kenya	1,531	-	491	-
Access Bank Mozambique	6,392	-	3,096	-
Access Bank Botswana	172	-	1,317	-
Access Bank Guinea	-	-	-	-
Access Bank Angola	2,134	-		
Access Bank Nigeria	-	9,544	7,707	-
Total Deferred Tax	**35,417**	**11,160**	**15,023**	**1,796**

Temporary difference relating to the Group's Investment in subsidiaries as at 31 December 2023 is N227.9billion (Dec 2022: N58.05Billion). As the Group exercises control over the subsidiaries, it has the power to control the timing of the reversals of the temporary difference arising from its investments in them. The Group has determined that the subsidiaries' profits and reserves will not be distributed in the foreseeable future and that the subsidiaries will not be disposed of. Hence, the deferred tax arising from the temporary differences above will not be recognised.

Deferred tax asset not recognised

The bank's deferred tax asset which typically arises from unutilized losses, unclaimed capital allowance and ECL allowance on not credit impaired financial instruments is N210.23billion as at 31 Dec 2023. (2022: N29.64Bn). The bank has assessed based on its profit forecast, the extent to which there will be future taxable profits against which the deferred tax assets recognised, can be utilised. The value of unrecognized deferred tax asset as at 31 Dec 2023 is N210.23billion (2022: N29.64Bn).

Items included in Other Comprehensive Income

In milllions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Actuarial (loss)/gain on retirement benefit obligation				
Gross (loss)/gain on retirement benefit obligation	4,670	1,658	4,670	1,658
Deferred tax @ 33%	(1,541)	(539)	(1,541)	(539)
Net balance loss after tax	3,129	1,119	3,129	1,119

Deferred Tax asset

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Classified as:				
Current	21,862	68,490	14,437	62,978
Non current	107,422	67,091	79,250	64,324

Deferred Tax liability

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Classified as:				
Current	(103,884)	(119,595)	(103,231)	(119,596)
Non current	(1,143)	(2,758)	-	-

31a Investment properties

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Balance at 1 January	217	217	217	217
Valuation gain/(loss)	220	-	220	-
Balance, end of year	**437**	**217**	**437**	**217**

Investment property of N217 million for the Group, represents the value of landed properties which are carried and measured at fair value. There was no rental income from such properties during the year and no restrictions on the realisability of the property.

Valuation technique used for fair valuation of investment properties
Investment properties are stated at fair value, which has been determined based on valuations performed by various Estate Surveyors and Valuers . The valuers are industry specialists in valuing these types of investment properties. The fair value is supported by market evidence and represents the amount that would be received to sell the properties in an orderly transaction between market participants at the measurement date in the principal market to which the Group has access at the date of valuation, in accordance with standard issued by the International Valuation Standards Committee. Valuations are performed on an annual basis and the fair value gains and losses are reported in valuation gain on investment properties under other operating income (see note 13) . The profits or losses on disposal are also reported in the profit or loss as they occur.

The professional valuers engaged for the preparation of the valuation reports is Paul Osaji and Company (FRC/2013/00000000001098)

All investment properties have been classified as non current with a carrying amount of N437 million for Group and N437 million for Bank

31b Assets classified as held for sale

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Balance at 1 January	42,039	42,737	42,039	42,547
Additions	35,335	7,876	35,335	7,876
Disposals	(1,957)	(8,384)	(1,957)	(8,384)
Transfers from assets held for sale	-	(190)	-	-
	75,417	**42,039**	**75,417**	**42,039**

The total balance for non current financial assets held for sale for the year is N75.42Bn for Group and N75.42Bn for Bank

Classified as:				
Current	-	-	-	-
Non current	75,417	42,039	75,417	42,039

The professional valuers engaged for the preparation of the valuation reports are: Ubosi Eleh and Company (FRC/2014/00000003997), Odudu and Company (FRC/2012/NIESV/00000000198), Paul Osaji and Company (FRC/2013/00000000001098), Banjo Adeleke and Company (FRC/2013/NIESV/00000003314); and Osas and Oseji (FRC/2012/000000000522). This largely comprises of Land and buildings. The items in non-current asset held for sale are repossessed collateral and this is seen in Note 5.1.3 (g)

32 Deposits from financial institutions

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Money market deposits	2,189,528	960,476	1,641,990	868,070
Trade related obligations to foreign banks	2,197,492	1,044,841	2,265,202	769,248
	4,387,020	**2,005,317**	**3,907,192**	**1,637,318**
Current	4,383,138	2,002,107	3,905,188	1,635,449
Non-current	3,882	3,211	2,003	1,869

33 Deposits from customers

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Term deposits	5,697,621	3,462,402	3,667,657	2,586,981
Demand deposits	6,828,142	3,891,112	5,001,100	3,144,067
Saving deposits	2,796,989	1,897,724	2,571,090	1,799,015
	15,322,752	**9,251,238**	**11,239,847**	**7,530,063**
Current	15,264,698	9,203,871	11,191,689	7,502,488
Non-current	58,053	47,367	48,158	27,576

34 Other liabilities

In millions of Naira		Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Financial liabilities					
Certified and bank cheques		7,392	5,242	5,329	4,738
E-banking payables	(see (a) below)	56,418	74,892	50,285	72,218
Collections account balances	(see (b) below)	1,028,888	452,078	985,479	441,818
Due to subsidiaries		-	340.11	1,904	1,357
Accruals		25,912	8,991	3,539	1,050
Contribution to Industrial Training Fund (ITF)	(see (c) below)	510	573	510	573
Creditors		54,405	36,816	14,746	7,693
Payable on AMCON		20	441	20	441
Customer deposits for foreign exchange	(see (d) below)	142,140	88,623	142,140	88,623
Restricted shares performance plan payable (RSPP)		1,843	-	1,843	-
Payable to Financial institutions	(see (i) below)	249,125	-	249,125	-
ECL on off-balance sheet	(see (e) below)	3,928	6,871	3,318	10,848
Lease liabilities	(see (g) below)	16,604	11,650	7,261	6,256
Other financial liabilities	(see (h) below)	91,987	56,637	28,572	24,847
		1,679,174	743,153	1,494,072	660,463
Non-financial liabilities					
Litigation claims provision	(see (f) below)	3,838	2,821	3,838	2,770
Other non-financial liabilities		12,387	7,901	5,982	3,963
Total other liabilities		**1,695,400**	**753,875**	**1,503,893**	**667,195**
Classified as:					
Current		1,682,711	744,392	1,497,778	661,161
Non current		12,688	9,483	6,115	6,034
		1,695,400	**753,875**	**1,503,893**	**667,195**

(a) E-banking payables represent settlements due to other banks use of their electronic channels by the Group's customers. The Group's Receivables from other banks is contained in Note 26.

(b) Collections are balances held in trust on behalf of customers for various transactions. These include escrows, collection for remittances, payments, etc.

(c) The contribution to the Industrial training fund scheme is being shown as a separate line under other liabilities. This has been stripped out of the accrual line where it was previously warehoused. The amount here represents 1% of the personnel cost of the employer according to the ITF amendment ACT 2011 , Act No 19 section 6, subsection 1

(d) Customer deposits for foreign exchange represents deposits that customers have made to fulfil foreign currency obligations. The Group's process requires that customers with foreign currency obligations deposit foreign currency to back the transactions. The corresponding balance is in Other deposits with central banks - Cash and balances with banks.

(e) Movement in ECL on contingents

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance at 1 January 2023/31 December 2022	6,871	1,932	10,848	1,759
(Write back)/Charge for the year	(6,827)	4,949	(6,803)	9,089
Additional provisions				
Foreign exchange revaluation	(727)	-	(727)	
Reclassification	-	-	-	-
Translation difference	4,611	(10)	-	-
Balance, end of year	3,928	6,871	3,318	10,848

(f) Movement in litigation claims provision

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance	2,821	2,536	2,770	2,469
Additions	1,064	332	1,068	301
Translation difference	(47)	(47)	-	-
Closing balance	**3,838**	**2,821**	**3,838**	**2,770**

(g(i)) Lease liabilities

	Group N'millions	Bank N'millions
Opening balance as at 1 January 2023	11,649	6,256
Additions	3,811	201
Interest expense	1,477	1,054
Lease payments	(1,577)	(180)
*Derecognition due to lease modifications	(70)	(70)
Translation difference	5	-
Closing balance as at 31 December 2023	**15,297**	**7,261**
Current lease liabilities	3,916	1,146
Non-current lease liabilities	11,381	6,115
	15,297	**7,261**

(g(ii)) **Lease liabilities**

	Group N'millions	Bank N'millions
Opening balance as at 1 January 2022	15,306	5,893
Additions	1,196	633
Interest expense	1,424	973
Lease payments	(4,899)	(681)
*Derecognition due to lease modifications	(562)	(562)
Translation difference	(816)	-
Closing balance as at 31 December 2022	**11,649**	**6,256**
Current lease liabilities	2,167	222
Non-current lease liabilities	9,483	6,034
	11,649	**6,256**

(g(iii)) **Liquidity risk (maturity analysis of undiscounted lease liabilities)**

	Group N'millions	Bank N'millions
Less than 6 months	676	402
6-12 months	1,323	794
Between 1 and 2 years	1,995	620
Between 2 and 5 years	2,906	1,818
Above 5 years	2,630	1,089
Closing balance as at 31 December 2023	**9,529**	**4,723**
Carrying amount	16,604	7,261

*This relates to lease contracts that were modified during the year, subsequently derecognized and new contracts were drawn up to represent the new leases

(h) Other financial liabilities is comprised of items unclaimed items due to customers, other tax payables, staff payables and payables due to counterparties in the ordinary course of business

Included in the payable to financial institutions are amounts due to financial institution that matured during the reporting period. These funds were subsequently rolled over after the reporting period

(i)

35 **Debt securities issued**

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Debt securities at amortized cost:				
Eurobond debt security (see (i) below)	481,138	232,651	481,138	232,651
Green Bond (see (ii) below)	64,382	38,871	64,382	38,871
Local Bond (see (iii) below)	33,827	31,775	31,858	31,775
Debentures (see (iv) below)	5,677	3,955	-	-
	585,024	**307,253**	**577,378**	**303,297**

Movement in Debt securities issued:

In millions of Naira	Group December 2023	Bank December 2023
Net debt as at 1 January 2023	307,253	303,297
Debt securities issued	-	-
Repayment of debt securities issued	-	-
Total changes from financing cash flows	307,253	303,297
The effect of changes in foreign exchange rates	275,167	271,888
Other changes		
Interest expense	30,364	29,779
Interest paid	(27,760)	(27,586)
Balance as at 31 December 2023	585,024	577,378

In millions of Naira	Group December 2022	Bank December 2022
Net debt as at 1 January 2022	264,495	260,644
Debt securities issued	21,887	21,887
Repayment of debt securities issued	-	-
Total changes from financing cash flows	286,382	282,531
The effect of changes in foreign exchange rates	18,852	18,976
Other changes		
Interest expense	22,816	22,393
Interest paid	(20,797)	(20,603)
Balance as at 31 December 2022	307,253	303,297

(i) This refers to US$500,000,000 notes of 6.13% interest issued on 21 September 2021 with a maturity date of 21 September 2026. The principal amount is payable at maturity, whilst coupon due is payable on a semi-annual basis.

(ii)The Bank issued an unsecured green bond of N15bn on March, 18, 2019 with a coupon rate of 15.5% payable semi-annually. The bond has a tenor of 5 years and is due on March, 2024. In 2022, the Bank issued a puttable Senior unsecured USD$50,000,000 Step-Up Green Notes on May 3, 2022 with a coupon rate of 5.50% and 7.25% at put option date (May 3, 2024) payable semi-annually. The bond has a tenor of 5 years and is due on May, 2027.

(iii) Access Bank Plc issued a local bond of N30bn on July, 4, 2019 with a coupon rate of 15.5% payable semi-annually. The bond has a tenor of 7 years and is due on July, 2026. The principal amount on the notes are payable at maturity, whilst interest is payable on a semi-annual basis at their respective interest rates.

(iv) Access South Africa issued a Tier II subordinated convertible debenture of 183mn South African Rand on June, 30, 2021 with a coupon rate of 2% above 6 months JIBAR payable semi-annually. The bond has a tenor of 5 years and is due on September, 2026. The Bonds have a call option date of 1st July, 2026 and the issuer's call is subject to supervisory's approval.

36 Interest bearing borrowings

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
African Development Bank (see note (a))	6,385	8,909	6,385	8,909
Netherlands Development Finance Company (see note (b))	296,311	158,564	282,458	146,767
Citi Bank (see note (c))	18,513	8,386	18,513	8,386
European Investment Bank (see note (d))	44,633	23,995	44,633	23,995
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) (see note (e))	23,956	9,473	3,346	2,699
International Finance Corporation (see note (f))	83,402	40,620	83,402	40,620
French Development Agency (see note (g))	-	10,901	-	10,901
Mashreq Bank PSC Syndicated Trade Finance Facility (see note (h))	-	312,417	-	289,881
Invest International (see note (i))	16,085	9,284	16,085	9,284
US Development Finance Corporation (see note (j))	191,926	91,904	191,926	91,904
Overseas Private Investment Corporation (OPIC) (see note (k))	-	4,591	-	-
Botswana Development Corporation Limited (see note (l))	12,589	10,649	-	-
Norfund Private Equity Company (see note (m))	17,059	7,812	-	-
Anchor Borrowers Programme (ABP)	60	-	60	-
Microfinance Enhancement Facility SA, SICAV-SIF (MEF) (see note (n))	-	71	-	-
Botswana Building Society - long term loan (see note (o))	-	4,637	-	-
Société De Promotion Et De Participation Pour La Coopératio Économique S.A	5,772	793	-	-
Kgori Capital Proprietary Limited (see note (q))	-	2,182	-	-
Central Bank of Rwanda (see note (r))	13,610	4,275	-	4,275
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see	2,957	1,737	2,957	1,737
Central Bank of Nigeria - Shared Agent Network Expansion Facility (SANEF) (	1,405	1,150	1,405	1,150
Bank of Industry-Power & Airline Intervention Fund (see note (u))	-	1,503	-	1,503
Special Refinancing & Restructuring Intervention fund (SRRIF) (see note (v))	644	59,963	644	59,963
Central Bank of Nigeria - Salary Bailout facilities (see note (w))	57,596	101,808	57,596	101,808
Central Bank of Nigeria - Excess Crude Account (see note (x))	96,156	11,983	96,156	11,983
Real Sector And Support Facility (RSSF) (see note (y))	8,119	93,521	8,119	93,521
Development Bank of Nigeria (DBN) (see note (z))	93,303	333,108	93,303	333,108
Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement	313,840	5,366	313,840	5,366
Nigeria Mortgage Refinance Company (NMRC) (see note (ab))	5,136	-	5,136	-
Africa Export and Import Bank (AFREXIM) (see note (ac))	-	7,995	-	-
Ghana International Bank (see note (ad))	14,176	7,233	-	7,233
BOI Power and steel (PAIF) (see note (ae))	4,679	1,213	4,679	1,213
Creative Industry Financing Initiative Fund (CIFI) (see note (af))	781	1,978	781	1,978
Accelerated Agricultural Development Scheme (AADS) (see note (ag))	494	9,130	494	9,130
Non-Oil Export Stimulation Facility (NESF) (see note (ah))	8,111	19,054	8,111	19,054
Health Sector Intervention (HSI) Differentiated Cash Reserve Requirement Sc	16,377	383	16,377	383
Lagos State Employment Trust Fund (LESTF) W Initiative (see note (aj))	144	1,050	144	-
ECOWAS Bank for Investment and Development (EBID) (see note (ak))	22,155	-	-	-
Standard Chartered Bank GH. Ltd (see note (al))	-	-	-	-
Bunge SA (see note (am))	-	-	-	-
Cargill, Inc (see note (an))	-	-	-	-
JP Morgan Chase Bank N.A. (see note (ao))	-	-	-	-
FCC Securities (see note (ap))	-	-	-	-
Norsad Finance Limited (see note (aq))	-	3,499	-	-
Bank of Zambia - (TMTRF) (see note (ar))	3,852	-	-	-
ABC Holdings Ltd (see note (as))	-		-	
SBSA(see note (at))	18,530	14,289	-	120
Japan International Cooperation Agency(JICA) (see note au)	70,818		70,818	
British International Investment plc (BII) (see note av)	57,104		57,104	
Medium Term Note Programme(MTNP) (see note aw)	4,268		-	
OFID (see note ax)	11,283		-	
INPS (Commercial Paper) (see note ay)	7,412		-	
IFAD Funding Line - Moza(see note az)	1,395		-	
Other loans and borrowings	51,190		-	
	1,602,226	**1,385,426**	**1,384,472**	**1,286,871**

There have been no defaults in any of the borrowings covenants during the year

(a) The amount of N6,385,281,337 (USD 6,708,708) represents the outstanding balance in the on-lending facility granted to the Bank by AFDB (Africa Development Bank) in three tranches. The first tranche of USD35 million has matured and was fully paid out in August 2016. The second tranche was disbursed in August 2014 (USD 90m) for a period of 10years, while the third tranche came in June 2016 for (USD 10m) for a period of 9 years. The principal amount is repayable semi-annually starting from February 2017 for both tranches. Interest is paid semi annually at 3% above 6 months LIBOR. There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable.From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(b) The amount of N296,310,546,973 (USD 311,319,232) represents the outstanding balance in the on-lending facility granted to the Bank by the Netherlands Development Finance Company effective from March 2018 (USD 100m), Feb 2019 (USD 162.5m), August 2020 (USD 93.8m) and October 2022 (USD 45m) for a period of 5 years, 10 years, 10 years and 6 years respectively. The principal amount is repayable semi-annually from July 2019, quarterly from May 2019, January 2026, semi-annually from November 2023 respectively while interest is paid semi annually at 5.5% above 6 months LIBOR, quarterly at 7.83% above 3 months LIBOR for the first 5 years and 12% above 3 months LIBOR for the last 5 years, quarterly at 9.61% and semi annually at 4.5% above 6 months LIBOR. There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. It also includes the facility granted to Ghana in December 2022 for a period of 7 years at 8.67% with interest (starting June 2023) and principal (starting June 2025) payable semi-annually. Two facilities were also granted to Congo in Dec 2019 for a period of 5 and 3 years respectively with the principal amount repayale semi-annually from Jan 2022 and Jan 2021 respectively while interest is paid semi annually at 4.2% above LIBOR and 4% above LIBOR respectively. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(c) The amount of N18,513,101,942 (USD 19,450,826) represents the outstanding balance in on-lending facility was granted to the Bank by CITI Bank in November 2022 (USD 20M) for a period of 3 years. The princiapl amount is repayable quarterly from january 2024, while the interest portion is payable quarterly at 3.30% above 3 months SOFR and 330bps.From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(d) The amount of N44,633,010,668 (USD 46,893,758) represents the outstanding balance on three on-lending facilities granted to the Bank by the European Investment Bank (EIB) in September 2015 (USD 27.9m), March 2016 (USD 27.1m) and July 2020 (USD 68.7m), and Dec 2023(USD16.3m) for a period of 8 years each for the first two, 5 and 12 years for the thifd and last one respectively. Interest is paid semi-annually at 2.6%, 2.6% respectively above 6 months LIBOR , 3.04% for the third and 7.3% fixed rate for the last one. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(e) The amount of N23,956,217,030 (USD 25,169,645) represents the outstanding balance on the on-lending facility of USD 15mn granted to the Bank by the Deutsche Investitions- und Entwicklungsgesellschaft (DEG) in December 2017 (USD 15m) for a period of 7 and a half years. The principal amount will be repayable semi-annually from May 2019 while interest is paid semi annually at 7.69% above 6months LIBOR. It also includes the ZAR 250,000,000 facility granted to South Africa in December 2022 for a period of 7 years with the principal and interest amount repayable quarterly at 11.27%. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(f) The amount of N83,402,413,489 (USD 87,626,907) represents the outstanding balance on the on-lending facility of USD 87.5mn granted to the Bank by International Finance Corporation for a period of 10 years. The principal amount will be repayable quarterly from September 2024, while interest is paid quarterly at 7.65% above 3 months LIBOR.There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 31 December

(g) The on-lending facility of USD 30mn granted to the Bank by French Development Agency for a period of 8 years.has been settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(h) The on-lending facility in three tranches granted to the Bank by the MashreqBank PSC. The first tranche of USD 634.5m has matured and was fully paid out in July 2022. The second and third tranche were disbursed in August 2022 (USD 462.5m and USD 160m), for a period of 1 year and 2 years respectively has been fully settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023

(i) The amount of N16,084,643,884 (USD 16,899,362) represents the outstanding balance on the on-lending facility of USD 20mn granted to the Bank by tInvest International in September 2022 for 6 years. The principal amount will be paid in 10 equal installments from November 2022, while interest is paid semi-annually at 4.5% above 6 months LIBOR.There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(j) The amount of N191,925,635,877 (USD 201,647,039) represents the outstanding balance on the on-lending facility of USD 200mn granted to Access Bank by the US Development Finance Corporation in November 2022 for 10 years. The principal amount will be repayable quarterly from January 2025 while interest is paid quarterly at 3.90% above 3 moths SOFR. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(k) On 7 March 2017 BancABC Botswana (now Access Bank Botswana) finalised a USD 40 million Fintech and Financial Inclusion Debt Facility. The loan had a 7 year tenure with a 3 year moratorium on Capital. The on-lending facility of USD 40mn granted has been fully settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023

(l) The amount of N12,589,162,520 (USD 13,226,827) represents the outstanding balance on the on-lending facility of BWP 150mn granted to Access Bank Botswana by the Botswana Development Corporation Ltd (BDC) in 2018. The loan has a 10 year tenure (maturing 3 August 2028) at an interest rate of bank rate (currently 4.75%) and a margin of 4%. From this creditor, the bank has nil undrawn balance as at 31 December 2023

(m) The amount of N17,058,585,520 (USD 17,922,635) represents the outstanding balance on the on-lending facility granted to Access Bank Ghana by Norfund in November 2022. The loan has a 5 year tenure (maturing November 2027) at an interest rate of 8.94%. Interest is to be paid semi-annually beginning in June 2023. Principal repayment is semi-annually for the next 4 years. From this creditor, the bank has nil undrawn balance as at 31 December 2023

(n) The on-lending facility of USD 12mn was granted to Access Bank Botswana by the Microfinance Enhancement Facility SA, SICAV-SIF in January 2019 for 3 years. The principal and interest amount has been fully settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023

(o) The Botswana Building Society in January 2008 for 14 years. The principal amount and interest has been fully settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(p) The amount of N5,772,192,971 (USD 6,064,566) represents the outstanding balance on the on-lending facility of USD 10mn granted to Access Bank Botswana by the Société De Promotion Et De Participation Pour La Coopératio Économique S.A. ('Proparco') in 2020 for 10 years. The principal amount will be bullet at maturity in April 2030 while interest is paid semi annually at 6.65% above 6 months LIBOR. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(q) The on-lending facility granted to Access Bank Botswana by the Kgori Capital Proprietary Limited, Botswana Insurance fund Management Proprietary Limited, Vunani Fund Managers and Morula Capital Partners in October 2016 for 7 years, the principal and interest has been fully settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(r) The amount of N13,610,351,074 (USD 14,299,742) represents the outstanding balance on the on-lending facility granted to Access Bank Rwanda by the Central Bank of Rwanda in 2021 for a year. The principal amount will be bullet at maturity in 2023 while interest is paid at maturity at 8%. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(s) The amount of N2,956,725,659 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in collaboration with the Federal Government of Nigeria (FGN) in respect of Commercial Agriculture Credit Scheme (CACS) established by both CBN and the FGN for promoting commercial agricultural enterprises in Nigeria. The facility is for a maximum year of 7 years at a zero percent interest rate to the Bank. The Bank did not provide security for this facility. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(t) The amount of N1,404,670,592 represents an outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria, to facilitate the rapid rollout of agent networks across Nigeria supporting the expansion of a shared Agent Network to deepen financial inclusion in Nigeria. The total facility has a tenor of 10 years at a 5% interest rate and the facility is meant for CBN Licensed Mobile Money Operators and Super Agents. The principal amount will be repayable quarterly after the 1 year interest moratorium and the 2 years principal moratorium. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(u) This represents an intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria, to be applied to eligible power and airline projects. The total facility had a maximum tenor of 13.5 years. A management fee of 1% deductible at source was paid by the Bank under the on-lending agreement and the Bank was under obligation to on-lend to customers at an all-in interest rate of 7% per annum. The principal and interest has been fully settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(v) The amount of N644,054,794 represents the outstanding balance on intervention credit granted to the bank by the Bank of Industry (BOI) under the Special refinancing and Restructuring intervention fund, with a 10 year tenor which is due on the 24 April 2024. The bank has a 36 months moratorium on the facility after which principal repayment will be charged quarterly. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(w) The amount of N57,595,647,639 represents the outstanding balance on the state salary bailout facilities granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments for payments of salary of workers of the states. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(x) The amount of N96,155,974,349 represents the outstanding balance on the excess crude account loans granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(y) The amount of N8,119,176,615 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Real Sector Support Facility (RSSF) established by CBN. The facility tenor is for a range of 7 to 10 years inclusive of 24 months moratorium at a 3% interest rate to the Bank. An additional facility of NGN2bn was disbursed under the scheme for a period of 7 years inclusive of 1 year moratorium at a 3% interest rate to the Bank. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(z) The amount of N93,303,014,585 represents the outstanding balance on four on-lending facilities granted to the Bank by the Development Bank of Nigeria in two series in respect of the Micro, Small and Medium Scale Enterprises (MSMEs) and Small Corporates. The facilities are for a maximum of 3 years at a 9.6% interest rate to the Bank. A third series of about 1.68bn was disbursed for a period of 10 years. The fourth facility of about 70bn was disbursed for a period of 10 years at an interest rate of 10%. It also includes the 20bn disbursed in August 2022, for a maximum of 3 years. Principal repayment will begin in February 2024 while interest is at a rate of 12%. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(aa) The amount of N313,840,109,477 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCCR) established by CBN supporting Reddington Multi-specialist Hospital, Dana Motors, Lafarge Africa PLC. The facility is for a maximum period of 7 years inclusive of 12 months moratorium for Reddington and Dana and a 24 months moratorium for Lafarge at a 0% interest rate to the Bank. Additional amounts were disbursed between July 2019 and November 2019 in favor of 5 other beneficiaries amounting to 34.58bn for a period of 7 years with 2 years moratorium at 2% interest rate on a quarterly basis for the first 4 counterparties and 10 years with no moratorium at 1% interest rate on a quarterly basis for the last counterparty. There were additional facilities disbursed in 2020 in favor of 16 other beneficiaries amounting to about N59bn for a period of 4 to 10 years inclusive of 6 months to 2 years moratorium at 2% interest rate on a quarterly basis. Additionally, facility worth 149bn was disbursed in 2022 to for mangal, BUA, retail supermarket etc for a period of 7.5 to 10 years at 2% interest rate on a quarterl basis. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ab) The amount of N5,136,413,316 represents the outstanding balance on the on-lending facility granted to the Bank by Nigeria Mortgage Refinance Company. The facility is for a maximum period of 15 years commencing from the date of execution of this agreement at a 14.5% interest rate to the Bank. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ac) The on-lending facility of USD 25mn granted to the Bank by Africa Export and Import Bank (AFREXIM) in May 2018 for a period of 3 years has fully matured and has been settled. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ad) The amount of N14,176,038,477 (USD 14,894,081) represents the outstanding balance on the on-lending facility granted to Access Bank Ghana by Ghana International Bank in October 2022. The principal amount will be bullet at maturity in 2023 while interest is paid at maturity at 7.59%. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ae) The amount of N4,678,957,477 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria. The total facility has a maximum tenor of 15 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7%. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 December 2023

(af) The amount of N780,556,702 represents the outstanding balance on the on-lending facility granted to the Bank by the Central Bank of Nigeria under the Creative Industry Financing Initiative established by the CBN. The initiative is on a request by request basis. The tenor of the facilities granted ranges from 3 to 10 years inclusive of a maximum of 24 months moratorium. There are currently 14 beneficiaries under the initiative. The Bank is under obligation to on-lend to customers at an all-in interest rate of 9% with 2% remitted to CBN. The Bank remains the primary obligor to CBN and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ag) The amount of N493,639,256 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Accelerated Agricultural Development Scheme (AADS) on behalf of Bayelsa State Government. The facility is for a period of 3 years inclusive of 24 months moratorium at a 4% interest rate repayable on a monthly basis. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ah) The amount of N8,111,422,270 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Non-Oil Export Stimulation Facility (NESF) supporting Leaf Tobacco and Commodities Nigeria Limited in acquiring additional machinery for expansion of their facilities. The facility is for a period of 6 years inclusive of 12 months moratorium at a 1% interest rate repayable on a quarterly basis which will increase to 2% effective March 1, 2022. It also includes an additional N5bn disbursed in september 2022 for a period of 7 years at 2% interest repayable on a quarterly basiss. Principal repayment will start in October 2024, payable on a quarterly basis. From this creditor, the bank has nil undrawn balance as at 30 December 2023.

(ai) The amount of N16,376,703,522 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria through the Health Sector Intervention Facility (HSIF) window of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCCR) supporting 8 beneficiaries (N7.6bn). The tenor of the facility ranges from 4 to 10 years inclusive of maximum moratorium of 12 months. The interest is set at 1% repayable on a quarterly basis which will increase to 2% effective March 2022. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(aj) The amount of N144,197,215 represents the outstanding balance on the on-lending facility granted to the Bank by Lagos State Employment Trust Fund (LESTF) to support financial inclusion of women in Lagos state. The tenor of the facility is 2 years. The interest is set at 5% repayable on a monthly basis. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ak) The amount of N22,155,106,812 (USD 23,277,306) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in Ghana by ECOWAS Bank for Investment and Development (EBID) for two different facilities which attracts an interest rate of 4.75% for 90 days and 2.75% for 63 days respectively disbursed on 29 June 2022 and 6 June 2022 all with principal and interest payable at maturity. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(al) This on-lending facility was granted to the Group's Subsidiary in Ghana by Standard Chartered Bank GH. Ltd. Two tranches were disbursed on 29 June 2021 and 3 June 2021 at an interest rate of 2.97% for 9 months and 1 year respectively where principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(am) The facility was granted to the Group's Subsidiary in Ghana by Bunge SA which attracts an interest rate of 5.24% for 175 days was disbursed on 1 June 2022. The principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(an) The facility was granted to the Group's Subsidiary in Ghana by Cargill, Inc. which attracts an interest rate of 3.16% for 357 days was disbursed on 15 October 2021. The principal and interest are payable semi-annually. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ao) The facility was granted to the Group's Subsidiary in Ghana by JP Morgan Chase Bank N.A. which attracts an interest rate of 3.18% for 374 days was disbursed on 26 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ap) The facility was granted to the Group's Subsidiary in Ghana by FCC Securities which attracts an interest rate of 3.18% for 371 days was disbursed on 29 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(aq) The facility was granted to the Group's Subsidiary in South Africa by Norsad Finance Limited disbursed 30 January 2020 which attracts an interest rate of 5.5% plus 3 months JIBAR for 3 years with interest and principal paid quarterly. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ar) The amount of N3,851,729,935 (USD 4,046,827) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in Zambia by Bank of Zambia - (TMTRF) which attracts an interest rate ranging from 9.5% to 10.25% with tenors ranging from 30 days to 7 years with eight different facilities disbursed on 31 July 2020, 10 March 2021, 3 December 2021 and 16 December 2021. Interest is payable quarterly after 12 months moratorium and principal is paid at maturity. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(as) This on-lending facility granted to the Group's Subsidiary in Mozambique by ABC Holdings Ltd for two facilities disbursed on 1 Dec 2017 and 31 Dec 2016 for a period of 5 and 10 years respectively which attracts an interest rate of 8.5% and 14.25% respectively with Semi- annual repayment of interest and Principal on maturity. The balances for this facility has been paid off. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(at) The amount of N18,530,209,152 (USD 19,468,800) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in South Africa by SBSA which attracts an interest rate ranging from 9.012% to 9.89% with tenors ranging from 30 days to 1 year . Principal and Interest is payable quarterly within 12 months. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(au) The amount of N70,818,011,454 (USD 74,405,080) represents the outstanding balance on the on-lending facility granted to the Bank by the Japan international Cooperation Agency(JICA) on the 22nd of December 2023 which attracts an interest rate of 2.9% plus 6months SOFR for a tenor of 7 years . Principal and Interest is payable semiannually with a principal moratorium of 3 years. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(av) The amount of N57,104,165,661 (USD 59,996,602) represents the outstanding balance on the on-lending facility granted to the Bank by the British International Investment Plc (BII) on the 29th of September 2023 which attracts an interest rate of 3% plus 3months SOFR for a tenor of 1 years . Interest is payable Quarterly with principal payment at the end of the contract. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(aw) The amount of N4,267,571,089 (USD 4,483,732) represents the outstanding balance on the on-lending facility granted to Access Bank Bostwana. on 29 November 2023 Access Bank Botswana finalised a BWP 101 million drawdown on the BWP 2 billion Medium Term Note Programme. The notes purchasers had options to purchase securities of either a 3 year or 5 year tenure and are repayble in full at maturity. Interest is paid bi annually throughout the term of the bond. The rate for the bonds are fixed at 8.50% and 9,25% for the 3 year and 5 year notes respectively. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ax) The amount of N11,282,546,066 (USD 11,854,029) represents the outstanding balance on the on-lending facility granted to Access Bank Bostwana. On 19 June 2023 Access Bank Botswana finalised a USD 20 million Term loan Facility provided by the OPEC Fund for International Development ("OFID"). The loan was drawndown on the 18th December 2023. The loan has a 5 year tenure with a 2 year moratorium on Capital after which it repayable in 6 equal bi annual installments. Interest is paid quarterly during the three years and the Capital is paid in 16 equal instalments after year 3. The rate is six month SOFR plus a margin of 2.75%. . The loan was disbured in one tranche. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(ay) The amount of N7,411,886,164 (USD 7,787,313) represents the outstanding balance on the on-lending facility granted to Access Bank Mozambique from INPS which attract an interest rate of 15%,tenor of 1year with repayment of Principal and interest on maturity. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

(az) The amount of N1,395,033,844 (USD 1,465,695) represents the outstanding balance on the on-lending facility granted to Access Bank Mozambique from the International Fund for Agricultural Development(IFAD) which attract an interest rate of 4%,tenor of 4year with repayment of Principal on maturity and interest on a monthly basis. From this creditor, the bank has nil undrawn balance as at 31 December 2023.

All borrowings are unsecured

Reconciliation of interest bearing borrowings

In millions of Naira	Group December 2023	Bank December 2023
Balance as at 1 January 2023	1,385,587	1,286,871
Proceeds from interest bearing borrowings	310,975	152,003
Repayment of interest bearing borrowings	(763,774)	(723,837)
Total changes from financing cash flows	932,788	715,037
The effect of changes in foreign exchange rates	668,128	671,398
Other changes		
Interest expense	79,300	72,316
Interest paid	(77,992)	(74,277)
Balance as at 31 December 2023	**1,602,224**	**1,384,474**

	Group December 2022	Bank December 2022
Balance as at 1 January 2022	1,171,260	1,072,436
Proceeds from interest bearing borrowings	678,377	612,579
Arising from business combination (Note 44)	-	-
Repayment of interest bearing borrowings	(509,479)	(446,598)
Total changes from financing cash flows	1,340,158	1,238,417
The effect of changes in foreign exchange rates	41,693	44,095
Other changes		
Interest expense	51,900	47,220
Interest paid	(48,164)	(42,861)
Balance as at 31 December 2022	**1,385,587**	**1,286,871**

37 Retirement benefit obligation

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Recognised liability for defined benefit obligations (see note (a) below)	8,480	3,244	8,480	3,244
Liability for defined contribution obligations	97	33	-	-
	8,577	**3,277**	**8,480**	**3,244**

(a) **Defined benefit obligations**

The amounts recognised in the statement of financial position are as follows:

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Post employment benefit plan (see note (i) below)	8,480	3,244	8,480	3,244
Recognised liability	**8,480**	**3,244**	**8,480**	**3,244**

(i) **Post employment benefit plan**

The Bank operates a non-contributory, unfunded lump sum defined benefit post employment benefit plan for top executive management of the Bank from General Manager and above based on the number of periods spent in these positions. The scheme is also aimed at rewarding executive directors and other senior executives for the contributions to achieving the Bank's long-term growth objectives.

There is no funding arrangement with a trustee for the Post employment benefit plan as the Bank pays for all obligations from its current period profit as such obligations fall due. Depending on their grade, executive staff of the Bank upon retirement are entitled to certain benefits based on their length of stay on that grade.

The amount recognised in the statement of financial position is as follows:

In thousands of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Defined benefit obligations at 1 January	3,243	3,846	3,243	3,846
Charge for the year:				
-Interest costs	475	19	475	19
-Current service cost	211	317	211	317
-Past service cost	-	5,433	-	5,433
Benefits paid	(120)	(8,029)	(120)	(8,029)
Net actuarial gain/(loss) for the period remeasured in OCI:				
Remeasurements - Actuarial gains and losses arising from changes in economic assumptions	-	-	-	-
Remeasurements - Actuarial gains and losses arising from changes in salary increases	4,886	346	4,886	346
Remeasurements - Actuarial gains and losses arising from changes in promotions	126	477	126	477
Remeasurements - Actuarial gains and losses arising from changes in financial assumption	(371)	(194)	(371)	(194)
Remeasurements - Actuarial gains and losses arising from changes in demograhic experience	29	88	29	88
Remeasurements - Actuarial gains and losses arising from changes in correction of past data	-	940	-	940
Balance, end of year	**8,480**	**3,243**	**8,480**	**3,243**
Expense recognised in income statement:				
Current service cost	211	317	211	317
Interest on obligation	475	19	475	19
Past service cost	-	5,433	-	5,433
Total expense recognised in profit and loss (see Note 14)	**686**	**5,769**	**686**	**5,769**

All retired benefit obligations have been classified as non current with a closing amount of N8.48 billion for both Group and Bank

The weighted average duration of the defined benefit obligation is 4 years. The information on the maturity profile of the defined benefit plan includes the maturity analysis and the distribution of the timing of payment.

Risk exposure

Through its defined benefit pension plan, the group is exposed to a number of risks, the most significant of which are detailed below:

i) Changes in bond yields - A decrease in government bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

ii) Inflation risks - Some of the group's pension obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.

iii) Life expectancy - The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities

The sensitivities below relates to Group and Bank.

December 2023

In millions of Naira	Impact on defined benefit obligation Decrease in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Increase in liability by 4.4%	8,851	(371)
Effect of changes in assumption to the salary growth	Decrease in the liability by 4.6%	8,086	393
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.15%	8,467	13

	Impact on defined benefit obligation Increase in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Decrease in liability by 4.3%	8,133	346
Effect of changes in assumption to the salary growth	Increase in the liability by 4.2%	8,897	(417)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.19%	8,494	(14)

December 2022

In milions of Naira	Impact on defined benefit obligation Decrease in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Increase in liability by 4.9%	3,404	(160)
Effect of changes in assumption to the salary growth	Decrease in the liability by 4.7%	3,092	152
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.2%	3,238	6

	Impact on defined benefit obligation Increase in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Decrease in liability by 4.6%	3,095	149
Effect of changes in assumption to the salary growth	Increase in the liability by 5.0%	3,406	(162)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.2%	3,250	(6)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Actuarial assumptions:
Principal actuarial assumptions at the reporting date (expressed as weighted averages):
The most recent valuation was performed by Alexander Forbes as at 31 December 2023.

	December 2023	December 2022
Discount rate	15.00%	14.00%
Future salary increases	5.00%	5.00%
Retirement age for both male and female	60 years	60 years
Retirement rate: 50 – 59 (average rate)	1.89%	1.70%
Withdrawal rate: 18 – 29	4.50%	4.50%
Withdrawal rate: 30 – 44	6.00%	6.00%
Withdrawal rate: 45 – 50	5.00%	5.00%
Withdrawal rate: 51 – 59 (average rate)	1.67%	1.70%

Assumptions regarding future mortality before retirement are based on A49/52 ultimate table published by the Institute of Actuaries of United Kingdom. The rate used to discount post employment benefit obligations has been determined by reference to the yield on Nigerian Government bonds of medium duration. This converts into an effective yield of 14.3% as at 31 December 2023. For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.

38 Capital and reserves

A Share capital

In millions of Naira	Bank December 2023	Bank December 2022
(a) Issued and fully paid-up :		
35,545,225,622 Ordinary shares of 50k each	17,773	17,773

Ordinary shareholding:
The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Bank. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Bank.

Preference shareholding:
Preference shares do not carry the right to vote. Preference shareholders have priority over ordinary shareholders with regard to the residual assets of the Bank and participate only to the extent of the face value of the shares plus any accrued dividends. No preference shares were in issue as at the end of the year

The movement on the issued and fully paid-up share capital account during the year was as follows:

In millions of Naira	Bank December 2023	Bank December 2022
Balance, beginning of the year	17,773	17,773
Balance, end of the year	17,773	17,773

(b) The movement on the number of shares in issue during the year was as follows:

In millions of units	Group December 2023	Group December 2022
Balance, beginning of the year	35,545	35,545
Balance, end of the year	35,545	35,545

B Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares.

In millions of Naira	Group December 2023	Group December 2022
Balance, beginning of the year	234,039	234,039
Balance, end of the year	234,039	234,039

C (i) Additional Tier 1 Capital

The Bank issued a U.S.$500,000,000 Perpetual Fixed Rate Resettable Non callable prior to 5.25 years Additional Tier 1 (AT1) Subordinated Notes under its U.S.$1,500,000,000 Global Medium Term Note Programme listed on the London Stock Exchange.

The principal terms of the issue are described below:

1) The AT1 security will rank in claim behind all present and future Senior Obligation; pari passu without any preference among themselves with all present and future parity obligations and in priority to all payments in respect of all present and future Junior Obligations

2) The AT1 security is undated and are redeemable, at the option of Access Bank PLC in whole at (i)any time from 7 October 2026 up to and including the First Reset Date of January 7, 2027 and (ii)every Interest Payment Date thereafter (Issuer Call Date). In addition,the AT1 security is redeemable, at the option of the Bank, in whole in the event of certain changes in the tax or regulatory treatment of the securities

3) AT1 security will bear a fixed rate of interest of 9.125 percent until the initial call date or the initial reset date, as the case may be. After the initial call date or the initial reset date, as the case may be, in the event that they are not redeemed, the AT1 security will bear interest at a rate per annum equal to the aggregate of (i) the Reset Margin of 8.07 per cent. per annum and (ii) the then prevailing U.S. Treasury Rate

4) Interest on the AT1 security will be due and payable only at the sole discretion of the Bank, and it has sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any interest payment date. Interest on the Notes will be payable semi-annually in arrears commencing on 7 July 2022

C (ii) Mandatory Convertible Notes

On the 29 March 2023, the Bank issued a $300Mn Additional Tier 1 (AT1) capital through a mandatory convertible note to Access Holdings.
The principal terms of the additional tier 1 security are as follows:

• The AT1 security will rank in claim behind all present and future Senior Obligation; pari passu without any preference among themselves with all present and future parity obligations and in priority to all payments in respect of all present and future Junior Obligations.

• The AT 1 security will bear a fixed interest rate of 15% per annum payable to the Subscriber in two equal semi-annual installments, in US Dollars net of any fees and taxes. The Issuer (Access Bank Plc) shall have full discretion at all times to vary, cancel, or postpone the Interest payments.

• The AT 1 security is undated and convertible (i) on the date falling 8 (eight) years(29 March 2031) after the Closing Date being the Conversion Date but shall be converted at the discretion of the Issuer (Access Bank Plc), subject to the approval of the CBN, into ordinary shares of the Company. (ii) a trigger event where the tier 1 capital of the Bank (inclusive of the Notes), is below the requirements of the Central Bank of Nigeria.

• The subscriber shall mandatorily deliver a conversion notice to the issuer(Access Bank Plc) seeking to convert the Notes but the ultimate conversion right is retained with the issuer (Access Bank Plc).

In millions of Naira	Initial call date	Bank December 2023	Bank December 2022
U.S.$500,000,000 Perpetual Fixed Rate Resettable NC 5.25 Additional Tier 1 Subordinated Notes	2026	206,355	206,355
U.S.$300,000,000 Non cumulative Fixed Rate Resettable NC 8 Mandatory convertible Preference shares	2031	138,675	-
Balance, end of the year		**345,030**	**206,355**

D Retained earnings

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Retained earnings	737,133	409,653	605,619	321,181

E Other components of equity

	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Other regulatory reserves (see i(a) below)	328,960	158,305	217,119	136,767
Share Scheme reserve	-	3,514	-	2,674
Treasury Shares	-	(11,228)	-	-
Capital Reserve	3,489	3,489	3,489	3,489
Fair value reserve	(20,665)	78,959	(15,802)	70,053
Foreign currency translation reserve	501,795	33,083	-	-
Regulatory risk reserve	146,966	78,556	124,720	76,336
	960,546	**344,676**	**329,526**	**289,319**

(i) Other reserves

Other regulatory reserves

Statutory reserves

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital.

SMEEIS Reserves
The Small and Medium Enterprises Equity Investment Scheme (SMEEIS) reserve is maintained to comply with the Central Bank of Nigeria (CBN)/ Banker's committee's requirement that all licensed deposit money banks in Nigeria set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by a CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contribution shall thereafter reduce to 5% of profit after tax

However, this is no longer mandatory. Therefore, no additional appropriation has been done during the year.

The small and medium scale industries equity investment scheme reserves are non-distributable.

i(a)

	Statutory reserves		SMEEIS Reserves		Total	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Group						
In millions of Naira						
Opening	157,479	135,902	827	827	158,306	136,728
Transfers during the year	170,656	21,577	-	-	170,656	21,577
Closing	328,135	157,479	827	827	328,962	158,306
Bank						
In millions of Naira						
Opening	135,940	110,940	827	827	136,767	111,767
Transfers during the year	80,352	24,999	-	-	80,352	24,999
Closing	216,292	135,940	827	827	217,120	136,767

(ii) **Share scheme reserve**
This represents the total expenses incurred in providing the Bank's shares to its qualifying staff members under the RSPP scheme.

(iii) **Treasury shares**
This represents the shares held by the new RSPP scheme which have not yet been allocated to staff based on the pre-determined vesting conditions. This has been reclassified in line with the transfer of the scheme to the Holding company (Please refer to Note 14 (a))

(iv) **Capital reserve**
This balance represents the surplus nominal value of the reconstructed shares of the Bank which was transferred from the share capital account to the capital reserve account after the share capital reconstruction in October 2006. The Shareholders approved the reconstruction of 13,956,321,723 ordinary shares of 50 kobo each of the Bank in issue to 6,978,160,860 ordinary shares of 50 kobo each by the creation of 1 ordinary shares previously held.

(v) **Fair value reserve**
The fair value reserve comprises the net cumulative change in the fair value of investments measured through other comprehensive income until the investment is derecognised or impaired.

(vi) **Foreign currency translation reserve**
This balance appears only in the Group accounts and represents the foreign currency exchange difference arising from translating the results and financial position of all the group entities that have a functional currency different from the presentation currency.

(vii) **Regulatory risk reserve**
The regulatory risk reserves warehouses the difference between the allowance for impairment losses on balance on loans and advances based on Central Bank of Nigeria prudential guidelines and Central Bank of the foreign subsidiaries regulations, compared with the loss incurred model used in calculating the impairment under IFRS.

(viii) **Retained earnings**
Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders. An amount of N47.88Bn relating to the impact of IAS 29 assessment for Hyperinflationary economies has been recognized through retained earnings as relates to one of the Group's subsidiaries, Access Bank Ghana.

F **Non-controlling interest**
This represents the Non-controlling interest's (NCI) portion of the net assets of the Group

In millions of Naira	Group December 2023	Group December 2022
Access Bank, Gambia	1,682	546
Access Bank, Sierra Leone	141	31
Access Bank Zambia	8,460	4,846
Access Bank, Rwanda	3,427	1,289
Access Bank, Congo	16	9
Access Bank, Ghana	14,329	(1,629)
Access Bank, Mozambique	13	6
Access Bank, Kenya	1	2
Access Bank, South Africa	1,318	523
Access Bank, Botswana	24,095	8,773
Access Bank, Cameroon	-	-
Access Bank, Angola	430	
	53,912	**14,398**

This represents the NCI share of profit/(loss) for the year

In millions of Naira	Group December 2023	Group December 2022
Access Bank, Gambia	129	76
Access Bank, Sierra Leone	17	14
Access Bank Zambia	912	933
Access Bank, Rwanda	337	171
Access Bank, Congo	2	2
Access Bank, Ghana	2,624	(2,145)
Access Bank, Mozambique	(0)	0
Access Bank, Kenya	(0)	0
Access Bank, South Africa	(131)	(130)
Access Bank, Botswana	398	414
Access Bank, Cameroon	-	-
Access Bank, Angola	4	
	4,292	**(664)**

	Group December 2023	Group December 2022
Proportional Interest of NCI in subsidiaries	%	%
Access Bank, Gambia	12.00%	12.00%
Access Bank, Sierra Leone	0.81%	0.81%
Access Bank Zambia	19.02%	19.02%
Access Bank, Rwanda	8.78%	8.78%
Access Bank Congo	0.02%	0.02%
Access Bank, Ghana	6.60%	6.60%
Access Bank, Mozambique	0.02%	0.02%
Access Bank, Kenya	0.02%	0.02%
Access Bank, South Africa	2.11%	4.80%
Access Bank, Botswana	21.85%	21.85%
Access Bank, Cameroon	0%	0%
Access Bank, Angola	0.80%	0%

G Dividends

	Bank December 2023	Bank December 2022
In thousands of Naira		
Interim dividend paid (June 2023: 40k, June 2022: 0.27k)	14,218	9,597
Final dividend paid (Dec 2022: ₦1.33k, Dec 2021: 0.70k)	47,275	24,882
	61,493	**34,479**
Final dividend proposed (Dec 2023: ₦2.22k)	78,910	-
Number of shares	35,545	35,545

The Directors proposed a final dividend of ₦2.22k for the year ended 31 December 2023

39 Contingencies

Claims and litigation

The Group is a party to numerous legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. N3.84billion provision has been made as at 31 Dec 2023.

The bank's litigation portfolio as at 31 December consisted of 2,130 cases and the aggregate value of monetary claims against the Bank is N12.5trillion while the total amount claimed by the bank is N62.2billion.

The claims against the Bank are generally considered to have a low likelihood of success and the Bank is actively defending same. Management believes that the ultimate resolution of any of the proceedings will not have a significantly adverse effect on the Bank.

Contingent liability and commitments

In common with other banks, Group conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Nature of instruments

An acceptance is undertaken by a bank to pay a bill of exchange drawn on a customer. The Group expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Group in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related custom and performance bonds and are generally short term commitments to third parties which are not directly dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed year, or have no specific maturity dates but are cancellable by the lender subject to notice requirements. Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The table below summarises the fair value amount of contingent liabilities and commitments off-financial position risk:
Acceptances, bonds, guarantees and other obligations for the account of customers:

a. These comprise:

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Contingent liabilities:				
Transaction related bonds and guarantees	744,454	693,915	735,514	618,742
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	1,645,678	842,563	1,060,454	606,878
Swap and forward contracts	-	-	-	-
	2,390,132	**1,536,478**	**1,795,968**	**1,225,620**

The Bank granted clean line facilities for letters of credit during the period to guarantee the performance of customers to third parties. Contractual capital commitments undertaken by the Bank during the year amounted to N18.32Bn (31 Dec 2022: N1.5Bn)

40 Reconciliation to the Cash and cash equivalents

(a) *Cash and cash equivalents include the following for the purposes of the statement of cash flows:*

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Cash on hand and balances with banks	1,907,562	1,016,519	1,497,866	731,135
Unrestricted balances with central banks	719,501	186,533	415,846	89,148
Money market placements	220,223	152,681	309,540	24,668
Investment under management	-	-	-	-
Treasury bills with original maturity of less than 90 days	541,171	539,198	541,171	539,198
	3,388,457	1,894,931	2,764,423	1,384,149

Cash and cash equivalent for the purpose of the preparation of the statement of cash flows excludes cash collaterals held for letters of credit and the mandatory cash deposit held with the Central Bank of Nigeria.

(b) *Reconciliation of movements of liabilities to cash flows arising from financing activities*

	Debt securities issued		Interest bearing borrowings	
	Group December 2023	Bank December 2023	Group December 2023	Bank December 2023
Net debt	307,253	303,297	1,385,587	1,286,871
Proceeds from interest bearing borrowings	-	-	310,975	152,003
Repayment of interest bearing borrowings	-	-	(763,774)	(723,837)
Total changes from financing cash flows	307,253	303,297	932,788	715,037
The effect of changes in foreign exchange rates	275,167	271,888	668,128	671,398
Other changes				
Interest expense	30,364	29,779	79,300	72,316
Interest paid	(27,760)	(27,586)	(77,992)	(74,277)
Balance	585,024	577,378	1,602,224	1,384,474

	Debt securities issued		Interest bearing borrowings	
	Group December 2022	Bank December 2022	Group December 2022	Bank December 2022
Net debt	264,495	260,644	1,171,260	1,072,436
Proceeds from interest bearing borrowings	-	-	678,377	612,579
Repayment of interest bearing borrowings	-	-	(509,479)	(446,598)
Debt securities issued	21,887	21,887	-	-
Total changes from financing cash flows	286,382	282,531	1,340,158	1,238,417
The effect of changes in foreign exchange rates	18,852	18,976	41,693	44,095
Other changes				
Interest expense	22,816	22,393	51,900	47,220
Interest paid	(20,797)	(20,603)	(48,164)	(42,861)
Balance	307,253	303,297	1,385,587	1,286,871

(C) *Non-cash investing activities and financing activities:*
The following activities as listed below are the items that have been identified as non cash investing and financing activities arising from the merger

Acquisition of Right of use assets-(see note 28 (b)
Partial settlement of a business combination through the issuance of shares (see note 44(a)i

41 Contraventions of the Banks and Other Financial Institutions Act of Nigeria and CBN circulars

S/N	Regulatory Body		Date
(I)	Central Bank of Nigeria	Sum of N2m penalty for the delayed payment to customer as directed by the CBN	30 Mar 2023
(II)	Central Bank of Nigeria	Sum of N10m in respect of Employment of Prospective Employees without CBN approval.	20 Mar 2023
(III)	Central Bank of Nigeria	Sum of N5m IRO anti money laundering, combating the financing of terrorism & countering proliferation financing (aml/cft/cpf) risk-based examination for the period May 1, 2021 to April 30, 2022	29 Nov 2023
(iv)	Central Bank of Nigeria	Sum of N15m IRO of penalties for late rendition of Monthly, Quarterly and Semi-Annual returns for June 2023	15 Dec 2023
(v)	Central Bank of Nigeria	Sum of N6m IRO risk based examination as at June 30, 2022	18 Dec 2023

42 Events after reporting date

Subsequent to the end of the financial year, the following events occurred:

On 29th January 2024, the Board of Directors proposed final dividend of ₦2.22k each payable to shareholders on register of shareholding at the closure date.

On the 17th of January 2024, Access Bank entered into a definitive agreement with Finance Trust Bank Uganda to acquire 80.88% shareholding in the Ugandan entity.

On the 5 of Jan 2024, Access Bank Zambia, a subsidiary of Access Bank Plc, completed the acquisition of African Banking Corporation Zambia Limited, trading as Atlas Mara Zambia. Atlas Mara Zambia is now a wholly owned subsidiary of Access Zambia.

On the 20 March 2024, Access Bank Plc entered into a binding agreement with Kenyan-based KCB Group Plc ("KCB") for the acquisition of the entire issued share capital of National Bank of Kenya Limited ("NBK") from KCB. KCB is also the holding company of KCB Bank Ltd, Kenya's largest commercial bank

Other than the above mentioned, there were no other events after reporting date requiring adjustment of, or disclosure in, these consolidated and separate financial statements.

43 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures and the Group's pension schemes, as well as key management personnel.

Transactions with key management personnel

The Group's key management personnel, and persons connected with them, are also considered to be related parties. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Group. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with Access Bank Plc and its subsidiaries.

Parent

The parent company, which is also the ultimate parent company, is Access Bank Plc.

(a) Loans and advances to related parties

The bank granted various credit facilities to its subsidiary companies and key management personnel. Key Management Personnel is defined as members of the Board of Directors of the bank, including their close members of family and any entity over which they exercise control. Close member of family are those who may be expected to influence or be influenced by that individual in dealings with the bank.

The rates and terms agreed are comparable to other facilities being held in the bank's portfolio. Details of these are described below:

Year ended 31 December 2023	**Directors and other key management personnel (and close family members)**	**Subsidiaries**	**Associate**	**Total**
In millions of Naira				
Balance, beginning of year	1,352	256,049	403	**257,804**
Net movement during the year	(253)	651,566	(55)	**651,258**
Balance, end of year	1,099	907,614	348	**909,061**
Interest income earned	66	42	29	137
ECL due from related parties expense	-	-		-

The loans issued to directors and other key management personnel (and close family members) as at 31 December 2023 is N1.1bn and they are repayable in various cycles ranging from monthly to annually over the tenor. The transactions were carried out at arms length and have an average tenor of 4 years. The loans are collateralised by a combination of lien on shares of quoted companies, fixed and floating debentures, corporate guarantee, negative pledge, domiciliation of proceeds of company's receivables, legal mortgages and cash.

The loan to subsidiaries relates to a foreign interbank placements of USD873M granted during the year. It is a non-collateralised placement advanced at an average interest rate of 4.76% and an average tenor of 9 months. This loan has been eliminated on consolidation and does not form part of the reported Group loans and advances balance.

The loan granted to associate as at 31 December 2023 is N348m at an average interest rate of 9% and an average tenor of 4years.

No impairment losses have been recorded against balances outstanding during the year with key management personnel, and no specific allowance has been made for impairment losses on balances with key management personnel and their immediate relatives at year end.

(b) Deposits from related parties

31 December 2023	**Directors (and close family members and related entities)**	**Subsidiaries**	**Associate**	**Total**
In millions of Naira				
Balance, beginning of year	4,583	219,043	3,402	**227,028**
Net movement during the year	(1,389)	284,987	6,655	**290,252**
Balance, end of year	3,194	504,030	10,057	517,281
Interest expenses on deposits	69	20,636	61	**20,766**

The deposits are majorly term deposit with an average interest rate and tenor of approximately 6.4% and 8.7 months for directors, 9% and 13months for Associate and 8% and 3 months for subsidiaries.

(c) Borrowings from related parties

In millions of Naira	**Subsidiaries**	**Associate**	**Total**
Borrowings at 1 January 2023	-	-	-
Net movement during the year	-	-	-
Borrowings at 31 December 2023	-	-	-
Interest expenses on borrowings	-	-	-

(d) Other balances and transactions with related parties

In millions of Naira	Directors (and close family members and related entities)	Subsidiaries	Associate	Holding Company	Total
Cash and cash equivalent	-	256,955	-	-	**256,955**
Receivables	-	2,736	-	81,425	**84,161**
Other Liabilities	-	4,632	-	-	**4,632**
Other operating income	-	-			**-**
Off balance sheet exposures	-	199,070	-	-	**199,070**

(e) Key management personnel compensation for the year comprises:

Directors' remuneration

In millions of Naira	December 2023	December 2022
Non-executive Directors		
Fees	53	63
Other emoluments:		
Allowances	654	740
	707	803

	December 2023	December 2022
Executive directors:		
Short term employee's benefit	315	283
Defined contribution plan	48	55
Share based payment	295	242
Retirement benefits paid	120	8
	778	**588**

(f) Directors remuneration:

Remuneration paid to directors of the Bank (excluding pension contributions and other benefits) was as follows:

In millions of Naira	December 2023	December 2022
Fees as Directors	53	63
Other emoluments	471	535
Wages and salaries	315	283
Allowances	183	205

The Directors remuneration shown above includes

	December 2023	December 2022
Chairman	81	71
Highest paid director	90	86

The emoluments of all other directors fell within the following ranges:

	December 2023	December 2022
N13,000,001-N20,000,000	-	-
N20,000,001-N37,000,000	5	7
AboveN37,000,000	11	10
	16	17

44 Business Combination

(a) Business Combination with Finibanco Angola

Access Bank Plc recently acquired Finibanco Bank in Angola on the 30th of June 2023 as agreed between both parties. The bank however obtained control of the entity on 5th September 2023 by virtue of its ability to meet the control requirement of ownership of up to 66% as stipulated in the agreement. The acquisition involved the Bank acquiring 99.2% of the issued share capital of Finibanco in exchange for cash of N31,546,835,859 used to pay off the shareholders of former Finibanco.

The goodwill has been computed by comparing the fair value of the net asset of former Finibanco to the cash consideration paid for the acquisition. The goodwill computation is provisional at the time of this report.

In millions of Naira	Bank September 2023
Considerations:	
Cash payment	31,547
Consideration payable at a future date	-
Total Consideration	**31,547**
Net assets/ (liabilities) acquired from business combination (see note 44 (j) below)	28,599
Fair value adjustment	-
Adjusted Net assets/(liabilities) acquired from business combination (see note 44 (j) below)	28,599
Goodwill	**2,948**

The fair value of the net assets/(liabilities) acquired include:

	Bank September 2023
(b) Assets	
Cash and balances with banks	70,667
Non pledged trading assets	-
Derivative financial assets	-
Pledged assets	-
Loans to banks	-
Loans and advances to customers	19,422
Investment securities	26,925
Investment properties	-

Other assets	1,592
Investment in subsidiaries	-
Investment in associates	-
Property and equipment	2,758
Intangible assets	18,788
Current tax assets	69
Deferred tax assets	1,889
	142,110
Asset classified as held for sale and discontinued operations	-
Total assets	**142,110**
Liabilities	
Deposits from financial institutions	-
Deposits from customers	110,815
Derivative Liabilities	-
Current tax liabilities	-
Other liabilities	2,317
Deferred tax liabilities	147
Debt securities issued	-
Interest-bearing borrowings	-
	113,279
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**113,279**
Net assets/ (liabilities)	**28,830**
Non controlling interest	231
Owners of the Bank equity	**28,599**

45 Director-related exposures

Access Bank has some exposures that are related to its Directors. The Bank however follows a strict process before granting such credits to its Directors. The requirements for creating and managing this category of risk assets include the following amongst others:

a. Complete adherence to the requirements for granting insider-related exposure as stated in the Bank's Credit Policy Guidelines, the Insider-related Policy as well as the Bank's duly approved Standard Operating Procedure for managing insider-related exposures.

b. Full compliance with the relevant CBN policies on insider-related lending.
c. All affected Directors are precluded from taking part in the approval process of credit request wherein they have interest.
d. The related Director is required to execute a document authorizing the Bank to use their accruable dividends to defray any related-obligor's delinquent exposures.

e. The Directors are required to execute documents for the transfer of their shares to the Bank's nominated broker to ensure effective control as required by the CBN policy to enhance the bank's Corporate Governance structure.

f. Section 89 of the Bank's Article of Association also reiterated that "a related Director shall vacate office or cease to be a Director, if the Director directly or indirectly enjoys a facility from the Bank that remains non-performing for a period of more than 12months."

The Bank's principal exposure to all its directors as at 31 December 2023 is N851Mn. However, the relevant obligors under this category also have credit balances and deposits maintained in their bank accounts which mitigate the risks to the bank.

Below is a schedule showing the details of the Bank's director-related lending:

December 2023

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal N'millions	Status	Nature of security
1	Paul Usoro & Company	Non-executive director	Mr Paul Usoro	Overdraft	170 -	Performing	Cash collateral
2	Paul and Mfon Usoro	Non-executive director	Mr Paul Usoro	Credit Card	2	Performing	Cash collateral
3	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Overdraft	5	Performing	Cash collateral
4	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Credit Card	12	Performing	Cash collateral
5	Ajoritsedere Josephi Awosika	Non-executive director	Ajoritsedere Awosika	Credit Card	21	Performing	Cash collateral
6	Herbert Wigwe	Non-executive director	Herbert Wigwe	Mortgage	253	Performing	Legal Mortgage
7	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	370	Performing	Cash Collateral
8	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	19	Performing	Cash Collateral
9	Herbert Wigwe	Non-executive director	Herbert Wigwe	Overdraft	-	Performing	Cash Collateral
	Balance, end of year				**852**		

December 2022

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal N'millions	Status	Nature of security
1	Paul Usoro & Company	Non-executive director	Mr Paul Usoro	Overdraft	131	Performing	Cash collateral
2	Paul and Mfon Usoro	Non-executive director	Mr Paul Usoro	Credit Card	8	Performing	Cash collateral
3	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Overdraft	-	Performing	Cash collateral
4	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Credit Card	5	Performing	Cash collateral
5	Ajoritsedere Josephi Awosika	Non-executive director	Ajoritsedere Awosika	Credit Card	6	Performing	Cash collateral
6	Herbert Wigwe	Non-executive director	Herbert Wigwe	Mortgage	300	Performing	Legal Mortgage
7	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	162	Performing	Cash Collateral
8	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	0	Performing	Cash Collateral
	Balance, end of year				**612**		

46 (b) Discontinued operations

Statement of comprehensive income of discontinued operations

In millions of Naira	**Access Bank PFC June 2022**
Interest income calculated using effective interest rate	127
Interest income on financial assets at FVTPL	0
Interest expense	-
Net interest income	127
Net impairment write back on financial assets	5
Net interest income after impairment charges	132
Fee and commission income	288
Fee and commission expense	-
Net fee and commission income	288
Other operating income	(847)
Personnel expenses	(116)
Depreciation	(22)
Amortization and impairment	(17)
Other operating expenses	(119)
(Loss) before tax	(701)
Income tax	-
(Loss) for the year	**(701)**

The Bank also disposed of its holdings in Access Pension funds custodian limited by selling of its er
entity. The CBN approved of this disposal on the 7th July, 2022. The aggregate book values of the ı
whose operations is proposed for discontinuance are as follows:

Statement of financial position for Discontinued operations
As at 30 June 2022

In millions of Naira	**Access Bank PFC June 2022**
Assets	
Cash and balances with banks	3,803
Restricted deposit and other assets	102
Property and equipment	-
Intangible assets	-
	3,905
Asset classified as held for sale	190
Total assets	**4,095**
Liabilities	
Deposits from financial institutions	-
Deposits from customers	-

Derivative financial liabilities	-
Current tax liabilities	-
Other liabilities	1,669
Deferred tax liabilities	29
Retirement benefit obligation	-
Total liabilities	**1,698**
Net Asset of discontinued Group	2,397

During the year, the Access pension business was sold and the net asset of the bu:
rom the books. Please see below the computation showing the disposal of the net

In millions of Naira

Consideration paid:	
Cash received	2,000
Net Asset of disposed subsidiaries	(2,397)
(Loss)/Gain of disposed subsidiaries	**(397)**

47 Non-audit services

During the year, the Bank's auditor, KPMG, were paid for the following services

i) Non-audit services required by regulators

	Service	Description	Sum N'000
1	Internal Control Over Financial Reporting (ICFR)	KPMG was engaged to review the Bank's internal control over it financial reporting activities	100,000

ii) Other non-audit services

	Service	Description	Sum N'000
1	Crisis Management Training & Exercising	KPMG was engaged to provide a crisis management training and exercise to the bank	22,763
2	Security Operations Centre market study	KPMG was engaged to perform a SOC strategy study of leading global financial services institutions	1,927
3	Project Management Support	KPMG was engaged to provide Project management support services for the bank's Treasury management solution implementation	42,687
4	Quality assurance	KPMG was engaged to provide Project management support services for the bank's ICFR implementation	1,703
5	Due Dilligence	KPMG was engaged to perform due dilligence services for the bank's proposed acquisitions	2,817
6	CRS Compliance Services	KPMG was engaged to provide Common Reporting Standard (CRS) Compliance Services	7,000
7	AML/CFT/CPF training	KPMG was engaged to provide a AML/CFT/CPF training for Senior Management and Board Members	2,500
8	Quality Assurance review	KPMG was engaged to provide a Quality Assurance Review on the bank's Treasury management solution implementation	89,000

In the Bank's opinion, the provision of this service to the bank did not impair the independence and objectivity of the external auditor.

48 Statement of Cashflow Workings

(I) Non-Pledged Trading assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	102,690	892,508	77,624	803,806
Fair value gains/(loss) on FVPL financial instruments (Equity)	559	1,523	518	1,412
Gain or loss on disposal of investments	(39,169)	(74,374)	(40,163)	(74,843)
Interest income	90,067	57,506	44,297	39,418
Interest received	(92,041)	(60,006)	(44,599)	(37,440)
Foreign exchange difference				
Closing balance	(209,208)	(102,690)	(157,798)	(77,624)
Recognized in cashflow	**(147,102)**	**714,467**	**(120,121)**	**654,729**

(II) Pledged assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	726,081	97,712	726,081	97,712
Additional provision for impairment	1,383	(2,468)	1,383	(2,468)
Closing balance	(670,470)	(726,080)	(670,470)	(726,080)
Recognized in cashflow	**56,993**	**(630,836)**	**56,995**	**(630,836)**

(III) Changes in other restricted deposits with central banks

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	605,366	233,885	600,707	230,690
Change in ECL allowance	(474)		(398)	
Closing balance	(128,199)	(606,087)	(122,520)	(601,270)
Recognized in cashflow	**476,693**	**(372,202)**	**477,789**	**(370,580)**

(IV) Loans and advances to banks and customers

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	5,556,517	4,445,912	4,406,961	3,578,332
Acquired Balances	19,422	-	-	
Change in ECL allowance	(83,881)	(73,412)	(75,560)	(56,723)
Additions to Assets Held for Sale	(35,335)	(7,876)	(35,335)	(7,876)
Gain on modification of loans	3,569	-	3,569	-
Interest income	826,772	481,386	535,663	364,031
Interest received	(1,127,415)	(421,225)	(565,546)	(310,052)
Closing balance	(8,918,257)	(5,556,517)	(6,028,699)	(4,406,961)
Recognized in cashflow	**(3,758,609)**	**(1,131,732)**	**(1,758,947)**	**(839,249)**

(V) Restricted deposits and other assets

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	2,487,696	1,707,290	2,346,052	1,601,379
Acquired Balances	3,210	-	-	-
Change in ECL allowance	(19,789)	(8,143)	(20,072)	(8,124)
Outflow/Inflow to the CBN	(503,554)	49,937	(495,448)	36,410
Reclassification from Other assets	170,104	(85)	(174)	74,758
Foreign exchange difference	(545,822)	240,953	361,383	204,240
Closing balance	(5,076,416)	(2,487,696)	(4,693,995)	(2,346,052)
Recognized in cashflow	**(3,484,570)**	**(497,744)**	**(2,502,254)**	**(437,389)**

(VI) Deposits from banks

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	(2,005,317)	(1,696,521)	(1,637,318)	(1,422,707)
Interest expense	320,758	118,531	327,153	111,820
Interest paid	(255,795)	(102,011)	(281,529)	(97,483)
Foreign exchange difference	(129,927)	(86,893)	(91,248)	(82,527)
Closing balance	4,387,020	2,005,317	3,907,192	1,637,318
Recognized in cashflow	**2,316,739**	**238,423**	**2,224,250**	**146,421**

(VII) Deposits from customers

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	(9,251,238)	(6,954,827)	(7,530,063)	(5,517,069)
Acquired Balances	110,815	-	-	-
Interest expense	505,591	273,059	379,288	221,793
Interest paid	(464,785)	(255,947)	(373,994)	(206,824)
Foreign exchange difference	(303,240)	(34,224)	(10,587)	(29,936)
Closing balance	15,322,752	9,251,238	11,239,847	7,530,063
Recognized in cashflow	**5,919,895**	**2,279,299**	**3,704,491**	**1,998,027**

(VIII) Other Liabilities

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	(753,875)	(560,709)	(667,195)	(495,161)
Acquired Balances	2,548	-	-	-
Lease payments	(100)	(4,899)	(874)	(681)
Additional provision for impairment	(6,827)	4,949	(6,803)	9,089
Interest expense on lease liability	1,477	1,424	1,054	973
Foreign exchange difference	5,803	237,939	10,324	185,478
Closing balance	1,695,403	753,875	1,503,893	667,195
Recognized in cashflow	**944,429**	**432,579**	**840,399**	**366,893**

(IX) Interest paid

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Deposit from Banks	(255,795)	(102,011)	(281,529)	(97,483)
Deposit from Customers	(464,785)	(255,947)	(373,994)	(206,824)
Interest bearing borrowings	(89,322)	(48,164)	(83,449)	(42,861)
Debt securities	(24,896)	(20,797)	(24,632)	(20,603)
Recognized in cashflow	**(834,798)**	**(426,919)**	**(763,604)**	**(367,771)**

(X) Interest received

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Loans from Banks and customers	1,127,415	421,225	565,546	310,052
Non-Pledged trading assets	92,041	60,006	44,599	37,440
Investment securities	757,292	267,180	577,254	208,814
Placement	5,761	11,374	32,989	5,535
Recognized in cashflow	**1,982,509**	**759,785**	**1,220,388**	**561,841**

(XI) Additions from investing activities

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Acquisition of investment securities	(3,673,857)	(1,981,681)	(3,520,411)	(1,828,663)
Additional investment in fund manager/Transfer from asset managers	(3,681)	3,003	(3,681)	3,003
Acquisition of property and equipment	(149,644)	(75,764)	(61,837)	(54,770)
Acquisition of intangible assets	(47,087)	(17,913)	(24,049)	(10,747)
Additional investment in subsidiaries	-		(117,356)	
Recognized in cashflow	**(3,874,269)**	**(2,072,355)**	**(3,727,335)**	**(1,891,176)**

(XII) Additions from Financing activities

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Lease payments	(7,378)	(32,138)	(138)	(23,314)
Purchase of own shares	(291)	(4,700)	(291)	(4,700)
Recognized in cashflow	**(7,669)**	**(36,838)**	**(429)**	**(28,014)**

(XIII) Proceeds from investing activities

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Dividend received	5,223	3,672	23,387	9,164
Proceeds from the sale of property and equipment	29,475	16,747	450	3,313

Proceeds from disposal of asset held for sale	1,957	8,384	1,957	8,384
Proceeds from matured investment securities	2,199,706	1,189,922	2,169,007	1,189,922
Net cash acquired on business combination	39,121	-	-	-
Disposal of subsidiaries	-	2,000	-	2,000
Recognized in cashflow	**2,275,482**	**1,220,725**	**2,194,801**	**1,212,783**

(XIV) Proceeds from financing activities

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Proceeds from Additional Tier 1 capital issued	138,675	-	138,675	-
Recognized in cashflow	**138,675**	**-**	**138,675**	**-**

(XV) Dividend paid

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Dividends paid to owners	(61,493)	(35,810)	(61,493)	(34,479)
Payments on Additional Tier 1 capital	(57,884)	(14,441)	(57,884)	(14,441)
Recognized in cashflow	**(119,377)**	**(50,251)**	**(119,377)**	**(48,920)**

(XVI) Investment securities

In millions of Naira	Group December 2023	Group December 2022	Bank December 2023	Bank December 2022
Opening balance 1 Jan 2023	2,761,070	2,270,338	1,946,560	1,553,458
Acquired Balances	26,925	-	-	-
Changes in allowance on FVOCI debt financial instruments	16,694	21,283	973	
Impairment allowance on AMC debts	(43,600)	(108,218)	(35,461)	(41,772)
Additions to Investment securities	16,470,252	17,444,529	16,112,417	17,321,747
Disposal of Investment securities	(12,796,396)	(15,462,847)	(12,827,095)	(15,493,547)
Proceeds from Matured and redeemed FVOCI and AMC Investments	(2,199,706)	(1,189,922)	(2,169,007)	(1,189,922)
Fair value gains/(loss) on FVOCI financial instruments	(93,440)	61,903	(86,828)	80,112
Gain or loss on disposal of investments	132,844	185,754	132,346	185,058
Interest income	727,936	276,319	627,258	220,042
Interest received	(757,292)	(267,180)	(577,254)	(208,814)
Reclassification from investment securities	8,975	(427)	8,975	
Foreign exchange difference	895,278	(472,566)	(213,811)	(482,371)
Purchase of equity securities	-	-	235,089	464
Fair value gains/(loss) on FVPL financial instruments (Equity)	192,616	2,105	192,616	2,105
Closing balance	(5,342,156)	(2,761,068)	(3,346,780)	(1,946,559)
Recognized in cashflow	**-**	**2**	**-**	**1**

Other National Disclosures

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira

	Group December 2023	%	Group December 2022	%
Gross earnings	2,589,874		1,382,773	
Interest expense				
Foreign	(58,493)		(80,536)	
Local	(769,333)		(312,477)	
	1,762,048		989,760	
Net impairment loss on financial assets	(119,746)		(189,647)	
Net impairment loss on non financial assets	(19,789)		(8,143)	
Bought-in-materials and services				
Foreign	(137,126)		(39,863)	
Local	(401,632)		(348,804)	
Value added	**1,083,755**		**403,303**	
Distribution of Value Added				
To Employees:				
Employees costs	160,830	15%	114,763	28%
To government				
Government as taxes	105,624	10%	14,529	4%
To providers of finance				
Interest on borrowings	109,664	10%	74,716	19%
Dividend to shareholders	61,493	6%	35,810	9%
Retained in business:				
For replacement of property and equipment and intangible assets	62,175	6%	44,123	11%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	583,969	54%	119,362	30%
	1,083,755	**100%**	**403,303**	**100%**

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira	Bank December 2023	%	Bank December 2022	%
Gross earnings	2,048,912		1,125,012	
Interest expense				
Foreign	(68,131)		(63,178)	
Local	(639,364)		(271,407)	
	1,341,417		790,426	
Net impairment (loss) on financial assets	(103,231)		(110,557)	
Net impairment loss on other financial assets	(20,072)		(8,124)	
Bought-in-materials and services				
Foreign	(91,813)		(26,766)	
Local	(338,426)		(308,100)	
Value added	**787,875**		**336,880**	
Distribution of Value Added				
To Employees:				
Employees costs	76,971	10%	71,083	21%
To government				
Government as taxes	33,460	4%	(3,951)	-1%
To providers of finance				
Interest on borrowings	102,095	13%	69,613	21%
Dividend to shareholders	61,493	8%	34,479	10%
Retained in business:				
For replacement of property and equipment and intangible assets	39,671	5%	33,476	10%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	474,185	60%	132,180	39%
	787,875	**100%**	**336,880**	**100%**

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

	December 2023	December 2022	December 2021	December 2020	December 2019
Group					
In millions of Naira	**N'millions**	**N'millions**	**N'millions**	**N'millions**	**N'millions**
Assets					
Cash and balances with banks	2,975,484	1,961,100	1,487,665	723,873	723,064
Investment under management	7,423	3,742	34,942	30,451	28,292
Non pledged trading assets	209,208	102,690	892,508	207,952	129,819
Pledged assets	1,211,641	1,265,279	344,537	228,546	605,556
Derivative financial instruments	2,050,432	402,497	171,332	251,113	143,521
Loans and advances to banks	880,534	455,710	284,548	392,821	152,825
Loans and advances to customers	8,037,723	5,100,807	4,161,364	3,218,107	2,911,580
Current tax assets	-	-	-	-	-
Investment securities	5,342,156	2,761,070	2,270,338	1,749,549	1,084,604
Investment properties	437	217	217	217	927
Other assets	5,076,405	2,487,691	1,707,290	1,548,891	1,055,510
Investment in associates	8,424	7,510	2,641	-	-
Investment in subsidiary	-	-	-	-	-
Property and equipment	418,181	293,152	247,734	226,479	211,214
Intangible assets	128,148	73,782	70,332	69,190	62,480
Deferred tax assets	35,417	15,023	13,781	4,240	8,808
Assets classified as held for sale	75,418	42,039	42,737	28,318	24,958
Total assets	26,457,034	14,972,310	11,731,965	8,679,748	7,143,157
Liabilities					
Deposits from financial institutions	4,387,020	2,005,316	1,696,521	958,397	1,186,356
Deposits from customers	15,322,752	9,251,238	6,954,827	5,587,418	4,255,837
Derivative financial instruments	475,997	32,737	13,953	20,881	6,886
Current tax liabilities	20,450	4,501	4,643	2,160	3,531
Other liabilities	1,695,403	753,875	560,709	379,417	324,334
Deferred tax liabilities	11,160	1,796	11,652	14,877	11,273
Debt securities issued	585,024	307,253	264,495	169,160	157,988
Interest-bearing borrowings	1,602,226	1,385,424	1,171,260	791,455	586,603
Retirement benefit obligations	8,577	3,277	3,877	4,941	3,609
Total liabilities	24,108,607	13,745,417	10,681,936	7,928,706	6,536,417
Equity					
Share capital and share premium	251,811	251,811	251,811	251,811	251,811
Additional Tier 1 Capital	345,030	206,355	206,355	-	-
Retained earnings	737,133	409,653	397,273	252,397	221,666
Other components of equity	960,548	344,677	171,113	239,494	124,734
Non controlling interest	53,911	14,395	23,477	7,339	8,529
Total equity	2,348,433	1,226,892	1,050,029	751,041	606,740
Total liabilities and Equity	26,457,034	14,972,310	11,731,965	8,679,748	7,143,157
Gross earnings	2,589,874	1,382,773	971,885	764,717	666,754
Profit before income tax	751,086	170,402	176,701	125,922	111,926
Profit from continuing operations	645,462	155,873	160,216	106,010	94,057
Profit for the year	645,462	155,873	160,216	106,010	94,057
Non controlling interest	4,290	(665)	1,888	1,327	1,008
Profit attributable to equity holders	641,173	156,539	158,328	104,683	93,049
Dividend declared	2.80k	1.60k	100k	80k	65k
Earning per share - Basic	1804k	453k	459k	300k	173k
- Adjusted	1803k	436k	445k	294k	169k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

Bank	**December 2023**	**December 2022**	**December 2021**	**December 2020**	**December 2019**
In millions of Naira	**N'millions**	**N'millions**	**N'millions**	**N'millions**	**N'millions**
Assets					
Cash and balances with banks	2,345,773	1,445,659	1,068,976	589,812	575,906
Investment under management	7,423	3,742	34,942	30,451	28,292
Non pledged trading assets	157,798	77,624	803,806	110,283	76,972
Pledged assets	1,211,641	1,265,279	344,537	228,546	605,556
Derivative financial instruments	2,033,286	399,058	161,439	244,564	143,480
Loans and advances to banks	659,546	322,610	322,259	231,788	164,413
Loans and advances to customers	5,369,154	4,084,352	3,256,073	2,818,876	2,481,624
Current tax assets	-	-	-	-	-
Investment securities	3,346,780	1,946,560	1,553,458	1,428,040	813,707
Other assets	4,693,999	2,346,048	1,601,379	1,490,633	1,004,310
Investment properties	437	217	217	217	727
Investment in associates	6,904	6,904	2,548	-	-
Investment in subsidiary	390,325	283,045	215,775	164,252	131,459
Property and equipment	277,527	245,070	194,071	191,893	188,634
Intangible assets	73,105	59,365	58,734	67,496	67,551
Deferred tax assets	-	7,707	-	-	-
Assets classified as held for sale	75,418	42,038	42,547	28,128	24,958
Total assets	20,649,117	12,535,279	9,660,761	7,624,980	6,307,588
Liabilities					
Deposits from banks	3,907,192	1,637,318	1,422,707	831,632	1,079,284
Deposits from customers	11,239,847	7,530,062	5,517,069	4,832,744	3,668,340
Derivative financial instruments	471,819	31,072	9,943	20,776	6,827
Debt securities issued	577,378	303,297	260,644	169,160	157,988
Current tax liabilities	14,501	7,556	3,132	2,547	1,409
Other liabilities	1,503,893	667,195	495,161	342,460	302,262
Retirement benefit obligations	8,480	3,244	3,846	4,584	3,418
Interest-bearing borrowings	1,384,472	1,286,869	1,072,435	755,254	544,064
Deferred tax liabilities	9,544	-	4,374	11,926	4,507
Total liabilities	19,117,123	11,466,613	8,789,310	6,971,084	5,768,100
Equity					
Share capital and share premium	251,811	251,810	251,811	251,811	251,811
Additional Tier 1 Capital	345,030	206,355	206,355	-	-
Retained earnings	605,619	321,181	304,778	206,896	188,926
Other components of equity	329,526	289,319	108,506	195,188	98,751
Total equity	1,531,987	1,068,665	871,450	653,896	539,488
Total liabilities and Equity	20,649,107	12,535,279	9,660,761	7,624,980	6,307,588
Gross earnings	2,048,912	1,125,012	734,283	634,864	576,348
Profit before income tax	569,140	162,709	106,483	90,196	79,214
Profit for the year	535,678	166,658	111,326	80,039	70,116
Dividend declared	2.80k	1.60k	100k	80k	65k
Earning per share - Basic	1508k	469k	314k	225k	207K
- Adjusted	1507k	469k	314k	225k	207K
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622