ACCESS BANK PLC

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

more than banking

Corporate information

This is the list of Directors who served in the entity during the year and up to the date of this report

Directors

Dr. (Mrs.) Ajoritsedere Josephine Awosika, MFR, mni	Chairman/Non-Executive Director
*Mr. Herbert Onyewumbu Wigwe, FCA	Non-Executive Director
**Mr. Roosevelt Michael Ogbonna,FCA,CFA	Managing Director/Chief Executive Officer
***Mrs. Anthonia Olufeyikemi Ogunmefun	Non-Executive Director
Mr. Paul Usoro, SAN	Non-Executive Director
Dr. Okey Vitalis Nwuke,FCA	Non-Executive Director
Mrs. Omosalewa Temidayo Fajobi	Non-Executive Director
****Mrs. Titilayo Osuntoki	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
Mr. Hassan Tanimu Musa Usman,FCA	Independent Non-Executive Director
*****Mr. Victor Okenyenbunor Etuokwu, HCIB	Deputy Managing Director
Dr. Gregory Ovie Jobome, HCIB	Executive Director
Ms. Hadiza Ambursa	Executive Director
******Mrs. Chizoma Joy Okoli, HCIB	Deputy Managing Director
*******Mr. Adeolu Bajomo	Executive Director
Mr. Oluseyi Kolawole Kumapayi,FCA	Executive Director

* Retired as Group Managing Director effective May 1, 2022
** Appointed effective May 1, 2022
*** Retired effective April 30, 2022
**** Appointed effective April 13, 2022
***** Appointed effective May 1, 2022
****** Appointed effective May 1, 2022
*******Resigned effective September 30, 2022

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
PricewaterhouseCoopers
Landmark Towers, 5b Water Corporation way, Oniru
Victoria Island, Lagos
Telephone: (01) 271 1700
Website: www.pwc.com/ng
FRC Number: FRC/2013/ICAN/00000000639

Corporate Governance Consultant
Ernst & Young
10th Floor UBA House
57, Marina, Lagos
Telephone: +234 (01) 6314500

FRC Number: FRC/2012/ICAN00000000187

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

Directors' Report
For the year ended 31 December, 2022

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 31 December 2022.

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) and Access Bank (Cameroon). As at year end, the Bank had concluded the sale of its Pension Fund Custodian business.

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).

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 have been delisted from the floor of the Nigeria Exchange Limited (NGX) on 28 March, 2022. The Bank's shares was 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 2022**	***Restated Group December 2021**	**Bank December 2022**	**Bank December 2021**
Gross earnings	**1,382,773**	**971,885**	**1,125,012**	**734,283**
Profit before income tax	170,402	176,579	162,709	106,483
Income tax	(14,529)	(16,485)	3,951	4,843
Profit from continuing operations	155,873	160,094	166,660	111,326
Discontinued operations	(700)	120		
Profit for the year	155,174	160,215	166,660	111,326
Other comprehensive income/(loss)	75,361	(34,702)	78,995	(68,620)
Total comprehensive income for the year	231,235	125,393	245,655	42,706
Non-controlling interest	(7,750)	14,662	-	-
Profit attributable to equity holders of the bank	238,985	110,730	245,653	42,706

	Group December 2022	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Earnings per share - Basic (k)	452	458	469	313
Earnings per share - Diluted (k)	436	445	469	313

In millions of Naira	**Group December 2022**	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Total equity	1,226,892	1,050,029	1,068,667	871,450
Total impaired loans and advances	176,940	181,660	85,196	73,411
Total impaired loans and advances to gross risk assets (%)	3.15%	4.00%	1.92%	2.03%

Interim dividend
The Board of Directors paid the interim Dividend of 27 Kobo per ordinary share of 50 Kobo each (HY2021: 30 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 was deducted at the time of payment.

Proposed dividend
The Board of Directors proposed Final Dividend of ₦1.33 (One Naira, thirty three kobo only) per ordinary share of 50 Kobo (FY2021: 70 Kobo) each 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.

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 and listing requirements of the Nigerian Exchange Ltd is noted below:

Number of Ordinary Shares of 50k each held as at 31 December 2022

	December 2022		December 2021	
	Direct	Indirect	Direct	Indirect
H. O. Wigwe*	1	-	201,231,713	1,316,619,016
R. M. Ogbonna**	1	-	44,883,087	-
A. O. Ogunmefun***	-	-	-	2,332,915
V.O. Etuokwu*****	-	-	23,746,139	-
P. Usoro	-	-	1,209,634	-
A. Awosika	-	-	7,109,104	-
G. Jobome	-	-	15,532,209	-
I. T Akpana	-	-	314,996	-
A. A. Adekoya	-	-	-	-
H. Ambursa	-	-	15,579,717	-
A. Bajomo*******	-	-	2,296,139	-
C. J. Okoli******	-	-	-	1,507,020
O. Nwuke	-	-	1,739,293	-
I. Osime	-	-	10,179	-
H. Usman	-	-	-	-
O. Kumapayi	1	-	26,751,395	-
O. Fajobi	-	-	-	-
T. Osuntoki****	-	-	-	-

* Retired effective May 1, 2022
** Appointed effective May 1, 2022
*** Retired effective April 13, 2022
**** Appointed effective April 13, 2022
***** Appointed effective May 1, 2022
****** Appointed effective May 1, 2022
******* Resigned effective September 30, 2022

The indirect holdings relate to the holdings of the under listed companies

		December 2022	December 2021
H.O. Wigwe	United Alliance Company of Nig. Ltd	-	537,734,219
	Trust and Capital Limited	-	584,056,979
	Coronation Trustees Tengen Mauritius	-	194,827,819
A.O. Ogunmefun	L.O.C Nominees, Limited	-	2,332,915
C. J. Okoli	FM & Y Limited	-	1,507,020

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
Mrs. Ifeyinwa Osime	Director	Coronation Life Assurance Ltd	Insurance
Dr. Okey Nwuke	Director	Coscharis Group	Vehicles Sales and Maintenance
Dr. Okey Nwuke	Director & Shareholder	Simply guts 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
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. Ade Bajomo	Director	Nigerian Interbank Settlement Scheme Plc	Interbank Payment Services
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. Victor Etuokwu	Director	Fiducia Data services Ltd	Supply chain
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 31 December 2022 was as stated below:

	December 2022			
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 31 December 2022

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 2021 is as stated below:

	December 2021			
Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1 - 1,000	482,991	52.60%	92,150,589	0.28%
1,001 - 5,000	270,134	29.42%	601,034,014	1.82%
5001 - 10,000	68,317	7.44%	470,506,522	1.42%
10,001 - 50,000	74,083	8.07%	1,498,107,195	4.53%
50,001- 100,000	11,184	1.22%	808,947,706	2.45%
100,001 - 500,000	8,885	0.97%	1,812,294,997	5.48%
500,001 - 1,000,000	1,183	0.13%	860,149,412	2.60%
1,000,001 - 5,000,000	1,061	0.12%	2,118,280,397	6.40%
5,000,001 - 10,000,000	137	0.01%	982,131,546	2.97%
10,000,001 - 50,000,000	173	0.02%	4,000,853,778	12.09%
50,000,001 - 100,000,000	31	0.00%	2,115,394,678	6.39%
100,000,001 - 500,000,000	32	0.00%	6,273,264,875	18.96%
500,000,001 - 1,000,000,000	7	0.00%	4,728,325,380	14.29%
1,000,000,001 - 10,000,000,000	5	0.00%	6,721,379,505	20.32%
	918,223	**100.00%**	**33,082,820,594**	**100.00%**
Foreign Shareholders				
1 - 1,000	356	25.76%	114,564	0.00%
1,001 - 5,000	353	25.54%	936,752	0.04%
5001 - 10,000	164	11.87%	1,217,228	0.05%
10,001 - 50,000	367	26.56%	8,467,962	0.34%
50,001- 100,000	68	4.92%	4,841,526	0.20%
100,001 - 500,000	46	3.33%	8,358,245	0.34%
500,001 - 1,000,000	7	0.51%	4,813,054	0.20%
1,000,001 - 5,000,000	7	0.51%	14,088,150	0.57%
5,000,001 - 10,000,000	1	0.07%	7,850,798	0.32%
10,000,001 - 50,000,000	6	0.43%	115,345,415	4.68%
50,000,001 - 100,000,000	2	0.14%	150,361,195	6.11%
100,000,001 - 500,000,000	3	0.22%	400,623,868	16.27%
500,000,001 - 1,000,000,000	1	0.07%	564,553,083	22.93%
1,000,000,001 - 10,000,000,000	1	0.07%	1,180,833,188	47.95%
	1,382	**100.00%**	**2,462,405,028**	**100.00%**
Total	**919,605**	**100.00%**	**35,545,225,622**	**100.00%**

Shareholding Analysis as at 31 December 2021

Type of Shareholding	**Holdings**	**Holding %**
Retail investors	9,348,126,792	26.30%
Domestic institutional investors	23,644,382,405	66.52%
Foreign institutional investors	2,285,185,700	6.43%
Foreign retail Investors	177,219,328	0.50%
Government related entities	90,311,397	0.25%
	35,545,225,622	**100%**

Substantial interest in shares

According to the register of members at 31 December 2022, the following shareholders held more than 5% of the issued share capital of the Bank as follows:

	December 2022		December 2021	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
Access Holdings Plc*	35,545,225,618	100%	-	-
Stanbic Nominees Nigeria Limited**	-	0.00%	4,088,387,249	11.50%

*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 N1,612,717,672 (December 2021: N4,059,823,884) during the year, as listed below:

S/N	Purpose	Amount (₦)
1	Sponsorship of the New Lagos Polo Club Clubhouse	295,126,404
2	Sponsorship of the 2022 Art X Lagos Exhibition	283,969,933
3	Sponsorship of the 2022 AFRIFF (Africa International Film Festival)	200,000,000
4	Sponsorship of the Pitstop Cycling Foundation for 2022	100,000,000
5	Contribution towards the Duke of Edinburgh's International Award	54,646,000
6	Contribution towards the Anambra State Security Trust Fund Appeal	50,000,000
7	Supporting CKA (City of Knowledge Academy) and their Track and Pitch Installation Project	40,000,000
8	Sponsorship of the 5th edition of the National MSME Awards 2022	40,000,000
9	Sponsorship of Students at the CKA (City of Knowledge Academy)	38,880,000
10	Sponsorship of Neku Atawodi-Edun to play at the British Polo Season	37,409,400
11	Donation towards Michael and Cecilia Ibru University	30,000,000
12	Sponsorship of the Royal African Society's 120 Year Anniversary Celebration	26,367,500
13	Support of the 9th Lagos Economic Summit 2022	30,000,000
14	Sponsorship of the Nigerian Bar Association's Annual General Conference	25,000,000
15	Contribution towards the Mamman Marshal Foundation	25,000,000
16	Sponsorship of UNWTO (World Tourism Organisation) Conference	20,000,000
17	Support towards the Ovie Brume Foundation	30,000,000
18	Sponsorship of the N.C.F. for the Women's T20 Invitational Tournament	20,000,000
19	Sponsorship of the NTIC 17th Annual Mathematics Competition	20,000,000
20	Sponsorship of the West African Capital Market SEC	12,504,600
21	Donation to Kogi State Government for Flood Relief Materials	10,000,000
22	Sponsorship of the Edo State Alaghodaro Economic Summit	10,000,000
23	Support to Leke Abejide Foundation	10,000,000
24	Support to Hacey Health for AIDS Programmatic Interventions in 5 States	9,500,000
25	Sponsorship of the Africaribbean Trade And Investment Forum(Actif)	6,433,650
26	Donation of 5 Air Conditioners to	5,215,000
27	Donation to Hacey Health for the Youth-Equip Project	5,000,000
28	Donation to ParallelPoint Development Initiative (PPDI) to support the Waste-Art Wealth(Waw) For Youth Project	5,000,000
29	Sponsorship of the State of Enterprise (SOE) Report Launch Event	5,000,000
30	Support for CBN National Risk Management Conference	5,000,000
31	Sponsorship of the Production of "An Encore" Stage Play	5,000,000
32	Support for International day for the Elimination of Sexual Violence in Conflict	5,000,000
33	Sponsorship of 2022 Steam Fun Fest	5,000,000
34	Sponsorship for 2022 Annual Lecture International Leadership Symposium	5,000,000
35	Sponsorship of 2022 for Table Tennis Federation	5,000,000
36	Payment for GoInvest Program Gombe State	5,000,000
37	Sponsorship of Benue Television Corporation	5,000,000
38	Sponsorship of 2022 Annual Marketing Conference AGM	5,000,000
39	Sponsorship of the 16th Annual Conference of the Nigerian Bar Association	5,000,000
40	Donation to ParallelPoint Development Initiative (PPDI) to Support the AGRIK PLUS Project	4,900,000
41	Donation to Hacey Health for 2022 Human Right Day	4,900,000
42	Donation to Hacey Health Initiative for Health Coverage Day Program	4,900,000
43	Support to Glow Initiative for the Development of Solar Projects and Programs	16,900,000
44	Support for 2022 Carrington Youth Fellowship Initiative Programme (CYFI)	4,800,000
45	Donation to Hacey Health for 2022 "16 days Of Activism" Program	4,800,000
46	Donation to Glow Initiative for Climate Champions Literacy Program	4,800,000
47	Support to Temitayo Awosika Help Foundation (TAHF) for Healthcare and Empowerment Program and also for Succor to Vulnerable Families and Individuals Living with Sickle Cell Anaemia	7,650,000
48	Support for Adolescent Girl Empowerment Program	4,500,000
49	Support to Nerdzfactory for Youth Transition Program	4,500,000
50	Sponsorship in favour of Alliance Francaise Lagos	4,356,185
51	Sponsorship of the 34th Annual General Meeting of West African Postgraduate College of Pharmacist Nigeria Chapter	4,000,000
52	Sponsorship of the Environmental Sustainability Conference Expo and Awards	4,000,000
53	Support of the Enterprise, Growth and Opportunities (EGO) Foundation Workskills Project	4,000,000
54	Support to Glow Initiative for Climate Leadership Fellowship Program (CLFP)	4,000,000
55	Sponsorship of the International Art of Living Foundation of Nigeria Event "Vibrant Africa – The Rising Rhythm"	4,000,000
56	Sponsorship for the National Summit on Igbo Apprenticeship	4,000,000
57	Sponsorship in favour of Lebanese Ladies Society	4,000,000
58	Sponsorship Payment for Ogiame The Play	4,000,000
59	Support for the Lagos and Ogun State Female Sweepers Financial Literacy Skill Acquisition	4,000,000
60	Support for Water Hygiene Project for Alibahuru Community	3,800,000
61	Support for Climate Leadership Fellowship Program Cohort 3	3,500,000
62	Sponsorship of Nigerian British Chamber of Commerce	2,500,000
63	Support the TD Africa Women Program	2,500,000
64	Sponsorship for CSO Professionalism and Effectiveness Therapy (C-PET) Workshop 2022	2,359,000
		1,612,717,672

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.

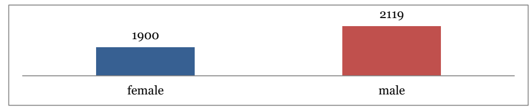
Human resources

(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.

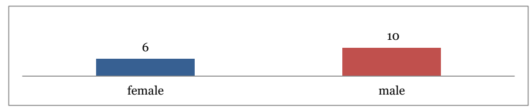
(a) Composition of employees by gender

Total number of female employees	1,900
Total number of male employees	2,119



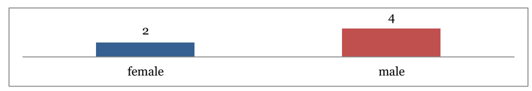
(b) Board Composition By Gender as at 31 December 2022

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



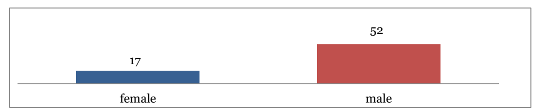
(c) Top Management (Executive Director To CEO) Composition By Gender

Total number of female in Executive Management position	2
Total number of persons in Executive Management position	4



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

Total number of female in Top Management position	17
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.

(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	Jun-22
Fitch Ratings	A+	Jun-22
Agusto & Co	AA	Jun-22
Moody's	A1	Dec-21

Long Term Counterparty Credit Ratings

	Long Term	
Standard & Poor's	B-	Jun-22
Fitch Ratings	B	Jun-22
Moody's	B2	Dec-21

More information on the rating reports can be obtained at https://www.accessbankplc.com/credit-rating

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. Olutoyin Eleoramo	-	Shareholder	Member
3	Mr. Idaere Gogo-Ogan	-	Shareholder	Member
4	Mr. Adeniyi Adekoya	-	Director	Member
5	Dr. Okey Nwuke	-	Director	Member

*Died on December 27, 2022
The functions of the Audit Committee are as provided in Section 404(7) of the Companies and Allied Matters Act of Nigeria.

The auditors, PricewaterhouseCoopers have completed their 10 year tenure as the Bank's External Auditors. KPMG will be proposed for Shareholders approval at the Bank's Annual General meeting.

BY ORDER OF THE BOARD

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

Sunday Ekwochi
Company Secretary
FRC/2013/NBA/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 CUSTOMER'S COMPLAINTS FOR THE YEAR ENDED 31 DECEMBER 2022

	NAIRA						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (NAIRA)		AMOUNT REFUNDED (NAIRA)	
		2022	2021	2022	2021	2022	2021
1	Pending complaints B/F	306,116	220,904	249,742,931,153	60,391,165,527	-	-
2	Received Complaints	2,824,735	2,205,214	78,790,781,564	193,042,193,644	-	-
3	Resolved complaints	3,124,977	2,120,002	328,518,843,900	3,690,428,018	15,465,642,868	2,739,021,674
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	5,874	306,116	14,868,818	249,742,931,153	-	-

	USD						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (USD)		AMOUNT REFUNDED (USD)	
		2022	2021	2022	2021	2022	2021
1	Pending complaints B/F	785	388	251,058,322	126,863,490	-	-
2	Received Complaints	15296	13,023	326,023,326	124,270,026	-	-
3	Resolved complaints	15837	12,626	575,647,733	75,194	355,153	45,914
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	244	785	1,433,914	251,058,322	-	-

	GBP						
S/N	**DESCRIPTION**	**NUMBER**		**AMOUNT CLAIMED (GBP)**		**AMOUNT REFUNDED (GBP)**	
		2022	**2021**	**2022**	**2021**	**2022**	**2021**
1	Pending complaints B/F	34	28	1,193,776	563,757		-
2	Received Complaints	337	342	5,885,295	630,018	-	-
3	Resolved complaints	371	336	7,079,069	-	-	-
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	-	34	1	1,193,776	-	-

	EUR						
S/N	**DESCRIPTION**	**NUMBER**		**AMOUNT CLAIMED (EUR)**		**AMOUNT REFUNDED (EUR)**	
		2022	**2021**	**2022**	**2021**	**2022**	**2021**
1	Pending complaints B/F	19	16	2,445,101	779,847	-	-
2	Received Complaints	300	447	1,013,621	1,665,254	-	-
3	Resolved complaints	319	444	3,458,722	-	-	5,500
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	-	19	0	2,445,101	-	-

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 TO THE CBN 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 period is N1.44Bn (December 2021: N502 million). The rest of the loss amount represents the losses incurred by other third parties

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**	**1**	**5,640**	**3,407,504**	**-**	**-**

December 2021

		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	17,911	1,327,492	1,281,149	64%	6,026	14,678,342	-	-
2	Cash Theft/ Suppression/Pilferage/Dry posting	33	55,213	39,693	2%	-	-	-	-
3	Fraudulent Transfer/Withdrawals/Reactivation of account	16	663,335	319,990	16%	3	6,137	-	-
4	Fraudulent cash Lodgement	1	228,255	228,255	11%	-	-	-	-
5	Armed Robbery	6	-	112,281	6%	-	-	-	-
6	Cyber Attack	-	-	-	0%	-	-	-	-
7	Clearing	-	-	-	0%	-	-	-	-
8	Presentation of Forged Instrument	-	-	-	0%	-	-	-	-
9	Fraudulent manipulation of "Form M"	-	-	-	0%	1	6,647,395	-	-
10	Fraudulent diversion of funds	1	31,330	7,403	0%	-	-	-	-
11	Electronic Fraud/Cybersecurity	-	-	-	0%	40,336	1,067,274	-	-
12	Electronic Fraud/wallet/Suspicious wallet	-	-	-	0%	2,709	-	-	-
	TOTAL	**17,968**	**2,305,625**	**1,988,772**	**100%**	**49,075**	**22,399,148**	**-**	**-**

CORPORATE GOVERNANCE REPORT FOR FULL YEAR ENDED DECEMBER 31, 2022

The Board of Access Bank Plc ('the Bank') is pleased to present the Corporate Governance Report for the 2022 Financial Year. The report provides insight into the operations of our governance framework and Board's key activities during the reporting period.

The Board recognises that sustainable competitiveness requires the entrenchment of effective corporate governance regime. Sound governance practices are required to earn the trust of stakeholders and the Board is focused on protecting stakeholders' interests and enhancing shareholders' value. Our 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; relevant codes of corporate governance as well as the post listing requirements of Nigerian Exchange Ltd. 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 2022 financial year is detailed below.

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

* Retired from the Board of Directors with effect from April 30, 2022 following her attainment retirement age.

** Appointed as a Non-Executive Director of the Bank effective April 13, 2022.

*** Resigned as the Group Managing Director/Chief Executive Officer of the Bank effective May 1, 2022 and was appointed as a Non-Executive Director of the Bank.

**** Appointed as the Managing Director/Chief Executive Officer of the Bank effective May 1, 2022.

***** Appointed as the Deputy Managing Director, Retail North effective May 1, 2022.

****** Appointed as the Deputy Managing Director, Retail South effective May 1, 2022.

******* Resigned from the Board of Directors with effect from September 30, 2022

Composition and Role

As of December 31, 2022, the Board was made up of 16 members comprising 10 Non-Executive and 6 Executive Directors. Six of the Board members are female.

Board Members Profile

Dr. (Mrs.) Ajoritsedere Awosika, MFR, mni
Chairman/Non-Executive Director

Dr. Awosika is an accomplished administrator with over three decades' experience in public sector governance. She was at various times, the Permanent Secretary in the Federal Ministries of Internal Affairs, Power and Science and Technology. She is a Fellow of the Pharmaceutical Society of Nigeria and the West African Postgraduate College of Pharmacy.

She holds a doctorate degree in pharmaceutical technology from the University of Bradford, United Kingdom. She was appointed to the Board of Access Bank Plc in April 2013 and served as the Vice-Chairman of the Board Audit Committee and Chairman of the Board Credit Committee prior to her appointment as the Chairman of the Board.

Dr. Awosika sits on the boards of Capital Express Assurance Ltd, Josephine Consulting Limited, Council of University of Warri, African Initiative for Governance, Med-In Pharmaceuticals Limited, and International Foundation Against Infectious Diseases.

She became the Chairman of the Board on January 8, 2020 following the retirement of Mrs. Mosun Belo-Olusoga.

She is 69 years old as at the end of the reporting year.

Mr. Paul Usoro, SAN
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.

He was elected President of the Nigerian Bar Association in August 2018 for a two-year term and is currently a Non-Executive Director Dakkada Luxury Estates Limited, Eyop Farms Limited and Empee Ventures Limited. He represented Access Bank as a Non-Executive Director on the board of the defunct Intercontinental Bank Plc.

Mr. Usoro holds a Bachelor of Laws degree from the University of Ife (1981) and was called to the Nigerian Bar in 1982. He joined the Board in January 2014 and currently chairs the Board Human Resources and Sustainability Committee and Technical Committee on Retail Expansion. He is also the Vice-Chairman of the Risk Management Committee.

He is 63 years old as at the end of the reporting period.

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 joined the Board in March 2017 and chairs the Audit Committee and Digital and Information Technology Committee. He is also the Vice-Chairman of the Governance, Nomination and Remuneration Committee. He sits on the boards of Synerpet Ltd and Weston Integrated Services Ltd.

He is 56 years old as at the end of the reporting period.

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 Governance, Nomination and Remuneration Committee. He is also the Vice-Chairman of Audit and Credit Committees. he sits on the boards of Contracting Plus Limited and Port-Harcourt Electricity Distribution Company Limited.

He is 58 years old as at the end of the reporting period.

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 an Independent Non-Executive Director of Coronation Life Assurance Limited and a Non-Executive Director of Smartbase Services and 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) and Insurance PHB Limited (now KBL Insurance). She was the Company Secretary/Legal Adviser of African Development Insurance Company Limited (now NSIA Insurance) between 1989 and 1997.

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 is the Vice-Chairman of the Board Digital and Information Technology Committee.

She is 55 years old as at the end of the reporting period.

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.

Dr. Nwuke's key competencies include finance, strategy development and execution, organizational restructuring and transformation, leadership and change management. He joined the Board of Coscharis Group in August 2014 and is currently responsible for the strategic drive to position it for sustainability. He currently sits on the Boards of Coscharis Group Plc and its subsidiaries, Personal Trust Micro Finance Bank Limited, First Ally Asset Management 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 and Vice Chairman of the Credit and Technical Committee on Retail Expansion Committees respectively.

He is 56 years old as at the end of the reporting period.

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 Kairos Capital Limited, Sentinel Energy and Gas Limited, North Capital Resources Limited and YoBella Kids Zone 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 Risk Management Committee.

He is 55 years old as at the end of the reporting period.

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 and One Terminals Limited.

Mrs. Fajobi joined the Board in November 2020.

She is 45 years old as at the end of the reporting period.

Mrs. Titilayo Osuntoki
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.

Mrs. Osuntoki 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.

She is 55 years old as at the end of the reporting period.

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 is an alumnus of the Harvard Business School Executive Management Programme. He holds 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 is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr Wigwe is the Chairman of The Access Bank (UK) Ltd and a Non-Executive Director of Nigerian Mortgage Refinance Company Plc; FMDQ OTC Securities Exchange; Shared Agents Network Expansion Facilities Ltd; NG Clearing Limited and Agri-Business/ SME Enterprises Investment Scheme. He also sits on the Boards of CACOVID-19 LTD/GTE, HIV Trust Fund of Nigeria and the Nigerian Business Coalition Against Aids. He is currently the Group Chief Executive Officer of Access Holdings Plc.

He is 56 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 and Central Securities Clearing System Plc. He is also a Non-Executive Director in Access Holdings Plc.

He is 48 years old as at the end of the reporting period.

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 Fiducia Data Services Ltd. He is also a board member of ACT Foundation.

He is 55 years old as at the end of the reporting period.

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 is 54 years old as at the end of the reporting period.

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

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 52 years old as at the end of the reporting period.

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 51 years old as at the end of the reporting period.

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 February 25-26, 2022. 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, 2022. 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 5 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 2021 Annual Board Performance Evaluation Report was presented to shareholders at the Bank's 33rd Annual General Meeting by a representative of Ernst and Young while the result of the 2022 Board Performance was presented at the Board meeting held on February 2, 2023. The Summary Report is contained herein on this report. The result confirmed that the individual Directors and the Board continue to operate at a leading practice level of effectiveness and efficiency.

The Board confirms that the Bank has complied with the applicable Codes of Corporate Governance following the corporate governance evaluation and Board performance evaluation conducted for the 2022 Financial Year.

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 2022, the Board had more Non-Executive Directors than Executive Directors, with four of the Non-Executive Directors being independent as against two required by the CBN Code of Corporate Governance for Banks in Nigeria. 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. Executive Management team is composed of 29% females while the Board had 37% female members as of December 31, 2022.

S/N	NAME OF DIRECTOR	TRAINING	FACILITATOR	DATE
1	Mrs. Anthonia Ogunmefun	Diligent Climate Leadership Course	Diligent Corporation	February 1, 2022
2	Mrs. Adeniyi Adekoya	Education Program on Mergers and Acquisitions	Chicago Booth School of Business Chicago, USA.	April 4-8, 2022
3	Mrs. Omosalewa Fajobi	Strategies for Leadership Program	Institute for Management Development	September 27 - 30, 2022
4	Dr. Okey Nwuke	High Performance Leadership Program	Institute for Management Development	October 2-7, 2022
	Ifeyinwa Osime			
5	Dr. (Mrs.) Ajoritsedere Awosika	Developing and Leading High-Performance Teams	Columbia Business School, New York, USA	October 19-21, 2022
6	Dr. (Mrs.) Ajoritsedere Awosika	Risk Master Class For Board Members (Including A Briefing On Cyber Security Attack Simulation)	KPMG and Other Internal Facilitators	November 2, 2022
	Mr. Paul Usoro			
	Mr. Iboroma Akpana			
	Mr. Adeniyi Adekoya			
	Mrs. Ifeyinwa Osime			
	Dr. Okey Nwuke			
	Mr. Hassan Usman			
	Mrs. Omosalewa Fajobi			
	Mr. Herbert Wigwe			
	Mr. Roosevelt Ogbonna			
	Mr. Victor Etuokwu			
	Dr. Gregory Jobome			
	Ms. Hadiza Ambursa			
	Mrs. Chizoma Okoli			
	Mr. Oluseyi Kumapayi			
7	Dr. (Mrs.) Ajoritsedere Awosika	CBN-FITC Continuous Education Programme for Directors of Banks and Financial Institutions	CBN-FITC	November 23 -24, 2022
	Mr. Hassan Usman			
	Mrs. Omosalewa Fajobi			
	Mrs. Titilayo Osuntoki			
	Mr. Iboroma Akpana			
	Mrs. Ifeyinwa Osime			
8	Mr. Hassan Usman	Leading Digital Business Transformation Program	Institute for Management Development	November 28- December 2, 2022
9	Dr. (Mrs.) Ajoritsedere Awosika	Workshop on Internal Control over Financial Reporting for Public Companies	Nigerian Capital Market Institute (NCMI)	December 5, 2022
	Mr. Adeniyi Adekoya			
	Dr. Okey Nwuke			
	Mr. Iboroma Akpana			

	Mrs. Ifeyinwa Osime			
	Mrs. Titilayo Osuntoki			
	Mrs. Omosalewa Fajobi			

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.

Dr. (Mrs.) Ajoritsedere Awosika and Messrs. Iboroma Akpana and Adeniyi Adekoya retired at the Bank's 33rd Annual General Meeting held on March 28, 2022 and being eligible for re-election were re-elected by shareholders.

Pursuant to the provisions of the Bank's Articles of Association, Mr. Paul Usoro, SAN, Dr. Okey Nwuke and Mrs. Ifeyinwa Osime will retire during this Annual General Meeting and being eligible for re-election, will submit themselves for re-election.

The Board is convinced that the Directors standing for re-election will continue to add value to the Bank. The Board believes that they are required to maintain the needed balance of skill, knowledge and experience on the Board.

The appointment of Mrs. Titilayo Osuntoki and Mr. Herbert Wigwe as Non-Executive Directors will also be presented to shareholders for approval at the Annual General Meeting. The appointment of the new Directors has been approved earlier by the Board and the Central Bank of Nigeria.

The biographical details of Directors standing for election and re-election are contained on this report.

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:

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 as stipulated by the Central Bank of Nigeria's Guidelines for the Appointment of Independent Directors. Our Executive Directors are appointed for an initial term of four years and their tenure can be renewed for further terms subject to a satisfactory annual performance evaluation. 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 Role of the Group Chairman

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 7 times during the period under review.

The Board devoted considerable time and efforts on the following issues in 2022.

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

Board Meeting Attendance in 2022

The membership of the Board and attendance at meeting in 2022 are set out below.

Type of Meeting	Annual Board Retreat	AGM	Board Meetings						
Date	**February 25-26, 2022**	**28/3/2022**	**27/1/2022**	**5/2/2022**	**27/4/2022**	**27/7/2022**	**28/10/2022**	**03/11/2022**	**12/12/2022**
Ajoritsedere Awosika	P	P	P	P	P	P	P	P	P
Anthonia Ogunmefun	P	P	P	P	P	RT	RT	RT	RT
Paul Usoro	P	P	P	P	P	P	P	P	P
Adeniyi Adekoya	P	P	P	P	P	P	P	P	P
Iboroma Akpana	P	P	P	P	P	P	P	P	P
Okey Nwuke	P	P	P	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P	P	P	P	P
Hassan Usman	P	P	P	P	P	P	P	P	P
Omosalewa Fajobi	P	P	P	P	P	P	P	P	P
Herbert Wigwe	P	P	P	P	P	P	P	P	P
Roosevelt Ogbonna	P	P	P	P	P	P	P	P	P
Victor Etuokwu	P	P	P	P	P	P	P	P	P
Gregory Jobome	P	P	P	P	P	P	P	P	P
Hadiza Ambursa	P	P	P	P	P	P	P	P	P
Adeolu Bajomo	P	P	P	P	P	P	RT	RT	RT
Chizoma Okoli	P	P	P	P	P	P	P	P	P
Seyi Kumapayi	P	P	P	P	P	P	P	P	P
Titilayo Osuntoki	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 2022.

Board Human Resources and Sustainability Committee

The membership of the Committee and attendance at the meetings in 2022 are as set out below:

Name	**11/1/2022**	**5/2/2022**	**8/4/2022**	**13/7/2022**	**24/10/2022**
Paul Usoro	P	P	P	P	P
Anthonia Ogunmefun	P	P	P	RT	RT
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	NM	NM	NM	P	P
Roosevelt Ogbonna	NM	NM	NM	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, monitoring African subsidiaries' integration, consideration of quarterly reports on human resources and sustainability as well as review and recommendation of human resources polices to the Board for approval.

The Committee met 5 times during the reporting period.

Mr. Paul Usoro is the Chairman of the Committee.

Board Governance, Nomination and Remuneration Committee

The membership of the Committee and attendance at the meetings in 2022 are as set out below.

Name	**12/01/2022**	**5/2/2022**	**26/3/2022**	**19/4/2022**	**13/7/2022**	**24/10/2022**
Iboroma Akpana	P	P	P	P	P	P
Adeniyi Adekoya	P	P	P	P	P	P
Anthonia Ogunmefun	P	P	P	P	RT	RT
Herbert Wigwe	NM	NM	NM	NM	P	P
Paul Usoro	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	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 recommendation of renewal of employment contracts for Executive Directors; Board appointments, including subsidiary Board appointments as well as 2023 training plan and budget for Non-Executive Directors.

The Committee met 6 times in the 2022 financial year.

Mr. Iboroma Akpana is the Chairman of the Committee.

Board Credit Committee

The membership of the Committee and Directors' attendance at meetings in 2022 are as set out below.

Name	**11/1/22**	**16/2/22**	**16/3/22**	**8/4/22**	**18/5/22**	**15/6/22**	**14/7/22**	**17/8/22**	**19/9/22**	**24/10/22**	**17/11/22**	**15/12/22**
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
Anthonia Ogunmefun	P	P	P	P	RT	RT	RT	RT	RT	RT	RT	RT

Paul Usoro	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
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 Fajobi	P	P	P	P	P	P	P	P	P	P	P	P
Herbert Wigwe	P	P	P	P	LC	LC	LC	LC	LC	LC	LC	LC
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	P	P	P	P
Hadiza Ambursa	P	P	P	P	P	P	P	P	P	P	P	P
Chizoma Okoli	P	P	P	P	P	P	P	A	P	P	P	P
Seyi Kumapayi	P	P	P	P	P	P	P	P	P	P	P	A
Titilayo Osuntoki	NM	NM	NM	NM	P	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 2022 are as set out below.

Name	14/01/2022	20/4/2022	13/07/2022	26/10/2022
Anthonia Ogunmefun	P	P	RT	RT
Paul Usoro	P	P	P	P
Adeniyi Adekoya	P	P	P	P
Iboroma Akpana	P	P	P	P
Okey Nwuke	P	P	P	P
Hassan Usman	P	P	P	P
Omosalewa Fajobi	P	P	P	P
Herbert Wigwe	P	P	P	P
Roosevelt Ogbonna	P	P	P	P

Gregory Jobome	P	P	P	P
Adeolu Bajomo	P	P	P	RT

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.

Mr. Hassan Usman is the Chairman of the Committee.

Board Audit Committee

The membership of the Committee and attendance at meetings in 2022 are as set out below.

Name	**13/1/2(2**	**26/01/2022**	**13/4/2022**	**14/7/2022**	**26/7/2022**	**25/10/2022**
Adeniyi Adekoya	P	P	P	P	P	P
Iboroma Akpana	P	P	P	P	P	P
Paul Usoro	P	P	P	P	A	P
Okey Nwuke	P	P	P	P	P	P
Ifeyinwa Osime	P	P	P	P	P	P
Hassan Usman	P	P	P	P	P	P
Omosalewa Fajobi	P	P	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 Conduct and 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 2022 Group 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 6 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 2022 are as set out below.

Name	**12/1/2022**	**19/4/2022**	**21/7/2022**	**26/10/2022**
Adeniyi Adekoya	P	P	P	P
Ifeyinwa Osime	P	P	P	P
Anthonia Ogunmefun	P	P	RT	RT
Titilayo Osuntoki	NM	NM	NM	P
Iboroma Akpana	P	P	P	P
Okey Nwuke	P	P	P	P
Hassan Usman	P	P	P	P
Omosalewa Fajobi	P	P	P	P
Herbert Wigwe	P	P	P	P

Roosevelt Ogbonna	P	P	P	P
Victor Etuokwu	P	P	P	P
Gregory Jobome	P	P	P	P
Adeolu Bajomo	P	P	P	RT

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 2022 are as set out below.

Name	**27/2/ 22**	**26/3/ 22**	**31/3/ 22**	**3/4/ 22**	**20/4 22**	**4/5 22**	**20/5 22**	**8/6/ 22**	**30/6/ 22**	**7/7 22**	**21/7 22**	**16/9/ 22**	**25/10/ 22**	**30/11/ 22**	**7/12/ 22**
Paul Usoro	P	P	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	P	P
Adeniyi Adekoya	P	P	P	A	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	P	P
Ifeyinwa Osime	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Herbert Wigwe	P	P	P	P	P	P	A	P	P	P	P	P	P	P	P
Roosevelt Ogbonna	P	P	A	P	P	P	P	P	P	A	P	P	P	P	P
Gregory Jobome	P	P	P	P	P	P	P	A	P	P	P	P	P	P	P
Seyi Kumapayi	P	P	P	P	P	P	P	P	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.

Mr. Paul Usoro is the Chairman of the Committee.

Key

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

DIRECTORS' INTEREST IN CONTRACTS

Disclosure on Directors' interest in contracts in contained on 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 Standing Shareholders 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.

Emmanuel Olutoyin Eleoramo
Member, Statutory Audit Committee

Mr. Eleoramo holds a First-Class degree in Insurance and a master's degree in Business Administration (MBA), both from the University of Lagos. He is an Associate of the Chartered Insurance Institute of London and a Fellow of the Chartered Insurance Institute of Nigeria. He has over 36 years of varied experience in general insurance marketing, underwriting and employee benefits consultancy. He is a key player in the Nigerian insurance industry and a past President of the Chartered Insurance Institute of Nigeria. He was the Managing Director/Chief Executive Officer of Nigerian French Insurance Company Ltd and later Whispering Hope Insurance Company Ltd (now Sterling Assurance Nigeria Ltd) before his appointment as the Managing Director/Chief Executive Officer of Nigerian Life and Pensions Consultants Limited (now Nigerian Life and Provident Company Limited) from where he retired in 2018.

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.

Record of Attendance at Statutory Audit Committee Meetings in 2022

Name	26/1/2022	13/4/2022	26/7/2022	8/11/2022
Henry Aragho	P	P	P	P
Idaere Gogo-ogan	P	P	P	P
*Emmanuel Eleoramo	P	P	P	P
Okey Nwuke	P	P	P	P
Adeniyi Adekoya	P	P	P	P

***Passed on December 27, 2022**

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.

2022 Audit Fees

The audit fees paid by the Bank to PricewaterhouseCoopers, external auditors for the 2022 statutory audit was ₦660,000,000 while fees for non-audit services rendered to the Bank during the year amounted to ₦78,500,000

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 PricewaterhouseCoopers ('PwC') acted as our statutory auditors for the 2022 Financial Year. 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. PwC's ten-year tenure as the Bank's statutory auditors expired and the Board following a rigorous selection process has recommended KPMG Professional Services as the Bank's incoming statutory auditors subject regulatory and shareholders approvals. The Central Bank of Nigeria has given its 'no objection' to the proposed appointment of Messrs KPMG Professional Services and the appointment is hereby presented to the shareholders for approval.

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.

Dealing in Company Securities

The Bank implements a Securities Trading Policy that prohibits Directors, members of the Audit Committee, employees, and all other insiders from abusing, or placing themselves under the suspicion of abusing price sensitive information in relation to the Bank's securities. In line with the policy, affected persons are prohibited from trading on the company's security during a closed period which is usually announced by the Company Secretary. The Bank has put in place a mechanism for monitoring compliance with the policy.

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 the Bank 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 retained KPMG Professional Services 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 KPMG's Ethics lines or emails, details of which are provided below.

Telephone
Internal: +234-1-2712065

External: The whistle-blower is not billed for calls made within the same network. The KPMG Toll Free Lines include:

MTN:
0703-000-0026 &
0703-000-0027

AIRTEL:
0708-060-1222&
0808-822-8888

9MOBILE:
0809-993-6366

GLO:
0705-889-0140

E-Mail

Internal:	whistleblower@accessbankplc.com
External:	kpmgethicsline@ng.kpmg.com

The Bank's website also provides an avenue for lodging whistle-blower's reports. Individuals interested in whistleblowing may click on the Customer Service link on the Bank's website, scroll down to the whistle-blower column, and then register, anonymously or otherwise, any allegations they want the Bank to investigate.

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.

A detailed report on the Bank's sustainability activities is contained in this Annual report.

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.

Ajoritsedere Awosika	**Sunday Ekwochi**
Chairman	**Company Secretary**

Statement of Directors' Responsibilities

The Companies and Allied Matters Act and the Banks and Other Financial Institutions Act, require the directors to prepare financial statements for each financial year 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 annual financial statements, which have been prepared using appropriate

accounting policies supported by reasonable and prudent judgements and estimates, in conformity with;

- International Financial Reporting 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 Act

The directors are of the opinion that the consolidated financial statements give a true and fair view of the state of the financial affairs 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	Seyi Kumapayi
Group Managing Director	Executive Director
FRC/2017/ICAN/00000016638	FRC/2013/ICAN/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 2022 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 2022 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 N613,249,712 (December 2021: N268,207,206) was outstanding as at 31 December 2022 and was performing as at 31 December 2022 (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/ICAN/00000016270
Mr. Henry Omatsola Aragho
Chairman, Audit Committee
27 January 2023

Members of the Audit Committee are:

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

*Died on December 27, 2022

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 audited financial statements of the Group for the year ended 31 December, 2022 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 year 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.

27 January, 2023

Taiwo Fowowe	Roosevelt Ogbonna
Chief Financial Officer	Group Managing Director
FRC/2021/001/00000024694	FRC/2017/ICAN/00000016638

ENTERPRISE-WIDE RISK MANAGEMENT

As we come into the second year of the Russia-Ukraine war, there are still many uncertainties in the global economy. The pace of recovery worldwide is slowing. New COVID-19 variants could challenge us again. Inflation, driven by high energy prices and persistent supply chain disruption, remains a matter of acute concern. The risks to global growth are real. Geopolitical tensions are rising. We are navigating a challenging environment.

In the months ahead, most of the world's central banks might continue to tighten monetary policy. The sooner they control inflation, the lower will be the output and employment losses we will have to endure to return to a non-inflationary path to growth.

Rising interest rates and wider spreads in debt markets, both in the US and Europe, may result in greater volatility in financial markets and challenges to accessing credit, which would dent growth prospects. Still, the central scenario continues to be that both regions will be able to avoid a sudden stop in their recovery. Fiscal stimuli are still very significant in both markets, and these need to be a bridge to renewed private sector growth.

Regarding Nigeria, the economy is growing, maybe at a slower rate than expected but with much higher contribution coming from the non-oil sector. During 2022, the monetary authorities carried out several rounds of monetary policy rate hikes to dial back inflationary pressures caused by the increase in food and energy prices. The country's crude oil production witnessed a major dip in the third quarter of the year with production dropping below one million barrels per day (mbpd), impairing the country's foreign revenue generation capacity.

The drain on the foreign currency receipts exerted upward pressure on the nation's debt servicing position. However, crude oil production picked up, ending the year on an upswing, reaching 1.25 mbpd, buoyed by the government's focused steps at addressing oil production challenges. The local currency recorded marginal depreciation as pent-up demand outweighed the available supply of foreign currency. In all, the year ended on an optimistic, note, especially on the back of excitement about the prospects for crude oil production going into 2023.

Turning to our key markets in Sub Saharan Africa, recovery has been sharply interrupted as growth in 2022 slowed by about 1 percentage point to 3.8%, as a worldwide slowdown and a dramatic pickup in global inflation spilled into a region already wearied by an ongoing series of shocks. Rising food and energy prices negatively impacted the region's most vulnerable, and macroeconomic imbalances approached levels not seen in decades. Capital flows remained precarious as outflows from sub-Saharan Africa rivalled those associated with the onset of the COVID-19 crisis or the 2015 commodity price shock, adding to pressure on exchange rates.

The region's indebtedness is at elevated levels. The substitution of low-cost, long-term multilateral debt with higher-cost private funds has resulted in rising debt-service costs and higher rollover risks.
The last couple of years have shown how the world (and especially businesses) can overcome challenges. Access Bank has also shown its own resilience and robustness. We have not only weathered the challenges thrown at us, but we have emerged a stronger bank, achieving remarkable results in 2022.

While several macro pressures continue to have an impact around the world, the Banks's mission has never been more important or more relevant. We have remained focused on serving our customers and playing a vital role in supporting the economic recovery. In doing this we have also been mindful of our responsibilities, to our people and communities, and of continuing to deliver high returns to our shareholders.

In light of the above global, regional, and domestic macro realities, the banking group has continued to implement various initiatives and actions to ensure robust risk outcomes. These initiatives comprised of:

- Extended the scenario planning exercise to all the Bank's subsidiaries to dimension the impact of global and domestic macro shocks on the economies and obligors in those locations. Specific management action steps were curated from outcomes identified from the exercise
- Implementation of the integrated enterprise-wide risk dashboards for Nigeria.
- Risk culture embedding evaluation across the banking group to assess where we are as a Bank when compared to our stated ideal risk culture.

OUTLOOK FOR 2023

Looking ahead, the operating environment is expected to improve as Covid-19 has evolved into a more liveable endemic. However, the geopolitical conflict in Eastern Europe is expected to continue to exert a dampening impact on global economic growth and cause inflation to stay elevated. The disruptions in the global supply chain, trade settlements and capital flows could place a further drag on global output growth.

For Nigeria, we expect that it will maintain the pace of recovery. Economic growth in 2023 could be above 3.5% if the government implements the reforms it is committed to. We are not downplaying the challenges. Given Nigeria's structural budgetary imbalances and high levels of public debt, it needs to move quickly to secure the long-term sustainability of public finances.

For us in Access bank, we will proactively take steps to manage the emerging and evolving risks arising from these challenges that are having an impact on the orderly transition to a post-pandemic economic environment.

Our confidence for 2023 is anchored on the strong foundation that Group has laid over the years

- Diversified business franchise across geographical markets, customer segments and products.
- Heavy investments in digital and technology capabilities to capture opportunities and stay abreast of increased competition and disruption.
- Robust balance sheet, strong capital, stable funding and liquidity positions, prudent risk management and deep talent pool.
- Advances made in our sustainability and Environmental, Social and Governance (ESG) agenda to deliver meaningful impact for customers, employees, and communities.

ENTERPRISE-WIDE RISK MANAGEMENT

With our promise of striving to create a globally connected community and ecosystem inspired by Africa for the world, 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 the bank strives for sustainable financial success while strengthening its relationship with diverse stakeholders.

We apply a bespoke risk management framework in identifying, assessing, monitoring, controlling, and reporting the inherent and residual risks associated with the pursuit of these ambitions and ensuring they are achieved optimally.

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

The Bank's overall risk tolerance is established in the context of our earning power, capital, and diversified business model. On the other hand, the organisational structure and business strategy are aligned with our risk management philosophy.

The Bank regularly reviews risk exposure limits and risk control and self-assessment to position itself against adverse scenarios. This is an invaluable tool which it uses to predict and successfully manage both local and global shocks with impacts from the macroeconomy. Market volatilities and economic uncertainties are typically contained because the Bank 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 defence and supports the bank's risk policy through a shared service with its subsidiaries by constantly monitoring risk, to identify and quantify significant risk exposures and acting upon such exposures, as necessary.

The bank approaches risk, capital, and value management in a comprehensive and integrated manner 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

The Bank's Risk Management philosophy and culture remain fundamental to the delivery of our strategic objectives and are at the core of the company's operating structure. We seek to limit adverse variations in earnings and capital by managing risk exposures within our moderate risk appetite. Our risk management approach includes minimising undue concentrations of exposure, limiting potential losses from stress events, and the prudent management of liquidity.

The Bank's risk-conscious management will continue to achieve desired results as evidenced by improved risk ratios and independent risk ratings. Also, in line with its core value of excellence, the Risk Management groups are continuously evolving and improving, given the context that all market developments, including those of extreme nature, need to be anticipated and planned for.
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 whilst 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 considers risk management philosophy and culture as the set of shared beliefs, values, attitudes and practices that characterise how it considers risk in everything it does, from strategy development and implementation to its day-to-day activities. In this regard, the Bank's 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 superior capabilities 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

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

a) Management and staff:
    - Consider all forms of risks in decision-making
    - 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
    - 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 risk reporting together under a simple point of truth.
    - 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 behaviour in the development of strategy and pursuit of objectives.

b) Risk officers' partner with other stakeholders within, and outside the bank in each subsidiaries and are guided in the exercise of their powers by a deep sense of responsibility, professionalism, and respect for other parties.
c) The Bank ensures the entities partner with their 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 within 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 all businesses. Access Bank manages risk as part of a long-term strategy of resilience. Risk management is embedded in all levels of the Bank 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 recognises 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 organisation.

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 defence) perform their roles effectively on a continuous basis. They also test the adequacy of internal control and make appropriate recommendations where necessary.

RISK APPETITE

Taking all relevant risks into consideration, the Bank's risk appetite, which is owned by the Board of Directors, 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 Company 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 all the business entities.

RISK MANAGEMENT OBJECTIVES

The broad risk management objectives of the Bank are:

- To 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 across the subsidiaries.
- To minimise 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 maximise earnings potential and opportunities.
- To maximise 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, the 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
- Investment Risk
- Payment System Risks
- Fraud Risk
- Compliance Risks etc.

Although the risk management framework covers enterprise-wide risk and 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 Digital, and IT Committee, and the Board Finance and Investment Committee.

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

The Bank uses consistent risk terminology as best as possible to enable alignment in risk aggregation and measurement in its subsidiaries.

Independent auditor's report

To the Members of Access Bank Plc

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Access Bank Plc ("the bank") and its subsidiaries (together "the group") as at 31 December 2022, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

What we have audited

Access Bank Plc's consolidated and separate financial statements comprise:

- the consolidated and separate statements of comprehensive income for the year ended 31 December 2022;
- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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 period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of goodwill (refer to notes 3.13(a), 3.14, 4.0(ii) and 29(b)) The carrying value of goodwill as at 31 December 2022 in the consolidated financial statements is N12.75 billion and is attributable to the group's acquisitions in Nigeria (N4.55 billion), Kenya (N6.55 billion), Rwanda (N 0.68 billion) and Botswana (N0.97 billion). The value of the goodwill in the separate financial statements of the Bank is N11.15 billion and is attributable to its acquisition in Nigeria (N11.15 billion) We identified the impairment assessment of goodwill arising from the acquisitions as a key audit matter due to the materiality, significant judgement and assumptions about the future performance of the cash generating unit (CGU) to which the goodwill has been allocated. The directors have made a number of key assumptions and assertions to support their assessment of the carrying value of goodwill. These include the growth rates and the discount rate applied to forecast performance based on the directors' views of future business prospects. This is considered a key audit matter in the consolidated and separate financial statements.	Our procedures in relation to the impairment assessment of goodwill involved the following: ● assessed the reasonableness of the valuation methodology adopted by the directors; ● challenged the reasonableness of key assumptions around growth rate and discount rate based on our knowledge of the business and industry; ● reconciled input data used in the cash flow forecasts to supporting evidence, such as prior and current year consolidated and separate financial statements; ● independently determined the recoverable amount of goodwill and compared to the carrying amount in the consolidated and separate financial statements; and ● performed a sensitivity analysis to evaluate the potential impact of reasonably possible downside changes in these key assumptions. We checked the disclosures in the consolidated and separate financial statements to the requirements of the accounting standards.

pwc

- 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 and separate 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 those charged with governance 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 those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period 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

The Companies and Allied Matters Act and the Banks and Other Financial Institutions Act require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the bank has kept proper books of account, so far as appears from our examination of those books;

iii) the bank's statement of financial position and statement of comprehensive income are in agreement with the books of account and returns;

iv) the information required by Central Bank of Nigeria Circular BSD/1/2004 on insider related credits is disclosed in Note 45 to the consolidated and separate financial statements; and

v) as disclosed in Note 41 to the consolidated and separate financial statements, the bank paid penalties in respect of contraventions of certain sections of the Banks and Other Financial Institutions Act and relevant circulars issued by the Central Bank of Nigeria during the year ended 31 December 2022.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0074920

Chidi Ojechi

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

17 April 2023

Engagement Partner: Chidi Ojechi
FRC/2017/ICAN/00000015955

Consolidated and separate statements of comprehensive income

In millions of Naira	*Notes*	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Interest income calculated using effective interest rate	8	769,079	519,417	589,608	375,989
Interest income on financial assets at FVTPL	8	57,506	82,234	39,418	67,279
Interest expense	8	(467,729)	(300,243)	(404,198)	(251,030)
Net interest income		358,856	301,409	224,828	192,238
Net impairment charge on financial assets	9	(197,790)	(83,214)	(118,681)	(53,801)
Net interest income after impairment charges		161,066	218,195	106,147	138,437
Fee and commission income	10 (a)	195,470	158,917	153,535	123,780
Fee and commission expense	10 (b)	(51,850)	(40,589)	(44,907)	(34,581)
Net fee and commission income		143,620	118,328	108,628	89,201
Net gains on financial instruments at fair value	11a,b	281,304	44,780	280,029	23,174
Net foreign exchange gains	12 a	34,500	101,101	11,419	89,691
Net gain/(loss) on fair value hedge (Hedging ineffectiveness)	12 b	19,742	(872)	19,742	(872)
Other operating income	13 (a)	24,660	63,411	31,261	55,240
Loss on disposal of subsidiaries	46	(397)	-	-	-
Bargain purchase from Acquisition	44	-	2,484	-	-
Personnel expenses	14	(114,763)	(96,613)	(71,083)	(58,580)
Depreciation	28	(30,298)	(29,139)	(23,394)	(22,615)
Amortization and impairment	29	(13,825)	(12,974)	(10,081)	(10,087)
Other operating expenses	15	(335,720)	(232,213)	(289,959)	(197,107)
Share of profit of investment in Associate	27 (a)	513	93	-	-
Profit before tax		170,402	176,579	162,709	106,483
Income tax	16	(14,529)	(16,485)	3,951	4,843
Profit for the year from continuing operations		**155,873**	**160,094**	**166,660**	**111,326**
Discontinued operations					
(Loss)/profit from Discontinued operations	46	(700)	120	-	-
Profit for the year		**155,173**	**160,215**	**166,660**	**111,326**
Other comprehensive income/(loss) (OCI):					
Items that will not be subsequently reclassified to income statement:					
Gross Actuarial (loss)/gain on retirement benefit obligations	30 (a) i	(1,658)	1,499	(1,658)	1,499
Items that may be subsequently reclassified to the income statement:					
Unrealised foreign currency translation difference		(6,707)	22,418	-	-
Changes in fair value of FVOCI debt financial instruments	25	61,904	(58,187)	76,640	(69,495)
Changes in allowance on FVOCI debt financial instruments	25	21,283	56	3,472	(136)
Income tax relating to these items		539	(487)	539	(487)
Other comprehensive income/(loss), net of related tax effects		75,361	(34,702)	78,993	(68,620)
Total comprehensive gain/(loss) for the year		**230,534**	**125,514**	**245,653**	**42,706**
Profit attributable to:					
Owners of the bank		155,838	158,327	166,660	111,326
Non-controlling interest	38	(665)	1,888	-	-
Profit for the year		**155,173**	**160,215**	**166,660**	**111,326**
Total comprehensive income attributable to:					
Owners of the bank		238,284	110,851	245,653	42,706
Non-controlling interest	38	(7,750)	14,662	-	-
Total comprehensive income for the year		**230,534**	**125,514**	**245,653**	**42,706**
Total profit/(loss) attributable to owners of the bank:					
Continuing operations		156,538	158,206	166,660	111,326
Discontinued operations		(700)	120	-	-
		155,838	**158,327**	**166,660**	**111,326**
Total comprehensive income/(loss) attributable to owners of the bank:					
Continuing operations		238,984	110,731	245,653	42,706
Discontinued operations		(700)	120	-	-
		238,284	**110,851**	**245,653**	**42,706**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	452	458	469	313
Diluted (kobo)	17	436	445	469	313
Earnings per share from continuing operations attributable to owners of the bank					
Basic (kobo)	17(a)	454	458	469	313
Diluted (kobo)	17(b)	438	445	469	313
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.

** See Note 46 (a) - Restatement of prior period financial information*

Consolidated and separate statements of financial position
as at 31 December 2022

In millions of Naira	*Notes*	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Assets					
Cash and balances with banks	18	1,961,100	1,487,665	1,445,659	1,068,977
Investment under management	19	3,742	34,942	3,742	34,942
Non pledged trading assets	20	102,690	892,508	77,624	803,806
Derivative financial assets	21	402,497	171,332	399,058	161,439
Loans and advances to banks	22	455,710	284,548	322,610	322,259
Loans and advances to customers	23	5,100,807	4,161,363	4,084,352	3,256,073
Pledged assets	24	1,265,279	344,537	1,265,279	344,537
Investment securities	25	2,761,070	2,270,338	1,946,560	1,553,458
Investment properties	31a	217	217	217	217
Restricted deposit and other assets	26	2,487,691	1,707,290	2,346,050	1,601,379
Investment in associates	27a	7,510	2,641	6,904	2,548
Investment in subsidiaries	27b	-	-	283,045	215,775
Property and equipment	28	293,152	247,734	245,070	194,071
Intangible assets	29	73,782	70,332	59,365	58,734
Deferred tax assets	30	15,023	13,781	7,707	-
		14,930,270	11,689,228	12,493,242	9,618,214
Asset classified as held for sale	31b	42,039	42,737	42,038	42,547
Total assets		**14,972,309**	**11,731,965**	**12,535,280**	**9,660,761**
Liabilities					
Deposits from financial institutions	32	2,005,316	1,696,521	1,637,318	1,422,707
Deposits from customers	33	9,251,238	6,954,827	7,530,062	5,517,069
Derivative financial liabilities	21	32,737	13,953	31,072	9,943
Current tax liabilities	16	4,501	4,643	7,556	3,132
Other liabilities	34	753,875	560,709	667,195	495,161
Deferred tax liabilities	30	1,796	11,652	-	4,374
Debt securities issued	35	307,253	264,494	303,297	260,644
Interest-bearing borrowings	36	1,385,424	1,171,260	1,286,869	1,072,435
Retirement benefit obligation	37	3,277	3,877	3,244	3,846
Total liabilities		**13,745,417**	**10,681,936**	**11,466,613**	**8,789,311**
Equity					
Share capital and share premium	38	251,811	251,811	251,810	251,811
Additional Tier 1 Capital	38	206,355	206,355	206,355	206,355
Retained earnings		409,653	397,273	321,181	304,778
Other components of equity	38	344,677	171,113	289,319	108,506
Total equity attributable to owners of the Bank		**1,212,497**	**1,026,552**	**1,068,667**	**871,450**
Non controlling interest	38	14,395	23,477	-	-
Total equity		**1,226,892**	**1,050,029**	**1,068,667**	**871,450**
Total liabilities and equity		**14,972,309**	**11,731,965**	**12,535,280**	**9,660,761**

Signed on behalf of the Board of Directors on 30 January, 2023 by:

MANAGING DIRECTOR
Roosevelt Ogbonna
FRC/2017/ICAN/00000016638

EXECUTIVE DIRECTOR
Oluseyi Kumapayi
FRC/2013/ICAN/00000000911

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

Consolidated and separate 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, 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 year:														
Profit for the year	-	-	-	-	-	-	-	-	-	-	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 (loss) 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 (loss)/ income	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**88,672**	**(5,108)**	**(1,119)**	**82,445**	**(7,085)**	**75,359**
Total comprehensive (loss)/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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	-	-	(14,441)	(14,441)	-	(14,441)
Transfers between reserves	-	-	-	71,842	21,577	-	-	-	-	-	(93,419)	-	-	-
Additional shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Scheme shares (See Note 14)	-	-	-	-	-	1,871	(3,715)	-	-	-	-	(1,844)	-	(1,844)
Vested shares	-	-	-	-	-	(1,574)	-	-	-	-	-	(1,574)	-	(1,574)
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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**

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 2021	**17,773**	**234,038**	**-**	**46,426**	**115,575**	**877**	**(5,112)**	**3,489**	**60,107**	**18,132**	**252,397**	**743,702**	**7,339**	**751,041**
Total comprehensive income for the year:														
Profit for the year	-	-	-	-	-	-	-	-		-	158,327	158,327	1,888	160,214
									-	-	-		-	-
Other comprehensive income/(loss), net of tax									-	-	-		-	-
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	21,771	-	21,771	647	22,418
Realised foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gain on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	1,012	1,012	-	1,012
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(70,315)	-	-	(70,315)	12,128	(58,187)
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	56	-	-	56	-	56
Total other comprehensive income/(loss)	-	-	-	-	-	-	-	-	(70,259)	21,771	1,012	(47,476)	12,774	(34,702)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(70,259)**	**21,771**	**159,338**	**110,850**	**14,662**	**125,512**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	206,355	-	-	-	-	-	-	-	-	206,355	-	206,355
Issuing Cost of additional Tier 1 Capital	-	-	-				-	-	-	-	(2,607)	(2,607)	-	(2,607)
Transfers between reserves	-	-	-	(39,712)	21,153		-	-	-	-	18,559	-	-	-
Additional shares	-	-	-	-	-	1,027	-	-	-	-	-	1,027	-	1,027
Scheme shares (See Note 14)	-	-	-	-	-	1,722	(2,401)	-	-	-	-	(680)	-	(680)
Vested shares	-	-	-	-	-	(409)	-	-	-	-	-	(409)	-	(409)
Decrease in non-controlling interest	-	-	-	-	-		-	-	439	(1,713)	(202)	(1,476)	1,476	0
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(30,213)	(30,213)	-	(30,213)
Total contributions by and distributions to equity holders	**-**	**-**	**206,355**	**(39,712)**	**21,153**	**2,340**	**(2,401)**	**-**	**439**	**(1,713)**	**(14,463)**	**171,998**	**1,476**	**173,474**
Balance at 31 December 2021	**17,773**	**234,038**	**206,355**	**6,714**	**136,728**	**3,217**	**(7,513)**	**3,489**	**(9,713)**	**38,190**	**397,271**	**1,026,551**	**23,477**	**1,050,028**

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, 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 year:										
Profit for the year	-	-		-	-	-	-	-	166,660	166,660
Other comprehensive income/(loss), net of tax										
Actuarial loss 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 (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**80,111**	**(1,119)**	**78,993**
Total comprehensive (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**80,111**	**165,542**	**245,654**
Transactions with equity holders, recorded directly in equity:										
Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	(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**

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, 2021	17,773	234,038	-	36,181	95,068	877	3,489	59,574	206,896	**653,895**
Total comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	-	-	111,326	111,326
Other comprehensive income/(loss), net of tax										
Actuarial gain on retirement benefit obligations (net of tax)	-	-	-	-	-	-	-	-	1,012	1,012
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	(69,495)	-	(69,495)
Changes in allowance on FVOCI debt financial instruments					-			(136)		(136)
Total other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(69,632)**	**1,012**	**(68,620)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(69,632)**	**112,338**	**42,705**
Transactions with equity holders, recorded directly in equity:										
Additional Tier 1 (AT1) Capital issued	-	-	206,355	-	-	-	-	-	-	206,355
Issuing Cost of additional Tier 1 Capital	-	-	-			-	-	-	(2,607)	(2,607)
Transfers between reserves	-	-	-	(35,063)	16,699	-	-	-	18,364	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	(30,213)	(30,213)
Scheme shares (See Note 14)	-	-	-	-	-	1,381	-	-	-	1,381
Vested shares	-	-	-	-	-	(68)	-	-	-	(68)
Total contributions by and distributions to equity holders	**-**	**-**	**206,355**	**(35,063)**	**16,699**	**1,313**	**-**	**-**	**(14,457)**	**174,848**
Balance at 31 December 2021	**17,773**	**234,038**	**206,355**	**1,118**	**111,767**	**2,191**	**3,489**	**(10,058)**	**304,778**	**871,449**

Consolidated and separate statements of cashflows

In millions of Naira	Note	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Cash flows from operating activities					
Profit before income tax		169,703	176,700	162,709	106,483
Adjustments for:					
Depreciation	28	30,298	29,139	23,394	22,615
Amortisation	29	13,825	12,974	10,081	10,087
Gain on disposal of property and equipment	13	(1,123)	(107)	(762)	(41)
Loss on lease modification	28	330	410	330	410
Fair value gain on financial assets at FVPL	11	(3,628)	(12,791)	(3,517)	(14,014)
Gain on disposal of investment securities and Non pledged trading assets	11	(111,380)	(168,413)	(110,216)	(145,584)
Impairment on financial assets	9	197,790	83,214	118,678	53,801
Additional gratuity provision	14	5,769	434	5,769	761
Restricted share performance plan expense	14	1,871	1,722	1,541	1,381
Write-off of property and equipment	28	203	59	132	17
Write-off of intangible assets	29	1,039	(146)	35	4
Share of profit from associate	27	(513)	(93)	-	-
Non-cash recoveries		-	(32,764)	-	(32,764)
Write-off of non-current asset held for sale		-	(87)	-	-
Bargain purchase from acquisition	44	-	(2,484)	-	-
Net interest income	8	(358,855)	(301,219)	(224,828)	(192,238)
Change arising from goodwill reassessment	29	(83)	-	-	-
Foreign exchange gain on revaluation	12	(34,501)	(101,101)	(5,423)	(89,691)
Loss on derecognition of ROU assets	28	6,546	356	-	-
Fair value of derivative financial instruments excluding hedged portion	11	(166,296)	136,424	(166,296)	136,424
Loss from discontinued operations	46	700	(120)		-
Dividend income	13	(3,672)	(3,043)	(15,159)	(3,043)
Net gain on fair value hedge (Hedging ineffectiveness)	12(b)	(19,742)	872	(19,742)	872
Loss on disposal of subsidiaries		397	-	-	-
		(271,323)	(180,063)	(223,275)	(144,520)
Changes in operating assets					
Changes in non-pledged trading assets		714,468	188,277	654,730	156,596
Changes in pledged assets		(630,837)	(39,536)	(630,837)	(39,550)
Changes in other restricted deposits with central banks		(372,202)	(153,538)	(370,580)	(151,166)
Changes in loans and advances to banks and customers		(1,131,732)	(478,148)	(839,250)	(503,867)
Changes in restricted deposits and other assets		(497,739)	(24,359)	(437,388)	(93,920)
Changes in operating liabilities					
Changes in deposits from banks		238,423	409,786	146,421	322,636
Changes in deposits from customers		2,279,299	944,676	1,998,026	675,335
Changes in other liabilities		432,644	141,511	366,894	152,333
		761,000	808,607	664,739	373,876
Interest paid on deposits to banks and customers		(357,957)	(222,811)	(304,307)	(172,412)
Interest received on loans and advances to bank and customers		421,225	318,594	310,052	234,632
Interest received on non-pledged trading assets		60,006	80,343	37,440	66,881
		884,272	984,733	707,925	502,977
Payment out of retirement benefit obligation	37(i)	(8,029)	-	(8,029)	-
Income tax paid	16	(20,511)	(22,838)	(1,368)	(2,143)
Net cash generated from operating activities		**855,732**	**961,895**	**698,528**	**500,834**
Cash flows from investing activities					
Net acquisition of investment securities		(1,981,681)	(2,219,566)	(1,828,663)	(1,879,235)
Interest received on investment securities		278,554	125,319	214,349	74,772
Transfer from/additional investment in fund manager		3,003	(79)	3,003	(79)
Dividend received	13	3,672	3,043	9,164	3,043
Acquisition of property and equipment	28	(75,764)	(40,837)	(54,770)	(25,378)
Proceeds from the sale of property and equipment		16,747	5,001	3,312	2,072
Acquisition of intangible assets	29	(17,913)	(8,031)	(10,747)	(1,329)
Proceeds from disposal of asset held for sale		8,384	995	8,384	995
Proceeds from matured investment securities		1,189,922	1,263,372	1,189,922	1,263,372
Additional investment in associate	27 a	(4,356)	(2,032)	(4,356)	(2,032)
Additional investment in subsidiaries		-	-	(65,543)	(49,576)
Net cash acquired on business combination	44	-	59,062	-	-
Proceeds from sale of subsidaries		2,000	-	2,000	-
Net cash used in investing activities		**(577,434)**	**(813,754)**	**(533,945)**	**(613,376)**
Cash flows from financing activities					
Interest paid on interest bearing borrowings and debt securities issued		(68,961)	(55,857)	(63,464)	(52,196)
Proceeds from interest bearing borrowings	36	678,377	429,362	612,579	389,440
Proceeds from Additional Tier 1 capital issued	38	-	206,355	-	206,355
Payments on Issuing cost of Additional Tier 1 capital		(14,441)	(2,607)	(14,441)	(2,607)
Repayment of interest bearing borrowings	36	(509,479)	(114,479)	(446,598)	(100,040)
Repayment of debt securities issued	35	-	(123,972)	-	(123,972)
Proceeds from debt securities issued	35	21,887	208,961	21,887	204,946
Lease payments		(32,138)	(6,532)	(23,314)	(1,384)
Purchase of own shares		(4,700)	(2,016)	(4,700)	(2,016)
Dividends paid to owners		(35,810)	(30,213)	(34,479)	(30,213)
Net cash generated from financing activities		**34,734**	**509,003**	**47,468**	**488,313**
Net increase in cash and cash equivalents		313,032	657,144	212,051	375,772
Cash and cash equivalents at beginning of year	40	1,528,923	837,847	1,113,369	704,478
Net increase in cash and cash equivalents		313,032	657,144	212,051	375,772
Effect of exchange rate fluctuations on cash held		52,975	33,933	58,726	33,119
Cash and cash equivalents at end of year	40	1,894,930	1,528,923	1,384,146	1,113,369

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 Bank for the year ended 31 December 2022 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 30 January 2023. 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) 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 (IFRSs) 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 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.

3.1 Summary of significant 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.
- 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 year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

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.

3.2 Changes in accounting policy and disclosures

(a) New standards, amendments and interpretations adopted by the Group

The group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2022

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
IAS 16 "Property, Plant and Equipment" outlines the accounting treatment for most types of property, plant and equipment. Property, plant and equipment is initially measured at its cost, subsequently measured either using a cost or revaluation model, and depreciated so that its depreciable amount is allocated on a systematic basis over its useful life. The amendments to IAS 16 would prohibit an entity from deducting from the cost of an item of property, plant and equipment (PPE) any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

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

Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37
IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" outlines the accounting for provisions (liabilities of uncertain timing or amount), together with contingent assets (possible assets) and contingent liabilities (possible obligations and present obligations that are not probable or not reliably measurable).
The amendments Onerous Contracts Cost of Fulfilling a Contract" specifies which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

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

Reference to the Conceptual Framework – Amendments to IFRS 3.
IFRS 3 "specifies how an entity should account for the assets and liabilities it acquires when it obtains control of a business. IFRS 3 requires an entity to refer to the Conceptual Framework for Financial Reporting (Conceptual Framework) to determine what constitutes an asset or a liability.

Transitioning to Alternative Reference Rate (ARR)

The Bank is currently in the process of reforming its adjustable-rate exposures (Legacy contracts with maturity above June 2023) to the Secured Overnight Financing Rate (SOFR). SOFR is the weighted average rate for repo agreements of the financial institutions in the United States published by the New York Federal Reserve Bank in corporation with the Office of Financial Reserve.

SOFR is the rate that market participants pay to borrow cash on an overnight basis, using Treasury Bills as collateral. SOFR is an alternative near risk free rate, however, to mirror LIBOR an element of risk in the form of a spread will be added to SOFR estimated based on the five-year historical median between both rates.

The Bank has ceased booking new LIBOR linked exposures effective December 31, 2021, except in limited circumstances where the maturity date does not extend beyond June 2023. From this date, new exposures will be created using the ARRs (SOFR) such as Sterling Overnight Financing Rate (SONIA), Euro Short Term Rate (ESTR), Tokyo Overnight Average (TONA) and Swiss Average Rate Overnight (SARON). All new contracts or exposures referencing IBORs after December 31, 2021 will include a robust fallback language.

Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting. An exception was included to IFRS 3 requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

• For a provision or contingent liability that would be within the scope of IAS 37, the entity (acquirer) shall apply IAS 37 to determine whether at the acquisition date
a present obligation exists as a result of past events.
• For a levy that would be within the scope of IFRIC 21, the entity (acquirer) shall apply IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.
• The entity (acquirer) shall not recognize a contingent asset at the acquisition date.

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

Annual improvements to IFRS Standards 2018 - 2020 (IFRS 9, IFRS 16, IFRS 1 and IAS 41)
Annual Improvements to IFRS Standards 2018–2020 makes amendments to the following standards:

IFRS 1, First-time Adoption of International Financial Reporting Standards:
Subsidiary as a first-time adopter. The amendment permits a subsidiary that applies paragraph
D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.

IFRS 9, Financial Instruments
Fees in the '10 per cent' test for derecognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16, Leases
Lease incentives. The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

IAS 41, Agriculture
Taxation in fair value measurements. The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

Definition of Accounting Estimates – Amendments to IAS 8 (effective 1 January 2023)

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The
distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied
retrospectively to past transactions and other past events as well as the current period

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 (effective 1 January 2023)

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.
The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
• right-of-use assets and lease liabilities, and
• decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.
The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.
IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable.

Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.
The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the
assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.

3.3 Basis of consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group exercise 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) 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.

(d) 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.

(e) 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.

(f) 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.

(g) 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 passes 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. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the foreign exchange gain or loss in the income statement. Changes in the fair value of monetary securities denominated in foreign currency classified as Fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the income statement, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other comprehensive income, are included in other comprehensive income.

(c) Group companies

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 are translated into the presentation currency 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.

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 arrangements.

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 year. 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 year) 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 year.

- 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 year 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 year 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 sattement 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 year

(b) Minimum Tax

Based on the provisions of The Finance Act, minimum tax will be applicable at 0.25% 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 income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is recognised in profit or loss, 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.

3.8 Financial assets and liabilities

Investments and other financial assets

Recognition and derecognition

Financial assets and liabilities are initially recognised on the settlement date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset.

(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 year in which it arises.

If in a subsequent year, 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 year 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 year 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 year), 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 year 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 year, 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)	(Initial Recognition)	(Credit-impaired assets)
12-months expected credit losses	Lifetime expected credit losses	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 year 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.

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:

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 year 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 yearly 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 year 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 years 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
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 year 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 year ranges from 1 year to 40 years. 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 year 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 2022 was 15.31%

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease year so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year. 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.

Amendments to IFRS 16: COVID-19-related rent concessions

The amendment is effective for annual reporting years beginning on or after 1 June 2020. Earlier application is permitted. The amendment is also available for interim reports. The changes in Covid-19-Related Rent Concessions (Amendment to IFRS 16) amend IFRS 16 to

1) provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification;

2) require lessees that apply the exemption to account for COVID-19-related rent concessions as if they were not lease modifications;

3) require lessees that apply the exemption to disclose that fact; and require lessees to apply the exemption retrospectively in accordance with IAS 8, but not require them to restate prior year figures.

The main change from the proposal in the exposure draft is that the IASB had proposed that the practical expedient should only be available for lease payments originally due in 2020. However, after having considered the feedback to the exposure draft, the IASB decided to extend this year to June 2021 to also capture rent concessions granted now and lasting for 12 months.

However, the Group did not receive rent concessions in the 2022 financial year

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 year-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 Bank 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 year 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 years 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 years 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 year 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 year.

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 year 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 year 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 years. 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 balance sheet, with a charge or credit to other comprehensive income (OCI) in the years 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 year that employees provide services, generally the year 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 year has been expensed within Personnel expenses, with a corresponding increase in the Share scheme reserve

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

This relates to the Bank's issued U.S.$500,000,000 Perpetual Fixed Rate Resettable Non-Callable prior to 5.25 years Additional Tier 1 Subordinated Notes. See note 38(c) for more details

(c) Dividend on the Bank's ordinary shares

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

(d) Treasury shares

Where the Bank or any member of the Group purchases the Bank's share capital, the consideration paid is deducted from the shareholders' equity as treasury shares until they are cancelled or disposed. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

(e) 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 year. 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.

(f) 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 always 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.

(g) 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.

(h) 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.

(i) 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.

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

3.21 Levies

The Group recognizes liability to pay levies progressively if the obligating event occurs over a year. 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 year. 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 classified 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 do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify 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
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 ₦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 a lot of uncertainty, the possibility of further material impairment charge for this event is considered remote. The fair value for Ghana sovereign debts in the books of the Group amounts to ₦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 years 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 year, 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 N309.19 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 yearly 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 this 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 2022, 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 in Oil Price by 10% resulting in GDP increase and decrease in both inflation rate and exchange rate will lead to an improvement in asset quality by 0.13% and a reduction in impairment by 2.81%. While a drop in Oil Price by 10% leads to a drop in GDP and an increase in inflation and Exchange rate, this will result in a deterioration in asset quality by 0.29% and an increase in impairment by 2.76%.

	-10%	**+10%**
P & L Impact of change in Macroeconomic variables	(6,802)	6,680

	-10%	**+10%**
Asset Quality Impact of change in Macroeconomic variables	0.29%	-0.13%

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 2022, 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	(397)	400

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 2022**	**December 2021**
Bank	Note		
Loans & advances:			
Expected credit loss (ECL) on loans to customers and banks			
- Loans to banks	22	341	435
- Loans to individuals	23(b)	8,152	13,832
- Loans to corporate	23(b)	56,910	73,818
Total impairment allowances on loans per IFRS		**65,403**	**88,086**
Total regulatory impairment based on prudential guidelines		**141,739**	**89,204**
Balance, beginning of the year		1,118	36,181
Additional transfers to/(from) regulatory risk reserve		75,218	(35,063)
Balance, end of the year		**76,336**	**1,118**

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 23.77% and a cash flow terminal growth rate of 5.47%. Projected cash flows for Rwanda was discounted using a discount rate of 22.63% and terminal growth rate of 6.21%. Projected cash flows for Former Diamond Bank was discounted using a discount rate of 31.78% and terminal growth rate of 3.19%. Projected cash flows for Access Botswana was discounted using a discount rate of 8.8% and terminal growth rate of 4.16%. The Group determined the appropriate discount rate at the end of the year 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 year. 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.

(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 year to year.

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 year using the market approach.

The adjusted fair value comparison approach of EV/EBITDA, P/E ratios and 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 EV/EBITDA, P/E ratios and P/B 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.

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 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
	1,841,417	758,876	205,200	2,805,494
Liabilities				
Derivative financial instrument	-	32,737	-	32,738
	-	32,737	-	32,738

* There are no transfers between levels during the period

Group
December 2021

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	802,305	-	-	802,305
Government Bonds	76,677	-	-	76,677
Eurobonds	-	13,526	-	13,526
Derivative financial instrument	-	171,332	-	171,332
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	64,764	-	-	64,764
Government Bonds	419	-	-	419
Investment securities				
-Financial assets at FVOCI				
Treasury bills	434,106	-	-	434,106
Government Bonds	229,097	-	-	229,097
State government bonds	-	42,958	-	42,958
Corporate bonds	-	16,248	-	16,248
Eurobonds	-	26,039	-	26,039
Promissory notes	-	27,608	-	27,608
-Financial assets at FVPL				
Equity	-	13,397	152,105	165,503
Investment properties	-	-	217	217
Assets held for sale	-	-	42,737	42,737
	1,607,369	311,107	195,059	2,113,533
Liabilities				
Derivative financial instrument	-	13,953	-	13,953
	-	13,953	-	13,953

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				
-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	-	4,964	162,658	167,622
Investment properties			217	217
Asset held for sale	-	-	42,038	42,038
	1,356,408	734,925	204,914	2,296,247
Liabilities				
Derivative financial instrument	-	31,072	-	31,072
	-	31,072	-	31,072

* There are no transfers between levels during the period

Bank
December 2021
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	786,717	-	-	786,717
Government Bonds	3,563	-	-	3,563
Eurobonds	-	13,526	-	13,526
Derivative financial instrument	-	161,439	-	161,439
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	64,764	-	-	64,764
Government Bonds	419	-	-	419
Investment securities				
-Financial assets at FVOCI				
Treasury bills	172,719	-	-	172,719
Government Bonds	25,182	-	-	25,182
State government bonds	-	42,958	-	42,958
Corporate bonds	-	16,248	-	16,248
Eurobonds	-	13,828	-	13,828
Promissory notes	-	27,608	-	27,608
-Financial assets at FVPL				
Equity	-	13,397	151,822	165,219
Investment properties	-	-	217	217
Asset held for sale	-	-	42,547	42,547
	1,053,365	289,004	194,585	1,536,953
Liabilities				
Derivative financial instrument	-	9,943	-	9,943
	-	9,943	-	9,943

4.1.2 Financial instruments not measured at fair value
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	-	-	-	-
Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	-	3,742	-	3,742
Corporate Bonds	-	-	-	-
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
Promissory notes	37,762	-	-	37,761
Other assets	-	-	2,451,927	2,451,927
	1,838,390	16,055	9,969,544	11,823,987

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	-	13,385,132	13,692,385

* There are no transfers between levels during the period

Group
December 2021
In millions of Naira

	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and balances with banks	-	-	1,487,665	1,487,665
Investment under management				
Government bonds	2,861	-	-	2,861
Placements	-	-	13,045	13,045
Commercial paper	-	5,153	-	5,153
Nigerian Treasury bills	2,575	-	-	2,575
Mutual funds	-	5,403	-	5,403
Eurobonds	-	3,885	-	3,885
Corporate Bonds	-	2,021	-	2,021
Loans and advances to banks	-	-	284,548	284,548
Loans and advances to customers	-	-	4,161,364	4,161,364
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	187,819	-	-	187,819
Bonds	29,670	-	-	29,670
Promissory notes	40,777	-	-	40,777
Investment securities				
-Financial assets at amortised cost				
Treasury bills	627,358	-	-	627,358
Government Bonds	342,767	-	-	342,767
State government bonds	-	6,343	-	6,343
Corporate bonds	-	5,446	-	5,446
Eurobonds	173,461	-	-	173,461
Total return notes	-	-	-	-
Promissory notes	14,843	-	-	14,843
Other assets	-	-	1,678,741	1,678,741
	1,422,130	**28,250**	**7,625,362**	**9,075,744**

	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities				
Deposits from financial institutions	-	-	1,696,521	1,696,521
Deposits from customers	-	-	6,954,827	6,954,827
Other liabilities	-	-	556,144	556,144
Debt securities issued	264,495	-	-	264,495
Interest-bearing borrowings	-	-	1,171,260	1,171,260
	264,495	**-**	**10,378,752**	**10,643,247**

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
	1,463,139	16,055	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	-	11,114,714	11,418,011

Bank
December 2021
In millions of Naira

	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and balances with banks	-	-	1,068,976	1,068,976
Investment under management				
Government bonds	2,861	-	-	2,861
Placements	-	-	13,045	13,045
Commercial paper	-	5,153	-	5,153
Nigerian Treasury bills	2,575	-	-	2,575
Mutual funds	-	5,403	-	5,403
Eurobonds	-	3,885	-	3,885
Corporate Bonds	-	2,021	-	2,021
Loans and advances to banks	-	-	322,259	322,259
Loans and advances to customers	-	-	3,256,073	3,256,073
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	187,819	-	-	187,819
Bonds	29,670	-	-	29,670
Promissory notes	40,777	-	-	40,777
Investment securities				
Financial assets at amortised cost				
Treasury bills	523,628	-	-	523,628
Government Bonds	244,151	-	-	244,151
State government bonds	-	6,343	-	6,343
Corporate bonds	-	6,326	-	6,326
Eurobonds	167,913	-	-	167,913
Total return notes	-	-	-	-
Promissory notes	14,843	-	-	14,843
Other Assets	-	-	1,579,143	1,579,143
	1,214,234	29,131	6,239,496	7,482,862
Liabilities				
Deposits from financial institutions	-	-	1,422,707	1,422,707
Deposits from customers	-	-	5,517,069	5,517,069
Other liabilities	-	-	491,743	491,743
Debt securities issued	260,644	-	-	260,644
Interest-bearing borrowings	-	-	1,072,435	1,072,435
	260,644	-	8,503,954	8,764,598

* 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 period.

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 2022	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	399,058	Forward and swap: Fair value through market rate from a quoted market	Market rates from quoted market	362,185	366,502	The higher the market rate, the higher the fair value of the derivative financial instrument
Derivative financial liabilities	31,072	Futures: Fair value through reference market rate				
Investment in CSCS	4,673	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	4,906	4,439	The higher the share price, the higher the fair value
Nigerian Mortgage Refinance Company	291	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	306	277	The higher the share 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 2022	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	131,633	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	138,215	125,052	131,235	132,031	The higher the illiquidity ratio, the control premium and the size adjustment/haircut, the higher the fair value
Investment in Unified Payment System Limited	5,653	Adjusted fair value comparison approach	Median PE ratios of comparable companies	5,410	4,895	5,578	5,728	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in NIBSS	12,635	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	13,267	12,003	12,468	12,802	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in Afrexim	176	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	185	168	175	177	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in FMDQ	7,068	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	6,053	5,477	5,656	5,874	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CRC Bureau	383	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	402	364	378	388	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
CAPITAL ALLIANCE EQUITY FUND	4,735	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	4,971	4,498	4,971	4,498	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
NG Clearing	325	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	341	309	323	327	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 2022

Financial assets at fair value through profit or loss (Equity)	**Group December 2022**	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Opening balance	152,105	141,231	151,822	141,200
Acquired from business combination	-	247	-	-
Total unrealised gains in P/L	4,061	10,628	4,057	10,621
Sales	-	-	-	-
Balance, year end	**156,167**	**152,105**	**155,879**	**151,822**

Assets Held for Sale	**Group December 2022**	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Opening balance	42,737	28,318	42,547	28,128
Additions	7,878	15,703	7,876	15,703
Disposals	(8,384)	(995)	(8,384)	(995)
Write Off	-	(290)	-	(290)
Balance, year end	**42,231**	**42,737**	**42,039**	**42,547**

Investment under management	**Group December 2022**	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Opening balance	13,045	6,386	13,045	6,386
Additions	-	6,659	-	6,659
Reclassification	(13,045)		(13,045)	-
Balance, year end	**-**	**13,045**	**-**	**13,045**

(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 2022**	**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	-	-	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	-	12,280	-	-	-	-	12,280	12,280
Equity	-	2,294	-	-	-	-	2,294	2,294
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
	-	**748,226**	**11,816,452**	**2,015,011**	**-**	**-**	**14,579,689**	**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**	**13,692,385**	**13,725,121**	**13,725,122**

	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 2021								
Cash and balances with banks	-	-	1,487,665	-	-	-	1,487,665	1,487,665
Investment under management	-	-	34,942	-	-	-	34,942	34,942
Non pledged trading assets								
Treasury bills	-	802,305	-	-	-	-	802,305	802,305
Bonds	-	76,677	-	-	-	-	76,677	76,677
Equity	-	13,526	-	-	-	-	13,526	13,526
Derivative financial instruments	-	171,332	-	-	-	-	171,332	171,332
Loans and advances to banks	-	-	275,313	-	-	-	275,313	284,548
Loans and advances to customers	-	-	4,026,299	-	-	-	4,026,299	4,161,364
Pledged assets		-						
Treasury bills	-	64,764	187,819	-	-	-	252,583	256,265
Government bonds	-	419	29,670	-	-	-	30,089	36,219
Investment securities			40,777				40,777	52,076
- Financial assets at FVOCI								
Treasury bills	-	-	-	434,106	-	-	434,106	434,106
Government Bonds	-	-	-	229,097	-	-	229,097	229,097
State government bonds	-	-	-	42,958	-	-	42,958	42,958
Corporate bonds	-	-	-	16,248	-	-	16,248	16,248
Eurobonds	-	-	-	26,039	-	-	26,039	26,039
Promissory Notes	-	-	-	27,608	-	-	27,608	27,608
- Financial assets at FVPL								
Equity	-	165,337	-	-	-	-	165,337	165,337
- Financial assets at amortised cost								
Treasury bills	-	-	627,358	-	-	-	627,358	642,490
Total Return Notes	-	-	-	-	-	-	-	-
Government bonds	-	-	342,767	-	-	-	342,767	443,682
State government bonds	-	-	6,343	-	-	-	6,343	7,334
Corporate bonds	-	-	5,446	-	-	-	5,446	7,592
Eurobonds	-	-	173,461	-	-	-	173,461	214,066
Promissory Notes	-	-	14,843	-	-	-	14,843	15,785
Other assets	-	-	1,678,804	-	-	-	1,678,804	1,678,804
	-	**1,294,360**	**8,931,508**	**776,056**	**-**	**-**	**11,001,923**	**11,328,066**
Deposits from financial institutions	-	-	-	-	-	1,691,304	1,691,304	1,696,521
Deposits from customers	-	-	-	-	-	6,933,439	6,933,439	6,954,827
Other liabilities	-	-	-	-	-	554,434	554,434	556,144
Derivative financial instruments	-	-	-	-	13,953	-	13,953	13,953
Debt securities issued	-	-	-	-	-	268,957	268,957	264,495
Interest bearing borrowings	-	-	-	-	-	1,167,658	1,167,658	1,171,260
	-	**-**	**-**	**-**	**13,953**	**10,615,791**	**10,629,744**	**10,657,200**

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 2022**	**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	-	-	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		-	825,732	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**	**9,655,569**	**1,946,135**	**-**	**-**	**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
Interest bearing borrowings	-	-	-	-	-	1,286,869	1,286,869	1,302,768
	-	**-**	**-**	**-**	**31,072**	**11,418,010**	**11,449,082**	**10,948,998**

Group
In millions of Naira
December 2021

	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	-	-	1,487,665	-	-	-	1,487,665	1,487,665
Investment under management	-	-	34,942	-	-	-	34,942	34,942
Non pledged trading assets								
Treasury bills	-	802,305	-	-	-	-	802,305	802,305
Bonds	-	76,677	-	-	-	-	76,677	76,677
Equity	-	13,526	-	-	-	-	13,526	13,526
Derivative financial instruments	-	171,332	-	-	-	-	171,332	171,332
Loans and advances to banks	-	-	275,313	-	-	-	275,313	284,548
Loans and advances to customers	-	-	4,026,299	-	-	-	4,026,299	4,161,364
Pledged assets		-						
Treasury bills	-	64,764	187,819	-	-	-	252,583	256,265
Government bonds	-	419	29,670	-	-	-	30,089	36,219
Investment securities			40,777				40,777	52,076
- Financial assets at FVOCI								
Treasury bills	-	-	-	434,106	-	-	434,106	434,106
Government Bonds	-	-	-	229,097	-	-	229,097	229,097
State government bonds	-	-	-	42,958	-	-	42,958	42,958
Corporate bonds	-	-	-	16,248	-	-	16,248	16,248
Eurobonds	-	-	-	26,039	-	-	26,039	26,039
Promissory Notes	-	-	-	27,608	-	-	27,608	27,608
- Financial assets at FVPL								
Equity	-	165,337	-	-	-	-	165,337	165,337
- Financial assets at amortised cost								
Treasury bills	-	-	627,358	-	-	-	627,358	642,490
Total Return Notes	-	-	-	-	-	-	-	-
Government bonds	-	-	342,767	-	-	-	342,767	443,682
State government bonds	-	-	6,343	-	-	-	6,343	7,334
Corporate bonds	-	-	5,446	-	-	-	5,446	7,592
Eurobonds	-	-	173,461	-	-	-	173,461	214,066
Promissory Notes	-	-	14,843	-	-	-	14,843	15,785
Other assets	-	-	1,678,804	-	-	-	1,678,804	1,678,804
	-	**1,294,360**	**8,931,508**	**776,056**	**-**	**-**	**11,001,923**	**11,328,066**
Deposits from financial institutions	-	-	-	-	-	1,691,304	1,691,304	1,696,521
Deposits from customers	-	-	-	-	-	6,933,439	6,933,439	6,954,827
Other liabilities	-	-	-	-	-	554,434	554,434	556,144
Derivative financial instruments	-	-	-	-	13,953	-	13,953	13,953
Debt securities issued	-	-	-	-	-	268,957	268,957	264,495
Interest bearing borrowings	-	-	-	-	-	1,167,658	1,167,658	1,171,260
	-	**-**	**-**	**-**	**13,953**	**10,615,791**	**10,629,744**	**10,657,200**

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 2022**	**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	-	-	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		-	825,732	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**	**9,655,569**	**1,946,135**	**-**	**-**	**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
Interest bearing borrowings	-	-	-	-	-	1,286,869	1,286,869	1,302,768
	-	**-**	**-**	**-**	**31,072**	**11,418,010**	**11,449,082**	**10,948,998**

Bank *In millions of Naira* **December 2021**	**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	-	-	1,068,976	-	-	-	1,068,976	1,068,976
Investment under management	-	-	34,942	-	-	-	34,942	34,942
Non pledged trading assets								
Treasury bills	-	786,717	-	-	-	-	786,717	786,717
Bonds	-	17,089	-	-	-	-	17,089	17,089
Equity	-	-	-	-	-	-	-	-
Derivative financial instruments	-	161,439	-	-	-	-	161,439	161,439
Loans and advances to banks	-	-	311,944	-	-	-	311,944	322,259
Loans and advances to customers	-	-	2,453,107	-	-	-	2,453,107	3,256,073
Pledged assets								
Treasury bills	-	64,764	187,819	-	-	-	252,583	256,265
Government bonds	-	419	29,670	-	-	-	30,089	36,219
Promissory Notes	-	-	40,777	-	-	-	40,777	52,076
Investment securities								
- Financial assets at FVOCI								
Treasury bills	-	-	-	172,719	-	-	172,719	172,719
Government bonds	-	-	-	25,182	-	-	25,182	25,182
State government bonds	-	-	-	42,958	-	-	42,958	42,958
Corporate bonds	-	-	-	16,248	-	-	16,248	16,248
Eurobonds	-	-	-	13,828	-	-	13,828	13,828
Promissory Notes	-	-	-	27,608	-	-	27,608	27,608
- Financial assets at FVPL								
Equity	-	165,054	-	-	-	-	165,054	165,054
- Financial assets at amortised cost								
Treasury bills	-	-	523,628	-	-	-	523,628	535,678
Government Bonds	-	-	244,151	-	-	-	244,151	539,406
State government bonds	-	-	6,343	-	-	-	6,343	6,343
Corporate bonds	-	-	6,326	-	-	-	6,326	6,326
Eurobonds	-	-	167,913	-	-	-	167,913	167,913
Promissory Notes	-	-	14,843	-	-	-	14,843	15,785
Other assets	-	-	1,579,206	-	-	-	1,579,206	1,579,206
	-	**1,195,481**	**6,669,643**	**298,544**	**-**	**-**	**8,163,669**	**9,306,310**
Deposits from financial institutions	-	-	-	-	-	1,418,332	1,418,332	1,422,707
Deposits from customers	-	-	-	-	-	5,500,102	5,500,102	5,517,069
Other liabilities	-	-	-	-	-	490,230	490,230	491,743
Derivative financial instruments	-	-	-	-	9,943	-	9,943	9,943
Debt securities issued	-	-	-	-	-	265,002	265,002	260,644
Interest bearing borrowings	-	-	-	-	-	1,072,435	1,072,435	1,072,435
	-	**-**	**-**	**-**	**9,943**	**8,746,102**	**8,756,046**	**8,774,542**

Interest bearing borrowings

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.

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 2022	Group December 2021	Bank December 2022	Bank December 2021
Cash and balances with banks				
- Current balances with banks	272,128	386,479	123,023	232,288
- Unrestricted balances with central banks	186,534	72,671	89,148	1,057
- Money market placements	152,680	102,503	24,669	78,550
- Other deposits with central banks	536,677	155,049	536,677	155,049
Investment under management	3,742	34,942	3,742	34,942
Non pledged trading assets				
Treasury bills	88,116	802,305	73,011	786,717
Bonds	14,574	90,203	4,613	17,089
Derivative financial instruments	402,497	171,332	399,058	161,439
Loans and advances to banks	455,710	284,548	322,610	322,259
Loans and advances to customers	5,100,807	4,161,364	4,084,352	3,256,073
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	451,476	-	451,476	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial instruments at amortized cost				
Treasury bills	296,061	191,501	296,061	191,501
Bonds	411,582	35,800	411,582	35,800
Promissory notes	32,639	52,076	32,639	52,076
-Financial instruments at FVPL				
Treasury bills	72,565	64,764	72,565	64,764
Bonds	2,567	419	2,567	419
Promissory notes	-	-	-	-
Investment securities				
-Financial instruments at FVOCI				
Treasury bills	1,046,120	434,106	703,695	172,719
Bonds	296,240	314,341	158,208	98,216
Promissory notes	217,305	27,608	217,305	27,608
- Financial assets at amortised cost		-		-
Treasury bills	192,795	642,490	102,399	535,678
Total Return notes	-	-	-	-
Bonds	870,110	672,675	632,770	555,191
Promissory notes	37,762	15,785	37,763	15,785
Restricted deposit and other assets	2,454,143	1,678,804	2,323,754	1,579,206
Total	**13,594,834**	**10,391,766**	**11,103,689**	**8,374,425**

Off balance sheet exposures				
Transaction related bonds and guarantees	693,915	518,560	618,742	448,678
Clean line facilities for letters of credit and other commitments	842,563	618,809	606,878	437,456
Total	**1,536,476**	**1,137,369**	**1,225,621**	**886,134**

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 2022 and 31 December 2021, 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 2022**	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Agriculture	57,578	43,253	42,900	35,985
Construction	388,368	297,303	336,573	276,515
Education	2,082	5,320	1,217	5,320
Finance and insurance	146,689	108,801	119,512	98,370
General	387,965	494,310	325,038	239,905
General commerce	687,600	525,785	421,501	301,940
Government	498,493	341,955	447,289	323,770
Information And communication	249,350	194,956	225,405	147,973
Other manufacturing (Industries)	241,682	187,045	193,371	136,330
Basic metal Products	5,100	3,830	2,705	3,830
Cement	151,930	97,838	140,605	97,838
Conglomerate	106,685	102,418	97,363	102,418
Flourmills And bakeries	12,130	3,015	11,446	3,015
Food manufacturing	243,975	118,892	153,276	43,856
Steel rolling mills	108,790	123,168	99,932	123,168
Oil And Gas - downstream	274,678	160,846	242,012	141,540
Oil And Gas - services	644,592	661,823	540,730	624,478
Oil And Gas - upstream	277,713	201,740	253,236	195,170
Crude oil refining	47,428	11,427	44,771	11,427
Real estate activities	273,074	239,479	226,454	216,005
Transportation and storage	192,583	182,486	160,182	168,140
Power and energy	47,101	25,873	42,469	24,892
Professional, scientific and technical activities	8,322	5,954	4,193	2,552
Others	145,842	173,746	17,236	19,285
	5,199,752	**4,311,264**	**4,149,413**	**3,343,722**

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									
Investment	-	-	-	-	-	-	-	-	-
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	1,249,929	-	-	1,249,929	1,931	-	-	1,932	1,247,997
Standard grade	2,898,346	409,856	-	3,308,202	18,951	16,646	-	35,598	3,272,605
Non-Investment	-	-	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	3,634
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	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
Standard grade	-	-	-	-	-	-	-	-	1
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
Standard grade	-	-	-	-	-	-	-	-	-
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									
Investment	-	-	-	-	-	-	-	-	-
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	372,316	-	-	372,316	-	-	-	-	372,316
Standard grade	-	-	-	-	-	-	-	-	1
Non-Investment	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									
Investment	-	-	-	-	-	-	-	-	-
Standard grade	-	-	-	-	-	-	-	-	-
Non-Investment	24,669	-	-	24,669	563	-	-	563	24,106

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	2,281,567	-	-	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(a) Group
December 2021
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	356,920	17,446	975	375,340	8,447	1,370	539	10,355	364,985
Non-Investment	-	9,839	30,843	40,681	-	824	15,953	16,776	23,904

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	1,543,722	2,680	-	1,546,402	4,591	4	-	4,596	1,541,806
Standard grade	1,808,467	390,641	323	2,199,432	24,165	25,338	116	49,621	2,149,813
Non-Investment	-	7	149,401	149,409	-	7	68,546	68,553	80,856

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	284,357	-	-	284,357	484	-	-	484	283,872
Standard grade	543	117	-	660	10	9	-	18	641
Non-Investment	-	-	152	152	-	-	117	117	33

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	547,346	-	-	547,346	454	-	-	454	546,892
Standard grade	570,991	-	-	570,991	1,465	-	-	1,465	569,527
Non-Investment	3	-	19,028	19,033	0	-	13	13	19,020

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	880,646	-	-	880,646	1,244	-	-	1,244	879,401
Standard grade	2,105,914	-	-	2,105,914	480	-	-	480	2,105,434
Non-Investment	6,909	14,438	-	21,348	124	735	-	860	20,489

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	344,560	-	-	344,560	23	-	-	23	344,537

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	65,137	-	-	65,137	124	-	-	124	65,014
Standard grade	1,315	-	-	1,315	0	-	-	0	1,315
Non-Investment	36,049	-	-	36,049	60	-	-	60	35,989

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	1,625,489	-	-	1,625,489	110	-	-	110	1,625,379
Standard grade	9,790	47,932	-	57,722	60	4,237	-	4,297	53,426
Non-Investment	-	-	-	-	-	-	-	-	-

5.1.3(b) Bank
December 2021
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	111,960	1,686	975	114,621	6,409	59	539	7,006	107,614
Non-Investment	-	9,839	10,283	20,122	-	824	6,001	6,825	13,297

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	1,363,416	2,680	-	1,366,096	4,591	4	-	4,595	1,361,501
Standard grade	1,410,531	370,311	323	1,781,164	19,354	23,647	116	43,117	1,738,047
Non-Investment	-	7	61,712	61,719	-	7	26,099	26,105	35,614

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	321,918	-	-	321,918	333	-	-	333	321,585
Standard grade	543	116	-	658	10	8	-	17	641
Non-Investment	-	-	119	119	-	-	84	84	34

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	547,346	-	-	547,346	454	-	-	454	546,892
Standard grade	338,120	-	-	338,120	1,304	-	-	1,304	336,816
Non-Investment	3	-	664	668	1	-	1	1	667

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	169,615	-	-	169,615	1	-	-	1	169,614
Standard grade	2,105,914	-	-	2,105,914	480	-	-	480	2,105,434
Non-Investment	6,909	7,591	-	14,501	124	735	-	860	13,641

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	344,141	-	-	344,141	23	-	-	23	344,118

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	41,185	-	-	41,185	0	-	-	0	41,185
Standard grade	1,315	-	-	1,315	0	-	-	0	1,315
Non-Investment	36,049	-	-	36,049	60	-	-	60	35,989

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	1,528,104	-	-	1,528,104	79	-	-	79	1,528,025
Standard grade	9,204	45,060	-	54,264	43	3,041	-	3,084	51,181
Non-Investment	-	-	-	-	-	-	-	-	-

5.1.3 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
B-	Non-Investment	5	-	-	-	-	-	-	-	-	(1)
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	205,995
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	413,399
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
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
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
D	Non-Investment	8	-	-	-	-	-	-	-	-	-
			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
AAA	Investment	1	-	-	-	-	-	-	-	-	-
A	Investment	2	1,005,861	-	-	1,005,861	233	-	-	233	1,005,629
BB	Standard	3	-	-	-	-	-	-	-	-	-
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)
B	Non-Investment	4		
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
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
AA	Investment	2+	-	-	-	-	-	-	-	-	1
A	Investment	2	-	-	-	-	-	-	-	-	-
BBB	Investment	2-	-	-	-	-	-	-	-	-	-
BB+	Standard	3+	-	-	-	-	-	-	-	-	-
BB	Standard	3	3,640	-	-	3,640	6	-	-	6	3,634
BB-	Standard	3-	-	-	-	-	-	-	-	-	-
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	119	119	-	-	28	28	91
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	-	-	-	-	-	-	-
			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	-	-	-	-	-	-	-	-	1
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
AA	Investment	2+	112,201	(4,458)
A	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. Credit quality
(c) Credit quality by risk rating class

Group

In millions of Naira
December 2021

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+	488	-	-	488	29	-	-	29	459
BB	Standard	3	356,239	17,445	975	374,659	8,405	1,370	539	10,314	364,345
BB-	Standard	3-	193	1	-	194	13	0	-	13	181
B	Non-Investment	4	-	2,386	-	2,386	-	268	-	268	2,119
B-	Non-Investment	5	-	7,453	16	7,469	-	556	-	556	6,913
CCC	Non-Investment	6	-	-	4,865	4,865	-	-	2,650	2,650	2,215
C	Non-Investment	7	-	-	22,409	22,409	-	-	11,263	11,263	11,145
D	Non-Investment	8	-	-	3,552	3,552	-	-	2,040	2,040	1,513
Carrying amount			**356,920**	**27,285**	**31,817**	**416,023**	**8,447**	**2,194**	**16,492**	**27,133**	**388,890**

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	240,473	-	-	240,473	256	-	-	256	240,218
AA	Investment	2+	350,334	-	-	350,334	236	-	-	236	350,098
A	Investment	2	323,030	2,680	-	325,711	1,920	4	-	1,924	323,787
BBB	Investment	2-	629,884	-	-	629,884	2,179	-	-	2,179	627,705
BB+	Standard	3+	371,249	8,183	-	379,432	2,963	98	-	3,061	376,371
BB	Standard	3	1,361,554	359,095	300	1,720,949	17,094	23,047	110	40,251	1,680,698
BB-	Standard	3-	75,664	23,363	23	99,050	4,107	2,194	6	6,307	92,742
B	Non-Investment	4	-	7	-	7	-	7	-	7	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	113,268	113,268	-	-	52,813	52,813	60,454
C	Non-Investment	7	-	-	22,419	22,419	-	-	8,280	8,280	14,139
D	Non-Investment	8	-	-	13,715	13,715	-	-	7,452	7,452	6,263
			3,352,188	**393,327**	**149,725**	**3,895,244**	**28,756**	**25,350**	**68,662**	**122,767**	**3,772,474**

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	284,357	-	-	284,357	484	-	-	484	283,873
BB	Standard	3	543	117	-	659	10	9	-	18	641
D	Non-Investment	8	-	-	152	152	-	-	117	117	34
			284,900	**117**	**152**	**285,168**	**493**	**9**	**117**	**620**	**284,548**

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
AAA	Investment	1	710,747	-	-	710,747	1,243	-	-	1,243	709,504
A	Investment	2	169,899	-	-	169,899	1	-	-	1	169,898
BB	Standard	3	2,105,914	-	-	2,105,914	480	-	-	480	2,105,434
B	Non-Investment	4	6,909	14,438	-	21,347	124	735	-	860	20,488
CCC	Non-Investment	6	-	-	-	-	-	-	-	-	-
			2,993,469	**14,438**	**-**	**3,007,907**	**1,849**	**735**	**-**	**2,584**	**3,005,323**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2021	Fair Value December 2021
AAA	Investment	1	1,430,053	152,916
AA	Investment	2+	45,426	(205)
A	Investment	2	35,144	993
BBB	Investment	2-	110,379	(1,244)
BB+	Standard	3+	19,794	719
BB	Standard	3	94,942	2,713
BB-	Standard	3-	62,516	1,487
Gross amount			**1,798,255**	**157,379**

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	1,463,263	-	-	1,463,263	61	-	-	61	1,463,202
AA	Investment	2+	19,311	-	-	19,311	9	-	-	9	19,302
A	Investment	2	85,563	-	-	85,563	6	-	-	6	85,557
BBB	Investment	2-	57,352	-	-	57,352	35	-	-	35	57,317
BB+	Standard	3+	9,790	-	-	9,790	60	-	-	60	9,731
BB	Standard	3	-	47,932	-	47,932	-	4,237	-	4,237	43,695
			1,635,280	**47,932**	**-**	**1,683,212**	**170**	**4,237**	**-**	**4,407**	**1,678,804**

Bank
December 2021
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+	488	-	-	488	29	-	-	29	459
BB	Standard	3	111,278	1,685	975	113,938	6,367	58	539	6,964	106,974
BB-	Standard	3-	193	1	-	194	13	0	-	13	181
B	Non-Investment	4	-	2,386	-	2,386	-	268	-	268	2,119
B-	Non-Investment	5	-	7,453	16	7,469	-	556	-	556	6,913
CCC	Non-Investment	6	-	-	4,865	4,865	-	-	2,650	2,650	2,215
C	Non-Investment	7	-	-	1,849	1,849	-	-	1,311	1,311	538
D	Non-Investment	8	-	-	3,552	3,552	-	-	2,040	2,040	1,513
Carrying amount			**111,960**	**11,525**	**11,258**	**134,743**	**6,409**	**883**	**6,540**	**13,831**	**120,911**

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	240,473	-	-	240,473	256	-	-	256	240,218
AA	Investment	2+	350,334	-	-	350,334	236	-	-	236	350,098
A	Investment	2	323,030	2,680	-	325,711	1,920	4	-	1,924	323,787
BBB	Investment	2-	449,578	-	-	449,578	2,179	-	-	2,179	447,399
BB+	Standard	3+	371,249	8,183	-	379,432	2,963	98	-	3,061	376,371
BB	Standard	3	963,618	338,765	300	1,302,682	12,284	21,355	110	33,749	1,268,933
BB-	Standard	3-	75,664	23,363	23	99,050	4,107	2,194	6	6,307	92,742
B	Non-Investment	4	-	7	-	7	-	7	-	7	0
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	25,579	25,579	-	-	10,367	10,367	15,212
C	Non-Investment	7	-	-	22,419	22,419	-	-	8,280	8,280	14,139
D	Non-Investment	8	-	-	13,715	13,715	-	-	7,452	7,452	6,263
			2,773,947	**372,998**	**62,035**	**3,208,979**	**23,946**	**23,658**	**26,215**	**73,818**	**3,135,162**

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	321,918	-	-	321,918	333	-	-	333	321,584
BB	Standard	3	543	116	-	658	10	8	-	17	641
D	Non-Investment	8	-	-	119	119	-	-	84	84	34
			322,461	**116**	**119**	**322,695**	**343**	**8**	**84**	**435**	**322,259**

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	169,615	-	-	169,615	1	-	-	1	169,614
BB	Standard	3	2,105,914	-	-	2,105,914	480	-	-	480	2,105,434
B	Non-Investment	4	6,909	7,591	-	14,501	124	735	-	860	13,641
			2,282,438	**7,591**	**-**	**2,290,030**	**605**	**735**	**-**	**1,341**	**2,288,689**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2021	Fair Value December 2021
AAA-A	Investment	1	1,413,492	152,076
A	Investment	2+	28,866	(1,045)
AA	Investment	2	18,583	152
BBB	Investment	2-	93,819	(2,084)
BB+	Standard	3+	3,234	(121)
BB	Standard	3	78,382	1,873
BB-	Standard	3-	45,956	646
Gross amount			**1,682,332**	**151,497**

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	1,375,597	-	-	1,375,597	44	-	-	44	1,375,554
AA	Investment	2+	18,154	-	-	18,154	6	-	-	6	18,148
A	Investment	2	80,437	-	-	80,437	4	-	-	4	80,433
BBB	Investment	2-	53,916	-	-	53,916	25	-	-	25	53,891
BB+	Standard	3+	9,204	-	-	9,204	43	-	-	43	9,161
BB	Standard	3	-	45,060	-	45,060	-	3,041	-	3,041	42,019
			1,537,308	**45,060**	**-**	**1,582,369**	**122**	**3,041**	**-**	**3,163**	**1,579,206**

5.1.3 (d) The table below summarises the risk rating for other financial assets:

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	402,497	402,497	-	-	-	-
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 instruments at FVOCI						
Treasury bills	1,046,120	-	1,046,120	-	-	-
Bonds	300,109	-	258,414	41,695	-	-
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	-	-
Credit Link 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 rating here represents internal grade ratings

Group
In millions of Naira

December 2021	**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	386,479	386,479	-	-	-	-
Unrestricted balances with central banks	72,671	72,671	-	-	-	-
Money market placements	102,318	66,329	35,988	-	-	-

Other deposits with central banks	155,049	155,049	-	-	-	-
Investment under management	34,942	34,942	-	-	-	-
Non-pledged trading assets						
Treasury bills	802,305	802,305	-	-	-	-
Bonds	90,203	90,203	-	-	-	-
Derivative financial instruments	171,332	171,332	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
-Financial instruments at amortized cost						
Treasury bills	191,501	191,501	-	-	-	-
Bonds	35,800	35,800	-	-	-	-
Promissory Notes	52,076	52,076	-	-	-	-
-Financial instruments at FVPL						
Treasury bills	64,764	64,764	-	-	-	-
Bonds	419	419	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	434,106	434,106	-	-	-	-
Bonds	314,341	313,284	1,057	-	-	-
Promissory Notes	27,608	27,608	-	-	-	-
- Financial assets at amortised cost						
Treasury bills	642,490	642,490	-	-	-	-
Bonds	672,676	660,071	12,604	-	-	-
Total return notes	-	-	-	-	-	-
Promissory Notes	15,785	15,785	-	-	-	-
- Financial assets at FVPL						
Equity	165,337	165,337	-	-	-	-
Restricted deposit and other assets	1,678,741	1,678,741	-	-	-	-
	6,110,942	**6,061,293**	**49,649**	**-**	**-**	**-**

The table below summarises the risk rating for other financial assets:

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	179	-	-
Promissory Notes	217,305	204,695	12,611	-	-	-
- Financial assets at amortised cost						
Treasury bills	102,171	-	102,171	-	-	-
Bonds	556,010		468,472	87,539	-	-
Credit Link Notes	-	-	-	-	-	-
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**	**-**	**-**

The rating here represents internal grade ratings

Bank
In millions of Naira
December 2021

	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	232,288	232,288	-	-	-	-
Unrestricted balances with central banks	1,057	1,057	-	-	-	-
Money market placements	78,489	42,501	35,988	-	-	-

Other deposits with central banks	155,049	155,049	-	-	-	-
Investment under management	34,942	34,942	-	-	-	-
Non-pledged trading assets						
Treasury bills	786,717	786,717	-	-	-	-
Bonds	17,089	17,089	-	-	-	-
Derivative financial instruments	161,439	161,439	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
-Financial instruments at amortized cost						
Treasury bills	191,501	191,501	-	-	-	-
Bonds	35,800	35,800	-	-	-	-
Promissory Notes	52,076	52,076	-	-	-	-
-Financial instruments at FVPL						
Treasury bills	64,764	64,764	-	-	-	-
Bonds	419	419	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	172,719	172,719	-	-	-	-
Bonds	98,216	97,159	1,057	-	-	-
Promissory Notes	27,608	27,608	-	-	-	-
- Financial assets at amortised cost						
Treasury bills	535,678	535,678	-	-	-	-
Bonds	538,457	525,853	12,604	-	-	-
Total return notes	-	-	-	-	-	-
Promissory Notes	15,785	15,785	-	-	-	-
- Financial assets at FVPL						
Equity	165,054	165,054	-	-	-	-
Restricted deposit and other assets	1,579,143	1,579,143	-	-	-	-
	4,944,288	**4,894,639**	**49,649**	**-**	**-**	**-**

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	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	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 Credit Type
(e) Credit staging by type

Group
In millions of Naira
December 2021
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	2,550	81	105	2,736	55	5	41	101	2,635
Credit Card	13,923	1,186	136	15,246	1,203	113	80	1,396	13,849
Finance Lease	-	-	18	18	-	-	-	-	18
Mortgage Loan	56,548	3,889	5,493	65,929	499	303	2,826	3,628	62,301
Overdraft	16,918	6,221	7,358	30,497	1,420	541	4,182	6,143	24,355
Personal Loan	243,543	11,886	16,272	271,702	4,369	990	7,942	13,300	258,401
Term Loan	22,012	3,705	2,364	28,082	822	219	1,372	2,413	25,669
Time Loan	1,427	316	71	1,814	80	24	48	152	1,662
	356,920	27,285	31,817	416,023	8,447	2,194	16,492	27,133	388,890

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	2,717	69	53	2,839	30	0	13	44	2,795
Credit Card	681	-	10	691	8	-	4	12	679
Finance Lease	871	50	69	991	13	0	16	29	961
Mortgage Loan	10,131	352	1,518	12,002	84	29	735	848	11,154
Overdraft	200,574	23,715	37,155	261,444	2,957	1,471	15,310	19,737	241,706
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	2,611,836	357,627	81,302	3,050,765	22,412	23,236	38,168	83,816	2,966,948
Time Loan	525,378	11,516	29,616	566,510	3,252	613	14,415	18,280	548,230
	3,352,189	393,328	149,724	3,895,241	28,756	25,350	68,662	122,767	3,772,474

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	543	117	152	811	10	9	117	136	675
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	284,357	-	-	284,357	484	-	-	484	283,873
Time Loan	-	-	-	-	-	-	-	-	-
	284,900	117	152	285,168	493	9	117	620	284,548

Bank
In millions of Naira
December 2021
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	1,825	35	44	1,904	49	1	12	61	1,842
Credit Card	13,923	1,186	136	15,246	1,203	113	80	1,396	13,849
Finance Lease	-	-	18	18	-	-	-	-	18
Mortgage Loan	1,726	362	891	2,979	42	9	599	651	2,328
Overdraft	16,918	6,221	7,358	30,497	1,420	541	4,182	6,143	24,355
Personal Loan	64,208	349	1,221	65,777	2,877	29	656	3,562	62,215
Term Loan	11,933	3,057	1,518	16,508	738	165	962	1,866	14,642
Time Loan	1,427	316	71	1,814	80	24	48	152	1,662
	111,960	11,525	11,258	134,743	6,409	883	6,540	13,831	120,911

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	2,717	69	53	2,839	30	0	13	44	2,795
Credit Card	681	-	10	691	8	-	4	12	679
Finance Lease	871	50	69	991	13	0	16	29	961
Mortgage Loan	119	-	-	119	1	-	-	1	118
Overdraft	180,205	22,999	34,066	237,270	2,787	1,411	13,814	18,013	219,256
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	2,251,671	344,964	26,684	2,623,319	19,416	22,182	11,730	53,328	2,569,991
Time Loan	337,683	4,916	1,153	343,752	1,691	64	637	2,391	341,361
	2,773,947	372,998	62,035	3,208,980	23,946	23,658	26,215	73,818	3,135,162

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	543	116	119	777	10	8	84	102	675
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	321,918	-	-	321,918	333	-	-	333	321,584
Time Loan	-	-	-	-	-	-	-	-	-
	322,461	116	119	322,695	343	8	84	435	322,259

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 2022**

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
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

In millions of Naira — **December 2022**

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	**10,989,687**	**324,723**	**92,559**

[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 fair value hierarchy

Group — December 2021

In millions of Naira

Loans to retail customers	**Stage 1**	**Stage 2**	**Stage 3**
Gross amount	356,920	27,285	31,817
ECL	(8,447)	(2,194)	(16,492)
Collateral held at fair value			
Property	14,675	18,282	9,501
Equities	-	-	-
Cash	1,509	144	33
Pledged goods/receivables	198	10	5
Others	40,855	9,836	12,129
Total	**57,236**	**28,272**	**21,667**
Loans to corporate Customers	**Stage 1**	**Stage 2**	**Stage 3**
Gross amount	3,352,189	393,328	149,724
ECL	(28,756)	(25,350)	(68,662)
Collateral held at fair value			
Property	8,894,082	181,485	49,233
Equities	-	-	-
Cash	697,134	6,081	81
Pledged goods/receivables	38,690	8,808	1,120
Others	6,464,311	681,541	131,977
Total	**16,094,218**	**877,915**	**182,411**
Total collateral held at fair value	**16,151,454**	**906,187**	**204,078**

Bank — December 2021

In millions of Naira

Loans to retail customers	**Stage 1**	**Stage 2**	**Stage 3**
Gross amount	111,960	11,525	11,258
ECL	(6,409)	(883)	(6,540)
Collateral held at fair value			
Property	7,932	9,882	5,136
Equities	-	-	-
Cash	1,509	144	33
Pledged goods/receivables	107	5	3
Others	38,599	9,615	11,955
Total	**48,147**	**19,646**	**17,126**
Loans to corporate Customers	**Stage 1**	**Stage 2**	**Stage 3**
Gross amount	2,773,947	372,998	62,035
ECL	(23,946)	(23,658)	(26,215)
Collateral held at fair value			
Property	7,115,266	145,188	39,386
Equities	-	-	-
Cash	649,185	6,081	81
Pledged goods/receivables	30,952	7,047	896
Others	6,299,895	666,519	128,911
Total	**14,095,297**	**824,834**	**169,274**
Total collateral held at fair value	**14,143,444**	**844,480**	**186,400**

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 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
Credit Link 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**

Group
By Sector

December 2021

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	1,487,665	-	-	-	1,487,665
Investment under management	5,905	-	23,601	-	5,435	-	34,942
Non pledged trading assets							
Treasury bills	-	-	-	-	802,305	-	802,305
Bonds	-	-	76,677	-	13,526	-	90,203
Equity	-	-	-	-	-	-	-
Derivative financial instruments	575	5,602	1,666	1,892	147,643	-	157,379
Loans and advances to banks	-	-	284,548	-	-	-	284,548
Loans and advances to customers							
Auto Loan	217	1,694	-	3,519	-	-	5,430
Credit Card	16	559	-	13,961	-	-	14,536
Finance Lease	42	630	-	307	-	-	979
Mortgage Loan	2,315	8,726	-	62,414	-	-	73,455
Overdraft	47,559	176,039	-	42,465	-	-	266,064
Personal Loan	-	-	-	258,392	-	-	258,392
Term Loan	1,093,133	1,545,979	-	32,693	320,812	-	2,992,617
Time Loan	273,629	262,590	-	3,739	9,935	-	549,892
Pledged assets							
Treasury bills	-	-	-	-	256,241	-	256,241
Bonds	-	-	-	-	36,219	-	36,219
Promissory Notes	-	-	-	-	52,076	-	52,076
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	434,106	-	434,106
Promissory Notes	16,248	-	-	-	298,093	-	314,341
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	642,490	-	642,490
Total Return Notes	-	-	-	-	-	-	-
Bonds	221,659	-	-	451,017	-	-	672,675
Promissory Notes	-	-	-	-	15,785	-	15,785
Restricted deposit and other assets	90,917	726	96,460	5,083	1,478,586	7,031	1,678,804
Total	**1,752,216**	**2,002,545**	**1,970,618**	**875,481**	**4,513,253**	**7,031**	**11,121,144**

	Corporate	Commercial	Bank	Retail	Government	Others	Total
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	156,046	311,689	16,197	34,628	-	-	518,560
Clean line facilities for letters of credit and other commitments	347,409	205,982	10,534	54,884	-	-	618,809
	-	-	-	-	-	-	
Total	**503,456**	**517,671**	**26,731**	**89,512**	**-**	**-**	**1,137,369**

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 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
Credit Link 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**

By geography

Group
December 2021
In millions of Naira

	Nigeria	Rest of Africa	Europe	Others	Total
Cash and balances with banks	686,016	176,512	624,308	829	1,487,665
Investment under management	12,609	5,403	16,930	-	34,942
Non pledged trading assets					
Treasury bills	802,305	-	-	-	802,305
Bonds	76,677	-	13,526	-	90,203
Equity	-	-	-	-	-
Derivative financial instruments	148,535	7,649	1,195	-	157,379
Loans and advances to banks	675	42,479	241,394	-	284,548
Loans and advances to customers					
Auto Loan	4,637	793	-	-	5,430
Credit Card	14,536	-	-	-	14,536
Finance Lease	979	-	-	-	979
Mortgage Loan	2,446	26,636	44,372	-	73,455
Overdraft	243,614	22,449	1	-	266,064
Personal Loan	62,205	196,187	-	-	258,392
Term Loan	2,584,633	259,889	148,095	-	2,992,617
Time Loan	343,023	24,472	182,397	-	549,892
Pledged assets					
Treasury bills	256,241	-	-	-	256,241
Bonds	36,219	-	-	-	36,219
Promissory Notes	52,076	-	-	-	52,076
Investment securities					
-Financial assets at FVOCI					
Treasury bills	172,719	261,387	-	-	434,106
Bonds	98,216	203,914	12,211	-	314,341
Promissory Notes	27,608	-	-	-	27,608
-Financial assets at amortised cost					
Treasury bills	535,678	106,812	-	-	642,490
Total Return Notes	-	-	-	-	-
Bonds	665,829	6,846	-	-	672,675
Promissory Notes	15,785	-	-	-	15,785
Restricted deposit and other assets	1,439,752	231,897	7,156	-	1,678,804
Total	**8,283,014**	**1,573,325**	**1,291,584**	**829**	**11,148,753**

	Nigeria	Rest of Africa	Europe	Others	Total
Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	448,678	55,491	14,390	-	518,560
Clean line facilities for letters of credit and other commitments	437,456	19,181	162,172	-	618,809
Total	**886,134**	**74,672**	**176,562**	**-**	**1,137,369**

Credit risk management

5.1.5 (b) 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	-	-
Credit Link 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	**2,182,654**	**1,610,824**	**4,387,875**	**160,299**	**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**

By Sector

Bank
December 2021

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	1,068,976	-	-	-	1,068,976
Investment under management	5,905	-	23,601	-	5,435	-	34,942
Non pledged trading assets							
Treasury bills	-	-	-	-	786,717	-	786,717
Bonds	-	-	3,563	-	13,526	-	17,089
Equity	-	-	-	-	-	-	-
Derivative financial instruments	1,591	5	2,246	12	147,643	-	151,497
Loans and advances to banks	-	-	322,259	-	-	-	322,259
Loans and advances to customers		-	-				
Auto Loan	217	1,694	-	2,726	-	-	4,637
Credit Card	16	559	-	13,961	-	-	14,536
Finance Lease	42	630	-	307	-	-	979
Mortgage Loan	-	5	-	2,441	-	-	2,446
Overdraft	42,849	158,300	-	42,465	-	-	243,614
Personal Loan	-	-	-	62,205	-	-	62,205
Term Loan	1,019,875	1,232,306	-	21,667	310,785	-	2,584,633
Time Loan	230,226	99,123	-	3,739	9,935	-	343,023
Pledged assets							
Treasury bills	-	-	-	-	256,241	-	256,241
Bonds	-	-	-	-	36,219	-	36,219
Promissory Notes	-	-	-	-	52,076	-	52,076
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	172,719	-	172,719
Bonds	16,248	-	-	-	81,968	-	98,216
Promissory Notes	-	-	-	-	27,608	-	27,608
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	535,678	-	535,678
Total Return Notes	-	-	-	-	-	-	-
Bonds	8,820	-	207,220	-	323,366	-	539,406
Promissory Notes	-	-	-	-	15,785	-	15,785
Restricted deposit and other assets	85,224	163	68,611	4,588	1,416,702	3,917	1,579,206
Total	**1,411,015**	**1,492,785**	**1,696,476**	**154,111**	**4,192,403**	**3,917**	**8,950,707**

	Corporate	Commercial	Bank	Retail	Government	Others	Total
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	145,934	273,548	14,884	14,312	-	-	448,678
Clean line facilities for letters of credit and other commitments	321,168	107,001	7,125	2,162	-	-	437,456
							-
Total	**467,102**	**380,550**	**22,009**	**16,474**	**-**	**-**	**886,134**

5.1.5 (b)i 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
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**

By geography

Bank **December 2021** *In millions of Naira*	**Nigeria**	**Rest of Africa**	**Europe**	**Others**	**Total**
Cash and balances with banks	744,040	1,327	323,610	-	1,068,976
Investment under management	12,609	5,403	16,930	-	34,942
Non pledged trading assets					
Treasury bills	786,717	-	-	-	786,717
Bonds	17,089	-	-	-	17,089
Equity	-	-	-	-	-
Derivative financial instruments	148,437	3,045	15	-	151,497
Loans and advances to banks	675	42,479	279,105	-	322,259
Loans and advances to customers					
Auto Loan	4,637	-	-	-	4,637
Credit Card	14,536	-	-	-	14,536
Finance Lease	979	-	-	-	979
Mortgage Loan	2,446	-	-	-	2,446
Overdraft	243,614	-	-	-	243,614
Personal Loan	62,205	-	-	-	62,205
Term Loan	2,584,633	-	-	-	2,584,633
Time Loan	343,023	-	-	-	343,023
Pledged assets					
Treasury bills	256,241	-	-	-	256,241
Bonds	36,219	-	-	-	36,219
Promissory Notes	52,076	-	-	-	52,076
Investment securities					
-Financial assets at FVOCI					
Treasury bills	172,719	-	-	-	172,719
Bonds	98,216	-	-	-	98,216
Promissory Notes	27,608	-	-	-	27,608
-Financial assets at amortised cost					
Treasury bills	535,678	-	-	-	535,678
Total Return Notes	-	-	-	-	-
Bonds	424,427	-	114,978	-	539,406
Promissory Notes	15,785	-	-	-	15,785
Restricted deposit and other assets	1,391,091	188,115	-	-	1,579,206
Total	**7,975,701**	**240,368**	**734,638**	**-**	**8,950,707**

Credit risk exposures relating to other credit commitments at gross amount are as follows:

Transaction related bonds and guarantees	448,678	-	-	-	448,678
Clean line facilities for letters of credit and other	437,456	-	-	-	437,456
Total	**886,134**	**-**	**-**	**-**	**886,134**

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 above shows a negative gap of 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 year						
In millions of Naira **December 2022**	**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	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
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

Group				**Re-pricing year**			
In millions of Naira **December 2021**	**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	102,503	-	-	-	-	1,385,162	1,487,665
Investment under management	28,197	-	-	-	6,745	-	34,942
Non pledged trading assets							
Treasury bills	50,802	3,493	748,010	-	-	-	802,305
Bonds	-	4,842	-	54,268	31,093	-	90,203
Loans and advances to banks	108	47,091	237,349	-	-	-	284,548
Loans and advances to customers							
Auto Loan	0	-	55	5,252	123	-	5,430
Credit Card	10,228	10	35	4,245	18	-	14,536
Finance Lease	-	0	28	951	-	-	979
Mortgage Loan	-	-	19	405	73,030	-	73,455
Overdraft	146,979	25,082	83,526	10,476	-	-	266,064
Personal Loan	54,443	6	98,147	101,949	3,847	-	258,392
Term Loan	43,334	38,637	65,445	1,001,744	1,843,457	-	2,992,617
Time Loan	48,510	38,723	434,225	24,811	3,624	-	549,892
Pledged assets							
Treasury bills	16,767	224,074	15,424	-	-	-	256,265
Bonds	-	-	3,366	32,853	-	-	36,219
Promissory notes	-	-	-	43,848	-	-	43,848
Investment securities							
-Financial assets at FVOCI							
Treasury bills	86,118	39,431	308,558	-	-	-	434,106
Bonds	1,691	-	-	50,184	262,466	-	314,341
Promissory notes	494	16,914	-	10,200	-	-	27,608
-Financial assets at amortised cost							
Treasury bills	100,143	141,021	401,326	-	-	-	642,490
Bonds	18,016	-	-	129,828	524,831	-	672,675
Promissory notes	-	-	-	15,785	-	-	15,785
Total return notes	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	-	-	-	1,678,741	1,678,741
	708,333	**579,325**	**2,395,513**	**1,486,797**	**2,749,235**	**3,063,903**	**10,983,105**
Non-derivative liabilities							
Deposits from financial institutions	1,112,441	439,486	144,594	-	-	-	1,696,521
Deposits from customers	3,658,633	362,183	338,586	15,209	95,559	2,484,657	6,954,827
Other liabilities	-	-	-	-	-	556,144	556,144
Debt securities issued	-	-	-	264,495	-	-	264,495
Interest bearing borrowings	230,398	300,242	23,461	515,585	101,573	-	1,171,260
	5,001,472	**1,101,911**	**506,642**	**795,289**	**197,132**	**3,040,801**	**10,643,247**
Total interest re-pricing gap	(4,293,139)	(522,586)	1,888,871	691,508	2,552,103	23,102	339,858

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 2022**	Re-pricing year 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	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 note	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
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**	**11,470,529**
Total interest re-pricing gap	(3,582,835)	172,801	653,111	750,607	2,098,881	(159,636)	(78,466)

Bank

In millions of Naira	Re-pricing year						
December 2021	**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	78,550	-	-	-	-	990,426	1,068,976
Investment under management	28,197	-	-	-	6,745	-	34,942
Non- pledged trading assets							
Treasury bills	40,915	3,055	742,747	-	-	-	786,717
Bonds	-	577	-	9,255	7,257	-	17,089
Loans and advances to banks	108	47,091	275,061	-	-	-	322,259
Loans and advances to customers							
Auto Loan	0	-	55	4,459	123	-	4,637
Credit Card	10,228	10	35	4,245	18	-	14,536
Finance Lease	-	0	28	951	-	-	979
Mortgage Loan	-	-	19	405	2,022	-	2,446
Overdraft	139,495	17,599	76,043	10,476	-	-	243,614
Personal Loan	54,443	6	53	3,855	3,847	-	62,205
Term Loan	43,334	38,637	65,445	593,760	1,843,457	-	2,584,633
Time Loan	48,510	38,723	227,355	24,811	3,624	-	343,023
Pledged assets							
Treasury bills	16,767	224,074	15,424	-	-	-	256,265
Bonds	-	-	3,366	32,853	-	-	36,219
Promissory notes	-	-	-	43,848	-	-	43,848
Investment securities							
-Financial assets at FVOCI							
Treasury bills	31,419	14,386	126,914	-	-	-	172,719
Bonds	489	-	-	14,518	83,208	-	98,216
Promissory note	494	17,653	-	10,200	-	-	28,347
-Financial assets at amortised cost							
Treasury bills	92,397	130,114	313,167	-	-	-	535,678
Bonds	15,207	-	-	109,586	430,398	-	555,191
Promissory note	-	-	-	15,785	-	-	15,785
Total return notes	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	-	-	-	1,579,143	1,579,143
	600,555	**531,925**	**1,845,712**	**879,006**	**2,380,699**	**2,569,569**	**8,807,466**
Non-derivative liabilities							
Deposits from financial institutions	943,196	360,804	118,708	-	-	-	1,422,707
Deposits from customers	2,904,674	287,048	268,346	12,054	75,735	1,969,212	5,517,069
Other liabilities	-	-	-	-	-	491,743	491,743
Debt securities	-	-	-	260,644	-	-	260,644
Interest bearing borrowings	210,992	274,953	21,485	471,987	93,018	-	1,072,435
	4,058,861	**922,805**	**408,539**	**744,686**	**168,753**	**2,460,955**	**8,764,598**
Total interest re-pricing gap	(3,458,306)	(390,880)	1,437,173	134,321	2,211,947	108,614	42,868

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 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**	**11,883,581**
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**
December 2021	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	102,503	-	1,385,348	1,487,851
Non pledged trading assets	892,508	-	-	892,508
Derivative financial instruments	-	-	171,332	171,332
Loans and advances to banks	284,548	-	-	284,548
Loans and advances to customers	30,196	4,131,167	-	4,161,364
Pledged assets				
Treasury bills	256,265	-	-	256,265
Bonds	36,219	-	-	36,219
Promissory notes	52,076	-	-	52,076
Investment securities:				

-Financial assets at FVOCI				
Treasury bills	434,106	-	-	434,106
Bonds	314,341	-	-	314,341
Promissory notes	27,608	-	-	27,608
-Financial assets at amortised cost				
Treasury bills	642,490	-	-	642,490
Bonds	670,670	-	-	670,670
Promissory notes	15,785	-	-	15,785
TOTAL	**3,759,316**	**4,131,167**	**1,556,679**	**9,447,163**

	Fixed	Floating	Non-interest bearing	Total
LIABILITIES				
Deposits from financial institutions	1,696,521	-	-	1,696,521
Deposits from customers	2,895,246	4,059,581	-	6,954,827
Derivative financial instruments	-	-	13,953	13,953
Debt securities issued	264,495	-	-	264,495
Interest-bearing borrowings	1,002,389	168,870	-	1,171,260
TOTAL	**5,858,652**	**4,228,451**	**13,953**	**10,101,055**

Bank

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

December 2021	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	78,550	-	990,487	1,069,037
Non pledged trading assets	803,806	-	-	803,806
Derivative financial instruments	-	-	161,439	161,439
Loans and advances to banks	322,259	-	-	322,259
Loans and advances to customers	14,961	3,241,111	-	3,256,073
Pledged assets				
Treasury bills	256,265	-	-	256,265
Bonds	36,219	-	-	36,219
Promissory notes	52,076	-	-	52,076
Investment securities:				

-Financial assets at FVOCI				
Treasury bills	172,719	-	-	172,719
Bonds	125,824	-	-	125,824
Promissory notes	27,608	-	-	27,608
-Financial assets at amortised cost				
Treasury bills	535,678	-	-	535,678
Bonds	554,183	-	-	554,183
Promissory notes	15,785	-	-	15,785
TOTAL	**2,995,934**	**3,241,111**	**1,151,927**	**7,388,972**
LIABILITIES				
Deposits from financial institutions	1,422,707	-	-	1,422,707
Deposits from customers	2,148,479	3,368,589	-	5,517,069
Derivative financial instruments	-	-	9,943	9,943
Debt securities issued	260,644	-	-	260,644
Interest-bearing borrowings	934,009	138,426	3,410	1,075,845
TOTAL	4,765,840	3,507,015	13,353	8,286,208

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 2022
Impact on net interest income of +/-100 basis points changes in rates over a one year (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**

Interest sensitivity analysis- December 2021
Impact on net interest income of +/-100 basis points changes in rates over a one year (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	31,924	(31,924)
6 months	2,940	(2,940)
12 months	(4,774)	4,774
	30,090	**(30,090)**

Bank
Interest sensitivity analysis - December 2022
Impact on net interest income of +/-100 basis points changes in rates over a one year (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**

Interest sensitivity analysis - December 2021
Impact on net interest income of +/-100 basis points changes in rates over a one year (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	25,716	(25,716)
6 months	2,202	(2,202)
12 months	(3,649)	3,649
	24,269	**(24,269)**

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 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	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)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	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)
Financial assets at FVOCI - Promissory notes - Pledged	-	-	-
	2,011,141	(14,205)	(27,296)
TOTAL	**2,188,963**	**(14,255)**	**(27,463)**

December 2021	**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	76,677	(635)	(1,247)
Fair value through profit or loss: T-bills	802,305	(136)	(273)

Fair value through profit or loss: Eurobond	13,526	-	-
Fair value through profit or loss: Bonds - Pledged	419	(3)	(7)
Fair value through profit or loss: T-bills - Pledged	64,764	(92)	(184)
	957,691	(866)	(1,711)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	314,341	(4,217)	(8,287)
-Financial assets at FVOCI-Tbills	434,106	(227)	(453)
-Financial assets at FVOCI-Promissory notes	27,608	(23)	(46)
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	-	-	-
	776,056	(4,467)	(8,786)
TOTAL	**1,733,746**	**(5,334)**	**(10,496)**

Bank

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	(209)	(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)
Financial assets at FVOCI - Promissory notes - Pledged	-	-	-
	1,530,684	(10,505)	(18,138)
TOTAL	**1,683,440**	**(10,714)**	**(18,586)**

December 2021	**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	3,563	(41)	(79)
Fair value through profit or loss: T-bills	786,717	(226)	(451)
Fair value through profit or loss: Eurobond	13,526	(368)	(718)
Fair value through profit or loss: Bonds - Pledged	419	(736)	(1,431)
Fair value through profit or loss: T-bills - Pledged	64,764	(1)	(2)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	868,988	(1,372)	(2,682)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	98,216	(2,384)	(4,660)
-Financial assets at FVOCI-Tbills	172,719	(213)	(426)
-Financial assets at FVOCI-Promissory notes	27,608	(23)	(46)
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	-	-	-
	298,544	(2,620)	(5,131)
TOTAL	**1,167,532**	**(3,992)**	**(7,813)**

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 December 2022. The table below illustrates the hypothetical sensitivity of the Group and Bank's reported profit to a 10% increase in the US Dollar/Naira exchange rates at the period end, assuming all other variables remain unchanged. The sensitivity rate of 10% 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 thousands of naira	**Impact on statement of comprehensive income December 2022**
Naira weakens by 10%	15,744

In thousands of naira	**Impact on statement of comprehensive income December 2021**
Naira weakens by 5%	10,519

Bank

In thousands of naira	**Impact on statement of comprehensive income December 2022**
Naira weakens by 10%	61,947

	Impact on statement of comprehensive income December 2021
Naira weakens by 5%	8,354

The NGN/USD exchange rate applied in the conversion of balances as at year end is N461.10/USD1 (2021: N424.11/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 2022	December 2021
Market Risk for Hedging instruments		
Total exposure to foreign exchange risk	**N'm**	**N'm**
Derivative assets (fair value hedge)	288,188	149,917
Interest bearing loans and borrowings	(633,346)	(546,928)
Deposits from other financial institutions	(642,951)	(799,015)

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 2022	Total	Naira	US	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	0	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	-	-	-	-	-	-
Future, swap and forward contracts						
	693,915	**435,279**	**959,978**	**1,422**	**106,263**	**33,536**

*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 2021	**Total**	**Naira**	**US**	**GBP**	**Euro**	**Others**
Cash and balances with banks	1,487,665	288,567	861,878	241,082	65,380	30,758
Investment under management	34,942	31,057	3,885	-	-	-
Non-pledged trading assets						
Treasury bills	802,305	786,717	-	-	-	15,588
Bonds	90,203	3,563	13,526	-	-	73,114
Equity	-	-	-	-	-	-
Derivative financial instruments	171,332	161,439	4,125	84	-	5,684
Loans and advances to banks	284,548	675	283,873	-	-	-
Loans and advances to customers						
Auto Loan	5,430	4,637	-	-	-	793
Credit Card	14,536	11,340	3,196	-	-	-
Finance Lease	979	979	-	-	-	-
Mortgage Loan	73,455	2,446	-	50,269	-	20,739
Overdraft	266,064	219,471	22,700	1,444	68	22,380
Personal Loan	258,392	62,081	124	-	-	196,187
Term Loan	2,992,617	2,224,276	598,576	731	8,102	160,931
Time Loan	549,892	242,558	298,991	-	2,286	6,056

Pledged assets						
-Financial assets at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	191,501	191,501	-	-	-	-
Bonds	35,800	35,800	-	-	-	-
Promissory notes	52,076	52,076	-	-	-	-
-Financial assets at FVPL						
Treasury bills	64,764	64,764	-	-	-	-
Bonds	419	419	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	434,106	172,719	-	-	-	261,387
Bonds	314,341	84,388	21,930	-	-	208,023
Promissory notes	28,347	28,347	-	-	-	-
-Financial assets at FVPL						
Equity	166,410	35,761	129,604	1,045	-	-
-Financial assets at amortised cost						
Treasury bills	1,377,150	1,270,337	85,607	-	-	21,205
Total return notes	-	-	-	-	-	-
Bonds	672,675	332,186	215,277	-	-	125,212
Promissory notes	15,785	15,785	-	-	-	-
Restricted deposit and other assets	1,678,373	1,304,731	280,111	2,001	1	91,529
	12,064,105	**7,628,623**	**2,823,401**	**296,656**	**75,837**	**1,239,588**
Deposits from financial institutions	1,696,521	265,637	1,402,795	10,124	10,999	6,966
Deposits from customers	6,954,827	4,395,078	1,380,260	241,847	36,368	901,274
Derivative financial instruments	13,953	11,046	441	-	172	2,293
Other liabilities	556,144	366,812	126,489	6,523	5,558	50,762
Debt securities issued	264,495	46,789	213,856	-	-	3,851
Interest bearing borrowings	1,171,260	525,507	635,816	-	-	9,937
	10,657,200	**5,610,869**	**3,759,656**	**258,494**	**53,096**	**975,084**
Off balance sheet exposures						
Transaction related bonds and guarantees	518,560	316,571	130,201	16	61,418	10,354
Clean line facilities for letters of credit and other commitments	618,809	40	600,741	7,265	7,890	2,873
	1,137,369	**316,611**	**730,942**	**7,280**	**69,309**	**13,226**

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 2022	**Total**	**Naira**	**US**	**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	-	-	-	-
Total return notes	-	-	-	-	-	-

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**

Financial instruments by currency

Bank
In millions of Naira

December 2021	**Total**	**Naira**	**US**	**GBP**	**Euro**	**Others**
Cash and balances with banks	1,068,976	288,567	699,119	26,625	51,318	3,347
Investment under management	34,942	31,057	3,885	-	-	-
Non-pledged trading assets						
Treasury bills	786,717	786,717	-	-	-	-
Bonds	17,089	3,563	13,526	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	161,439	161,439	-	-	-	-
Loans and advances to banks	322,259	675	321,584	-	-	-
Loans and advances to customers						
Auto Loan	4,637	4,637	-	-	-	-
Credit Card	14,536	11,340	3,196	-	-	-
Finance Lease	979	979	-	-	-	-
Mortgage Loan	2,446	2,446	-	-	-	-
Overdraft	243,614	219,471	22,700	1,443	-	-
Personal Loan	62,205	62,081	124	-	-	-
Term Loan	2,584,633	2,224,276	351,912	335	8,102	9
Time Loan	343,023	242,558	100,465	-	-	-
Pledged assets						
-Financial assets at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	191,501	191,501	-	-	-	-
Bonds	35,800	35,800	-	-	-	-
Promissory notes	52,076	52,076	-	-	-	-
-Financial assets at FVPL						
Treasury bills	64,764	64,764	-	-	-	-
Bonds	419	419	-	-	-	-
Investment securities						
-Financial assets at FVOCI						

Treasury bills	172,719	172,719	-	-	-	-
Bonds	98,216	84,388	13,828	-	-	-
Promissory notes	28,347	28,347	-	-	-	-
-Financial assets at FVPL		-	-			
Equity	166,126	35,761	130,365	-	-	-
-Financial assets at amortised cost		-	-			
Treasury bills	1,270,337	1,270,337	-	-	-	-
Total return notes	-	-	-	-	-	-
Bonds	539,406	332,186	207,220	-	-	-
Promissory notes	15,785	15,785	-	-	-	-
Restricted deposit and other assets	1,579,206	1,304,731	273,578	897	-	-
	9,862,198	**7,628,623**	**2,141,500**	**29,299**	**59,420**	**3,356**
Deposits from financial institutions	1,422,707	265,637	1,154,683	28	2,343	17
Deposits from customers	5,517,068	4,395,078	1,085,974	19,251	16,766	-
Derivative financial instruments	9,943	9,943	-	-	-	-
Other liabilities	491,743	367,484	117,376	230	5,514	1,139
Debt securities issued	260,644	46,789	213,856	-	-	-
Interest bearing borrowings	1,072,435	525,507	546,928	-	-	-
	8,774,540	**5,610,437**	**3,118,816**	**19,509**	**24,623**	**1,156**
Off balance sheet exposures						
Transaction related bonds and guarantees	448,678	316,571	71,311	16	60,780	-
Clean line facilities for letters of credit and other commitments [1]	437,456	40	402,629	307	27,003	7,477
	886,134	**316,611**	**473,940**	**323**	**87,783**	**7,477**

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 year 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.

5.3.1 Residual contractual maturities of financial assets and liabilities

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	1,994,547	1,925,095	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	151,999	20,280	180,229	49,988	-
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	1,765,614	28,642	1,407,720	329,252	-	-
Bonds	296,240	496,394	-	74,214	2,656	219,096	200,428
Promissory note	217,305	14,468	-	14,468	-	-	-

-Financial assets at amortised cost							
Treasury bills	192,795	117,622	93,365	24,257	-	-	-
Bonds	870,110	1,237,198	31,301	-	370,975	219,550	615,372
Promissory note	37,761	39,847	-	-	9,490	30,357	-
Restricted deposit and other assets	2,451,927	2,470,822	199,239	111,678	22,958	-	2,136,947
	14,415,449	**15,872,592**	**3,491,919**	**2,235,284**	**2,535,737**	**2,416,657**	**5,192,996**
Deposits from financial institutions	2,005,316	2,342,033	258,155	879,264	1,204,614	-	-
Deposits from customers	9,251,238	10,262,497	5,897,758	2,469,886	1,885,874	8,978	-
Derivative financial instruments	32,737	15,331	(384)	(201)	15,916	-	-
Other liabilities	743,153	753,705	459,317	88,963	119,448	74,967	11,011
Debt securities issued	307,253	388,467	-	-	-	388,467	-
Interest bearing borrowings	1,385,424	1,588,057	5,985	740	379,995	335,731	865,606
	13,725,122	**15,350,089**	**6,620,831**	**3,438,652**	**3,605,846**	**808,143**	**876,617**
Gap (asset - liabilities)	690,328	522,503	(3,128,912)	(1,203,368)	(1,070,109)	1,608,514	4,316,379
Cumulative liquidity gap			(3,128,912)	(4,332,280)	(5,402,389)	(3,793,876)	522,503
Off-balance sheet							
Transaction related bonds and guarantees	693,915	693,915	340,646	84,972	89,676	175,661	2,959
Clean line facilities for letters of credit and other commitments	842,563	893,791	652,944	89,797	67,695	83,355	-
	1,536,477	**1,587,705**	**993,591**	**174,769**	**157,370**	**259,016**	**2,959**

Group **December 2021** *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	1,487,665	1,487,747	1,487,747	-	-	-	-
Investment under management	34,942	34,942	5,535	-	22,662	2,861	3,885
Non-pledged trading assets							
Treasury bills	802,305	838,679	61,599	50,643	726,437	-	-
Bonds	90,203	104,099	-	-	-	83,108	20,991
Derivative financial instruments	171,332	171,332	64,702	8,633	76,718	21,279	-
Loans and advances to banks	284,548	285,168	116	47,123	237,930	-	-
Loans and advances to customers							
Auto Loan	5,430	5,575	2	-	56	5,393	125
Credit Card	14,536	15,937	11,215	11	51	4,641	19
Finance Lease	979	1,008	-	-	37	971	-
Mortgage Loan	73,455	77,931	-	-	20	799	77,112
Overdraft	266,064	291,941	155,655	29,754	94,317	12,215	-
Personal Loan	258,392	271,702	56,924	17	103,055	107,343	4,363
Term Loan	2,992,617	3,078,846	43,525	38,794	65,828	1,046,595	1,884,105
Time Loan	549,892	568,324	48,604	39,016	451,444	25,578	3,683
Pledged assets							
-Financial instruments at amortised cost							
Treasury bills	191,501	192,481	56,800	-	135,681	-	-
Bonds	35,800	59,228	3,259	-	-	1,409	54,560
Promissory note	52,076	56,842	-	-	-	56,842	-
-Financial instruments at FVPL							
Treasury bills	64,764	65,259	65,259	-	-	-	-
Bonds	419	716	-	-	-	-	716
Investment securities							
-Financial assets at FVOCI							
Treasury bills	434,106	437,683	328,833	40,198	68,652	-	-
Bonds	314,341	440,542	429	-	-	50,973	389,140
Promissory note	27,608	28,228	500	27,438	-	291	-
-Financial assets at amortised cost							
Treasury bills	642,490	645,400	109,290	98,487	437,622	-	-
Bonds	672,675	796,377	49,036	-	20,147	228,819	498,376
Promissory note	15,785	17,328	-	-	-	17,328	-
Restricted deposit and other assets	1,678,741	1,678,804	91,365	90,853	30,172	-	1,466,414
	11,162,665	**11,652,117**	**2,640,393**	**470,967**	**2,470,828**	**1,666,442**	**4,403,488**
Deposits from financial institutions	1,696,521	1,720,728	1,284,164	346,672	89,892	-	-
Deposits from customers	6,954,827	6,973,221	6,071,201	529,593	362,234	10,193	-
Derivative financial instruments	13,953	13,953	6,564	2,790	4,316	283	-
Other liabilities	556,144	556,144	364,442	122,320	69,383	-	-
Debt securities issued	264,495	370,149	-	-	-	370,149	-
Interest bearing borrowings	1,171,260	1,342,410	4,687	579	304,066	355,234	677,844
	10,657,200	**10,976,605**	**7,731,057**	**1,001,955**	**829,890**	**735,859**	**677,844**
Gap (asset - liabilities)	505,466	675,512	(5,090,664)	(530,988)	1,640,938	930,582	3,725,644
Cumulative liquidity gap			(5,090,664)	(5,621,652)	(3,980,714)	(3,050,132)	675,512
Off-balance sheet							
Transaction related bonds and guarantees	518,560	518,560	46,096	95,677	61,595	165,961	149,231
Clean line facilities for letters of credit and other commitments	618,809	618,809	186,520	333,736	63,839	34,714	-
	1,137,369	**1,137,369**	**232,615**	**429,413**	**125,435**	**200,675**	**149,231**

5.3.1 Residual contractual maturities of financial assets and liabilities

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	3,741	-	-	-	-	3,742
Non-pledged trading assets							
Treasury bills	73,011	76,255	31,979	15,476	28,800	-	-
Bonds	4,613	14,835	-	849	1,054	103	12,830
Derivative financial instruments	399,058	399,058	150,701	20,107	178,689	49,561	-
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	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	703,695	719,494	22,063	368,179	329,252	-	-
Bonds	158,208	315,732	-	74,214	2,656	64,998	173,863
Promissory note	217,305	14,468	-	14,468	-	-	-
-Financial assets at amortised cost							
Treasury bills	102,399	111,598	26,600	84,998	-	-	-
Bonds	595,007	373,956	1,770	-	-	8,106	364,081
Promissory note	37,763	39,847	-	-	9,490	30,357	-
Restricted deposit and other assets	2,321,538	2,340,433	147,958	104,903	22,958	-	2,064,614
	11,735,850	**11,920,520**	**3,043,108**	**1,161,494**	**1,600,870**	**1,427,701**	**4,835,306**
Deposits from financial institutions	1,637,318	128,160	95,645	25,820	6,695	-	-
Deposits from customers	7,530,062	11,523,436	7,490,660	2,262,888	1,760,909	8,978	-
Derivative financial instruments	31,072	12,424	8,146	4,279	-	-	-
Other liabilities	660,463	552,744	409,062	-	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	**14,162,953**	**8,009,072**	**2,293,674**	**2,125,980**	**886,492**	**847,734**
Gap (asset - liabilities)	286,770	(2,242,433)	(4,965,964)	(1,132,179)	(525,110)	541,209	3,987,572
Cumulative liquidity gap			(4,965,964)	(6,098,143)	(6,623,253)	(6,082,045)	(2,094,472)
Off balance-sheet							
Transaction related bonds and guarantees	618,738	499,837	18,559	40,400	92,233	149,261	199,384
Clean line facilities for letters of credit and other commitments	606,875	576,965	214,026	164,078	121,418	77,442	-
	1,225,614	**1,076,803**	**232,585**	**204,478**	**213,651**	**226,704**	**199,384**

Bank **December 2021** *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	1,068,976	1,069,058	1,069,058	-	-	-	-
Investment under management	34,942	34,942	5,535	-	22,662	2,861	3,885
Non-pledged trading assets							
Treasury bills	786,717	823,091	61,599	35,055	726,437	-	-
Bonds	17,089	31,366	-	-	-	14,333	17,033
Derivative financial instruments	161,439	161,439	64,702	8,633	66,826	21,279	-
Loans and advances to banks	322,259	322,695	116	47,123	275,456	-	-
Loans and advances to customers							
Auto Loan	4,637	4,743	2	-	56	4,561	125
Credit Card	14,536	15,937	11,215	11	51	4,641	19
Finance Lease	979	1,008	-	0	37	971	-
Mortgage Loan	2,446	3,098	-	-	20	799	2,279
Overdraft	243,614	267,767	147,597	21,696	86,259	12,215	-
Personal Loan	62,205	65,777	56,924	17	92	4,381	4,363
Term Loan	2,584,633	2,639,827	43,525	38,794	65,828	607,575	1,884,105
Time Loan	343,023	345,566	48,604	39,016	228,685	25,578	3,683
Pledged assets							
-Financial instruments at amortised cost							
Treasury bills	191,501	192,481	56,800	-	135,681	-	-
Bonds	35,800	59,228	3,259	-	-	1,409	54,560
Promissory note	52,076	56,842	-	-	-	56,842	-
-Financial instruments at FVPL							
Treasury bills	64,764	65,259	65,259	-	-	-	-
Bonds	419	716	-	-	-	-	716
Investment securities							
-Financial assets at FVOCI							
Treasury bills	172,719	176,296	67,446	40,198	68,652	-	-
Bonds	98,216	219,653	429	-	-	19,534	199,691
Promissory note	27,608	28,228	500	27,438	-	291	-
-Financial assets at amortised cost							
Treasury bills	535,678	538,587	92,537	98,487	347,563	-	-
Credit linked notes	-	-	-	-	-	-	-
Bonds	539,406	663,108	16,395	-	-	148,336	498,376
Promissory note	15,785	17,328	-	-	-	17,328	-
Restricted deposit and other assets	1,579,143	1,579,206	52,231	90,189	30,172	-	1,406,614
	8,960,610	**9,383,245**	**1,863,731**	**446,657**	**2,054,478**	**942,932**	**4,075,447**
Deposits from financial institutions	1,422,707	1,446,915	994,119	331,673	121,123	-	-
Deposits from customers	5,517,069	5,535,462	5,245,150	259,344	20,775	10,193	-
Derivative financial instruments	9,943	9,943	6,564	2,790	306	283	-
Other liabilities	491,743	491,743	354,650	89,860	47,232	-	-
Debt securities issued	260,644	366,299	-	-	-	366,299	-
Interest bearing borrowings	1,072,435	1,342,410	4,687	579	304,066	355,234	677,844
	8,774,541	**9,192,771**	**6,605,170**	**684,246**	**493,502**	**732,009**	**677,844**
Gap (asset - liabilities)	186,070	190,474	(4,741,439)	(237,589)	1,560,976	210,923	3,397,603
Cumulative liquidity gap			(4,741,439)	(4,979,028)	(3,418,052)	(3,207,129)	190,474
Off balance-sheet							
Transaction related bonds and guarantees	448,678	448,678	42,463	29,428	61,595	165,961	149,231
Clean line facilities for letters of credit and other commitments	437,456	437,456	167,339	171,564	63,839	34,714	-
	886,134	**886,134**	**209,802**	**200,993**	**125,435**	**200,675**	**149,231**

5.3.2

Group	December 2022			December 2021		
In millions of Naira	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Cash and balances with banks	1,961,100	-	**1,961,100**	1,487,665	-	**1,487,665**
Investments under management	-	3,742	**3,742**	28,197	6,745	**34,942**
Non pledged trading assets						
Treasury bills	87,489	-	**87,489**	802,305	-	**802,305**
Bonds	5,891	9,966	**15,857**	4,842	85,361	**90,203**
Derivative financial instruments	296,218	106,279	**402,497**	104,481	66,748	**171,229**
Loans and advances to banks	397,755	57,955	**455,709**	284,548	-	**284,548**
Loans and advances to customers						
Auto Loan	1,014	5,570	**6,584**	55	5,375	**5,430**
Credit Card	18,852	230	**19,082**	10,273	4,263	**14,536**
Finance Lease	596	8,790	**9,386**	28	951	**979**
Mortgage Loan	635	106,694	**107,329**	19	73,435	**73,455**
Overdraft	298,294	877	**299,171**	255,587	10,476	**266,064**
Personal Loan	118,219	156,592	**274,813**	152,596	105,796	**258,392**
Term Loan	608,219	3,032,269	**3,640,489**	147,417	2,845,200	**2,992,617**
Time Loan	731,361	12,594	**743,955**	521,457	28,435	**549,892**
Pledged assets						
Treasury bills	820,102	-	**820,102**	256,265	-	**256,265**
Bonds	24,986	389,163	**414,150**	3,366	32,853	**36,219**
Promissory note	-	26,471	**26,471**	-	43,848	**43,848**
Investment securities						
-Financial assets at FVOCI						
Treasury bills	1,046,120	-	**1,046,120**	434,106	-	**434,106**
Bonds	54,380	251,862	**306,242**	1,691	312,650	**314,341**
Promissory note	12,656	204,650	**217,306**	17,409	10,200	**27,608**
-Financial assets at amortised cost						
Treasury bills	193,421	-	**193,421**	642,490	-	**642,490**
Bonds	50,877	819,233	**870,110**	18,016	654,660	**672,675**
Promissory note	5,773	31,990	**37,762**	-	15,785	**15,785**
Credit Link Notes	9,752	-	**9,752**	-	-	**-**
Restricted deposit and other assets	154,048	2,300,095	**2,454,143**	154,048	1,524,693	**1,678,741**
	8,132,011	**7,525,024**	**14,422,781**	**5,619,345**	**5,827,473**	**11,154,334**
Deposits from financial institutions	1,459,512	583,923	**2,043,436**	1,696,521	-	**1,696,521**
Deposits from customers	5,246,155	4,003,899	**9,250,054**	4,359,402	2,595,425	**6,954,827**
Derivative financial instruments	30,637	2,099	**32,737**	12,522	364	**12,886**
Debt securities issued	-	307,253	**307,253**	-	264,495	**264,495**
Other liabilities	743,153	-	**743,153**	556,144	-	**556,144**
Interest-bearing borrowings	311,143	1,074,444	**1,385,587**	554,102	617,158	**1,171,260**
	7,790,601	**5,971,618**	**13,762,219**	**7,178,690**	**3,477,442**	**10,656,133**

Bank	December 2022 Within 12 months	December 2022 After 12 months	December 2022 Total	December 2021 Within 12 months	December 2021 After 12 months	December 2021 Total
In millions of Naira						
Cash and balances with banks	1,445,659	-	**1,445,659**	1,068,976	-	**1,068,976**
Investment under management	-	3,742	**3,742**	28,197	6,745	**34,942**
Non pledged trading assets						
Treasury bills	73,011	-	**73,011**	786,717	-	**786,717**
Bonds	1,783	2,829	**4,613**	577	16,512	**17,089**
Derivative financial instruments	292,779	106,279	**399,058**	102,247	59,192	**161,439**
Loans and advances to banks	264,618	57,992	**322,610**	322,259	-	**322,259**
Loans and advances to customers						
Auto Loan	166	5,208	**5,374**	55	4,582	**4,637**
Credit Card	18,785	9	**18,794**	10,273	4,263	**14,536**
Finance Lease	211	6,075	**6,285**	28	951	**979**
Mortgage Loan	-	5,406	**5,406**	19	2,427	**2,446**
Overdraft	267,894	877	**268,771**	233,137	10,476	**243,614**
Personal Loan	68,374	8,868	**77,243**	54,502	7,703	**62,205**
Term Loan	608,203	2,691,044	**3,299,247**	147,417	2,437,217	**2,584,633**
Time Loan	390,637	12,594	**403,231**	314,588	28,435	**343,023**
Pledged assets						
Treasury bills	820,102	-	**820,102**	256,265	-	**256,265**
Bonds	24,986	389,163	**414,150**	3,366	32,853	**36,219**
Promissory note	-	26,471	**26,471**	-	43,848	**43,848**
Investment securities						
-Financial assets at FVOCI						
Treasury bills	703,695	-	**703,695**	172,719	-	**172,719**
Bonds	28,421	129,787	**158,208**	489	97,727	**98,216**
Promissory note	205,005	-	**205,005**	27,853	-	**27,853**
-Financial assets at amortised cost						
Treasury bills	102,399	-	**102,399**	535,678	-	**535,678**
Bonds	34,792	597,978	**632,770**	15,207	539,984	**555,191**
Promissory note	5,773	31,991	**37,763**	-	15,785	**15,785**
Restricted deposit and other assets	-	2,340,433	**2,340,433**	138,892	1,440,251	**1,579,143**
	6,591,545	**6,416,747**	**11,774,041**	**4,511,945**	**4,748,949**	**8,968,411**
Deposits from financial institutions	1,629,354	46,083	**1,675,437**	1,422,707	-	**1,422,707**
Deposits from customers	7,534,894	11,837	**7,546,732**	5,429,280	87,789	**5,517,069**
Derivative financial instruments	29,441	1,630	**31,072**	9,660	283	**9,943**
Debt securities issued	-	303,297	**303,297**	-	260,644	**260,644**
Other liabilities	414,516	138,228	**552,745**	491,743	-	**491,743**
Interest-bearing borrowings	311,143	975,726	**1,286,869**	507,430	565,005	**1,072,435**
	9,919,349	**1,476,803**	**11,396,152**	**7,860,820**	**913,721**	**8,774,541**

Capital adequacy ratio computation under Basel II guidelines

This represents the capital adequacy ratio under basel II guidelines

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Tier 1 capital without adjustment				
Ordinary share capital	17,773	17,773	17,773	17,773
Additional Tier 1 Capital	206,355	206,355	206,355	206,355
Share premium	234,038	234,039	234,038	234,039
Retained earnings	409,653	397,273	321,181	304,778
Other reserves	344,677	171,113	289,319	108,506
Non-controlling interests	14,395	23,477	-	-
	1,226,891	**1,050,029**	**1,068,665**	**871,450**
Add/(Less):				
Fair value reserve for fair value through other comprehensive income instruments	(78,959)	9,713	(70,053)	10,058
Foreign currency translation reserves	(33,083)	(38,191)	-	-
Other reserves	(3,514)	(3,217)	(2,674)	(2,190)
Total Tier 1	**1,111,335**	**1,018,334**	**995,938**	**879,318**
Add/(Less):				
Deferred tax assets	(15,023)	(13,781)	(7,707)	-
Regulatory risk reserve	(78,556)	(6,714)	(76,336)	(1,118)
Intangible assets	(73,782)	(70,332)	(59,365)	(58,734)
Treasury shares	11,228	-	-	-
Adjusted Tier 1	**955,202**	**927,507**	**852,530**	**819,466**
50% Investments in Banking subsidiaries	-	-	(136,484)	(107,888)
Eligible Tier 1	**955,202**	**927,507**	**716,046**	**711,578**
Tier 2 capital				
Debt securities issued	252,834	240,117	252,834	240,117
Fair value reserve for fair value through other comprehensive income instruments	78,959	(9,713)	70,053	(10,058)
		-		-
Foreign currency translation reserves	33,083	38,191	-	-
Other reserves	3,514	3,217	2,674	2,190
Total Tier 2	**368,389**	**271,811**	**325,561**	**232,249**
Adjusted Tier 2 capital (33% of Tier 1)	**318,369**	**271,811**	**284,148**	**232,249**
50% Investments in subsidiaries	-	-	(136,484)	(107,888)
Eligible Tier 2	**318,369**	**271,811**	**147,664**	**124,361**
Total regulatory capital	**1,273,571**	**1,199,317**	**863,711**	**835,939**
Risk-weighted assets	**6,291,629**	**4,891,615**	**4,839,820**	**3,993,849**
Capital ratios				
Total regulatory capital expressed as a percentage of total risk-weighted assets	20.24%	24.52%	17.85%	20.93%
Total tier 1 capital expressed as a percentage of risk-weighted assets	15.18%	18.96%	14.79%	17.82%

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 years 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. The name of this division was recently changed from 'personal banking' to Retail banking' during the year.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.

- **Business Banking** - The Business banking division is a hybrid of Commercial and retail Banking Divisions. It focuses on small and medium scale enterprises providing them with business solutions to support their growing business needs. The division delivers commercial banking products and services to SME customers with annual turnover of less than 1billion.

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 2022**	**Group December 2021**
In millions of Naira		
Other Assets	2,487,691	1,707,290
Deferred tax asset	15,023	13,781
Non Current Assets Held for Sale	42,039	42,737
Goodwill	12,747	12,664
	2,557,501	**1,776,473**
Other liabilities	753,875	560,709
Deferred tax liability	1,796	11,652
Retirement Benefit Obligation	3,277	3,877
Total liabilities	**758,948**	**576,238**

7a Operating segments (continued)
Group
December 2022

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)
Profit/(Loss) on ordinary activities before	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
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	(441,896)	(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.

December 2021
Operating segments (continued)

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Business Banking	Retail Banking	Unallocated Segments	Total continuing operations	Total
Revenue:							
Derived from external customers	384,323	281,314	56,105	250,143	-	971,885	971,885
Total Revenue	384,323	281,314	56,105	250,143	-	971,885	971,885
Interest Income	225,101	209,621	36,095	130,885	-	601,701	601,701
Interest expense	(151,151)	(86,663)	(16,982)	(45,446)	-	(300,243)	(300,243)
Impairment Losses	(29,589)	(38,930)	(6,534)	(8,159)	-	(83,213)	(83,213)
taxation	71,651	60,507	10,862	33,681	-	176,701	176,701
Income tax expense	(7,517)	(6,060)	(312)	(2,595)	-	(16,485)	(16,485)
Profit after tax	64,133	54,446	10,550	31,086		160,216	160,216
December 2021							
Assets and liabilities:							
Loans and Advances to banks and customers	1,927,956	2,196,627	140,062	181,267	-	4,445,912	4,445,912
Goodwill	-	-	-	-	12,664	12,664	12,664
Tangible segment assets	4,034,215	3,206,354	482,376	2,232,548	-	9,955,492	9,955,492
Unallocated segment assets	-	-	-	-	1,776,473	1,776,473	1,776,473
Total assets	4,034,215	3,206,354	482,376	2,232,548	1,776,473	11,731,965	11,731,965
Deposits from customers	2,536,537	1,561,293	454,061	2,402,936	-	6,954,827	6,954,827
	-	-	-	-	-		
Segment liabilities	3,797,086	3,362,327	559,140	2,387,144	-	10,105,698	10,105,698
Unallocated segment liabilities	-	-	-	-	576,238	576,238	576,238
Total liabilities	3,797,086	3,362,327	559,140	2,387,144	576,238	10,681,936	10,681,936
Net assets	237,129	(155,974)	(76,764)	(154,597)	1,200,235	1,050,029	1,050,029

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 2022

In millions of Naira	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Bargain purchase from acquisition	Profit from associate	Finance cost for deferred consideration	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
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

December 2021	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Bargain purchase from acquisition	Profit from associate	Finance cost for deferred consideration	Intercompany elimination	Total
Derived from external customers	734,283	182,795	57,174	974,252				(4,944)	969,308
					2,484	93			2,577
Total revenue	734,283	182,795	57,174	974,252	2,484	93	-	(4,944)	971,885
								-	-
Interest income	443,268	121,765	41,677	606,710	-	-	-	(5,009)	601,701
Impairment losses	(53,801)	(14,713)	(14,699)	(83,213)	-	-	-	-	(83,213)
Interest expense	(251,030)	(46,913)	(7,250)	(305,193)	-	-	(58)	5,009	(300,243)
Net fee and commission income	89,201	18,366	11,029	118,596	-	-	-	-	118,596
Operating income	483,253	135,882	49,924	669,059	-	-	-	-	671,643
Profit before income tax	106,483	47,592	22,626	176,701	-	-	-	-	176,701

December 2021	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Bargain purchase from acquisition	Profit from associate	Finance cost for deferred consideration	Intercompany elimination	Total
Assets and liabilities:									
Loans and advances to customers and banks	3,578,332	455,333	810,093	4,843,758	-	-	-	(397,846)	4,445,912
Goodwill	-	-	-	-	-	-	-	-	-
							-	-	-
Total assets	9,660,761	1,510,050	1,318,013	12,488,823	-	-	-	(756,859)	11,731,965
							-	-	-
Deposit from customers	5,517,069	1,040,884	396,875	6,954,827	-	-	-	-	6,954,827
Total liabilities	8,789,310	1,278,932	1,154,504	11,222,746	-	-	58	(540,868)	10,681,936
Net assets	871,450	231,119	163,509	1,266,078	-	-	-	(216,049)	1,050,029

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 year ended 31 December 2022 and for the year ended 31 December 2021.

8 Interest income

In millions of Naira	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Interest income				
Cash and balances with banks	11,374	9,406	5,535	4,322
Loans and advances to banks	20,032	28,380	5,461	18,450
Loans and advances to customers	461,193	370,818	358,407	286,380
Modification gain/(loss) on loans	162	(10,631)	162	(10,631)
Investment securities				
-Financial assets at FVOCI	178,326	78,601	142,806	43,942
-Financial assets at amortised cost	97,993	42,843	77,237	33,526
	769,079	519,417	589,608	375,989
-Financial assets at FVPL	57,506	82,234	39,418	67,279
	826,584	**601,651**	**629,026**	**443,268**
Interest expense				
Deposit from financial institutions	118,531	64,561	111,820	60,821
Deposit from customers	273,059	167,113	221,793	125,419
Debt securities issued	22,816	21,734	22,393	21,547
Lease liabilities	1,424	1,215	973	739
Interest bearing borrowings and other borrowed funds	51,900	45,620	47,220	42,504
	467,729	**300,243**	**404,198**	**251,030**
Net interest income	**358,855**	**301,409**	**224,828**	**192,238**

Interest income for the year ended 31 December 2022 includes interest accrued on impaired financial assets of Group: N1.82Bn (31 December 2021: N2.31Bn) and Bank: N1.82Bn (31 December 2021: N2.08Bn).

The Group experienced an increase in interest income on investment securities as a result of increase in the volume and improved yield on securities during the year.

The increase in interest income on loans is attributable to the increase in value of loans and advances to customers. The Group's Interest expense experienced a growth due to increase in customer deposits during the year. The Net Modification gain was due to interest rate adjustments and negotiation in line with market changes.

9 Net impairment charge on financial assets

In millions of Naira	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
(Allowance)/Write Back for impairment on money market placement (note 18)	(600)	21	(502)	(27)
Write Back/(Allowance) for impairment on loans and advance to banks (note 22)	241	216	94	(137)
Allowance for impairment on loans and advance to customers (note 23)	(73,653)	(81,256)	(56,819)	(52,690)
Allowance for impairment on pledged assets (note 24)	(2,468)	(14)	(2,468)	(14)
Allowance for impairment on investment securities (note 25a)	(108,218)	(1,905)	(41,772)	(794)
Allowance on impairment on financial assets in other assets (note 26)	(8,143)	(879)	(8,124)	(710)
Allowance for impairment on Non current asset held for sale	-	(290)	-	(290)
(Allowance)/write back for impairment on off balance sheet items (note 34c)	(4,949)	893	(9,089)	860
	(197,790)	(83,214)	(118,681)	(53,801)

The Group took an impairment of ₦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 a lot of uncertainty, the possibility of further material impairment charge for this event is considered remote. The carrying amount for Ghana sovereign debts in the books of the Group amounts to ₦348.15Bn.

10 (a) Fee and commission income

In millions of Naira	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Credit related fees and commissions	89,850	43,050	71,568	29,959
Account maintenance charge and handling commission	25,563	22,207	23,735	20,615
Commission on bills and letters of credit	6,022	4,719	5,190	4,298
Commissions on collections	3,149	3,981	369	377
Commission on other financial services	7,012	13,699	2,497	10,003
Commission on foreign currency denominated transactions	3,204	4,104	396	795
Channels and other E-business income	59,653	66,280	49,148	57,163
Retail account charges	1,017	875	633	571
	195,470	**158,916**	**153,535**	**123,781**

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 year and prior year at a point in time and over time is as shown below.

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Point in Time	178,473	145,813	147,054	118,963
Over Time	16,996	13,372	6,481	4,819
	195,470	**159,185**	**153,535**	**123,781**

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 2022	December 2021	December 2022	December 2021
Bank and electronic transfer charges	8,271	7,232	4,552	3,846
E-banking expense	43,580	33,356	40,355	30,734
	51,851	**40,589**	**44,907**	**34,581**

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 on financial instruments at fair value through profit or loss

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Trading (loss)/gains on Fixed income securities	(74,374)	166,097	(74,843)	143,637
Fair value gain/ (loss) on Fixed income securities	1,523	(11,044)	1,412	(9,821)
Fair value gain/(loss) on non-hedging derivatives	166,296	(136,424)	166,296	(136,424)
Fair value gains on equity investments	2,105	23,835	2,105	23,835
Total Net gains on financial instruments at fair value through profit or loss	**95,550**	**42,464**	**94,970**	**21,228**

b (i) Net gains on disposal of financial instruments held as fair value through other comprehensive income

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Debt instruments at FVOCI				
Fixed income securities	185,754	2,317	185,058	1,947
	185,754	**2,317**	**185,058**	**1,947**
Total	**281,304**	**44,780**	**280,029**	**23,174**

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.

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.

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 2022	Group December 2021	Bank December 2022	Bank December 2021
Realised gain	66,330	97,505	43,249	86,095
Unrealized Foreign exchange Gain on items not hedged	(31,830)	3,596	(31,830)	3,596
Total Net Foreign Exchange gain	**34,500**	**101,101**	**11,419**	**89,691**

12 (b) Net gain/ (loss) on fair value hedge (Hedging ineffectiveness)

Net gain/(loss) on fair value hedge (Hedging ineffectiveness)	19,742	(872)	19,742	(872)
	19,742	**(872)**	**19,742**	**(872)**

Dec-22	**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	435.66	1,152,750	288,188	88,404

*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-22	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	
Fair value hedges					
Foreign exchange risk on foreign currency loan - Interest bearing loan	-	633,346	-	14,809	Interest bearing borrowings
Foreign exchange risk on foreign currency loan - Deposit from financial institution	-	642,951	-	53,853	Deposit from financial institution

Dec-22	**Hedge ratio**	**Change in the value of the hedging instrument recognised in other comprehensive income**	**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%	88,404	19,742		

The following table shows the year in which the hedging contract ends:

Dec-22	3 months	6 months	12 months	5 years	More than 5 years
Fair value hedging	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**
Hedging assets	380,408	195,968	576,375	-	-

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 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Dividends on equity securities	3,672	3,043	15,159	3,043
Gain on disposal of property and equipment	1,123	107	762	41
Rental income	17	21	-	-
Bad debt recovered	10,194	48,542	10,454	44,284
Cash management charges	604	915	604	914
Income from agency and brokerage	2,794	938	738	518
Income from asset management	1,427	1,441	1,427	1,441
Income from other investments	4,597	2,019	1,885	918
Gain on modification on leases	232	309	232	309
Income from other financial services	-	6,078	-	3,772
	24,660	**63,411**	**31,261**	**55,240**

Included in income from agency and brokerage is an amount of N286.12Mn (June 2021: N108.39Mn) representing the referral commission earned from bancassurance products. Included in Other Income from other investments is an amount of N948.80Mn representing gain recognised by Access Bank upon acquisition of properties of its disposed subsidiary, Access Pension Fund Custodian.

13 (b) Share of Profit from associate

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Share of profit from associate	513	93	-	-

Other operating income	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Point in Time	24,643	63,392	31,261	55,240
Over time	17	21	-	-
	24,660	**63,411**	**31,261**	**55,240**

14 Personnel expenses

In millions of Naira	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Wages and salaries	103,882	91,105	62,461	55,077
Increase in defined benefit obligation (see note 37 (a) (i))	5,769	832	5,769	761
Contributions to defined contribution plans	3,241	2,954	1,312	1,362
Restricted share performance plan	1,871	1,722	1,541	1,381
	114,763	**96,614**	**71,083**	**58,580**

(a) Under the Restricted Share Performance Plan (RSPP), shares of the Bank 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 year 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 year of 7 years. The RSPP is an equity-settled scheme, where the Bank recognizes an expense and a corresponding increase in equity. Initial estimates of the number of equity settled instruments that are expected to vest are adjusted to current estimates and ultimately to the actual number of equity settled instruments that vest unless differences are due to market conditions.

By the resolution of the Board and Shareholders, the Bank sets aside an amount not exceeding twenty (20) per cent of the aggregate emoluments of the Bank's employees in each financial year to purchase shares of the Bank from the floor of the Nigerian Stock Exchange for the purpose of the plan. The Bank has also established a Structured Entity (SE) to hold shares of the Bank purchased. Upon vesting, the SE transfers the shares to the employee whose interest has vested. The SE is consolidated in the Group's financial statements.

(i) The shares allocated to staff has a contractual vesting year of three to seven years commencing from the year of purchase/allocation to the staff. The Group has no legal or constructive obligation to repurchase or settle on a cash basis.

(ii) The number and weighted-average exercise prices of shares has been detailed in table below;

Group

Description of shares	December 2022 Number of Shares	December 2022 Weighted Share Price per Share - Naira	December 2021 Number of Shares	December 2021 Weighted Share Price per Share - Naira
(i) Outstanding at the beginning of the year;	977,507	7.47	706,766	7.30
(ii) Granted during the year;	406,123	9.28	364,082	8.45
(iii) Forfeited during the year;	(448,639)	7.79	(288,005)	7.14
(iv) Exercised during the year;	(110,407)	7.07	(19,682)	6.85
(v) Allocated at the end of the year;	824,584	8.53	763,161	7.29
(vi) Shares under the scheme at the end of the year	1,257,217	8.43	977,507	7.10
	Naira ('000)	Price per Share - Naira	Naira ('000)	Price per Share - Naira
Share based expense recognised during the year	1,871	8.53	1,722	7.29

	Grant Date	Vesting year	Expiry date	Shares
Outstanding allocated shares for the 2018 - 2025 vesting year	1 July 2018	2018-2025	1 Jul 2025	1,945
Outstanding allocated shares for the 2019 - 2026 vesting year	1 Jan 2019	2019-2026	1 Jan 2026	6,839
Outstanding allocated shares for the 2019 - 2026 vesting year	1 July 2019	2019-2026	1 Jul 2026	114,421
Outstanding allocated shares for the 2020 - 2027 vesting year	1 Jul 2020	2020-2027	1 Jul 2027	44,573
Outstanding allocated shares for the 2021 - 2028 vesting year	1 Jan 2021	2021 - 2028	1 Jan 2028	168,243
Outstanding allocated shares for the 2021 - 2028 vesting year	1 Jul 2021	2021 - 2028	1 Jun 2028	108,169
Outstanding allocated shares for the 2022 - 2029 vesting year	1 Jan 2022	2022 - 2029	1 Jan 2029	266,158
				710,349

Bank

Description of shares	December 2022 Number of Shares	December 2022 Weighted Share Price per Share - Naira	December 2021 Number of Shares	December 2021 Weighted Share Price per Share - Naira
(i) Outstanding at the beginning of the year;	861,168	7.47	614,554	7.30
(ii) Granted during the year;	351,474	9.28	326,818	8.45
(iii) Forfeited during the year;	(446,456)	7.79	(288,005)	7.14
(iv) Exercised during the year;	(74,858)	6.60	(6,545)	6.80
(v) Allocated at the end of the year;	**691,329**	8.43	**646,822**	7.47
(vi) Shares under the scheme at the end of the year	1,121,779	8.43	861,168	7.10
	Naira ('000)	Price per Share - Naira	Naira ('000)	Price per Share - Naira
Share based expense recognised during the year	1,541	8.43	1,381	7.47

	Grant Date	Vesting year	Expiry date	Shares
Outstanding allocated shares for the 2019 - 2022 vesting year	1 Jan 2019	2019-2022	1 Jan 2022	0
Outstanding allocated shares for the 2019 - 2022 vesting year	1 July 2019	2019-2022	1 Jul 2022	102,357
Outstanding allocated shares for the 2020 - 2023 vesting year	1 Jul 2020	2020-2023	1 Jul 2023	37,600
Outstanding allocated shares for the 2021 - 2024 vesting year	1 Jan 2021	2021 - 2024	1 Jan 2024	153,750
Outstanding allocated shares for the 2021 - 2024 vesting year	1 Jul 2021	2021 - 2024	1 Jul 2024	97,083
Outstanding allocated shares for the 2022 - 2025 vesting year	1 Jan 2022	2022 - 2025	1 Jan 2025	241,231
Outstanding allocated shares for the 2022 - 2025 vesting year	1 Jul 2022	2022 - 2025	1 Jul 2025	59,587
				691,609

i. The weighted average remaining contractual life of the outstanding allocated shares is :

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
	years	years	years	years
Weighted average contractual life of remaining shares	4.43	4.19	1.38	1.49

Under the restricted share performance plan, N2.96billion worth of shares were granted to employees of the Bank at a weighted average fair value of N8.45per 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 year comprise:

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
	Number	Number	Number	Number
Managerial	513	474	254	278
Other staff	5,852	6,401	3,765	4,504
	6,365	**6,875**	**4,019**	**4,782**

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 2022	Group December 2021	Bank December 2022	Bank December 2021
	Number	Number	Number	Number
Below N900,000	-	-	-	-
N900,001 - N1,990,000	171	142	-	6
N1,990,001 - N2,990,000	6	99	6	87
N2,990,001 - N3,910,000	807	562	807	563
N3,910,001 - N4,740,000	568	697	28	373
N4,740,001 - N5,740,000	149	7	149	4
N5,740,001 - N6,760,000	452	1,930	2	1,451
N6,760,001 - N7,489,000	-	6	-	1
N7,489,001 - N8,760,000	1,440	904	1,105	553
N8,760,001 - N9,190,000	-	478	-	480
N9,190,001 - N11,360,000	722	761	401	515
N11,360,001 - N14,950,000	1,109	479	929	325
N14,950,001 - N17,950,000	278	303	208	146
N17,950,001 - N21,940,000	150	33	130	24
N21,940,001 - N26,250,000	134	217	1	109
N26,250,001 - N30,260,000	213	139	117	69
N30,261,001 - N45,329,000	113	109	83	53
Above N45,329,000	53	9	53	23

	6,365	**6,875**	**4,019**	**4,782**

In line with the provision of S.238 of CAMA 2020, the Remuneration of the managers of the company for the year ended Dec 2022 amounted to N5.38Bn (Dec 2021: N4.21Bn).

15 Other operating expenses

In millions of Naira	**Group December 2022**	***Restated Group December 2021**	**Bank December 2022**	**Bank December 2021**
Premises and equipment costs	27,933	18,282	24,735	14,342
Professional fees	15,063	9,095	9,539	6,139
Insurance	2,487	1,671	1,253	641
Business travel expenses	11,639	8,315	9,625	7,366
Asset Management Corporation of Nigeria (AMCON) surcharge	52,734	41,509	52,734	41,509
Bank charges	12,718	8,553	10,475	6,718
Deposit insurance premium	22,530	20,444	22,138	20,035
Auditor's remuneration	1,550	1,689	660	645
Administrative expenses	30,117	20,033	26,151	15,468
Board expenses	2,099	1,520	1,515	779
Communication expenses	14,746	9,297	10,192	6,398
IT and e-business expenses	44,551	25,781	33,879	17,949
Outsourcing costs	28,185	21,008	26,467	20,385
Advertisements and marketing expenses	13,811	9,496	12,331	8,050
Recruitment and training	6,793	3,865	6,259	3,455
Events, charities and sponsorship	11,992	8,202	11,183	7,749
Periodicals and Subscriptions	1,777	1,062	1,023	701
Security expenses	11,440	8,090	10,394	6,956
Cash processing and management cost	7,606	4,733	7,490	4,696
Stationeries, postage and printing	7,270	4,262	6,316	3,471
Office provisions and entertainment	2,610	1,510	2,295	1,246
Rent expenses	6,068	3,796	3,305	2,410
	335,720	**232,213**	**289,959**	**197,107**

16 Income tax

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Current tax expense				
Corporate income tax	16,390	23,112	-	-
Minimum tax	5,549	1,828	5,549	1,828
IT tax	1,627	1,065	1,627	1,065
Education tax	-	-	-	-
Capital gains tax	-	31	-	31
Police fund tax levy	8	5	8	5
National Agency for Science and Engineering Infrastructure levy	407	266	407	266
	23,981	26,308	7,590	3,195
Deferred tax expense				
Origination of temporary differences	(9,452)	(9,823)	(11,542)	(8,039)
Income tax expense	14,529	16,484	(3,951)	(4,844)
Items included in OCI	(539)	487	(539)	487

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 2022	Group December 2021	Bank December 2022	Bank December 2021
Balance at the beginning of the year	4,643	2,160	3,132	2,547
Acquired from business combination	-	(580)	-	-
Tax paid	(20,511)	(22,838)	(1,368)	(2,143)
Income tax charge	23,981	26,308	7,591	3,196
Withholding tax utilization	(1,800)	(468)	(1,800)	(468)
Translation adjustments	(1,812)	61	-	-
Income tax receivable	-	-	-	-
Balance at the end of the year	**4,501**	**4,643**	**7,556**	**3,132**

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 2022	Group December 2022	Group December 2021	Group December 2021
Profit before income tax		170,402		176,701
Income tax using the domestic tax rate	30%	51,121	30%	53,010
Effect of tax rates in foreign jurisdictions	0%	-	0%	-
Information technology tax	1%	1,627	1%	1,065
Capital allowance utilised for the period	0%	-	0%	-
Non-deductible expenses	27%	45,524	45%	80,115
Tax exempt income	-57%	(96,644)	-75%	(133,125)
Effect of prior year underprovision	0%	-	0%	-
Education tax levy	0%	-	0%	-
Capital gain tax	0%	-	0%	31
Origination and reversal of temporary deferred tax differences	-6%	(9,452)	-6%	(9,823)
Company income Tax	10%	16,390	13%	23,112
Minimum tax effect	3%	5,549	1%	1,828
National Agency for Science and Engineering Infrastructure levy	0%	407	0%	266
Nigerian Police fund levy	0%	8	0%	5
Effective tax rate	**9%**	**14,529**	**9%**	**16,485**

In millions of Naira	Bank December 2022	Bank December 2022	Bank December 2021	Bank December 2021
Profit before income tax		162,709		106,483
Income tax using the domestic tax rate	30%	48,813	30%	31,945
Information technology tax	1%	1,627	1%	1,065
Non-deductible expenses	28%	45,524	67%	70,908
Tax exempt income	-58%	(94,337)	-97%	(102,853)
Education tax levy	0%	-	0%	-
Capital gain tax	0%	-	0%	31
National Agency for Science and Engineering Infrastructure levy	0%	407	0%	266
Nigerian Police fund levy	0%	8	0%	5
Capital allowance	0%	-	0%	-
Origination and reversal of temporary deferred tax differences	-7%	(11,542)	-8%	(8,039)
Company income Tax	0%	-	0%	-
Minimum tax effect	3%	5,549	2%	1,828
Effective tax rate	**-2%**	**(3,951)**	**-5%**	**(4,843)**

Current income tax liabilities are due within 12 months from the period end date

Classified as:				
Current	4,501	7,556	4,643	2,160
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 year excluding ordinary shares purchased by the company and held as treasury shares.

In millions of Naira	Group December 2022	*Restated Group December 2021	Bank December 2022	Bank December 2021
Total profit/(loss) attributable to owners of the bank:				
Continuing operations	155,838	158,327	166,660	111,326
Discontinued operations	(700)	120		
Profit for the year	155,138	158,447	166,660	111,326
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
Weighted average number of treasury Shares	(1,257)	(978)	-	-
	34,288	34,568	35,545	35,545
In kobo per share				
Basic earnings per share from continuing operations	454	458	469	313
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 2022	Group December 2021	Bank December 2022	Bank December 2021
Total profit/(loss) attributable to owners of the bank:				
Continuing operations	155,838	158,327	166,660	111,326
Discontinued operations	(700)	120	-	-
Profit for the year	155,138	158,447	166,660	111,326
Weighted average number of Total shares in issue	34,288	34,568	35,545	35,545
Weighted average number of treasury shares in issue	(1,257)	(978)	-	-
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
In kobo per share				
Diluted earnings per share from continuing operations	438	445	469	313
Diluted earnings per share from discontinuing operations	(2)	-	-	-

18 Cash and balances with banks

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Cash on hand and balances with banks (see note (i))	1,085,930	1,157,628	795,729	834,382
Unrestricted balances with central banks	186,534	72,671	89,148	1,057
Money market placements	152,680	102,503	24,669	78,550
Other deposits with central banks (see note (ii)	536,677	155,049	536,677	155,049
	1,961,821	**1,487,851**	**1,446,223**	**1,069,037**
ECL on Placements	(721)	(186)	(563)	(61)
	1,961,100	**1,487,665**	**1,445,659**	**1,068,976**

(i) Included in cash on hand and balances with banks is an amount of N69.41Bn (31 Dec 2021: N75.64Bn) 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.

(ii) The balance of N536.68bn represents the nominal value of outstanding forward contracts entered on behalf of customers, with the Central Bank of Nigeria.

Movement in ECL on Placements

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance at beginning of the year	186	205	61	34
-(Write Back)/Charge for the year	600	(21)	502	27
Foreign translation reserve	(64)	1	-	-
Closing balance	**721**	**186**	**563**	**61**

19 Investment under management

Amortized cost

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Relating to unclaimed dividends:				
Government bonds	-	2,861	-	2,861
Placements	-	13,045	-	13,045
Commercial paper	-	5,153	-	5,153
Corporate Bond	-	2,021	-	2,021
Nigerian treasury bills	-	2,575	-	2,575
Mutual funds	-	5,403	-	5,403
Eurobonds	3,742	3,885	3,742	3,885
	3,742	**34,942**	**3,742**	**34,942**

The investment under management scheme has been transferred to the holding company in the wake of the transfer of the Bank's existing shareholders to the Holding company. An impairment test was carried out on the assets under management and the resulting impairments were considered immaterial

20 Non pledged trading assets

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Government bonds	12,280	76,677	2,319	3,563
Eurobonds	2,294	13,526	2,294	13,526
Treasury bills	88,116	802,305	73,011	786,717
	102,690	**892,508**	**77,624**	**803,806**

The value of the Ghana sovereign instruments in the trading book is N22.72Bn. These instruments have been categorized as stage 3 for the sovereign bonds of N9.08Bn whilst the sovereign treasury bills of N13.64Bn have been categorized as stage 2 in the books

21 Derivative financial instruments

In millions of Naira	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	December 2022		December 2021	
Group				
Foreign exchange derivatives				
Total derivative assets	**1,738,833**	**402,497**	**1,468,049**	**171,332**
Non-deliverable future contracts	-	1,730	-	1,478
Forward and swap contracts	1,738,833	400,767	1,468,049	169,854
			-	-
Total derivative liabilities	**430,014**	**(32,737)**	**330,206**	**(13,953)**
Non-deliverable future contracts	-	(1,728)	-	(1,478)
Forward and swap contracts	430,014	(31,009)	330,206	(12,475)

	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	December 2022		December 2021	
Bank				
Foreign exchange derivatives				
Total derivative assets	**1,704,968**	**399,058**	**1,425,923**	**161,439**
Non-deliverable future contracts	-	1,730	-	1,478
Forward and swap contracts	1,704,968	397,328	1,425,923	159,962
Total derivative liabilities	**375,046**	**(31,072)**	**256,408**	**(9,943)**
Non-deliverable future contracts	-	(1,729)	-	(1,478)
Forward and swap contracts	375,046	(29,342)	256,408	(8,465)

	December 2022 Fair Value		December 2021 Fair Value	
Derivative Assets	**Group**	**Bank**	**Group**	**Bank**
Current (Hedging Instruments)	288,188	288,188	128,921	128,921
Non- Current (Hedging Instruments)	-	-	20,996	20,996
Current (Non-Hedging Instruments)	114,309	110,870	21,312	11,522
Non- Current (Non-Hedging Instruments)	-	-	-	-
Derivative Liabilities				
Current (Non-Hedging Instruments)	-	-	-	-
Non- Current (Hedging Instruments)	-	-	-	-
Current (Non-Hedging Instruments)	(32,737)	(31,072)	(13,850)	(9,943)
Non- Current (Non-Hedging Instruments)	-	-	-	-

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 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 2022	Group December 2021	Bank December 2022	Bank December 2021
Loans and advances to banks	456,088	285,168	322,951	322,695
Less allowance for impairment losses	(378)	(620)	(341)	(435)
	455,710	**284,548**	**322,610**	**322,259**

Group

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**

	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	493	9	117	620
-Charge for the period:				
Total net P&L charge during the period	(143)	(9)	(90)	(241)
At 31 December 2022	**351**	**-**	**28**	**378**

Impairment allowance for loans and advances to banks

In millions of Naira	December 2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	484	-	-	484
Standard grade	10	9	-	18
Non Investment	-	-	117	117
Total	**493**	**9**	**117**	**620**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2021	599	-	52	652
Transfers to Stage 2	-	33	(33)	-
Total net P&L charge during the period	(256)	(25)	65	(216)
Foreign exchange revaluation	150	1	33	184
At 31 December 2021	**493**	**9**	**117**	**620**

Bank

Loans to banks

In millions of Naira	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
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 period:				-
Total net P&L charge during the year	(29)	(8)	(57)	(94)
At 31 December 2022	**314**	**0**	**28**	**341**

Impairment allowance for loans and advances to banks
In millions of Naira

	December 2021			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade:				
Investment	333	-	-	333
Standard grade	10	8	-	17
Non Investment	-	-	84	84
Total	**343**	**8**	**84**	**435**

	December 2021			
	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2021	246	-	53	299
-Charge for the period:	-	-	-	-
Transfers to Stage 3	-	33	(33)	-
Total net P&L charge during the year	97	(25)	65	137
At 31 December 2021	**343**	**8**	**84**	**435**

23 Loans and advances to customers

a 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 expected credit loss	(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 expected credit loss	(79,903)
	4,619,133

Loans and advances to customers (Individual and corporate entities and other organizations)	5,199,749
Less allowance for expected credit loss	(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 allowance as at 1 January 2022	8,447	2,194	16,492	27,133
- Charge for the period:				
Transfers to Stage 1	468	(468)	(0)	-
Transfers to Stage 2	(1,544)	1,349	195	-
Transfers to Stage 3	(1)	(52)	53	-
Total net P&L charge during the year	(442)	(1,929)	(1,761)	(4,132)
Amounts written off	-	-	(3,978)	(3,978)
Translation difference	-	-	16	16
At 31 December 2022	**6,928**	**1,096**	**11,016**	**19,039**

Loans to corporate entities and other organizations
In millions of Naira

	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	-	-	42,374	42,374
Total	**20,882**	**16,646**	**42,374**	**79,904**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2022	28,756	25,350	68,662	122,767
- Charge for the period:				-
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 charge 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**	**79,904**

Group

In millions of Naira	December 2021
Loans to individuals	
Retail Exposures	-
Auto Loan	2,736
Credit Card	15,246
Finance Lease (note 23c)	18
Mortgage Loan	65,929
Overdraft	30,497
Personal Loan	271,702
Term Loan	28,082
Time Loan	1,814
	416,023
Less Allowance for ECL/Impairment losses	(27,133)
	388,890
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan	2,839
Credit Card	691
Finance Lease (note 23c)	991
Mortgage Loan	12,002
Overdraft	261,444

Personal Loan	-
Term Loan	3,050,765
Time Loan	566,510
	3,895,241
Less Allowance for ECL/Impairment losses	(122,767)
	3,772,474

Loans and advances to customers (Individual and corporate entities and other organizations)	4,311,263
Less Allowance for ECL/Impairment losses	(149,900)
	4,161,363

ECL allowance on loans and advances to customers

Loans to Individuals
In millions of Naira

	December 2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Non-Investment	8,447	1,370	539	10,356
Sub-standard grade	-	824	15,953	16,777
Total	**8,447**	**2,194**	**16,492**	**27,133**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2021	630	761	2,621	4,012
Transfers to Stage 1	30	(7)	(23)	-
Transfers to Stage 2	50	252	(302)	-
Transfers to Stage 3	(5)	(31)	37	-
Total net P&L charge during the year	7,743	1,219	15,293	24,255
Amounts written off	-	-	(1,134)	(1,134)
At 31 December 2021	**8,447**	**2,194**	**16,492**	**27,133**

Loans to corporate entities and other organizations
In thousands of Naira

	December 2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	4,591	4	-	4,595
Standard grade	24,165	25,338	116	49,620
Non-Investment	-	7	68,546	68,552
Total	**28,756**	**25,350**	**68,662**	**122,767**

	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2021	31,990	58,231	54,830	145,050
Transfers to Stage 1	12,501	(11,540)	(961)	-
Transfers to Stage 2	(6,716)	6,092	623	-
Transfers to Stage 3	272	(3,547)	3,275	-
Total net P&L charge during the year	(9,979)	(25,261)	92,240	57,001
Amounts written off	-	-	(84,095)	(84,095)
Translation difference	687	1,375	2,749	4,811
At 31 December 2021	**28,756**	**25,350**	**68,662**	**122,767**

23 Loans and advances to customers

b Bank

In thousands of Naira	December 2022
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 Expected credit loss	(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 Expected credit loss	(56,910)
	3,943,232
Loans and advances to customers (Individual and corporate entities and other organizations)	4,149,413
Less Allowance for Expected credit loss	(65,061)

	4,084,352

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				
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	13,832
- Charge for the period:				
Transfers to Stage 1	362	(362)	(0)	-
Transfers to Stage 2	(1,088)	1,089	(1)	-
Transfers to Stage 3	(1)	(97)	97	-
Total net P&L charge during the year	(422)	(1,492)	(1,369)	(3,283)
Amounts written off	-	-	(2,398)	(2,398)
At 31 December 2022	**5,260**	**21**	**2,869**	**8,152**

Loans to corporate entities and other organizations
In millions of Naira

	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**	**15,853**	**22,435**	**56,910**

Stage 1	**Stage 2**	**Stage 3**	**Total**

ECL allowance as at 1 January 2022	23,945	23,657	26,215	73,818
- Charge for the period:				
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 charge 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**

23 Loans and advances to customers

b Bank

In millions of Naira	**December 2021**
Loans to individuals	
Retail Exposures	
Auto Loan	1,904
Credit Card	15,246
Finance Lease (note 23c)	18
Mortgage Loan	2,979
Overdraft	30,497
Personal Loan	65,777
Term Loan	16,508
Time Loan	1,814
	134,743
Less Allowance for ECL/Impairment losses	(13,831)
	120,911
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan	2,839
Credit Card	691
Finance Lease (note 23c)	991
Mortgage Loan	119
Overdraft	237,270
Term Loan	2,623,319
Time Loan	343,752
	3,208,980
Less Allowance for ECL/Impairment losses	(73,818)
	3,135,162
Loans and advances to customers (Individual and corporate entities and other organizations)	3,343,722
Less Allowance for ECL/Impairment losses	(87,650)
	3,256,073

Impairment allowance on loans and advances to customers

Loans to Individuals
In millions of Naira

	December 2021			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	6,409	59	539	7,006
Non-Investment	-	824	6,001	6,826
Total	**6,409**	**883**	**6,540**	**13,832**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2021	570	441	1,821	2,832
Transfers to Stage 1	17	(3)	(15)	-
Transfers to Stage 2	(5)	270	(266)	-
Transfers to Stage 3	(18)	(27)	45	-
Total net P&L charge during the year	5,844	202	6,088	12,134
Amounts written off	-	-	(1,134)	(1,134)
At 31 December 2021	**6,409**	**883**	**6,540**	**13,831**

Loans to corporate entities and other organizations
In millions of Naira

	December 2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	4,591	4	-	4,595
Standard grade	19,354	23,647	116	43,117
Non-Investment	-	7	26,099	26,105
Sub-standard grade	-	-	-	-
Total	**23,946**	**23,658**	**26,215**	**73,818**

	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2021	30,049	50,548	35,614	116,211
- Charge for the year	-	-	-	-
Transfers to Stage 1	11,954	(11,815)	(138)	-
Transfers to Stage 2	(7,370)	8,372	(1,002)	-
Transfers to Stage 3	(40)	(3,443)	3,484	-
Total net P&L charge during the year	(10,647)	(20,003)	71,207	40,556
Amounts written off	-	-	(82,949)	(82,949)
Foreign exchange revaluation	-	-	-	-
At 31 December 2021	**23,946**	**23,657**	**26,215**	**73,818**

Modified loans:

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Amortized Cost before modification	33,302	87,810	33,302	87,810
Modification gain/(loss)	162	(10,631)	162	(10,631)
Amortized Cost after modication	**33,464**	**77,179**	**33,464**	**10,631**

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 2022	Group December 2021	Bank December 2022	Bank December 2021
Gross investment in finance lease, receivable	9,630	6,842	6,388	6,119
Unearned finance income on finance leases	(1,813)	(433)	(1,232)	(368)
Net investment in finance leases	7,817	6,409	5,156	5,751
Gross investment in finance leases, receivable:				
Less than one year	588	479	218	106
Between one and five years	9,042	6,363	6,170	6,013
Later than five years	-	-	-	-
	9,629	6,842	6,388	6,119
Unearned finance income on finance leases	(1,813)	(433)	(1,232)	(368)
Present value of minimum lease payments	7,816	6,409	5,156	5,751
Present value of minimum lease payments may be analysed as:				
- Less than one year	316	427	208	95
- Between one and five years	7,501	5,982	4,948	5,656
- Later than five years	-	-	-	-

24 Pledged assets

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
-Financial instruments at FVOCI				
Treasury bills	451,476	-	451,476	-
Government bonds	-	-	-	-
Promissory note	-	-	-	-
	451,476	-	451,476	-
-Financial instruments at amortised cost				
Treasury bills	296,061	191,501	296,061	191,501
Government bonds	411,582	35,800	411,582	35,800
Promissory note	32,639	52,076	32,639	52,076
	740,282	279,377	740,282	279,377
ECL on financial assets at amortized cost	(1,612)	(23)	(1,612)	(23)
	738,670	279,354	738,671	279,354
-Financial instruments at FVPL				
Treasury bills	72,565	64,764	72,565	64,764
Government bonds	2,567	419	2,567	419
Promissory note	-	-	-	-
	75,133	65,183	75,133	65,183
	1,265,279	**344,537**	**1,265,279**	**344,537**

The Financial instruments at FVPL 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

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance	-	431	-	431
Additional allowance	880	-	880	-
Allowance written back	-	(431)	-	(431)
Balance, end of year	**880**	**-**	**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

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance	23	9	23	9
Additional allowance	1,589	14	1,589	14
Allowance written back	-	-	-	-

Balance, end of year	**1,612**	**23**	**1,612**	**23**

The related liability for assets pledged as collateral include:

Central Bank of Nigeria (CBN)	541,476	434,530	541,476	430,344
Bank of Industry (BOI)	8,383	14,646	8,383	14,646
	549,859	**449,176**	**549,859**	**444,990**

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. 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 *In millions of Naira*	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Equity securities at fair value through profit or loss (see note (i) below)	167,906	165,337	167,622	165,054

At fair value through other comprehensive income *In millions of Naira*	December 2022	December 2021	December 2022	December 2021
Debt securities				
Government bonds	168,293	229,097	50,774	25,182
Treasury bills	1,046,120	434,106	703,695	172,719
Eurobonds	41,695	26,039	21,182	13,828
Corporate bonds	20,599	16,248	20,599	16,248
State government bonds	65,652	42,958	65,652	42,958
Commercial Paper	3,869	-	3,869	-
Promissory notes	217,305	27,608	217,305	27,608
	1,563,534	776,056	1,083,077	298,544
Changes in fair value of FVOCI instruments	61,904	(58,187)	76,641	(69,495)
Changes in allowance on FVOCI financial instruments	21,282	56	3,472	(136)
Net fair value changes in FVOCI instruments	**83,186**	**(58,131)**	**80,113**	**(69,632)**
At amortised cost *In millions of Naira*				
Debt securities				
Treasury bills	192,795	642,490	102,399	535,678
Credit Link Notes	9,752	-	-	-
Federal government bonds	437,679	443,682	171,648	316,032
State government bonds	4,734	7,334	4,734	7,334
FGN Promissory notes	37,762	15,785	37,763	15,785
Corporate bonds	7,579	7,592	7,579	8,820
Eurobonds	420,119	214,066	411,046	207,220
Gross amount	1,110,420	1,330,950	735,169	1,090,868
ECL on financial assets at amortized cost	(80,791)	(2,005)	(39,308)	(1,008)
Carrying amount	1,029,630	1,328,945	695,861	1,089,860
Total	**2,761,070**	**2,270,338**	**1,946,560**	**1,553,458**

ECL allowance on investments at fair value through other comprehensive income

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance at 1 January	468	412	222	358
Additional allowance	23,541	49	3,472	-
Allowance written back	-	-	-	(136)
Foreign exchange adjustments	(2,259)	7	-	-
Balance, end of year	**21,751**	**468**	**3,694**	**222**

ECL allowance on investments at amortized cost

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance at 1 January 2021	2,005	600	1,008	550
Acquired from business combination	-	4	-	-
-Charge for the period	84,676	1,856	38,300	930
Allowance written back	-	-	-	-
Revaluation difference	(5,891)	17	-	-
Write off	-	(472)	-	(472)
Balance, end of year	**80,791**	**2,005**	**39,308**	**1,008**
Total ECL charge on securities	108,218	1,905	41,772	930

(i) Equity securities at FVPL (carrying amount)

Central securities clearing system limited	4,673	6,844	4,673	6,844
Nigeria interbank settlement system plc.	12,635	13,451	12,635	13,451
Unified payment services limited	5,653	5,870	5,653	5,870
Africa finance corporation	131,633	127,221	131,633	127,221
African export-import bank	176	96	176	96
FMDQ Holdings	7,068	6,553	7,068	6,553
Nigerian mortage refinance company plc.	291	291	291	291
Credit reference company	383	493	383	493
NG Clearing Limited	325	447	325	447
Capital Alliance Equity Fund	4,735	3,902	4,735	3,902
Shared agent network expansion facility	50	50	50	50
Others	285	284	-	-
	167,907	**165,503**	**167,622**	**165,219**

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 2022**

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	168,293	104
Treasury bills	1,046,120	1,690
Eurobonds	41,695	18,157
Corporate bonds	20,599	932
State government bonds	65,652	601
Promissory notes	217,305	171
Commercial Paper	3,869	96
Total	**1,563,534**	**21,751**

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	437,679	368	437,311
Treasury bills	192,795	460	192,335
Credit Link Notes	9,752	-	9,752
Eurobonds	420,117	79,550	340,566
Corporate bonds	7,579	318	7,261
State government bonds	4,734	10	4,723
FGN Promissory notes	37,762	84	37,679
Total	**1,110,418**	**80,791**	**1,029,627**

Bank

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	50,774	104
Treasury bills	703,695	1,629
Eurobonds	21,182	160
Corporate bonds	20,599	932
State government bonds	65,652	601
Commercial Paper	3,869	171
Promissory notes	217,305	96
Total	**1,083,077**	**3,694**

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	171,648	368	171,280
Treasury bills	102,399	228	102,171
Credit Link Notes	-	-	-
Eurobonds	411,046	38,300	372,746
Corporate bonds	7,579	318	7,261
State government bonds	4,734	10	4,723
Promissory notes	37,763	84	37,680
Total	**735,169**	**39,308**	**695,861**

Group

Debt instruments at fair value through other comprehensive income — **December 2022**
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	633,289	-	-	633,289
Standard grade	-	-	-	-
Non-Investment	878,204	-	52,041	930,245
Total	**1,511,493**	**-**	**52,041**	**1,563,534**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2022	468	-	-	468
- Charge for the period	3,568	-	19,973	23,541
Foreign exchange adjustments	398	-	(2,656)	(2,259)
At 31 December 2022	**4,434**	**-**	**17,317**	**21,751**

Financial instruments at amortised cost
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				-
Investment	204,040	-	-	204,040
Standard grade	-	-	-	-
Non-Investment	610,310	-	296,070	906,380
Total	**814,351**	**-**	**296,070**	**1,110,420**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2022	1,270	735	-	2,005
Acquired from business combination	-	-	-	-
- Charge for the year	1,552	-	83,124	84,676
Transfers to Stage 1	735	(735)	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	618	-	(6,509)	(5,891)
Write back	-	-	-	-
At 31 December 2022	**4,176**	**-**	**76,615**	**80,791**

December 2022

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	204,695	-	-	204,695
Standard grade	-	-	-	-
Non-Investment	878,204	-	179	878,383
Total	**1,082,898**	**-**	**179**	**1,083,077**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2022	222	-	-	222
- Charge for the year	3,370	-	102	3,472
Write back	-	-	-	-
At 31 December 2022	**3,591**	**-**	**102**	**3,694**

Financial instruments at amortised cost
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	-	-	-	-
Non-Investment	610,310	-	124,859	735,169
Total	**610,310**	**-**	**124,859**	**735,169**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2022	273	735	-	1,008
- Charge for the year	980	-	37,320	38,300
Transfers to Stage 1	735	(735)	-	-
At 31 December 2022	**1,988**	**-**	**37,320**	**39,308**

26 Restricted deposits and other assets

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Financial assets				
Accounts receivable (see note (a)below)	118,915	95,773	66,498	55,393
Receivable from Parent company	69,656	-	69,656	-
Receivable on E-business channels (see note (b)below)	111,678	90,853	104,903	90,189
Deposit for investment in AGSMEIS (see note (c)below)	22,932	17,365	22,932	17,365
Subscription for investment (see note (d)below)	26	12,807	26	12,807
Restricted deposits with central banks (see note (e)below)	2,136,947	1,466,414	2,064,614	1,406,614
	2,460,155	1,683,212	2,328,629	1,582,369
Non-financial assets				
Prepayments	30,886	26,188	20,327	20,404
Inventory (see note (f)below)	4,879	2,361	4,185	1,832
	35,765	28,549	24,512	22,236
Gross other assets	2,495,920	1,711,761	2,353,141	1,604,605
Allowance for impairment on other assets				
Financial assets	(6,012)	(4,407)	(4,876)	(3,163)
Non-financial assets	(2,216)	(63)	(2,216)	(63)
	(8,228)	(4,471)	(7,092)	(3,226)
	2,487,692	**1,707,290**	**2,346,050**	**1,601,379**
Classified as:				
Current	330,003	210,767	260,693	164,656
Non current	2,157,689	1,496,523	2,085,357	1,436,723
	2,487,692	**1,707,290**	**2,346,050**	**1,601,379**

Movement in allowance for impairment on other assets:

In millions of Naira	Group	Bank
Balance as at 1 January 2021	6,150	5,976
ECL allowance for the year:		
Acquired from business combination	26	-
- Additional provision	879	710
- Provision no longer required	-	-
Net impairment	905	710
Allowance written back	-	-
Allowance written off	(3,459)	(3,459)
-Reclassification	648	-
-Transalation difference	227	-
Balance as at 31 December 2021/1 January 2022	4,471	3,226

ECL allowance for the year:		
- Additional provision	8,143	8,124
- Writeback		
Net ECL allowance	8,143	8,124
Acquired from business combination	-	-
Allowance written back	-	-
- Write Off	(4,258)	(4,258)
-Reclassification	-	-
-Translation difference	(127)	-
Balance as at 31 December 2022	8,228	7,092

(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 year'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 year 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

27a Investments in associates

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Balance, beginning of year	2,641	-	2,548	-
Acquisition cost of additional interest during the period	4,356	2,032	4,356	2,032
Fair value of initial interest in associate	-	516		516
Share of profit for the period	513	93	-	-
Balance, end of year	7,510	2,641	6,904	2,548

Set out below are the summarised financial information for associates which are accounted for using the equity method.

	E-tranzact	
	December 2022	December 2021
Assets		
Cash and balances with banks	9,510	5,968
Inventories	2,967	1,279
Trade and other receivables	883	954
Other assets	2,834	1,251
Deposit for shares	457	457
Intangible assets	96	149
Investment property	137	137
Property, plant and equipment	993	779
Total Assets	17,875	10,972
Financed by:		
Current tax liabilities	751	333
Trade and other payables	7,251	7,802
Long Term Loan	298	368
Deferred Grant Income	107	98
Deferred Tax Liabilities	-	-
Total Liabilities	8,408	8,601
Net Assets	**9,468**	**2,371**

Reconciliation to carrying amounts:

	December 2022
Opening Net Assets (1 January 2022)	2,371
Additions through right issue	1,283
Irredeemable Convertible Debenture	4,404
Profit for the year	1,366
Other comprehensive income	43
Closing net assets (31 December 2022)	9,468

Summary statement of comprehensive income	**December 2022**
Revenue	22,378
Cost of sales	(16,711)
Selling and marketing costs	(208)
Adminsitrative expenses	(3,472)
Other income	-
Finance cost	(24)
Investment income	48
Taxation	(643)
Profit for the year	1,366

Reconciliation of net asset in associate

Interest in Associate's net asset - (Etz: 37.56%)	3,556
Notional goodwill on investment in associate	2,919
Impact of changes in net assets	(2,649)
Impact of changes in Percentage Holding	3,683
Other comprehensive income	-
Carrying amount of investment in associates	7,509
Carrying value	7,509

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 over the past 5 years and is positioned for continuous growth post Covid.

The Group holds an equity interest of 3,455,729,217 ordinary shares of 50k each in E-tranzact International Plc as at 31 Dec 2022, representing 37.56% equity participation in the company. No dividend income was received from ETRAN during the year. The group's effective ownership in ETRAN increased from 23.80% in 2021 to 37.56% in 2022 as the bank acquired more shares from the company. The proportion of the Bank's interest is the same as the proportion of voting rights. As at 31 December 2022, the fair value of the Bank's investment was N12.1Bn

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 2022. 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 2022**	**December 2021**
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 Pension Fund Custodian	Custody	Nigeria	0.00%	100.00%
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%	90.35%
Access Bank Botswana	Banking	Botswana	78.15%	78.15%
Access Bank Cameroon	Banking	Cameroon	100.00%	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 2022**	**December 2021**
Restricted Share Performance Plan (RSPP)	Financial services	Nigeria	100%	100%

27(c)(i) Investment in subsidiaries

In millions of Naira	**Bank December 2022**	**Bank December 2021**
Subsidiaries with continuing operations		
The Access Bank, UK	88,287	60,045
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	5,441	5,441
Access Bank, Mozambique	15,310	15,310
Access Bank, Kenya	11,615	11,615
Investment in RSPP scheme	10,077	6,433
Access Bank Pension Fund Custodian	-	2,000
Access Bank, South Africa	38,320	11,412
Access Bank Botswana	34,111	34,028
Access Bank, Cameroon	10,392	-
Balance, end of year	**283,045**	**215,775**

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 N283.05Bn

27 (d) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at December 2022 are as follows:

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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
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 period	**19,358**	**(32,493)**	**1,944**	**7,072**	**4,903**	**633**	**1,742**	-	**(977)**	(700)	**2,061**	**1,315**	**(6,182)**	**1,896**	(695)

The condensed financial data of the consolidated entities as at December 2022 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
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 subsidiary	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
Current tax assets	-	-	-	-	-	-	328		-	-	-	78	-	-	-
Deferred tax assets	-	745	-	2,694	748	-	-	-	-	-	3,096	491	-	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	-	-	-	-	-	-	-	-
Non - current liabilities held for sale	-		-	-	-	-				-	-	-	-	-	-
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 period	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

27 (e) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at December 2021 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	Diamond Finance B.V.	Access Bank Guinea	Access Bank PFC	Access Bank Mozambiqu	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana
Operating income	49,794	59,126	4,877	13,217	11,424	1,664	2,703	-	-	596	751	9,987	4,652	4,540	16,532
Operating expenses	(12,469)	(15,309)	(3,318)	(6,061)	(5,349)	(1,190)	(1,578)	-	-	(1,044)	(508)	(9,078)	(3,827)	(7,821)	(15,202)
Net impairment loss on financial assets	(14,699)	(9,576)	(198)	(1,438)	(2,218)	1	(81)	-	-	-	1	(413)	(5)	(19)	(767)
Profit before tax	22,626	34,241	1,361	5,719	3,858	476	1,044	-	-	(448)	243	496	820	(3,300)	563
Income tax expense	(4,974)	(12,040)	(659)	(1,675)	(1,194)	(140)	-	-	-	-	-	-	-	-	-
Profit for the year	17,652	22,201	702	4,044	2,663	335	1,044	-	-	(448)	243	496	820	(3,300)	563

(ii) The condensed financial data of the consolidated entities as at De December 2020 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	Diamond Finance B.V.	Access Bank Guinea	Access Bank PFC	Access Bank Mozambiqu	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana
Cash and cash equivalents	226,904	66,508	23,620	90,236	46,034	14,711	4,685	-	-	8,203	3,531	36,809	13,649	24,598	59,018
Non pledged trading assets	-	86,344	-	-	-	-	-	-	-	-	-	-	910	-	1,448
Pledged assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	1,782	4,111	-	-	-	-	-	-	-	-	-	-	383	111
Loans and advances to banks	360,135	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	449,958	71,236	13,025	21,555	22,599	1,784	2,537	-	-	763	-	31,983	12,006	42,938	234,906
Investment securities	257,647	250,208	24,172	1,944	57,043	6,700	13,512	-	-	4,182	208	18,796	18,395	46,440	18,861
Investment properties	-	-	-	-	-	-	-		-	-	-	-	-	-	-
Other assets	11,037	10,557	1,525	1,961	4,738	7,997	743	-	-	150	72	5,023	1,844	1,780	1,322
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	1,080	-	-	-	-	-	-	7,513	-	-	-	-	-	-	-
Property and equipment	2,602	24,653	1,706	4,426	2,643	1,216	961	-	-	867	811	6,689	1,641	1,771	3,675
Intangible assets	1,136	88	709	194	604	287	371	-	-	389	75	1,334	817	2,232	2,706
Deferred tax assets	-	3,743	-	2,025	438	-	-	-	-	-	-	2,263	328	-	-
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	190	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,310,500	515,121	68,868	122,341	134,098	32,695	22,809	7,513	-	14,554	4,887	102,897	49,590	120,143	322,048
Financed by:															
Deposits from banks	738,867	39,509	-	-	13,136	7,849	1,864	-	-	5,135	-	-	5,316	-	-
Deposits from customers	396,875	310,920	52,206	91,159	90,457	19,997	13,446	-	-	2,654	-	76,676	34,385	99,726	249,259
Derivative Liability	505	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-	-	-	-	-	5,078	-
Retirement benefit obligations	5	22	-	-	4	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	-	-	479	-	1,227	-	-	-	-	-	-	-	712	-	(555)
Other liabilities	10,637	14,475	2,477	7,140	7,073	749	2,483	-	-	686	66	8,133	3,165	3,422	7,386
Interest-bearing loans and borrowings	-	54,290	4,186	5,408	6,496	-	-	-	-	-	-	1,904	-	1,993	24,547
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	102	2,478	179	-	-	36	20	-	-	32	34	444	-	-	(1,030)
Equity	163,509	93,427	9,340	18,635	15,705	4,065	4,996	7,513	-	6,047	4,788	15,741	6,012	9,924	42,440
	1,310,500	515,121	68,868	122,341	134,098	32,695	22,809	7,513	-	14,554	4,887	102,897	49,590	120,143	322,047
Net cashflows from investing activities	(107,805)	(114,131)	(2,386)	(1,218)	(36,006)	(2,733)	(7,726)	-	-	-	(202)	(3,325)	(1,272)	-	-
Net cashflows from financing activities	-	14,564	(1,456)	(743)	(33,003)	-	382	-	-	-	-	289	1,978	-	-
Net cashflows from operating activities	264,159	118,230	43,585	22,247	89,747	12,077	8,079	-	-	-	285	6,870	3,221	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in cash and cash equivalents	156,354	18,662	39,743	20,285	20,739	9,344	735	-	-	-	83	3,835	1,449	-	-
Cash and cash equivalent, beginning of year	70,736	66,823	98,338	50,194	13,407	6,913	1,496	-	-	-	3,435	1,759	-	-	-
Effect of exchange rate fluctuations on cash held	(180)	-	-	-	-	-	-	-	-	-	-	-	1,978	-	-
Cash and cash equivalent, end of year	226,909	85,485	138,081	70,478	34,146	16,257	2,230	-	-	-	3,519	5,594	3,427	-	-

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 2022	137,621	32,985	45,393	86,838	30,367	21,461	354,665
Acquired from business combination	-	-	-	-	-	-	-
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)
Write-offs	(72)	-	-	-	-	(132)	(203)
Transfers	993	-	777	5,122	-	(6,892)	-
Transfers to assets held for sale							
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**
Balance at 1 January 2021	119,160	32,973	40,059	76,481	27,203	13,970	309,845
Acquired from business combination	5,608	-	780	1,408	74	67	7,937
Acquisitions	7,703	152	3,850	7,706	3,871	17,556	40,837
Disposals	(2,612)	(143)	(605)	(1,339)	(2,321)	(632)	(7,652)
Reclassifications	-	-	-	-	-	-	-
Write-offs	(38)	-	(52)	(165)	-	(17)	(273)
Transfers	5,333	-	805	1,776	1,280	(9,194)	-
Translation difference	2,466	3	557	971	260	(288)	3,970
Balance at 31 December 2021	137,621	32,985	45,393	86,838	30,367	21,461	354,665

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Depreciation and impairment losses							
Balance at 1 January 2022	21,062	-	33,919	62,537	19,448	-	136,965
Charge for the year (a)	5,902	-	5,189	10,441	3,980	-	25,511
Impairment Charge	-	-	-	-	-	-	-
Disposal	(491)	-	(662)	(1,077)	(2,801)	-	(5,031)
Write-Offs	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Translation difference	3,965	-	(244)	(221)	(290)	-	3,208
Balance at 31 December 2022	**30,436**	**-**	**38,201**	**71,679**	**20,336**	**-**	**160,652**

*Restated

Balance at 1 January 2021	16,311	-	28,791	51,977	15,824	-	112,903
Charge for the year	4,073	-	5,178	10,800	4,603	-	24,653
Impairment Charge	-	-	-	-	-	-	-
Disposal	(903)	-	(208)	(490)	(1,157)	-	(2,758)
Write-Offs	(13)	-	(48)	(153)	-	-	(214)
Transfers	-	-	-	-	-	-	-
Translation difference	1,594	-	207	402	178	-	2,381
Balance at 31 December 2021	21,062	-	33,919	62,537	19,448	-	136,966

Carrying amounts	**115,037**	**34,112**	**18,238**	**33,544**	**12,196**	**34,465**	**247,591**
Right of use assets (see 28(b) below)	**45,559**	-	-	-	-	-	**45,560**
Balance at 31 December 2022	**160,596**	**34,112**	**18,238**	**33,544**	**12,196**	**34,465**	**293,152**
Balance at 31 December 2021	146,593	32,985	11,474	24,301	10,919	21,461	247,734

Depreciation charge on property plant and equipment and right of use assets

Total Depreciation charge (a+b)	**10,689**	-	**5,189**	**10,441**	**3,980**	-	**30,298**

(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 period is N262Bn

Classified as:							
Current	-	-	-	-	-	-	-
Non current	**160,596**	**34,112**	**18,238**	**33,544**	**12,196**	**34,465**	**293,150**
	160,596	**34,112**	**18,238**	**33,544**	**12,196**	**34,465**	**293,153**

28 (b) Leases
Group

This note provides information for leases where the Bank 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 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**
Opening balance as at 1 January 2021		37,376	37,376
Acquired from business combination (Note 44)	-	682	682
Additions during the year	-	5,584	5,584
Disposals during the year	-	(356)	(356)
*Derecognition due to lease modifications		(410)	(410)
Translation difference		(470)	(470)
Closing balance as at 31 December 2021	-	42,405	42,405
Depreciation			
Opening balance as at 1 January 2022	-	12,371	12,371
Charge for the year (b)	-	4,787	4,787
Disposals during the year	-	-	-
*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**	**45,559**
Opening balance as at 1 January 2021		7,839	7,839
Charge for the year	-	4,518	4,518
Disposals during the year	-	-	-
*Derecognition due to lease modifications	-	-	-
Translation difference	-	14	14
Closing balance as at 31 December 2021	-	12,371	12,371
Net book value as at 31 December 2021	-	30,034	30,034

ii **Amounts recognised in the statement of profit or loss**

	N'millions
Depreciation charge of right-of-use assets	4,787
Interest expense (included in finance cost)	780
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 2022	27,288

*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 2022	111,191	32,319	36,704	78,283	25,709	9,283	293,489
Acquisitions	2,224	386	8,375	11,505	5,569	26,710	54,769
Disposals	(577)	(384)	(418)	(605)	(3,719)	(580)	(6,284)
Reclassification from(to) others	-	-	-	-	-	-	-
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**
Balance at 1 January 2021	104,658	32,432	33,274	70,355	24,276	6,728	271,722
Acquisitions	3,774	31	2,676	6,631	2,076	10,190	25,378
Disposals	(572)	(143)	(38)	(421)	(1,941)	(478)	(3,594)
Reclassification	-	-	-	-	-	-	-
Transfers	3,330	-	794	1,718	1,298	(7,140)	-
Write-Offs	-	-	-	-	-	(17)	(17)
Balance at 31 December 2021	111,191	32,319	36,704	78,283	25,709	9,283	293,490

Depreciation and impairment losses	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
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)	-	(3,734)
Balance at 31 December 2022	**19,134**	**-**	**31,557**	**65,398**	**18,053**	**-**	**134,143**
Balance at 1 January 2021	14,979	-	23,317	46,485	14,090	-	98,871
Charge for the year (a)	2,180	-	3,883	9,968	4,059	-	20,090
Impairment charge	-	-	-	-	-	-	-
Disposal	(88)	-	(38)	(404)	(1,032)	-	(1,562)
Balance at 31 December 2021	17,071	-	27,162	56,049	17,116	-	117,398
Carrying amounts	**94,698**	**32,321**	**13,882**	**28,906**	**9,507**	**28,389**	**207,702**
Right of use assets (see 28(d) below)	37,368	-	-	-	-	-	37,368
Balance at 31 December 2022	**132,065**	**32,321**	**13,882**	**28,906**	**9,507**	**28,389**	**245,070**
Balance at 31 December 2021	112,099	32,319	9,543	22,234	8,593	9,283	194,071

Depreciation charge on property and equipment and right of use assets

Total Depreciation/Impairment charge (a+b)	**5,107**	**-**	**4,800**	**9,918**	**3,568**	**-**	**23,394**

(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 N213.69Bn

Classified as:							
Current	-	-	-	-	-	-	-
Non current	**94,698**	**32,321**	**13,882**	**28,906**	**9,507**	**28,389**	**207,700**
	94,698	**32,321**	**13,882**	**28,906**	**9,507**	**28,389**	**207,700**

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 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**
Opening balance as at 1 January 2021	22,858	22,858
Additions during the year	1,872	1,872
Disposals during the year	-	-
*Reversals due to lease modifications	(410)	(410)
Closing balance as at 31 December 2021	24,320	24,320
Depreciation		
Opening balance as at 1 January 2022	6,341	6,341
Charge for the year (b)	2,916	2,916
Disposals during the year	-	-
*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**	**37,368**
Opening balance as at 1 January 2021	3,817	3,817
Charge for the year (b)	2,525	2,525
Disposals during the year	-	-
*Reversals due to lease modifications	-	-
Closing balance as at 31 December 2021	6,341	6,341
Net book value as at 31 December 2021	17,979	17,979

ii) Amounts recognised in the statement of profit or loss

	N'millions
Depreciation charge of right-of-use assets (buildings)	2,916
Interest expense (included in finance cost)	973
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 2022	22,681

*This relates to lease contracts that were modified during the year, 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 2022							
Balance at 1 January 2022	12,664	3,487	51,360	28,665	12,652	4,725	113,552
*Changes Arising from final assessment	83	-	-	-	-	-	83
Acquisitions	-	11,270	6,642	-	-	-	17,913
Reclassification	-	(4,001)	4,001	-	-	-	(0)
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**
December 2021							
Balance at 1 January 2021	11,782	1,601	41,009	28,665	12,652	4,725	100,433
Arising from business combination (See note 44)	882	332	4,732	-	-	-	5,947
Acquisitions	-	2,807	5,224	-	-	-	8,031
Reclassification	-	(1,092)	1,092	-	-	-	-
Write off	-	(168)	(41)	-	-	-	(210)
Translation difference	-	7	(656)	-	-	-	(648)
Balance at 31 December 2021	12,664	3,487	51,360	28,665	12,652	4,725	113,552
Amortization and impairment losses							
Balance at 1 January 2022	-	-	30,559	7,883	3,479	1,299	43,219
Reclassification (a)	-	-	-	-	-	-	-
Amortization for the year	-	-	9,221	2,866	1,265	472	13,825
Write off	-	-	(928)	-	-	-	(928)
Translation difference	-	-	619	-	-	-	619
Balance at 31 December 2022	-	-	39,471	10,749	4,744	1,772	**56,735**
Balance at 1 January 2021	-	-	23,186	5,016	2,214	827	31,243
Amortization for the year	-	-	-	-	-	-	-
Impairment charge	-	-	8,370	2,866	1,265	472	12,974
Write off	-	-	(355)	-	-	-	(355)
Translation difference	-	-	(643)	-	-	-	(643)
Balance at 31 December 2021	-	-	30,559	7,883	3,479	1,299	43,220
Net Book Value							
Balance at 31 December 2022	**12,747**	**10,729**	**21,530**	**17,915**	**7,906**	**2,953**	**73,782**
Balance at 31 December 2021	12,664	3,487	20,801	20,782	9,172	3,425	70,332

*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 year.

Intangible assets
Bank

In millions of Naira	**Goodwill**	**WIP**	**Purchased Software**	**Core deposit intangible**	**Customer relationship**	**Brand**	**Total**
Cost							
December 2022							
Balance at 1 January 2022	11,148	1,086	37,955	28,665	12,652	4,725	96,231
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**
December 2021							
Balance at 1 January 2021	11,148	1,113	36,604	28,665	12,652	4,725	94,906
Acquisitions	-	1,097	232	-	-	-	1,329
Reclassification	-	(1,119)	1,119	-	-	-	-
Write off	-	(5)	-	-	-	-	(5)
Balance at 31 December 2021	11,148	1,086	37,956	28,665	12,652	4,725	96,231
Amortization and impairment losses							
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**
Balance at 1 January 2021	-	-	19,353	5,016	2,214	827	27,410
Amortization for the year	-	-	5,482	2,866	1,265	472	10,087
Balance at 31 December 2021	-	-	24,836	7,883	3,479	1,299	37,497
Carrying amounts							
Balance at 31 December 2022	**11,148**	**9,670**	**9,771**	**17,915**	**7,907**	**2,953**	**59,365**
Balance at 31 December 2021	11,148	1,086	13,120	20,782	9,172	3,425	58,734

Amortization method used is straight line.

	Group December 2022	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Classified as:				
Current	-	-	-	-
Non current	73,782	70,332	59,365	58,734

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 2022	Group December 2021	Bank December 2022	Bank December 2021
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	6,546	-	-
Access Bank Botswana (see (d) below)	965	882	-	-
	12,747	**12,664**	**11,148**	**11,148**

(a) Diamond bank:
The recoverable amount of Goodwill as at 31 December 2022 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N194.79bn.

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 2022 (31 December 2021: 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 3.19%. A discount rate of 31.78% 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 period. 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)	3.19%
Discount rate (ii)	31.78%

(i) Weighted average growth rate used to extrapolate cash flows beyond the budget period.
(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 31.78% was applied in determining the recoverable amounts for Diamond Bank Plc. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium of Access Bank.

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)	(23,262)	29,545
Impact of change in growth rate on value-in-use computation (increase/(decrease)	921	(901)

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 2022 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N12.99bn.

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 period and no losses on goodwill were recognized as at 31 December 2022 (31 December 2021: 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 6.6%. A discount rate of 22.44% 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 2022
Terminal growth rate (i)	6.60%
Discount rate (ii)	22.44%

(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 22.44% 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)	(1,601)	2,127
Impact of change in growth rate on value-in-use computation (increase/(decrease)	204	(188)

(c) Access bank Kenya:

The recoverable amount of Goodwill as at 31 December 2022 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N20.71bn.

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 5.47%. A discount rate of 23.22% 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)	5.47%
Discount rate (ii)	23.22%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget period.
(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 23.22% 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)	(2,881)	3,797
Impact of change in growth rate on value-in-use computation (increase/(decrease)	372	(350)

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 2022 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N271.73bn.

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 4.16%. A discount rate of 8.8% 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)	4.16%
Discount rate (ii)	8.80%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget period.
(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 8.8% 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)	(47,785)	70,391
Impact of change in growth rate on value-in-use computation (increase/(decrease)	22,461	(18,762)

There were no write-downs of goodwill due to impairment during the year.

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 2022			December 2021		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property and equipment, and software	32,881	(2,468)	30,412	28,125	(3,810)	24,314
Allowances/(Reversal) for loan losses	36,678	-	36,678	24,635	-	24,635
Tax loss carry forward	66,021	-	66,021	2,559	(147)	2,412
Exchange gain/(loss) unrealised	-	(119,595)	(119,595)	-	(49,236)	(49,236)
Acquired Deferred tax asset	-	-	-	-	-	-
Actuarial gain on retirement benefit obligation	-	-	-	9	(4)	5
Fair value gain on FVOCI investments	-	(289)	(289)	-	-	-
Deferred tax assets (net)	135,580	(122,353)	13,227	55,327	(53,198)	2,129

(b) Bank

Deferred tax assets and liabilities are attributable to the following:

In millions of Naira	December 2022			December 2021		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property and equipment, and software	28,549	-	28,549	25,364	-	25,364
Allowances/(Reversal) for loan losses	35,776	-	35,776	19,499	-	19,499
Tax loss carry forward	62,978	-	62,978	-	-	-
Exchange gain unrealised	-	(119,595)	(119,595)	-	(49,236)	(49,236)
Acquired Deferred tax asset	-	-	-	-	-	-
Fair value gain on equity investments	-	-	-	-	-	-
Deferred tax on retirement benefit obligation			-	-	-	-
Deferred tax assets/(liabilities)	127,303	(119,595)	7,707	44,863	(49,236)	(4,374)

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 June 30, 2022 is N45.91 billion (December 31, 2021: N45.91bn).

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Deferred income tax assets				
– Deferred income tax asset to be recovered after more than 12 months	67,091	48,954	64,324	44,863
– Deferred income tax asset to be recovered within 12 months	68,490	6,373	62,978	-
	135,580	55,327	127,303	44,863
Deferred income tax liabilities				
– Deferred income tax liability to be recovered after more than 12 months	(2,758)	(3,957)	-	-
– Deferred income tax liability to be recovered within 12 months	(119,595)	(49,241)	(119,596)	(49,236)
	(122,353)	(53,198)	(119,596)	(49,236)

30 Deferred tax assets and liabilities

(c) Movement on the net deferred tax assets / (liabilities) account during the period:

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Balance, beginning of year	2,129	(10,637)	(4,374)	(11,926)
Acquired from Business Combination	-	2,999	-	-
Tax charge	9,452	9,823	11,542	8,039
Translation adjustments	1,136	431	-	-
Prior adjustment on deferred tax on revaluation gain	-			
Items included in OCI	539	(487)	539	(487)
Disposal of subsidiary	(29)			
Net deferred tax assets/(liabilities)	13,227	2,129	7,707	(4,374)
Out of which				
Deferred tax assets	135,580	55,327	127,303	44,863
Deferred tax liabilities	(122,353)	(53,198)	(119,596)	(49,236)

	Group December 2022		Group December 2021	
Entity	Deferred Tax Assets	Deferred Tax liabilities	Deferred Tax Assets	Deferred Tax liabilities
Access Bank Sierra Leone	-	12	-	20
Access Bank Rwanda	-	186	-	179
Access Bank United Kingdom	-	223	-	102
Access Bank Ghana	-	1,008	3,743	2,478
Access Pensions	-	-	-	34
Access Bank Congo	2,412	-	2,025	-
Access Bank Gambia	-	43	-	36
Access Bank Zambia	-	324	438	-
Access Bank Kenya	491	-	328	-
Access Bank Mozambique	3,096	-	2,263	444
Access Bank Botswana	1,317	-	1,030	-
Access Bank Guinea	-	-	-	32
Access Bank Nigeria	7,707	-	-	4,374
Total Deferred Tax	**15,023**	**1,796**	**9,827**	**7,698**

Temporary difference relating to the Group's Investment in subsidiaries as at 31 December 2022 is N58.05billion (Dec 2021: N60.16Billion). 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 N7.71billion as at 31 December 2022. (2021: nil). 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 December 2022 is N29.64billion (2021: nil). The amount of deductible temporary differences for which no deferred tax asset is recognised is detailed below:

	Bank December 2022 Gross amount	Bank December 2022 Tax amount
Unclaimed capital allowance	114,860	34,458
Unrelieved losses	308,716	92,615
	423,576	127,073

Items included in Other Comprehensive Income

In milllions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Actuarial (loss)/gain on retirement benefit obligation				
Gross (loss)/gain on retirement benefit obligation	1,658	(1,499)	1,658	(1,499)

Deferred tax @ 32.5%	(539)	487	(539)	487
Net balance loss after tax	1,119	(1,012)	1,119	(1,012)

Deferred Tax asset

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Classified as:				
Current	68,490	6,373	62,978	-
Non current	67,091	48,954	64,324	44,863

Deferred Tax liability

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Classified as:				
Current	(119,595)	(49,241)	(119,596)	(49,236)
Non current	(2,758)	(3,957)	-	-

31a Investment properties

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Balance at 1 January	217	217	217	217
Balance, end of year	**217**	**217**	**217**	**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 period 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 N217 million for Group and N217 million for Bank

31b Assets classified as held for sale

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Balance at 1 January	42,737	28,318	42,547	28,128
Additions	7,876	15,703	7,876	15,703
Disposals	(8,384)	(995)	(8,384)	(995)
Impairment	-	(290)	-	(290)
Transfers from assets held for sale	(190)	-	-	-
	42,039	**42,737**	**42,039**	**42,547**

The total balance for non current financial assets held for sale for the year is N42.04Bn for Group and N42.04Bn for Bank

Classified as:

Current	42,039	42,737	42,039	42,547
Non current	-	-	-	-

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 2022	Group December 2021	Bank December 2022	Bank December 2021
Money market deposits	960,476	623,104	868,070	559,169
Trade related obligations to foreign banks	1,044,841	1,073,417	769,248	863,538
	2,005,316	**1,696,521**	**1,637,318**	**1,422,707**
Current	2,002,106	1,695,772	1,635,449	1,422,037
Non-current	3,211	749	1,869	671

33 Deposits from customers

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Term deposits	3,462,402	2,895,246	2,586,981	2,148,479
Demand deposits	3,891,112	2,567,799	3,144,067	1,957,006
Saving deposits	1,897,724	1,491,782	1,799,015	1,411,583
	9,251,238	**6,954,827**	**7,530,062**	**5,517,069**
Current	9,203,871	6,943,800	7,502,487	5,507,173
Non-current	47,367	11,027	27,576	9,896

34 Other liabilities

In millions of Naira		Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Financial liabilities					
Certified and bank cheques		5,242	3,414	4,738	3,364
E-banking payables	(see (a) below)	74,892	68,731	72,218	65,913
Collections account balances	(see (b) below)	452,078	292,296	441,818	285,373
Due to subsidiaries		340	-	1,357	457
Accruals		8,991	8,719	1,050	244
Contribution to Industrial Training Fund (ITF)		573	457	573	457
Creditors		36,816	29,242	7,693	4,801
Payable on AMCON		441	861	441	861
Customer deposits for foreign exchange	(see (c) below)	88,623	83,902	88,623	83,902
Unclaimed dividend	(see (d) below)	-	17,278	-	17,278
Lease liabilities		11,650	15,306	6,256	5,893
Other financial liabilities	(see (g) below)	56,637	34,005	24,847	21,441
ECL on off-balance sheet	(see (e) below)	6,871	1,932	10,848	1,759
		743,153	556,144	660,463	491,743
Non-financial liabilities					
Litigation claims provision	(see (f) below)	2,821	2,537	2,770	2,470
Other non-financial liabilities		7,901	2,028	3,963	948
Total other liabilities		**753,875**	**560,709**	**667,195**	**495,161**
Classified as:					
Current		744,392	549,234	661,161	489,505
Non current		9,483	11,475	6,034	5,655
		753,875	**560,709**	**667,195**	**495,161**

(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) 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.

(d) Unclaimed dividend is the balance of dividend declared by the Bank but yet to be claimed by shareholders. The amount relates to the portion that has been transferred to the Bank by the Registrar in accordance with Securities and Exchange Commission guidelines on Return of Unclaimed Dividends (See Note 19) for the corresponding assets with Asset Managers. The amount is payable on demand to shareholders.

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

(e) **Movement in ECL on contingents**	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance at 1 January 2022/31 December 2021	1,932	2,740	1,759	2,619
Charge/(write back) for the year	4,949	(893)	9,089	(860)
Reclassification	-	-	-	-
Translation difference	(10)	85	-	-
Balance, end of year	6,871	1,932	10,848	1,759

(f) **Movement in litigation claims provision**	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Opening balance	2,536	1,920	2,469	1,920
Additions	332	617	301	550
Translation difference	(47)	-	-	-
Closing balance	**2,821**	**2,536**	**2,770**	**2,469**

ii **Lease liabilities**

	Group N'millions	Bank N'millions
Opening balance as at 1 January 2022	15,306	5,893
Acquired from business combination	-	-
Additions	1,196	633
Interest expense	1,424	973
Lease payments	(4,899)	(681)
Leases terminations in the year	-	-
*Derecognition due to lease modifications	(562)	(562)
Translation difference	(816)	-
Closing balance as at 31 December 2022	**11,650**	**6,256**

Current lease liabilities	2,168	222
Non-current lease liabilities	9,483	5,640
	11,650	**5,862**

ii **Lease liabilities**

	Group N'millions	Bank N'millions
Opening balance as at 1 January 2021	13,588	5,385
Acquired from business combination	830	-
Additions	1,612	729
Interest expense	1,215	739
Lease payments	(2,560)	(242)
*Derecognition due to lease modifications	(719)	(719)
Translation difference	1,341	-
Closing balance as at 31 December 2021	**15,306**	**5,893**
Current lease liabilities	3,832	238
Non-current lease liabilities	11,475	5,655
	15,306	**5,893**

iii) **Liquidity risk (maturity analysis of undiscounted lease liabilities)**

	Group N'millions	Bank N'millions
Less than 6 months	886	300
6-12 months	1,786	612
Between 1 and 2 years	2,301	1,345
Between 2 and 5 years	3,219	1,909
Above 5 years	3,480	1,712
Closing balance as at 31 December 2022	**11,671**	**5,879**
Carrying amount	11,650	6,256

*This relates to lease contracts that were modified during the period, subsequently derecognized and new contracts were drawn up to represent the new leases

(g) 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

35 **Debt securities issued**

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Debt securities at amortized cost:				
Eurobond debt security (see (i) below)	232,651	213,608	232,651	213,609
Green Bond (see (ii) below)	38,871	15,468	38,871	15,468
Local Bond (see (iii) below)	31,775	31,567	31,775	31,567
Debentures (see (iv) below)	3,955	3,851	-	-
	307,253	**264,494**	**303,297**	**260,644**

Movement in Debt securities issued:

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	286,383	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	**307,254**	**303,297**

In millions of Naira	Group December 2021	Bank December 2021
Net debt as at 1 January 2021	169,160	169,160
Arising from business combination	-	-
Debt securities issued	208,961	204,946
Repayment of debt securities issued	(123,972)	(123,972)
Total changes from financing cash flows	254,149	250,134
The effect of changes in foreign exchange rates	8,506	8,857
Other changes		
Interest expense	21,734	21,547
Interest paid	(19,894)	(19,894)
Balance as at 31 December 2021	**264,495**	**260,644**

(i) This refers to US$300,000,000 notes of 10.5% interest issued on 19 October 2016 with a maturity date of 19 October 2021. It represents an amortized cost of N124.88bn.

(ii)The Bank issued an unsecured green bond 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. During the period, 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 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 2022	Group December 2021	Bank December 2022	Bank December 2021
African Development Bank (see note (a))	8,909	13,437	8,909	13,437
Netherlands Development Finance Company (see note (b))	158,564	140,460	146,767	126,719
Citi Bank (see note (c))	8,386	-	8,386	-
European Investment Bank (see note (d))	23,995	32,502	23,995	31,920
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) (see note (e))	9,473	3,454	2,699	3,454
International Finance Corporation (see note (f))	40,620	58,767	40,620	58,767
French Development Agency (see note (g))	10,901	11,851	10,901	11,851
Mashreq Bank PSC Syndicated Trade Finance Facility (see note (h))	312,417	269,932	289,881	269,932
Invest International (see note (i))	9,284	-	9,284	-
US Development Finance Corporation (see note (j))	91,904	-	91,904	-
Overseas Private Investment Corporation (OPIC) (see note (k))	4,591	8,457	-	-
Botswana Development Corporation Limited (see note (l))	10,649	5,367	-	-
Norfund Private Equity Company (see note (m))	7,812	-	-	-
Microfinance Enhancement Facility SA, SICAV-SIF (MEF) (see note (n))	-	4,308	-	-
Botswana Building Society - long term loan (see note (o))	71	149	-	-
Société De Promotion Et De Participation Pour La Coopératio Économique S.A. ('Proparco') (see note (p))	4,637	4,266	-	-
Kgori Capital Proprietary Limited (see note (q))	793	800	-	-
Central Bank of Rwanda (see note (r))	2,182	4,186	-	-
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (se	4,275	6,002	4,275	6,002
Central Bank of Nigeria - Shared Agent Network Expansion Facility (SANEF) (	1,737	2,027	1,737	2,027
Bank of Industry-Power & Airline Intervention Fund (see note (u))	1,150	1,892	1,150	1,892
Special Refinancing & Restructuring Intervention fund (SRRIF) (see note (v))	1,503	2,380	1,503	2,380
Central Bank of Nigeria - Salary Bailout facilities (see note (w))	59,963	61,358	59,963	61,358
Central Bank of Nigeria - Excess Crude Account (see note (x))	101,808	110,798	101,808	110,798
Real Sector And Support Facility (RSSF) (see note (y))	11,983	13,884	11,983	13,884
Development Bank of Nigeria (DBN) (see note (z))	93,521	73,892	93,521	73,892
Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requiremen	333,108	211,804	333,108	211,804
Nigeria Mortgage Refinance Company (NMRC) (see note (ab))	5,366	5,564	5,366	5,564
Africa Export and Import Bank (AFREXIM) (see note (ac))	-	30,848	-	30,848
Ghana International Bank (see note (ad))	7,995	-	-	-
BOI Power and steel (PAIF) (see note (ae))	7,233	10,374	7,233	10,374
Creative Industry Financing Initiative Fund (CIFI) (see note (af))	1,213	1,625	1,213	1,625
Accelerated Agricultural Development Scheme (AADS) (see note (ag))	1,978	2,085	1,978	2,085
Non-Oil Export Stimulation Facility (NESF) (see note (ah))	9,130	4,022	9,130	4,022
Health Sector Intervention (HSI) Differentiated Cash Reserve Requirement S	19,054	16,739	19,054	16,739
Lagos State Employment Trust Fund (LESTF) W Initiative (see note (aj))	383	1,001	383	1,001
ECOWAS Bank for Investment and Development (EBID) (see note (ak))	1,050	2,329	-	-
Standard Chartered Bank GH. Ltd (see note (al))	-	12,575	-	-
Bunge SA (see note (am))	-	4,096	-	-
Cargill, Inc (see note (an))	-	3,621	-	-
JP Morgan Chase Bank N.A. (see note (ao))	-	8,265	-	-
FCC Securities (see note (ap))	-	12,398	-	-
Norsad Finance Limited (see note (aq))	-	1,993	-	-
Bank of Zambia - (TMTRF) (see note (ar))	3,499	6,057	-	-
ABC Holdings Ltd (see note (as))	-	1,904	-	-
Other loans and borrowings	14,289	3,789	120	60
	1,385,424	**1,171,260**	**1,286,869**	**1,072,435**

There have been no defaults in any of the borrowings covenants during the year

(a) The amount of N8,909,310,639 (USD 19,321,862) 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. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(b) The amount of N158,108,313,992 (USD 342,893,763) 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. 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 2022.

(c) The amount of N8,385,613,558 (USD 18,186,106) 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 2022.

(d) The amount of N23,995,042,218 (USD 52,038,695) 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) for a period of 8 years each for the first two and a period of 5 years for the last one. Interest is paid semi-annually at 2.6%, 2.6% respectively above 6 months LIBOR and 3.04% for the last one. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(e) The amount of N9,473,497,749 (USD 20,545,430) 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 2022.

(f) The amount of N40,619,639,589 (USD 88,092,907) 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. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(g) The amount of N10,901,298,496 (USD 23,641,940) represents the outstanding balance on the on-lending facility of USD 30mn granted to the Bank by French Development Agency for a period of 8 years. The principal amount will be repayable semi annually from November 2020 while interest is paid quarterly at 3.57%. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(h) The amount of N312,416,640,488 (USD 677,546,390) represents the outstanding balance on 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. There will be a bullet repayment of principal at maturity in August 2023 and August 2024, while interest is paid semi annually from February 2023 at 1.95% above 6 months SOFR. It also includes the facility granted to South Africa in June 2022 for a period of 1 year. Interest is paid quarterly at currently 5.9023% which includes (3m SOFR + 2.75% Margin + 0.26% CAS (Credit Adjustment Spread)) and Principal is to be paid in bullet at the end of term. From this creditor, the bank has nil undrawn balance as at 31 December 2022

(i) The amount of N9,283,542,729 (USD 20,133,469) 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. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(j) The amount of N91,904,012,323 (USD 199,314,709) 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 2022.

(k) The amount of N4,591,494,991 (USD 9,957,699) represents the outstanding balance on the on-lending facility of USD 40mn granted to Access Bank Botswana by the Overseas Private Investment Corporation ("OPIC"). On 7 March 2017 BancABC Botswana (now Access Bank Botswana) finalised a USD 40 million Fintech and Financial Inclusion Debt Facility. The loan has a 7 year tenure with a 3 year moratorium on Capital. Interest is paid quarterly during the three years and the Capital is paid in 16 equal instalments after year 3. The rate is three month Libor plus a margin of 4.45%. From this creditor, the bank has nil undrawn balance as at 31 December 2022

(l) The amount of N10,648,684,103 (USD 23,094,088) 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 2022

(m) The amount of N7,811,782,273 (USD 16,941,623) 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 2022

(n) The on-lending facility of USD 10mn was granted to Access Bank Botswana by the Microfinance Enhancement Facility SA, SICAV-SIF in January 2019 for 3 years. The principal amount was bullet which was paid at maturity in January 2022 while interest is paid semi annually at 4.25% above 6 months LIBOR. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(o) The amount of N71,216,360 (USD 154,449) represents the outstanding balance on the on-lending facility granted to Access Bank Botswana by the Botswana Building Society in January 2008 for 14 years. The principal amount is paid monthly and interest is also paid monthly at 4.5%. From this creditor, the bank has nil undrawn balance as at 31 December 2022.

(p) The amount of N4,636,889,743 (USD 10,056,148) 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 2022.

(q) The amount of N4,636,889,743 (USD 10,056,148) 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 2022.

(r) The amount of N2,181,800,119 (USD 4,731,729) 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 2022.

(s) The amount of N4,274,929,108 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 2022.

(t) The amount of N1,736,522,384 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 2022.

(u) The amount of N1,150,414,662 represents the outstanding balance on 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 has a maximum tenor of 13.5 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% per annum. Though the facility is meant for on-lending to borrowers within the power and aviation 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 2022.

(v) The amount of N1,502,753,425 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 2022.

(w) The amount of N59,962,742,579 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 2022.

(x) The amount of N101,807,649,072 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 2022.

(y) The amount of N11,983,144,616 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 2022.

(z) The amount of N73,384,897,883 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 2022.

(aa) The amount of N333,107,859,971 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 2022.

(ab) The amount of N5,365,758,071 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 2022.

(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 2022.

(ad) The amount of N7,994,902,735 (USD 17,338,761) 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 2022.

(ae) The amount of N7,232,987,290 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 2022

(af) The amount of N1,212,841,044 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 2022.

(ag) The amount of N1,978,026,741 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 2022.

(ah) The amount of N9,129,848,865 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 31 December 2022.

(ai) The amount of N19,054,256,074 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 2022.

(aj) The amount of N382,617,374 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 2022.

(ak) The amount of N1,050,297,283 (USD 2,277,808) 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 2022.

(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 2022.

(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 2022.

(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 2022.

(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 2022.

(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 2022.

(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 2022.

(ar) The amount of N3,499,336,594 (USD 7,589,106) 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 15 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 2022.

(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 30 June 2022.

Reconciliation of interest bearing borrowings

In millions of Naira	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
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**	**1,286,869**

	Group December 2021	Bank December 2021
Balance as at 1 January 2021	791,455	755,254
Proceeds from interest bearing borrowings	429,362	389,440
Arising from business combination (Note 44)	31,567	-
Repayment of interest bearing borrowings	(114,479)	(100,040)
Total changes from financing cash flows	1,137,906	1,044,655
The effect of changes in foreign exchange rates	23,697	17,578
Other changes		
Interest expense	45,620	42,504
Interest paid	(35,963)	(32,302)
Balance as at 31 December 2021	**1,171,260**	**1,072,436**

37 Retirement benefit obligation

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Recognised liability for defined benefit obligations (see note (a) below)	3,244	3,846	3,244	3,846
Liability for defined contribution obligations	33	31	-	-
	3,277	**3,877**	**3,244**	**3,846**

(a) **Defined benefit obligations**

The amounts recognised in the statement of financial position are as follows:

In millions of Naira	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Post employment benefit plan (see note (i) below)	3,244	3,846	3,244	3,846
Recognised liability	**3,244**	**3,846**	**3,244**	**3,846**

(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 years 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 year 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 2022	Group December 2021	Bank December 2022	Bank December 2021
Defined benefit obligations at 1 January	3,846	4,584	3,846	4,584
Charge for the year:				
-Interest costs	19	354	19	354
-Current service cost	317	406	317	406
-Past service cost	5,433	-	5,433	-
Benefits paid	(8,029)	-	(8,029)	-
Net actuarial gain/(loss) for the year 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	346	(52)	346	(52)
Remeasurements - Actuarial gains and losses arising from changes in promotions	477	-	477	-
Remeasurements - Actuarial gains and losses arising from changes in financial assumption	(194)	(1,125)	(194)	(1,125)
Remeasurements - Actuarial gains and losses arising from changes in demograhic experience	88	(321)	88	(321)
Remeasurements - Actuarial gains and losses arising from changes in correction of past data	940		940	
Balance, end of year	**3,244**	**3,846**	**3,244**	**3,846**
Expense recognised in income statement:				
Current service cost	317	406	317	406
Interest on obligation	19	354	19	354
Past service cost	5,433	-	5,433	-
Total expense recognised in profit and loss (see Note 14)	**5,769**	**761**	**5,769**	**761**

All retired benefit obligations have been classified as non current with a closing amount of N3.24 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 2022

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 4.9%	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)

December 2021

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 5.6%	4,013	(167)
Effect of changes in assumption to the salary growth	Decrease in liability by 4.9%	3,689	157
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.02%	3,842	3

	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 5.2%	3,689	157
Effect of changes in assumption to the salary growth	Increase in the liability by 5.2%	4,012	(166)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.1%	3,850	(4)

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 period.

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 2022.

	December 2022	December 2021
Discount rate	14.00%	12.80%
Future salary increases	5.00%	5.00%
Retirement age for both male and female	60 years	60 years
Retirement rate: 50 – 59 (average rate)	1.70%	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)	1.70%	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 11.4% as at 31 December 2022. 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 2022	Bank December 2021
(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 period

The movement on the issued and fully paid-up share capital account during the period was as follows:

In millions of Naira	Bank December 2022	Bank December 2021
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 period was as follows:

In millions of units	Group December 2022	Group December 2021
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 2022	Group December 2021
Balance, beginning of the year	234,039	234,039
Balance, end of the year	234,039	234,039

C 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

In millions of Naira	Initial call date	Bank December 2022	Bank December 2021
U.S.$500,000,000 Perpetual Fixed Rate Resettable NC 5.25 Additional Tier 1 Subordinated Notes	2026	206,355	206,355
Balance, end of the period		**206,355**	**206,355**

D Retained earnings

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Retained earnings	409,653	397,273	321,181	304,778

E Other components of equity

	Group December 2022	Group December 2021	Bank December 2022	Bank December 2021
Other regulatory reserves (see i(a) below)	158,305	136,728	136,767	111,767
Share Scheme reserve	3,514	3,217	2,674	2,190
Treasury Shares	(11,228)	(7,513)	-	-
Capital Reserve	3,489	3,489	3,489	3,489
Fair value reserve	78,959	(9,713)	70,053	(10,058)
Foreign currency translation reserve	33,083	38,191	-	-
Regulatory risk reserve	78,556	6,714	76,336	1,118
	344,676	**171,113**	**289,319**	**108,506**

(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 sued 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 period.

The small and medium scale industries equity investment scheme reserves are non-distributable.

i(a)

	Statutory reserves		SMEEIS Reserves		Total	
	December 2022	December 2021	December 2022	December 2021	December 2022	December 2021
Group						
In millions of Naira						
Opening	135,902	114,749	827	827	136,728	115,575
Transfers during the year	21,577	21,153	-	-	21,577	21,153
Closing	157,479	135,902	827	827	158,306	136,728
Bank						
In millions of Naira						
Opening	110,940	94,241	827	827	111,767	95,068
Transfers during the year	24,999	16,699	-	-	24,999	16,699
Closing	135,940	110,940	827	827	136,767	111,767

(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.

(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 (none of which has the currency of a hyper-inflationary economy) 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.

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 2022	Group December 2021
Access Bank, Gambia	546	592
Access Bank, Sierra Leone	31	49
Access Bank Zambia	4,846	4,253
Access Bank, Rwanda	1,289	919
Access Bank, Congo	9	5
Access Bank, Ghana	(1,629)	7,772
Access Bank, Mozambique	6	4
Access Bank, Kenya	2	1
Access Bank, South Africa	523	365
Access Bank, Botswana	8,773	9,517
Access Bank, Cameroon	-	-
	14,398	**23,477**

This represents the NCI share of profit/(loss) for the period

In millions of Naira	Group December 2022	Group December 2021
Access Bank, Gambia	76	40
Access Bank, Sierra Leone	14	8
Access Bank Zambia	933	507
Access Bank, Rwanda	171	62
Access Bank, Congo	2	1
Access Bank, Ghana	(2,145)	1,465
Access Bank, Mozambique	0	0
Access Bank, Kenya	0	0
Access Bank, South Africa	(130)	(318)
Access Bank, Botswana	414	123
Access Bank, Cameroon	-	-
	(664)	**1,888**

	Group December 2022	Group December 2021
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	4.80%	9.65%
Access Bank, Botswana	21.85%	21.85%
Access Bank, Cameroon	0%	0%

G Dividends

In thousands of Naira	Bank December 2022	Bank December 2021
Interim dividend paid (June 2022: 27k)	-	9,597
Final dividend paid (Dec 2021: 70k, Dec 2020: 55k)	24,882	19,550
	24,882	**29,147**
Final dividend proposed (Dec 2022: 1.33k)	47,275	24,882
Number of shares	35,545	35,545

The Directors proposed a final dividend of ₦1.33k for the year ended 31 December 2022

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. N2.82Bn provision has been made as at 31 December 2022.

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 2022**	**Group December 2021**	**Bank December 2022**	**Bank December 2021**
Contingent liabilities:				
Transaction related bonds and guarantees	693,915	518,560	618,742	448,678
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	842,563	618,809	606,878	437,456
	1,536,476	**1,137,369**	**1,225,621**	**886,134**

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 period amounted to N1.5Bn (31 Dec 2021: N694.35 Mn)

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 2022	Group December 2021	Bank December 2022	Bank December 2021
Cash on hand and balances with banks	1,016,519	1,078,727	731,135	758,741
Unrestricted balances with central banks	186,533	72,671	89,148	1,057
Money market placements	152,681	102,503	24,668	78,550
Investment under management	-	28,197	-	28,197
Treasury bills with original maturity of less than 90 days	539,198	246,825	539,198	246,825
	1,894,934	**1,528,923**	**1,384,151**	**1,113,369**

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 2022	Bank December 2022	Group December 2022	Bank December 2022
Net debt	264,495	260,644	1,171,260	1,072,436
Acquired from business combinations	-	-	-	-
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	-	-
Repayment of debt securities issued	-	-	-	-
Total changes from financing cash flows	286,382	282,531	1,340,158	1,238,416
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**	**1,286,870**

	Debt securities issued		Interest bearing borrowings	
	Group December 2021	Bank December 2021	Group December 2021	Bank December 2021
Net debt	169,160	169,160	791,455	755,254
Proceeds from interest bearing borrowings	-	-	429,362	389,440
Arising from business combination	-	-	31,567	-
Repayment of interest bearing borrowings	-	-	(114,479)	(100,040)
Debt securities issued	208,961	204,946	-	-
Repayment of debt securities issued	(123,972)	(123,972)	-	-
Total changes from financing cash flows	254,149	250,134	1,137,906	1,044,654
The effect of changes in foreign exchange rates	8,506	8,857	23,697	17,578
Other changes				
Interest expense	21,734	21,547	45,620	42,504
Interest paid	(19,894)	(19,894)	(35,963)	(32,302)
Balance	**264,495**	**260,644**	**1,171,260**	**1,072,435**

(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 in respect of breach of accounts administration agreement	11 Mar 2022
(II)	Central Bank of Nigeria	Sum of N2m in respect of wrong account opening with mismatched details	11 Jul 2022
(III)	Central Bank of Nigeria	Sum of N100million being penalty for contravening guidelines on FX	8 Dec 2022
(IV)	Central Bank of Nigeria	Sum of N500million being penalty for contravening guidelines on FX	8 Dec 2022

42 Events after reporting date

Subsequent to the end of the financial period, the Board of Directors proposed an final dividend of ₦1.33k each payable to shareholders on register of shareholding at the closure date. The Bank also disposed of its holdings in Access Pension funds custodian limited by selling of its entire stakes in the entity. The CBN approved of this disposal on the 7th July, 2022.

Following the close of the financial year, Access Bank Ghana exchanged ₦153Bn (GHS 3.48Bn) of its existing domestic bonds for a series of new bonds with maturity dates commencing from 2027 to 2038 under the Ghanaian government's Exchange Program. The Central Securities Depository of Ghana allotted the new bonds on the 21st of February 2023. The impact of the impairment on the existing bonds at 31 December 2022 was duly recognized in the consolidated financial statements for the Group

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 2022	**Directors and other key management personnel (and close family members)**	**Subsidiaries**	**Associate**	**Total**
In millions of Naira				
Balance, beginning of year	1,180	321,918	2,362	**325,460**
Net movement during the year	(172)	(65,869)	(1,959)	**(68,000)**
Balance, end of year	1,352	256,049	403	**257,804**
Interest income earned	42	5	33	**80**
ECL due from related parties expense	-	-		**-**

The loans issued to directors and other key management personnel (and close family members) as at 31 December 2022 is N1.35bn 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 USD525M granted during the year. It is a non-collateralised placement advanced at an average interest rate of 3.9% and an average tenor of 9.4 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 2022 is N403m at an average interest rate of 8% and an average tenor of 4.46years.

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

	Directors (and close family members and related entities)	**Subsidiaries**	**Associate**	**Total**
31 December 2022				
In millions of Naira				
Balance, beginning of year	2,480	99,617	3,098	**105,196**
Net movement during the year	2,103	119,426	304	**121,833**
Balance, end of period	4,583	219,043	3,402	227,028
Interest expenses on deposits	83	3,293	17	**3,393**

The deposits are majorly term deposit with an average interest rate and tenor of approximately 5.9% and 3.7 months for directors, 3.7% and 12.6months for Associate and 4% and 4 months for subsidiaries.

(c) Borrowings from related parties

	Subsidiaries	**Associate**	**Total**
In millions of Naira			
Borrowings at 1 January 2022	-	-	**-**
Net movement during the year	-	-	**-**
Borrowings at 31 December 2022	-	-	-
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	-	82,330	-	-	**82,330**
Derivative financial instruments	-		-	-	**-**
Investment securities	-			-	**-**
Deposit from financial institutions	-		-	-	**-**
Receivables	-	1,147	-	69,656	**70,803**
Payables	-		-	-	**-**
Other Liabilities	-	3,353	-	-	**3,353**
Off balance sheet exposures	-	132,258	-	-	**132,258**

(e) Key management personnel compensation for the period comprises:

Directors' remuneration

In millions of Naira	December 2022	December 2021
Non-executive Directors		
Fees	63	58
Other emoluments:		-
Allowances	740	592
	803	650

	December 2022	December 2021
Executive directors		
Short term employee's benefit	283	360
Defined contribution plan	55	50
Share based payment	242	197
Retirement benefits paid	8	-
	588	**607**

(f) Directors remuneration:

Remuneration paid to directors of the Bank (excluding pension contributions and other benefits) was as follows:

In millions of Naira	December 2022	December 2021
Fees as Directors	63	58
Other emoluments	535	404
Wages and salaries	283	360
Allowances	205	188

The Directors remuneration shown above includes

	December 2022	December 2021
Chairman	71	66
Highest paid director	86	120

The emoluments of all other directors fell within the following ranges:

	December 2022	December 2021
N13,000,001-N20,000,000	-	-
N20,000,001-N37,000,000	7	7
AboveN37,000,000	10	10
	17	17

44 Business Combination

(a) Business Combination with Grobank South Africa

The Bank recently acquired Grobank in South Africa with effect from 4th May 2021. As part of the acquisition, Grobank issued additional units of shares to the Bank. The acquisition involved the Bank acquiring 90.35% of the net assets in exchange for cash of N11,411,682,891 (Eleven billion, four hundred and eleven thousand, six hundred and eighty two thousand, eight hundred and ninety one Naira). The cash consideration is considered as the fair value of the shares acquired. The bargain purchase has been computed by comparing the fair value of the net asset of former Grobank to the present value of the cash consideration paid for the acquisition.

In millions of Naira	**Bank April 2021**
Considerations:	
Cash payment	11,412
Total Consideration	**11,412**
Fair value of NCI (non-controlling interests) at acquisiton	1,329
Fair Value of Net assets/ (liabilities) acquired from business combination (see note 44 (f) below)	
	13,770
Fair value adjustment	-
Bargain Purchase	**(1,029)**

The fair value of the net assets/(liabilities) acquired include:

	Group April 2021
(b) Assets	
Cash and balances with banks	34,738
Non pledged trading assets	-
Derivative financial assets	-
Pledged assets	-
Loans to banks	-
Loans and advances to customers	49,302
Investment securities	8,007
Investment properties	-
Other assets	-
Investment in subsidiaries	-
Investment in associates	-
Property and equipment	288
Intangible assets	1,682
Deferred tax assets	-
	94,017
Asset classified as held for sale and discontinued operations	-
Total assets	**94,017**
Liabilities	
Deposits from financial institutions	3,516
Deposits from customers	70,230
Derivative Liabilities	90
Current tax liabilities	-
Other liabilities	6,410
Deferred tax liabilities	-
Debt securities issued	-
Interest-bearing borrowings	-
	80,247
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**80,247**
Net assets/ (liabilities)	**13,770**
Non controlling interest	1,329
Owners of the Bank equity	**12,441**

(c) Business Combination with Cavmont Bank

Access Bank Zambia recently acquired Cavmont Bank in Zambia with effect from 4th January 2021. The acquisition involved the Bank acquiring 100% issued share capital of Cavmont Bank. The net asset acquired has been recognized as a bargain purchase and is shown as a separae line item in the statement of comprehensive income.

In millions of Naira	**Bank** **January 2021**
Considerations:	-
Cash payment	-
Total Consideration	
Net assets/ (liabilities) acquired from business	1,454
Fair value adjustment	-
Bargain Purchase	**(1,454)**

The fair value of the net assets/(liabilities) acquired include:

(d)

	Bank **January 2021**
Assets	
Cash and balances with banks	9,582
Non pledged trading assets	-
Derivative financial assets	-
Pledged assets	-
Loans to banks	-
Loans and advances to customers	12,963
Investment securities	10,457
Investment properties	-
Other assets	1,846
Investment in subsidiaries	-
Investment in associates	-
Property and equipment	793
Intangible assets	-
Deferred tax assets	-
	35,640
Asset classified as held for sale and discontinued operations	-
Total assets	**35,640**
Liabilities	
Deposits from financial institutions	10,302
Deposits from customers	22,813
Derivative Liabilities	-
Current tax liabilities	-
Other liabilities	1,070
Deferred tax liabilities	-
Debt securities issued	-
Interest-bearing borrowings	-
	34,185
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**34,185**
Net assets/ (liabilities)	**1,454**
Non controlling interest	-
Owners of the Bank equity	**1,454**

(e) Business Combination with ABC Mozambique

Access Bank Mozambique recently acquired BancABC Bank in Mozambique with effect from 14th May 2021. The acquisition involved the Bank acquiring 99.997% issued share capital of BancABC in exchange for cash of N9,259,068,053 (Nine billion, two hundred and fifty nine million, sixty eight thousand and fifty three naira) used to pay off the shareholders of former BancABC.

The consideration for the acquisition comprises of (i) a cash consideration payment of N5,171,476,925 (Five billion, one hundred and seventy one million, four hundred and seventy six thousand, nine hundred and twenty five Naira) (ii) a deferred payment of N5,164,813,558 (Five billion one hundred and sixty-four million, eight hundred and thirteen thousand, five hundred and fifty-eight naira) to be made to shareholders at the expiration of 2 years. For the purpose of the goodwill computation , this deferred consideration has been carried at its present value of N4,087,591,127 using a discount rate of 12.4% . This discount rate was estimated using a financial instrument close to cash in liquidity and the country risk premium for Mozambique. The bargain purchase has been computed by comparing the fair value of the net asset of former BancABC to the present value of the cash consideration paid for the acquisition.

In millions of Naira	**Bank** **May 2021**
Considerations:	
Cash payment	5,171
Consideration deferred	3,645
Total Consideration	**8,817**

Net assets/ (liabilities) acquired from business	9,071
Fair value adjustment	-
Adjusted Net assets/(liabilities) acquired from business combination (see note 44 (h) below)	9,071
Bargain Purchase	**(254)**

The fair value of the net assets/(liabilities) acquired include:

		Bank May 2021
(f)	**Assets**	
	Cash and balances with banks	19,195
	Non pledged trading assets	-
	Derivative financial assets	-
	Pledged assets	-
	Loans to banks	19,638
	Loans and advances to customers	37,517
	Investment securities	8,607
	Investment properties	2,567
	Other assets	2,122
	Investment in subsidiaries	-
	Investment in associates	-
	Property and equipment	3,350
	Intangible assets	171
	Deferred tax assets	1,838
		95,005
	Asset classified as held for sale and discontinued operations	-
	Total assets	**95,005**
	Liabilities	
	Deposits from financial institutions	765
	Deposits from customers	79,068
	Derivative Liabilities	-
	Current tax liabilities	-
	Other liabilities	3,338
	Deferred tax liabilities	-
	Debt securities issued	-
	Interest-bearing borrowings	2,763
		85,934
	Liabilities classified as held for sale and discontinued operations	-
	Total liabilities	**85,934**
	Net assets/ (liabilities)	**9,071**
	Non controlling interest	-
	Owners of the Bank equity	**9,071**

(g) Business Combination with ABC Botswana

Access Bank Plc recently acquired BancABC Bank in Botswana with effect from 7th OCtober 2021. The acquisition involved the Bank acquiring 78.15% issued share capital of BancABC in exchange for cash of N34,341,408,120 (Thirty four billion, three hundred and forty one million, four hundred and eight thousand, one hundred and twenty naira) used to pay off the shareholders of former BancABC.

The consideration for the acquisition comprises of (i) an upfront cash consideration payment of N22,699,050,000 (Twenty two billion, six hundred and ninety-nine million and fifty thousand Naira) (ii) a second tranche payment of N11,642,358,120 (Eleven billion, six hundred and forty-two million, three hundred and fifty-eight thousand, one hundred and twenty naira) to be made to shareholders in April, 2022. The goodwill has been computed by comparing the fair value of the net asset of former BancABC to the present value of the cash consideration paid and payable for the acquisition. The goodwill computation is provisional at the time of this report.

In millions of Naira	**Bank October 2021**
Considerations:	
Cash payment	22,699
Consideration payable at a future date	11,412
Total Consideration	**34,111**
Net assets/ (liabilities) acquired from business combination (see note 44 (j) below)	33,146
Fair value adjustment	-
Adjusted Net assets/(liabilities) acquired from business combination (see note 44 (j) below)	33,146
Goodwill	**965**

The fair value of the net assets/(liabilities) acquired include:

		Bank October 2021
(h)	**Assets**	
	Cash and balances with banks	34,830
	Non pledged trading assets	-
	Derivative financial assets	2,414
	Pledged assets	-
	Loans to banks	-
	Loans and advances to customers	231,423
	Investment securities	18,669
	Investment properties	-
	Other assets	2,931
	Investment in subsidiaries	19,643
	Investment in associates	-
	Property and equipment	3,882
	Intangible assets	2,944
	Current tax assets	580
	Deferred tax assets	1,161
		318,477
	Asset classified as held for sale and discontinued operations	-
	Total assets	**318,477**
	Liabilities	
	Deposits from financial institutions	7,068
	Deposits from customers	235,731
	Derivative Liabilities	2,337
	Current tax liabilities	-
	Other liabilities	5,606
	Deferred tax liabilities	-
	Debt securities issued	-
	Interest-bearing borrowings	25,321
		276,063
	Liabilities classified as held for sale and discontinued operations	-
	Total liabilities	**276,063**
	Net assets/ (liabilities)	**42,414**
	Non controlling interest	9,267
	Owners of the Bank equity	**33,146**

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 2022 is N613Mn. 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:

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
				Credit Card	5	Performing	Cash collateral
4	Ajoritsedere Josephi Awosika	Non-executive director	Ajoritsedere Awosika	Credit Card	6	Performing	Cash collateral
5	Herbert Wigwe	Non-executive director	Herbert Wigwe	Mortgage	300	Performing	Legal Mortgage
				Credit Card	162	Performing	Cash Collateral
6	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	0	Performing	Cash Collateral
	Balance, end of year				**613**		

46 (a) Restatement of prior year financial information

(1) Changes to statement of comprehensive income

	Reported Group December 2021	Discontinued Operations December 2021	Restated Group December 2021
Interest income on financial assets not at FVTPL	519,467	(50)	519,417
Interest income on financial assets at FVTPL	82,234	-	82,234
Interest expense	(300,243)	-	(300,243)
Net interest income	301,459	(50)	301,409
Net impairment charge	(83,213)	(1)	(83,214)
Net interest income after impairment charges	218,246	(50)	218,195
Fee and commission income	159,186	(268)	158,917
Fee and commission expense	(40,589)	-	(40,589)
Net fee and commission income	118,597	(268)	118,329
Net (loss)/gains on financial instruments at fair value	44,780	-	44,780
Net foreign exchange gain/(loss)	101,101	-	101,101
Net loss on fair value hedge (Hedging ineffectiveness)	(872)	-	(872)
Other operating income	63,413	(2)	63,411
Profit on disposal of subsidiaries	2,484	-	2,484
Personnel expenses	(96,707)	93	(96,613)
Depreciation	(29,171)	32	(29,139)
Amortization	(12,974)	-	(12,974)
Other operating expenses	(232,287)	74	(232,213)
Share of profit of investment in Associate	93	-	93
Profit before tax	**176,703**	**(120)**	**176,582**
Income tax	(16,485)	-	(16,485)
Profit for the year from continuining operations	**160,218**	**(120)**	**160,097**
Profit from discontinued operations	-	120	120
Profit for the year	**160,218**	**-**	**160,218**

The Bank disposed of its holdings in Access Pension funds custodian limited by selling of its entire stakes in the entity. The CBN approved of this disposal on the 7th July, 2022. The above is a representation of the profit and loss from the subsidiary for the reporting year ended 31 December 2022.

The proposed disposal necessitated the reporting of the subsidiairy as a discontinued operation and subsequent restatement of the prior year numbers as required by IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations.

46 (b) Discontinued operations

Statement of comprehensive income of discontinued operations

In millions of Naira	**Access Bank PFC June 2022**	**Access Bank PFC June 2021**
Interest income calculated using effective interest rate	127	50
Interest income on financial assets at FVTPL	0	-
Interest expense	-	-
Net interest income	127	50
Net impairment write back on financial assets	5	1
Net interest income after impairment charges	133	50
Fee and commission income	288	268
Fee and commission expense	-	-
Net fee and commission income	288	268
Other operating income	(847)	2
Personnel expenses	(116)	(93)
Depreciation	(22)	(32)
Amortization and impairment	(17)	-
Other operating expenses	(119)	(74)
(Loss) before tax	(700)	120
Income tax	-	-
(Loss) for the year	**(700)**	**120**

The Bank also disposed of its holdings in Access Pension funds custodian limited by selling of its entire stakes in the entity. The CBN approved of this disposal on the 7th July, 2022. The aggregate book values of the net assets for the entity 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 business disposed rom the books. Please see below the computation showing the disposal of the net asset

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, PricewaterHouseCoopers, were paid for the following services

	Service	Description	Sum N'000
1	NDIC - Agreed-Upon Procedures	PwC was requested to certify the total deposit liabilities standing in the books of the Bank as at 31 December 2021 in line with the provision of Nigeria Deposit Insurance Corporation (NDIC) Act	3,000
2	Whistleblowing assessment - Regulatory Compliance	PwC was required to assist with risk management and whistleblowing assessment.	25,000
3	Business Strategy (including Growth)	PwC was required to assist with the strategy development for the bank's not-for-profit banking sector	10,000
4	Access Bank Plc_2022_Independent Business Strategy Review	PwC was required to perform independent business review of preliminary report on participation in the mining sector in select African countries	35,000
4	Recovery and Resolution Plan	PwC was required to assist with the 2022 Recovery and Resolution Plan review	5,500

In the Bank's opinion, the provision of this service to the bank did not impair the independence and objectivity of the external auditor.

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira

	Group December 2022	%	Group December 2021	%
Gross earnings	1,382,773		971,885	
Interest expense				
Foreign	(80,536)		(53,965)	
Local	(312,477)		(178,923)	
	989,760		738,997	
Net impairment loss on financial assets	(189,647)		(82,923)	
Net impairment loss on non financial assets	(8,143)		(290)	
Bought-in-materials and services				
Foreign	(39,863)		(14,999)	
Local	(348,804)		(257,877)	
Value added	**403,303**		**382,908**	
Distribution of Value Added				
To Employees:				
Employees costs	114,763	28%	96,708	25%
To government				
Government as taxes	14,529	4%	16,485	4%
To providers of finance				
Interest on borrowings	74,716	19%	67,354	18%
Dividend to shareholders	35,810	9%	30,213	8%
Retained in business:				
For replacement of property and equipment and intangible assets	44,123	11%	42,146	11%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	119,362	30%	130,002	34%
	403,304	**100%**	**382,908**	**100%**

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira	Bank December 2022	%	Bank December 2021	%
Gross earnings	1,125,012		734,283	
Interest expense				
Foreign	(63,178)		(53,104)	
Local	(271,407)		(133,876)	
	790,426		547,303	
Net impairment (loss) on financial assets	(110,557)		(53,511)	
Net impairment loss on other financial assets	(8,124)		(290)	
Bought-in-materials and services				
Foreign	(26,766)		(18,997)	
Local	(308,100)		(212,690)	
Value added	**336,880**		**261,815**	
Distribution of Value Added				
To Employees:				
Employees costs	71,083	21%	58,580	22%
To government				
Government as taxes	(3,951)	-1%	(4,843)	-2%
To providers of finance				
Interest on borrowings	69,613	21%	64,051	24%
Dividend to shareholders	34,479	10%	30,213	12%
Retained in business:				
For replacement of property and equipment	33,476	10%	32,702	12%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	132,181	39%	81,113	31%
	336,881	**100%**	**261,815**	**100%**

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

	December 2022	December 2021	December 2020	December 2019	December 2018
Group					
In millions of Naira	**N'millions**	**N'millions**	**N'millions**	**N'millions**	**N'millions**
Assets					
Cash and balances with banks	1,961,100	1,487,665	723,873	723,064	740,926
Investment under management	3,742	34,942	30,451	28,292	23,839
Non pledged trading assets	102,690	892,508	207,952	129,819	38,817
Pledged assets	1,265,279	344,537	228,546	605,556	554,053
Derivative financial instruments	402,497	171,332	251,113	143,521	128,440
Loans and advances to banks	455,710	284,548	392,821	152,825	142,490
Loans and advances to customers	5,100,807	4,161,364	3,218,107	2,911,580	1,993,606
Current tax assets	-	-	-	-	-
Investment securities	2,761,070	2,270,338	1,749,549	1,084,604	501,072
Investment properties	217	217	217	927	-
Other assets	2,487,691	1,707,290	1,548,891	1,055,510	704,327
Investment in associates	7,510	2,641	-	-	-
Investment in subsidiary	-	-	-	-	-
Property and equipment	293,152	247,734	226,479	211,214	103,669
Intangible assets	73,782	70,332	69,190	62,480	9,752
Deferred tax assets	15,023	13,781	4,240	8,808	923
Assets classified as held for sale	42,039	42,737	28,318	24,958	12,242
Total assets	14,972,310	11,731,965	8,679,748	7,143,157	4,954,157
Liabilities					
Deposits from financial institutions	2,005,316	1,696,521	958,397	1,186,356	994,573
Deposits from customers	9,251,238	6,954,827	5,587,418	4,255,837	2,564,908
Derivative financial instruments	32,737	13,953	20,881	6,886	5,206
Current tax liabilities	4,501	4,643	2,160	3,531	4,058
Other liabilities	753,875	560,709	379,417	324,334	246,439
Deferred tax liabilities	1,796	11,652	14,877	11,273	6,457
Debt securities issued	307,253	264,495	169,160	157,988	251,251
Interest-bearing borrowings	1,385,424	1,171,260	791,455	586,603	388,417
Retirement benefit obligations	3,277	3,877	4,941	3,609	2,336
Total liabilities	13,745,417	10,681,936	7,928,706	6,536,417	4,463,645
Equity					
Share capital and share premium	251,811	251,811	251,811	251,811	212,439
Additional Tier 1 Capital	206,355	206,355	-	-	-
Retained earnings	409,653	397,273	252,397	221,666	155,593
Other components of equity	344,677	171,113	239,494	124,734	114,610
Non controlling interest	14,395	23,477	7,339	8,529	7,870
Total equity	1,226,892	1,050,029	751,041	606,740	490,512
Total liabilities and Equity	14,972,309	11,731,965	8,679,748	7,143,157	4,954,157
Gross earnings	1,382,773	971,885	764,717	666,754	528,745
Profit before income tax	170,402	176,701	125,922	111,926	103,188
Profit from continuing operations	155,873	160,216	106,010	94,057	94,981
Profit for the year	155,873	160,216	106,010	94,057	94,981
Non controlling interest	(665)	1,888	1,327	1,008	963
Profit attributable to equity holders	156,539	158,328	104,683	93,049	94,018
Dividend declared	1.60k	100k	80k	65k	50k
Earning per share - Basic	453k	459k	300k	173k	330k
- Adjusted	436k	445k	294k	169k	325k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622	28,927,971,631

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

Bank	**December 2022**	**December 2021**	**December 2020**	**December 2019**	**December 2018**
In millions of Naira	**N'millions**	**N'millions**	**N'millions**	**N'millions**	**N'millions**
Assets					
Cash and balances with banks	1,445,659	1,068,976	589,812	575,906	338,290
Investment under management	3,742	34,942	30,451	28,292	23,839
Non pledged trading assets	77,624	803,806	110,283	76,972	36,581
Pledged assets	1,265,279	344,537	228,546	605,556	554,053
Derivative financial instruments	399,058	161,439	244,564	143,480	128,134
Loans and advances to banks	322,610	322,259	231,788	164,413	100,993
Loans and advances to customers	4,084,352	3,256,073	2,818,876	2,481,624	1,681,762
Current tax assets	-	-	-	-	-
Investment securities	1,946,560	1,553,458	1,428,040	813,707	258,580
Other assets	2,346,050	1,601,379	1,490,633	1,004,310	625,813
Investment properties	217	217	217	727	-
Investment in associates	6,904	2,548	-	-	-
Investment in subsidiary	283,045	215,775	164,252	131,459	111,203
Property and equipment	245,070	194,071	191,893	188,634	88,393
Intangible assets	59,365	58,734	67,496	67,551	8,231
Deferred tax assets	7,707	-	-	-	-
Assets classified as held for sale	42,038	42,547	28,128	24,958	12,242
Total assets	12,535,281	9,660,761	7,624,980	6,307,588	3,968,115
Liabilities					
Deposits from banks	1,637,318	1,422,707	831,632	1,079,284	616,645
Deposits from customers	7,530,062	5,517,069	4,832,744	3,668,340	2,058,739
Derivative financial instruments	31,072	9,943	20,776	6,827	5,186
Debt securities issued	303,297	260,644	169,160	157,988	251,251
Current tax liabilities	7,556	3,132	2,547	1,409	2,940
Other liabilities	667,195	495,161	342,460	302,262	222,046
Retirement benefit obligations	3,244	3,846	4,584	3,418	2,320
Interest-bearing borrowings	1,286,869	1,072,435	755,254	544,064	363,682
Deferred tax liabilities	-	4,374	11,926	4,507	4,506
Total liabilities	11,466,613	8,789,310	6,971,084	5,768,100	3,527,315
Equity					
Share capital and share premium	251,810	251,811	251,811	251,811	212,439
Additional Tier 1 Capital	206,355	206,355	-	-	-
Retained earnings	321,181	304,778	206,896	188,926	148,239
Other components of equity	289,319	108,506	195,188	98,751	80,122
Total equity	1,068,665	871,450	653,896	539,488	440,800
Total liabilities and Equity	12,535,279	9,660,761	7,624,980	6,307,588	3,968,115
Gross earnings	1,125,012	734,283	634,864	576,348	435,743
Profit before income tax	162,709	106,483	90,196	79,214	75,248
Profit for the year	166,658	111,326	80,039	70,116	73,596
Dividend declared	1.60k	100k	80k	65k	50k
Earning per share - Basic	469k	314k	225k	207K	177k
- Adjusted	469k	314k	225k	207K	184k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622	28,927,971,631