CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED

JUNE 2023.

access

ACCESS HOLDINGS PLC
Index to the consolidated and separate financial statements
For the period ended 30 June 2023

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

Mr. Bababode Olukayode Osunkoya, FCA	Chairman/Independent Non-Executive Director
Dr. Herbert Onyewumbu Wigwe, FCA	Group Managing Director/Chief Executive Officer
Mr. Abubakar Aribidesi Jimoh, CFA	Independent Non-Executive Director
Mrs. Fatimah Bintah Bello-Ismail	Independent Non-Executive Director
Mrs. Ojinika Nkechinyelu Olaghere, FCA	Non-Executive Director
Mr. Olusegun Babalola Ogbonnewo	Non-Executive Director
Mr. Roosevelt Michael Ogbonna, FCA,CFA	Non-Executive Director
Mr. Oluseyi Kolawole Kumapayi, FCA	Non-Executive Director
Ms. Bolaji Olaitan Agbede	Executive Director
Mr. Lanre Babatunde Bamisebi	Executive Director

Company Secretary
Mr Sunday Ekwochi

Corporate Head Office
Access Holdings 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

Company Registration Number: RC1755118

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

Corporate Governance Consultant
Ernst & Young
10th Floor UBA House
57, Marina, Lagos
Telephone: +234 (01) 6314500
FRC Number: FRC/2012/ICAN00000000187

Registrars
Coronation Registrars Limited
9, Amodu Ojikutu Street, Off Saka Tinubu
Victoria Island, Lagos
Telephone: +234 01 2272570

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

For further information please contact:

Access Holdings Plc.
+234 (1) 236 4365

Directors' Report
For the period ended 30 June, 2023

The Directors have pleasure in presenting their report on the affairs of Access Holdings Plc ("the Company") and its subsidiaries (together referred to as "the Group" and separately referred to as "Group entities"), the Company and the Group's Audited Interim Financial Statements with Auditor's Report for the period ended 30 June 2023 .

Legal form and principal activities

Access Holdings Plc trading as Access Corporation ('the Corporation') was incorporated as a public limited liability company on 10 February 2021. The Corporation is a Nigerian Exchange listed parent non-operating financial holding company for Access Bank ('the Bank') and the related group companies that emerged from the court-sanctioned Scheme of Arrangement between the Bank and holders of its fully paid ordinary shares of 50 Kobo each.

The Corporation's business segments include banking, consumer lending, payment services, insurance brokerage and pension funds administration. The banking business and payment services are currently in operation while the vehicles for the other business segments are at various stages of licensing , acquisition and operational readiness as at the end of the reporting period

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

Operating results

In millions of Naira	**Group June 2023**	**Group June 2022**	**Company June 2023**	**Company June 2022**
Gross earnings	**940,311**	**591,803**	**54,597**	**24,882**
Profit before income tax	167,601	97,791	44,318	23,018
Income tax	(32,161)	(9,052)	(418)	232
Profit from continuing operations	135,441	88,739	43,900	23,250
Discontinued operations	-	-	-	
Profit for the period	135,441	88,739	43,900	23,250
Other comprehensive (loss)/income	421,343	(39,950)	-	-
Total comprehensive income for the period	556,783	48,788	43,900	23,250
Non-controlling interest	60,365	(5,842)	-	-
Profit attributable to equity holders of the Access Holdings	496,418	54,636	43,900	23,250

	Group June 2023	**Group June 2022**	**Company June 2023**	**Company June 2022**
Earnings per share - Basic (k)	374	252	124	-
Earnings per share - Diluted (k)	374	246	124	-

In millions of Naira	**Group June 2023**	**Group December 2022**	**Company June 2023**	**Company December 2022**
Total equity	1,731,488	1,231,391	248,352	250,660
Total impaired loans and advances	218,933	176,940	-	-
Total impaired loans and advances to gross risk assets (%)	2.82%	3.15%	-	-

Interim dividend

The Board of Directors proposed an Interim Dividend of 30 Kobo (Thirty Kobo) per ordinary share of 50 Kobo (HY2022:20) each on the 35,545,225,622 issued ordinary shares of 50k each payable to shareholders on the register of shareholding as of the qualification date. Withholding Tax will be deducted at the time of payment.

Directors and their interests

The Directors who served during the period, together with their direct and indirect interests in the issued share capital of the Company 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:

List of Directors	Nationality	Position
Mr. Bababode Olukayode Osunkoya, FCA	Nigeria	Chairman/Independent Non-Executive Director
Dr. Herbert Onyewumbu Wigwe, FCA	Nigeria	Group Managing Director/Chief Executive Officer
Mr. Abubakar Aribidesi Jimoh, CFA	Nigeria	Independent Non-Executive Director
Mrs. Fatimah Bintah Bello-Ismail	Nigeria	Independent Non-Executive Director
Mrs. Ojinika Nkechinyelu Olaghere, FCA	Nigeria	Non-Executive Director
Mr. Olusegun Babalola Ogbonnewo	Nigeria	Non-Executive Director
Mr. Roosevelt Michael Ogbonna, FCA,CFA	Nigeria	Non-Executive Director
Mr. Oluseyi Kolawole Kumapayi, FCA	Nigeria	Non-Executive Director
Ms. Bolaji Olaitan Agbede	Nigeria	Executive Director
Mr. Lanre Babatunde Bamisebi	Nigeria	Executive Director

Number of Ordinary Shares of 50k each held as at 30 June 2023

	June 2023		December 2022	
	Direct	Indirect	Direct	Indirect
H. O. Wigwe	201,231,713	2,335,455,403	201,231,713	1,554,369,017
R. M. Ogbonna	44,883,087		44,883,087	-
B. O. Agbede	23,500,097		20,275,086	-
O. Ogbonnewo	7,519,297		7,519,297	-
O. Kumapayi	32,156,443		28,931,432	-
O. B. Osunkoya	1,565,002		1,565,002	-
N. O. Olaghere	16,398,695		16,398,695	-
A. A. Jimoh	-		-	-
F. B. Bello-Ismail	-		-	-
B.A. Babatunde	343,759		759	-

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

		June 2023	December 2022
H.O. Wigwe	United Alliance Company of Nig. Ltd	537,734,219	537,734,219
	Trust and Capital Limited	584,056,979	584,056,979
	*Coronation Trustees Tengen Mauritius	1,213,664,206	432,577,819

*The 1,213,664,206 represent 50% of the shares held by Coronation Trustees Tengen Mauritius.

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 following Directors have disclosed their interest in the under listed vendors to the company.

Related director	Interest in entity	Name of company	Services to the Bank
H. O. Wigwe	Shareholder	Coronation Insurance Plc and its Subsidiaries	Insurance
R. M. Ogbonna	Director	Central Securities Clearing System (CSCS)	Stockbroking
R. M. Ogbonna	Director	Access Bank Plc	Banking
O. Ogbonnewo	Director	Coronation Insurance Plc	Insurance
O. Ogbonnewo	Director	Coronation Registrars Limited	Registrar
O. Kumapayi	Director	Access Bank Plc	Banking
O. N. Olaghere	Director	The Nigerian Exchange Group Plc	Regulatory
A. A. Jimoh	Director	Coronation Insurance Plc	Insurance
F. B. Bello-Ismail	Director	The Nigerian Exchange Group Plc	Regulatory

Analysis of shareholding:
The shareholding pattern of Access Holdings Plc as at 30 June 2023 was as stated below:

	June 2023			
Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1 - 1,000	483,463	52.60%	92,229,329	0.30%
1,001 - 5,000	269,373	29.36%	599,484,732	1.94%
5,001 - 10,000	68,007	7.41%	468,563,636	1.52%
10,001 - 50,000	73,671	8.03%	1,491,953,964	4.84%
50,001- 100,000	11,228	1.22%	813,280,035	2.64%
100,001 - 500,000	9,077	0.99%	1,872,499,671	6.07%
500,001 - 1,000,000	1,248	0.14%	907,681,540	2.94%
1,000,001 - 5,000,000	1,119	0.12%	2,268,899,867	7.36%
5,000,001 - 10,000,000	164	0.02%	1,195,646,736	3.88%
10,000,001 - 50,000,000	175	0.02%	3,936,405,275	12.76%
50,000,001 - 100,000,000	33	0.00%	2,270,101,758	7.36%
100,000,001 - 500,000,000	30	0.00%	6,168,247,057	20.00%
500,000,001 - 1,000,000,000	3	0.00%	1,984,293,308	6.43%
1,000,000,001 - 10,000,000,000	5	0.00%	6,773,850,158	21.96%
	917,596	**100%**	**30,843,137,066**	**100%**
Foreign Shareholders				
1 - 1,000	383	25.89%	126,183	0.00%
1,001 - 5,000	368	25.27%	981,893	0.02%
5,001 - 10,000	176	11.92%	1,309,665	0.03%
10,001 - 50,000	382	26.23%	8,739,700	0.19%
50,001- 100,000	68	5.04%	4,954,116	0.11%
100,001 - 500,000	54	3.47%	10,563,661	0.22%
500,001 - 1,000,000	10	0.68%	7,031,034	0.15%
1,000,001 - 5,000,000	5	0.48%	10,274,664	0.22%
5,000,001 - 10,000,000	1	0.07%	9,626,997	0.20%
10,000,001 - 50,000,000	6	0.41%	115,345,415	2.45%
50,000,001 - 100,000,000	2	0.14%	150,361,195	3.20%
100,000,001 - 500,000,000	3	0.27%	774,612,434	16.47%
500,000,001 - 1,000,000,000	-	0.00%	-	0.00%
1,000,000,001 - 10,000,000,000	2	0.07%	3,608,161,599	76.74%
	1,460	**100%**	**4,702,088,556**	**100%**
Total	**919,056**	**100%**	**35,545,225,622**	**100%**

Shareholding Analysis	**June 2023**		**December 2022**	
Type of Shareholding	**Holdings**	**Holding %**	**Holdings**	**Holding %**
Retail investors	9,546,701,571	26.86%	9,294,277,626	26.15%
Domestic institutional investors	21,202,767,140	59.65%	22,907,686,903	64.45%
Foreign institutional investors	4,162,213,662	11.71%	2,723,783,744	7.66%
Foreign retail Investors	539,874,894	1.52%	535,924,601	1.51%
Government related entities	93,668,355	0.26%	83,552,748	0.24%
	35,545,225,622	**100%**	**35,545,225,622**	**100%**

Substantial interest in shares

According to the register of members at 30 June 2023, the following shareholders held more than 5% of the issued share capital of the Corporation as follows:

	June 2023		December 2022	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
Stanbic Nominees Nigeria Limited*	3,917,242,607	11.02%	3,912,841,010	11.01%
Coronation Trustees Tengen Mauritius	2,427,328,411	6.83%	-	0.00%

*Stanbic Nominees held the shares as custodian for various investors. Stanbic Nominees does 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.

Sponsorships

The Company identifies with the aspirations of the community and the environment in which it operates. The Company made contributions to charitable and non-charitable organisations amounting to N455million (June 2022: N541 million) during the period, as listed below:

S/N	Purpose	Access Holdings Plc	Company
		N	N
1	Support to Nigerian Association of Insurance and Pensions Editors NAIPE for 2022 Annual General Meeting	500,000	500,000
2	Sponsorship of the 2023 Fifth Chukker Polo Tournament in UK and KADUNA	240,000,000	-
3	Sponsorship of the National MSME Clinics and Awards	40,000,000	-
4	Support to Ovie Brume Foundation for Youth Centre in Surulere	30,000,000	-
5	Payment to Hacey Health Initiative for Zero carbon Africa Impact Project- Ghana, Kenya, Rwanda, South Africa and Zaml	16,735,140	-
6	Support to Hospitals for Humanity (HFH) for Open Heart Surgery Program	10,000,000	-
7	Support for UWAR Project 2.0 executed by Mobaby Care Nigeria	10,000,000	-
8	Support to Hacey Health Initiative for maternal Health Project	10,000,000	-
9	Sponsorship for 'Education in Nigeria' Book Launch by Dennis Okoro	10,000,000	-
10	Donation to Lagos Business School (LBS) for its Annual seminar on Managing Family Business	10,000,000	-
11	Support for Zero Carbon Africa Impact Program	8,000,000	-
12	Support to Nerdzfactory for DIGIGAP campaign	8,000,000	-
13	Partnership and Support to Enterprise, Growth and Opportunities (EGO) Foundation for Women Traditional Textile Desi	7,750,000	-
14	Support to Hacey Health Initiative for World Asthma Day	5,000,000	-
15	The Event Experience Africa (TEXA) 2023 Sponsorship	5,000,000	-
16	Sponsorship for LM Tech Hub in Anambra State	5,000,000	-
17	Support to Temitayo Awosika Help Foundation (TAHF) W50 Empowerment program in commemoration of World Sickle	4,525,000	-
18	Support for 2023 World Wildlife Day Campaign Enugu	4,500,000	-
19	Support to GLOW Initiative for Economic Empowerment (GLEE) for Solar Champion Initiative for girls	4,500,000	-
20	Support to NerdzFactory for Powerup project 2023	4,500,000	-
21	Support for World Sickle cell day celebration	4,500,000	-
22	Support for Solar School Community project Utagba Ogbe, Delta State	4,000,000	-
23	Support to GLEE for the Save Biodiversity Project 2023	3,000,000	-
24	Sponsorship of Harvard Business School Association of Nigeria (HBSAN)'s Leadership Conference and Award Dinner	3,000,000	-
25	Support to The Made Women Foundation for 'PAD A GIRL' campaign	2,500,000	-
26	Sponsorship fee in respect of the Chartered Institute of Taxation of Nigeria (CITN) Conference	2,030,000	-
27	Sponsorship fee for 21st ICAN Lagos & District Society Investiture and Award	2,000,000	-
		455,040,140	**500,000**

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 Corporation operates a non-discriminatory policy in the consideration of applications for employment. The Corporation'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.

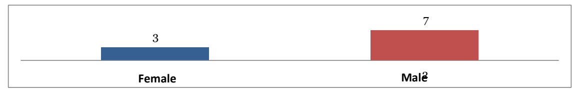
We believe diversity and inclusiveness are powerful drivers of competitive advantage in developing and understanding of our customers' needs and creatively addressing them.

(a) Composition of employees by gender

Total number of female employees	23
Total number of male employees	24

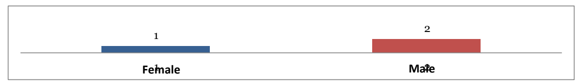
(b) Board Composition By Gender

Total number of female on the Board	3
Total number of men on the Board	7



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

Total number of female in Executive Management position	1
Total number of men in Executive Management position	2



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

Total number of female in Top Management position	2
Total number of men in Top Management position	3

(ii) Employment of disabled persons

In the event of any employee becoming disabled in the course of employment, the Company 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 Company 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 Company 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 Company's premises.

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

(v) Statement of commitment to maintain positive work environment

The Company 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.

Audit committee

1	Mr. Henry Omatsola Aragho	-	Shareholder	Chairman
2	Mr. Akindele Gbogboade	-	Shareholder	Member
3	Mr. Idaere Gogo-Ogan	-	Shareholder	Member
4	Mr. Abubakar Jimoh	-	Director	Member
5	Mrs. Ojinika Olaghere	-	Director	Member

The functions of the Audit Committee are as provided in Section 404(7) of the Companies and Allied Matters Act of Nigeria.

Auditors:

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

BY ORDER OF THE BOARD

Sunday Ekwochi
Company Secretary

FRC/2013/NBA/00000005528

*The change from 432,577,819 (Dec. 2022) to 1,213,664,206 (June 2023) is due to H.O Wigwe's indirect interest in Coronation Trustees Tengen Mauritius.

FREE FLOATATION	June 30, 2023		December 31, 2022	
	Units	Percentage (In relation to Issued Share Capital)	Units	Percentage (In relation to Issued Share Capital)
Issued Share Capital	35,545,225,622	100.00%	35,545,225,622	100.00%
Details of Substantial Shareholdings (5% and above)				
Name(s) of Shareholders				
Stanbic Nominees Limited	3,917,242,607	11.02%	3,912,841,010	11.01%
*Coronation Trustees Tengen Mauritius	2,427,328,411	6.83%	0	0.00%
Total Substantial Shareholdings	**6,344,571,018**	**17.85%**	**3,912,841,010**	**11.01%**
Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests				
[Name(s) of Directors]				
H. O. Wigwe	1,323,022,911	3.72%	1,755,600,729	4.94%
R. C. Ogbonna	44,883,087	0.13%	44,883,087	0.13%
O. Kumapayi	32,156,443	0.09%	28,931,432	0.08%
B.O. Agbede	23,500,097	0.07%	20,275,086	0.06%
S. Ogbonnewo	7,519,297	0.02%	7,519,297	0.02%
B.O. Osunkoya	1,565,002	0.00%	1,565,002	0.00%
O.N. Olaghere	16,398,695	0.05%	16,398,695	0.05%
O.B. Bamisebi	343,759	0.00%	759	0.00%
Total Directors' Shareholdings	**1,449,389,291**	4.08%	**1,875,174,087**	**5.28%**
Details of Other Influential Shareholdings, if any (E.g Government, Promoters)				
[Name(s) of Entities/Government]				
Restricted Share Performance Plan (RSPP)	1,018,481,295	2.87%	1,121,778,957	3.16%
Ministry of Finance Incorporated	30,810,667	0.09%	38,560,666	0.11%
Bauchi Local Government Council	2,204,991	0.01%	2,204,991	0.01%
Abia State Government Council	-	0.00%	-	0.00%
Toro Local Government Council	1,976,888	0.01%	1,976,888	0.01%
Dambam Local Government Council	1,064,478	0.00%	1,064,478	0.00%
Ningi Local Govt. Council	1,672,751	0.00%	1,672,751	0.00%
Misau Local Govt. Council	1,292,580	0.00%	1,952,683	0.01%
Kirfi Local Govt. Council	1,225,670	0.00%	1,140,512	0.00%
Katsina State Govt Ministry of Finance Incorporated	20,000,000	0.06%	20,000,000	0.06%
Ekiti State Govt College of Medicine	1,397,128	0.00%	1,397,128	0.00%
Total of Other Influential Shareholdings	**1,080,126,448**	3.04%	**1,191,749,054**	**3.35%**
Free Float in Unit and Percentage [Issued Share Capital (%) - (Total Substantial Shareholdings (%) + Total Directors' Shareholdings (%) + Total of Other Influential Shareholdings (%))]	26,671,138,865	75.03%	28,565,461,471	80.36%
Share Price		16.60		8.50
Free Float in Value **[Free Float Unit x Share Price]**		**442,740,905,159.00**		**242,806,422,503.50**

Declaration:
(A) Access Holdings PLC with a free float percentage of 75.03% as at 30 June 2023, is compliant with the Exchange's free float requirements for companies listed on the Premium Board
(B) Access Holdings PLC with a free float value of N26,671,138,865 as at 30 June 2023, is compliant with the Exchange's free float requirements for companies listed on the Premium Board
*(C) The change from 1,755,600,729 (Dec. 2022) to 1,323,022,911 (June 2023) is recognised in H.O Wigwe's indirect interest in Coronation Trustees Tengen Mauritius.

CUSTOMER COMPLAINTS AND FEEDBACK

Access Holdings 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 PERIOD ENDED 30 JUNE 2023

	NAIRA						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (NAIRA)		AMOUNT REFUNDED (NAIRA)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	5,874	306,116	14,868,818	249,742,931,153	-	-
2	Received Complaints	3,222,907	2,824,735	136,753,927,479	78,790,781,564	-	-
3	Resolved complaints	3,175,087	3,124,977	107,707,911,874	328,518,843,900	1,520,571,796	15,465,642,868
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	53,694	5,874	29,060,884,423	14,868,818	-	-

	USD						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (USD)		AMOUNT REFUNDED (USD)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	244	785	1,433,914	251,058,322	-	-
2	Received Complaints	14207	15,296	837,437,006	326,023,326	-	-
3	Resolved complaints	14072	15,837	762,459,065	575,647,733	-	355,153
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	379	244	76,411,856	1,433,914	-	-

	GBP						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (GBP)		AMOUNT REFUNDED (GBP)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	-	34	1	1,193,776	-	-
2	Received Complaints	149	337	134,403,353	5,885,295	-	-
3	Resolved complaints	144	371	131,550,368	7,079,069	-	-
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	5	-	2,852,985	1	-	-

	EUR						
S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (EUR)		AMOUNT REFUNDED (EUR)	
		2023	2022	2023	2022	2023	2022
1	Pending complaints B/F	-	19	0	2,445,101	-	-
2	Received Complaints	182	300	9,884,450	1,013,621	-	-
3	Resolved complaints	177	319	9,884,450	3,458,722	-	-
4	Unresolved Complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	5	-	0	0	-	-

Solicited Customer Feedback

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

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

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

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

REPORTS ON FRAUD AND FORGERIES

This report represents the fraud and forgery incidents that occurred during the period. It is a summation of attempted and successful fraud incidents. The actual loss that was incurred by the Bank for the period is N5.46Bn (June 2022: N1.2bn). The rest of the loss amount represents the losses incurred by other third parties

June 2023

		Successful				Unsuccessful			
S/N	**Category**	**Frequency**	**Amount involved ₦**	**Actual Loss ₦**	**% Loss**	**Frequency**	**Amount involved ₦**	**Actual loss ₦'000**	**% Loss**
1	Electronic Fraud/USSD	3,050	381,629	-	0%	64	975,894	-	-
2	Cash Theft/ Suppression/Pilferage/Dry posting	4	25,529	4,532	18%	-	-	-	-
3	Fraudulent Transfer/Withdrawals/Reactivation of account	7	6,036,318	5,459,890	90%	-	-	-	-
4	Fraudulent cash Lodgement	-	-	-	0%	-	-	-	-
5	Armed Robbery	-	-	-	0%	-	-	-	-
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	-	-	-	0%	-	-	-	-
11	Electronic Fraud/Cybersecurity	-	-	-	0%	595	-	-	-
12	Electronic Fraud/wallet/Suspicious wallet	-	-	-	0%	2,164	-	-	-
	TOTAL	**3,061**	**6,443,476**	**5,464,422**	**108%**	**2,823**	**975,893**	**-**	**-**

June 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	7,079	572,196	-	0%	849	2,344,715	-	-
2	Cash Theft/ Suppression/Pilferage/Dry posting	14	138,912	116,863	84%	-	-	-	-
3	Fraudulent Transfer/Withdrawals/Reactivation of account	10	9,481,562	1,079,490	11%	1	-	-	-
4	Fraudulent cash Lodgement	-	-	-	0%	1	625	-	-
5	Armed Robbery	1	6,684	6,684	100%	-	-	-	-
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	-	-	-	0%	-	-	-	-
11	Electronic Fraud/Cybersecurity	-	-	-	0%	531	-	-	-
12	Electronic Fraud/wallet/Suspicious wallet	-	-	-	0%	2,220	-	-	-
	TOTAL	**7,104**	**10,199,353**	**1,203,038**	**196%**	**3,602**	**2,345,340**	**-**	**-**

REPORTS TO PENCOM 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. We have NIL report on this.

CORPORATE GOVERNANCE REPORT FOR HALF YEAR ENDED JUNE 30, 2023

The Board of Access Holdings Plc ('the Company'), is pleased to present the Corporate Governance report for Half Year ended June 30, 2023.

The Board is excited with the Company's performance within one year of its establishment via the Scheme of Arrangement between Access Bank Plc ('the Bank') and holders of the Bank's fully paid ordinary shares.

The core considerations for the establishment of the Company were enhanced regulatory compliance, diversification into permissible financial services, enhanced risk management, preservation of shareholder value, and effective capital allocation.

The Company is committed to the Access Group's core governance principles of integrity, diversity, accountability, responsibility, transparency, independence, fairness, and discipline. Our governance framework is designed to align management's actions with the interest of shareholders and achieve appropriate balance with the interest of other stakeholders.

Our governance structures and processes are designed to ensure compliance with global best practices, the Company's governance charters, relevant codes of corporate governance, as well as the post listing requirements of Nigerian Exchange Limited.

The Board is focused on enhancing shareholders' value through the provision of best-in-class governance oversight.

The Board

The Chairman leads the Board in setting the Group 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 composition as of June 30, 2023 is detailed below:

S/N	NAME	DESIGNATION
1	Mr. Bababode Olukayode Osunkoya	Independent Non-Executive Director/ Chairman
2	Mr. Abubakar Aribidesi Jimoh	Independent Non-Executive Director
3	Mrs. Fatimah Bintah Bello-Ismail	Independent Non-Executive Director
4	Mrs. Ojinika Nkechinyelu Olaghere	Non-Executive Director
5	Mr. Segun Babalola Ogbonnewo	Non-Executive Director
6	Mr. Roosevelt Michael Ogbonna	Non-Executive Director
7	Mr. Oluseyi Kolawole Kumapayi	Non-Executive Director
8	Dr. Herbert Onyewumbu Wigwe	Group Chief Executive Officer
9	Ms. Bolaji Olaitan Agbede	Executive Director
10	Mr. Lanre Bamisebi	Executive Director

Composition and Role

As of June 30, 2023, the Board was made up of 10 members comprising 7 Non-Executive and 3 Executive Directors. Three of the Board members are female.

Board Members Profile

Mr. Bababode Olukayode Osunkoya, FCA
Chairman/ Independent Non-Executive Director

Mr. Osunkoya is a seasoned professional with over thirty years' experience spanning across banking, accounting, asset leasing and consulting. He is the Managing Partner at Abax-OOSA Professionals (Chartered Accountants). Prior to this, he worked as the Principal Partner of Bababode Osunkoya & Co from 1994-2007.

He joined Premier Hotel Limited , Ibadan in 1984 for his National Youth Service Corp programme following which he joined Z.O. Ososanya & Co. (Chartered Accountants) in 1985 rising to Assistant Audit Manager in 1988. He subsequently moved to Abacus Merchant Bank Limited where he worked between 1989 and 1993 and rose to the level of a manager. He was a General Manager in

Konsuma Credit Limited between 1993 and 1995 where he oversaw the daily administrative and operational activities of the asset leasing and credit finance company.

Mr. Osunkoya currently sits on the boards of several organisations including Haggai Mortgage Bank Limited; Richardson Oil and Gas Limited; Sedoso Agro Allied Company Limited and Guiding Light Assembly. He is also an Executive Committee member of the Association of Reporting Accountants and Auditors in the Capital Market.

He holds a bachelor's degree in Accounting from the University of Lagos and is a certified forensic accountant. He is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Taxation of Nigeria (CITN). He has attended several leadership and professional development programmes in leading institutions in areas of accounting, audit, taxation, finance, and corporate governance.

He is 61 years old as at the date of this report and resides in Nigeria.

Mr. Abubakar Aribidesi Jimoh, CFA
Independent Non-Executive Director

Mr. Jimoh is a versatile professional with over thirty (30) years' experience in the financial services sector covering client relationship management, treasury, market risk, credit risk management, operational risk management, project, and portfolio management. He is the Group Managing Director of Trustbanc Group a leading investment management firm. Prior to his current role, Mr. Jimoh led the transformation of Associated Discount House (ADH) from a failing Discount House to a Merchant Bank (Coronation Merchant Bank Ltd).

Before joining ADH, he was a General Manager and Divisional Head at the UBA Group with responsibility for Balance Sheet Management, Market Risk, and Investors Relations. He was also the Chief Risk Officer for various business segments including UBA Africa and UBA Capital.

Mr. Jimoh worked with the Royal Bank of Canada Financial Group between 1999 and 2005 in various capacities. He worked as Chief of Internal Control Officer and Divisional Chief in charge of Private Sector Portfolio Management with the African Development Bank between 2005 and 2008. Mr. Jimoh was appointed as an Independent Non-Executive Director on the Board of Shelter Afrique between 2012 and 2013.

He has a robust professional cum academic pedigree with a Bachelor of Science and a Master of Science in Finance from University of Lagos, Nigeria. He is a Chartered Financial Analyst and an Associate of the Institute of Chartered Accounts of Nigeria and Chartered Institute of Bankers of Nigeria. Mr. Jimoh is a Chartered Internal Auditor and Certified General Accountant of Ontario and Canada. He has attended several Executive Management Development Programmes in leading institutions including London Business School, Canadian Securities Institute and Lagos Business School.

He is the Chairman of the Board Audit Committee and Board Finance and Investment Committee and Vice-Chairman of the Board Risk Management Committee, Board Human Resources and Sustainability Committee and Board Governance, Nomination and Remuneration Committee.

He is 57 years old as at the date of this report and resides in Nigeria.

Mrs. Fatimah Bintah Bello-Ismail
Independent Non-Executive Director

Mrs. Bello-Ismail is a lawyer with more than thirty-six years' experience in the legal and financial services fields. She commenced her legal career at the Department of Public Prosecution in the Federal Ministry of Justice, Lagos before working as a counsel in the firm of Kehinde Sofola & Co.

She also worked at the Nigerian Social Insurance Trust Fund (NSITF) and Continental Merchant Bank (formerly Chase Merchant Bank) before becoming the Managing Partner at Universal Chambers a full-service commercial law firm.-.

Mrs. Bello-Ismail is a law graduate of Ahmadu Bello University Zaria, Nigeria in 1984 and was called to the Nigerian Bar in 1985.

She sits on the board of several organisations including the Nigerian Exchange Group and VTT LNG. She is a member of the Nigerian Bar Association, International Bar Association and Co-Founder and Trustee of Home of Hospitality Development Initiative (HOHDI).

She is the Chairman of the Board Governance, Nomination and Remuneration Committee and Vice-Chairman of the Board Audit Committee.

Mrs. Bello-Ismail is 61 years old as at the date of this report and resides in Nigeria.

Mrs. Ojinika Nkechinyelu Olaghere, FCA
Non-Executive Director

Mrs. Olaghere is a seasoned professional with over thirty-three years' experience in banking, administration, and consulting. She is currently the Managing Director of Rickela Consulting Limited, a management consultancy firm engaged involved in training, capacity building, coaching and advisory services to the financial services sectors.

She joined Access Bank Plc in 2007 as a General Manager in the Enterprise Resource Support Group where she spearheaded the seamless rationalisation of the Bank's assets following the acquisition of Intercontinental Bank. She retired from Access Bank Plc in June 2018 as Executive Director, Operations, and Information Technology. As Executive Director, Mrs Olaghere ensured the seamless upgrade of the Bank's major IT infrastructure as well as the Operations Transformation Programme which resulted in the Bank being ranked amongst the top 5 in KPMG's 2018 Banking Industry Customer Service Satisfaction Survey.

Prior to joining Access Bank, she spent sixteen years with Ecobank Nigeria, where she worked in the Operations and Consumer Banking Groups. As a multi-skilled and valuable resource, she was involved in the implementation of several critical projects. She has played key roles in the shaping and development of strategies that have led to the success of multiple businesses across different industries. She sits on the boards of several organisations such as Nigerian Exchange Group Plc; Coronation Life Assurance Limited; and Pelijini Ltd.

Mrs. Olaghere holds a Bachelor of Arts in French Language from the University of Nigeria, Nsukka and is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). She has attended several Executive Management Development programmes in leading institutions including INSEAD, London Business School, Lagos Business School, and Massachusetts Institute of Technology.

She is the Chairman of the Board Human Resources and Sustainability Committee and Board Digital and Information Technology Committee.

She is 60 years old as at the date of this report and is resident in Nigeria.

Mr. Olusegun Ogbonnewo
Non- Executive Director

Mr. Ogbonnewo has over thirty years' experience spanning banking, human capital development, operations and technology, payment systems and fintech. He is currently the Operating Director, Tengen Family Office. Prior to this, he occupied several roles in Access Bank Plc between 2006 and 2017 including Group Head, Channels Services; Head, Transaction Services Division; Group Head, Domestic Payments; Group Head, Central Processing Centre Group; and Group Head, Settlements and Payments.

He served in various capacities in Guaranty Trust Bank between 1993 and 2006 including Head, International Settlements, and Divisional Head, Banking Operations, and Information Technology. He served as Branch Manager and Programme Officer in Peoples Bank Nigeria Limited between 1990 and 1992.

He sits on the board of several organisations including Coronation Insurance Plc, Coronation Registrars Limited, Coronation Insurance Ghana Limited, Trium Limited, Jewels and Pearls Private Schools, Coronation Fund Managers, Fiducia Data Services Limited, Woven Finance and Fiducia Clearing Services Limited.

He holds a Bachelor of Arts in Education and a Master's in Public Administration from University of Ilorin. He also holds a Master's in Business Administration from IESE, University of Navarra Barcelona Spain/Lagos Business School. He is also an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria.

He has attended several renowned leadership and professional development programmes including the High-Performance Leadership Programme organised by Institute of Management and Development ('IMD'); Corporate Restructuring Programme organised by Harvard Business School; Achieving Outstanding Performance by INSEAD and several global payments and systems processing courses organized by VISA, MasterCard, Verve and Entrust amongst others.

He is the Chairman of the Board Risk Management Committee and Vice-Chairman of the Board Finance and Investment Committee and Board Digital and Information Technology Committee.

He is 62 years old as at the date of this report and resides in Nigeria.

Mr. Roosevelt Michael Ogbonna FCA, CFA, HCIB
Non-Executive Director

Mr. Ogbonna was appointed Executive Director, Commercial Banking Division, of Access Bank Plc in October 2013, Deputy Managing Director in 2017 and Managing Director in May 2022.

He is a through-bred and consummate finance professional with over two (2) decades of banking experience who joined Access Bank in 2002 from Guaranty Trust Bank.

Mr. Ogbonna has a rich professional cum academic background. He is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA), an Honorary Member of the Chartered Institute of Bankers (HCIB). He has attended the Harvard Kennedy School of Government's Senior Executive Fellow programme Executive Management Programme and is a Chartered Financial Analyst charter holder. He holds a master's degree in Business Administration from IMD Business School, Switzerland; a Master of Laws degree (LL.M) in International Corporate & Commercial Law from King's College, London; an Executive Master's degree in Business

Administration from Cheung Kong Graduate School of Business; and a bachelor's degree in Banking and Finance from University of Nigeria, Nsukka. In 2015, he was selected as one of the Institute of International Finance (IIF) Future Global Leaders.

He has a robust corporate board experience and currently serves as a Non-Executive Director of the Bank's subsidiaries in UK and South Africa. He also represents the Bank on the Boards of its investee companies - African Finance Corporation and CSCS Plc.

He is 49 years old as at the date of this report and resides in Nigeria.

Mr. Oluseyi Kolawole Kumapayi, FCA
Non-Executive Director

Mr. Kumapayi is a highly accomplished and result-driven professional with over twenty (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 in First City Monument Bank Limited and Guaranty Trust Bank Plc, respectively.

He was the Group Chief Financial Officer of Access Bank Plc between 2008 and 2020 and was appointed as Executive Director, African Subsidiaries in Access Bank Plc.

Mr. Kumapayi holds a master's degree in Mechanical Engineering from the University of Lagos, and a Bachelor of Science degree in Agricultural Engineering from the University of Ibadan, Nigeria. He has also attended several Executive Management Development programmes in leading institutions including INSEAD, IMD and London Business School.

He currently serves as a Non-Executive Director of Access Bank's subsidiaries in Botswana, Ghana, and Kenya.

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 Institute of Bankers of Nigeria (CIBN).

He is 51 years old as at the date of this report and resides in Nigeria.

Dr. Herbert Onyewumbu Wigwe, FCA
Group Chief Executive Officer

Dr. Wigwe is a transformational leader, seasoned banker, and financial expert with over three (3) decades of professional experience. He joined Access Bank in March 2002 as Deputy Managing Director to co-lead its transformation to a world class financial services provider and became its Group Managing Director/Chief Executive Officer in 2014. He resigned as the Bank's Group Managing Director/Chief Executive Officer in May 2022 and currently serves as a Non-Executive Director.

He commenced his career at Coopers & Lybrand, Lagos as a management consultant later qualifying as a Chartered Accountant. After a stint at defunct Capital Bank, he joined Guaranty Trust Bank where he spent over a decade working in the Corporate and Institutional Banking Division, rising to become the Executive Director in charge of Institutional Banking.

As one of Nigeria's foremost corporate bankers, he has helped develop some of Africa's biggest companies in the construction, telecommunications, energy and oil and gas sectors through a unique model, which involves understanding and providing financial support and expertise.

Dr. Wigwe is the Chairman of Access Bank (UK) Limited and Access Pension Limited. He is also a board member of Nigerian Mortgage Refinance Company Plc, NG Clearing Limited amongst several others.

He holds a Bachelor of Science degree in Accountancy from the University of Nigeria, Nsukka; a master's degree in Banking and Finance from the University College of North Wales (now Bangor); a Master of Science degree in Financial Economics from the University of London and is an alumnus of the Harvard Business School Executive Management Programme.

Dr. Wigwe is a Fellow of the Institute of Chartered Accountants of Nigeria, and Institute of Credit Administration, and an Honorary member of the Chartered Institute of Bankers of Nigeria.

He is 56 years old as at the date of this report and resides in Nigeria.

Ms. Bolaji Olaitan Agbede
Executive Director

Ms. Agbede is a versatile professional with over twenty-seven years' experience in human resources management, customer relationship management and banking operations. She has a proven record of successful people integration during mergers and acquisitions, culture transformation and execution of corporate strategies.

She commenced her professional career in Guaranty Trust Bank and served in various capacities within the Commercial Banking and Operations functions. She diligently distinguished herself and swiftly rose from the grade of Executive Trainee in 1992 to Manager in 2001. Ms. Agbede subsequently served as the Chief Executive Officer of JKG Limited in 2003 a business consulting outfit.

Ms. Agbede joined Access Bank in 2003 as an Assistant General Manager and was responsible for managing the Bank's portfolio of chemical trading companies. She was the Group Head, Human Resources of Access Bank between 2010 and 2022.

Ms. Agbede holds a bachelor's degree in Mathematics and Statistics from the University of Lagos (1990) and subsequently obtained a Master of Business Administration degree from Cranfield University in 2002. She is a member of the Chartered Institute of Management UK and Chartered Institute of Personnel Management of Nigeria.

She has attended several renowned leadership and professional development programmes including the High-Performance Leadership Programme, organised by the IMD and the Strategic Talent Management Programme, organised by the London Business School.

She is 53 years old as at the date of this report and resides in Nigeria.

Mr. Olanrewaju Babatunde Bamisebi
Executive Director

Mr. Bamisebi is a seasoned professional with over 2 decades experience spanning across information technology, consultancy, project management, talent management and development, application development as well as strategy and automation. He has a robust Pan-African experience having managed IT across 22 African countries in consulting, telecom, oil and gas, banking and fintech sectors.

Prior to his appointment as Executive Director of the Company, he was Managing Director of Finserve Africa (Fintech arm of Equity Bank). He was also the Group Director for IT & Operations for Equity Group Holding Limited (EGHL), Kenya. Before joining EGHL in April 2019, he was the Group Chief Information Officer at the defunct Diamond Bank Plc.

Mr. Bamisebi holds a Higher National Diploma in Computer Science from The Polytechnic Ibadan and two bachelor's degrees: one in Accounting from Olabisi Onabanjo University and the other in Computing and Information Technology from the University of Derby, UK. He also obtained a master's degree in Business Administration from Durham Business School, UK and is currently undertaking a doctorate degree in in Global Strategy.

He is 50 years old as at the date of this report and resides in Nigeria.

Sunday Ekwochi, HCIB
Company Secretary

Mr. Ekwochi was appointed the Company Secretary of the Company in May 2022.

He graduated as a top student in Law from the University of Jos with a second-class upper division degree in 1996 and from the Nigerian Law School in February 1998 with a second-class upper division degree. He has over 2 decades of banking experience from the then African Express Bank, Fidelity Bank and Access Bank 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.

Mr. Ekwochi served as the Vice-Chair of the Association of Banks Legal Advisers and Company Secretaries and Chairman of its Capacity Development Committee.

Performance Monitoring and Evaluation

The Board, in the discharge of its oversight function, engages management in the planning, definition and execution of the Company'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 Group held a Board Retreat on March 24-25, 2023, where the strategy for the financial year was rigorously debated and agreed between Management and Board. Management provides the Board with quarterly update on implementation of the strategy, affording the Board the opportunity to critique 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 Company's performance on Corporate Governance is monitored and reported. The Company equally carries out extensive reviews of its compliance with the CBN, SEC and FRC 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 policy on its performance evaluation which provides for the 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.

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 our 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 of Corporate Governance, the 2022 Annual Board Performance Evaluation Report was presented to shareholders at the Company's first 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 January 30, 2023

Board Composition- Guiding Principles

The Fit and Proper Person Policy is designed to ensure that the Company and its subsidiaries are managed and overseen by capable and trustworthy individuals. The Board 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 our 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 H1, 2023, the Board had more Non-Executive Directors than Executive Directors, with three of the Non-Executive Directors being independent. Non-Executive Directors are appointed to the Board to bring independent, specialist knowledge and impartiality to strategy development and execution monitoring. The Board is committed to improving gender diversity in its composition in line with its diversity policy. The Board had 30% female membership as of June 30, 2023.

Retirement and Re-election of Directors

In accordance with the Company's Articles of Association, all Directors retired from office at the Company's first AGM held on May 24, 2023, and being eligible for election, were duly elected. The appointment of the Directors was earlier approved by the Central Bank of Nigeria.

Board Effectiveness

Today's boards are required to be more engaged, knowledgeable, and effective than in the past as they contend with myriads 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. The Company has a Directors' Orientation and Continuous Education Policy which provides that Directors should be exposed to 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 our key business areas. Such sessions focus on the challenges, opportunities and risks facing the business areas. The induction programme covers an overview of the Strategic Business Units as well as Board processes and policies. A new Director is provided with an induction pack containing charters of the various Board Committees, significant reports, important statutes and policies, minutes of previous Board meetings and a calendar of Board activities. Based on the recommendation of the Governance, Nomination and Remuneration Committee, the Board approves the annual training plan and budget for Directors while the Company Secretary ensures the implementation of the plan with regular reports to the Board.

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

S/N	NAME OF DIRECTOR	TRAINING	FACILITATOR	DATE
1	Ojinika Olaghere	Driving Digital Strategy	Harvard Business School	March 12 - 17, 2023
2	Olusegun Ogbonnewo	High Performance Leadership	University of Chicago Booth School of Business	June 26 – 30, 2022

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. The Company's website www.theaccesscorporation.com is regularly updated with both financial and non-financial information.

Shareholder's meetings are convened and held in an open manner in line with our Articles of Association and existing statutory and regulatory regimes, for the purpose of deliberating on issues affecting our strategic direction. The AGM 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 would be monitored by members of the press, representatives of the Nigerian Exchange Limited, the Central Bank of Nigeria and the Securities and Exchange Commission.

We have a dedicated Investors Relations 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 Company through various channels, including Quarterly Investors Conference Calls, the General Meeting, our website, the Annual Report and Accounts, Non-Deal Road Shows, and Investors Forum at Nigerian Exchange Limited.

The Board ensures that communication with the investing public about the Company and its subsidiaries is timely, factual, broadly disseminated, and accurate in accordance with all applicable legal and regulatory requirements. Our 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 our 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 Company'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 Company'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 Company'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 Company 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 Company's Non-Executive Directors are appointed for an initial term of four years, and they can be re-elected for a maximum of two subsequent terms of four years each, subject to satisfactory performance and shareholders' approval. The Independent Non-Executive Directors are subject to a maximum tenure of eight years, while Executive Directors are appointed for an initial term of four years subject to a maximum cumulative tenure of twelve years in line with CBN's Corporate Governance Guidelines. Executive Directors are prohibited from holding other directorships outside the Group or investee companies.

Separation of Roles

In line with best practice, the Chairman and Group 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 Company 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 Company's obligations to various stakeholders, such as shareholders, employees, suppliers, and the community in which we operate.

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 Company 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 Company'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 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.
- 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 GCEO 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 Chairman

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

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

- Primarily responsible for the effective operation of the Board and ensures that the Board works towards achieving the Company's strategic objectives.
- Setting the agenda for Board meetings in conjunction with the GCEO 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 Company in a timely manner to enable them to take sound decisions.
- Acting as the main link between the Board and the GCEO as well as advising the GCEO 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 Company.
- Ensuring that induction programmes are conducted for new Directors and continuing education programmes are in place for all Directors.
- Ensuring effective communication with the Company'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 Group Chief Executive Officer ('GCEO')

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

Specifically, the duties and responsibilities of the GCEO 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 Company.
- Responsible for the Company's consistent achievement of its financial objectives and goals.
- Ensures that the Company's philosophy, vision, mission, and values are disseminated and practised throughout the Company.
- Ensures that the allocation of capital reflects the Company's risk management philosophy.
- Ensures that the Company's risks are controlled and managed effectively, optimally and in line with the Company's strategies and objectives.
- Supervision of the Executive Directors and all subsidiaries and affiliate companies.
- Serves as the Company'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 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 the Company's compliance with the listing rules of the Nigerian Exchange Limited, the Company Secretary is responsible for designing and implementing a framework for the Company'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 Company'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 term of reference and presents regular reports to the Board on its activities. The Board delegates authority to the Group Managing Director/Chief Executive Officer to manage the affairs of the Company 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 Company's Articles of Association.

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 Board book, for the circulation of board documentation to members.

The Board met 3 times during the period under review.

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

- Approval of Interim and 2022 Financial Year Audited Financial Statements
- Approval of subsidiary Board appointments
- Approval of subsidiary expansion activities
- Review and approval of policies
- Approval of Notice of the 1st Annual General Meeting.
- Approval of Amendments to the Company's Memorandum and Articles of Association

Board Meeting Attendance in H1, 2023

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

Type of Meeting	**Group Board Retreat**	**Board Meetings**		
Date	**March 24-25, 2023**	**30/1/2023**	**19/4/2023**	**4/5/2023**
Bababode Osunkoya	P	P	P	P
Abubakar Jimoh	P	P	P	P
Fatimah Bello-Ismail	P	P	P	P
Ojini Olaghere	P	P	P	P
Olusegun Ogbonnewo	P	P	P	P
Roosevelt Ogbonna	P	P	P	P
Oluseyi Kumapayi	P	P	P	P
Herbert Wigwe	P	P	P	P
Bolaji Agbede	P	P	P	P
Lanre Bamisebi	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 had six standing committees as of June 30, 2023, namely: the Board Audit Committee, the Board Risk Management Committee, the Board Finance and Investment Committee, the Board Governance, Nomination and Remuneration Committee, the Board Digital and Information Technology Committee, and the Board Human Resources and Sustainability Committee.

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 the first half of 2023.

1. Board Human Resources and Sustainability Committee

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

Name	**Designation**	**9/1/2023**	**12/4/2023**
Ojini Olaghere	Chairman	P	P
Abubakar Jimoh	Vice-Chairman	P	P
Olusegun Ogbonnewo	Member	P	P
Fatimah Bello-Ismail	Member	P	P
Roosevelt Ogbonna	Member	P	P
Herbert Wigwe	Member	P	P
Bolaji Agbede	Member	P	P

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

During the review period, the Committee considered the Company's Human Resources as well as sustainability reports.

The Committee met 2 times during the reporting period.

Mrs Ojini Olaghere is the Chairman.

2. Board Governance, Nomination and Remuneration Committee

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

Name	**Designation**	**14/4/2023**
Fatimah Bello-Ismail	Chairman	P
Abubakar Jimoh	Vice Chairman	P
Ojini Olaghere	Member	P

The Committee advises the Board on its oversight responsibilities pertaining to governance, appointment, re-election, and removal of Directors. The Committee also advises the Board on issues relating 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 were Board appointments, including subsidiary Board appointments.

The Committee met once during the reporting period.

Mrs. Fatimah Bello Ismail is the Chairman of the Committee.

3. Board Finance and Investment Committee

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

Name	Designation	5/1/2023	12/1/2023	11/4/2023
Abubakar Jimoh	Chairman	P	P	P
Olusegun Ogbonnewo	Vice-Chairman	A	P	P
Fatimah Bello--Ismail	Member	P	A	A
Roosevelt Ogbonna	Member	P	P	P
Seyi Kumapayi	Member	P	A	P
Herbert Wigwe	Member	P	P	P

The Committee assists in monitoring the Group's strategy formulation and implementation process. It also oversees the Group's investment planning, execution, monitoring process and periodically review the financial performance of the Group.

The key issues considered by the Committee during the period included the review of the Company's expansion strategies.

The Committee met 3 times during the reporting period.

Mr. Abubakar Jimoh is the Chairman of the Committee.

4. Board Risk Management Committee

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

Name	Designation	10/1/2023	14/4/2023
Olusegun Ogbonnewo	Chairman	P	P
Abubakar Jimoh	Vice-Chairman	P	P
Ojini Olaghere	Member	P	P
Roosevelt Ogbonna	Member	P	P
Seyi Kumapayi	Member	P	P
Herbert Wigwe	Member	A	P

The Committee is responsible for oversight of the Group's risk management framework and advising the Board on the risk appetite as well as the risk culture and risk management strategy of the Group.

During the period under review, the Committee considered the quarterly macroeconomic, Chief Risk Officer's report, and Chief Conduct and Compliance Officer's report.

The Committee met 2 times during the reporting period.

Mr. Olusegun Ogbonnewo is the Chairman of the Committee.

5. Board Audit Committee

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

Name	Designation	11/1/2023	27/1/2023	13/4/2023
Abubakar Jimoh	Chairman	P	P	P
Fatimah Bello-Ismail	Vice-Chairman	P	P	P
Ojini Olaghere	Member	P	P	P

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

During the review period, the Committee considered the Group's financial performance and recommended the Internal Audit report, and Chief Financial Officers report to the Board for approval.

The Committee met 3 times during the reporting period.

Mr. Abubakar Jimoh is the Chairman of the Committee.

6. Board Digital & Information Technology Committee

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

Name	Designation	12/1/2023	12/4/2022
Ojini Olaghere	Chairman	P	P
Olusegun Ogbonnewo	Vice-Chairman	P	P
Fatimah Bello-Ismail	Member	P	P
Roosevelt Ogbonna	Member	P	P
Herbert Wigwe	Member	P	P
Olanrewaju Bamisebi	Member	P	P

The Committee was established to oversee the end-to-end digital delivery of the Group's products and services. The Committee receives regular reports on the Group's digital ecosystem and customer experience and oversees the Group's IT strategy. The Committee monitors investments in the Group's IT infrastructure and support systems to ensure the safe and effective delivery of products and services.

The key issues considered by the Committee during the period included the reports on Information Technology, Information and Cyber Security, customer feedback as well as internal audit report on the Company's information technology and digital systems.

The Committee met 2 times during the reporting period.

Mrs Olaghere is the Chairman of the Committee.

Key

P	Present
A	Absent

DIRECTORS' INTEREST IN CONTRACTS

Disclosure on Directors' interest in contracts in contained in this report.

Management Committee

The Management Committee (MANCO) is made up of the Group Managing Director as Chairman, Executive Directors, and all Group Heads. The Committee is primarily responsible for the implementation of strategies approved by the Board and ensuring the efficient deployment of the Company's resources

Group Committee of CEOs of Subsidiaries

The Group Committee of CEOs of Subsidiaries of the Company supports the GCE to guide and control the overall direction and success of the businesses of its subsidiaries. The responsibilities are highlighted below:

i. Ensuring the effective implementation and alignment with the Group strategy by its subsidiaries.
ii. Ensuring overall alignment of the business performance of the subsidiaries with the Company's overarching strategy and plans.
iii. Reviewing strategic and business performance of the subsidiaries against the approved plan and budgets and agree recommendations for corrective actions.
iv. Promoting the identification of synergies and ensuring the implementation of initiatives designed to deliver the synergies.
v. Discussing and monitoring major reputation and brand management risk issues as they impact the Company and/or any of the subsidiaries.

Statutory Audit Committee

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

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

The profiles of the shareholders' representatives in the Committee in H1, 2023 are as follows:

Henry Omatsola Aragho, FCA
Chairman, Statutory Audit Committee

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

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

Idaere Gogo-Ogan
Member, Statutory Audit Committee

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

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

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

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

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

Composition

The composition of the Company's Statutory Audit Committee follows the Companies and Allied Matters Act 2020 and comprises 3 shareholders and 2 Non-Executives, one of whom is an Independent Non-Executive Director while the other is independent of the management of the Company.

Record of Attendance at Statutory Audit Committee Meetings in H1 2023

Name	27/1/2023	25/4/2023
Henry Omatsola Aragho Chairman Shareholder representative	P	P
Idaere Gogo Ogan Member Shareholder representative	P	P
Abubakar Aribidesi Jimoh Member Board representative	P	P
Ojinika Nkechinyelu Olaghere Member Board representative	P	P

*Mr. Gbogboade was appointed as a Member of the Statutory Audit Committee at the Company's Annual General Meeting held on May 24, 2023.

Tenure of the Statutory Audit Committee

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

Role and Focus of the Statutory Audit Committee

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

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

2023 Interim Audit Fees

The audit fees paid by the Company to KPMG, external auditors for the first half 2023 statutory audit was N21,500,000.00.

Going Concern

The Directors confirm that after making appropriate enquiries, they have reasonable expectation that the Company 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.

External Auditors

Messrs KPMG acted as our external auditors for H1, 2023. The Board confirms that the Company has complied with the regulatory requirement as enshrined in the CBN and SEC Codes of Corporate Governance on the rotation of audit firm and audit partners. KPMG was appointed the Company's sole external auditors effective January 1, 2023.

Succession planning

The Board has a robust policy which is aligned to the Company's performance management process. The policy identifies key positions 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 Company'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.

Dealing in Company Securities

The Company 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 its 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 Company has put in place a mechanism for monitoring compliance with the policy.

Remuneration Policy

The Company has established a remuneration policy that seeks to attract and retain the best talent in countries that it operates. To achieve this, the Company 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 our reward practices. The Company ensures that all local tax policies are complied with in its 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.

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

Whistle-Blowing Procedure

The Company expects all its employees and Directors to observe the highest level of probity in their dealings with the Company and its stakeholders. Our Whistle-Blowing structure 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 Company's internal policies and laws and regulations.

The Company has engaged Deloitte to provide consulting assistance in the implementation of the policy. The policy provides that suspected wrongdoing by an employee, vendor, supplier or consultant may be reported through the Company's or Deloitte's Ethics lines or emails, details of which are provided below.

Internal Channels:

Email: Whistleblower@theaccesscorporation.com

External Channels:

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

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

Mobile App: Deloitte Tip-Offs Anonymous App

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

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 Company in line with the rules of the Securities and Exchange Commissions has implemented Investors Enquiries and Complaints Management Policy.

Highlights of The Company'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 Company'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 Company's policy or regulatory infractions.

The Executives, Chief Financial Officer and applicable senior management employee must have served the Company 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 Company is required to restate its financial results (look back period), meaning the earlier of:

i. The date that the Audit Committee concludes that the Company'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 Company to restate its financial information to correct a material error.

Highlights of Sustainability Policies

The Company 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 Company for strategic growth and long-term success. The Company's policies and frameworks facilitate the achievement of its vision. The strict adherence to these policies is one of the ways to ensure the Company remains a responsible corporate citizen.

Statement of Compliance

We hereby confirm to the best of our knowledge that the Company 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 Financial Reporting Council's Nigerian Code of Corporate Governance
4. The Nigerian Exchange Rules for Listing on the Premium Board
5. The Post-Listing Rules of the Nigerian Exchange Limited

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

Bababode Osunkoya
Chairman

Sunday Ekwochi
Company Secretary

Statement of Directors' Responsibilities in relation to the Consolidated and separate Financial Statements for the period ended 30 June 2023

The Directors accept responsibility for the preparation of the consolidated and seperate financial statements that give a true and fair view of the financial position of the Company and Group as at 30 June 2023 and the results of its operations, cash flows and changes in equity for the period ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Herbert Wigwe
Group Managing Director
FRC/2013/ICAN/00000001998
July 27, 2023

Seyi Kumapayi
Non Executive Director
FRC/2013/ICAN/00000000911
July 27, 2023

Report of the statutory audit committee

To the members of Access Holdings Plc:

In accordance with the provisions of Section 404(1) of the Companies and Allied Matters Act of Nigeria, the members of the Audit Committee of Access Holdings Plc hereby report on the financial statements for the period ended 30 June 2023 as follows:

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

We are of the opinion that the accounting and reporting policies of the Company 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 period ended 30 June 2023 were satisfactory and reinforce the Group's internal control systems.

We are satisfied that the Company 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 **N837million** was outstanding as at 30 June 2023 and was performing as at 30 June 2023 (see note 45)

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

FRC/2017/ICAN/00000016270
Mr. Henry Omatsola Aragho
Chairman, Audit Committee
27 July 2023

Members of the Audit Committee are:

1	Mr. Henry Omatsola Aragho	Shareholder	Chairman
3	Mr. Idaere Gogo-Ogan	Shareholder	Member
3	Mr. Akindele Gbogboade	Shareholder	Member
4	Mr. Abubakar Jimoh	Director	Member
5	Mrs. Ojinika Olaghere	Director	Member

In attendance:
Sunday Ekwochi – Company Secretary

Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements for the period ended 30 June 2023

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Group Managing Director and Chief Financial Officer, hereby certify the interim consolidated and seperate financial statements of the Group for the period ended 30 June 2023 as follows:

(a) That we have reviewed the audited financial statements of the Group for the period ended 30 June 2023.

(b) That 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, in the light of the circumstances under which such statement was made.

(c) That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group as of and for, the period ended 30 June 2023.

(d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Group is made known to the officer by other officers of the companies, during the period ended 30 June 2023.

(e) That we have evaluated the effectiveness of the Group's internal controls prior to the date of the audited financial statements, and certify that the Group's internal controls are effective as of that date.

(f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

(g) That we have disclosed the following information to the Group's Auditors:

- there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report financial data, and have identified for the Group's auditors any material weaknesses in internal controls, and

- there is no fraud that involves management or other employees who have a significant role in the Group's internal control.

27 July 2023

Morounke Olufemi
Chief Financial Officer
FRC/2015/MULTI/00000011887
27 July, 2023

Herbert Wigwe
Group Managing Director
FRC/2012/ICAN/00000001998
27 July, 2023

ENTERPRISE RISK MANAGEMENT

The world finds itself at a pivotal moment, as the global recovery from the dual challenges of the COVID-19 pandemic and Russia's invasion of Ukraine is showing signs of slowing down. This deceleration can be attributed to growing disparities among various economic sectors and regions. While the World Health Organization declared in May that COVID-19 is no longer a "global health emergency," we must acknowledge that hurdles persist.

Although supply chains have made significant progress in their recovery, we have observed a return to pre-pandemic levels of shipping expenses and supplier delivery times. High inflation rates continue to erode the purchasing power of households, prompting central banks to respond with tightened policies, resulting in increased borrowing costs and constraints on economic activities. While concerns about the stability of the banking sector have lessened, elevated interest rates are still affecting the financial system, with banks in advanced economies adopting stricter lending standards.

These challenges extend to public finances, particularly in less affluent countries grappling with the burden of high debt expenses. This situation restricts their capacity to invest in critical areas. Disparities in output compared to pre-pandemic forecasts persist, particularly among the world's most vulnerable nations. However, it's important to note that we have witnessed resilience in the global economy during the first half of 2023, largely driven by the services sector.

Shifting our focus to the domestic economy, the first half of this year witnessed a slowdown in economic activity, influenced by various factors, including the unification of the exchange rate, and removal of subsidies amongst others. These actions have increased production costs, exacerbated by high energy prices and elevated borrowing costs. Nonetheless, there is cautious optimism as the new government initiates long-awaited reforms, such as the repeal of the Electric Power Sector Reform Act, granting more control over power production and distribution.

The removal of petrol subsidies and changes in the foreign exchange market have had ripple effects on domestic prices. Petrol costs have surged, and the exchange rate has experienced fluctuations, impacting businesses and households alike.

In Sub-Saharan Africa, a funding squeeze has gripped the region due to global inflation and tighter monetary policies. This has resulted in higher borrowing costs and put pressure on exchange rates, hindering the issuance of Eurobonds and exacerbating existing challenges related to public debt and inflation.

Now, looking forward to the second half of 2023, the International Monetary Fund (IMF) anticipates a decline in global growth, primarily driven by advanced economies. In contrast, emerging markets and developing economies are expected to maintain relatively stable growth, albeit with some regional variations. Sub-Saharan Africa is poised for growth, with Nigeria's outlook influenced by security issues in the oil sector.

For Access Holdings Plc, our commitment remains unwavering. We are dedicated to managing emerging and evolving risks in this challenging environment. Our confidence for the last half of 2023 rests upon the strong foundation we have diligently built over the years. We have made significant investments in digital and technology capabilities to seize opportunities and remain competitive amidst increased competition and disruptions.

We are proud of our deep talent pool and have developed an integrated framework designed to evaluate risk throughout the holding company.

In conclusion, while we acknowledge the challenges ahead, we are well-prepared and resolute in our commitment to serve our clients, shareholders, and communities. Together, we will continue to drive Access Holdings Plc’s vision of creating a globally connected community and ecosystem, inspired by Africa, for the world.

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 Access Holdings Plc (The Company) 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 Company. These policies, which define acceptable levels of risk for day-to-day operations as well as the willingness of the Company 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 Company'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 Company 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 Company 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 is part of the second line of defence and supports the company's risk policy through a shared service with the verticals by constantly monitoring risk, to identify and quantify significant risk exposures and acting upon such exposures, as necessary.

Our Risk Management practices are also cascaded across the verticals in the Company. Each vertical has its unique risks and has an overall governance framework to manage these risks

Access Holdings Plc 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

Access Holdings 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 Company's risk-conscious management process across all the verticals 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 Company'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 Holdings Plc 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 Company's risk management philosophy is that a moderate and guarded risk attitude ensures sustainable growth in shareholder value and reputation.

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

a) Management and staff:
   - Consider all forms of risks in decision-making
   - Work with the verticals to create and evaluate the vertical's risk profiles to consider what is best for each business and what is optimal for the Company.
   - 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 company in each entity and are guided in the exercise of their powers by a deep sense of responsibility, professionalism, and respect for other parties.
c) The Company 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 across the Company.
e) Equal attention is paid to both quantifiable and non-quantifiable risks.
f) The Company avoids products and businesses it does not understand.

GROUP RISK OVERSIGHT APPROACH

Managing risk is a fundamental part of all businesses. Access Holdings Plc manages risk as part of a long-term strategy of resilience. Risk management is embedded in all levels of the Company and is part of the daily business activities and strategic planning to have a sustainable competitive advantage.

To achieve its risk management objectives, the Company 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 Company 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 be accountable 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 Company and its 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 and their verticals into consideration, the Company'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 Company'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 Access Holdings Plc 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 Company 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
- Pension Risks
- 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 Company'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.

The management committees that exist in the company and its verticals include:

- Group Committee of CEOs of Subsidiaries.
- The Management Committee meeting of the corporation (MANCO).
- Group Risk Management Committee (GRMC).
- Executive Committee (EXCO) at the various subsidiaries.

- Risk committees at the various Subsidiaries.
- Management Credit Committee (MCC) and Group Asset & Liability Committee (Group ALCO) at the Banking group.
- Digital Steering Committee (DSC), Information Security Council (ISC), and Operational Risk Management Committee (ORMC) at the Banking group among others.

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

The Company uses consistent risk terminology as best as possible to enable alignment in risk aggregation and measurement across its verticals. The Banking Group forms a major part of its risk.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Access Holdings Plc

Report on the Audit of the Interim Consolidated and Separate Financial Statements

Opinion

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

- the consolidated and separate statements of financial position as at 30 June 2023;
- the consolidated and separate statements of comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the period then ended; and
- the notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying interim consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 30 June 2023, and of its consolidated and separate statements of comprehensive income and its consolidated and separate statements of cash flows for the period then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

Basis for Opinion

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

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Key Audit Matters

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

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

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

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

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

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

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

- We evaluated the design, implementation and operating effectiveness of the key controls over the impairment assessment process such as:
  - The Board Risk Credit Committee's review and monitoring of the performance of loans and advances to customers;
  - Management review of the model assumptions and inputs; and the resultant ECL allowance arising from the model;
  - Management review and approval of the expected credit losses arising from the model.
- We assessed the Group's default definition and other qualitative default indicators by checking it to the requirements of the IFRS 9 *Financial Instruments*.
- We tested the appropriateness of the Group's determination of SICR, defaults and the resultant classification of loans and advances to customers into stages on a sample basis by reviewing customer files for the terms of the loans and account statements for due and unpaid obligations.
- For loans and advances to customers which have shown a significant increase in credit risk, we evaluated the level of past due obligations and qualitative factors such as available industry information about the obligors to determine whether the Group

should make an estimate based on the losses expected to result from default events within a year or defined default events over the life of the facilities.

- Assisted by our Financial Risk Management (FRM) specialists, we evaluated the appropriateness of the key data and assumptions used in the ECL model of the Group. Our procedures on this regard included the following:
  - We challenged the appropriateness and reasonableness of the Group's ECL methodology by considering whether it reflects unbiased and probability-weighted amounts that are determined by evaluating a range of possible outcomes, the time value of money, reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.
  - For forward-looking assumptions comprising the Prime lending rate and Gross Domestic Product index used, we corroborated the Group's assumptions using publicly available information from external sources and checked that they were appropriate in the Group's circumstances.
  - We checked the CCF applied in modelling the EAD for undrawn commitments by reviewing the client's computation to confirm that the computation is in line with portfolio segmentation.
  - For PD used in the ECL calculation, we reviewed the model used for its calculation and we validated the completeness and accuracy of the data used for default and non-default categories for corporate and retail loans by evaluating its reasonability;
  - We checked the calculation of the LGD used by the Group in the ECL calculations, including the appropriateness of the use of collateral, by recomputing the LGD, cashflow validation, and assessing the haircuts applied by management on the recoverability of collateral considering the current economic conditions. On a sample basis, we challenged the valuation of collaterals applied in the ECL computations by evaluating the competence of the valuers.
  - We independently re-performed the calculation of ECL allowance for loans and advances to customers using the Group's impairment model and validated key inputs.

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

The accounting policy on ECL allowance for loans and advances to customers, disclosure on critical judgments and estimates, financial risk management disclosures and notes are shown in Note 3.9, 4.0, 5.1 and 23 respectively in the interim consolidated and separate financial statements for the period ended 30 June 2023.

Valuation of Derivatives

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

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

- We evaluated and tested the design, implementation and operating effectiveness of key controls over the inputs used in determining the Group and Company's valuation of derivative instruments.
- We inspected derivative contracts on a sample basis and substantiated the terms of the derivatives.
- Assisted by our FRM specialists, we performed the following procedures:
  - We evaluated the appropriateness of the methodology and assumptions used by management, including correlation factors, volatilities in determining the fair value of the derivatives assets and liabilities.
  - We assessed whether the valuation model used by the Group and Company was in line with acceptable market practice.
  - We validated the inputs used in the valuation model such as discount rates, forward exchange rates, yields, etc. by obtaining quoted rates from relevant external sources, and other relevant markets and compared these rates to the mark-to-market rates used by management.
  - We assessed the reasonableness of the forward rates determined by management by independently re-computing the forward rates using the available market data and compared this to the forward rates determined by management.
  - We re-performed the calculation of the fair value of the derivative financial instruments of the Group and Company as at 30 June 2023 using the Group and Company's methodology.
- We evaluated the adequacy and appropriateness of the disclosures made on derivative financial instruments in the interim consolidated and separate financial statements.

The Group and Company's accounting policy, disclosure on critical judgments and estimates, financial risk management disclosures, and notes are shown in Note 3.22, 4.0, 5.1 and Note 21 in the interim consolidated and separate financial statements for the period ended 30 June 2023.

Accounting for Business combinations- Reassessment of Provisional Goodwill

In December 2022, the Group acquired interests in First Guarantee Pensions Limited (FGPL) and Sigma Pensions Limited. First Guarantee Pensions Ltd and Sigma Pensions Ltd merged with the surviving entity being Sigma Pensions Ltd, later renamed to Access Pensions Ltd. These acquisitions gave rise to a provisional Goodwill of N34.94bn in that year. The provisional Goodwill was recognised because the Directors had not concluded the Purchase Price Allocation (PPA) for the acquisitions and elected to record the acquisition-related entries as provisional as at 31 December 2022 as permitted under IFRS 3 *Business Combinations*.

In June 2023, the Company's PPA for the acquisition was concluded, and the provisional Goodwill of N34.94 billion previously recognized was revised to N23.63 billion. Based on the revised PPA, additional intangible assets of N11.29bn relating to customer relationships and pension license were identified and recognized separately from the previously recognized Goodwill.

The PPA requires the use of judgments and assumptions in determining the fair value of the identified assets and liabilities. Some of the key judgments and assumptions include:

- Estimation of future cashflows of the investee entities using the Multi-Period Excess-Earnings Method (MEEM)
- Determination of the fair value of intangible assets relating to customer relationships and pension license.

How the matter was addressed in our audit

Our audit procedures in this area included, among others:

- Involving our own valuation specialists to support us in challenging the valuations prepared by the Group and the methodology used to identify the assets and liabilities acquired; in particular:
  - We assessed the appropriateness and reasonableness of the valuation model, the cash flow forecasts, cost approaches, and the key assumptions used in the determination of the fair value of the identified assets and liabilities of the acquired entities.
  - We evaluated the key assumptions used to determine the fair value of the intangible assets (customer relationship and pension license) identified from the business combination.
- We evaluated the reasonableness and appropriateness of the balance recognized as intangible assets.

The Group's accounting policy on Business Combinations and disclosure on critical judgments and estimates are shown in Notes 3.3 and 4.0 respectively in the Interim consolidated and separate financial statements for the period ended 30 June 2023.

Other Matter

The interim consolidated and separate financial statements for the period ended 30 June 2022 and the consolidated and separate financial statements for the year ended 31 December 2022 were audited by another auditor who expressed unmodified opinions on those statements on 14 September 2022 and 19 April 2023 respectively.

Other Information

The Directors are responsible for the other information. The other information comprises; Corporate information, Directors' report, Customer complaints and Feedback, Reports to the CBN on Frauds and Forgeries, Corporate Governance report, Statement of Directors' Responsibilities, Report of the Statutory Audit Committee, Statement of Corporate Responsibility and Other National Disclosures, but does not include the interim consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the interim consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the interim consolidated and separate financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the interim consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the interim Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of the interim consolidated and separate financial statements that give a true and fair view in accordance with IFRS Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the interim consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the interim consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim consolidated and separate financial statements, including the disclosures, and whether the interim 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 interim consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with Statutory Audit Committee, we determine those matters that were of most significance in the audit of the interim 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

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

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
iii. The Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

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

i. The Company and Group paid penalties in respect of contravention of the Banks and Other Financial Institutions Act of Nigeria and CBN Circulars during the period ended 30 June 2023. Details of penalties paid are disclosed in Note 41 to the interim consolidated and separate financial statements.

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

Kabir

Kabir O. Okunlola
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
22 September 2023
Lagos, Nigeria

Consolidated and separate statement of comprehensive income

In millions of Naira	***Notes***	**Group June 2023**	**Group June 2022**	**Company June 2023**	**Company June 2022**
Interest income calculated using effective interest rate	8	596,136	342,530	-	-
Interest income on financial assets at FVTPL	8	10,701	29,774	-	-
Interest expense	8	(382,598)	(174,802)	(7,878)	-
Net interest income		224,239	197,502	(7,878)	-
Net impairment charge on financial assets	9	(37,175)	(36,863)	-	-
Net interest income after impairment charges		187,064	160,639	(7,878)	-
Fee and commission income	10 (a)	125,021	81,100	-	-
Fee and commission expense	10 (b)	(36,995)	(25,662)	-	-
Net fee and commission income		88,026	55,438	-	-
Fair Value and Foreign exchange gain/(loss)	11,12	192,047	128,253	(3,308)	-
Other operating income	13	16,022	10,029	57,904	24,882
Personnel expenses	14	(65,126)	(58,274)	(1,142)	(663)
Depreciation	28	(18,595)	(14,948)	(94)	(20)
Amortization and impairment	29	(7,582)	(6,747)	-	-
Other operating expenses	15	(224,638)	(176,710)	(1,165)	(1,181)
Share of profit of investment in Associate	27 (a)	382	118	-	-
Profit before tax		167,601	97,791	44,318	23,018
Income tax	16	(32,161)	(9,052)	(418)	232
Profit for the period for continuing Operations		**135,441**	**88,739**	**43,900**	**23,250**
					-
Discontinued operations					
Gain from Discontinued operations		-	148	-	-
Profit for the period		**135,441**	**88,887**	**43,900**	**23,250**
					-
Other comprehensive income/(Loss) (OCI):					
Items that will not be subsequently reclassified to income statement:					-
Gross Actuarial (loss)/gain on retirement benefit obligations		212	(1,276)	-	-
Items that may be subsequently reclassified to the income statement:					
Unrealised foreign currency translation difference		339,999	(31,511)	-	-
Changes in fair value of FVOCI debt financial instruments		88,249	(7,559)	-	
Changes in allowance on FVOCI debt financial instruments		(7,049)	396	-	-
Income tax relating to these items		(69)	-	-	-
Other comprehensive gain/ (loss), net of related tax effects		421,343	(39,950)	-	-
Total comprehensive gain for the period		**556,783**	**48,789**	**43,900**	**23,250**
Profit attributable to:					-
Equity holders of the parent entity		132,913	87,290	43,900	23,250
Non-controlling interest	38	2,528	1,447	-	-
Profit for the period		**135,441**	**88,738**	**43,900**	**23,250**
Total comprehensive income attributable to:					
Equity holders of the parent entity		496,418	54,631	43,900	23,250
Non-controlling interest	38	60,365	(5,842)	-	-
Total comprehensive income for the period		**556,783**	**48,789**	**43,900**	**23,250**
Total profit/(loss) attributable to owners:					
Continuing operations		**132,913**	**87,143**	**43,900**	**23,250**
Discontinued operations		-	148	-	-
		132,913	**87,290**	**43,900**	**23,250**
Total comprehensive income/(loss) attributable to owners:					
Continuing operations		496,418	54,483	43,900	23,250
Discontinued operations		-	148	-	-
		496,418	**54,631**	**43,900**	**23,250**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	374	252	124	-
Diluted (kobo)	17	374	250	124	-
Earnings per share from continuing operations attributable to owners					
Basic (kobo)	17(a)	374	252	-	-
Diluted (kobo)	17(b)	374	250	-	-
Earnings per share from discontinuing operations attributable to owners					
Basic (kobo)	17(a)	-	-	-	-
Diluted (kobo)	17(b)	-	-	-	-

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

Consolidated and separate statement of financial position
as at 30 June 2023

In millions of Naira	*Notes*	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Assets					
Cash and balances with banks	18	2,077,621	1,969,783	11,757	2,488
Investment under management	19	44,549	39,502	38,890	35,760
Non pledged trading assets	20	142,082	102,690	-	-
Derivative financial assets	21	1,755,483	402,497	85,770	-
Loans and advances to banks	22	913,473	455,709	-	-
Loans and advances to customers	23	6,709,793	5,100,807	-	-
Pledged assets	24	1,030,487	1,265,279	-	-
Investment securities	25	4,542,404	2,761,072	-	-
Investment properties	31a	217	217	-	-
Restricted deposit and other assets	26	3,063,376	2,424,597	17,592	11,719
Statutory Reserve Investment	26	3,644	3,515	-	-
Pension Protection Fund Investment	26	667	651	-	-
Investment in associates	27a	7,892	7,510	-	-
Investment in subsidiaries	27b	-	-	430,829	290,316
Property and equipment	28	349,369	298,351	762	845
Intangible assets	29	122,183	109,087	-	-
Deferred tax assets	30	28,545	15,095	-	72
		20,791,786	14,956,362	585,601	341,200
Asset classified as held for sale	31b	61,483	42,039	-	-
Total assets		**20,853,270**	**14,998,401**	**585,601**	**341,200**
Liabilities					
Deposits from financial institutions	32	2,425,116	2,005,316	-	-
Deposits from customers	33	12,508,132	9,251,238	-	-
Derivative financial liabilities	21	478,243	32,737	-	-
Current tax liabilities	16	1,604	5,594	369	224
Other liabilities	34	1,177,358	769,694	101,988	90,317
Deferred tax liabilities	30	14,070	1,872	142	-
Debt securities issued	35	473,413	307,253	-	-
Interest-bearing borrowings	36	2,040,349	1,390,029	234,750	-
Retirement benefit obligation	37	3,498	3,277	-	-
Total liabilities		**19,121,782**	**13,767,010**	**337,249**	**90,540**
Equity					
Share capital and share premium	38	251,811	251,811	251,811	251,811
Additional Tier 1 Capital	38	206,355	206,355	-	-
Retained earnings/ (Accumulated deficit)		442,810	408,702	(3,460)	(1,151)
Other components of equity	38	747,339	341,716	-	-
Total equity attributable to owners of the parent entity		**1,648,316**	**1,208,584**	**248,351**	**250,660**
Non controlling interest	38	83,172	22,807	-	-
Total equity		**1,731,488**	**1,231,391**	**248,351**	**250,660**
Total liabilities and equity		**20,853,270**	**14,998,401**	**585,601**	**341,200**

Signed on behalf of the Board of Directors on 27 July, 2023 by:

GROUP MANAGING DIRECTOR
Herbert Wigwe
FRC/2013/ICAN/00000001998

NON-EXECUTIVE DIRECTOR
Oluseyi Kumapayi
FRC/2013/ICAN/00000000911

CHIEF FINANCIAL OFFICER
Morounke Olufemi
FRC/2015/MULTI/00000011887

Consolidated and separate statement of changes in equity

In millions of Naira
Group

	Attributable to equity holders of the parent													
	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
Balance at 1 January, 2023	17,773	234,039	206,355	78,556	158,305	3,513	(11,228)	3,489	78,960	30,122	408,702	**1,208,583**	22,807	**1,231,390**
Total comprehensive income for the period:														
Profit for the period	-	-	-	-	-	-	-	-	-	-	132,913	132,913	2,528	135,441
												-		-
Other comprehensive income/(loss), net of tax														
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	311,891	-	311,891	28,108	339,999
Actuarial gain on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	144	144	-	144
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	58,520	-	-	58,520	29,729	88,249
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(7,049)	-	-	(7,049)	-	(7,049)
Total other comprehensive (loss)/ income	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**51,471**	**311,891**	**144**	**363,506**	**57,837**	**421,341**
Total comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**51,471**	**311,891**	**133,056**	**496,418**	**60,365**	**556,783**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of parent shares purchased for staff	-	-		-	-	(6,188)	-	-	-	-	-	(6,188)	-	(6,188)
Transfers between reserves	-	-	-	19,718	23,093	-	-	-	-	-	(42,811)	-	-	-
Transfers between equity owners on acquisitions	-	-	-	-	-	-	-	-	-	2,961	3,217	6,178	-	6,178
Scheme shares (See Note 14)	-	-	-	-	-	1,346	-	-	-	-		1,346	-	1,346
Vested shares	-	-	-	-	-	1,330	-	-	-	-	(13,145)	(11,816)	-	(11,816)
Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	-	-		-	-	-
Equity cost on share transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(46,209)	(46,209)	-	(46,209)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**19,718**	**23,093**	**(3,512)**	**-**	**-**	**-**	**2,961**	**(98,948)**	**(56,689)**	**-**	**(56,689)**
Balance at 30 June 2023	**17,773**	**234,039**	**206,355**	**98,274**	**181,398**	**1**	**(11,228)**	**3,489**	**130,431**	**344,974**	**442,810**	**1,648,316**	**83,172**	**1,731,488**

Consolidated statement of changes in equity

In millions of Naira
Group

	Attributable to equity holders of the parent													
	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
Balance at 1 January 2022	17,773	234,039	206,355	6,714	136,728	3,217	(7,513)	3,489	(9,713)	38,191	397,273	1,026,543	23,477	1,050,020
Total comprehensive income for the period:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period											87,290	87,290	1,447	88,737
Other comprehensive income/(loss), net of tax	-	-	-	-	-	-	-	-	-	-				
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-		(29,445)	-	(29,445)	(2,066)	(31,511)
Actuarial gain/(loss) on retirement benefit obligations	-	-		-	-	-	-	-	-	-	(1,276)	(1,276)	-	(1,276)
Changes in fair value of FVOCI debt financial instruments									(2,336)	-	-	(2,336)	(5,223)	(7,559)
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-		-	-	396	-	-	396	-	396
Cancelled fair value reserve from associates														
Total other comprehensive income/(loss)	-	-	-	-	-	-	-	-	**(1,941)**	**(29,445)**	**(1,276)**	**(32,662)**	**(7,289)**	**(39,951)**
Total comprehensive income	-	-	-	-	-	-	-	-	**(1,941)**	**(29,445)**	**86,014**	**54,628**	**(5,842)**	**48,786**
	-	-		-	-	-	-	-	-	-	-	-	-	-
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuing Cost of additional Tier 1 Capital	-	-		-	-	-	-	-	-	-	-	-	-	-
Transfers during the period	-	-	-	47,186	8,913	-	-	-	-	-	(56,099)	-	-	-
Additional shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Scheme shares (See Note 14)	-	-	-	-	-	657	(238)	-	-	-	-	419	-	419
Vested shares	-	-	-	-	-	(891)	-	-	-	-	-	(891)	-	(891)
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity cost on share transfer	-	-	-	-	-	-	-	-	-	-	(801)	(801)	-	(801)
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(24,882)	(24,882)	-	(24,882)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**47,186**	**8,913**	**(234)**	**(238)**	**-**	**-**	**-**	**(81,782)**	**(26,156)**	**-**	**(26,156)**
Balance at 30 June 2022	**17,773**	**234,039**	**206,355**	**53,900**	**145,642**	**2,983**	**(7,751)**	**3,489**	**(11,654)**	**8,749**	**401,505**	**1,055,020**	**17,635**	**1,072,645**

Statement of changes in equity
In millions of Naira

Company	Share capital	Share premium	Retained earnings	Total Equity
Balance at 1 January, 2023	17,773	234,039	(1,151)	**250,661**
Total comprehensive income for the period:				
Profit for the period	-	-	43,900	43,900
Other comprehensive income, net of tax				
Changes in fair value of FVOCI debt financial instruments	-	-	-	-
Changes in allowance on FVOCI debt financial instruments			-	-
Total other comprehensive profit	**-**	**-**	**-**	**-**
Total comprehensive profit	**-**	**-**	**43,900**	**43,900**
Transactions with equity holders, recorded directly in equity:				
Dividend paid to equity holders	-	-	(46,209)	(46,209)
Additional shares	-	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**(46,209)**	**(46,209)**
Balance at 30 June 2023	**17,773**	**234,039**	**(3,460)**	**248,352**

In millions of Naira

Company	Share capital	Share premium	Retained earnings	Total Equity
Balance at 1 January, 2022	-	-	-	**-**
Profit for the period	-	-	23,250	23,250
Changes in fair value of FVOCI debt financial instruments	-	-	-	**-**
Changes in allowance on FVOCI debt financial instruments			-	-
Total other comprehensive income	**-**	**-**	**23,250**	**23,250**
Transactions with equity holders, recorded directly in equity:				
Additional Tier 1 (AT1) Capital issued	**-**	**-**	**-**	**-**
Issuing Cost of additional Tier 1 Capital	**-**	**-**	**-**	**-**
Transfers for the period	**-**	**-**	**-**	**-**
Dividend paid to equity holders	-	-	(24,882)	**(24,882)**
Shares issued under scheme of merger and Group restructuring	17,773	234,039	-	251,811
Equity on share transfer	-	-	(801)	(801)
Balance at 30 June 2022	**17,773**	**234,039**	**(2,433)**	**249,378**

Consolidated statement of cash flows

In millions of Naira	Note	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Cash flows from operating activities					
Profit before income tax including discountinued operations		167,601	97,791	44,319	23,018
Adjustments for:					
Depreciation	28	18,595	14,948	94	20
Amortisation	29	7,582	6,747	-	-
Gain on disposal of property and equipment	13	(146)	(546)	-	-
Loss on lease modification	28	37	(103)	-	-
Fair value gain on financial assets at FVPL	10b	(21,103)	1,292	-	-
Gain on disposal of investment securities	11	(134,468)	(108,527)	-	-
Impairment on financial assets	9	37,176	36,861	-	-
Additional gratuity provision	14	340	5,008	-	-
Restricted share performance plan expense	14	799	785	-	-
Write-off of property and equipment		406	246	-	-
Write-off of intangible assets	29	135	(118)		-
Share of profit from associate	27	(382)	-	-	-
Interest Expense		-	-	7,878	-
Write-off of non-current asset held for sale		-		-	-
Bargain purchase from acquisition		-		-	-
Net interest income	8	(224,742)	(197,503)	-	-
Fair valaue and foreign exchange gain/(loss)	12	(139,937)	(7,737)	3,308	-
Loss on derecognition of ROU assets	28	-	6,145	-	-
Fair value of derivative financial instruments excluding hedged portion	11	192,634	43,099	-	-
Dividend income	13	(4,153)	(3,290)	(47,275)	(24,882)
Loss from discontinued operations	46	-	(83)	-	-
Change arising from goodwill reassessment	29	7,848	148	-	-
(Loss)/Gain on disposal of investment property		-		-	-
Loss on disposal of subsidiaries		-		-	-
		(91,779)	(116,118)	8,323	(1,844)
Changes in operating assets					
Changes in non-pledged trading assets	20	(81,495)	199,089	(89,078)	-
Changes in pledged assets	24	(195,700)	(678,995)	-	-
Changes in other restricted deposits with central banks	26	(463,508)	(191,247)	-	-
Changes in loans and advances to banks and customers	23	(2,024,647)	(474,333)	-	-
Changes in restricted deposits and other assets	26	(953,741)	(419,504)	(5,873)	(43,010)
Changes in operating liabilities					
Changes in deposits from banks	32	356,741	380,322	-	-
Changes in deposits from customers	33	3,230,899	891,008	-	-
Changes in other liabilities	34	414,476	71,520	11,671	47,986
		191,247	(338,259)	(74,957)	3,133
Interest paid on deposits to banks and customers	32	(234,068)	(147,704)	-	-
Interest received on loans and advances to bank and customers	33	246,340	209,827	-	-
Interest received on non-pledged trading assets	20	12,719	32,034	-	-
		216,238	(244,102)	(74,957)	3,133
Payment out of retirement benefit obligation		-	(7,067)		
Income tax paid	16	(24,314)	(11,223)	(58)	-
Net cash generated from operating activities		**191,924**	**(262,386)**	**(75,015)**	**3,133**
Cash flows from investing activities					-
Net acquisition of investment securities		(2,263,163)	(1,000,075)	-	-
Interest received on investment securities	25	236,586	88,602	-	-
Transfer from/additional investment in fund manager	26	(1,604)	217	312	-
Dividend received	13	4,153	3,290	47,275	24,882
Acquisition of property and equipment	28	(82,286)	(36,686)	(10)	(332)
Proceeds from the sale of property and equipment	28	11,665	1,888	-	-
Capital expenditure on investment property		-	-	-	-
Acquisition of intangible assets	29	(13,534)	(3,306)	-	-
Proceeds from disposal of asset held for sale		-	8,384	-	-
Proceeds from matured investment securities	25	1,278,685	663,492	-	-
Proceeds from disposal of sub-subsidiary		-	-	-	-
Additional investment in associate		-	(886)	-	-
Additional investment in subsidiaries	27c	(140,513)	-	(140,513)	(2,000)
Net cash acquired on business combination		-	-	-	-
Net cash paid to acquire new subsidiary		-			-
Pension Protection Fund Investment		-		-	-
Net cash generated from investing activities		**(970,012)**	**(275,073)**	**(92,936)**	**22,548**
Cash flows from financing activities					
Interest paid on interest bearing borrowings and debt securities issued	36	(40,281)	(32,082)	-	-
Proceeds from interest bearing borrowings	38	99,098	201,199	-	-
Proceeds from Additional Tier 1 capital issued	37	138,675	-	-	-
Payments on Issuing cost of Additional Tier 1 capital	36	(21,306)	-	-	-
Repayment of interest bearing borrowings	35	(84,019)	(104,073)	-	-
Increase in borrowings		226,872		226,872	-
Proceeds from debt securities issued		-	21,065	-	-
Lease payments	28	(3,013)	(22,141)	-	-
Purchase of own shares		2,528	(715)	-	-
Equity cost of share transfer		-	(801)	-	(801)
Debt securities issued		-	-	-	-
Dividends paid to owners	13	(47,275)	(24,882)	(46,208)	(24,882)
Net cash generated from/(used in) financing activities		**271,278**	**37,566**	**180,664**	**(25,683)**
Net increase in cash and cash equivalents		(506,809)	(499,893)	12,713	-
Cash and cash equivalents at beginning of period	40	1,933,427	1,528,923	32,300	-
Net increase in cash and cash equivalents		(506,809)	(499,893)	-	-
Effect of exchange rate fluctuations on cash held		(187,577)	(19,429)	(2)	-
Cash and cash equivalents at end of period	40	1,150,028	1,009,601	45,011	-

1.0 General information

Access Holdings Plc ("the company") is domiciled in Nigeria. The address of the company'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 interim financial statements of the Company for the period ended 30 June 2023 comprises of the Holding Company and its subsidiaries (together referred to as "the Group" and separately referred to as "Group entities"). The Corporation's business segments include banking, consumer lending, payment services, insurance brokerage and pension funds administration . The Company is listed on Nigerian Exchange Limited.

These financial statements were approved and authorised for issue by the Board of Directors on 27 July 2023. The directors have the power to amend and reissue the financial statements.

As at the time of this report,the Banking Group, Payment services and Pension Funds Administration are in operation as a subsidiary of the Holding Company.

2.0 Statement of compliance with International Financial Reporting Standards

The consolidated and separate interim financial statements of the Group and Company 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 Interim 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 interim 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 interim 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 Holdings 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 interim 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 period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

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

3.2 Changes in accounting policy and disclosures

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

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

IFRS 17 – Insurance Contracts
The IASB issued IFRS 17 in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. The new IFRS 17 standard establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard.

The objective of IFRS 17 is to ensure an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. This standard does not impact the Group in anyway as the Bank and its subsidiary companies do not engage in insurance business.
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

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

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

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

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

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

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

Standards and interpretations issued/amended but not yet effective

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

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

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

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

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

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

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

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

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

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

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

3.3 Basis of consolidation

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

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

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

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

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

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

(b) Business combinations

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

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

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

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

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

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

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

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

(c) 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 Company's presentation currency.

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

(b) Transactions and balances

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

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

(c) Group Entities

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 reporting 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 services.

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

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

(a) Interest income and expense

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

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

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

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

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

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

(b) Fees and commission income and expense

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

Fee and commission presented in the income statement includes:
- Credit related fees: This includes advisory, penal and commitment fees. These are fees charged for administration and advisory services to the customer up to the customer's acceptance of the offer letter. The advisory and commitment fees are earned at the point in time where the customer accepts the offer letter which is when the Group recognises its income. These fees are not integral to the loan, therefore, they are not considered in determining the effective interest rate. The penal fee on default also forms part of the items warehoused in this line.When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.
- Account maintenance fees: These are fees charged to current accounts. N1 on every N1,000 in respect of all customer induced debit transactions is charged on these accounts. These fees are earned by the Group at the time of each transaction and the Group recognises its income accordingly.
- Card maintenance fees: The Group charges these fees to customers for maintaining their cards. The fees are earned and recognised by the Group over the validity period of the card. The Group 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 Group and on the various debit and credit cards issued for the purpose of these payments. They are charged to the Group on services rendered on internet banking, mobile banking and online purchasing platforms. The corresponding income lines for these expenses include the income on cards (both foreign and local cards), online purchases and bill payments included in fees and commissions.

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

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

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

(d) Net Foreign exchange gain and losses

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

(e) Other operating income

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

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

3.7 Income tax

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

(a) Current tax

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

(b) Minimum Tax

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

3.8 Financial assets and liabilities

Investments and other financial assets

Recognition and derecognition

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

(a) Financial assets

i *Classification*

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

● those to be measured subsequently at fair value (either through OCI or through profit or loss), and

● those to be measured subsequently at amortised cost.

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

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

Measurement

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

ii *Debt instruments*

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

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

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

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

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

The Group only measures cash and balances with banks, Loans and advances to banks and customers and other financial investments at amortised cost if both of the following conditions are met:

• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

iii *Equity instruments*

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

iv Business model assessment

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

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

v The SPPI test

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

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

(b) Financial Liabilities

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

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

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

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

(c) Classification of financial assets

[i] Fair value through profit or loss

This category comprises financial assets classified as hold to sell upon initial recognition.

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

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

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

- The asset does not meet the solely principal and interest on the principal amount outstanding (SPPI) test
- The financial asset is held within a business model whose objective is achieved by selling financial assets.

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

[ii] Amortized cost

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

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

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

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

[iv] Fair value through other comprehensive income

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

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

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

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

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

(d) Classification of financial liabilities

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

[i] Financial liabilities at amortised cost

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

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

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

Deposits and debt securities issued are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Group designates liabilities at fair value through profit or loss.

On this statement of financial position, other financial liabilities carried at amortised cost include deposit from banks, deposit from customers, interest bearing borrowings, debt securities issued and other liabilities.

[ii] Financial liabilities at fair value

(ii) Financial liabilities at fair value
The Group may enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and foreign currency options. Further details of derivative financial instruments are disclosed in Note 21 to the financial statements.
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives are presented as financial assets or financial liabilities.
Derivative assets and liabilities are only offset if the transactions are with the same counterparty, a legal right of offset exists and the parties intend to settle on a net basis.

(e) Measurement of financial asset and liabilities

[i] Amortised cost measurement

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

[ii] Fair value measurement

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

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

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

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

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

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

Reclassification of financial assets and liabilities

(f) Reclassification of financial assets

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

The following are not changes in business model;

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

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

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

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

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

(g) Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions
The Group derecognises a financial asset or liability, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition in the statement of comprehensive income, to the extent that an impairment loss has not already been recorded. The terms and conditions have been renegotiated substantially if the discounted cash flows under the new terms are at least 10 per cent different from the discounted remaining cash flows of the original terms. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated Credit Impaired (POCI).
When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors:
• *Change in currency of the loan*
• *Introduction of an equity feature*
• *Change in counterparty*
• *If the modification is such that the instrument would no longer meet the SPPI criterion*

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

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

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.
The Group has transferred the financial asset if, and only if, either:
• The Group has transferred its contractual rights to receive cash flows from the financial asset or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
• The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
• The Group cannot sell or pledge the original asset other than as security to the eventual recipients
• The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.
In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Group has transferred substantially all the risks and rewards of the asset or
• The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.
When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.
If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group 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 Group 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. Also see Note 3.22

(iv) Pledged assets

Financial assets transferred to external parties that do not qualify for de-recognition are reclassified in the statement of financial position from financial assets carried at fair value through profit or loss or investment securities to assets pledged as collateral, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms.
Initial recognition of assets pledged as collateral is at fair value, whilst subsequent measurement is based on the classification of the financial asset. Assets pledged as collateral are either classified as fair value through profit or loss, Fair value through other comprehensive income or Amortized cost. Where the assets pledged as collateral are classified as fair value through profit or loss, subsequent measurement is at fair value through profit and loss, whilst assets pledged as collateral classified as Fair value through other comprehensive income are measured at fair-value through equity. Assets pledged as collateral are measured at amortized cost.

[v] Investment under management

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

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

The investments are carried at amortized cost.

3.9 Impairment of financial assets

Overview of the ECL principles

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

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

Staging Assessment

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

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

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

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

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

Change in credit quality since initial recognition ⟷

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

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

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

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

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

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

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

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

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

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

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

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

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

Qualitative criteria
The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

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

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

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

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

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

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

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

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

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

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

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

Collateral valuation
To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Group’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 periodly basis.
To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as external valuers.

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

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

Expected credit loss on loans and receivables

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

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

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

Expected credit loss on fair value through other comprehensive income securities

Impairment losses on fair value through other comprehensive income investment securities are recognised in profit or loss and the impairment provision is not used to reduce the carrying amount of the investment but recognised in other comprehensive income.
For debt securities, the group uses the criteria referred above to assess impairment.

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

3.10 Investment properties

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

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

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

3.11 Property and equipment

(a) Recognition and measurement

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

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

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

(b) Subsequent costs

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

(c) Depreciation

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

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

The estimated useful lives for the current and comparative 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
Plant and Equipment	5 years
Motor vehicles	5 years

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

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

(d) De-recognition

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

3.12 Leases

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

Contracts may contain both lease and non-lease components. The Group 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 Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities

At commencement date of a lease, the Group 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 Group 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 Group 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 Group's incremental borrowing rate is used, being the rate that the Group 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 30 June 2023 was 15.31%. Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each 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 Group 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 Group 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 Group's operations. The majority of extension and termination options held are exercisable only by the Group.

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 3.

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 expected from 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 Group derives economic benefits from the assets, on a straight-line basis, over a period of 10 years to 20 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.

Documentation on Final Assessment of Intangible Asset Relating to Access Pension

Valuation Guidelines

Overview	**Explanation**
Introduction	• Under the Standard, Access Holdings is required to apportion the purchase consideration between the tangible and intangible assets and liabilities (including contingent liabilities) of FGPL and Sigma Pensions. • The Standard provides general guidelines for assigning amounts to individual assets acquired and liabilities assumed. • IFRS 3 requires the application of the acquisition method for each business combination. The acquisition method requires inter alia that the acquirer is identified, the acquisition date is determined, and that the identifiable assets acquired, and that the liabilities assumed and any non-controlling interest in the acquiree are recognised and measured.
Recognition principle (IFRS 3)	• IFRS 3 states that as of the acquisition date, the acquirer shall recognise, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. • Recognition of identifiable assets acquired and liabilities assumed is subject to the conditions specified in paragraphs 11 and 12. These paragraphs state, inter alia, that the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements at the acquisition date, and that the identifiable assets acquired and liabilities assumed must be part of what the acquirer and the acquiree exchanged in the business combination transaction

Definition of identifiable asset (IFRS 3	• IFRS 3 states that an asset is identifiable if it either: a) is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or b) arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.
Measurement principle (IFRS 3)	• The acquirer shall measure the identifiable assets acquired and the liabilities assumed at their acquisition-date Fair Values.
Fair Value (IFRS 13)	• The identifiable assets are required under IFRS 3 to be recognised at their "Fair Value". Fair value is defined as 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
Definition Intangible asset (IAS 38)	• Intangible assets are all the elements of a business enterprise that exist in addition to working capital and tangible assets. They are the elements, after working capital and tangible assets, that make the business work and are often the primary contributors to the earning power of the enterprise. Their existence is dependent on the presence, or expectation of earnings. • The definition of an intangible asset under IFRS is detailed in IAS 38 as 'an identifiable non-monetary asset without physical substance.
Definition of identifiable asset (IFRS 3)	• IAS 38 (Intangible asset) defines the useful life as "the period over which an asset is expected to be available for use by an entity; or the number of production or similar units expected to be obtained from the asset by an entity". • Under IAS 38 the factors which should be considered in assessing the useful lives of intangible assets include: i. The expected use and potential use by another management team; ii. Typical life cycles for the product and any public information on useful lives; iii. Technical, technological, commercial or other types of obsolescence; iv. Stability of the industry in which the asset operates and changes in the market demand; v. Expected actions by competitors; vi. Level of maintenance expenditure required to obtain the future economic benefits; and vii. The period of control over the asset and legal or similar limits on the use of the asset. • The estimated useful life of each identifiable asset identified will be based on the factors outlined above

Intangible assets description and methodology

Asset Considered	Brief Description	Recognition	Valuation
Customer contracts/ customer relationship	We understand that revenue in the pension industry is mainly driven by management fees earned from AuM (Assets Under Management) which are contributions from customers. Customer related intangibles will be valued as Access pension is expected to earn fees income from existing and future contributions made by Retirement Saving Account (RSA) I-VI holders, Defined benefit schemes holders and the informal sector/unfunded customers.	According to IAS 38 customers related intangibles can be recognized if future economic benefits are expected to flow to the entity from the use of that asset, and the cost can be reliably measured.	FGPL and Sigma Pensions customers list which consist of the RSA I-VI account PIN, defined benefit scheme PIN, informal sector and unfunded PIN will be valued using the Income approach model which is one of the identifiable model for valuing intangible asset according to IAS 38.
Company Brand	Both Sigma Pensions and FGPL are part of the top 10 pension companies in Nigeria with over 990,000 PIN contributors amongst them, thus having a strong presence and brand in the market. Sigma Pensions and FGPL will be merged to form Access Pension hence, none of the brands identified (Sigma & FGPL) will be retained. Access Pensions being the product of the merger between SIGMA and FGPL, offers the advantage of a strong parent (Access Holdings) with an established African presence and a globally connected financial ecosystem. The act of rebranding the acquired entities under the parent company's name aligns with the previous M&A transactions within the Pension Industry	According to IAS 38, the brand or any trademark should be recognized distinctly from goodwill if the separability criterion is met.	Since both Sigma Pensions and FGPL will be merged to form Access Pensions we will not be valuing any of the brands. The Access Pensions brand name is relatively new in the Pension Industry and there would be no significant benefit derived from valuing the brand. As such, we believe that brand does not have to be valued.
Licenses (SIGMA and FGPL	To operate in the pension industry, we understand that you must be granted a license of operation by PENCOM. SIGMA and FGPL both have a license and operate as a separate PFA's prior to the acquisition by Access Pension in 2022. License will be valued as an intangible asset as it is required to operate in the pension industry in Nigeria	The cost of the license can be measured reliably The firm is only able to operate because it was licensed. Hence, there is future economic benefit probable to the firm.	The licence will be valued using the replacement cost model which is one of the identifiable model for valuing intangible asset according to IAS38

Key valuation assumptions used in valuing customer relationships

Assumption	Key considerations
Valuation method	We used the Multi-Period Excess Earnings Method (MEEM) under the income approach to value customer relationship. In line with IFRS 3, the value of the business attributed to earnings from new customers should remain in goodwill, and accordingly the MEEM solely uses management's forecast revenue for existing customers.
Discount rate	We used a discount rate reflecting the risks associated with customer relationships arising from the fee income. We considered a discount rate equal to the CoE plus a premium of 1% for the non-contractual customer relationships.
Attrition rate and useful life	The contributory pension scheme in Nigeria operates under a B2B2C model. Typically, employees are at liberty to choose their preferred pension fund administrators. Organisations are mandated to make periodic payment on behalf of their employees into their preferred pension scheme, thus making the employees (pension contributors) retail customers. Contributions made by individual employers and employees into the scheme are combined and unitized, while the PFA forges ahead to invest the funds into various instruments within PenCom's approved regulatory limits. In addition, the nature of the Nigerian pension industry is such that employees and individual contributors rarely have to switch from one pension fund administrator to the other. We also understand from our analysis of trends in the industry and past transactions that most existing pension contributors mostly maintain their PFA until retirement as there are no incentive for moving from one pension fund administrator to the other, hence the low attrition rate.Based on the provisions of the pension law, customers contribution period is equivalent to the number of service years which is the earlier of 35 years or 60 years of age. We have adopted a useful life of 21.5 years which is the average useful life for customer relationship from previous transactions in the pension industry.Based on the trend in the pension industry and data collated from the Markable database, we have adopted an attrition rate of 4.6% (average attrition rate for recent transactions in the pension industry), hence having a retention rate of 95.4%. We have also assumed that the retention rate will be constant over the forecast period.
Contributory asset charges and required returns	To quantify the cash flows attributable solely to the subject intangible asset, Contributory Asset Charges ("CACs") were applied to account for the use of and/or required return on those assets necessary to realise the subject intangible assets cash flows. A CAC is defined as a hypothetical lease charge which assumes that the owner of the intangible asset would have to rent all other assets contributing to cash flow. The contributory assets identified includes fixed assets (PPE and ROU), intangible assets (software and license) and restricted minimum capital required. In calculating the applicable CACs, we have utilised the Gross Lease Method, where the CAC was calculated using the return on asset methodology. The required rate of return on the fixed assets (PPE and ROU) was assumed to be 16.37%, a blended debt and equity rate of 80% equity and 20% debt, as fixed assets cannot be financed with 100% debt. The required rate of return on the existing Intangible asset (software and license) was assumed to be 18.6%. This is arrived at by adding a premium of 0.5% to the CoE of 18.1%. The required rate of return on the restricted minimum capital required was assumed to be 18.6%. This is arrived at by adding a premium of 0.5% to the CoE of 18.1%. All CACs have been put relative to total projected fee income of Access Pensions, which has later been used to allocate these charges to different intangible assets. The allocation is provided in the accompanying valuation schedules
Tax	We applied the Nigerian corporate tax rate of 32.5% to the forecast cash flows.
Tax amortisation benefit ("TAB")	Tax amortisation benefits refer to the present value of income tax savings resulting from the tax deduction generated by the amortisation of intangible assets. In valuing the customer relationships, no tax amortisation benefit was calculated. This is because there is no provision for tax amortization benefit in the Nigerian tax law.

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 the Group but funded by the customer is included in other liabilities while those guaranteed and funded by the Group is included in deposit from financial institutions.

3.19 Employee benefits

(a) Defined contribution plans

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

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

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

Depending on their grade, executive staff of the Group upon retirement are entitled to certain benefits based on their length of stay on that grade. The Group'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 Group'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 Group 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 period that employees provide services, generally the period between the date the award is granted or notified and the vesting date of the shares. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.
The number of shares expected to vest takes into account the likelihood that non-market vesting and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a forfeiture, resulting in an acceleration of recognition of the cost of the employee services.
The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability. The cost recognised as a result of shares granted in the period has been expensed within Personnel expenses, with a corresponding increase in the liability account as the scheme is cash-settled.

3.20 Share capital and reserves

(a) Share issue costs

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

(b) Additional Tier 1 Capital

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

(c) Dividend on the Company's ordinary shares

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

(d) Treasury shares

Where the subsidiaries within the Group purchased the shares of the Corporation, the transaction is accounted for as cash settled, a liability is recognized in the statement of financial position and expensed as other staff benefit in the statement of comprehensive income over the course of the minimum vesting period. The liability is remeasured at each reporting date with gains and loss recognised in the statement of comprehensive income. Should any employee within the scheme leave the Group within the vesting period, the shares maybe forfeited depending on whether the staff was relieved of his/her duties by the Bank or voluntarily resigned.

By the resolution of the Board and Shareholders, the Bank sets aside an amount not exceeding twenty (20) percent of the aggregate emoluments of the Bank's employees in each financial period to purchase shares of Access Holdings Plc's from the floor of the Nigerian Exchange Group(NGX) 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 employees.

(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 Company 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 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 Company 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 undistributable profit carried forward recognised income net of expenses plus current year profit attributable to shareholders.

(k) Statutory Reserves Investment

* Statutory Reserves Investment – The Statutory Reserve in accordance with the provision of the Pension Reform Act (s.81 of PRA 2014) is used to recognise an annual transfer of 12.5% of profit after tax from retained earnings into Statutory Reserve Fund.
* Every Pensions Fund Administrator shall maintain a Statutory Reserve Fund as contingency fund to meet any claim for which the Pension Fund Administrator may be liable as may be determined by the Commission.

(l) Pensions Protection Fund Investment

* The Pension Commission shall establish and maintain a fund to be known as the Pension Protection Fund for the benefits of eligible pensioners covered by any pension scheme established , approved or recognized under this Act.
* The Pension Protection Fund shall consist of –
* An annual subvention of 1% of the total monthly wage bill payable to employees in the public service of the Federation towards the funding of the minimum guaranteed pension;
* Annual pension protection levy paid by the Commission and all licensed pension operators at a rate to be determined by the Commission from time to time

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 Holdings 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 Group designates certain derivatives as hedges of the fair value of recognised liabilities (fair value hedges).

At inception of the hedge relationship, the Group 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 Group documents its risk management objective and strategy for undertaking its hedge transactions. The Group uses the actual ratio between the hedged item and hedging instruments to determine its hedge ratio.

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.The Group uses forward contracts to hedge the fair value changes attributable to foreign exchange risk on the hedged item. The Group 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 Group determines hedge effectiveness at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. The hedge effectiveness is determined every reporting period.

Derivatives that do not qualify for hedge accounting

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

3.23 Associates

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

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statement where appropriate.

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

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

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

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

4.0 Use of estimates and judgements

- **Critical judgements**

These disclosures supplement the commentary on financial risk management (see note 5). Estimates where management has applied judgements are:
i) Allowance for credit losses
ii) Assessment of impairment on goodwill on acquired subsidiaries
iii) Defined benefit plan
iv) Valuation of unquoted equities
v) Valuation of derivatives
vi) Equity settled share-based payment
vii) 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 ₦152.26Bn in (December 2022: 103.10Bn) in recognition of the economic loss impact of Ghana sovereign debt crisis (Domestic debt and Eurobonds). Whilst the economic loss on Ghana Domestic debt has been determined via a Domestic Debt Exchange Programme (DDE) with definite terms, unlike the DDE, the Ghanaian government has not yet presented restructuring terms for the Eurobonds. Though, restructuring parameters are subject to 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 ₦615.18Bn (December 2022: ₦348.15Bn).

Extension and termination options - Determining the lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or 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 Group 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 Group 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 Group 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 Group, 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 these variables, the Group'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
Prime Lending Rate : Given it impacts on lending rates and potential increase in rate of default

The table below outlines the total ECL for wholesale portfolios as at 30 June 2023, if each of the key assumptions used change by plus or minus 10%. The responsiveness of the ECL estimates to variation in macroeconomic variables have been presented below while putting in perspective, interdependencies between the various economic inputs. An increase and decrease in Macroeconomic Scalars by 10% results in an increase/Decrease in Impairment of N4.51B and N4.54B respectively. Further increase/Decrease in the Probability of default by 10% results in an impairment increase/decrease of N4.44b and N4.5b respectively.

	-10%	+10%
P & L Impact of change in Macroeconomic variables	(4,535)	4,506

	-10%	+10%
P & L Impact of change in Changing PD	(4,502)	4,436

Off balance Sheet Exposure

GDP growth rate : Given the signficant impact on companies performance and collateral valuations
Prime Lending Rate : Given it impact on Lending rates and potential increase in rate of default

The table below outlines the total ECL for wholesale off balance sheet exposures as at 30 June 2023, if the assumptions used to measure ECL remain as expected (amount as presented in the statement of financial position), as well as if each of the key assumptions used change by plus or minus 10%. The responsiveness of the ECL estimates to variation in macroeconomic variables have been presented below while putting in perspective, interdependencies between the various economic inputs.

	-10%	+10%
P & L Impact of change in Macroeconomic variables	(569)	568

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.

Access Bank Nigeria has complied with the requirements of the prudential guidelines as follows:

Statement of prudential adjustments *In millions of Naira*		**June 2023**	**December 2022**
Access Bank	Note		
Loans & advances:			
Expected credit loss (ECL) on loans to customers and banks			
- Loans to banks	22	555	341
- Loans to individuals	23(b)	10,857	8,152
- Loans to corporate	23(b)	67,978	56,910
Total impairment allowances on loans per IFRS		**79,390**	**65,403**
Total regulatory impairment based on prudential guidelines		**175,295**	**141,739**
Balance, beginning of the period		76,336	1,118
Additional transfers to/(from) regulatory risk reserve		19,570	75,218
Balance, end of the period		**95,906**	**76,336**

The Central Bank of Nigeria (CBN) via its circular BSD/DIR/GEN/LAB/08/052 issued on 11 November 2015, directed banks in Nigeria to increase the general provision on performing loans from 1 percent to 2 percent for prudential review of credit portfolios in order to ensure adequate buffer against unexpected loan losses.

(ii) Assessment of impairment of goodwill on acquired subsidiaries

Goodwill on acquired subsidiaries were tested for impairment by comparing the value-in-use for the cash generating unit to the carrying amount of the goodwill based on cash flow projections. Projected cash flows for Kenya were discounted to present value using a discount rate of 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 year, 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
June 2023

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	134,208	-	-	134,208
Government Bonds	6,500	-	-	6,500
Eurobonds	-	1,375	-	1,375
Derivative financial instrument	-	1,755,483	-	1,755,483
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	494,255	-	-	494,255
Government Bonds	13,804	-	-	13,804
-Financial instruments at FVPL				
Treasury bills	18,095	13,785	-	31,879
Government Bonds	3,046	-	-	3,046
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,956,631	-	-	1,956,631
Government Bonds	536,207	-	-	536,207
Commercial paper	-	-	-	-
State government bonds	-	56,404	-	56,404
Corporate bonds	-	19,267	-	19,267
Eurobonds	-	63,890	-	63,890
Promissory notes	-	21,333	-	21,333
-Financial assets at FVPL				-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Equity	-	7,056	(7,056)	-
Investment properties	-	-	217	217
Assets held for sale	-	-	61,483	61,483
	3,162,746	1,938,594	54,645	5,155,986
Liabilities				
Derivative financial instrument	-	478,243	-	478,243
	-	478,243	-	478,243

* There are no transfers between levels during the period

Group
December 2022

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	88,116	-	-	88,116
Government Bonds	12,280	-	-	12,280
Eurobonds	-	2,294	-	2,294
Derivative financial instrument	-	402,497	-	402,497
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	72,565	-	-	72,565
Government Bonds	2,567	-	-	2,567
Promissory Notes	-			-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,046,120	-	-	1,046,120
Government Bonds	168,293	-	-	168,293
Commercial paper	-	3,869	-	3,869
State government bonds	-	65,652	-	65,652
Corporate bonds	-	20,599	-	20,599
Eurobonds	-	41,695	-	41,695
Promissory notes	-	217,305	-	217,305
-Financial assets at FVPL				-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Equity	-	4,964	162,943	167,907
Investment properties	-	-	217	217
Assets held for sale	-	-	42,039	42,039
	1,841,419	758,876	205,200	2,805,496
Liabilities				
Derivative financial instrument	-	32,737	-	32,737
	-	32,737	-	32,737

* There are no transfers between levels during the period

Company	-	-	-	-
June 2023				
In millions of Naira				
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Non pledged trading assets				
Treasury bills	-	-	-	
Government Bonds	-	-	-	
Eurobonds	-	-	-	-
Derivative financial instrument	-	85,770	-	85,770
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at FVPL				
Equity	-	-	-	-
Investment properties			-	-
Asset held for sale	-	-	-	-
	-	85,770	-	85,770
Liabilities				
Derivative financial instrument	-	-	-	-
	-	-	-	-

* There are no transfers between levels during the period

Company				
December 2022				
In millions of Naira				
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Non pledged trading assets				
Treasu Treasury bills	-	-	-	-
Govern Government Bonds	-	-	-	-
Eurobo Eurobonds	-	-	-	-
Derivative financial instrument	-	-	-	-
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at FVPL				
Equity	-	-	-	-
Investment properties	-	-	-	-
Asset held for sale	-	-	-	-
	-	-	-	-
Liabilities				
Derivative financial instrument	-	-	-	-
	-	-	-	-

4.1.2 Financial instruments not measured at fair value

Group
June 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,077,621	2,077,621
Investment under management				
Government bonds	3,321	-	-	3,321
Placements	-	22,445	-	22,445
Commercial paper	-	4,314	-	4,314
Treasury bills	3,262	-	-	3,262
Mutual funds	-	3,004	-	3,004
Eurobonds	-	5,658	-	5,658
Corporate Bonds	-	2,544	-	2,544
Loans and advances to banks	-	-	913,473	913,473
Loans and advances to customers	-	-	6,709,793	6,709,793
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	127,240	-	-	127,240
Bonds	326,741	-	-	326,741
Promissory notes	33,974	-	-	33,974
Investment securities				
-Financial assets at amortised cost				
Treasury bills	208,541	-	-	208,541
Government Bonds	713,312	-		713,312
State government bonds	-	4,265	-	4,265
Corporate bonds	-	7,571	-	7,571
Eurobonds	708,594	-	-	708,594
Promissory notes	90,945	-	-	90,944
Other assets	-	-	2,981,983	2,981,983
	2,215,930	49,802	12,682,869	14,948,600
Liabilities				
Deposits from financial institutions	-	-	2,425,117	2,425,117
Deposits from customers	-	-	12,508,132	12,508,132
Other liabilities	-	-	1,157,895	1,157,895
Debt securities issued	473,415	-	-	473,415
Interest-bearing borrowings	-	-	2,040,349	2,040,349
	473,415	-	18,131,491	18,604,906

* There are no transfers between levels during the period

Group
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	1,969,783	1,969,783
Investment under management				
Government bonds	3,634	-	-	3,634
Placements	-	19,826	-	19,826
Commercial paper	-	3,796	-	3,796
Nigerian Treasury bills	2,784	-	-	2,784
Mutual funds	-	3,405	-	3,405
Eurobonds	-	-	-	-
Corporate Bonds	-	2,315	-	2,315
Loans and advances to banks	-	-	455,709	455,709
Loans and advances to customers	-	-	5,100,807	5,100,807
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	296	-	-	296
Bonds	412	-	-	412
Promissory notes	33	-	-	33
Investment securities				
-Financial assets at amortised cost				
Treasury bills	193	-	-	193
Government Bonds	438	-		438
State government bonds	-	5	-	5
Corporate bonds	-	8	-	8
Eurobonds	420	-	-	420
Total return notes	10	-	-	10
Promissory notes	38	-	-	37
Other assets	-	-	-	-
	-	-	2,392,817	2,392,817
	8,256	9,529	9,938,942	9,956,726

	Level 1	Level 2	Level 3	Total
Liabilities				
Deposits from financial institutions	-	-	2,005,317	2,005,317
Deposits from customers	-	-	9,251,238	9,251,238
Other liabilities	-	-	758,464	758,464
Debt securities issued	307,255	-	-	307,255
Interest-bearing borrowings	-	-	1,390,029	1,390,029
	307,255	-	13,405,048	13,712,302

Company
June 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	11,757	11,757
Investment under management				
Government bonds	3,321	-	-	3,321
Placements	-	22,445	-	22,445
Commercial paper	-	4,314	-	4,314
Nigerian Treasury bills	3,262	-	-	3,262
Mutual funds	-	3,004	-	3,004
Eurobonds	-	-	-	-
Corporate Bonds	-	2,544	-	2,544
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities	-	-	-	
Financial assets at amortised cost	-	-	-	
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Promissory notes	-	-	-	-
Other Assets	-	-	17,592	17,592
	6,583	32,307	29,349	68,240
Liabilities				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Other liabilities	-	-	101,988	101,988
Debt securities issued	-		-	-
Interest-bearing borrowings	-	-	234,750	234,750
	-	-	336,740	336,740

Company
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,488	2,488
Investment under management				
Government bonds	3,634	-	-	3,634
Placements	-	19,826	-	19,826
Commercial paper	-	3,796	-	3,796
Nigerian Treasury bills	2,784	-	-	2,784
Mutual funds	-	3,405	-	3,405
Eurobonds	-	-	-	-
Corporate Bonds	-	2,315	-	2,315
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities				
Financial assets at amortised cost				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Total return notes	-	-	-	-
Promissory notes	-	-	-	-
Other Assets	-	-	11,719	11,719
	6,418	29,342	14,207	49,967

Liabilities				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Other liabilities	-	-	90,316	90,316
Debt securities issued	-		-	-
Interest-bearing borrowings	-	-	-	-
	-	-	90,318	90,318

* 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 year 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.

Determination of Control over Investees (Actis Golf) and Classification of Additional Tier 1 Capital and Equity

An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements defines the principle of control, and establishes control as the basis for consolidation set out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee sets out the accounting requirements for the preparation of consolidated financial statements defines an investment entity and sets out an exception to consolidating particular subsidiaries of an investment entity*.

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 30 June 2023	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Relationship of observable inputs to fair value
Derivative financial assets	1,741,703	Forward and swap: Fair value through	Market rates from quoted market	1,262,413	1,267,282	The higher the market rate, the higher the fair value of the derivative financial instrument
Derivative financial liabilities	476,074					
Investment in CSCS	6,750	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	7,088	6,413	The higher the share price, the higher the fair value
Nigerian Mortgage Refinance Company	306	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	321	290	The higher the share price, the higher the fair value

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 30 June 2023	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Fair value if unobservable inputs increased by 5%	Fair value if unobservable inputs decreased by 5%	Relationship of unobservable inputs to fair value
Investment in Africa Finance Corporation	231,745	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	243,333	220,158	230,641	232,850	The higher the illiquidity ratio, the control premium and the size adjustment/haircut, the higher the fair value
Investment in Unified Payment System Limited	9,435	Adjusted fair value comparison approach	Median PE ratios of comparable companies	9,030	8,170	9,310	9,559	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in NIBSS	18,019	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	18,920	17,118	17,781	18,257	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in Afrexim	793	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	833	753	789	797	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in FMDQ	5,248	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	5,510	4,985	5,148	5,347	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CRC Bureau	329	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	346	313	325	334	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Capital Alliance Equity Fund	5,296	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	8,521	7,710	8,521	7,710	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
NG Clearing	326	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	342	310	324	328	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 period ended 30 June 2023

Financial assets at fair value through profit or loss (Equity)	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance	156,167	152,105	-	-
Acquired from business combination	-	-	-	-
Total unrealised gains in P/L	126,788	4,061	-	-
Sales	-	-	-	-
Balance, period end	**282,954**	**156,167**	**-**	**-**

Assets Held for Sale	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance	42,039	42,547	-	-
Acquired from business combination	-	-	-	-
Additions	19,446	7,876	-	-
Disposals	-	(8,384)	-	-
Write Off	-	-	-	-
Balance, period end	**61,485**	**42,039**	**-**	**-**

Investment under management	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance	-	13,045	-	-
Additions	-	6,781	-	-
Reclassification	-	(19,826)		-
Balance, period end	**-**	**-**	**-**	**-**

(b) Fair value of financial assets and liabilities not carried at fair value

The fair value for financial assets and liabilities that are not carried at fair value were determined respectively as follows:

(i) Cash

The carrying amount of cash and balances with banks is a reasonable approximation of fair value.

(ii) Loans and advances to banks and customers

Loans and advances are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(iii) Investment securities and pledged assets

The fair values are based on market prices from financial market dealer price quotations. Where this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

The fair value comprises equity securities and debt instruments. The fair value for these assets are based on estimations using market prices and earning multiples of quoted securities with similar characteristics.

(iv) Other assets

The bulk of these financial assets have short maturities and the amounts is a reasonable approximation of fair value.

(v) Deposits from banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

(vi) Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value. They comprise of short term liabilities which are available on demand to creditors with no contractual rates attached to them.

(vii) Interest bearing borrowings

The estimated fair value of fixed interest-bearing borrowings not quoted in an active market is based on the market rates for similar instruments for these debts over their remaining maturity.

(viii) Debt securities issued

The estimated fair value of floating interest rate debt securities quoted in an active market is based on the quoted market rates as listed on the irish stock exchange for these debts over their remaining maturity.

4.3 Financial assets and liabilities
(a) Fair value measurement
Accounting classification measurement basis and fair values

The table below sets out the classification of each class of financial assets and liabilities, and their fair values.

Group **In millions of Naira** **June 2023**	**Financial assets designated as FVPL**	**Financial assets mandatorily measured through FVPL**	**Financial assets measured at amortized cost**	**Financial assets measured at FVOCI**	**Financial liabilities mandatorily measured through FVPL**	**Financial liabilities measured at amortised cost**	**Fair value**	**Total carrying amount**
Cash and balances with banks	-	-	2,077,621	-	-	-	2,077,621	2,077,621
Investment under management	-	-	44,549	-	-	-	44,549	44,549
Non pledged trading assets		-	-	-	-	-		
Treasury bills	-	134,208	-	-	-	-	134,208	134,208
Bonds	-	6,500	-	-	-	-	6,500	6,500
Equity	-	1,375	-	-	-	-	1,375	1,375
Derivative financial instruments	-	1,755,483	-	-	-	-	1,755,483	1,755,483
Loans and advances to banks	-	-	913,473	-	-	-	913,473	913,473
Loans and advances to customers	-	-	6,709,793	-	-	-	6,709,793	6,709,793
Pledged assets		-						
Treasury bills	-	31,879	127,240	494,255	-	-	653,375	653,375
Government bonds	-	3,046	326,741	13,804	-	-	343,590	343,590
Promissory Notes	-	-	33,974	-	-	-	33,974	33,974
Investment securities								
- Financial assets at FVOCI		-						
Treasury bills	-	-	-	1,956,631	-	-	1,956,631	1,956,631
Government Bonds	-	-	-	536,207	-	-	536,207	536,207
State government bonds	-	-	-	56,404	-	-	56,404	56,404
Corporate bonds	-	-	-	19,267	-	-	19,267	19,267
Eurobonds	-	-	-	63,890	-	-	63,890	63,890
Commercial paper	-	-	-	-			-	19,267
Promissory Notes	-	-	-	21,333	-	-	21,333	21,333
- Financial assets at FVPL								
Equity	-	290,010	-	-	-	-	290,010	290,010
- Financial assets at amortised cost								
Treasury bills	-	-	208,541	-	-	-	208,541	208,541
Government Bonds	-	-	713,312	-	-	-	713,312	713,312
State government bonds	-	-	4,265	-	-	-	4,265	4,265
Corporate bonds	-	-	7,571	-	-	-	7,571	7,571
Eurobonds	-	-	708,594	-	-	-	708,594	708,594
Promissory Notes	-	-	90,945	-	-	-	90,945	90,945
Other assets	-	-	2,984,199	-	-	-	2,984,199	2,984,199
	-	**2,222,500**	**14,950,817**	**3,161,792**	**-**	**-**	**20,335,111**	**20,354,379**
Deposits from financial institutions	-	-	-	-	-	2,425,116	2,425,116	2,425,116
Deposits from customers	-	-	-	-	-	12,508,132	12,508,132	12,508,132
Other liabilities	-	-	-	-	-	1,157,895	1,157,895	1,157,895
Derivative financial instruments	-	-	-	-	478,243	-	478,243	478,243
Debt securities issued	-	-	-	-	-	473,413	473,413	473,413
Interest bearing borrowings	-	-	-	-	-	2,040,349	2,040,349	2,040,349
	-	**-**	**-**	**-**	**478,243**	**18,604,903**	**19,083,146**	**19,083,147**

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	-	-	1,969,783	-	-	-	1,969,783	1,969,783
Investment under management	-	-	39,502	-	-	-	39,502	39,502
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	-	-	455,709	-	-	-	455,709	455,709
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	820,102
Government bonds	-	2,567	411,582	-	-	-	414,150	414,150
Promissory Notes	-	-	32,639	-	-	-	32,639	32,639
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	20,599
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	192,795
Total Return Notes	-	-	-	-	-	-	-	-
Government bonds	-	-	437,679	-	-	-	437,679	437,679
State government bonds	-	-	4,734	-	-	-	4,734	4,734
Corporate bonds	-	-	7,579	-	-	-	7,579	7,579
Eurobonds	-	-	420,119	-	-	-	420,119	420,119
Promissory Notes	-	-	37,762	-	-	-	37,762	37,762
Other assets	-	-	2,395,033	-	-	-	2,395,033	2,395,033
	-	**748,226**	**11,801,784**	**2,015,011**	**-**	**-**	**14,565,022**	**14,581,753**
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	-	-	-	-	-	758,464	758,464	758,464
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	1,390,029
	-	**-**	**-**	**-**	**32,737**	**13,707,695**	**13,740,431**	**13,745,036**

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.

Company *In millions of Naira* **June 2023**	**Financial assets designated as FVPL**	**Financial assets mandatorily measured through FVPL**	**Financial assets measured at amortized cost**	**Financial assets measured at FVOCI**	**Financial liabilities mandatorily measured through FVPL**	**Financial liabilities measured at amortised cost**	**Fair value**	**Total carrying amount**
Cash and balances with banks	-	-	11,757	-	-	-	11,757	11,757
Investment under management	-	-	38,890	-	-	-	38,890	38,890
Non pledged trading assets								
Treasury bills	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-
Derivative financial instruments	-	85,770	-	-	-	-	85,770	85,770
Loans and advances to banks	-	-	-	-	-	-	-	-
Loans and advances to customers	-	-	-	-	-	-	-	-
Pledged assets								
Treasury bills	-	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-	-
Investment securities								
- Financial assets at FVOCI								
Treasury bills	-	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-	-
State government bonds	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-
Eurobonds	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-	-
- Financial assets at FVPL								
Equity	-	-	-	-	-	-	-	-
- Financial assets at amortised cost								
Treasury bills	-	-	-	-	-	-	-	-
Government Bonds	-	-	-	-	-	-	-	-
State government bonds	-	-	-	-	-	-	-	
Corporate bonds	-	-	-	-	-	-	-	
Eurobonds	-	-	-	-	-	-	-	
Promissory Notes	-	-	-	-	-	-	-	-
Other assets	-	-	17,592	-	-	-	17,592	17,593
	-	**85,770**	**68,240**	**-**	**-**	**-**	**154,010**	**154,012**
Deposits from financial institutions	-	-	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	101,988	101,988	101,989
Derivative financial instruments	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-
Interest bearing borrowings	-	-	-	-	-	234,750	234,750	234,750
	-	**-**	**-**	**-**	**-**	**336,738**	**336,738**	**336,739**

Company
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	-	-	2,488	-	-	-	2,488	2,488
Investment under management	-	-	35,760	-	-	-	35,760	35,760
Non pledged trading assets			-					
Treasury bills	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-	-	-
Loans and advances to customers	-	-	-	-	-	-	-	-
Pledged assets							-	
Treasury bills	-	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-	-
Investment securities							-	
- Financial assets at FVOCI							-	
Treasury bills	-	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-	-
State government bonds	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-
Eurobonds	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-	-
- Financial assets at FVPL							-	
Equity	-	-	-	-	-	-	-	-
- Financial assets at amortised cost							-	
Treasury bills	-	-	-	-	-	-	-	-
Total Return Notes	-	-	-	-	-	-	-	-
Government Bonds	-	-	-	-	-	-	-	-
State government bonds	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-
Eurobonds	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-	-
Other assets	-	-	11,720	-	-	-	11,720	11,720
	-	**-**	**49,968**	**-**	**-**	**-**	**49,968**	**49,968**
Deposits from financial institutions	-	-	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	90,317	90,317	90,317
Derivative financial instruments	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-
Interest bearing borrowings	-	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**90,317**	**90,317**	**90,317**

2 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.

CREDIT RISK MANAGEMENT

In Access Holdings Plc and its verticals, everyone is involved in Risk Management with ultimate responsibility residing with the Board. We operate the three (3) lines of defence model which enhance the understanding of risk management and control by clarifying roles and responsibilities. The risk management process of the verticals is well fortified to mitigate and/or eliminate any risk events on their business.

The banking group took a proactive approach to protect the loan book from the effect of COVID-19 by analyzing the potential impact of the pandemic on different sectors and sub-sectors of the economy. This enabled us to understand our customers' challenges and outlook and to take steps to ensure loan repayment of our borrowers and preserve the risk assets quality of the bank, working within regulatory guidance.

The Risk Management function of each vertical is encouraged to take advantage of advancement and innovation in the technology space to automate the management of risk. Credit and analytics tools are in use to enhance the credit decision-making and monitoring process in various businesses. The Risk Dashboard has been enhanced to present measurable risk metrics for ease of decision-making. These dashboards exist at the individual business and aggregate at the Company level to ensure adequate and timely tracking of risks.

PRINCIPAL CREDIT POLICIES

The following are some of the principal credit policies across the relevant businesses of the Company:

Credit Risk Management Policy: The core objective is to enable the maximisation of returns on a risk-adjusted basis from banking book credit risk exposures that are brought under the ambit of the Credit Risk Management Policy. This is done by putting in place robust credit risk management systems consisting of risk identification, risk measurement, setting of exposure and risk limits, risk monitoring and control as well as reporting of credit risk in the banking book.

CREDIT PROCESS

The credit process in the lending subsidiaries starts with portfolio planning and target market identification. Within identified target markets, credits are initiated by relationship managers. The proposed credits are subjected to review and approval by relevant credit approval authorities. Further to appropriate approvals, loans are disbursed to beneficiaries.
Ongoing monitoring and management of loans is undertaken by both relationship management teams and the Credit Risk Management Group.

A loan request is initiated by the relationship officer and reviewed by the relationship manager/Sector Head/Group Head of the respective business teams or through a digital platform after fulfilling all the required KYC and documentation. Further detailed review is carried out by Credit Risk Management. The concurrence of Credit Risk Management must be obtained for any credit extension. If the loan application passes the detailed analysis, it is submitted to the appropriate approval authority based on the size and risk rating of the facility.

The standard credit evaluation process is based both on quantitative figures from the Financial Statements and on an array of qualitative factors such as the PESTLE analysis, SWOT analysis, Porter's five forces, etc. Information on the borrower is collected as well as pertinent macroeconomic data, such as an outlook for the relevant sector. These factors are assessed by the analyst and all individuals involved in the credit approval process, relying not only on quantitative factors but also on extensive knowledge of the company in question, its management, industry, the country of operation, and the impact of globalisation.

TRAINING / CERTIFICATION

In line with the CBN's competency framework, members of the Company have consistently upgraded their competency level by passing necessary certification examinations like Certified Risk Manager (Risk Management Association of Nigeria), ACIB (CIBN), ICAN, ACCA, CFA, FRM and other relevant professional certifications.

The Company has also partnered with renowned international firms like Dun and Bradstreet, KPMG, and Moody's Analytics for training in Credit Risk Analysis and Financial Risk Management for the first and second lines of defence. These are in addition to regular training conducted internally to enhance staff capacity in handling transactions in the dynamic business environment and ever-evolving financial services industry.

CREDIT RISK CONTROL AND MITIGATION

AUTHORITY LIMITS ON CREDIT IN THE BANKING GROUP

The highest credit approval authority is the Board of Directors, supported by the Board Credit Committee and followed by the

Management Credit Committee in the banking group. Individuals are also assigned credit approval authorities in line with the Banking group's criteria for such delegation set out in its Credit Risk and Portfolio Management Plan.

The credit approval limits of the principal officers of the banking group are shown in the table below:

In addition, approval and exposure limits based on internal Obligor Risk Ratings have been approved by the Board for the relevant approving authorities and credit committees as shown in the second table below:

APPROVING AUTHORITY	**APPROVED LIMIT (New Credits) Standard Grade (NGN)**	**APPROVED LIMIT (New Credits Investment Grade) NGN**	**Renewal of Existing Credits (NGN)**
Executive Director	200 million	250 million	300million
Executive Director African Subsidiary	200 million	250 million	300million
Deputy Managing Director	600 million	700 million	800million
Managing Director/CEO	800 million	900 million	1,000million

Access Bank Risk Rating	Exposure Limit (ORR-based LLL) (NGN)	Management Credit Committee Approval Limit (NGN)	Board Credit Committee Approval Limit (NGN)	Board of Directors Limit
1	60 billion	40 billion	60 billion	Legal lending limit
2+	50 billion	20 billion	40 billion	
2	40 billion	10 billion	20 billion	
2-	25 billion	5 billion	15 billion	
3+	5 billion	4 billion	10 billion	
3	3 billion	3 billion	10 billion	
3-	1 billion	2 billion	5 billion	
4		Above 0.1 billion		

OPERATIONAL RISK MANAGEMENT

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems, or from external events. Our definition of operational risk excludes regulatory risks, strategic risks and potential losses related solely to judgments about taking credit, market, interest rate, liquidity, or insurance risks.

It also includes the reputation and franchise risk associated with business practices or market conduct in which all the subsidiaries in Access Holdings Plc are involved. Operational risk is inherent in the business activities across the subsidiaries and as with other risk types, is managed through an overall framework designed to balance strong corporate oversight with well-defined independent risk management.

This framework across the company and its subsidiaries reflects:

- Recognition of risk ownership by the businesses
- Oversight by independent risk management
- Independent review by Internal Audit

Access Holdings Plc and all its subsidiaries have a Business Continuity Plan that defines how it manages incidents in case of a disaster or other disruptive incidents, and how to recover its activities within set deadlines. The purpose of the plan is to:

- Predefine the resources and specify actions required to minimise losses that might otherwise result from a business interruption irrespective of the cause
- Ensure a business-as-usual level of performance while in contingency mode
- Ensure the timely and orderly restoration of business activities across all its subsidiaries.

The Business Continuity Plan (BCP) activities carried out have also been documented in the necessary policies.

We seek to minimise exposure to operational risk, subject to cost trade-offs. Operational risk exposures are managed through a consistent set of management processes that drive risk identification, assessment, control, and monitoring. Our operational risk strategy seeks to minimise the impact that operational risk can have on stakeholder value. The strategy is to:

- Reduce the likelihood of occurrence of expected events and related costs by managing the risk factors and implementing loss prevention or reduction techniques to reduce variation in earnings across the subsidiaries.

- Minimise the impact of unexpected and catastrophic events and related costs through risk financing strategies that would support long-term growth, cash flow management, and balance sheet protection.

- Eliminate inefficiencies, improve productivity, optimise capital requirements, and improve overall performance through the Company through well designed and implemented internal controls.

To create and promote a culture that emphasizes effective operational risk management and adherence to operating controls, there are three distinct levels of operational risk governance structure across the company and its subsidiaries:

Level 1 refers to the oversight function carried out by the Board of Directors, the Board Risk Management Committee, and the Executive Management. Responsibilities at this level include ensuring effective management of operational risk and adherence to the approved operational risk policies.

Level 2 refers to the management function carried out by the risk management functions in each subsidiaries across the Company It has direct responsibility for formulating and implementing the Bank's operational risk management framework including methodologies, policies, and procedures approved by the Board.

Level 3 refers to the operational risk ownership carried out by all the business units and support functions across Access Holdings Plc and its subsidiaries. These units/functions are fully responsible and accountable for the management of operational risk in their units. They work in liaison with Risk Management to define and review controls to mitigate identified risks. The Internal Audit function across the company and its subsidiaries provides an independent assessment and evaluation of the Bank's operational risk management framework. This periodic confirmation to test controls, and compliance with approved policies and procedures, provide assurance as to the effectiveness of the company's operational risk management framework as well as its verticals. Some of the tools being used to assess, measure and monitor operational risks in the Banking group include a loss database of operational risk events; an effective risk and control self-assessment process that helps to analyse business activities and identify operational risks that could affect the achievement of business objectives; and key risk indicators which are used to monitor operational risks on an ongoing basis.

MARKET RISK MANAGEMENT

The earnings and capital of the individual subsidiaries in the Company are exposed to risk due to adverse changes in market prices. Consequently, a leading market risk management framework is in place to manage exposure to adverse changes in interest rates, foreign exchange, and equity prices.

The objective is to ensure exposure to these risks through the trading and banking book positions is kept within the Company's defined risk appetite and tolerance.

MARKET RISK POLICY, MANAGEMENT, AND CONTROL

Over the years, the Nigerian financial market has witnessed a dramatic expansion in the array of financial services and products. This tremendous growth in scale and scope has also generated new risks with global consequences, especially market risk, necessitating an assessment of exposures to the volatility of the underlying risk drivers. This has prompted the upgrading of the Market Risk Policy; Asset and Liability Management Policy; Liquidity Policy; and Stress Testing Policy, in the Banking Group to ensure the risks faced across business activities and on an aggregate basis are within the stipulated risk appetite of the Bank and Access Holdings Plc. These policies have been benchmarked with industry-leading practices and CBN regulations.

The banking group runs an integrated and straight-through processing treasury system for enabling efficient monitoring and management of interest rate and foreign exchange risks.

Liquidity, Exchange Rate, and Interest Rate risks are managed through various approaches, viz. Liquidity Gap Analysis, Dynamic Cash Flow Analysis, Liquidity Ratios, Earnings at Risk (EaR), and Sensitivity Analysis. The primary aim of these processes is risk forecasting and impact mitigation through management action and portfolio rebalancing.

The banking group regularly conducts stress testing to monitor its vulnerability to unfavorable shocks. It monitors and controls its risk, using various internal and regulatory risk limits for the trading book and banking book which are set according to several criteria including economic scenarios, business strategy, management experience, peer analysis, and the Bank's risk appetite. The applicable stress tests are conducted for each entity and at the Company level.

BANKING BOOK

Market risk management actively manages the Banking book of the banking entity to optimise its income potential. This risk arises from the mismatch between the future yield on assets and their funding cost, due to interest rate changes. The Banking subsidiaries use a variety of tools to track and manage this risk:

- Re-pricing gap analysis
- Liquidity gap analysis
- Earnings-at-Risk (EAR) using various interest rate forecasts
- Sensitivity Analysis

INTEREST RATE RISK

Interest rate risk is the exposure of the Bank's earnings to adverse movements in interest rates, yield curves and credit spreads. The Company's subsidiaries are exposed to interest rate risk through the interest-earning assets and interest-bearing liabilities in its trading and banking books.

i. RE-PRICING AND LIQUIDITY GAP ANALYSIS

The Banking group's objective for the management of interest rate risk in the banking book is to manage interest rate mismatch and lower interest rate risk over an interest rate cycle. This is achieved by hedging material exposures with the external market.

The Banking group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. In the case of floating-rated assets and liabilities, it is exposed to basis risk, which is the difference in re-pricing characteristics of the various floating rate indices, such as the savings rate and 90-day NIBOR and different types of interest.

Non-traded interest rate risk arises in the banking book of the banking group from the provision of retail and wholesale (non-traded) banking products and services, as well as from certain structural exposures within its balance sheet, mainly due to re-pricing timing differences between assets, liabilities, and equities. These risks impact both the earnings and the economic value of the Group. Overall, non-trading interest rate risk positions are managed by Treasury, which uses investment securities, advances to banks and deposits from banks to manage the overall position arising from the Group's non-trading activities.

ii. EARNINGS-AT-RISK APPROACH

Earnings at risk is the potential change in net income due to adverse movements in interest rates over a defined period. It guides the verticals in the Company to understand the impact that a change in interest rates can make to their position and projected cash flow.

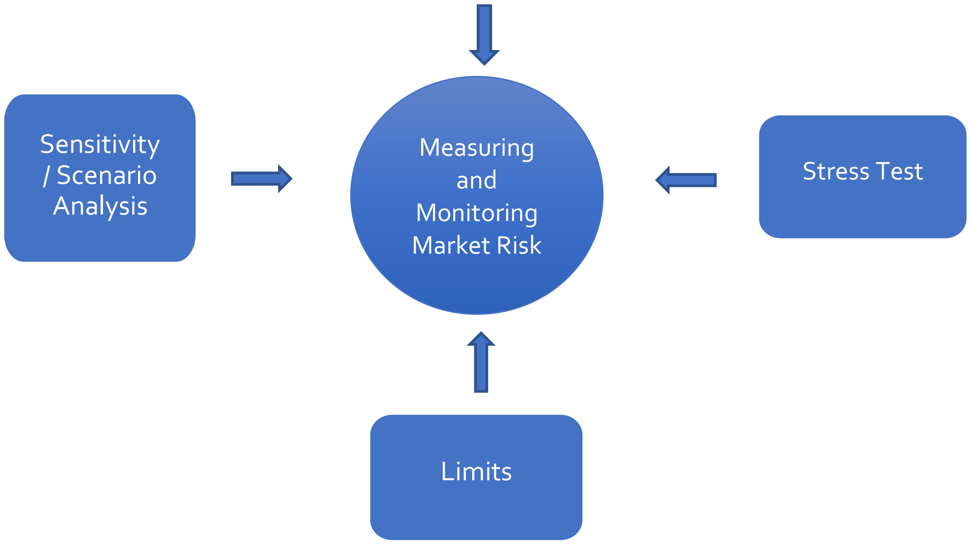
The Company's verticals have limits set for this risk measure. They are designed to monitor and control the risk to our projected earnings using various rate scenarios and assumptions. The limit is expressed as a change in projected earnings over a specified time horizon and rate scenario. Scenarios adopted include parallel and non-parallel shifts in yield.

iii. SENSITIVITY ANALYSIS

The Banking group employs the use of scenario and sensitivity analysis in evaluating its exposures per time. Scenario analysis is the process of predicting the possible balance sheet impact to changes that may occur to existing variables whilst sensitivity analysis is the study of how the outcome of a decision changes due to variations in input.

TRADING PORTFOLIO

The measurement and control techniques used to measure, and control traded market risk (interest rate and foreign exchange risk) include daily valuation of positions, limit monitoring, gap analysis, sensitivity analysis, stress testing, etc. as summariSed in the diagram below.



LIMITS

Risk limits are used to restrict the size of investments that traders can take for proprietary and non-proprietary purposes. Limiting the size of investments is one of the primary ways to control risk and capital consumption. The following limits currently exist.

Fixed income and FX Open Position Limits (NOPL): The Banking group in keeping with the prudence concept, sets its policy limit for Open Positions at a level lower than the maximum NOPL approved by the regulatory authority. In setting the internal NOPL, the following considerations are imperative:

- The Regulatory NOPL
- The Bank's tolerance and appetite for FX risk
- The size and depth of the FX market in Nigeria
- The degree of volatility of traded currencies
- The Bank's desired positioning in the relevant FX market with requirements for international business support

Management Action Trigger (MAT): This establishes decision points to confirm the Board of Director's tolerance for accepting trading risk losses on a cumulative basis. MAT, therefore, considers actual cumulative profit/loss , as well as potential losses and the loss tolerance, is defined as a percentage of Gross Earnings.

Stop Loss Limit: This limit sets a maximum tolerable unrealised profit/loss to date which will trigger the closing or reduction of a position to avoid any further loss based on existing exposures.

Dealer Limits: This limit sets a maximum transaction limit for a dealer. It is based on the experience and knowledge of the dealer.

Duration Limit

The verticals in the subsidiary utilise duration to measure the sensitivity of the price of assets in its portfolio to changes in interest rates. They have duration limits for the varying asset classes in their investment/trading portfolio.

MARK TO MARKET (MTM)

The marking-to-market technique establishes the potential profit and loss by revaluing money market exposures to prevailing market prices. When no market prices are available for a specific contract period, mark-to-model is used to derive the relevant market prices. The policy requires a revaluation of all exposures categorised under the securities trading portfolio daily. As a general guide, marking to market is performed independently of the trading unit i.e., prices/rates are obtained from external sources.

STRESS TESTING

A consistent stress testing methodology is applied to trading and non-trading books. The stress testing methodology assumes that the scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs.

Stress testing is an integral part of the market risk management framework and considers both historical market events and forward-looking scenarios. Stress testing provides an indication of the potential size of losses that could arise in extreme but plausible conditions. It helps to identify risk concentrations across business lines and assists senior management in capital planning decisions.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the potential that the Bank may be unable to meet expected or unexpected current or future cash flows and collateral needs without affecting its daily operations or its financial condition. The Banking group preserves a high degree of liquidity so that it can meet the requirements of its customers always, including during periods of financial stress.

The Banking Group has developed a liquidity management framework based on a statistical model underpinned by conservative assumptions about cash inflows and the liquidity of liabilities. In addition, liquidity stress tests assuming extreme withdrawal scenarios are performed. These stress tests specify additional liquidity requirements to be met by holdings of liquid assets.

The liquidity has consistently been materially above the minimum liquidity ratio and the requirements of its stress tests. The Group ALCO, in conjunction with the Board and its committees, monitors the liquidity position in the Banking Group and reviews the impact of strategic decisions on liquidity. Liquidity positions are measured by calculating the Bank's net liquidity gap and by comparing selected ratios with targets as specified in the Liquidity Risk Management Manual.

CAPITAL RISK MANAGEMENT

Capital risk is the risk of possible erosion of Access Holdings Plc and its subsidiaries' capital base due to poor capital management.

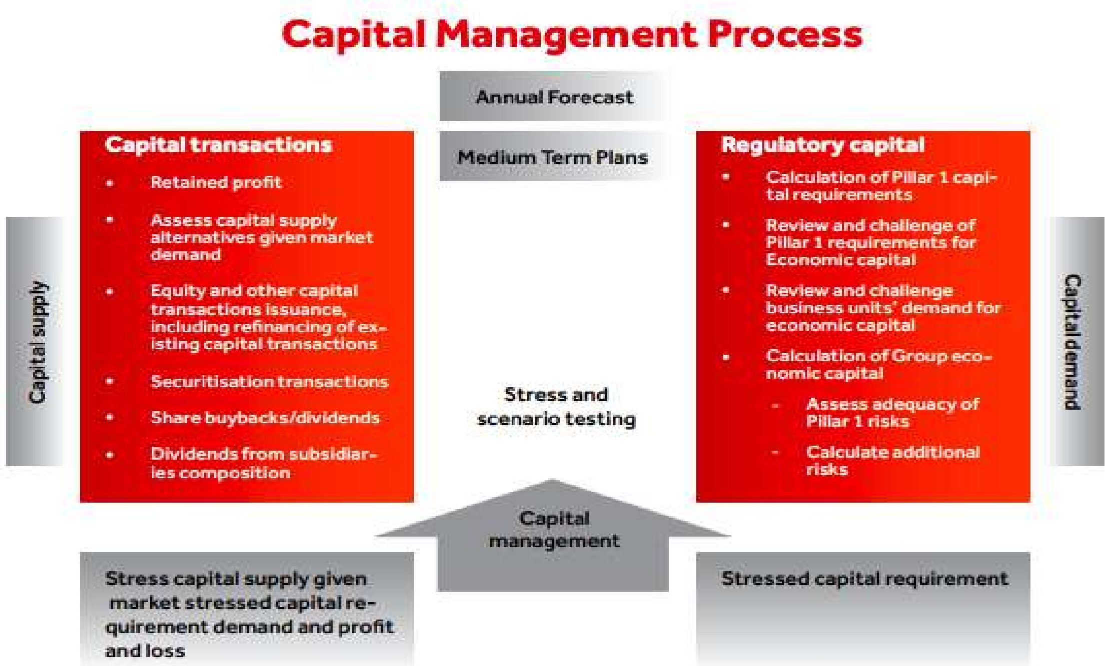
Capital management objectives:

The capital management objectives include:

- To meet the capital ratios required by its regulators and the Board.
- To maintain an adequate level of available capital resources as cover for the economic capital (EC) requirements
- To generate enough capital to support asset growth.

CAPITAL MANAGEMENT STRATEGY:

The capital management strategy is focused on maximizing shareholder value by optimizing the level and mix of capital resources. Decisions on the allocation of capital resources are based on several factors including return on economic capital (EC) and on regulatory capital (RC) and are part of the internal capital adequacy assessment process (ICAAP).



IMPORTANCE OF CAPITAL MANAGEMENT

Capital management is critical to survival. Hence, capital is managed as a Board level priority. The Board is responsible for assessing and approving the Group's capital management policy, capital target levels and capital strategy. A capital management framework provides effective capital planning, capital issuance, alignment to the Basel accord, EC utilisation and economic profit (EP) performance measurement criteria. The diagram above illustrates the process to ensure end-to-end integration of strategy, risk management, and financial processes into the capital management process. The purpose is to ensure that capital consumption in the business divisions is planned for and reflected in their performance measurement, which in turn translates into management performance assessment, product pricing requirements, and achievement of the overall strategy within the Group's risk appetite.

COMPLIANCE RISK MANAGEMENT

The compliance function organises and sets priorities for the management of its compliance risk in a way that is consistent with low-risk management strategy and structures.

The integrated compliance function working closely with Internal Audit and Risk Management to achieve risk convergence provided the backbone for integrated assurance and higher visibility of risk management and control consciousness across the Company and its subsidiaries.

The compliance function has continued to redefine and fine-tune its approach and continue to improve on its advisory role with an intense focus on regulatory intelligence gathering, compliance monitoring, compliance testing, and closer cooperation with business units within the Bank. The Compliance function in the Banking group acts as a contact point for compliance inquiries from verticals through a shared service. The Business Unit Compliance Officers in business units and Quality Assurance desks across the business units have further strengthened and deepened the cooperation with the first line of defence.
We enhanced the monitoring to online real-time to catch up with the current digital banking environment. We receive alerts of transactions on a risk-based approach by focusing on the high-risk areas thereby spotting non-conformities on time.

MEASUREMENT, MONITORING AND MANAGEMENT OF COMPLIANCE RISK

In the verticals and across the company, compliance is monitored by the following:

- A reference to identified metrics, incident assessments (whether affecting it or the wider industry), regulatory feedback, Compliance Testing, and the judgment of our external assessors as it relates to AML/CFT and other compliance vulnerabilities

- Monitored against our compliance risk assessments and metrics, the results of the continuous monitoring and reporting activities of the compliance function, and the results of internal and external audits and regulatory inspections

- Managed by establishing and communicating appropriate policies and procedures, training employees on them and monitoring activity to assure their observance.

The compliance risk management philosophy is deepened by the effective convergence of risk management through the 'Three Lines of Defence model and all staff, are committed to high standards of integrity and fair dealing in the conduct of business. The Company continues to recognise its accountability to all its stakeholders under the legal and regulatory requirements applicable to its business.

INFORMATION AND CYBERSECURITY RISK MANAGEMENT

The global cybersecurity threat landscape has continued to evolve with increasing dynamism since the onset of the covid-19 pandemic and its impact on social interactions has led to both increased digital collaboration between malicious threat actors and the commercialization of cybercrime. Our approach to this malaise is hinged on a proactive cyber strategy that combines a solid defensive foundation, deep threat intelligence and resilience capabilities.

Hence, as part of these strategic initiatives, the subsidiaries in the company have established a comprehensive cybersecurity framework and implemented a defence-in-depth approach to protect our information assets (most especially our crown jewels), our human capital and our business across the Company. The Security function has been expanded to cover Cybersecurity Governance, 3rd Party Risk & Application Programming Interface (API) Management, Forensic Analysis, and Incident Response. The Banking group also provides the required support through a shared service.

A key digital change in the mode of operations is reflected in our steady drive to improve incident detection and response capabilities to deliver more resiliency and prevent breaches across the subsidiaries and Access Holdings Plc.

As the Banking group continues to grow its retail base, close attention is paid to cybersecurity given the digital threat landscape and constant operational security challenges of our environments. Therefore, a particular initiative that our proactive and defensive measures deliver is a reduction of our attack surface to the barest minimum to ensure there is no financial loss. We are also constantly improving on our visibility into potential anomalous digital interactions across the Company through our world class 24/7 Security Operations Center (SOC).

We have also implemented global best-practice security frameworks to ensure compliance with both regulatory requirements and international standards. This is followed up with a yearly compliance reassessment of our status as part of our cyber governance across the Company and its verticals. Our human capital is a cardinal part of our strategy, and their capability is constantly being honed through user awareness training. Through this, our technical controls are well complemented by an alert workforce, whose ability to recognise the tricks of hackers with their malicious appendages is highly developed, therefore, disrupting the cyber attack chain and improving our collective resistance to social engineering attacks.

The constant improvement and breakthroughs in technology, as well as the never-ending desire to improve services, have made Digital Banking, Fintech Integration & Cloud Adoption, key strategic objectives. Therefore, as we work towards realising these objectives, the implementation of proper risk mitigation measures will reduce the business risks inherent in these opportunities and deliver more optimal outcomes. We are committed to maintaining a "moderate overall cyber risk appetite" while driving compliance and resilience.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

The main objective of our environmental and social ("E&S") risk management strategy is to reduce the negative impacts of climate change and harness the opportunities inherent in portfolio transition towards a near-zero economy on our business. We recognize that our customers' activities and operations can have an impact on the environment and communities around them. We have developed, implemented, and refined our approach to working with our customers to understand and manage these issues. Our robust governance framework, policies, and procedures have ensured that we remain resilient in our E&S risk management commitments, particularly as the Banking group has acquired new markets in the African continent and across the globe. We believe that the key to managing environmental risk is creating partnerships with our customers across the verticals in the Company aligning activities on our transition path to more sustainable environmental practices. More importantly, our Environmental, Social and Governance (ESG) systems have evolved from environmental and social risks into environmental and social opportunities. This continuous evolution has ensured that we continually strive towards attaining a more refined ESG risk management structure, thus building on our E&S pedigree including embedding and automation of our E&S lending risk review processes, and pioneer corporate certified green bonds amongst others.

Responding to Climate Change

We consider climate change to be one of the greatest challenges facing the world today. We are dedicated to achieving the commitments of the Paris Agreement on carbon emissions reductions, whilst ensuring that we stay focused on managing the potential environmental issues. With the increasing awareness around financed emissions and the impact of climate change potential within our portfolio, we have taken strategic steps towards understanding these potential exposures, and their implications and incorporating requisite mitigating measures to manage these risks. We have therefore taken forward-looking measures by becoming a core participating member of internationally recognised climate risk initiatives. These initiatives include:

UNEP FI's Taskforce on Climate-related Financial Disclosures (TCFD) adopted by leading global financial institutions and aimed at identifying and managing the impact of climate risks in the portfolio of Financial Institutions. The banking group became a member of the working group in 2019 and has been working on aligning the emissions from both our own operations and our financing activities to the Paris Goal of below two degrees of global warming.

Partnership for Carbon Accounting Financials (PCAF) is a global partnership aimed at harmonising the approach to accessing and disclosing greenhouse gas (GHG) emissions associated with loans and investments. The Banking group became a member of the steering group in June 2020. We have built capacity around data collection and incorporating the PCAF methodology to measure our financed emissions.

We have also further developed our climate risk strategy by expanding our portfolio of green assets. We have designed a system to identify, measure, track and report on the progress made in developing a diversified green loan portfolio. We recognise the critical role green product development plays in achieving this objective, and we are at an advanced stage in developing a bouquet of green products to catalyse more green loans into our loan portfolio. We have set targets for reducing the carbon emissions from our operations and have taken strong steps toward achieving this goal.

REPUTATIONAL RISK MANAGEMENT

Reputational risk arises when the reputation of one of the Company's subsidiaries is marred by one or more reputational events from negative publicity about the organization's business practices, conduct or financial condition. Reputational Risk Management is mandated to provide protection from potential threats to its reputation. The risk management function continuously uses proactive means in minimizing the effects of reputational events, thereby averting the likelihood of major reputational crises with a view to ultimately ensure the survival of the organisation. The company and its subsidiaries have put in place a framework to properly articulate, analyse and manage reputational risk factors.

The management of reputational risk is taken seriously because of its far-reaching implications, which are buttressed by the fact that most of the subsidiaries operate under:

- A highly regulated industry with high visibility and vulnerability to regulatory actions that may adversely impact its reputation. (e.g., corporate governance crises)
- Keen competition and largely homogeneous products and services have led customers not to perceive significant differences between financial service providers
- Given the nature of the products and services provided, the reputation risk exposure also includes third parties and clients.
- Increasing use of social media platforms for the dissemination of news, where it is difficult to manage and control negative news even if they are false.

The Company's verticals operate in a global environment; hence risks emerge from a host of different sources and locations that are difficult to keep up with and to know how best to respond if they occur. The effects of the occurrence of a reputational risk event include but are not limited to the following:

- Loss of current or future customers
- Loss of public confidence
- Loss of employees leading to an increase in hiring costs, or staff downtime
- Reduction in current or future business partners
- Increased costs of capitalization via credit or equity markets
- Regulatory sanctions
- Increased costs due to government regulations, fines, or other penalties
- Loss of licenses

The reputational risk policy provides for the preservation of reputation. Reputational risk will arise from the failure to effectively mitigate any or a combination of country, credit, liquidity, market, regulatory and operational risks. It may also arise from the failure to comply with social, environmental governance and ethical standards. All employees are responsible for the day-to-day identification and management of reputational risk.

COMPILATION OF TRIGGER EVENTS

To assist in the identification of key reputational risk events, triggers that would set off the risk drivers are compiled through regular workshops with participants across the Company. The following table illustrates some trigger events for relevant risk drivers.

Risk Drivers	Trigger Events
Corporate Governance and Leadership	• Corporate frauds and scandals • Association with dishonest and disreputable characters as directors, management • Association with politically exposed persons • Incidence of shareholders conflict and Board Instability.
Regulatory Compliance	• Non - Compliance with laws and regulation • Non-submission of Regulatory returns
Delivering Customer Promise	• Security Failure

	• Shortfall in quality of service/fair treatment • Bad behavior by employees
Workplace Talent and Culture	• Unfair employment practices • Not addressing employee grievances • Uncompetitive remuneration
Corporate Social Responsibility	• Lack of community development initiatives
Corporate Culture	• Lack of appropriate culture to support the achievement of business objectives. • Ineffective risk management practices. • Unethical behaviors on the part of staff and management. • Lack of appropriate structure for employees to voice their concerns
Risk Management and Control Environment	• Inadequate Risk Management and Control environment • Continuous violations of existing policies and procedures
Financial Soundness and Business Viability	• Consistent poor financial performance • Substantial losses from unsuccessful Investment
Crisis Management	• Inadequate response to a crisis or even a minor incident

APPROACH TO MANAGING REPUTATION RISK EVENTS

The approach to managing reputational events, including any relevant strategy and policies, is approved by the Board or its delegated committee and subject to periodic review and regularly updated by senior management to ensure that it remains appropriate over time. In addition, the approach is well documented and communicated to all relevant personnel.

POST-REPUTATION EVENT REVIEWS

After a reputational event, the post-event review is conducted by Internal Audit and Risk Management Division to identify any lessons learnt, or problems and weaknesses revealed, from the event. Such reviews are useful for providing feedback and recommendations for enhancing the reputation across the Company's reputation risk management process and are conducted on any major event affecting any of the verticals. The Board and senior management are informed of the results of any such review conducted to take appropriate actions to enhance their capacity to manage reputational risk.

STRATEGIC RISK MANAGEMENT

Strategic Risk Management is defined as the process of identifying, assessing, and managing risks and uncertainties affected by internal and external events or scenarios that could inhibit the ability to achieve strategic objectives with the goal of creating and protecting shareholder and stakeholder value. It is a primary component and necessary foundation of our Enterprise Risk Management.

Strategic risk management, therefore, is the current or prospective risk to earnings and capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to changes in the business environment. It can also be defined as the management of the risk associated with future business plans and strategies, including plans for entering new business lines, expanding existing services through mergers and acquisitions, and enhancing infrastructure.

The following principles govern strategic risk management across the Company:

The Board and Senior Management are responsible for Strategic Risk Management and oversee the effective functioning of the strategic risk management framework.
The functional units (i.e., the units which carry out business or operational functions) assist the Board and Senior Management in formulating and implementing strategies, providing input to the strategic planning and management processes; as well as implementing the strategic risk management framework.

The risk management function supports the Board and senior management in managing strategic risks and other related processes.

The measures and controls put in place include the following:

- Strategic plans are approved and monitored by the Board.
- Regular environmental scans, business strategy sessions, and workshops are set up to discuss business decisions and exposure to strategic risk triggers.
- Close monitoring to ensure that strategic plans are properly aligned with the business model.
- Regular performance review by Executive Management and business plans that are approved by the Board.

There is also a well-defined succession plan, proper monitoring, and well-defined structures to align its activities to international best practices.

ECONOMIC INTELLIGENCE

Economic Intelligence (EI) team provides economic, business, and financial analyses that support the Company and its verticals through a shared service arrangement in achieving their strategic objectives. Its value propositions include assisting the Company's subsidiaries in realising respective targeted moderate risk appetite, price competitiveness, improvement to business intelligence and brand enhancement.

Some of the Unit's roles and responsibilities include:

- Monitoring and interpreting current economic developments/trends globally and wherever the Company's subsidiaries have a presence and preparing economic outlook to aid decision-making.
- Proactively providing industry analysis, identifying investment trends and opportunities monitoring, interpreting, and conducting policy-relevant research.
- Developing contact and collaborative economic/business and financial information with research institutes/ bodies within the country and outside.

5.1 Credit risk management

5.1.1 Maximum exposure to credit risk before collateral held or other credit enhancements

Credit risk exposures relating to financial assets are as follows:

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Cash and balances with banks				
- Current balances with banks	574,111	280,811	11,757	2,488
- Unrestricted balances with central banks	219,248	186,534	-	-
- Money market placements	210,059	152,682	-	-
- Other deposits with central banks	981,890	536,677	-	-
Investment under management	44,549	39,502	38,890	35,760
Non pledged trading assets				
Treasury bills	134,208	88,116	-	-
Bonds	7,874	14,574	-	-
Derivative financial instruments	1,755,483	402,497	85,770	-
Loans and advances to banks	913,473	455,709	-	-
Loans and advances to customers	6,709,793	5,100,807	-	-
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	494,255	451,476	-	-
Bonds	13,804	-	-	-
Promissory notes	-	-	-	-
-Financial instruments at amortized cost				
Treasury bills	127,240	296,061	-	-
Bonds	326,741	411,582	-	-
Promissory notes	33,974	32,639	-	-
-Financial instruments at FVPL				
Treasury bills	31,879	72,565	-	-
Bonds	3,046	2,567	-	-
Promissory notes	-	-	-	-
Investment securities				
-Financial instruments at FVOCI				
Treasury bills	1,956,631	1,046,120	-	-
Bonds	675,768	296,240	-	-
Promissory notes	21,333	217,305	-	-
- Financial assets at amortised cost				
Treasury bills	208,541	192,795	-	-
Total Return notes	-	-	-	-
Bonds	1,433,742	870,110	-	-
Promissory notes	90,945	37,762	-	-
Restricted deposit and other assets	2,984,199	2,395,033	17,592	11,719
Total	**19,952,786**	**13,580,165**	**154,010**	**49,967**

Off balance sheet exposures

Transaction related bonds and guarantees	871,366	693,915	-	-
Clean line facilities for letters of credit and other commitments	1,155,394	842,563	-	-
Total	**2,026,760**	**1,536,477**	**-**	**-**

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 30 June 2023 and 31 December 2022, without taking account of any collateral held or other credit enhancements attached.

For on-balance-sheet assets, the exposures set out above are based on net amounts reported in the statements of financial position.

The Directors are confident in their ability to continue to control exposure to credit risk which can result from both its Loans and Advances portfolio and debt securities.

5.1.2 Gross loans and advances to customers per sector is as analysed follows:

In millions of Naira	**Group June 2023**	**Group December 2022**	**Company June 2023**	**Company December 2022**
Agriculture	75,519	57,578	-	-
Construction	472,093	388,368	-	-
Education	5,665	2,082	-	-
Finance and insurance	144,153	146,689	-	-
General	789,565	387,965	-	-
General commerce	1,021,171	687,600	-	-
Government	496,534	498,493	-	-
Information And communication	496,764	249,350	-	-
Other manufacturing (Industries)	301,218	241,682	-	-
Basic metal Products	11,657	5,100	-	-
Cement	99,319	151,930	-	-
Conglomerate	209,240	106,685	-	-
Flourmills And bakeries	20,186	12,130	-	-
Food manufacturing	317,055	243,975	-	-
Steel rolling mills	107,741	108,790	-	-
Oil And Gas - downstream	299,776	274,678	-	-
Oil And Gas - services	625,890	644,592	-	-
Oil And Gas - upstream	399,147	277,713	-	-
Crude oil refining	43,572	47,428	-	-
Real estate activities	248,077	273,074	-	-
Transportation and storage	315,680	192,583	-	-
Power and energy	92,608	47,101	-	-
Professional, scientific and technical activities	4,929	8,322	-	-
Others	252,153	145,842	-	-
	6,849,711	**5,199,749**	**-**	**-**

5.1.3(a) Group
June 2023
Credit quality by class

Loans to retail customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	-	-	-	-	-	-	-	-	-
Standard grade	646,392	28,981	-	675,373	11,302	1,579	-	12,881	662,492
Non-Investment	-	-	49,324	49,324	-	-	17,583	17,583	31,741

Loans to corporate customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	2,485,274	-	-	2,485,274	3,399	-	-	3,399	2,481,876
Standard grade	3,019,038	451,221	-	3,470,259	36,560	11,793	-	48,353	3,421,906
Non-Investment	-	-	169,478	169,478	-	-	57,701	57,701	111,777

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	913,763	-	-	913,763	523	-	-	523	913,240
Standard grade	257	-	-	257	126	-	-	126	131
Non-Investment	-	-	132	132	-	-	29	29	103

Off balance sheet

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	1,394,560	-	-	1,394,560	852	332	-	1,185	1,393,375
Standard grade	579,360	34,920	-	614,280	1,826	53	2,512	4,390	609,889
Non-Investment	-	-	17,919	17,921	14	-	353	367	17,554

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	1,263,717	-	-	1,263,717	727	-	-	727	1,262,990
Standard grade	-	-	-	-	-	-	-	-	-
Sub-standard grade	-	-	-	-	-	-	-	-	-
Non-Investment	2,798,475	-	615,414	3,413,890	1,210	-	121,401	122,610	3,291,279

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	1,030,940	-	-	1,030,940	452	-	-	452	1,030,487

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	119,356	-	-	119,356	238	-	-	238	119,117
Standard grade	-	-	-	-	-	-	-	-	-
Non-Investment	89,890	-	-	89,890	1,612	-	-	1,612	88,279

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	2,927,634	-	-	2,927,634	10,141	-	-	10,141	2,917,494
Standard grade	25,020	92,459	-	117,479	506	708	-	1,214	116,265
Non-Investment	-	-	-	-	-	-	-	-	-

5.1.3(b) Bank
June 2023
Credit quality by class

Loans to retail customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	-	-	-	-	-	-	-	-	-
Standard grade	145,069	496	-	145,565	7,906	38	-	7,943	137,622
Non-Investment	-	-	9,446	9,446	-	-	2,912	2,912	6,534

Loans to corporate customers

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	2,458,815	79,865	-	2,538,680	15,000	2,560	-	17,561	2,521,120
Standard grade	1,804,988	350,587	-	2,155,575	20,883	7,799	-	28,682	2,126,894
Non-Investment	-	-	72,651	72,651	-	-	21,736	21,736	50,915

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	345,808	-	-	345,808	523	-	-	523	345,285
Standard grade	257	-	-	257	3	-	-	3	254
Non-Investment	-	-	132	132	-	-	29	29	103

Off balance sheet

In millions of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	1,128,891	-	-	1,128,891	3,719	-	-	3,719	1,125,172
Standard grade	500,314	6,270	-	506,584	1,949	64	-	2,013	504,571
Non-Investment	-	-	14,777	14,777	-	-	30	30	14,747

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	290,119	-	-	290,119	-	-	-	-	290,119
Standard grade	-	-	-	-	-	-	-	-	-
Non-Investment	2,798,475	-	227,407	3,025,882	1,301	-	67,551	68,852	2,957,030

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	1,030,940	-	-	1,030,940	452	-	-	452	1,030,487

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	89,890	-	-	89,890	1,612	-	-	1,612	88,279

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	2,683,335	-	-	2,683,335	6,196	-	-	6,196	2,677,140
Standard grade	22,932	84,744	-	107,676	396	554	-	949	106,726
Non-Investment	-	-	-	-	-	-	-	-	-

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	35,915	-	-	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	1,932	-	-	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	-	-	140,907	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	451,984
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 thousands of Naira	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Internal rating grade									
Investment	2,410,425	-	-	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 **Credit quality**

(c) Credit quality by risk rating class

Group

In millions of Naira
June 2023

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	833	-	-	833	75	-	-	75	757
BB	Standard	3	639,811	28,796	-	668,606	10,855	1,558	-	12,414	656,192
BB-	Standard	3-	5,749	185	-	5,934	371	21	-	392	5,543
B	Non-Investment	4	-	-	767	767	-	-	273	273	494
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	24,240	24,240	-	-	8,639	8,639	15,601
C	Non-Investment	7	-	-	13,658	13,658	-	-	4,872	4,872	8,787
D	Non-Investment	8	-	-	10,659	10,659	-	-	3,799	3,799	6,860
Carrying amount			**646,392**	**28,981**	**49,324**	**724,697**	**11,302**	**1,579**	**17,583**	**30,464**	**694,233**

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	282,894	-	-	282,894	1,777	-	-	1,777	281,117
AA	Investment	2+	961,968	-	-	961,968	5,499	-	-	5,499	956,469
A	Investment	2	447,561	71,743	-	519,303	3,631	2,580	-	6,211	513,092
BBB	Investment	2-	579,412	8,122	-	587,535	5,806	234	-	6,040	581,495
BB+	Standard	3+	168,761	-	-	168,761	1,219	-	-	1,219	167,541
BB	Standard	3	2,886,578	260,159	-	3,146,737	19,232	8,047	-	27,279	3,119,458
BB-	Standard	3-	152,887	111,092	-	263,979	2,621	929	-	3,550	260,429
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	24,252	105	14	24,370	174	2	8	184	24,186
CCC	Non-Investment	6	1	-	131,441	131,442	1	-	49,624	49,624	81,818
C	Non-Investment	7	-	-	24,207	24,207	-	-	5,137	5,137	19,070
D	Non-Investment	8	-	-	13,816	13,816	-	-	2,932	2,932	10,884
			5,504,312	**451,220**	**169,479**	**6,125,015**	**39,959**	**11,793**	**57,701**	**109,453**	**6,015,563**

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	913,763	-	-	913,763	647	-	-	647	913,116
BB	Standard	3	257	-	-	257	3	-	-	3	254
CCC	Non-Investment	6	-	-	132	132	-	-	29	29	103
			914,021	**-**	**132**	**914,152**	**649**	**-**	**29**	**678**	**913,473**

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	1,263,717	-	-	1,263,717	727	-	-	727	1,262,990
BB	Standard	3	-	-	-	-	-	-	-	-	-
B	Non-Investment	4	2,798,475	-	615,414	3,413,889	1,210	-	121,401	122,610	3,291,278
			4,062,192	**-**	**615,414**	**4,677,606**	**1,937**	**-**	**121,401**	**123,338**	**4,554,268**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal June 2023	Fair Value June 2023
AAA-A	Investment	1	4,019,581	1,280,640
AA	Investment	2+	109,644	(12,635)
A	Investment	2	77,736	25,365
BBB	Investment	2-	133,373	(52,461)
BB+	Standard	3+	7,348	(2,985)
BB	Standard	3	195,448	(67,159)
BB-	Standard	3-	31,583	20,704
B	Non-Investment	4	-	-
Gross amount			**4,574,714**	**1,191,469**

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	2,812,595	-	-	2,812,595	10,081	-	-	10,081	2,802,513
AA	Investment	2+	58,686	-	-	58,686	1	-	-	1	58,685
A	Investment	2	16,644	-	-	16,644	43	-	-	43	16,601
BBB	Investment	2-	39,710	-	-	39,710	15	-	-	15	39,694
BB+	Standard	3+	25,020	-	-	25,020	506	-	-	506	24,514
BB	Standard	3	-	92,459	-	92,459	-	708	-	708	91,751
			2,952,654	**92,459**	**-**	**3,045,113**	**10,647**	**708**	**-**	**11,355**	**3,033,758**

Bank
June 2023
In millions of Naira

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	833	-	-	833	71	-	-	71	761
BB	Standard	3	138,487	311	-	138,798	7,494	27	-	7,521	131,278
BB-	Standard	3-	5,749	185	-	5,934	341	11	-	350	5,584
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	9,444	9,444	-	-	2,912	2,912	6,531
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	2	2	-	-	1	1	1
Carrying amount			**145,070**	**495**	**9,446**	**155,011**	**7,906**	**37**	**2,912**	**10,855**	**144,153**

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	282,894	-	-	282,894	1,557	-	-	1,557	281,338
AA	Investment	2+	961,968	-	-	961,968	4,801	-	-	4,801	957,167
A	Investment	2	447,561	-	-	447,561	3,285	2,352	-	5,637	441,923
BBB	Investment	2-	579,412	-	-	579,412	5,356	208	-	5,565	573,848
BB+	Standard	3+	168,761	-	-	168,761	1,088	-	-	1,088	167,672
BB	Standard	3	1,646,069	351,224	-	1,997,293	17,137	7,221	-	24,357	1,972,935
BB-	Standard	3-	152,887	79,123	-	232,010	2,502	576	-	3,079	228,933
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	24,252	105	14	24,370	155	2	5	162	24,208
CCC	Non-Investment	6	1	-	72,637	72,637	1	-	21,730	21,731	50,906
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	-	-	-	-	-	-	-
			4,263,804	**430,452**	**72,651**	**4,766,906**	**35,883**	**10,360**	**21,736**	**67,978**	**4,698,929**

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	345,808	-	-	345,808	523	-	-	523	345,285
AA	Investment	2+	-	-	-	-	-	-	-	-	-
A	Investment	2	-	-	-	-	-	-	-	-	-
BBB	Investment	2-	-	-	-	-	-	-	-	-	-
BB+	Standard	3+	-	-	-	-	-	-	-	-	-
BB	Standard	3	257	-	-	257	3	-	-	3	254
BB-	Standard	3-	-	-	-	-	-	-	-	-	-
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	132	132	-	-	29	29	103
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	-	-	-	-	-	-	-
			346,065	**-**	**132**	**346,197**	**526**	**-**	**29**	**555**	**345,641**

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	290,119	-	-	290,119	-	-	-	-	290,119
BB	Standard	3	-	-	-	-	-	-	-	-	-
B	Non-Investment	4	2,798,475	-	227,407	3,025,882	1,301	-	67,551	68,852	2,957,030
			3,088,596	**-**	**227,407**	**3,316,002**	**1,301**	**-**	**67,551**	**68,852**	**3,247,150**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal June 2023	Fair Value June 2023
AAA-A	Investment	1	3,941,527	1,268,161
AA	Investment	2+	29,423	(12,512)
A	Investment	2	76,227	25,118
BBB	Investment	2-	130,783	(51,950)
BB+	Standard	3+	7,205	(2,956)
BB	Standard	3	191,652	(66,505)
BB-	Standard	3-	109,062	20,503
Gross amount			**4,485,880**	**1,179,859**

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	2,577,895	-	-	2,577,895	6,149	-	-	6,149	2,571,746
AA	Investment	2+	53,789	-	-	53,789	1	-	-	1	53,788
A	Investment	2	15,255	-	-	15,255	33	-	-	33	15,222
BBB	Investment	2-	36,396	-	-	36,396	12	-	-	12	36,384
BB+	Standard	3+	22,932	-	-	22,932	396	-	-	396	22,536
BB	Standard	3	-	84,744	-	84,744	-	554	-	554	84,190
			2,706,267	**84,744**	**-**	**2,791,011**	**6,591**	**554**	**-**	**7,145**	**2,783,866**

5.1 Credit quality
(c) Credit quality by risk rating class

Group

In millions of Naira
December 2022

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	467	-	-	467	17	-	-	17	450
BB	Standard	3	437,732	238	956	438,927	6,668	12	236	6,916	432,011
BB-	Standard	3-	6,134	20,227	203	26,565	243	1,083	64	1,390	25,175
B	Non-Investment	4	-	-	496	496	-	-	156	156	340
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
D	Non-Investment	8	-	-	-	-	-	-	-	-	-
			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	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	-	-	-	-	-	-	-	-	-
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
CCC	Non-Investment	6		-		-	-	-	-	-	-
			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	Investment	1	1,674,145	326,235
AA	Investment	2+	116,993	(4,479)
A	Investment	2	96,991	(1,248)
BBB	Investment	2-	11,813	(1,031)
BB+	Standard	3+	267,312	50,392
BB	Standard	3	1,076	(76)
BB-	Standard	3-	518	(32)
Gross amount			**2,168,848**	**369,760**

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies. These instruments are neither past due nor impaired

Other Assets

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	2,334,924	-	-	2,334,924	3,963	-	-	3,963	2,330,960
AA	Investment	2+	2,165	-	-	2,165	10	-	-	10	2,155
A	Investment	2	12,552	-	-	12,552	195	-	-	195	12,356
BBB	Investment	2-	60,785	-	-	60,785	190	-	-	190	60,595
BB+	Standard	3+	24,227	-	-	24,227	1,958	-	-	1,958	22,269
BB	Standard	3	-	25,675	-	25,675	-	2,073	-	2,073	23,602
			-	-	-	-	-	-	-	-	-
			2,434,652	**25,675**	**-**	**2,460,327**	**6,317**	**2,073**	**-**	**8,390**	**2,451,937**

Bank
December 2022
In millions of Naira

Loans and advances to retail customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
BB+	Standard	3+	467	-	-	467	17	-	-	17	450
BB	Standard	3	131,880	238	956	133,076	5,000	12	236	5,248	127,829
BB-	Standard	3-	6,134	324	203	6,662	243	9	64	315	6,346
B	Non-Investment	4	-	-	-	-	-	-	-	-	2
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	5,921	5,921	-	-	1,649	1,649	4,270
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	3,146	3,146	-	-	921	921	2,226
Carrying amount			**138,482**	**563**	**10,227**	**149,271**	**5,260**	**20**	**2,869**	**8,155**	**141,116**

Loans and advances to corporate customers

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	206,038	-	-	206,038	42	-	-	42	205,997
AA	Investment	2+	579,429	-	-	579,429	815	-	-	815	578,614
A	Investment	2	297,399	-	-	297,399	603	-	-	604	296,795
BBB	Investment	2-	167,063	-	-	167,063	471	-	-	471	166,591
BB+	Standard	3+	414,749	15	-	414,765	1,351	13	-	1,363	413,401
BB	Standard	3	1,715,765	-	-	1,715,765	13,032	-	-	13,032	1,702,733
BB-	Standard	3-	155,700	389,136	-	544,837	2,309	15,839	-	18,146	526,690
B	Non-Investment	4	-	-	-	-	-	-	-	-	-
B-	Non-Investment	5	-	-	-	-	-	-	-	-	-
CCC	Non-Investment	6	-	-	73,854	73,854	-	-	22,308	22,308	51,546
C	Non-Investment	7	-	-	-	-	-	-	-	-	-
D	Non-Investment	8	-	-	994	994	-	-	128	128	866
			3,536,143	**389,151**	**74,848**	**4,000,142**	**18,623**	**15,853**	**22,436**	**56,910**	**3,943,232**

Loans and advances to banks

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
AAA	Investment	1	319,192	-	-	319,192	308	-	-	308	318,884
AA	Investment	2+	-	-	-	-	-	-	-	-	1
BB	Standard	3	3,640	-	-	3,640	6	-	-	6	3,634
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
CCC	Non-Investment	6	-	-	-	-	-	-	-	-	-
			1,860,832	**-**	**125,038**	**1,985,869**	**1,988**	**-**	**37,320**	**39,308**	**1,946,561**

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal December 2022	Fair Value December 2022
AAA-A	Investment	1	1,605,574	324,669
A	Investment	2+	112,201	(4,458)
AA	Investment	2	93,018	(1,242)
BBB	Investment	2-	11,329	(1,026)
BB+	Standard	3+	256,363	50,150
BB	Standard	3	1,032	(76)
BB-	Standard	3-	497	(32)
Gross amount			**2,080,014**	**367,986**

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies. These instruments are neither past due nor impaired

Other Assets

External Rating Equivalent	Grade	Risk Rating	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying
AAA	Investment	1	2,210,102	-	-	2,210,102	2,007	-	-	2,007	2,208,095
AA	Investment	2+	2,049	-	-	2,049	11	-	-	11	2,038
A	Investment	2	11,881	-	-	11,881	225	-	-	225	11,656
BBB	Investment	2-	57,535	-	-	57,535	218	-	-	218	57,317
BB+	Standard	3+	22,932	-	-	22,932	2,249	-	-	2,249	20,683
BB	Standard	3	-	24,303	-	24,303	-	2,381	-	2,381	21,921
						-					
			2,304,499	**24,303**	**-**	**2,328,802**	**4,711**	**2,381**	**-**	**7,092**	**2,321,710**

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

Group
In millions of Naira

June 2023	**Total**	**Risk Rating 1-3**	**Risk Rating 4-5**	**Risk Rating 6**	**Risk Rating 7**	**Risk Rating 8**
Cash and balances with banks						
Current balances with banks	574,111	574,111	-	-	-	-
Unrestricted balances with central banks	219,248	219,248	-	-	-	-
Money market placements	208,209	119,930	88,279			
Other deposits with central banks	981,890	981,890				
Investment under management	44,549	44,549	-	-	-	-
Non-pledged trading assets						
Treasury bills	134,208	134,208	-	-	-	-
Bonds	7,874	7,874	-	-	-	-
Derivative financial instruments	1,755,483	1,755,483	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI			-	-	-	-
Treasury bills	494,255	-	494,255	-	-	-
Bonds	13,804	-	13,804			
-Financial instruments at amortized cost						
Treasury bills	127,118	-	127,118	-	-	-
Bonds	326,443	-	326,443	-	-	-
Promissory Notes	33,942	-	33,942	-	-	-
-Financial instruments at FVPL						
Treasury bills	31,879	-	31,879	-	-	-
Bonds	3,046	-	3,046	-	-	-
Investment securities						
-Financial instruments at FVOCI						
Treasury bills	1,956,631	-	1,956,631	-	-	-
Bonds	675,768	-	656,308	19,460	-	-
Promissory Notes	21,333	-	21,333	-	-	-
- Financial assets at amortised cost						
Treasury bills	208,541	-	208,541	-	-	-
Bonds	1,422,515	-	713,920	708,594	-	-
Credit Link Notes	-	-	-	-	-	-
Promissory Notes	90,945	-	90,945	-	-	-
- Financial assets at FVPL						
Equity	290,010	290,010	-	-	-	-
Restricted deposit and other assets	2,981,983	2,981,983	-	-	-	-
	12,603,785	**7,109,288**	**4,766,445**	**728,054**	**-**	**-**

The rating here represents internal grade ratings

Group
In millions of Naira

December 2022	**Total**	**Risk Rating 1-3**	**Risk Rating 4-5**	**Risk Rating 6**	**Risk Rating 7**	**Risk Rating 8**
Cash and balances with banks						
Current balances with banks	280,811	280,811	-	-	-	-
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	39,502	39,502	-	-	-	-
Non-pledged trading assets						
Treasury bills	88,116	88,116	-	-	-	-
Bonds	14,574	14,574	-	-	-	-
Derivative financial instruments		-				
Pledged assets	402,497	402,497	-	-	-	-
-Financial instruments at FVOCI						
Treasury bills			-	-	-	-
Bonds	451,476	-	451,476	-	-	-
-Financial instruments at amortized cost	-	-	-			
Treasury bills						
Bonds	295,404	-	295,404	-	-	-
Promissory Notes	410,700	-	410,700	-	-	-
-Financial instruments at FVPL	32,567	-	32,567	-	-	-
Treasury bills						
Bonds	72,565	-	72,565	-	-	-
Investment securities	2,567	-	2,567	-	-	-
-Financial assets at FVOCI						
Treasury bills						
Bonds	1,046,120	-	1,046,120	-	-	-
Promissory Notes	217,305	204,695	12,611	-	-	-
- Financial assets at amortised cost						
Treasury bills	192,795	-	192,795	-	-	-
Bonds	870,111	-	449,991	420,119	-	-
Total return notes	9,752	9,752	-	-	-	-
Promissory Notes	37,762	-	37,762	-	-	-
- Financial assets at FVPL						
Equity	167,906	167,906	-	-	-	-
Restricted deposit and other assets	2,388,650	2,388,650	-	-	-	-
	8,196,459	**4,447,569**	**3,287,079**	**461,814**	**-**	**-**

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

Company
In millions of Naira
June 2023

	Total	Risk Rating 1-3	Risk Rating 4-5	Risk Rating 6	Risk Rating 7	Risk Rating 8
Cash and balances with banks						
Current balances with banks	11,757	11,757	-	-	-	-
Unrestricted balances with central banks	-	-	-	-	-	-
Money market placements	-	-	-	-	-	-
Other deposits with central banks	-	-	-	-	-	-
Investment under management	38,890	38,890	-	-	-	-
Non-pledged trading assets						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Derivative financial instruments	85,770	85,770	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI			-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-				
-Financial instruments at amortized cost						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-
-Financial instruments at FVPL						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-
- Financial assets at amortised cost						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Total return notes	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-
- Financial assets at FVPL						
Equity	-	-	-	-	-	-
Restricted deposit and other assets	17,592	17,592	-	-	-	-
	154,010	**154,010**	**-**	**-**	**-**	**-**

The rating here represents internal grade ratings

Company
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	2,488	2,488	-	-	-	-
Unrestricted balances with central banks	-	-	-	-	-	-
Money market placements	-	-	-	-	-	-
Other deposits with central banks	-	-	-	-	-	-
Investment under management	35,760	35,760	-	-	-	-
Non-pledged trading assets						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Equity securities	-	-				
Derivative financial instruments	-	-	-	-	-	-
Pledged assets						
-Financial instruments at FVOCI			-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-				
-Financial instruments at amortized cost						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-
-Financial instruments at FVPL						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-
- Financial assets at amortised cost						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Total return notes	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-
- Financial assets at FVPL			-			
Equity	-	-	-	-	-	-
Restricted deposit and other assets	11,719	11,719	-	-	-	-
	49,967	**49,967**	**-**	**-**	**-**	**-**

5.1.3 Credit quality
(e) Credit staging by type

Group
In millions of Naira
June 2023
Loans and advances to retail customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	1,954	67	115	2,137	76	29	40	144	1,991
Credit Card	28,958	33	242	29,232	2,518	28	175	2,721	26,512
Finance Lease	101	-	-	101	-	-	-	-	101
Mortgage Loan	88,667	4,574	7,066	100,306	436	52	1,053	1,541	98,767
Overdraft	28,117	804	7,240	36,161	1,198	2	11,079	12,278	23,882
Personal Loan	356,118	15,989	22,674	394,781	6,062	685	1,515	8,263	386,518
Term Loan	136,836	7,206	11,508	155,550	990	782	3,612	5,383	150,166
Time Loan	257,851	308	479	258,638	23	1	110	134	258,504
	898,603	28,980	49,324	976,906	11,303	1,571	17,591	30,468	946,438

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	5,982	389	359	6,730	92	13	354	459	6,271
Credit Card	2,067	-	19	2,086	19	-	7	26	2,058
Finance Lease	11,666	62	296	12,024	50	13	930	993	11,035
Mortgage Loan	45,446	781	3,544	49,771	198	50	-	249	49,523
Overdraft	236,540	11,081	17,604	265,226	3,459	309	6,310	10,077	255,146
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	3,337,227	390,313	97,398	3,824,938	27,325	10,549	32,412	70,285	3,754,654
Time Loan	1,613,175	48,595	50,257	1,712,027	8,816	859	17,687	27,363	1,684,663
	5,252,105	451,220	169,478	5,872,803	39,968	11,793	57,702	109,452	5,763,351

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	Total ECL	Carrying amount
Auto Loan	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	8	-	-	8	0	-	-	0	8
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	249	-	132	380	3	-	29	32	349
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	173,387	-	-	173,387	87	-	-	87	173,299
Time Loan	740,376	-	-	740,376	559	-	-	559	739,817
	914,020	-	132	914,152	650	-	29	678	913,474

Company
In millions of Naira
June 2023
Loans and advances to retail customers

	Stage 1 Gross amount	Stage 2 Gross amount	Stage 3 Gross amount	Total Gross amount	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	Carrying amount
Auto Loan	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

5.1.3 Credit quality
(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	285,388	3,644	761	6,172	10,576	274,812
Term Loan	71,753	3,897	6,522	82,172	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	42	1,262
Finance Lease	7,942	249	328	8,519	60	9	136	205	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	3,617,981	16,402	15,770	25,113	57,285	3,560,697
Time Loan	676,178	33,924	37,676	747,778	2,170	510	6,558	9,237	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	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

Company
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	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

5.1.3 (g) Disclosure of fair value of Collateral held against loans and advances to customers by staging

Group

In millions of Naira

June 2023

Loans to retail customers

	Stage 1	**Stage 2**	**Stage 3**
Gross amount	898,603	28,980	49,324
ECL	(11,303)	(1,571)	(17,591)
Collateral held at fair value			
Property	62,934	34,009	38,933
Cash	9,290	3,297	41
Pledged goods/receivables	32	5,265	22
Others	3,423	7,503	1,508
Total	**75,679**	**50,073**	**40,503**

Loans to corporate Customers

	Stage 1	**Stage 2**	**Stage 3**
Gross amount	5,252,105	451,220	169,478
ECL	(39,968)	(11,793)	(57,702)
Collateral held at fair value			
Property	2,317,390	227,059	59,638
Cash	1,440,434	83,845	13,636
Pledged goods/receivables	111,029	1,974	7,186
Others	1,304,701	27,649	1,300
Total	**5,173,555**	**340,527**	**81,761**
Total collateral held at fair value	**5,249,233**	**390,600**	**122,264**

Company

In millions of Naira

June 2023

Loans to retail customers

	Stage 1	**Stage 2**	**Stage 3**
Gross amount	-	-	-
ECL	-	-	-
	-	-	-
Collateral held at fair value	-	-	-
Property	-	-	-
Cash	-	-	-
Pledged goods/receivables	-	-	-
Others	-	-	-
Total	**-**	**-**	**-**

Loans to corporate Customers

	Stage 1	**Stage 2**	**Stage 3**
Gross amount	-	-	-
ECL	-	-	-
Collateral held at fair value			
Property	-	-	-
Cash	-	-	-
Pledged goods/receivables	-	-	-
Others	-	-	-
Total	**-**	**-**	**-**
Total	**-**	**-**	**-**

[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 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
Equities	-	-	-
Cash	25,112	3,378	1,265
Pledged goods/receivables	16,136	5,424	647
Others	22,142	10,077	6,224
Total	**151,982**	**55,378**	**52,068**

Loans to corporate Customers

	Stage 1	Stage 2	Stage 3
Gross amount	4,148,275	409,855	140,906
ECL	(20,891)	(16,646)	(42,375)
Collateral held at fair value	1,321,873	218,651	64,410
Property			
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**

Company
In millions of Naira

December 2022

Loans to retail customers

	Stage 1	Stage 2	Stage 3
Gross amount	-	-	-
ECL	-	-	-
Collateral held at fair value			
Property	-	-	-
Equities	-	-	-
Cash	-	-	-
Pledged goods/receivables	-	-	-
Others	-	-	-
Total	**-**	**-**	**-**

Loans to corporate Customers

	Stage 1	Stage 2	Stage 3
Gross amount	-	-	-
ECL	-	-	-
Collateral held at fair value			
Property	-	-	-
Equities	-	-	-
Cash	-	-	-
Pledged goods/receivables	-	-	-
Others	-	-	-
Total	**-**	**-**	**-**
Total collateral held at fair value	**-**	**-**	**-**

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

June 2023

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	2,077,621	-	-	-	2,077,621
Investment under management	-	-	44,549	-	-	-	44,549
Non pledged trading assets							
Treasury bills	-	-	-	-	134,208	-	134,208
Bonds	-	-	243	-	7,631	-	7,874
Equity	-	-	-	-	-	-	-
Derivative financial instruments	1,179	211	96,999	1,160	1,177,691	-	1,277,240
Loans and advances to banks	-	-	913,473	-	-	-	913,473
Loans and advances to customers							
Auto Loan	767	5,504	-	1,992	-	-	8,263
Credit Card	38	2,022	-	26,512	-	-	28,572
Finance Lease	-	11,032	-	101	-	-	11,133
Mortgage Loan	-	49,522	-	98,766	-	-	148,288
Overdraft	65,087	186,676	-	23,882	3,385	-	279,031
Personal Loan	-	-	-	386,518	-	-	386,518
Term Loan	1,972,384	1,239,966	-	150,167	549,147	-	3,911,665
Time Loan	1,323,931	595,100	-	6,295	10,997	-	1,936,323
Pledged assets							
Treasury bills	-	-	-	-	652,923	-	652,923
Bonds	-	-	-	-	343,590	-	343,590
Promissory Notes	-	-	-	-	33,974	-	33,974
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	1,956,631	-	1,956,631
Bonds	44,271	-	-	-	631,497	-	675,768
Promissory Notes	-	-	-	-	21,333	-	21,333
-Financial assets at amortised cost						-	
Treasury bills	-	-	-	-	208,541	-	208,541
Credit Link Notes	-	-	-	-	-	-	-
Bonds	7,571	-	13,915	-	1,412,256	-	1,433,742
Promissory Notes	-	-	-	-	90,945	-	90,945
Restricted deposit and other assets	180,013	26,311	2,245,157	152,494	408,169	52,648	3,064,793
Total	**3,595,241**	**2,116,344**	**5,391,957**	**847,887**	**7,642,919**	**52,648**	**19,646,998**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	161,319	161,954	381,596	166,496	-	-	871,366
Clean line facilities for letters of credit and other commitments	416,879	441,367	4,669	286,871	5,608	-	1,155,394
Total	**578,198**	**603,321**	**386,265**	**453,368**	**5,608**	**-**	**2,026,760**

Group
By Sector

December 2022

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	-	-	-	-	-
Investment under management	-	-	-	-	-	-	-
Non pledged trading assets							
Treasury bills	-	-	-	-	88,116	-	88,116
Bonds	-	-	2,294	-	12,280	-	14,574
Equity	-	-	-	-	-	-	-
Derivative financial instruments	51,734	8,127	2,271	1,239	306,389	-	369,760
Loans and advances to banks	-	-	455,709	-	-	-	455,709
Loans and advances to customers							
Auto Loan	327	4,974	-	1,283	-	-	6,584
Credit Card	91	1,173	-	17,818	-	-	19,082
Finance Lease	-	8,314	-	1,073	-	-	9,386
Mortgage Loan	-	30,710	-	76,619	-	-	107,329
Overdraft	105,562	168,731	-	24,864	14	-	299,171
Personal Loan	-	-	-	274,812	-	-	274,812
Term Loan	1,696,281	1,418,052	-	79,793	446,364	-	3,640,489
Time Loan	470,798	267,743	-	5,414	-	-	743,955
Pledged assets							
Treasury bills	-	-	-	-	818,490	-	818,490
Bonds	-	-	-	-	414,150	-	414,150
Promissory Notes	-	-	-	-	32,639	-	32,639
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	1,046,120	-	1,046,120
Bonds	20,599	-	-	-	275,641	-	296,240
Promissory Notes	-	-	-	-	221,174	-	221,174
-Financial assets at amortised cost						-	
Treasury bills	-	-	-	-	112,005	-	112,005
Total Return Notes	9,752	-	-	-	-	-	9,752
Bonds	442,412	-	-	427,698	-	-	870,110
Promissory Notes	-	-	-	-	37,762	-	37,762
Restricted deposit and other assets	23,673	6,255	2,260,233	23,217	75,285	35,932	2,424,597
Total	**2,821,229**	**1,914,079**	**2,720,508**	**933,828**	**3,886,428**	**35,932**	**12,312,006**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	7,589	1,767	295,620	388,940	-	-	693,915
Clean line facilities for letters of credit and other commitments	1,820	228,261	4,090	608,392	-	-	842,563
Total	**9,409**	**230,028**	**299,710**	**997,332**	**-**	**-**	**1,536,477**

5.1.5(a)i Concentration by location for loans and advances is measured based on the location of the Group entity holding the asset, which has a high correlation with the location of the borrower. Concentration by location for investment securities is measured based on the location of the issuer of the security.

By geography

Group
June 2023
In millions of Naira

	Nigeria	Rest of Africa	Europe	Others	Total
Cash and balances with banks	1,280,067	437,070	316,454	4,326	2,037,918
Investment under management	44,549	-	-	-	44,549
Non pledged trading assets	-	-	-	-	
Treasury bills	134,208	-	-	-	134,208
Bonds	243	-	7,631	-	7,874
Equity	-	-	-	-	-
Derivative financial instruments	1,263,496	12,565	1,179	-	1,277,240
Loans and advances to banks	345,642	-	567,831	-	913,473
Loans and advances to customers	-	-	-	-	
Auto Loan	6,413	1,850	-	-	8,263
Credit Card	28,506	66	-	-	28,572
Finance Lease	8,034	3,099	-	-	11,133
Mortgage Loan	8,688	70,785	68,815	-	148,288
Overdraft	203,446	75,452	133	-	279,031
Personal Loan	75,138	311,380	-	-	386,518
Term Loan	3,222,620	370,549	311,651	-	3,904,820
Time Loan	1,290,238	55,592	597,338	-	1,943,168
Pledged assets	-	-	-	-	
Treasury bills	652,923	-	-	-	652,923
Bonds	343,590	-	-	-	343,590
Promissory Notes	33,974	-	-	-	33,974
Investment securities	-	-	-	-	
-Financial assets at FVOCI	-	-	-	-	
Treasury bills	1,407,723	548,908	-	-	1,956,631
Bonds	538,287	111,853	83,157	-	733,298
Promissory Notes	21,333	-	-	-	21,333
-Financial assets at amortised cost	-	-	-	-	
Treasury bills	62,364	-	146,177	-	208,541
Credit Link Notes	-	-	-	-	-
Bonds	672,385	750,213	11,144	-	1,433,742
Promissory Notes	90,945	-	-	-	90,945
Restricted deposit and other assets	288,084	2,772,377	4,331	-	3,064,791
Total	**12,022,897**	**5,521,758**	**2,115,843**	**4,326**	**19,664,822**

	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	831,977	39,389	-	-	871,366
Clean line facilities for letters of credit and other commitments	1,155,394	-	-	-	1,155,394
Total	**1,987,371**	**39,389**	**-**	**-**	**2,026,760**

By geography

Group
December 2022
In millions of Naira

	Nigeria	Rest of Africa	Europe	Others	Total
Cash and balances with banks	1,110,645	434,211	421,902	3,025	1,969,783
Investment under management	39,502	-	-	-	39,502
Non pledged trading assets					
Treasury bills	88,116	-	-	-	88,116
Bonds	2,294	-	12,280	-	14,574
Equity	-	-	-	-	-
Derivative financial instruments	367,986	1,377	397	-	369,760
Loans and advances to banks	3,738	-	451,971	-	455,709
Loans and advances to customers					
Auto Loan	5,374	1,210	-	-	6,584
Credit Card	18,794	288	-	-	19,082
Finance Lease	6,285	3,101	-	-	9,386
Mortgage Loan	5,406	57,179	44,744	-	107,329
Overdraft	268,771	30,385	15	-	299,171
Personal Loan	77,243	197,569	-	-	274,812
Term Loan	3,299,247	174,583	166,658	-	3,640,489
Time Loan	403,231	38,032	302,692	-	743,955
Pledged assets					
Treasury bills	818,490	-	-	-	818,490
Bonds	414,150	-	-	-	414,150
Promissory Notes	32,639	-	-	-	32,639
Investment securities					
-Financial assets at FVOCI					
Treasury bills	703,695	342,425	-	-	1,046,120
Bonds	158,208	117,519	20,513	-	296,240
Promissory Notes	221,174	-	-	-	221,174
-Financial assets at amortised cost	-				
Treasury bills	-	-	112,005	-	112,005
Total Return Notes	9,752	-	-	-	9,752
Bonds	442,412	7,579	420,119	-	870,110
Promissory Notes	37,762	-	-	-	37,762
Restricted deposit and other assets	238,621	142,137	2,043,840	-	2,424,597
Total	**8,773,536**	**1,547,602**	**3,997,134**	**3,025**	**14,321,291**

	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	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	**1,225,620**	**75,279**	**235,579**	**-**	**1,536,476**

Credit risk management

5.1.5 (b) By Sector

Company
June 2023

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	11,757	-	-	-	11,757
Investment under management	-	-	38,890	-	-	-	38,890
Non pledged trading assets	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-
Derivative financial instruments	-	-	85,770	-	-	-	85,770
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers	-	-	-	-	-	-	
Auto Loan	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-
Pledged assets	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-
Investment securities	-	-	-	-	-	-	
-Financial assets at FVOCI	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-
-Financial assets at amortised cost	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Credit Link Notes	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	17,592	-	-	-	17,592
Total	**-**	**-**	**154,010**	**-**	**-**	**-**	**154,010**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	-	-	-	-	-	-	-
Clean line facilities for letters of credit and other commitments	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

By Sector

Company
December 2022

In millions of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	2,488	-	-	-	2,488
Investment under management	-	-	35,760	-	-	-	35,760
Non pledged trading assets			-				
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers			-				
Auto Loan	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-
Pledged assets			-				
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Investment securities			-				
-Financial assets at FVOCI			-				
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-
-Financial assets at amortised cost			-				
Treasury bills	-	-	-	-	-	-	-
Total Return Notes	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	11,720	-	-	-	11,720
Total	**-**	**-**	**49,968**	**-**	**-**	**-**	**49,968**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	-	-	-	-	-	-	-
Clean line facilities for letters of credit and other commitments	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

5.1.5 (b)i By geography

Company June 2023 *In millions of Naira*	Nigeria	Rest of Africa	Europe	Others	Total
Cash and balances with banks	11,757	-	-	-	11,757
Investment under management	38,890	-	-	-	38,890
Non pledged trading assets	-	-	-	-	
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Equity	-	-	-	-	-
Derivative financial instruments	85,770	-	-	-	85,770
Loans and advances to banks	-	-	-	-	-
Loans and advances to customers	-	-	-	-	
Auto Loan	-	-	-	-	-
Credit Card	-	-	-	-	-
Finance Lease	-	-	-	-	-
Mortgage Loan	-	-	-	-	-
Overdraft	-	-	-	-	-
Personal Loan	-	-	-	-	-
Term Loan	-	-	-	-	-
Time Loan	-	-	-	-	-
Pledged assets	-	-	-	-	
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Promissory Notes	-	-	-	-	-
Investment securities	-	-	-	-	
-Financial assets at FVOCI	-	-	-	-	
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Promissory Notes	-	-	-	-	-
-Financial assets at amortised cost	-	-	-	-	
Treasury bills	-	-	-	-	-
Credit Link Notes	-	-	-	-	-
Bonds	-	-	-	-	-
Promissory Notes	-	-	-	-	-
Restricted deposit and other assets	17,592	-	-	-	17,592
Total	**154,010**	**-**	**-**	**-**	**154,010**

Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	-	-	-	-	-
Clean line facilities for letters of credit and other commitments	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

By geography

Company December 2022 *In millions of Naira*	Nigeria	Rest of Africa	Europe	Others	Total
Cash and balances with banks	2,488	-	-	-	2,488
Investment under management	35,760	-	-	-	35,760
Non pledged trading assets					
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Equity	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-
Loans and advances to customers					
Auto Loan	-	-	-	-	-
Credit Card	-	-	-	-	-
Finance Lease	-	-	-	-	-
Mortgage Loan	-	-	-	-	-
Overdraft	-	-	-	-	-
Personal Loan	-	-	-	-	-
Term Loan	-	-	-	-	-
Time Loan	-	-	-	-	-
Pledged assets					
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Investment securities					
-Financial assets at FVOCI					
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Promissory Notes	-	-	-	-	-
-Financial assets at amortised cost					
Treasury bills	-	-	-	-	-
Total Return Notes	-	-	-	-	-
Bonds	-	-	-	-	-
Promissory Notes	-	-	-	-	-
Restricted deposit and other assets	11,720	-	-	-	11,720
Total	**49,968**	**-**	**-**	**-**	**49,968**

Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	-	-	-	-	-
Clean line facilities for letters of credit and other commitments	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Market risk management

5.2. Interest rate gap position

Repricing gap measures the difference between the Company'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 N5.9billion 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 **June 2023**	**Less than 3 months**	**4 - 6 months**	**7 - 12 months**	**1 - 5 years**	**More than 5 years**	**Non-Interest bearing**	**Total**
Non-derivative assets							
Cash and balances with banks	210,059	-	-	-	-	1,867,562	2,077,621
Investment under management	-	-	-	38,890	5,658	-	44,549
Non pledged trading assets	-	-	-	-	-	-	
Treasury bills	3,961	21,194	109,052	-	-	-	134,209
Bonds	-	-	285	5,544	2,045	-	7,873
Loans and advances to banks	537	69,215	641,029	202,692	-	-	913,473
Loans and advances to customers	-	-	-	-	-	-	
Auto Loan	53	106	451	6,095	1,559	-	8,263
Credit Card	2,227	636	2,504	23,204	-	-	28,572
Finance Lease	461	16	440	10,217	-	-	11,133
Mortgage Loan	99,765	832	67	5,302	42,322	-	148,288
Overdraft	188,555	24,936	65,367	172	-	-	279,031
Personal Loan	157	206	365,605	19,860	691	-	386,518
Term Loan	323,523	869	14,210	1,930,690	1,635,528	-	3,904,820
Time Loan	1,109,764	583,718	249,686	-	-	-	1,943,168
Pledged assets	-	-	-	-	-	-	
Treasury bills	104,258	270,758	278,359	-	-	-	653,375
Bonds	-	-	56,140	195,104	92,347	-	343,590
Promissory notes	-	-	-	33,974	-	-	33,974
Investment securities	-	-	-	-	-	-	
-Financial assets at FVOCI	-	-	-	-	-	-	
Treasury bills	19,248	747,584	1,189,799	-	-	-	1,956,631
Bonds	-	-	101,513	365,913	208,341	-	675,768
Promissory notes	-	13,685	341	7,307	-	-	21,333
-Financial assets at amortised cost							
Treasury bills	112,687	95,854	-	-	-	-	208,542
Bonds	-	311	161,488	278,230	993,713	-	1,433,742
Promissory notes	-	1,054	1,854	88,037	-	-	90,945
Restricted deposit and other assets	-	-	-	-	-	3,212,971	3,212,971
	2,175,253	**1,830,973**	**3,247,942**	**3,211,232**	**2,982,203**	**5,080,533**	**18,528,141**
Non-derivative liabilities							
Deposits from financial institutions	1,211,785	509,148	631,676	23,628	200,127	-	2,576,364
Deposits from customers	6,320,036	598,830	153,244	11,221	41,558	5,383,243	12,508,132
Other liabilities	-	-	-	-	-	1,069,197	1,069,197
Debt securities issued	-	-	-	473,413	-	-	473,413
Interest bearing borrowings	34,627	-	-	1,055,042	950,679	-	2,040,349
	7,566,448	**1,107,978**	**784,920**	**1,563,304**	**1,192,364**	**6,452,440**	**18,667,454**
Total interest re-pricing gap	(5,391,194)	722,995	2,463,022	1,647,928	1,789,839	(1,371,907)	(139,313)

Group

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	152,682	-	-	-	-	1,817,101	1,969,783
Investment under management	2,784	-	-	29,342	7,376	-	39,502
Non pledged trading assets							
Treasury bills	23,520	44,814	19,156	-	-	-	87,491
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	-	-	-	193,422
Bonds	-	50,687	191	187,247	631,985	-	870,110
Promissory notes	5,013	-	760	31,990	-	-	37,762
Total return notes	-	-	9,752	-	-	-	9,752
Restricted deposit and other assets	-	-	-	-	-	2,390,866	2,390,866
	1,382,144	**1,051,554**	**2,212,936**	**2,213,037**	**2,938,586**	**4,207,967**	**14,006,228**
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	(3,619,328)	(50,357)	1,706,294	1,417,748	2,741,454	1,167,166	3,362,982

5.2. A summary of the Company's interest rate gap position on securitty portfolios is as follows:

Company

In millions of Naira **June 2023**	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	-	-	-	-	-	11,757	11,757
Investment under management	-	-	-	38,890	-	-	38,890
Non- pledged trading assets	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers	-	-	-	-	-	-	
Auto Loan	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-
Pledged assets	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
Investment securities	-	-	-	-	-	-	
-Financial assets at FVOCI	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
-Financial assets at amortised cost	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	-	-	-	17,592	17,592
	-	**-**	**-**	**38,890**	**-**	**29,349**	**68,240**
Non-derivative liabilities							
Deposits from financial institutions	-	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	101,988	101,988
Debt securities	-	-	-	-	-	-	-
Interest bearing borrowings	-	-	-	-	234,750	-	234,750
	-	**-**	**-**	**-**	**234,750**	**101,988**	**336,738**
Total interest re-pricing gap	-	-	-	38,890	(234,750)	(72,639)	(268,498)

Company

In millions of Naira	Re-pricing year						
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	-	-	-	-	-	2,488	2,488
Investment under management	32,127	-	-	-	3,634	-	35,760
Non- pledged trading assets							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers							
Auto Loan	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-
Pledged assets							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Investment securities							
-Financial assets at FVOCI	-	-	-	-	-	-	
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
Restricted deposit and other assets	-	-	-	-	-	11,719	11,719
	32,127	**-**	**-**	**-**	**3,634**	**14,207**	**49,967**
Non-derivative liabilities							
Deposits from financial institutions	-	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	90,316	90,316
Debt securities	-	-	-	-	-	-	-
Interest bearing borrowings	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**90,316**	**90,316**
Total interest re-pricing gap	32,127	-	-	-	3,634	(76,108)	(40,348)

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

June 2023	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	210,059	-	1,869,412	2,079,471
Non pledged trading assets	142,082	-	-	142,082
Derivative financial instruments	-	-	1,755,483	1,755,483
Loans and advances to banks	913,473	-	-	913,473
Loans and advances to customers	36,998	6,672,795	-	6,709,793
Pledged assets		-	-	-
Treasury bills	653,375	-	-	653,375
Bonds	343,590	-	-	343,590
Promissory notes	33,974	-	-	33,974
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	1,956,631	-	-	1,956,631
Bonds	675,768	-	-	675,768
Promissory notes	21,333	-	-	21,333
-Financial assets at amortised cost				
Treasury bills	208,541	-	-	208,541
Bonds	1,299,176	-	-	1,299,176
Promissory notes	90,945	-	-	90,945
TOTAL	**6,585,946**	**6,672,795**	**3,624,895**	**16,883,637**
LIABILITIES				
Deposits from financial institutions	2,425,116	-	-	2,425,116
Deposits from customers	4,910,939	7,597,194	-	12,508,133
Derivative financial instruments	-	-	478,243	478,243
Debt securities issued	473,413	-	-	473,413
Interest-bearing borrowings	1,227,517	812,832	-	2,040,349
TOTAL	**9,036,984**	**8,410,025**	**478,243**	**17,925,253**

December 2022	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	152,681	-	1,817,823	1,970,504
Non pledged trading assets	102,690	-	-	102,690
Derivative financial instruments	-	-	402,497	402,497
Loans and advances to banks	455,709	-	-	455,709
Loans and advances to customers	28,778	5,072,028	-	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	**4,599,913**	**5,072,028**	**2,220,320**	**11,892,263**
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	673,845	-	1,390,029
TOTAL	**6,491,155**	**6,462,682**	**32,737**	**12,986,573**

Company

June 2023	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	-	-	11,757	11,757
Non pledged trading assets	-	-	-	-
Derivative financial instruments	-	-	85,770	85,770
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at amortised cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
TOTAL	**-**	**-**	**97,528**	**97,528**
LIABILITIES				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Derivative financial instruments	-	-	-	-
Debt securities issued	-	-	-	-
Interest-bearing borrowings	234,750	-	-	234,750
TOTAL	234,750	-	-	234,750

December 2022	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	-	-	2,488	2,488
Non pledged trading assets	-	-	-	-
Derivative financial instruments	-	-	-	-
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at amortised cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
TOTAL	**-**	**-**	**2,488**	**2,488**
LIABILITIES				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Derivative financial instruments	-	-	-	-
Debt securities issued	-	-	-	-
Interest-bearing borrowings	-	-	-	-
TOTAL	-	-	-	-

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- June 2023
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	54,428	(54,428)
6 months	(1,028)	1,028
12 months	(5,312)	5,312
	48,088	**(48,088)**

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	(33,659)	33,659
6 months	1,770	(1,770)
12 months	2,734	(2,734)
	(29,155)	**29,155**

Company
Interest sensitivity analysis - June 2023
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	-	-
6 months	-	-
12 months	-	-
	-	**-**

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	272	(272)
6 months	-	-
12 months	-	-
	272	**(272)**

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 June 2023	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
Impact on Statement of Comprehensive income			
Fair value through profit or loss: Bonds	253	(6)	(11)
Fair value through profit or loss: T-bills	105,366	(394)	(788)
Fair value through profit or loss: Eurobond	1,375	(23)	(46)
Fair value through profit or loss: Bonds - Pledged	2,567	(46)	(91)
Fair value through profit or loss: T-bills - Pledged	72,565	(270)	(541)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	182,126	(740)	(1,476)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	675,768	(12,370)	(24,239)
-Financial assets at FVOCI-Tbills	1,956,631	(5,741)	(11,483)
-Financial assets at FVOCI-Promissory notes	21,333	(156)	(311)
Financial assets at FVOCI - Bonds - Pledged	13,804	-	-
Financial assets at FVOCI - T-Bills - Pledged	494,255	(363)	(726)
Financial assets at FVOCI - Promissory notes - Pledged	-	-	-
	3,161,791	(18,630)	(36,759)
TOTAL	**3,343,918**	**(19,370)**	**(38,236)**

December 2022	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
Impact on Statement of Comprehensive			
Investment under management T-Bills			
Fair value through profit or loss: Bonds	12,280	229	411
Fair value through profit or loss: T-bills	88,116	(171)	(342)
Fair value through profit or loss: Eurobond	2,294	(17)	(43)
Fair value through profit or loss: Bonds - Pledged	2,567	45	82
Fair value through profit or loss: T-bills - Pledged	72,565	(137)	(273)
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	177,822	(52)	(167)
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	296,240	(5,881)	(11,028)
-Financial assets at FVOCI-Tbills	1,046,120	(2,618)	(5,237)
-Financial assets at FVOCI-Promissory notes	217,305	(2,667)	(5,334)
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	451,476	(3,038)	(5,697)
	-	-	-
	2,011,141	(14,205)	(27,296)
TOTAL	**2,188,963**	**(14,256)**	**(27,463)**

Company

June 2023	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
Impact on Statement of Comprehensive Income			
Fair value through profit or loss: Bonds	-	-	-
Fair value through profit or loss: T-bills	-	-	-
Fair value through profit or loss: Eurobond	-	-	-
Fair value through profit or loss: Bonds - Pledged	-	-	-
Fair value through profit or loss: T-bills - Pledged	-	-	-
Fair value through profit or loss: Promissory notes - Pledged	-	-	-
	-	-	-
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	-	-	-
-Financial assets at FVOCI-Tbills	-	-	-
-Financial assets at FVOCI-Promissory notes	-	-	-
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	-	-	-
Financial assets at FVOCI - Promissory notes - Pledged	-	-	-
	-	-	-
TOTAL	**-**	**-**	**-**

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	-	-	-
Fair value through profit or loss: T-bills	-	-	-
Fair value through profit or loss: Equity	-	-	-
Fair value through profit or loss: Bonds - Pledged	-	-	-
Fair value through profit or loss: T-bills - Pledged	-	-	-
	-	-	-
Impact on Other Comprehensive Income			
-Financial assets at FVOCI-Bonds	-	-	-
-Financial assets at FVOCI-Tbills	-	-	-
Financial assets at FVOCI - Bonds - Pledged	-	-	-
Financial assets at FVOCI - T-Bills - Pledged	-	-	-
	-	-	-
TOTAL	**-**	**-**	**-**

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 30 June 2023. The table below illustrates the hypothetical sensitivity of the Group and Bank's reported profit to a 5% increase in the US Dollar/Naira exchange rates at the year end, assuming all other variables remain unchanged. The sensitivity rate of 5% increase represents the directors' assessment of a reasonable possible change based on historic volatility.

The analysis assumes that exchange rate fluctuations on currency derivatives that form part of an effective fair value hedge affects the income statement and the fair value of the hedging derivatives. For foreign exchange derivatives which are not designated hedges, movements in exchange rates impact the income statement.

Group

In millions of naira	**Impact on statement of comprehensive income June 2023**
Naira weakens by 20%	245,469

In millions of naira	**Impact on statement of comprehensive income December 2022**
Naira weakens by 5%	15,744

Company

In millions of naira	**Impact on statement of comprehensive income June 2023**
Naira weakens by 20%	-

In millions of naira	**Impact on statement of comprehensive income December 2022**
Naira weakens by 5%	-

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.

	June 2023	**December 2022**
Market Risk for Hedging instruments		
Total exposure to foreign exchange risk	**N'm**	**N'm**
Derivative assets (fair value hedge)	1,217,184	288,188
Interest bearing loans and borrowings	(1,009,384)	(633,346)
Deposits from other financial institutions	(1,799,618)	(642,951)

The Bank uses foreign currency forwards to hedge its exposure to foreign currency risk on the US dollar denominated interest bearing loans and deposits for financial institutions. Under the Bank's policy, the critical terms of the forward should align closely with the hedged items.
The Bank only designates the spot component of foreign currency forwards in hedge relationships. The spot component is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points. The forward points are discounted and are recognised in the profit or loss.

5.2. The table below summarises the Group's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency
Group

In millions of Naira

June 2023	**Total**	**Naira**	**US**	**GBP**	**Euro**	**Others**
Cash and balances with banks	2,030,929	785,152	755,959	307,671	65,909	116,236
Investment under management	44,549	38,890	5,658	-	-	-
Non-pledged trading assets		-	-	-	-	-
Treasury bills	134,208	95,573	-	-	-	38,634
Bonds	7,874	7,874	-	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	1,755,483	1,741,703	6,173	781	38	6,787
Loans and advances to banks	913,473	23,947	889,527	-	-	-
Loans and advances to customers						
Auto Loan	8,263	8,263	-	-	-	-
Credit Card	28,572	18,921	9,650	-	-	-
Finance Lease	4,187	4,187	-	-	-	-
Mortgage Loan	148,288	16,623	-	131,665	-	-
Overdraft	279,031	254,570	24,342	119	0	-
Personal Loan	386,518	385,667	851	-	-	-
Term Loan	3,911,766	2,700,565	1,178,023	21,114	11,265	800
Time Loan	1,943,168	307,770	1,600,509	7,777	9,125	17,986
Pledged assets						
-Financial assets at FVOCI						
Treasury bills	494,255	494,255	-	-	-	-
Bonds	13,804	13,804	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost		-	-	-	-	-
Treasury bills	127,240	127,240	-	-	-	-
Bonds	326,741	326,741	-	-	-	-
Promissory notes	33,974	33,974	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-
Treasury bills	31,879	31,879	-	-	-	-
Bonds	3,046	3,046	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	1,956,631	1,407,723	-	-	-	548,908
Bonds	675,768	500,024	38,593	-	-	137,151
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-
Equity	290,645	57,581	230,880	2,185	-	-
-Financial assets at amortised cost		-	-	-	-	-
Treasury bills	208,541	62,364	-	-	-	146,177
Total return notes	-	-	-	-	-	-
Bonds	1,433,742	201,777	714,371	-	-	517,594
Promissory notes	90,945	90,945	-	-	-	-
Restricted deposit and other assets	3,060,796	2,755,545	164,020	4,326	1,359	135,545
	20,344,316	**12,496,606**	**5,618,555**	**475,638**	**87,698**	**1,665,819**

Deposits from financial institutions	2,425,116	594,107	1,654,243	16,126	28,150	132,489
Deposits from customers	12,508,132	6,764,201	3,618,531	467,802	66,991	1,590,607
Derivative financial instruments	478,243	476,074	1,223	242	35	669
Other liabilities	1,234,856	813,614	310,440	6,480	10,090	94,232
Debt securities issued	473,413	47,385	420,351	-	-	5,677
Interest bearing borrowings	2,040,350	636,697	1,270,536	-	2,127	130,988
	19,160,110	**9,332,078**	**7,275,325**	**490,650**	**107,394**	**1,954,663**
Off balance sheet exposures:						
Transaction related bonds and guarantees	871,366	479,438	214,691	27	117,411	59,800
Guaranteed facilities	-	-	-	-	-	-
Clean line facilities for letters of credit and other commitments	1,155,394	0	1,094,777	822	46,541	13,254
Future, swap and forward contracts						
	2,026,760	**479,438**	**1,309,468**	**849**	**163,952**	**73,054**

*Included in Others are balances the group has in other currencies which includes South Africa Rand, Japanese Yen, Ghanaian Cedis, Dirham, Australian dollars, Canadian dollars, Swiss franc, Chinese Yuan etc.

Financial instruments by currency

Group
In millions of Naira

December 2022	**Total**	**Naira**	**US**	**GBP**	**Euro**	**Others**
Cash and balances with banks	1,969,783	590,230	514,946	217,782	51,290	595,537
Investment under management	39,502	35,760	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	2,424,597	2,018,167	287,495	2,610	539	115,787
	14,387,030	**8,718,224**	**3,204,270**	**273,777**	**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	769,694	508,819	184,325	4,964	5,680	65,907
Debt securities issued	307,253	47,338	255,959	-	-	3,955
Interest bearing borrowings	1,385,425	653,523	644,551	13,611	-	73,739
	13,751,663	**7,559,605**	**4,680,358**	**303,716**	**80,685**	**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	-	-	-	-	-	-
	1,536,480	**435,279**	**959,978**	**1,422**	**106,263**	**33,537**

5.2. The table below summaries the Bank's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency

Company

In millions of Naira

June 2023	**Total**	**Naira**	**US**	**GBP**	**Euro**	**Others**
Cash and balances with banks	11,757	3,596	8,161	-	-	-
Investment under management	38,890	38,890	-	-	-	-
Non-pledged trading assets		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	85,770	85,770	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-
Loans and advances to customers		-	-	-	-	-
Auto Loan	-	-	-	-	-	-
Credit Card	-		-	-	-	-
Finance Lease	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-

Pledged assets		-	-	-	-	-
-Financial assets at FVOCI		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Investment securities		-	-	-	-	-
-Financial assets at FVOCI		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-
Equity	-	-	-	-	-	-
-Financial assets at amortised cost		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Total return notes	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
Restricted deposit and other assets	17,592	13,811	3,781	-	-	-
	154,009	**142,068**	**11,942**	**-**	**-**	**-**
Deposits from financial institutions	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Other liabilities	101,988	101,988	-	-	-	-
Debt securities issued	-	-	-	-	-	-
Interest bearing borrowings	234,750	-	234,750	-	-	-
	336,738	**101,988**	**234,750**	**-**	**-**	**-**
Off balance sheet exposures:						
Transaction related bonds and guarantees	-	-	-	-	-	-
Clean line facilities for letters of credit and other commitments	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**

Financial instruments by currency

Company

In millions of Naira

December 2022	**Total**	**Naira**	**US**	**GBP**	**Euro**	**Others**
Cash and balances with banks	2,488	2,488	-	-	-	-
Investment under management	35,760	35,760	-	-	-	-
Non-pledged trading assets		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-

Loans and advances to customers		-	-	-	-	-
Auto Loan	-	-	-	-	-	-
Credit Card	-		-	-	-	-
Finance Lease	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-
Pledged assets		-	-	-	-	-
-Financial assets at FVOCI		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at amortised cost		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Investment securities		-	-	-	-	-
-Financial assets at FVOCI		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-
Equity	-	-	-	-	-	-
-Financial assets at amortised cost		-	-	-	-	-
Treasury bills	-	-	-	-	-	-
Total return notes	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory notes	-	-	-	-	-	-
Restricted deposit and other assets	11,720	11,720	-	-	-	-
	49,968	**49,968**	**-**	**-**	**-**	**-**
Deposits from financial institutions	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Other liabilities	90,877	90,877	-	-	-	-
Debt securities issued	-	-	-	-	-	-
Interest bearing borrowings	-	-	-	-	-	-
	90,877	**90,877**	**-**	**-**	**-**	**-**
Off balance sheet exposures:						
Guaranteed facilities		-	-	-	-	-
Future, swap and forward contracts	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**

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.

The negative gaps in the short term maturity buckets below do indicate liquidity concerns as the behavioral analysis of the book is different from this.

5.3.1 Residual contractual maturities of financial assets and liabilities

Group **June 2023** *In millions of Naira*	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 3 months**	**6 months**	**12 months**	**5 years**	**More than 5 years**
Cash and balances with banks	2,077,621	2,147,257	2,147,257	-	-	-	-
Investment under management	44,549	38,890	22,850	-	12,719	3,321	-
Non-pledged trading assets			2,299,109	-	-	-	-
Treasury bills	134,208	5,658	-	-	-	-	5,658
Bonds	7,874	-	-	-	-	-	-
Derivative financial instruments	1,755,483	301,917	13,785	170,279	117,853	-	-
Loans and advances to banks	913,473	11,285	-	1	427	3,925	6,932
Loans and advances to customers			183,355	626,939	859,419	-	-
Auto Loan	8,263	914,152	538	69,274	641,525	202,816	-
Credit Card	28,572	-	-	-	-	-	-
Finance Lease	11,133	8,871	57	114	484	6,543	1,673
Mortgage Loan	148,288	31,318	2,441	697	2,745	25,435	-
Overdraft	279,031	12,129	502	17	480	11,130	-
Personal Loan	386,518	150,078	100,969	842	68	5,366	42,832
Term Loan	3,904,820	301,387	203,662	26,934	70,605	186	-
Time Loan	1,943,168	394,777	160	210	373,417	20,284	706
Pledged assets							
-Financial instruments at FVOCI							
Treasury bills	494,255	-	-	-	-	-	-
Bonds	13,804	-	-	-	-	-	-
-Financial instruments at amortised cost							
Treasury bills	127,240	19,442	-	-	-	19,442	-
Bonds	326,741	-	-	-	-	-	-
Promissory note	33,974	137,340	88,305	49,035	-	-	-

-Financial instruments at FVPL			-	-	69,892	211,638	449,874
Treasury bills	31,879	35,974		-	-	35,974	-
Bonds	3,046	-	-	-	-	-	-
Investment securities							
-Financial assets at FVOCI							
Treasury bills	1,956,631	-	-	-	-	-	-
Bonds	675,768	-	-	-	-	-	-
Promissory note	21,333	1,989,953	391,465	692,978	905,510	-	-
-Financial assets at amortised cost							
Treasury bills	208,541	23,412	-	23,412	-	-	-
Preferential Shares Note	-	-	-	-	-	-	-
Bonds	1,433,742	211,285	181,050	30,235	-	-	-
Promissory note	90,944	91,210	-	1,477	89,734	-	-
-Financial assets at FVPL			-	-	-	-	-
'Equity	290,010	290,010	70,715	55,458	111,649	256,960	-
Restricted deposit and other assets	2,981,983	2,981,983	233,472	241,690	51,245	-	2,455,577
	20,332,893	**10,098,329**	**5,939,692**	**1,989,593**	**3,307,772**	**803,020**	**2,963,252**
Deposits from financial institutions	2,425,116	21,289,036	5,330,528	2,824,977	3,882,865	3,011,814	6,238,850
Deposits from customers	12,508,132	-	-	-	-	-	-
Derivative financial instruments	478,243	2,739,963	2,044,809	552,015	143,138	-	-
Other liabilities	1,157,895	1,173,730	653,987	166,134	353,609	-	-
Debt securities issued	473,413	478,243	126,872	54,363	297,008	-	-
Interest bearing borrowings	2,040,349	1,420,058	654,894	153,977	405,428	59,105	146,653
	19,083,147	**27,101,031**	**8,811,091**	**3,751,468**	**5,082,049**	**3,070,920**	**6,385,503**
Gap (asset - liabilities)	1,249,747	(17,002,701)	(2,871,399)	(1,761,874)	(1,774,277)	(2,267,899)	(3,422,251)
Cumulative liquidity gap			(2,871,399)	(4,633,274)	(6,407,551)	(8,675,450)	(12,097,701)
Off-balance sheet							
Transaction related bonds and guarantees	871,366	693,915	340,646	84,972	89,676	175,661	2,959
Clean line facilities for letters of credit and other commitments	1,155,394	893,791	652,944	89,797	67,695	83,355	-
	2,026,760	**1,587,705**	**993,591**	**174,769**	**157,370**	**259,016**	**2,959**

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	1,969,783	2,003,229	1,931,289	49,209	22,732	-	-
Investment under management	39,502	39,502	19,826	-	12,300	3,634	3,742
Non-pledged trading assets			-	-	-	-	-
Treasury bills	88,116	90,734	31,979	29,955	28,800	-	-
Bonds	14,574	29,104	-	849	1,054	10,393	16,808
Derivative financial instruments	402,497	402,498	151,999	20,280	180,229	49,988	-
Loans and advances to banks	455,709	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	117,623	93,365	24,257	-	-	-
Total return notes	9,752	-	-	-	-	-	-
Bonds	870,110	1,237,197	31,301	-	370,975	219,550	346,728
-Financial assets at FVPL			-	-	-	-	-
'Equity	-	-	-	-	-	-	-
Promissory note	37,761	39,847	-	-	9,490	30,357	-
Restricted deposit and other assets	2,392,817	2,395,033	227,733	-	26,189	-	1,830,710
	14,400,782	**15,841,246**	**3,546,434**	**2,126,096**	**2,551,269**	**2,420,289**	**4,618,115**
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	758,464	666,181	3,211	457,759	117,889	18,553	68,770
Debt securities issued	307,253	388,467	-	-	-	388,467	-
Interest bearing borrowings	1,390,029	1,588,057	5,985	740	379,995	335,731	865,606
	13,745,036	**15,262,565**	**6,164,725**	**3,807,448**	**3,604,288**	**751,729**	**934,375**
Gap (asset - liabilities)	655,747	578,681	(2,618,291)	(1,681,351)	(1,053,019)	1,668,560	4,262,784
Cumulative liquidity gap			(2,618,291)	(4,299,642)	(5,352,661)	(3,684,101)	578,684
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	-
2	**1,536,477**	**1,587,705**	**993,591**	**174,769**	**157,370**	**259,016**	**2,959**

5.3.1 Residual contractual maturities of financial assets and liabilities

Company **June 2023** *In millions of Naira*	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 3 months**	**6 months**	**12 months**	**5 years**	**More than 5 years**
Cash and balances with banks	11,757	11,757	11,757	-	-	-	-
Investment under management	38,890	38,890	22,850	-	12,719	3,321	-
Non-pledged trading assets							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Derivative financial instruments	85,770	85,770	-	-	85,770	-	-
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers							
Auto Loan	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-	-
Pledged assets							

-Financial instruments at amortised cost							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
-Financial instruments at FVPL							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	-	-	-
Credit linked notes	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
Restricted deposit and other assets	17,592	17,592	2,323	-	11,488	-	3,781
	154,010	**154,010**	**36,930**	**-**	**109,977**	**3,322**	**3,781**
Deposits from financial institutions	-	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-
Other liabilities	101,988	101,988	107	-	82,637	-	19,244
Debt securities issued	-	-	-	-	-	-	-
Interest bearing borrowings	234,750	269,053	1,014	125	64,380	56,880	146,653
	336,738	**371,040**	**1,121**	**125**	**147,017**	**56,880**	**165,897**
Gap (asset - liabilities)	(182,728)	(217,031)	35,809	(125)	(37,040)	(53,558)	(162,116)
Cumulative liquidity gap			35,809	35,684	(1,356)	(54,914)	(217,030)
Off balance-sheet							
Transaction related bonds and guarantees	-	-	-	-	-	-	-
Guaranteed facilities			-	-	-	-	-
Clean line facilities for letters of credit and other commitments	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**-**

Company **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	2,488	2,488	-	2,488	-	-	-
Investment under management	35,760	35,760	19,826	-	12,300	3,634	-
Non-pledged trading assets							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-
Loans and advances to banks	-	-	-	-	-	-	-
Loans and advances to customers							
Auto Loan	-	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-	-

Time Loan	-	-	-	-	-	-	-
Pledged assets							
-Financial instruments at FVOCI							
Treasury bills							
Bonds							
-Financial instruments at amortised cost							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
-Financial instruments at FVPL							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Investment securities							
-Financial assets at FVOCI							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
-Financial assets at amortised cost							
Treasury bills	-	-	-	-	-	-	-
Credit linked notes	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
-Financial assets at FVPL		-	-	-	-	-	-
'Equity	-	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-	-
Restricted deposit and other assets	11,719	11,719	-	3,489	8,230	-	-
	49,967	49,967	19,826	5,977	20,531	3,635	-
Deposits from financial institutions	-	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-
Other liabilities	90,316	90,316	107	-	71,656	-	18,553
Debt securities issued	-	-	-	-	-	-	-
Interest bearing borrowings	-	-	-	-	-	-	-
	90,316	**90,316**	**107**	**-**	**71,656**	**-**	**18,553**
Gap (asset - liabilities)	(40,348)	(40,348)	19,719	5,977	(51,125)	3,635	(18,553)
Cumulative liquidity gap			19,719	25,696	(25,429)	(21,795)	(40,347)
Clean line facilities for letters of credit and other commitments	-	-	-	-	-	-	-
Future, swap and forward contracts	-	-					

5.3.2

Group	June 2023			December 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
In millions of Naira						
Cash and balances with banks	2,077,621	-	**2,077,621**	1,969,783	-	**1,969,783**
Investments under management	-	44,549	**44,549**	2,784	36,718	**39,502**
Non pledged trading assets						
Treasury bills	134,208	-	**134,208**	87,490	-	**87,490**
Bonds	285	7,588	**7,873**	5,891	9,966	**15,857**
Derivative financial instruments	1,755,483	-	**1,755,483**	296,218	106,279	**402,497**
Loans and advances to banks	710,781	202,692	**913,473**	397,755	57,955	**455,709**
Loans and advances to customers						
Auto Loan	610	7,654	**8,263**	1,014	5,570	**6,584**
Credit Card	5,367	23,204	**28,572**	18,852	230	**19,082**
Finance Lease	917	10,217	**11,133**	596	8,790	**9,386**
Mortgage Loan	100,664	47,624	**148,288**	635	106,694	**107,329**
Overdraft	278,859	172	**279,031**	298,294	877	**299,171**
Personal Loan	365,967	20,551	**386,518**	118,219	156,592	**274,813**
Term Loan	338,603	3,566,218	**3,904,820**	608,219	3,032,269	**3,640,489**
Time Loan	1,943,168	-	**1,943,168**	731,361	12,594	**743,955**
Pledged assets						
Treasury bills	653,375	-	**653,375**	820,102	-	**820,102**
Bonds	56,140	287,451	**343,590**	24,986	389,163	**414,150**
Promissory note	-	33,974	**33,974**	-	26,471	**26,471**
Investment securities						
-Financial assets at FVOCI						
Treasury bills	1,956,631	-	**1,956,631**	1,046,120	-	**1,046,120**
Bonds	101,513	574,255	**675,768**	54,380	251,862	**306,242**
Promissory note	14,026	7,307	**21,333**	12,656	204,650	**217,306**
-Financial assets at amortised cost						
Treasury bills	208,541	-	**208,541**	193,421	-	**193,421**
Bonds	161,799	1,271,943	**1,433,742**	50,877	819,233	**870,110**
Promissory note	2,907	88,037	**90,945**	5,773	31,990	**37,762**
Credit Link Notes	9,752	-	**9,752**	9,752	-	**9,752**
Restricted deposit and other assets	-	3,212,971	**3,212,971**	154,048	2,236,818	**2,390,866**
	11,874,182	**9,406,408**	**20,283,622**	**8,143,479**	**7,494,723**	**14,403,949**
Deposits from financial institutions	2,352,609	223,755	**2,576,364**	1,459,512	583,923	**2,043,436**
Deposits from customers	7,072,110	5,436,022	**12,508,132**	5,246,155	4,003,899	**9,250,054**
Derivative financial instruments	478,243	-	**478,243**	30,637	2,099	**32,737**
Debt securities issued	-	473,413	**473,413**	-	307,253	**307,253**
Other liabilities	1,069,197	-	**1,069,197**	758,464	-	**758,464**
Interest-bearing borrowings	34,627	2,005,722	**2,040,349**	311,143	1,079,048	**1,390,191**
	11,006,787	**8,138,911**	**19,145,698**	**7,805,912**	**5,976,222**	**13,782,134**

Company	June 2023			December 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
In millions of Naira						
Cash and balances with banks	11,757	-	**11,757**	2,488	-	**2,488**
Investment under management	38,890	-	**38,890**	35,869	3,634	**39,502**
Non pledged trading assets						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Derivative financial instruments	85,770	-	**85,770**	-	-	-
Loans and advances to banks	-	-	-	-	-	-
Loans and advances to customers	-	-		-	-	
Auto Loan	-	-	-	-	-	-
Credit Card	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-
Mortgage Loan	-	-	-	-	-	-
Overdraft	-	-	-	-	-	-
Personal Loan	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Time Loan	-	-	-	-	-	-
Pledged assets						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
-Financial instruments at FVOCI						
Bonds	-			-		
Promissory note	-	-	-	-	-	-
Investment securities						
-Financial assets at FVOCI						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-
-Financial assets at amortised cost						
Treasury bills	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Promissory note	-	-	-	-	-	-
Credit Link Notes	-	-	-	-	-	-
Restricted deposit and other assets	-	17,592	**17,592**	-	11,719	**11,719**
	136,417	**17,593**	**154,011**	**38,356**	**15,354**	**53,710**
Deposits from financial institutions	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-
Derivative financial instruments	-	141,708	**141,708**	-	-	-
Debt securities issued	-	-	-	-	-	-
Other liabilities	82,744	19,244	**101,988**	71,763	18,553	**90,316**
Interest-bearing borrowings	-	234,750	**234,750**	-	-	-
	82,746	**395,702**	**478,449**	**71,765**	**18,553**	**90,319**

(a) Regulatory capital

The regulatory capital requirement for entities within the group are as follows:

Name of Entity	Primary Regulator	Regulatory Requirement
Access Holdings Plc	Central Bank of Nigeria	(see note (i)below)
Access Bank Plc	Central Bank of Nigeria	50billion Naira
The Hydrogen Payment Services Company Ltd	Central Bank of Nigeria	2 billion Naira
Access Pensions Ltd	National Pensions Commission	5 billion Naira

(i) The Capital Requirement of Access Holdings Plc represents the sum of the minimum paid up capital of all its subsidiaries.

The Central Bank of Nigeria (CBN) on 29th August 2014 issued Guidelines for Licensing and Regulation of Financial Holding Companies in Nigeria ("Guidelines"). According to the Guidelines, a financial holding company shall have a minimum paid up capital which shall exceed the sum of the minimum paid up capital of all its subsidiaries, as may be prescribed from time to time by the sector regulators. A review of the capital level as at 30 June 2023 shows that Access Holdings Plc complies with paragraphs 7.1 and 7.3 of the regulation, which stipulates that a financial holding company should maintain a minimum paid up capital which exceeds the aggregate of the minimum paid up capital of all its subsidiaries;

Entity	Minimum Share Capital	% Holding	Holdco Share
	N'm		N'm
Access Bank Plc	50,000	100.00	50,000
The Hydrogen Payment Services Company Ltd	4,000	99.99	4,000
Access Pensions Ltd	5,000	51.51	2,576
Aggregated minimum paid up Capital of Subsidiaries	59,000		56,575
Holdco Company (Share Capital and Reserves)			248,352
Surplus/(Deficit)			**191,777**

(b) Capital adequacy ratio computation under Basel II guidelines

This is the presentation of the capital adequacy ratio under Basel II guidelines for the group

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Tier 1 capital without adjustment				
Ordinary share capital	17,773	17,773	17,773	17,773
Additional Tier 1 Capital	206,355	206,355	-	-
Share premium	234,039	234,039	234,039	234,039
Retained earnings	442,810	408,702	(3,460)	(1,151)
Other reserves	747,339	341,716	-	-
Non-controlling interests	83,172	22,817	-	-
	1,731,488	**1,231,391**	**248,352**	**250,661**

Add/(Less):				
Fair value reserve for fair value through other	(130,431)	(78,960)	-	-
Foreign currency translation reserves	(344,975)	(30,122)	-	-
Other reserves	-	(3,513)	-	-
Total Tier 1	**1,256,082**	**1,118,796**	**248,352**	**250,661**
Add/(Less):				
Deferred tax assets	(28,545)	(15,095)	-	(72)
Regulatory risk reserve	(98,274)	(78,556)	-	-
Intangible assets	(122,183)	(109,087)	-	-
Treasury shares	11,228	11,228	-	-
Adjusted Tier 1	**1,018,308**	**927,288**	**248,352**	**250,589**
50% Investments in subsidiaries	-	-	-	-
Eligible Tier 1	**1,018,308**	**927,288**	**248,352**	**250,589**
Tier 2 capital				
Debt securities issued	347,995	252,834	-	-
Fair value reserve for fair value through other comprehensive income instruments	130,431	78,960	-	-
Foreign currency translation reserves	344,975	30,122	-	-
Other reserves	-	3,513	-	-
Total Tier 2	**823,401**	**365,428**	**-**	**-**
Adjusted Tier 2 capital (33% of Tier 1)	**339,402**	**309,065**	**-**	**-**
50% Investments in subsidiaries	-	-	-	-
Eligible Tier 2	**339,402**	**309,065**	**-**	**-**
Total regulatory capital	**1,357,709**	**1,236,353**	**248,352**	**250,589**
Risk-weighted assets	**7,247,981**	**6,291,629**	**-**	**-**
Capital ratios				
Total regulatory capital expressed as a percentage of total risk-weighted assets	18.73%	19.65%		
Total tier 1 capital expressed as a percentage of risk-weighted assets	14.05%	14.74%		

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 five 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. This division has now been categorized into 'Retail Banking North' and 'Retail Banking South'. The private banking segment focuses on offering bespoke services to High Net worth Individuals (HNI) and Ultra High Net worth Individuals (UHNI) by handling their wealth portfolio needs both locally and abroad.

- **Access Pensions Management:** Is a Pension Fund Administrator whose services includes the management and administration of pension funds such as Retirement Savings Accounts Fund I-VI and Transitional Contributions Fund (TCF); administration of retirement savings account; administration of voluntary savings schemes and the administration of approved existing schemes.

- **Hydrogen Payment Services Company Limited ("Hydrogen")** is a FinTech company which has started breaking grounds in the industry with the seamless and reliable solutions it offers to businesses in Nigeria. Hydrogen's vision is to build Africa's most powerful business services network. Hydrogen offers a wide range of products and services, including InstantPay, Payment gateway, POS, Card, and Switch, which have been well-received by customers and the industry as a whole. Our clientele base cuts across from mid-size to large private and public sectors of the economy, targeting organizations/businesses that perform and receive payments on a day-to-day basis.

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 June 2023**	**Group December 2022**
In millions of Naira		
Other Assets	3,063,376	2,424,597
Deferred tax asset	28,545	15,095
Non Current Assets Held for Sale	61,483	42,039
Goodwill	39,824	47,672
	3,193,230	**2,529,403**
Other liabilities	1,177,358	769,694
Deferred tax liability	14,070	1,872
Retirement Benefit Obligation	3,498	3,277
Total liabilities	**1,194,926**	**774,844**

7a Operating segments (continued)
Group
June 2023

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Retail Banking South	Retail Banking North	Payment Segment	PFA Segment	Holding Segment	Inter Segment	Unallocated Segments	Total continuing operations	Total
Revenue:											
Derived from external customers	469,544	258,921	161,126	45,670	161	5,566	54,597	(55,274)	-	940,311	940,311
Total Revenue	469,544	258,921	161,126	45,670	161	5,566	54,597		-	940,311	940,311
Interest Income	315,186	157,216	83,706	50,729	-	-	-		-	606,838	606,838
Interest expense	(178,117)	(71,466)	(96,857)	(28,281)	-	-	(7,878)		-	(382,598)	(382,598)
Impairment Losses	(16,152)	(15,430)	(5,592)	(2)	-	-	-	-	-	(37,175)	(37,175)
Profit/(Loss) on ordinary activities before	93,276	25,609	34,251	24,331	(619)	2,597	44,318	(56,164)	-	167,601	167,601
Income tax expense	(13,219)	(12,024)	(2,811)	(2,832)	-	(857)	(418)		-	(32,161)	(32,161)
Profit after tax	80,058	13,587	31,441	21,501	(619)	1,740	43,900		-	135,440	135,440
Assets and liabilities:											
Loans and Advances to banks and customers	2,954,049	3,793,300	573,202	302,715	-	-	-		-	7,623,266	7,623,266
Goodwill	-	-	-	-		-	-		39,824	39,824	39,824
Tangible segment assets	6,781,908	3,694,460	5,290,160	1,738,294	5,126	17,870	12,519	(478,985)	-	17,061,352	17,061,352
Unallocated segment assets	-	-	-	-			573,082		3,218,835	3,791,916	3,791,916
Total assets	6,781,908	3,694,460	5,290,160	1,738,294	5,126	17,870	585,601		3,218,835	20,853,267	20,853,268
Deposits from customers	4,411,023	4,065,536	3,015,158	1,016,415	-	-	-		-	12,508,132	12,508,132
Segment liabilities	6,479,897	3,585,252	5,733,624	1,892,078	3,074	4,463	337,249	(67,759)	-	17,967,878	17,967,878
Unallocated segment liabilities	-	-	-	-					1,153,903	1,153,903	1,153,903
Total liabilities	6,479,897	3,585,252	5,733,624	1,892,078	3,074	4,463	337,249		1,153,903	19,121,781	19,121,781
Net assets	302,011	109,208	(443,464)	(153,785)	2,052	13,407	248,352	-	2,064,931	1,731,486	1,731,486

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.

June 2022
Operating segments (continued)

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Business Banking	Retail Banking	Payment Segment	Asset Management Segment	Holding Segment	Unallocated Segments	Total continuing operations	Total
Revenue:										
Derived from external customers	266,755	159,680	116,833	48,538		-		-	591,807	591,807
Total Revenue	266,755	159,680	116,833	48,538		-		-	-	-
Interest Income	179,442	116,190	54,670	22,001		-		-	372,305	372,305
Interest expense	(89,513)	(50,407)	(25,870)	(9,013)		-		-	(174,802)	(174,802)
Impairment Losses	(17,382)	(16,631)	(2,754)	(94)		-		-	(36,860)	(36,860)
taxation	52,077	32,068	7,803	8,142	(426)	-	-	-	99,665	99,665
Income tax expense	(8,514)	(1,357)	611	(24)	-	-	232	-	(9,051)	(9,051)
Profit after tax	43,563	30,711	8,414	8,119	(426)	-	232	-	90,613	90,613
December 2022										
Assets and liabilities:										
Loans and Advances to banks and customers	2,015,010	2,465,361	353,705	92,719	-	-	-	-	4,926,795	4,926,795
Goodwill	-	-	-	-		-	-	12,747	12,747	12,747
Tangible segment assets	4,490,697	2,432,440	3,096,991	988,390	-	-	-	-	11,008,518	11,008,518
Unallocated segment assets	-	-	-	-				2,191,396	2,191,396	2,191,396
Total assets	4,490,697	2,432,440	3,096,991	988,390	-	-	-	-	13,199,913	13,199,913
Deposits from customers	3,136,446	1,466,054	2,433,423	803,450	-	-	-	-	7,839,374	7,839,374
Segment liabilities	4,407,437	2,813,250	3,235,148	1,031,634	-	-	-	-	11,487,470	11,487,470
Unallocated segment liabilities	-	-	-	-				639,775	639,775	639,775
Total liabilities	4,407,437	2,813,250	3,235,148	1,031,634	-	-	-	-	12,127,245	12,127,245
Net assets	83,259	(380,809)	(138,158)	(43,244)	-	-	-	-	1,072,668	1,072,668

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

June 2023

In millions of Naira	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Bargain purchase from acquisition	Profit from associate	Intercompany elimination	Total
Derived from external customers	753,406	117,832	68,941	940,178			(249)	939,929
					-	382		382
Total revenue	753,406	117,832	68,941	940,178	-	382	(249)	940,311
Interest income	482,949	81,653	59,723	624,325	-	-	(17,488)	606,838
Impairment losses	(34,015)	499	(3,660)	(37,176)	-	-	-	(37,176)
Interest expense	(341,084)	(37,753)	(21,248)	(400,086)	-	-	17,488	(382,598)
Net fee and commission income	62,411	17,738	7,877	88,026	-	-	-	88,026
Operating income	412,323	80,078	47,693	540,092			(768)	557,713
Profit before income tax	104,696	31,353	31,937	167,986		382	(768)	167,601
Assets and liabilities:								
Loans and advances to customers and banks	5,188,726	888,771	2,009,593	8,087,090	-	-	(463,824)	7,623,266
Total assets	16,998,493	2,650,467	2,896,718	22,545,679	-	-	(1,692,409)	20,853,270
Deposit from customers	9,561,803	1,778,685	1,098,618	12,439,107	-	-	69,025	12,508,132
Total liabilities	15,805,503	2,167,562	2,410,069	20,383,134	-	-	(1,261,352)	19,121,782
Net assets	1,192,990	482,905	484,309	2,162,545	-	-	(428,716)	1,731,488

June 2022	**Nigeria**	**Rest of Africa**	**Europe**	**Total Continuing Operations**	**Bargain purchase from acquisition**	**Profit from associate**	**Intercompany elimination**	**Total**
Derived from external customers	493,772	97,495	28,781	591,803			(28,240)	563,564
						-		-
Total revenue	493,772	97,495	28,781	591,803	-	-	-	(28,240)
								-
Interest income	283,547	70,542	21,570	375,662	-	-	-	375,662
Impairment losses	(32,989)	233	(4,108)	(36,863)	-	-	-	(36,863)
Interest expense	(148,475)	(24,954)	(4,732)	(178,160)	-	-	-	(178,160)
Net fee and commission income	36,706	12,359	6,373	55,438	-	-	-	55,438
Operating income	483,253	135,882	24,049	413,643	-	-	-	(206,400)
Profit before income tax	58,407	29,711	11,977	100,094		-		100,094

December 2022								
Assets and liabilities:								
Loans and advances to customers and banks	4,406,961	498,562	1,102,972	6,008,495	-	-	(451,979)	5,556,516
Total assets	12,646,248	1,585,741	1,752,235	15,984,223	-	-	(985,819)	14,998,401
Deposit from customers	7,530,062	1,143,788	577,388	9,251,238	-	-	-	9,251,238
Total liabilities	11,557,154	1,372,472	1,524,957	14,454,583	-	-	(687,573)	13,767,010
Net assets	1,089,094	213,269	227,278	1,529,641	-	-	(298,254)	1,231,387

No revenue from transaction with a single external customer or a group of connected economic entities or counterparty amounted to 10% or more of the Group's total revenue in the period ended 30 June 2023 and for the period ended 31 December 2022.

8 Interest income

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Interest income				
Cash and balances with banks	6,472	4,833	-	-
Loans and advances to banks	22,508	8,092	-	-
Loans and advances to customers	318,526	238,944	-	-
Modification gain/ (loss) on loans	-	(866)	-	-
Investment securities				
-Financial assets at FVOCI	107,333	45,842	-	-
-Financial assets at amortised cost	141,298	45,686	-	-
	596,136	342,530	-	-
-Financial assets at FVPL	10,701	29,774	-	-
	606,838	**372,304**	**-**	**-**
Interest expense				
Deposit from financial institutions	115,552	33,465	-	-
Deposit from customers	207,569	108,635	-	-
Debt securities issued	20,055	11,303	-	-
Lease liabilities	786	(1,671)	-	-
Interest bearing borrowings and other borrowed funds	38,637	23,070	7,878	-
	382,598	**174,802**	**7,878**	**-**
Net interest income	**224,239**	**197,502**	**(7,878)**	**-**

9 Net impairment charge on financial assets

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
(Allowance) /Write Back for impairment on money market placement (note 18)	(1,100)	77	-	-
Write Back/(Allowance) for impairment on loans and advance to banks (note 22)	(36)	280	-	-
Allowance for impairment on loans and advance to customers (note 23)	(33,413)	(30,260)	-	-
Allowance for impairment on pledged assets (note 24)	1,550	(85)	-	-
Allowance for impairment on investment securities (note 25a)	(4,454)	651	-	-
Allowance on impairment on financial assets in other assets (note 26)	(4,809)	(2,256)	-	-
Allowance for impairment on Non current asset held for sale	-	-	-	-
(Allowance)/Write Back for impairment on off balance sheet items (note 34c)	5,087	(5,267)	-	-
	(37,175)	(36,863)	-	-

10 (a) Fee and commission income

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Credit related fees and commissions	49,265	10,501	-	-
Account maintenance charge and handling commission	13,363	12,042	-	-
Commission on bills and letters of credit	4,359	3,033	-	-
Commissions on collections	1,753	1,577	-	-
Commission on other financial services	10,386	12,655	-	-
Commission on virtual products	-	-	-	-
Commission on foreign currency denominated transactions	1,294	1,947	-	-
Channels and other E-business income	43,948	38,861	-	-
Retail account charges	654	484	-	-
	125,021	**81,100**	**-**	**-**

Credit related fees and commissions are fees charged to customers other than fees included in determining the effective interest rates relating to loans and advances carried at amortized cost. These fees are accounted for in accordance with the Group's revenue accounting policy. The representation of all fees and commission recognised in the period and prior period at a point in time and over a period of time is as shown below.

Fee and commission income	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Point in Time	114,885	72,762	-	-
Over Time	10,136	8,338	-	-
	125,021	**81,100**	**-**	**-**

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	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Bank and electronic transfer charges	5,573	4,007	-	-
E-banking expense	31,423	21,656	-	-
	36,995	**25,662**	**-**	**-**

Fees and commissions expenses are fees charged for the provision of services to customers transacting on alternate channels platform of the Group and on the various debit and credit cards issued for the purpose of these payments. They are charged to the Group 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 group for providing alternate platforms for the purposes of internet banking, mobile banking and online purchases. It also includes expenses incurred by the Group on the various debit and credit cards issued.

11 Net gains on financial instruments at fair value

a Net gains or (losses) financial instruments at fair value through profit or loss

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Trading gains on Fixed income securities	49,553	2,280	-	-
Fair value (loss)/gains on Fixed income securities	(89,572)	1,670	(89,012)	-
Fair value (loss)/gains on non-hedging derivatives	(192,634)	(43,099)	-	-
Fair value gains on equity investments	110,675	(2,961)	-	-
Total Net gain on financial instruments at fair value through profit or loss	**(121,979)**	**(42,109)**	**(89,012)**	**-**

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

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Debt instruments at FVOCI				
Fixed income securities	84,915	106,245	-	-
	84,915	**106,245**	**-**	**-**
Total	**(37,063)**	**64,135**	**(89,012)**	**-**

Net gain 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 Group has interests. Based on IFRS 9, the Group measures changes in fair value of equity investments through profit or loss.

Gain on derivative instruments are from transactions to which the Group 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 June 2023	Group June 2022	Company June 2023	Company June 2022
Net realized and Unrealized Foreign exchange Gain/(loss) on items not hedged	244,335	52,836	85,705	-
Total Net Foreign Exchange Gain	**244,335**	**52,836**	**85,705**	**-**

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

Net (loss)/gain on fair value hedge (Hedging ineffectiveness)	(15,224)	11,282	-	-
	(15,224)	**11,282**	**-**	**-**
Fair Value and Foreign exchange gain/(loss)	**192,047**	**128,253**	**(3,308)**	

FOR ACCESS BANK PLC

Jun-23 **Fair value hedges**	**Average strike price** **₦**	**Nominal amount of hedging instrument** **₦'millons**	**Carrying amount of hedging instrument (Assets)** **₦'millons**	**Changes in fair value used for calculating hedge ineffectiveness** **₦'millons**
Hedging instrument	459.65	1,541,441	1,217,184	1,003,952

*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**		**Line item in the statement of financial position where the hedging instrument is**
	Assets	**Liabilities**	**Assets**	**Liabilities**	
Jun-23	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	
Fair value hedges					
Foreign exchange risk on foreign currency loan - Interest bearing loan	-	1,009,384	-	393,868	Interest bearing borrowings
Foreign exchange risk on foreign currency loan - Deposit from financial institution	-	1,799,618	-	625,308	Deposit from financial institution

Jun-23	**Hedge ratio**	**Change in the value of the hedging instrument recognised in profit or loss**	**Hedge ineffectiveness recognised in profit or loss**	**Line item in profit or loss (that includes hedge ineffectiveness)**	**Amount reclassified from the cash flow hedge reserve to profit or loss**
Fair value hedge		₦'millions	₦'millions		
Fair value changes in hedging instrument (forward element)	90%	1,003,952	(15,224)		

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

Jun-23	**3 months**	**6 months**	**12 months**	**5 periods**	**More than 5 periods**
Fair value hedging	₦'millions	₦'millions	₦'millions	₦'millions	₦'millions
Hedging assets	-	474,910	742,274	-	-

For hedges of foreign currency liabilities, the Group enters into hedge relationships where the critical terms of the hedging instrument are closely aligned with the terms of the hedged item. The Group 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 Group and its counterparty to the forward contract.

13 Other operating income

In millions of Naira	**Group** **June 2023**	**Group** **June 2022**	**Company** **June 2023**	**Company** **June 2022**
Dividends on equity securities	4,153	3,290	47,275	24,882
Gain on disposal of property and equipment	146	546	-	-
Rental income	9	1	-	-
Bad debt recovered	5,318	1,433	-	-
Cash management charges	187	349	-	-
Income from agency and brokerage	629	1,374	-	-
Income from asset management	2,469	1,427	2,469	-
Income from other investments	3,047	1,506	8,161	-
Gain on modification on Leases	64	103	-	-
Income from other financial services	-	-	-	-
	16,022	**10,029**	**57,904**	**24,882**

Included in income from agency and brokerage is an amount of N314.03Mn (June 2022: N201.80Mn) representing the referral commission earned from bancassurance products.
The Company's dividend on equity securities of N47.28Bn represents dividend received from its banking subsidiary (Access Bank Nigeria)

Other operating income

	Group **June 2023**	**Group** **June 2022**	**Company** **June 2023**	**Company** **June 2022**
Point in Time	16,013	10,028	57,904	24,882
Over time	9	1	-	-
	16,022	**10,029**	**57,904**	**24,882**

14 Personnel expenses

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Wages and salaries	61,859	50,911	1,142	663
Increase in defined benefit obligation	340	5,008	-	-
(see note 37 (a) (i))			-	-
Contributions to defined contribution plans	2,128	1,570	-	-
Restricted share performance plan	799	785	-	-
	65,126	**58,274**	**1,142**	**663**

(a) As a result of the incorporation of Access Holdings Plc ("the Corporation") in 2021, the shares of Access Bank Plc ("the Bank") were acquired by the Corporation. Consequently, the shareholders of Access Bank Plc became shareholders of the Corporation. The impact of this on the shares purchased under the RSPP scheme (the Scheme") were as follows:
- at the Banking group level, the scheme previously accounted for as equity settle under the scheme became cash-settled because the shares held have become the shares of the Corporation instead of the Bank's.

- at the Ultimate group level, the alloted shares purchased under the scheme remain treasury shares, while those vested are accounted for as equity settled.

All employees of the Group who met the requirements of the scheme can participate in the Scheme. The shares of the Group are awarded to employees who met the performance criteria at no cost to them irrespective of where they work within the Group.
Under the terms of the plan, the shares vest over a 3 year period from the date of award. Some members of the Group also have a similar scheme, over the vesting period of 7 periods.

(i) The shares allocated to staff has a contractual vesting period of three to seven years commencing from the years 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

	June 2023		June 2022	
Description of shares	**Number of Shares (Million)**	**Weighted Share Price per Share - Naira**	**Number of Shares**	**Weighted Share Price per Share - Naira**
(i) Outstanding at the beginning of the period;	1,257	8.43	978	7.47
(ii) Granted during the period;	302	9.25	318	9.30
(iii) Forfeited during the period;	(495)	8.15	(284)	7.36
(iv) Exercised during the period;	(98)	8.82	(99)	6.85
(v) Allocated at the end of the period;	967	9.28	913	8.27
(vi) Shares under the scheme at the end of the period	1,205	8.84	934	8.20
	Naira ('000)	**Price per Share - Naira**	**Naira ('000)**	**Price per Share - Naira**
Share based expense recognised during the period	799	9.28	785	8.27

	Grant Date	Vesting year	Expiry date	Shares
Outstanding allocated shares for the 2018 - 2025 vesting period	1 July 2018	2018-2025	1 Jul 2025	2
Outstanding allocated shares for the 2019 - 2026 vesting period	1 Jan 2019	2019-2026	1 Jan 2026	6
Outstanding allocated shares for the 2019 - 2026 vesting period	1 July 2019	2019-2026	1 Jul 2026	11
Outstanding allocated shares for the 2020 - 2027 vesting period	1 Jul 2020	2020-2027	1 Jul 2027	60
Outstanding allocated shares for the 2021 - 2028 vesting period	1 Jan 2021	2021 - 2028	1 Jan 2028	151
Outstanding allocated shares for the 2021 - 2028 vesting period	1 Jul 2021	2021 - 2028	1 Jul 2028	106
Outstanding allocated shares for the 2022 - 2029 vesting period	1 Jan 2022	2022 - 2029	1 Jan 2029	245
Outstanding allocated shares for the 2022 - 2029 vesting period	1 Jan 2022	2022 - 2029	1 Jul 2029	107
Outstanding allocated shares for the 2023 - 2030 vesting period	1 Jan 2023	2023 - 2030	1 Jan 2030	279
				967

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

	Group June 2023	Group June 2022	Company June 2023	Company June 2022
	years	**years**	**years**	**years**
Weighted average contractual life of remaining shares	5.50	5.39	-	-

Under the restricted share performance plan, N2.17billion worth of shares were granted to employees of the Access Bank Nigeria at a weighted average fair value of N9.25per share on grant date. The fair value of shares is the grant date fair value of each ordinary shares of the Bank listed on the floor of the Nigerian Stock Exchange

ii. The average number of persons other than directors, in employment at the Group level during the period comprise:

	Group June 2023	Group June 2022	Company June 2023	Company June 2022
	Number	**Number**	**Number**	**Number**
Managerial	621	350	16	2
Other staff	6,955	5,690	28	-
	7,576	**6,040**	**44**	**2**

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 June 2023	Group June 2022	Company June 2023	Company June 2022
	Number	**Number**	**Number**	**Number**
Below N900,000	2	-	-	-
N900,001 - N1,990,000	341	153	-	-
N1,990,001 - N2,990,000	67	328	-	-
N2,990,001 - N3,910,000	866	345	9	-
N3,910,001 - N4,740,000	994	668	2	-
N4,740,001 - N5,740,000	99	1	1	-
N5,740,001 - N6,760,000	433	1,582	-	-
N6,760,001 - N7,489,000	5	-	-	-
N7,489,001 - N8,760,000	1,436	1,126	5	-
N8,760,001 - N9,190,000	7	119	-	-
N9,190,001 - N11,360,000	594	728	-	-
N11,360,001 - N14,950,000	1,539	385	6	-
N14,950,001 - N17,950,000	435	222	1	-
N17,950,001 - N21,940,000	154	33	4	-
N21,940,001 - N26,250,000	166	133	-	2
N26,250,001 - N30,260,000	211	125	2	-
N30,261,001 - N45,329,000	158	64	9	-
Above N45,329,000	69	28	5	-
	7,576	**6,040**	**44**	**2**

In line with the provision of S.238 of CAMA 2020, the Remuneration of the managers of the company for the period ended Jun 2023 amounted to N1.09Bn.

15 Other operating expenses

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Premises and equipment costs	18,293	16,922	2	16
Professional fees	7,559	6,973	449	938
Insurance	1,183	925	1.8	1.8
Business travel expenses	10,739	7,117	59	-
Asset Management Corporation of Nigeria (AMCON) surcharge	68,805	52,734	-	-
Bank charges	1,803	2,427	-	-
Deposit insurance premium	16,157	11,102	-	-
Auditor's remuneration	873	709	22	-
Administrative expenses	27,365	21,887	105	138
Board expenses	1,687	1,140	323	49
Communication expenses	5,121	3,553	-	-
IT and e-business expenses	30,465	23,276	-	-
Outsourcing costs	11,267	9,124	-	-
Advertisements and marketing expenses	5,774	3,739	125	38
Recruitment and training	2,076	1,511	-	-
Events, charities and sponsorship	4,294	3,956	-	-
Periodicals and Subscriptions	738	621	-	-
Security expenses	3,590	3,003	-	-
Cash processing and management cost	1,799	1,785.56	-	-
Stationeries, postage and printing	1,455	1,227.59	-	-
Office provisions and entertainment	397	271	79	-
Rent expenses	3,198	2,705	-	-
	224,638	**176,710**	**1,165**	**1,181**

16 Income tax

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Current tax expense				
Corporate income tax	19,968	9,163	179	-
Minimum tax	3,611	2,876	-	-
IT tax	1,139	584	-	-
Education tax	23	3,860	23	-
Police fund tax levy	8	4	2	1
National Agency for Science and Engineering Infrastructure levy	285	146	-	-
Prior period's under provision	606	-	-	-
	25,639	16,633	204	1
Deferred tax expense/utilization				
Origination of temporary differences	6,522	(7,581)	214	(233)
Income tax expense	32,161	9,052	418	(232)
Items included in OCI	(69)	(614)		-

There has been some changes to the Company Income tax brought about by the New Finance Act. this addresses the areas of losses of a capital nature, expenses incurred for the purpose of deriving tax-exempt income, taxes or penalties borne on behalf of another person and other changes as can be seen from the standard

The computation of the Company's'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 Company tax computation and it is believed by the management of the Company 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 June 2023	Group December 2022	Company June 2023	Company December 2022
Balance at the beginning of the period	5,594	4,643	224	-
Acquired from business combination	-	772	-	-
Tax paid	(24,313)	(20,511)	(58)	-
Income tax charge	25,639	24,302	204	224
Withholding tax utilization	(1,547)	(1,800)	-	-
Surcharge paid	-	-	-	-
Translation adjustments	(4,636)	(1,812)	-	-
Income tax receivable	867	-	-	-
Balance at the end of the period	**1,604**	**5,594**	**369**	**224**

Income tax liability is to be settled within one period

Income tax for the Bank has been assessed under the minimum tax regulation.

In millions of Naira	Group June 2023	Group June 2023	Group June 2022	Group June 2022
Profit before income tax		167,601		97,791
Income tax using the domestic tax rate	30%	50,280	30%	29,337
Effect of tax rates in foreign jurisdictions	0%	-	0%	-
Information technology tax	1%	1,139	1%	584
Capital allowance utilised for the period	0%	-	0%	-
Non-deductible expenses	32%	52,864	39%	38,604
Tax exempt income	-62%	(103,121)	-66%	(64,085)
Effect of prior period underprovision	0%	606	0%	-
Education tax levy	0%	-	0%	-
Capital gain tax	0%	-	0%	-
Origination and reversal of temporary deferred tax differences	4%	6,522	-8%	(7,581)
Company income Tax	12%	19,968	9%	9,163
Minimum tax effect	2%	3,611	3%	2,876
National Agency for Science and Engineering Infrastructure levy	0%	285	0%	146
Nigerian Police fund levy	0%	8	0%	4
Effective tax rate	**19%**	**32,161**	**9%**	**9,050**

In millions of Naira	Company June 2023	Company June 2023	Company June 2022	Company June 2022
Profit before income tax		44,318		23,018
Income tax using the domestic tax rate	30%	13,295	30%	6,905
Information technology tax	0%	-	0%	-
Non-deductible expenses	61%	26,872	1%	332
Tax exempt income	-91%	(40,167)	-31%	(7,237)
Education tax levy	0%	23	0%	-
Capital gain tax	0%	-	0%	-
National Agency for Science and Engineering Infrastructure levy	0%	-	0%	-
Nigerian Police fund levy	0%	2	0%	1
Origination and reversal of temporary deferred tax differences	0%	214	-1%	(233)
Company income Tax	0%	-	0%	-
Minimum tax effect	0%	179	0%	-
Effective tax rate	**0.9%**	**418**	**-1%**	**(232)**

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

17 Earnings per share

(a) Basic from continuing operations

Basic Earnings Per Share(EPS) is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the company and held as treasury shares.

In millions of Naira	Group June 2023	Group June 2022	Company June 2023	Company June 2022
Profit for the period from continuing operations	132,913	88,739	43,900	23,250
Loss for the period from discontinued operations	-		-	-
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
Weighted average number of treasury Shares	(1)	(934)	-	-
	35,544	34,611	35,545	35,545
In kobo per share				
Basic earnings per share from continuing operations	374	252	124	-
Basic earnings per share from discontinuing operations	-	-	-	-

Diluted EPS

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 June 2023	Group June 2022	Company June 2023	Company June 2022
Total profit/(loss) attributable to owners:				
Continuing operations	132,913	88,739	43,900	23,250
Discontinued operations	-		-	-
Profit for the period	132,913	88,739	43,900	23,250
Weighted average number of Total shares in issue	35,544	34,611	35,545	35,545
Weighted average number of treasury shares in issue	(1)	(934)	-	-
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	374	250	124	-
Diluted earnings per share from discontinuing operations	-	-	-	-

18 Cash and balances with banks

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Cash on hand and balances with banks (see note (i))	668,274	1,094,612	11,757	2,488
Unrestricted balances with central banks	219,248	186,534	-	-
Money market placements	210,059	152,682	-	-
Other deposits with central banks (see note (ii)	981,890	536,677	-	-
	2,079,471	**1,970,505**	**11,757**	**2,488**
ECL on Placements	(1,850)	(722)	-	-
	2,077,621	**1,969,783**	**11,757**	**2,488**

(i) Included in cash on hand and balances with banks is an amount of N83.60Bn(31 Dec 2022: N69.41Bn) representing the Naira value of foreign currencies held on behalf of customers to cover letter of credit transactions. The corresponding liability is included in customer's deposit for foreign trade reported under other liabilities (see Note 34). This has been excluded for cash flow purposes.

(ii) The balance of N981.9bn 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 June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance at beginning of the period	722	186	-	-
-(Write Back)/Charge for the period	1,100	600	-	-
Foreign translation reserve	29	(64)	-	-
Closing balance	**1,850**	**722**	**-**	**-**

19 Investment under management

Amortized cost *In millions of Naira*	**Group** **June 2023**	**Group** **December 2022**	**Company** **June 2023**	**Company** **December 2022**
Relating to unclaimed dividends:				
Government bonds	3,321	3,634	3,321	3,634
Placements	22,445	19,826	22,445	19,826
Commercial paper	4,314	3,796	4,314	3,796
Corporate Bond	2,544	2,315	2,544	2,315
Nigerian treasury bills	3,262	2,784	3,262	2,784
Mutual funds	3,004	3,405	3,004	3,405
Eurobonds	5,658	3,742	-	-
	44,549	**39,502**	**38,890**	**35,760**

The Group entrusted the sum transferred to it by the Registrars in respect of unclaimed dividends with select Asset Managers who will ensure safekeeping and manage the funds for the benefit of the Group. The investments by the Asset Managers are as listed above (the corresponding liability which is due to the Registrar is reported as "unclaimed dividend" in other liabilities. 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** **June 2023**	**Group** **December 2022**	**Company** **June 2023**	**Company** **December 2022**
Government bonds	6,500	12,280	-	-
Eurobonds	1,375	2,294	-	-
Treasury bills	134,208	88,116	-	-
	142,082	**102,690**	**-**	**-**

The value of the Ghana sovereign instruments in the trading book is N30.16Bn. These instruments have been categorized as stage 3 for the sovereign bonds of N6.5Bn whilst the sovereign treasury bills of N36.67Bn have been categorized as stage 2 in the books

21 Derivative financial instruments

In millions of Naira	June 2023 Notional amount	June 2023 Fair Value Assets/ (Liabilities)	December 2022 Notional amount	December 2022 Fair Value Assets/ (Liabilities)
Group				
Foreign exchange derivatives				
Total derivative assets	**3,585,440**	**1,755,483**	**1,738,833**	**402,497**
Non-deliverable future contracts	-	55,262	-	1,730
Forward and swap contracts	3,585,440	1,614,451	1,738,833	400,767
Total derivative liabilities	**1,130,982**	**(478,243)**	**430,014**	**(32,737)**
Non-deliverable future contracts	-	(55,260)	-	(1,728)
Forward and swap contracts	1,130,982	(422,983)	430,014	(31,009)

	June 2023 Notional amount	June 2023 Fair Value Assets/ (Liabilities)	December 2022 Notional amount	December 2022 Fair Value Assets/ (Liabilities)
Company				
Foreign exchange derivatives				
Total derivative assets	**141,708**	**85,770**	**-**	**-**
Non-deliverable future contracts	141,708	85,770	-	-
Forward and swap contracts	-	-	-	-
Total derivative liabilities	**-**	**-**	**-**	**-**
Non-deliverable future contracts	-	-	-	-
Forward and swap contracts	-	-	-	-

	June 2023 Fair Value Group	June 2023 Fair Value Company	December 2022 Fair Value Group	December 2022 Fair Value Company
Derivative Assets				
Current (Hedging Instruments)	1,217,184	-	288,188	-
Non- Current (Hedging Instruments)	-	-	-	-
Current (Non-Hedging Instruments)	452,529	-	114,309	-
Non- Current (Non-Hedging Instruments)	-	-	-	-
Derivative Liabilities				
Current (Non-Hedging Instruments)	-	-	-	
Non- Current (Hedging Instruments)	-	-	-	-
Current (Non-Hedging Instruments)	(478,243)	85,770	(32,737)	-
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 period. 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 June 2023	Group December 2022	Company June 2023	Company December 2022
Loans and advances to banks	914,152	456,088	-	-
Less allowance for impairment losses	(678)	(378)	-	-
	913,473	**455,709**	**-**	**-**

Group

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

June 2023	Stage 1	Stage 2	Stage 3	Total
Internal rating grade:				
Investment	523	-	-	523
Standard grade	126	-	-	126
Non Investment	-	-	29	29
Total	**649**	**-**	**29**	**678**

June 2023	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2023	493	9	117	620
-Charge for the period:				
Transfers to Stage 1	158	-	(158)	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the period	(25)	(9)	70	36
Foreign exchange revaluation	23	-	-	23
At 30 June 2023	**649**	**-**	**29**	**678**

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

December 2022	Stage 1	Stage 2	Stage 3	Total
Internal rating grade:				
Investment	345	-	-	345
Standard grade	6	-	-	6
Non Investment	-	-	28	28
Total	**351**	**-**	**28**	**378**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	493	9	117	620
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the period	(143)	(9)	(90)	(241)
At 30 June 2023	**351**	**-**	**28**	**378**

Company

Loans to banks

In millions of Naira

	June 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
Internal rating grade:				
Investment	-	-	-	-
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Non Investment	-	-	-	-
Total	-	-	-	-

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

In thousands of Naira

	June 2018			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
Gross carrying amount as at 1 January 2018	-			-
New assets originated or purchased	-			-
Assets derecognised or repaid (excluding Write offs)	-			-
Transfers to Stage 1	-			-
Transfers to Stage 2	-			-
Transfers to Stage 3	-			-
Changes to contractual cash flows due to modifications not resulting in derecognition	-			-
Amounts written off	-			-
Foreign exchange revaluation	-			-
At 31 December 2018				

	June 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	-	-	-	-
Acquired from Business Combination	-	-	-	-
-Charge for the period:		-		-
Changes in PDs/LGDs/EADs	-	-	-	-
- Charge for the year	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
New financial assets originated or purchased	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the year	-	-	-	-
Unwindling of discount	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in	-	-	-	
derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange revaluation	-	-	-	-
At 30 June 2023	-	-	-	-

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	-	-	-	-
High grade	-	-	-	-
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non Investment	-	-	-	-
Individually impaired	-	-	-	-
Total	**35,177**	**-**	**45,027**	**80,205**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
Internal rating grade:				
Investment	-	-	-	-
High grade	-	-	-	-
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non Investment	-	-	-	-
Individually impaired				-
Total	-	-	-	-
Total	-	-	-	-

	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2021	-	-	-	-
Acquired from Business Combination	-	-	-	-
-Charge for the period:	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the year	-	-	-	-
Unwindling of discount				-
Amounts written off	-	-	-	-
Foreign exchange revaluation				-
At 31 December 2021	-	-	-	-

23 Loans and advances to customers

a Group

In millions of Naira	**June 2023**
Loans to individuals	
Retail Exposures	724,697
Less allowance for expected credit loss	(30,464)
	694,233
Loans to corporate entities and other organizations	
Non-Retail Exposures	6,125,012
Less allowance for expected credit loss	(109,452)
	6,015,559
Loans and advances to customers (Individual and corporate entities and other organizations)	6,849,708
Less allowance for expected credit loss	(139,916)
	6,709,793

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	June 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Standard grade	11,302	1,579	-	12,881
Non-Investment	-	-	17,583	17,583
Total	**11,302**	**1,579**	**17,583**	**30,464**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	6,928	1,095	11,016	19,039
- Charge for the period:				
Transfers to Stage 1	616	7	(623)	-
Transfers to Stage 2	355	344	(699)	-
Transfers to Stage 3	(62)	(48)	110	-
Total net P&L charge during the period	1,323	(1,201)	521	642
Amounts written off	-	-	(907)	(907)
Translation difference	2,141	1,382	8,166	11,689
At 30 June 2023	**11,302**	**1,580**	**17,583**	**30,464**

Loans to corporate entities and other organizations
In millions of Naira

	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	3,399	-	-	3,399
Standard grade	36,560	11,793	-	48,353
Non-Investment	-	-	57,701	57,701
Total	**39,959**	**11,793**	**57,701**	**109,453**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	20,882	16,653	42,374	79,910
- Charge for the period:				-
Transfers to Stage 1	10,750	(5,088)	(5,662)	-
Transfers to Stage 2	753	5,002	(5,755)	-
Transfers to Stage 3	(2,466)	1,807	659	-
Total net P&L charge during the period	1,419	(15,541)	46,893	32,771
Amounts written off	-	-	(53,690)	(53,690)
Translation difference	8,621	8,959	32,881	50,461
At 30 June 2023	**39,959**	**11,793**	**57,701**	**109,453**

Group

In millions of Naira	December 2022
Loans to individuals	
Retail Exposures	500,713
	-
Less Allowance for ECL/Impairment losses	(19,039)
	481,675
Loans to corporate entities and other organizations	
Non-Retail Exposures	4,699,036
Less Alowance for ECL/Impairment losses	(79,903)
	4,619,133
Loans and advances to customers (Individual and corporate entities and other organizations)	5,199,749
Less Allowance for ECL/Impairment losses	(98,942)
	5,100,807

ECL allowance on loans and advances to customers

Loans to Individuals
In millions of Naira

	December 2022			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	6,928	1,095	-	8,023
Non-Investment	-	-	11,016	11,016
Sub-standard grade	-	-	-	-
Total	**6,928**	**1,095**	**11,016**	**19,039**

	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2022	8,447	2,194	16,492	27,133
Transfers to Stage 1	468	(468)	(0)	0
Transfers to Stage 2	(1,544)	1,349	195	(0)
Transfers to Stage 3	(1)	(52)	53	-
Total net P&L charge during the period	(442)	(1,929)	(1,761)	(4,132)
Amounts written off	-	-	(3,978)	(3,978)
Foreign exchange revaluation	-	-	16	16
At 31 December 2022	**6,928**	**1,095**	**11,016**	**19,039**

Loans to corporate entities and other organizations
In millions of Naira

	December 2022			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	1,931	-	-	1,931
Standard grade	18,951	16,646	-	35,598
Non-Investment	-	7	42,374	42,381
Total	**20,882**	**16,653**	**42,374**	**79,910**

	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2022	28,756	25,350	68,662	122,767
Transfers to Stage 1	10,176	(8,596)	(1,581)	-
Transfers to Stage 2	(7,113)	7,120	(7)	0
Transfers to Stage 3	(202)	(5,208)	5,410	-
Total net P&L charge during the period	(10,863)	(2,018)	90,666	77,785
Amounts written off	-	-	(121,014)	(121,014)
Translation difference	94	-	270	364
At 31 December 2022	**20,849**	**16,648**	**42,406**	**79,903**

At 31 December 2022	**-**	**-**	**-**	**-**

Modified loans:

	Group June 2023	Group December 2022	Company June 2023	Company December 2021
Amortized Cost before modification	-	33,302	-	-
Modification gain/(loss)	-	162	-	-
Amortized Cost after modication	**-**	**33,464**	**-**	**-**

23(c) Advances under finance leases

Loans and advances to customers at amortised cost include the following finance lease receivables for leases of certain property, automobile/vehicle and equipment where the group is the lessor:

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Gross investment in finance lease, receivable	11,133	9,630	-	-
Unearned finance income on finance leases	(625)	(1,813)	-	-
Net investment in finance leases	10,509	7,817	-	-
Gross investment in finance leases, receivable:				
Less than one year	11,050	588	-	-
Between one and five years	84	9,042	-	-
Later than five years	-	-	-	-
	11,132	9,629	-	-
Unearned finance income on finance leases	(625)	(1,813)	-	-
Present value of minimum lease payments	10,508	7,816	-	-

Present value of minimum lease payments may be analysed as:

- Less than one year	10,477	316	-	-
- Between one and five years	-	-	-	-
- Later than five years	-	-	-	-

24 Pledged assets

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
-Financial instruments at FVOCI				
Treasury bills	494,255	451,476	-	-
Government bonds	13,804	-	-	-
Promissory note	-	-	-	-
	508,059	451,476	-	-
-Financial instruments at amortised cost				
Treasury bills	127,240	296,061	-	-
Government bonds	326,741	411,582	-	-
Promissory note	33,974	32,639	-	-
	487,955	740,282	-	-
ECL on financial assets at amortized cost	(452)	(1,612)	-	-
	487,503	738,670	-	-
-Financial instruments at FVPL				
Treasury bills	31,879	72,565	-	-
Government bonds	3,046	2,567	-	-
Promissory note	-	-	-	-
	34,925	75,133	-	-
	1,030,487	**1,265,279**	**-**	**-**

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 June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance	880	-	-	-
Additional allowance	-	880	-	-
Allowance written back	(391)	-	-	-
Balance, end of period	**489**	**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 June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance	1,612	23	-	-
Additional allowance	-	1,589	-	-
Allowance written back	(1,159)	-	-	-
Balance, end of period	**452**	**1,612**	**-**	**-**

The related liability for assets pledged as collateral include:

Central Bank of Nigeria (CBN)	273,090	541,476	-	-
Bank of Industry (BOI)	16,283	8,383	-	-
	289,372	**549,859**	**-**	**-**

The other counterparties included in this category of pledged assets include FIRS, Valucard, Interswitch, NIBSS and others.

(i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above(where borrowings can be seen in Note 36). The pledges have been made in the normal course of business. 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 June 2023**	**Group December 2022**	**Company June 2023**	**Company December 2022**
Equity securities at fair value through profit or loss (see note (i) below)	290,010	167,906	-	-
At fair value through other comprehensive income *In millions of Naira*				
Debt securities				
Government bonds	536,207	168,293	-	-
Treasury bills	1,956,631	1,046,122	-	-
Eurobonds	63,890	41,695	-	-
Corporate bonds	19,267	20,599	-	-
State government bonds	56,404	65,652	-	-
Commercial Paper	-	3,869		
Promissory notes	21,333	217,305	-	-
	2,653,732	1,563,536	-	-
Changes in fair value of FVOCI instruments	94,526	61,904	-	-
Changes in allowance on FVOCI financial instruments	7,048	21,282	-	-
Net fair value changes in FVOCI instruments	**101,574**	**83,186**	**-**	**-**
At amortised cost *In millions of Naira*				
Debt securities				
Treasury bills	208,541	192,795	-	-
Credit Link Notes	-	9,752	-	-
Federal government bonds	713,312	437,679	-	-
State government bonds	4,265	4,734	-	-
FGN Promissory notes	90,945	37,762	-	-
Corporate bonds	7,571	7,579	-	-
Eurobonds	708,594	420,119	-	-
Preferential Shares Note	(11,228)	-		
Gross amount	1,722,000	1,110,420	-	-
ECL on financial assets at amortized cost	(123,338)	(80,791)	-	-
Carrying amount	1,598,662	1,029,630	-	-
Total	**4,542,404**	**2,761,072**	**-**	**-**

ECL allowance on investments at fair value through other comprehensive income

In millions of Naira	**Group June 2023**	**Group December 2022**	**Company June 2023**	**Company December 2022**
Opening balance at 1 January	21,751	468	-	-
Additional allowance	74	23,541	-	-
Allowance written back	(1,357)	-	-	-
Foreign exchange adjustments	8,331	(2,259)	-	-
Balance, end of period	**28,799**	**21,751**	**-**	**-**

ECL on financial assets at fair value through OCI are presented in statement of changes in equity.

ECL allowance on investments at amortized cost

In millions of Naira	**Group June 2023**	**Group December 2022**	**Company June 2023**	**Company December 2022**
Opening balance at 1 January 2022	80,791	2,005	-	-
Reclassification	(4,140)	-	-	-
-Charge for the period	6,424	84,676	-	-
Allowance written back	(687)	-	-	-
Revaluation difference	40,950	(5,891)	-	-
Balance, end of period	**123,338**	**80,791**	**-**	**-**
Total ECL charge on securities	4,454	108,218	-	-

(i) Equity securities at FVPL (carrying amount)

Central securities clearing system limited	6,750	4,673	-	-
Nigeria interbank settlement system plc.	18,019	12,635	-	-
Unified payment services limited	9,435	5,653	-	-
Africa finance corporation	231,745	131,633	-	-
African export-import bank	793	176	-	-
FMDQ Holdings	5,248	7,068	-	-
Nigerian mortage refinance company plc.	306	291	-	-
Credit reference company	329	383	-	-
NG Clearing Limited	326	325	-	-
Capital Alliance Equity Fund	5,296	4,735	-	-
Shared agent network expansion facility	50	50	-	-
Others	526	285	-	-
	290,010	**167,907**	**-**	**-**

25 (b) Debt instruments other than those designated at fair value through profit or loss

The table below shows the analysis of the Group's debt instruments measured at FVOCI and amortized cost by credit risk, based on the Group's internal credit rating system and period end- stage classificaton.

Group — **June 2023**

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	536,207	389
Treasury bills	1,956,631	1,712
Eurobonds	63,890	26,011
Corporate bonds	19,267	402
State government bonds	56,404	262
Promissory notes	21,333	24
Commercial Paper	-	-
Total	2,653,732	28,799

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	713,312	182	713,130
Treasury bills	208,541	787	207,754
Credit Link Notes	-	-	-
Eurobonds	708,592	122,126	586,465
Corporate bonds	7,571	152	7,420
State government bonds	4,265	4	4,261
FGN Promissory notes	90,945	87	90,858
Total	1,733,226	123,338	1,609,887

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

Company

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	-	-
Treasury bills	-	-
Eurobonds	-	-
Corporate bonds	-	-
State government bonds	-	-
Promissory notes	-	-
Total	-	-

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	-	-	-
Treasury bills	-	-	-
Eurobonds	-	-	-
Corporate bonds	-	-	-
State government bonds	-	-	-
Promissory notes	-	-	-
Total	-	-	-

Group

Debt instruments at fair value through other comprehensive income
In millions of Naira

	June 2023			
	stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	666,929	-	-	666,929
Standard grade	-	-	-	-
Non-Investment	1,967,343	-	19,460	1,986,803
Total	**2,634,273**	**-**	**19,460**	**2,653,732**

	stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	4,434	-	17,317	21,751
- Charge for the period	-	-	74	74
Write Back	(1,357)	-	-	(1,357)
Foreign exchange adjustments	192	-	8,139	8,331
At 30 June 2023	**3,269**	**-**	**25,531**	**28,799**

Financial instruments at amortised cost
In millions of Naira

	stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				-
Investment	306,142	-	-	306,142
Standard grade	-	-	-	-
Non-Investment	831,366	-	595,720	1,427,086
Total	**1,137,508**	**-**	**595,720**	**1,733,228**

	stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	4,176	-	76,615	80,791
Acquired from business combination	-	-	(4,140)	(4,140)
- Charge for the period	81	-	6,343	6,424
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-		-	-
Transfers to Stage 3	-		-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	307	-	40,643	40,950
Write back	(687)	-	-	(687)
At 30 June 2023	**3,877**	**-**	**119,461**	**123,338**

Group

Debt instruments at fair value through other comprehensive income
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
Sub-standard grade	-	-	-	-
Total	**1,511,493**	**-**	**52,041**	**1,563,534**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2022				
Acquired from business combination	468	-	-	468
Assets derecognised or matured (excluding write offs	3,568	-	19,973	23,541
Write Back	398	-	(2,656)	(2,259)
Foreign exchange adjustments				-
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
- Charge for the year	1,552	-	83,124	84,676
Assets derecognised or matured (excluding write offs			-	-
Transfers to Stage 1	735	(735)	-	-
Foreign exchange adjustments	618	-	(6,509)	(5,891)
At 31 December 2022	**4,176**	**4,176**	**76,615**	**80,791**

26 Restricted deposits and other assets

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Financial assets				
Accounts receivable (see note (a)below)	240,395	122,067	2,323	3,489
Receivable on E-business channels (see note (b)below)	241,690	111,678	-	-
Receivable from disposal of non-current asset	-	-	-	-
Deposit for investment in AGSMEIS (see note (c)below)	22,932	22,932	-	-
Restricted deposits with Afrexim	-	-	3,781	-
Subscription for investment (see note (d)below)	30,529	3,257	11,488	8,230
Restricted deposits with central banks (see note (e)below)	2,455,577	2,141,111	-	-
	2,991,122	2,401,045	17,592	11,719
Non-financial assets				
Prepayments	78,107	31,066	-	-
Inventory (see note (f)below)	7,597	4,879	-	-
	85,704	35,947	-	-
Gross other assets	3,076,827	2,436,992	17,592	11,719
Allowance for impairment on other assets				
Financial assets	(6,923)	(6,012)	-	-
Non-financial assets	(2,216)	(2,216)	-	-
	(9,139)	(8,228)	-	-
	3,067,688	**2,428,764**	**17,592**	**11,719**
Classified as:				
Current	560,866	263,679	2,323	3,489
Non current	2,506,822	2,165,085	15,269	8,230
	3,067,689	**2,428,764**	**17,592**	**11,719**

Movement in allowance for impairment on other assets:

In millions of Naira	Group	Company
Balance as at 1 January 2022	4,471	-
ECL allowance for the period:		
Acquired from business combination	-	-
- Additional provision	8,143	-
- Provision no longer required	-	-
Net impairment	8,143	-
Allowance written back	-	-
Allowance written off	(4,258)	-
-Reclassification	-	-
-Transalation difference	(127)	-
Balance as at 31 December 2022/1 January 2023	8,228	-
ECL allowance for the period:		
- Additional provision	4,809	-
- Writeback		
Net ECL allowance	4,809	-
Acquired from business combination	-	-
Allowance written back	-	-
- Write Off	(4,680)	-
-Reclassification	-	-
-Translation difference	776	-
Balance as at 30 June 2023	9,133	-

		Group June 2023	Group December 2022	Company June 2023	Company December 2022
(b)	**Statutory Reserve Investment Balance at end of period**	3,644	3,515	-	-
(c)	**Pension Protection Fund Investment Balance at end of period**	667	651	-	-

(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 Access Bank Nigeria's deposit as equity investment in Agri-business/Small and Medium Enterprises Investment Scheme. As approved by the Bankers' Committee on 9th February 2017, all Deposit Money Banks are required to invest 5% of prior period 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 Group. Included in this balance is an amount of N14.76Bn relating to consideration transferred for purchase of shares in Finibanco, Angola S.A. During the period, the Group entered into a definitive agreement to invest in Finibanco, Angola S.A. The CBN granted the Group the approval to acquire 100% of the shares, however as at June 2023, the Group had only paid for 51% of the shares which was yet to be transferred.

(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 of N89.58Bn 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.Restricted deposit with Afrexim comprise of $5m minimum balance expected to be maintained at all times for the duration of the $300m Afrexim term loan facility granted to the company.

(f) Inventory consists of blank debit cards, cheque leaves, computer consumables and other stationery held by the Group. 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 June 2023	Group December 2022
Balance, beginning of period	7,510	2,641
Acquisition cost of additional interest during the period	-	4,356
Fair value of initial interest in associate	-	-
Share of Profit for the period	382	513
	-	
Balance, end of period	7,892	7,510

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

	E-tranzact	
	June 2023	December 2022
Assets		
Cash and balances with banks	11,870	9,510
Inventories	2,360	2,967
Trade and other receivables	719	883
Other assets	2,984	2,834
Deposit for shares	457	457
Intangible assets	73	96
Investment property	137	137
Property, plant and equipment	1,579	993
Total Assets	20,179	17,875
Financed by:		
Current tax liabilities	1,019	751
Trade and other payables	8,494	7,251
Long Term Loan	281	298
Deferred Grant Income	90	107
Deferred Tax Liabilities	-	-
Total Liabilities	9,885	8,408
Net Assets	**10,294**	**9,468**

Reconciliation to carrying amounts:

	June 2023
Opening Net Assets (1 January 2023)	9,468
	-
Additions through right issue	-
Irredeemable Convertible Debenture	-
Profit for the period	1,018
Impact of changes due to the net asset difference between 2022 Audited and Unaudited Financial statement*	(192)
Other comprehensive income	-
Closing net assets (30 June 2023)	10,294

Summary statement of comprehensive income	June 2023
Revenue	17,379
Cost of sales	(14,029)
Interest Expense using the effective interest method	(13)
Interest Income using the effective interest method	-
Selling and marketing costs	(83)
Adminsitrative expenses	(1,906)
Other income	1
Finance cost	-
Investment income	148
Taxation	(479)
Profit for the period	1,018

Reconciliation of net asset in associate

Interest in Associate's net asset - (Etz: 37.56%)	3,867
Notional goodwill on investment in associate	2,919
Impact of changes in net assets	1,107
Impact of changes in Percentage Holding	-
Other comprehensive income	-
Carrying amount of investment in associates	7,892
Carrying value	7,892

E-tranzact (ETRAN), a fully integrated fintech platform in Africa was founded in 2003 and is one of the leading independent players in Lagos, Nigeria with a diversified license and product capabilities. The company has enjoyed continuous and consistent growth in top line revenue and subscriber base and activity for a while.

The Group holds an equity interest of 3,455,729,217 ordinary shares of 50k each in E-tranzact International Plc as at 30 Jun 2023, representing 37.56% equity participation in the company. No dividend income was received from ETRAN during the period. The proportion of Access Bank's interest is the same as the proportion of voting rights. As at 30 June 2023, the fair value of Access Bank's investment was N22.2Bn.

There are published price quotations for the associate on the Nigerian Exchange limited. 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

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 Group 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 Group 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 30 June 2023 Unless otherwise stated, the subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of any member of the Group to the extent that regulation does not inhibit the group from having access, and in liquidation scenario, this restriction is limited to its level of investment in the entity.
There are no significant restrictions on the ability of subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances

Investment in subsidiaries comprises:

	Ownership interest	
	Company June 2023	**Company December 2022**
Access Bank Plc*	100%	100%
Access Pensions Limited**	31.19%	31.19%
Actis Golf (Indirect Share Holdings in Access Pensions)	29.97%	29.97%
Hydrogen Payment Services Company Limited	99.99%	99.99%

Access Bank Plc has investment in the following subsidiaries:

			Ownership interest	
	Nature of business	**Country of incorporation**	**June 2023**	**December 2022**
Access Bank Gambia Limited	Banking	Gambia	88.00%	88.00%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	99.19%	99.19%
Access Bank Rwanda Limited	Banking	Rwanda	91.22%	91.22%
Access Bank Zambia	Banking	Zambia	80.98%	80.98%
The Access Bank UK	Banking	United Kingdom	100.00%	100.00%
Access Bank R.D. Congo	Banking	Congo	99.98%	99.98%
Access Bank Ghana	Banking	Ghana	93.40%	93.40%
Access Pension Fund Custodian	Custody	Nigeria	0.00%	0.00%
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%	97.89%
Access Bank Botswana	Banking	Botswana	78.15%	78.15%
Access Bank Cameroon	Banking	Cameroon	100.00%	100.00%
Access Bank Angola	Banking	Angola	51.00%	0.00%
Access Investors Services Nominees Limited	Asset Management	Nigeria	100.00%	0.00%

*On 29 March 2023, the Bank issued a $300m mandatory convertible Additional Tier 1 (AT1) capital fully subscribed by Access Holdings Plc. Based on the terms of the agreement, the securities meet the definition of an equity instrument and accounted as investment in subsidiary.

**Access Pension Limited includes 5.34% of Staff Investment Trust which is a staff scheme set up by the Company for the staff.

(ii) Structured entities:

			Ownership interest	
	Nature of business	**Country of incorporation**	**June 2023**	**December 2022**
Restricted Share Performance Plan (RSPP)	Financial services	Nigeria	100%	100%

27(c)(i) Investment in subsidiaries

	Company June 2023	Company December 2022
Access Bank Plc	390,324	251,811
Hydrogen Payment Services Company Limited	4,000	2,000
Actis Golf (Indirect Share Holdings in Access Pensions)	17,362	17,362
Access Pensions Limited	19,143	19,143
	430,829	**290,316**

Access Bank Plc investment value in its subsidiaries are stated below:

In millions of Naira	Group June 2023	Bank December 2022
Subsidiaries with continuing operations		
The Access Bank, UK	163,922	88,287
Access Bank, Ghana	32,196	32,196
Access Bank Rwanda	5,221	5,221
Access Bank, Congo	13,205	13,205
Access Bank, Zambia	8,411	8,411
Access Bank, Gambia	7,062	7,062
Access Bank, Sierra Leone	3,398	3,398
Access Bank, Guinea	10,067	5,441
Access Bank, Mozambique	15,310	15,310
Access Bank, Kenya	11,615	11,615
Investment in RSPP scheme	9,003	10,077
Access Bank Pension Fund Custodian	-	-
Access Bank, South Africa	38,320	38,320
Access Bank Botswana	34,111	34,111
Access Bank, Cameroon	10,557	10,392
Access Bank, Angola	-	-
Balance, end of period	**362,396**	**283,045**

Based on the contractual arrangements between the Group and the shareholders in each of the entities, the Group 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 Group concluded that the Group has control over each of the above listed entities and were consolidated in the Group financial statements.

Actis Golf Nigeria Ltd is an investing entity through which the company holds controlling interest in Access Pension Ltd. Access Holding company through its defunct subsidiary First Guarantee Pension Limited (FGPL) acquired indirect holding in Actis Golf. Upon liquidation of FGPL, its asset and liabilities were taken over by Sigma Pension Limited (Now Access Pension Limited) except FGPL's investments in Actis Golf, which was not transferred to Sigma Pensions Limited but was distributed to the shareholders of FGPL, on the Terminal Date, on a pro-rata basis. This resulted to Access Holding Plc have 30% stake in Actis Golf Nigeria Limited

The share capital of the Payment Services company Limited was increased from 2billion to 4billion by the creation of additional 4 billion Ordinary shares of 50kobo each ranking Parri-passu in all respects with existing Ordinary shares of the company

*On 29 March 2023, the Bank issued a $300m mandatory convertible Additional Tier 1 (AT1) capital fully subscribed by Access Holdings Plc. Based on the terms of the agreement, the securities meet the definition of an equity instrument and accounted as investment in subsidiary.

All investment in subsidiaries have been classified as non current with a closing balance of N430.83Bn

27 (d) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at June 2023 are as follows:

							Banking Subsidiaries								*Non-Banking Subsidiaries*		
Condensed profit and loss *In millions of naira*	**Access Bank Nigeria**	**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 Guinea**	**Access Bank Mozambique**	**Access Bank Kenya**	**Access Bank South Africa**	**Access Bank Botswana**	**Access Bank Cameroon**	**The Hydrogen Payment Service ltd**	**Actis Golf**	**Access Pension Limited**
Operating income	397,460	47,608	30,122	3,746	7,738	7,224	1,058	2,341	1,187	7,993	2,245	3,337	9,252	2,107	161	-	5,561
Operating expenses	(249,400)	(12,010)	(8,854)	(1,958)	(4,849)	(3,410)	(617)	(1,256)	(1,173)	(7,114)	(2,110)	(5,683)	(8,946)	(1,524)	(780)	-	(2,964)
Net impairment loss on financial asset	(34,134)	(3,660)	(107)	52	-	291	9	-	-	2	(0)	(56)	342	(35)	-	-	-
Profit before tax	113,926	31,937	21,160	1,839	2,889	4,106	450	1,085	14	881	134	(2,402)	649	548	(619)	-	2,597
Income tax expense	(12,046)	(8,012)	(7,406)	(432)	(867)	(1,232)	(107)	(271)	-	(361)	-	-	(151)	-	-	-	(857)
Profit for the period	101,880	23,925	13,754	1,407	2,023	2,874	343	813	14	520	134	(2,402)	497	548	(619)	-	1,740
Assets																	
Cash and cash equivalents	2,043,577	346,659	128,057	37,673	132,264	103,602	13,014	19,733	8,153	108,483	14,590	8,690	95,707	9,952	477	-	11,351
Non pledged trading assets	109,214	-	30,164	-	-	-	-	-	-	-	735	-	2,215	-	-	-	-
Pledged assets	1,030,487	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	1,655,933	678	-	11,229	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to banks	345,642	1,031,656	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	4,843,084	977,938	127,914	39,577	45,405	61,207	3,624	7,708	15,286	66,264	24,672	123,877	360,239	12,998	-	-	-
Investment securities	3,235,327	515,534	334,157	56,342	47,651	122,940	10,719	15,411	9,608	18,150	28,859	80,080	43,191	32,213	-	-	-
Investment properties	217	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Other assets	2,849,221	17,066	39,139	6,790	6,509	10,297	14,205	523	1,990	27,855	3,683		4,700	674	2,088	-	2,407
Investment in associates	6,904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	362,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,039	-
Property and equipment	263,624	3,310	25,012	1,806	9,390	4,908	2,286	2,362	2,122	11,178	3,556	2,618	8,697	2,783	936	-	3,860
Intangible assets	60,538	3,878	3,110	940	1,234	782	852	271	710	1,022	918	3,674	3,405	147	1,625	-	252
Current tax assets	-	-	-	-	-	-	-	445	-	-	116	-	-	-	-	-	-
Deferred tax assets	1,109	-	20,968	-	-	-	-	-	-	5,078	1,356	-	-	-	-	-	-
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset classified as held for sale	61,483	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	16,868,755	2,896,718	708,521	154,359	242,453	303,736	44,699	46,453	37,871	238,030	78,484	218,940	518,155	58,767	5,126	17,039	17,870
Financed by:																	
Deposits from banks	2,417,607	1,248,536	7,330	-	22,491	22,993	755	13,617	-	2,256	12,176	394	92	578	-	-	-
Deposits from customers	9,561,803	1,098,618	468,679	115,524	160,086	192,960	34,700	23,241	19,840	192,272	54,222	139,175	338,132	39,855	-	-	-
Derivative Liability	476,074	-	-	-	-	-	-	-	-	-	-	257	-	-	-	-	-
Debt securities issued	467,736	-	-	-	-	-	-	-	-	-	-	5,677	-	-	-	-	-
Retirement benefit obligations	3,371	70	39	-	-	18	-	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	5,040	771	-	328	1,177	-	85	-	-	-	-	-	-	(224)	-	-	1,744
Other liabilities	1,027,995	64,039	32,508	6,898	18,501	43,806	1,315	1,561	1,855	14,908	4,850	3,378	646	2,601	3,074	-	3,576
Interest-bearing loans and borrowings	1,646,081	-	76,280	11,175	1,787	8,189	-	-	-	-	-	30,680	31,407	-	-	-	-
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	375	5,334	405	-	665	74	14	-	-	-	-		-	-	-	-
Equity	1,263,049	484,310	118,352	20,028	38,410	35,106	7,770	8,021	16,176	28,594	7,236	39,381	147,877	15,956	2,052	17,039	13,407
	16,868,755	2,896,718	708,521	154,359	242,453	303,736	44,699	46,463	37,871	238,030	78,484	218,941	518,154	58,767	5,126	17,039	18,727

27 (d) Condensed results of consolidated entities

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

Condensed profit and loss *In millions of naira*	Access Bank Nigeria	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 Guinea	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank PFC	The Hydrogen Payment Service ltd	Access Bank Investment in RSPP	Access Pension Limited
							Banking Subsidiaries									*Non-Banking Subsidiaries*		
Operating income	297,744	23,962	29,979	2,821	7,172	5,090	1,023	2,077	435	6,264	2,699	3,481	8,179	147	148	-	-	-
Operating expenses	(206,345)	(7,880)	(8,163)	(1,584)	(3,940)	(3,511)	(505)	(1,078)	(887)	(5,508)	(1,881)	(5,483)	(7,035)	(592)	-	(426)	-	-
Net impairment loss on financial assets	(32,988)	(4,108)	(593)	(12)	-	660	(2)	(27)	-	62	-	(246)	390	-	-	-	-	-
Profit before tax	58,410	11,974	21,224	1,225	3,232	2,239	516	973	(452)	818	818	(2,247)	1,535	(446)	148	(426)	-	-
Income tax expense	2,662	(2,690)	(7,591)	(366)	-	(672)	(127)	-	-	(174)	-	-	-	-	-	-	-	-
Profit for the year	61,071	9,284	13,633	858	3,232	1,567	389	973	(452)	644	818	(2,247)	1,535	(446)	148	(426)	-	-

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

Assets	Access Bank Nigeria	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 Guinea	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank PFC	The Hydrogen Payment Service ltd	Access Bank Investment in RSPP	Access Pension Limited
Cash and cash equivalents	1,449,401	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	-	1,136	-	9,223
Non pledged trading assets	77,624	-	22,721	-	-	-	-	-	-	-	882	-	1,463	-	-	-	-	-
Pledged assets	1,265,279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	399,058	-	-	2,271	-	-	-	-	-	-	-	-	18	-	-	-	-	-
Loans and advances to banks	322,610	585,079	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	4,084,352	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	1,946,560	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	217	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Other assets	2,346,050	10,266	15,466	6,329	4,081	6,094	8,112	802	657	15,175	2,382	3,834	3,301	339	-	78	-	2,880
Investment in associates	6,904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	283,045	1,152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,228	-
Property and equipment	245,070	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	-	638	-	3,722
Intangible assets	59,365	1,776	2,564	666	148	558	214	181	472	910	630	2,342	3,217	86	-	73	-	304
Current tax assets	-	-	-	-	-	-	-	328	-	-	78	-	-	-	-	-		-
Deferred tax assets	7,707	-	745	-	2,694	748	-	-	-	3,096	491	-	1,317	-	-	-	-	-
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,397	-	-	-
Assets classified as held for sale	42,038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	12,535,280	1,741,006	442,562	83,698	148,085	152,071	26,656	29,045	16,636	125,546	54,417	146,249	332,567	25,890	2,397	1,926	11,228	16,129
Financed by:																		
Deposits from banks	1,637,318	922,933	4,693	-	-	4,759	1,405	8,491	-	-	9,892	275	8	-	-	-	-	-
Deposits from customers	7,530,062	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	31,072	53	-	-	-	-	-	-	-	-	-	462	-	-	-	-	-	-
Debt securities issued	303,297	-	-	-	-	-	-	-	-	-	-	3,955	-	-		-	-	-
Retirement benefit obligations	3,244	0	24	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	7,556	-	-	594	1,749	-	39	-	-	-	-	-	-	82	-	-	-	869
Other liabilities	667,195	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	-	1,258	-	2,027
Interest-bearing loans and borrowings	1,286,869	-	38,023	2,182	2,083	5,027	-	-	-	-	-	29,310	21,931	-	-	-	-	4,604
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	223	1,753	186	283	1,072	43	14	-	-	-	-		-	-	-	-	77
Equity	1,068,667	227,278	33,837	11,961	28,457	20,228	4,214	4,114	5,522	18,782	7,023	30,286	38,171	8,279	2,397	668	11,228	8,552
	12,535,280	1,741,006	442,562	83,698	148,085	152,071	26,656	29,045	16,636	125,546	54,417	146,249	332,567	25,890	2,397	1,926	11,228	16,129

	Access Bank Nigeria	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 Guinea	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank PFC	The Hydrogen Payment Service ltd	Access Bank Investment in RSPP	Access Pension Limited
	0	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-	
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	(69)	-	-	
Net cashflows from operating activities		66,476	149,321	4,779	(43,256)	1,888	(4,679)	12,731	-	(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	273	-	-	
Effect of exchange rate fluctuations on cash held		113	1,875	-	-	(48)	-	-	-	-	(3,936)	171	1,163	-	-	-	-	
Cash and cash equivalent, end of period		294,277	152,453	20,201	28,604	34,422	6,809	6,225	-	(27,268)	(7,873)	23,668	58,587	4,814,860	273	-	-	

28 (a) Property and equipment
Group
In millions of Naira

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Cost							
Balance at 1 January 2023	146,247	34,112	57,077	105,987	34,053	34,466	411,943
Acquisitions	15,857	60	20,702	14,208	5,938	26,076	82,842
Disposals	(3,893)	(1,248)	(1,205)	(2,485)	(1,317)	(2,136)	(12,285)
Write-offs	-	-	-	-	-	(406)	(406)
Reversals/Reclassification from(to) others	-	-	-	-	-	(99)	(99)
Transfers	6,236	-	2,038	4,551	1,284	(6,139)	7,970
Translation difference	1,944	113	587	1,170	378	1,067	5,259
Balance at 30 June 2023	**166,390**	**33,038**	**79,199**	**123,432**	**40,337**	**52,829**	**495,225**
Balance at 1 January 2022	137,621	32,985	45,393	86,838	30,367	21,461	354,665
Acquired from business combination	685	-	289	596	472	-	2,041
Acquisitions	10,756	919	13,336	15,905	7,767	28,738	77,422
Disposals	(8,046)	(384)	(2,144)	(1,781)	(3,904)	(4,396)	(20,655)
Reclassifications	62	-	127	729	-	(919)	-
Write-offs	(72)	-	-	-	-	(132)	(203)
Transfers	993	-	777	5,122	-	(6,892)	-
Translation difference	4,248	592	(701)	(1,422)	(649)	(3,394)	(1,327)
Balance at 31 December 2022	**146,247**	**34,112**	**57,077**	**105,987**	**34,053**	**34,466**	**411,943**

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Depreciation and impairment losses							
Balance at 1 January 2023	30,471	-	38,270	71,707	20,480	-	160,926
Charge for the period (a)	1,675	-	4,388	6,838	2,151	-	15,053
Disposal	(89)	-	(152)	(67)	(458)	-	(766)
Translation difference	1,987	-	3,974	7,947	5,960	-	19,867
Balance at 30 June 2023	**34,044**	**-**	**46,479**	**86,425**	**28,133**	**-**	**195,079**
Balance at 1 January 2022	21,062	-	33,919	62,537	19,448	-	136,965
Charge for the period	5,936	-	5,256	10,468	4,123	-	25,783
Disposal	(491)	-	(662)	(1,077)	(2,801)	-	(5,031)
Translation difference	3,965	-	(244)	(221)	(290)	-	3,208
Balance at 31 December 2022	**30,471**	**-**	**38,270**	**71,707**	**20,480**	**-**	**160,925**
Carrying amounts	**132,347**	**33,038**	**32,720**	**37,007**	**12,204**	**52,829**	**300,146**
Right of use assets (see 28(b) below)	**49,223**	**-**	**-**	**-**	**-**	**-**	**49,223**
Balance at 30 June 2023	**181,570**	**33,038**	**32,720**	**37,007**	**12,204**	**52,829**	**349,369**
Balance at 31 December 2022	163,109	34,112	18,808	34,281	13,574	34,466	298,351

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

Total Depreciation charge (a+b)	**5,217**	**-**	**4,388**	**6,838**	**2,151**	**-**	**18,595**

(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
(c) There were no capitalised borrowing costs related to the acquisition of property and equipment during the period June 30 2023.
(d) There were no restrictions on title of any property and equipment during the period June 30 2023.
(e) There were no property and equipment pledged as security for liabilities during the period.
(f) There were no contractual commitments for the acquisition of property and equipment during the period.
(g) There were no impairment losses on any class of property and equipment during the period.
(h) All items in the property and equipment are non-current.

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 N'm	Total N'm
Opening balance as at 1 January 2023	-	63,365	63,365
Additions during the period	-	1,561	1,561
*Derecognition due to lease modifications	-	(37)	(37)
Translation difference	-	8,560	8,560
Closing balance as at 30 June 2023	-	**73,450**	**73,450**
Opening balance as at 1 January 2022		42,405	42,405
Acquired from business combination (Note 44)	-	900	900
Additions during the period	-	27,240	27,240
Disposals during the period	-	(6,546)	(6,546)
*Derecognition due to lease modifications		(550)	(550)
Translation difference		(84)	(84)
Closing balance as at 31 December 2022	-	63,365	63,365
Depreciation			
Opening balance as at 1 January 2023	-	16,449	16,449
Charge for the period (b)	-	3,542	3,542
Translation difference		4,235	4,235
Closing balance as at 30 June 2023	-	**24,226**	**24,226**
Net book value as at 30 June 2023	-	**49,223**	**49,223**
Opening balance as at 1 January 2022		11,902	11,902
Charge for the period	-	4,801	4,801
*Derecognition due to lease modifications	-	(221)	(221)
Translation difference	-	(33)	(33)
Closing balance as at 31 December 2022	-	16,449	16,449
Net book value as at 31 December 2022	-	46,916	63,365

ii Amounts recognised in the statement of profit or loss

		N'm
Depreciation charge of right-of-use assets	N'millions	
Interest expense (included in finance cost)		4,787
Total cash outflow for leases as at June 2023		27,288

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

28 (c) Property and equipment
Company

In millions of Naira	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Cost							
Balance at 1 January 2023	-	-	27	105	811	-	944
Acquisitions	-	-	-	10	-	-	10
Disposals	-	-	-	-	-	-	-
Reclassification from(to) others	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Write-Offs	-	-	-	-	-	-	-
Balance at 30 June 2023	**-**	**-**	**27**	**116**	**811**	**-**	**954**
Balance at 1 January 2022	-	-	-	-	-	-	-
Acquisitions	-	-	27	105	811	-	944
Disposals	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Write-Offs	-	-	-	-	-	-	-
Balance at 31 December 2022	**-**	**-**	**27**	**105**	**811**	**-**	**944**

Depreciation and impairment losses	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Balance at 1 January 2023	-	-	5	14	79	-	98
Charge for the period (a)	-	-	3	10	81	-	94
Disposal	-	-	-	-	-	-	-
Balance at 30 June 2023	**-**	**-**	**8**	**24**	**160**	**-**	**192**
Balance at 1 January 2022	-	-	-	-	-	-	-
Charge for the period (a)	-	-	5	14	79	-	98
Impairment charge	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance at 31 December 2022	**-**	**-**	**5**	**14**	**79**	**-**	**98**
Carrying amounts	**-**	**-**	**19**	**92**	**651**	**-**	**762**
Right of use assets (see 28(d) below)	-	-	-	-	-	-	-
Balance at 30 June 2023	**-**	**-**	**19**	**92**	**651**	**-**	**762**
Balance at 31 December 2022	**-**	**-**	**22**	**91**	**732**	**-**	**845**

Depreciation charge on property and equipment and right of use assets

Total Depreciation/Impairment charge (a+b)	-	-	3	10	81	-	94

(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 N762Mn

Classified as:							
Current	-	-	-	-	-	-	-
Non current	-	-	19	92	651	-	762
	-	-	19	92	651	-	762

(b) There were no capitalised borrowing costs related to the acquisition of property and equipment during the period June 30 2023.

(c) There were no restrictions on title of any property and equipment during the period June 30 2023.

(d) There were no property and equipment pledged as security for liabilities during the period.

(e) There were no contractual commitments for the acquisition of property and equipment during the period.

(f) There were no impairment losses on any class of property and equipment during the period.

(g) All items in the property and equipment are non current.

29 Intangible assets
Group

In millions of Naira	Goodwill	WIP	Purchased Software	Core deposit intangible	Customer relationship	Brand	Total Intangible
Cost							
June 2023							
Balance at 1 January 2023	47,672	9,777	62,347	28,665	12,652	4,725	165,837
Arising from business combination (See note 44)	-	-	-	-	-	-	-
*Changes Arising from final assessment	(7,848)	-	-	-	11,289	-	3,441
Acquisitions	-	6,657	7,310	-	-	-	13,967
Transfer		-	-	-	-	-	-
Disposal		-	-	-	-	-	-
Reclassification	-	(634)	634	-	-	-	(0)
Write off	-	(135)	-	-	-	-	(135)
Translation difference	-	1,083	13,724	-	-	-	14,808
Balance at 30 June 2023	**39,824**	**16,749**	**84,015**	**28,665**	**23,940**	**4,725**	**197,917**
December 2022							
Balance at 1 January 2022	12,664	3,487	51,360	28,665	12,652	4,725	113,552
Arising from business combination (See note 44)	34,925	-	-	-	-	-	34,925
*Changes Arising from final assessment	83	-	-	-	-	-	83
Acquisitions	-	10,318	7,989	-	-	-	18,307
Transfer		-	-	-	-	-	-
Disposal		-		-	-	-	-
Reclassification	-	(4,001)	4,001	-	-	-	(0)
Write off	-	(35)	(1,933)	-	-	-	(1,967)
Translation difference	-	7	930	-	-	-	937
Balance at 31 December 2022	**47,672**	**9,777**	**62,347**	**28,665**	**12,652**	**4,725**	**165,836**
Amortization and impairment losses							
Balance at 1 January 2023	-	-	39,485	10,749	4,744	1,772	56,749
Amortization for the period	-	-	4,996	1,433	916	236	7,582
Write off	-	-	-	-	-	-	-
Translation difference	-	-	11,404	-	-	-	11,404
Balance at 30 June 2023	-	-	55,885	12,183	5,660	2,008	**75,734**
Balance at 1 January 2022	-	-	30,559	7,883	3,479	1,299	43,219
Amortization for the period	-	-	9,235	2,866	1,265	472	13,839
Impairment charge	-	-	-	-	-	-	-
Write off	-	-	(928)	-	-	-	(928)
Translation difference	-	-	619	-	-	-	619
Balance at 31 December 2022	-	-	39,485	10,749	4,744	1,772	56,749
Net Book Value							
Balance at 30 June 2023	**39,824**	**16,749**	**28,130**	**16,482**	**18,279**	**2,717**	**122,183**
Balance at 31 December 2022	47,672	9,777	22,862	17,915	7,906	2,953	109,087

Intangible assets
Company

In millions of Naira	Goodwill	WIP	Purchased Software	Core deposit intangible	Customer relationship	Brand	Total
Cost							
June 2023							
Balance at 1 January 2023	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-
Reclassification	-	-	-				-
Write off	-	-	-				-
Balance at 30 June 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**
December 2022							
Balance at 1 January 2022	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
Balance at 31 December 2022	-	-	-	-	-	-	-
Amortization and impairment losses							
Balance at 1 January 2023	-	-	-	-	-	-	-
Amortization for the period	-	-	-	-	-	-	-
Balance at 30 June 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 1 January 2022	-	-	-	-	-	-	-
Amortization for the period	-	-	-	-	-	-	-
Balance at 31 December 2022	-	-	-	-	-	-	-
Carrying amounts							
Balance at 30 June 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2022	-	-	-	-	-	-	-

Amortization method used is straight line.

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Classified as:				
Current	-	-	-	-
Non current	122,183	109,087	-	-

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	June 2023			December 2022			
	Assets	Liabilities	Net	Assets		Liabilities	Net
Property and equipment, and software	39,825	(3,819)	36,006	32,952	-	(2,468)	30,484
Allowances/(Reversal) for loan losses	27,681	-	27,681	36,678	-	(77)	36,602
Tax loss carry forward	57,334	-	57,334	66,021	-	-	66,021
Exchange gain/(loss) unrealised	-	(126,214)	(126,214)	-	-	(119,595)	(119,595)
Acquired Deferred tax asset	-	-	-	-	-	-	-
ECL on investment securities	19,883	-	19,883	-	-	-	-
Actuarial gain on retirement benefit obligation	-	-	-	-	-	-	-
Fair value gain on FVOCI investments	-	-	-	-	-	-	-
		(215)	(215)			(289)	(289)
Deferred tax assets (net)	144,723	(130,247)	14,475	135,652		(122,430)	13,222

(b) Company
Deferred tax assets and liabilities are attributable to the following:

In millions of Naira	June 2023			December 2022		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property and equipment, and software	-	142	142	72	-	72
Allowances/(Reversal) for loan losses	-	-	-	-	-	-
Tax loss carry forward	-	-	-	-	-	-
Exchange gain unrealised	-	-	-	-	-	-
Acquired Deferred tax asset	-	-	-	-	-	-
Fair value gain on equity investments	-	-	-	-	-	-
Deferred tax on retirement benefit obligation	-	-	-	-	-	-
Deferred tax assets/(liabilities)	-	142	142	72	-	72

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, 2023 is N53.27Billion(December 31:N45.91bn)

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Deferred income tax assets				
– Deferred income tax asset to be recovered after more than 12 months	62,904	67,162	-	-
– Deferred income tax asset to be recovered within 12 months	81,819	68,489	-	72
	144,723	135,652	-	72
Deferred income tax liabilities				
– Deferred income tax liability to be recovered after more than 12 months	(4,176)	(2,834)	-	-
– Deferred income tax liability to be recovered within 12 months	(126,071)	(119,595)	142	-
	(130,247)	(122,430)	142	-

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

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Balance, beginning of period	11,132	2,129	72	-
Acquired from Business Combination	-	(77)	-	-
Tax charge	(6,522)	7,433	(214)	72
Translation adjustments	9,934	1,136	-	-
Items included in OCI	(69)	539	-	-
Disposal of subsidiary	-	(29)		
Net deferred tax assets/(liabilities)	14,475	11,132	(142)	72
Out of which				
Deferred tax assets	144,723	135,652	-	72
Deferred tax liabilities	(130,247)	(122,430)	(142)	-

	Group June 2023		Group December 2022	
Entity	Deferred Tax Assets	Deferred Tax liabilities	Deferred Tax Assets	Deferred Tax liabilities
Access Bank Sierra Leone	-	12	-	12
Access Bank Rwanda	-	405	-	186
Access Bank United Kingdom	-	375	-	223
Access Bank Ghana	20,968	5,334	-	1,008
Access Pensions	-	7,063	-	-
Access Bank Congo	-	-	2,412	-
Access Bank Gambia	-	74	-	43
Access Bank Zambia	-	665	-	324
Access Bank Kenya	1,356	-	491	-
Access Bank Mozambique	5,078	-	3,096	-
Access Bank Botswana	(94)	-	1,317	-
Access Bank Guinea	-	-	-	-
Access Bank Nigeria	1,237	-	7,707	-
Access Holding Company	-	142	72	
Total Deferred Tax	**28,545**	**14,070**	**15,095**	**1,796**

Temporary difference relating to the Group's Investment in subsidiaries as at June 30 2023 is N172.98billion (Dec 2022:N42.94bn). 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.

Items included in Other Comprehensive Income

In milllions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Actuarial gain/loss on retirement benefit obligation				
Gross gain/(loss) on retirement benefit obligation	(213)	1,658	-	-
Deferred tax @ 33%	69	(539)	-	-
Net balance loss after tax	(144)	1,119	-	-

Deferred Tax asset

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Classified as:				
Current	81,819	68,489	-	72
Non current	62,904	67,162	-	-

Deferred Tax liability

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Classified as:				
Current	(126,071)	(119,595)	142	-
Non current	(4,176)	(2,834)	-	-

31a Investment properties

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Balance at 1 January	217	217	-	-
Balance, end of period	**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 Nil for Company

31b Assets classified as held for sale

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Balance at 1 January	42,039	42,737	-	-
Additions	19,444	7,876	-	-
Disposals	-	(8,384)	-	-
Impairment	-	-	-	-
Transfers from assets held for sale	-	(190)		
	61,483	**42,039**	**-**	**-**
	61,483	**42,039**	**-**	**-**

The total balance for non current financial assets held for sale for the period is N61.48Bn for Group and Nil for Company

Classified as:				
Current	61,483	42,039	-	-
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 June 2023	Group December 2022	Company June 2023	Company December 2022
Money market deposits	1,031,569	960,476	-	-
Trade related obligations to foreign banks	1,393,547	1,044,841	-	-
	2,425,116	**2,005,316**	**-**	**-**
Current	2,421,905	2,002,106	-	-
Non-current	3,211	3,211	-	-

33 Deposits from customers

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Term deposits	4,910,939	3,462,402	-	-
Demand deposits	5,383,243	3,891,111	-	-
Saving deposits	2,213,950	1,897,725	-	-
	12,508,132	**9,251,238**	**-**	**-**
Current	12,460,765	9,203,871	-	-
Non-current	47,367	47,367	-	-

34 Other liabilities

In millions of Naira		Group June 2023	Group December 2022	Company June 2023	Company December 2022
Financial liabilities					
Certified and bank cheques		5,407	5,242	-	-
E-banking payables	(see (a) below)	25,544	74,892	-	-
Collections account balances	(see (b) below)	623,036	452,177	107	107
Due to subsidiaries		-	340	-	-
Accruals		86,158	9,143	-	-
Contribution to Industrial Training Fund (ITF)		239	573	-	-
Creditors		77,121	32,840	82,637	71,656
Payable on AMCON		441	441	-	-
Customer deposits for foreign exchange	(see (c) below)	154,817	88,623	-	-
Agency services					
Unclaimed dividend	(see (d) below)	19,244	18,553	19,244	18,553
Lease liabilities		16,209	12,075	-	-
Other financial liabilities		143,737	56,694	-	-
ECL on off-balance sheet	(see (e) below)	5,942	6,871	-	-
		1,157,895	758,464	101,988	90,316
Non-financial liabilities					
Litigation claims provision	(see (f) below)	3,460	2,821	-	-
Other non-financial liabilities		16,004	8,411	-	-
Total other liabilities		**1,177,358**	**769,695**	**101,988**	**90,316**
Classified as:					
Current		1,164,747	759,788	101,988	90,316
Non current		12,611	9,908	-	-
		1,177,358	**769,695**	**101,988**	**90,316**

(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 Company but yet to be claimed by shareholders. The amount relates to the portion that has been transferred to the Company 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.

(di) 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 June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance at 1 January 2023/31 December 2022	6,871	1,932	-	-
(Write back)/Charge for the period	(5,087)	4,949	-	-
Reclassification	4,140	-	-	-
Revaluation difference	18	(10)	-	-
Balance, end of period	5,942	6,871	-	-

(f) Movement in litigation claims provision	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Opening balance	2,821	2,537	-	-
Additions	686	284	-	-
Translation difference	(47)	-	-	-
Closing balance	**3,460**	**2,821**	**-**	**-**

ii Lease liabilities

	Group N'm	Company N'm
Opening balance as at 1 January 2023	12,075	-
Acquired from business combination	-	-
Additions	2,072	-
Interest expense	786	-
Lease payments	(1,406)	-
Leases terminations in the period	-	-
*Derecognition due to lease modifications	(109)	-
Translation difference	2,372	-
Closing balance as at 30 June 2023	**15,792**	**-**
Current lease liabilities	3,597	-
Non-current lease liabilities	12,194	-
	15,792	**-**

ii Lease liabilities

	Group N'm	Company N'm
Opening balance as at 1 January 2022	15,306	-
Acquired from business combination	425	-
Additions	1,196	-
Interest expense	1,424	-
Lease payments	(4,899)	-
Leases terminations in the period	-	-
*Derecognition due to lease modifications	(562)	-
Translation difference	(816)	-
Closing balance as at 31 December 2022	**12,075**	**-**
Current lease liabilities	2,168	-
Non-current lease liabilities	9,908	-
	12,075	**-**

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

	Group N'm	Company N'm
Less than 6 months	731	-
6-12 months	1,453	-
Between 1 and 2 years	1,967	-
Between 2 and 5 years	3,900	-
Above 5 years	4,004	-
Closing balance as at 30 June 2023	**12,056**	**-**
Carrying amount	16,209	-

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

35 Debt securities issued

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Debt securities at amortized cost:				
Eurobond debt security (see (i) below)	381,876	232,651	-	-
Green Bond (see (ii) below)	54,076	38,871	-	-
Local Bond (see (iii) below)	33,507	35,730	-	-
Debentures (see (iv) below)	3,955	0	-	-
	473,413	**307,253**	**-**	**-**

Movement in Debt securities issued:

In millions of Naira	Group June 2023	Company June 2023
Net debt as at 1 January 2023	307,253	-
Debt securities issued	-	-
Repayment of debt securities issued	-	-
Total changes from financing cash flows	307,254	-
The effect of changes in foreign exchange rates	165,353	-
Other changes		
Interest expense	12,177	-
Interest paid	(11,369)	-
Balance as at 30 June 2023	**473,413**	**-**

In millions of Naira	Group December 2022	Company December 2022
Net debt as at 1 January 2022	264,495	-
Arising from business combination	-	-
Debt securities issued	21,887	-
Total changes from financing cash flows	286,382	-
The effect of changes in foreign exchange rates	18,852	-
Other changes		
Interest expense	22,816	-
Interest paid	(20,797)	-
Balance as at 31 December 2022	**307,253**	**-**

(i) This refers to US$500,000,000 notes of 6.13% interest issued on 21 September 2021 with a maturity date of 21 September 2026. The principal amount is payable at maturity, whilst coupon due is payable on a semi-annual basis.

(ii)The Bank issued an unsecured green bond of N15bn on March, 18, 2019 with a coupon rate of 15.5% payable semi-annually. The bond has a tenor of 5 periods and is due on March, 2024. In 2022, the Bank issued a puttable Senior unsecured USD$50,000,000 Step-Up Green Notes on May 3, 2022 with a coupon rate of 5.50% and 7.25% at put option date (May 3, 2024) payable semi-annually. The bond has a tenor of 5 periods and is due on May, 2027.

(iii) Access Bank Plc issued a local bond of N30bn on July, 4, 2019 with a coupon rate of 15.5% payable semi-annually. The bond has a tenor of 7 periods 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 periods 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 June 2023	Group December 2022	Company June 2023	Company December 2022
African Development Bank (see note (a))	9,409	8,909	-	-
Netherlands Development Finance Company (see note (b))	241,142	158,564	-	-
Citi Bank (see note (c))	13,964	8,386	-	-
European Investment Bank (see note (d))	30,471	23,995	-	-
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) (see note (e))	19,688	9,473	-	-
International Finance Corporation (see note (f))	65,289	40,620	-	-
French Development Agency (see note (g))	16,088	10,901	-	-
Mashreq Bank PSC Syndicated Trade Finance Facility (see note (h))	478,963	312,417	-	-
Invest International (see note (i))	13,903	9,284	-	-
US Development Finance Corporation (see note (j))	152,047	91,904	-	-
Overseas Private Investment Corporation (OPIC) (see note (k))	3,817	4,591	-	-
Botswana Development Corporation Limited (see note (l))	16,718	10,649	-	-
Norfund Private Equity Company (see note (m))	14,582	7,812	-	-
Microfinance Enhancement Facility SA, SICAV-SIF (MEF) (see note (n))	-	-	-	-
Botswana Building Society - long term loan (see note (o))	46	71	-	-
Société De Promotion Et De Participation Pour La Coopératio Économique S.A. ('Proparco') (see note (p))	7,716	4,637	-	-
Kgori Capital Proprietary Limited (see note (q))	1,244	793	-	-
Central Bank of Rwanda (see note (r))	11,175	2,182	-	-
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see no	3,556	4,275	-	-
Central Bank of Nigeria - Shared Agent Network Expansion Facility (SANEF) (se	1,570	1,737	-	-
Bank of Industry-Power & Airline Intervention Fund (see note (u))	905	1,150	-	-
Special Refinancing & Restructuring Intervention fund (SRRIF) (see note (v))	1,073	1,503	-	-
Central Bank of Nigeria - Salary Bailout facilities (see note (w))	58,843	59,963	-	-
Central Bank of Nigeria - Excess Crude Account (see note (x))	99,040	101,808	-	-
Real Sector And Support Facility (RSSF) (see note (y))	9,340	11,983	-	-
Development Bank of Nigeria (DBN) (see note (z))	93,335	93,521	-	-
Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement Sc	329,363	333,108	-	-
Nigeria Mortgage Refinance Company (NMRC) (see note (ab))	5,253	5,366	-	-
Africa Export and Import Bank (AFREXIM) (see note (ac))	234,750	(0)	234,750	-
Ghana International Bank (see note (ad))	14,713	7,995	-	-
BOI Power and steel (PAIF) (see note (ae))	5,627	7,233	-	-
Creative Industry Financing Initiative Fund (CIFI) (see note (af))	956	1,213	-	-
Accelerated Agricultural Development Scheme (AADS) (see note (ag))	1,136	1,978	-	-
Non-Oil Export Stimulation Facility (NESF) (see note (ah))	8,620	9,130	-	-
Health Sector Intervention (HSI) Differentiated Cash Reserve Requirement Sche	17,639	19,054	-	-
Lagos State Employment Trust Fund (LESTF) W Initiative (see note (aj))	383	383	-	-
ECOWAS Bank for Investment and Development (EBID) (see note (ak))	16,406	1,050	-	-
Standard Chartered Bank GH. Ltd (see note (al))	-	-	-	-
Bunge SA (see note (am))	-	-	-	-
Cargill, Inc (see note (an))	-	-	-	-
JP Morgan Chase Bank N.A. (see note (ao))	-	-	-	-
FCC Securities (see note (ap))	-	-	-	-
Norsad Finance Limited (see note (aq))	-	-	-	-
Bank of Zambia - (TMTRF) (see note (ar))	2,245	3,499	-	-
ABC Holdings Ltd (see note (as))	-	-	-	-
Other loans and borrowings	24,806	14,452	-	-
SBSA(see note (at))	14,530	-		
	2,040,349	**1,385,587**	**234,750**	**-**

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

(a) The amount of N9,408,556,208 (USD 12,441,231) represents the outstanding balance in the on-lending facility granted to the Bank by AFDB (Africa Development Bank) in three tranches. The first tranche of USD35 million has matured and was fully paid out in August 2016. The second tranche was disbursed in August 2014 (USD 90m) for a period of 10years, while the third tranche came in June 2016 for (USD 10m) for a period of 9 years. The principal amount is repayable semi-annually starting from February 2017 for both tranches. Interest is paid semi annually at 3% above 6 months LIBOR. There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable.From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(b) The amount of N241,142,193,614 (USD 318,869,927) represents the outstanding balance in the on-lending facility granted to the Bank by the Netherlands Development Finance Company effective from March 2018 (USD 100m), Feb 2019 (USD 162.5m), August 2020 (USD 93.8m) and October 2022 (USD 45m) for a period of 5 years, 10 years, 10 years and 6 years respectively. The principal amount is repayable semi-annually from July 2019, quarterly from May 2019, January 2026, semi-annually from November 2023 respectively while interest is paid semi annually at 5.5% above 6 months LIBOR, quarterly at 7.83% above 3 months LIBOR for the first 5 years and 12% above 3 months LIBOR for the last 5 years, quarterly at 9.61% and semi annually at 4.5% above 6 months LIBOR. There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. It also includes the facility granted to Ghana in December 2022 for a period of 7 years at 8.67% with interest (starting June 2023) and principal (starting June 2025) payable semi-annually. Two facilities were also granted to Congo in Dec 2019 for a period of 5 and 3 years respectively with the principal amount repayale semi-annually from Jan 2022 and Jan 2021 respectively while interest is paid semi annually at 4.2% above LIBOR and 4% above LIBOR respectively. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(c) The amount of N13,964,256,501 (USD 18,465,377) 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 principal 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 30 June 2023.

(d) The amount of N30,470,937,050 (USD 40,292,681) 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 30 June 2023.

(e) The amount of N19,687,762,237 (USD 26,033,749) 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 30 June 2023.

(f) The amount of N65,289,367,006 (USD 86,334,189) represents the outstanding balance on the on-lending facility of USD 87.5mn granted to the Bank by International Finance Corporation for a period of 10 years. The principal amount will be repayable quarterly from September 2024, while interest is paid quarterly at 7.65% above 3 months LIBOR.There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(g) The amount of N16,088,420,158 (USD 21,274,225) 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 30 June 2023.

(h) The amount of N478,963,033,168 (USD 633,347,923) 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 30 June 2023

(i) The amount of N13,902,650,053 (USD 18,383,913) represents the outstanding balance on the on-lending facility of USD 20mn granted to the Bank by tInvest International in September 2022 for 6 years. The principal amount will be paid in 10 equal installments from November 2022, while interest is paid semi-annually at 4.5% above 6 months LIBOR.There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(j) The amount of N152,047,464,544 (USD 201,057,157) 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 30 June 2023.

(k) The amount of N3,816,551,367 (USD 5,046,746) 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 30 June 2023

(l) The amount of N16,718,005,792 (USD 22,106,746) 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 30 June 2023

(m) The amount of N14,582,271,677 (USD 19,282,598) 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 30 June 2023

(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 30 June 2023

(o) The amount of N45,936,882 (USD 60,744) 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 30 June 2023.

(p) The amount of N7,716,102,770 (USD 10,203,243) 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 30 June 2023.

(q) The amount of N1,244,053,444 (USD 1,645,051) represents the outstanding balance on the on-lending facility granted to Access Bank Botswana by the Kgori Capital Proprietary Limited, Botswana Insurance fund Management Proprietary Limited, Vunani Fund Managers and Morula Capital Partners in October 2016 for 7 years. The principal amount will be bullet at maturity in October 2023 while interest is paid semi annually at 8%. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(r) The amount of N11,175,205,340 (USD 14,777,326) 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 30 June 2023.

(s) The amount of N3,555,690,783 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 30 June 2023.

(t) The amount of N1,570,375,167 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 30 June 2023.

(u) The amount of N904,696,214 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 30 June 2023.

(v) The amount of N1,073,365,949 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 30 June 2023.

(w) The amount of N58,842,651,795 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 30 June 2023.

(x) The amount of N99,039,828,766 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 30 June 2023.

(y) The amount of N9,340,302,686 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 30 June 2023.

(z) The amount of N93,335,362,894 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 30 June 2023.

(aa) The amount of N329,362,545,877 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 30 June 2023.

(ab) The amount of N5,253,147,894 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 30 June 2023.

(aci) The amount N234,771,187,196 represents the term loan facility of USD 300mn granted to the Company by Africa Export and Import Bank (AFREXIM) in March 2023 for Access Bank's Intra-African Trade Expansion. This facility is for 7 years at 6 months SOFR + 6%. Access Holdings has injected the entire $300m as capital into Access Bank as permanent Tier 1 capital.

(acii) 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 30 June 2023.

(ad) The amount of N14,712,575,941 (USD 19,454,903) 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 30 June 2023.

(ae) The amount of N5,626,881,906 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 30 June 2023

(af) The amount of N955,608,728 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 30 June 2023.

(ag) The amount of N1,135,580,152 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 30 June 2023.

(ah) The amount of N8,619,872,914 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Non-Oil Export Stimulation Facility (NESF) supporting Leaf Tobacco and Commodities Nigeria Limited in acquiring additional machinery for expansion of their facilities. The facility is for a period of 6 years inclusive of 12 months moratorium at a 1% interest rate repayable on a quarterly basis which will increase to 2% effective March 1, 2022. It also includes an additional N5bn disbursed in september 2022 for a period of 7 years at 2% interest repayable on a quarterly basiss. Principal repayment will start in October 2024, payable on a quarterly basis. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(ai) The amount of N17,638,790,005 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 30 June 2023.

(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 30 June 2023.

(ak) The amount of N16,406,094,253 (USD 21,694,296) 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 30 June 2023.

(al) This on-lending facility was granted to the Group's Subsidiary in Ghana by Standard Chartered Bank GH. Ltd. Two tranches were disbursed on 29 June 2021 and 3 June 2021 at an interest rate of 2.97% for 9 months and 1 year respectively where principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 December 2023.

(am) The facility was granted to the Group's Subsidiary in Ghana by Bunge SA which attracts an interest rate of 5.24% for 175 days was disbursed on 1 June 2022. The principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(an) The facility was granted to the Group's Subsidiary in Ghana by Cargill, Inc. which attracts an interest rate of 3.16% for 357 days was disbursed on 15 October 2021. The principal and interest are payable semi-annually. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(ao) The facility was granted to the Group's Subsidiary in Ghana by JP Morgan Chase Bank N.A. which attracts an interest rate of 3.18% for 374 days was disbursed on 26 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(ap) The facility was granted to the Group's Subsidiary in Ghana by FCC Securities which attracts an interest rate of 3.18% for 371 days was disbursed on 29 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(aq) The facility was granted to the Group's Subsidiary in South Africa by Norsad Finance Limited disbursed 30 January 2020 which attracts an interest rate of 5.5% plus 3 months JIBAR for 3 years with interest and principal paid quarterly. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(ar) The amount of N2,244,545,407 (USD 2,968,033) 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 30 June 2023.

(as) This on-lending facility granted to the Group's Subsidiary in Mozambique by ABC Holdings Ltd for two facilities disbursed on 1 Dec 2017 and 31 Dec 2016 for a period of 5 and 10 years respectively which attracts an interest rate of 8.5% and 14.25% respectively with Semi- annual repayment of interest and Principal on maturity. The balances for this facility has been paid off. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

(at) The amount of N14,529,790,368 (USD 19,213,200) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in South Africa by SBSA which attracts an interest rate ranging from 9.012% to 9.89% with tenors ranging from 30 days to 1 year . Principal and Interest is payable quarterly within 12 months. From this creditor, the bank has nil undrawn balance as at 30 June 2023.

The above borrowings are unsecured

Reconciliation of interest bearing borrowings

In millions of Naira	**Group June 2023**	**Company June 2023**
Balance as at 1 January 2023	1,385,587	-
Proceeds from interest bearing borrowings	1,612,459	226,872
Repayment of interest bearing borrowings	-	-
Total changes from financing cash flows	2,998,046	226,872
The effect of changes in foreign exchange rates	-	-
Other changes		
Interest expense	7,878	7,878
Interest paid	38,637	-
Balance as at 30 June 2023	**3,044,560**	**234,750**

	Group December 2022	**Company December 2022**
Balance as at 1 January 2022	1,171,260	-

Proceeds from interest bearing borrowings	678,377	-
Arising from business combination (Note 44)	-	-
Repayment of interest bearing borrowings	(509,479)	-
Total changes from financing cash flows	1,340,158	-
The effect of changes in foreign exchange rates	41,693	-
Other changes		
Interest expense	51,900	-
Interest paid	(48,164)	-
Balance as at 31 December 2022	**1,385,587**	**-**

37 Retirement benefit obligation

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Recognised liability for defined benefit obligations (see note (a) below)	3,371	3,244	-	-
Liability for defined contribution obligations	126	33	-	-
	3,498	**3,277**	**-**	**-**

(a) **Defined benefit obligations**

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

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Post employment benefit plan (see note (i) below)	3,371	3,244	-	-
Recognised liability	**3,371**	**3,244**	**-**	**-**

(i) **Post employment benefit plan**

The Group operates a non-contributory, unfunded lump sum defined benefit post employment benefit plan for top executive management of the Group from General Manager and above based on the number of periods spent in these positions. The scheme is also aimed at rewarding executive directors and other senior executives for the contributions to achieving the Group's long-term growth objectives.

There is no funding arrangement with a trustee for the Post employment benefit plan as the Group pays for all obligations from its current year profit as such obligations fall due. Depending on their grade, executive staff of the Group 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 millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Defined benefit obligations at 1 January	3,244	3,846	-	-
Charge for the period:				
-Interest costs	234	19	-	-
-Current service cost	106	317	-	-
-Benefits paid	-	5,433	-	-
-Pension under the scheme	-	(8,029)		
Net actuarial gain/(loss) for the period remeasured in OCI:		-	-	-
Remeasurements - Actuarial gains and losses arising from changes in correction of past data	-	940	-	-
Remeasurements - Actuarial gains and losses arising from changes in salary increases	(129)	346	-	-
Remeasurements - Actuarial gains and losses arising from changes in promotions	109	477	-	-
Remeasurements - Actuarial gains and losses arising from changes in financial assumption	(45)	(194)	-	-
Remeasurements - Actuarial gains and losses arising from changes in demograhic experience	(146)	88	-	-
Balance, end of period	**3,371**	**3,244**	**-**	**-**
Expense recognised in income statement:				
Current service cost	106	317	-	-
Interest on obligation	234	19	-	-
Total expense recognised in profit and loss (see Note 14)	**340**	**337**	**-**	**-**

All retired benefit obligations have been classified as non current with a closing amount of N3.37billion billion for Group

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 Company.

June 2023

In millions of Naira	Impact on defined benefit obligation		
	Decrease in assumption by 1%	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Increase in liability by 4.6%	3,527	(155)
Effect of changes in assumption to the salary growth	Decrease in the liability by 4.0%	3,236	135
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.17%	3,366	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 4.3%	3,227	145
Effect of changes in assumption to the salary growth	Increase in the liability by 4.2%	3,514	(143)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.19%	3,378	(6)

December 2022

In milions of Naira	Impact on defined benefit obligation		
	Decrease in assumption by 1%	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Increase in liability by 4.9%	3,404	(160)
Effect of changes in assumption to the salary growth	Decrease in the liability by 4.7%	3,092	152
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.2%	3,238	6

	Impact on defined benefit obligation		
	Increase in assumption by 1%	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Decrease in liability by 4.6%	3,095	149
Effect of changes in assumption to the salary growth	Increase in the liability by 5.0%	3,406	(162)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.2%	3,250	(6)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the year) 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 30 June 2023.

	June 2023	December 2022
Discount rate	14.30%	14.00%
Future salary increases	5.00%	5.00%
Retirement age for both male and female	60 years	60 years
Retirement rate: 50 – 59 (average rate)	1.89%	1.70%
Withdrawal rate: 18 – 29	4.50%	4.50%
Withdrawal rate: 30 – 44	6.00%	6.00%
Withdrawal rate: 45 – 50	5.00%	5.00%
Withdrawal rate: 51 – 59 (average rate)	1.67%	1.70%

Assumptions regarding future mortality before retirement are based on A49/52 ultimate table published by the Institute of Actuaries of United Kingdom. The rate used to discount post employment benefit obligations has been determined by reference to the yield on Nigerian Government bonds of medium duration. This converts into an effective yield of 14.3% as at 30 June 2023 For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.

38 Capital and reserves

A Share capital

In millions of Naira	Company June 2023	Company December 2022
(a) Issued and fully paid-up :		
35,545,225,622 Ordinary shares of 50k each	17,773	17,773

Ordinary shareholding:
The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Company.

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 Company 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	Company June 2023
Balance, beginning of the period	-
Additions through Share transfer to Holding Company by virtue of change in structure	17,773
Balance, end of the period	17,773

In millions of Naira	Company December 2022
	-
Balance, beginning of the period	17,773
Balance, end of the period	17,773

(b) The movement on the number of shares in issue during the period was as follows:

In millions of units	Company June 2023	Company December 2022
Balance, beginning of the period	-	-
Additions through Share transfer to Holding Company by virtue of change in structure	35,545	35,545
Balance, end of the period	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	Company June 2023
Balance, beginning of the period	-
Additions through Share transfer to Holding Company by virtue of change in structure	234,039
Balance, end of the period	234,039

In millions of Naira	Company December 2022
	-
Balance, beginning of the period	234,039
Balance, end of the period	234,039

C Additional Tier 1 Capital

Access Bank Nigeria 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 the company 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 company, and it has sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any interest payment date. Interest on the Notes will be payable semi-annually in arrears commencing on 7 July 2022

C (ii) Mandatory Convertible Notes

On the 29 March 2023, the Bank issued a $300Mn Additional Tier 1 (AT1) capital through a mandatory convertible note to Access Holdings.
The principal terms of the additional tier 1 security are as follows:

• The AT1 security will rank in claim behind all present and future Senior Obligation; pari passu without any preference among themselves with all present and future parity obligations and in priority to all payments in respect of all present and future Junior Obligations.

• The AT 1 security will bear a fixed interest rate of 15% per annum and shall be payable to the Subscriber on in two equal semi-annual installments, in US Dollars net of any fees and taxes. The Issuer (Access Bank Plc) shall have full discretion at all times to vary, cancel, or postpone the Interest payments.

• The AT 1 security is undated and convertible (i) on the date falling 8 (eight) years(29 March 2031) after the Closing Date being the Conversion Date but shall be converted at the discretion of the Issuer (Access Bank Plc), subject to the approval of the CBN, into ordinary shares of the Company. (ii) a trigger event where the tier 1 capital of the Bank (inclusive of the Notes), is below the requirements of the Central Bank of Nigeria.

• The subscriber shall mandatorily deliver a conversion notice to the issuer(Access Bank Plc) seeking to convert the Notes but the ultimate conversion right is retained with the issuer (Access Bank Plc).

In millions of Naira	Initial call date	Group June 2023	Group December 2022
U.S.$500,000,000 Perpetual Fixed Rate Resettable NC 5.25 Additional Tier 1 Subordinated Notes	2026	206,355	206,355
U.S.$300,000,000 Non cumulative Fixed Rate Resettable NC 8 Mandatory convertible Preference shares	2031	138,513	-
Balance, end of the period		**344,868**	**206,355**

D Retained earnings

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Retained earnings	442,810	408,702	(3,460)	(1,150)

E Other components of equity

	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Other regulatory reserves (see i(a) below)	181,398	158,305	-	-
Share Scheme reserve	-	3,513	-	-
Treasury Shares	(11,228)	(11,228)	-	-
Capital Reserve	3,489	3,489	-	-
Fair value reserve	130,431	78,960	-	-
Foreign currency translation reserve	344,975	30,122	-	-
Regulatory risk reserve	98,274	78,556	-	-
	747,339	**341,715**	**-**	**-**

(i) Other reserves

Other regulatory reserves

Statutory reserves

Nigerian banking regulations require Access Bank Nigeria 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 June 2023	Statutory reserves December 2022	SMEEIS Reserves June 2023	SMEEIS Reserves December 2022	Total June 2023	Total December 2022
Group						
In millions of Naira						
Opening	157,479	135,902	827	827	158,306	136,728
Transfers during the period	23,093	21,577	-	-	23,093	21,577
Closing	180,571	157,479	827	827	181,398	158,306
Company						
In millions of Naira						
Opening	-	-	-	-	-	-
Transfers during the period	-	-	-	-	-	-
Closing	-	-	-	-	-	-

(ii) Share scheme reserve

This represents the total expenses incurred in providing the Company'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 Company 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 company 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 period 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 June 2023	Group December 2022
Access Bank, Gambia	1,778	546
Access Bank, Sierra Leone	101	31
Access Bank Zambia	9,777	4,846
Access Bank, Rwanda	2,439	1,289
Access Bank, Congo	9	9
Access Bank, Ghana	8,747	(1,629)
Access Bank, Mozambique	10	6
Access Bank, Kenya	2	2
Access Bank, South Africa	1,081	523
Access Bank, Botswana	56,249	8,773
Access Pensions Limited	7,575	4,147
	87,768	**18,544**

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

In millions of Naira	Group June 2023	Group June 2022
Access Bank, Gambia	41	76
Access Bank, Sierra Leone	7	14
Access Bank Zambia	547	933
Access Bank, Rwanda	124	171
Access Bank, Congo	1	12
Access Bank, Ghana	908	(2,145)
Access Bank, Mozambique	0	0
Access Bank, Kenya	0	0
Access Bank, South Africa	(51)	(130)
Access Bank, Botswana	109	414
Access Pensions Limited	844	477
	2,529	**(177)**

	Group June 2023	Group December 2022
Proportional Interest of NCI in subsidiaries	%	%
Access Bank, Gambia	12.00%	12.00%
Access Bank, Sierra Leone	0.81%	0.81%
Access Bank Zambia	19.02%	19.02%
Access Bank, Rwanda	8.78%	8.78%
Access Bank Congo	0.02%	0.02%
Access Bank, Ghana	6.60%	6.60%
Access Pensions	48.49%	48.49%
Access Bank, Kenya	0.02%	0.02%
Access Bank, South Africa	2.11%	4.80%
Access Bank, Botswana	21.85%	21.85%

G

Dividends

In millions of Naira	Company June 2023	Company December 2022
Interim dividend paid (June 2022: 20k)	7,109	7,109
Final dividend paid (Dec 2022: 1.30k)	46,209	46,209
	53,318	**31,991**
Interim dividend proposed (Jun 2023: 30k)	10,664	46,209
Number of shares	35,545	35,545

39 Contingencies

Claims and litigation

The Group is a party to numerous legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. N3.46Bn provision has been made as at 30 June 2023.

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 June 2023	Group December 2022	Company June 2023	Company December 2022
Contingent liabilities:				
Transaction related bonds and guarantees	871,366	693,915	-	-
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	1,155,394	842,563	-	-
	2,026,759	**1,536,476**	**-**	**-**

The Group 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 group during the period amounted to N18.32Bn (31 Dec 2022: N1.5Bn)

40 Reconciliation to the Cash and cash equivalents

(a) *Cash and cash equivalents include the following for the purposes of the statement of cash flows:*

In millions of Naira	Group June 2023	Group December 2022	Company June 2023	Company December 2022
Cash on hand and balances with banks	580,540	1,025,202	11,757	2,488
Unrestricted balances with central banks	219,247	186,533	-	-
Money market placements	210,059	152,682	-	-
Investment under management	33,025	29,812	33,254	29,812
Treasury bills with original maturity of less than 90days	107,157	539,198	-	-
	1,150,028	**1,933,427**	**45,011**	**32,300**

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 June 2023	Company June 2023	Group June 2023	Company June 2023
Net debt	307,253	-	1,385,587	-
Acquired from business combinations	-	-	-	-
Proceeds from interest bearing borrowings	-	-	1,612,459	226,872
Repayment of interest bearing borrowings	-	-	-	-
Debt securities issued	-	-	-	-
Repayment of debt securities issued	-	-	-	-
Total changes from financing cash flows	307,253	-	2,998,046	226,872
The effect of changes in foreign exchange rates	165,353	-	-	-
Other changes				
Interest expense	12,177	-	7,878	7,878
Interest paid	(11,369)	-	38,637	-
Balance	**473,413**	**-**	**3,044,560**	**234,750**

	Debt securities issued		Interest bearing borrowings	
	Group December 2022	Company December 2022	Group December 2022	Company December 2022
Net debt	264,495	-	1,171,260	-
Proceeds from interest bearing borrowings	-	-	682,981	-
Arising from business combination	-	-	-	-
Repayment of interest bearing borrowings	-	-	(509,479)	-
Debt securities issued	21,887	-	-	-
Repayment of debt securities issued	-	-	-	-
Total changes from financing cash flows	286,382	-	1,344,762	-
The effect of changes in foreign exchange rates	-	-	40,164	-
Other changes				
Interest expense	286,383	-	52,084	-
Interest paid	-	-	(46,819)	-
Balance	**572,765**	**-**	**1,390,192**	**-**

(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

During the period, the Banking subsidary was fined by its Regulator for contravention of the Banks and Financial Institutions Act of Nigerua and the CBN circulars as listed below:

S/N	Regulatory Body		Date
(i)	Central Bank of Nigeria	Sum of N2m penalty for the delayed to customer as directed by the CBN	30 Mar 2023
(ii)	Central Bank of Nigeria	Sum of N10m in respect of Employment of Prospective Employees without CBN approval.	20 Mar 2023

42 Events after reporting date

Subsequent to the end of the financial period, the Board of Directors proposed an final dividend of ₦0.30k each payable to shareholders on register of shareholding at the closure date.
The National Bank of Angola as at August 10, 2023 has approved the transfer of 100% shares of Finibanco Angola to Access Bank (Nigeria) Plc. The share capital of Finibanco Angola SA now has a single shareholder.

As at July 14, 2023 Access Bank entered into a definitive agreement for aquisition of majority equity stake of African Banking corporation (Tanzania) limited. Access Bank also entered into agreement with Standard Chartered Bank to aquire majority shareholding in its subsidiaries in Angola, Cameroon, the Gambia, Sierra Leone and Tanzania.

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 Holdings PLC and its subsidiaries.

Parent

The parent company, which is also the ultimate parent company, is Access Holdings 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:

Period ended 30 June 2023	**Directors and other key management personnel (and close family members)**	**Subsidiaries**	**Associate**	**Total**
In millions of Naira				
Balance, beginning of period	1,354	256,049	403	**257,806**
Net movement during the period	435	(88,099)	(40)	**(87,704)**
Balance, end of period	1,789	167,949	363	**170,102**
Interest income earned	99	9	15	**122**
ECL due from related parties expense	-	-		**-**

The loans issued to directors and other key management personnel (and close family members) as at 30 June is N1,789 million 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 USD167M granted during the year. It is a non-collateralised placement advanced at an average interest rate of 4.83% and an average tenor of 11.7 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 N363m 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 period with key management personnel, and no specific allowance has been made for impairment losses on balances with key management personnel and their immediate relatives during the period.

(b) Deposits from related parties

	Directors (and close family members and related entities)	**Subsidiaries**	**Associate**	**Total**
30 June 2023				
In millions of Naira				
Balance, beginning of period	4,596	219,043	3,402	**227,041**
Net movement during the period	14,399	146,112	(1,872)	**158,639**
Balance, end of period	18,995	365,155	1,530	**385,681**
Interest expenses on deposits	33	7,110	29	**7,172**

(c) Borrowings from related parties

	Subsidiaries	**Associate**	**Total**
In millions of Naira			
Borrowings at 1 January 2023	-	-	**-**
Net movement during the period	-	-	**-**
Borrowings at 30 June 2023	-	-	-
Interest expenses on borrowings	-	-	**-**

(d) Other balances and transactions with related parties

	Directors (and close family members and related entities)	**Subsidiaries**	**Associate**	**Total**
In millions of Naira				
Cash and cash equivalent	-	263,866	-	**263,866**
Investment securities		-	-	
Deposit for Investments	-	-	-	**-**
Receivables	-	1,955,996	-	**1,955,996**
Payables	-	83,371	-	**83,371**
Other Liabilities	-	-	-	**-**
Off balance sheet exposures	-	542,304	-	**542,304**

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

Directors' remuneration

In millions of Naira	June 2023	June 2022
Non-executive Directors		
Fees	33	-
Other emoluments:	289	
Allowances	54	356
	375	356

	June 2023	June 2022
Executive directors		
Short term employee's benefit	130	108
Defined contribution plan	31	-
Share based payment	-	-
Retirement benefits paid	-	-
	161	**108**

(f) Directors remuneration:

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

In millions of Naira	June 2023	June 2022
Fees as Directors	33	-
Other emoluments	289	290
Wages and salaries	130	108
Allowances	54	31

The Directors remuneration shown above includes

	June 2023	December 2022
Chairman	78	71
Highest paid director	100	86

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

	June 2023	December 2022
N13,000,001-N20,000,000	-	-
N20,000,001-N37,000,000	-	-
AboveN37,000,000	3	3
	3	3

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 Company equity	**12,441**

(c) Business Combination with Cavmont Bank Zambia

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 combination (see	1,454
Fair value adjustment	-
Bargain Purchase	**(1,454)**

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

		Group January 2021
(d)	**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 Company 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 periods. 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 combination (see	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 Company 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 Company equity	**33,146**

h) Business combinations and Goodwill with FGPL

The Group expanded its investment portfolio to include pension fund administration business through the acquisition of controlling interests in First Guarantee Pension Limited ("FGPL") on 26th of August 2022

Access Holdings acquired 68.54% of the issued share capital of FGPL for a cash consideration of N18.4 billion. Subsequently, through a rights issue in exchange for cash consideration of N17.79bn, the Holding's equity interest in FGPL was increased to 80.23%.

The goodwill arising on the acquisition of FGPL has been computed by comparing the proportionate share of the fair value of the net assets acquired and the fair value of cash consideration paid by Access Holdings.

The goodwill arising on initial acquisition and recognized in the financial statements is presented below:

The merger was executed via a Scheme of Merger in accordance with Section 711 of CAMA. The Scheme involved the combination of all First Guarantee Pension Limited's assets , liabilities and business undertakings with Sigma Pensions Limited, except for FGPL's investments in Actis Golf , which shall not be transferred to Sigma Pensions Limited but shall be distributed to the shareholders of First Guarantee Pension Limited , on the Terminal date , on a pro- rata basis.

Consequently, the entire issued share capital of First Guarantee Pension Limited shall be cancelled. First Guarantee Pension Limited shall be dissolved without being wound up and the shareholders of Access Pensions Limited shall be Access Holdings Plc, former First Guarantee Pension Limited minority shareholders and Actis Golf Nigeria Limited

In June 2023, the Company's PPA for the acquisition of First Guarantee Pensions Ltd and Sigma Pensions Ltd was concluded. The provisional Goodwill of N34.94 billion previously recognized was revised to N23.63 billion as a result of the completion of the purchase price allocation from the business combination.. Based on the revised PPA, additional intangible assets of N11.29bn relating to customer relationships and pension license were identified and recognized separately from the previously reconsised Goodwill.

In millions of Naira	**FGPL December 2022**
Fair value of consideration paid	18,714
Add: Non-controlling interests	2,708
Less: Fair value of net assets of subsidiary acquired	(8,611)
Goodwill	**12,811**

FGPL	**Acquisition date net assets**
Assets	
Intangible Assets	
Property, Plant & Equipment	7,774
ROU assets	2,711
Statutory reserve deposit	96
Other assets	1,527
Cash and cash equivalents	218
	9
	12,337
Liabilities	
Lease liabilities	52
Other liabilities	1,274
Income tax liabilities	-
Deferred Tax Liabilities	2,401
	3,726
Net assets	**8,611**

Business combinations and Goodwill with SIGMA

The Group expanded its investment portfolio to include pension fund administration business through the acquisition of controlling interests in Sigma Pensions limited (Sigma) on 4th November 2022

On 4th November 2022, FGPL acquired 37.36% equity interests (including preference shares) of Actis Golf Limited (parent of Sigma Pensions Limited - "Actis") for a cash consideration of N21.64billion.

The goodwill arising on the acquisition of Actis Golf Limited has been computed by comparing the proportionate share of the fair value of the net assets acquired (effective interest of Access Holdings in the sub-subsidiary - Actis), and the fair value of Access Holding's share of the cash consideration paid by FGPL.

Non-controlling interest has been measured at the proportionate share of the net assets for ordinary shares, while the non-controlling interest portion of the preference shares has been measured at fair value.

The goodwill (provisional) arising on initial acquisition and recognized in the financial statements is presented below:

In millions of Naira	**SIGMA December 2022**
Fair value of consideration paid	17,362
Add: Non-controlling interests	15,599
Less: Fair value of net assets of subsidiary acquired	(18,695)
Goodwill	**14,266**

The non-controlling interest for Sigma includes preference shares measured at fair value and the proportionate share of the net assets for common equity holders.

Access Holdings controls both entities through majority voting rights and the power and practical ability to direct their principal activities.

Subsequently, the two entities (FGPL, Sigma) were merged on 1 December 2022. Following the merger, First Guarantee Pension Limited was dissolved without being wound up, and Sigma Pensions emerged as the 'surviving entity', and renamed to 'Access Pensions Limited'.

Sigma	**Net assets at acquisition date**
Assets	
Cash and Cash equivalents	4,147
Loans and Receivables	947
Other Assets	882
Deferred Tax Assets	44
Statutory Reserve Investment	1,745
PPF Investment	592
Property Plant and Equipment	1,069
Intangible Assets	16,100
Total Assets	**25,525**
Liabilities	
Trade and other payables	1,253
Income tax liabilities	838
Deferred Tax Liabilities	4,739
Total Liabilities	**6,831**
Net assets	**18,695**

Access Pensions Limited Merger Details

The merger was executed via a Scheme of Merger in accordance with Section 711 of CAMA. The Scheme involved the combination of all First Guarantee Pension Limited's assets , liabilities and business undertakings with Sigma Pensions Limited, except for FGPL's investments in Actis Golf , which shall not be transferred to Sigma Pensions Limited but shall be distributed to the shareholders of First Guarantee Pension Limited , on the Terminal date , on a pro- rata basis.

In consideration for the merger, First Guarantee Pension Limited shareholders shall receive share consideration in Sigma Pensions Limited on the basis of the agreed share exchange ratio, as follows : 234 ordinary shares of N1 each in Sigma Pensions Limited for every 1,000 ordinary shares of 50k each held by First Guarantee Pension Limited shareholders in FGPL as at the Terminal Date.

Consequently, the entire issued share capital of First Guarantee Pension Limited shall be cancelled. First Guarantee Pension Limited shall be dissolved without being wound up and the shareholders of Access Pensions Limited shall be Access Holdings Plc, former First Guarantee Pension Limited minority shareholders and Actis Golf Nigeria Limited.

45 Director-related exposures

The Company has some exposures that are related to its Directors. It 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 Group 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 Group'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 Group's principal exposure to all its directors as at 30 June 2023 is N834 million. However, the relevant obligors under this category also have credit balances and deposits maintained in their bank accounts which mitigate the risks to the Group.

Below is a schedule showing the details of the Holding's director-related lending:

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal	Status	Nature of security
					N'millions		
1	Herbert Wigwe	Managing Director/CEO	Herbert Wigwe	Mortgage	312	Performing	Mortgage
2	Herbert Wigwe	Executive director	Herbert Wigwe	Credit Card	518	Performing	Cash Collateral
3	Bolaji O. Agbede	Executive director	Bolaji O. Agbede	Credit Card	8	Performing	Cash Collateral
4	Ojinika Olaghere	Non-executive director	Ojinika Olaghere	Credit Card	7	Performing	Cash Collateral
5	Herbert Wigwe	Non-executive director	Herbert Wigwe	Overdraft	3	Performing	Cash Collateral
	Balance, end of period				**847**		

47 Non-audit services

During the period, the Corporation's auditor, KPMG, were paid for the following services

	Service	Description	Sum N'000
1	Market Assessment	KPMG was engaged to assist with reviewing and asessing digital lending opportunities and to articulate a go-to-market plan for the Group's digital bank subsidiary	43,781
2	Recommendation of a HR Operating Model	KPMG was engaged to review and make recommendations on People Strategy & HR Operating Model across the Group's diversified businesses.	41,997
3	Quality Assurance review	KPMG was engaged to provide a Quality assurance review on the Group's Microsoft Dynamics 365 implementation	19,554
4	Crisis Management Training & Exercising	KPMG was engaged to provide a crisis management training and exercise to the bank	22,763
5	Security Operations Centre strategy study	KPMG was engaged to perform a SOC strategy study of leading global financial services institutions	1,927
6	Project Management Support	KPMG was engaged to provide a Quality Assurance Review on the bank's Treasury management solution implementation	42,687
8	Process review☐	KPMG was engaged to perform a review of High Impact processes for the Banking operations	1,703
9	Due Dilligence	KPMG was engaged to perform due dilligence services for the bank's proposed acquisitions	2,817

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

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira

	Group June 2023	%	Group June 2022	%
Gross earnings	940,311		591,803	
Interest expense				
Foreign	(56,434)		(33,423)	
Local	(267,473)		(107,006)	
	616,404		451,374	
Net impairment (loss) on financial assets	(32,366)		(36,863)	
Net impairment loss on non financial assets	(4,809)		-	
Bought-in-materials and services				
Foreign	(43,197)		(14,999)	
Local	(218,436)		(187,374)	
Value added	**317,596**		**212,132**	
Distribution of Value Added				
To Employees:				
Employees costs	65,126	21%	58,274	27%
To government				
Government as taxes	32,161	10%	9,052	4%
To providers of finance				
Interest on borrowings	58,692	18%	34,373	16%
Dividend to shareholders	46,209	15%	24,882	12%
Retained in business:				
For replacement of property and equipment and intangible assets	26,177	8%	21,695	10%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	89,232	28%	63,856	30%
	317,596	**100%**	**212,132**	**100%**

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira	Company June 2023	%	Company June 2022	%
Gross earnings	54,597		24,882	
Interest expense				
Foreign	-		-	
Local	-		-	
	54,597		24,882	
Net impairment (loss) on financial assets	-		-	
Net impairment loss on other financial assets	-		-	
Bought-in-materials and services				
Foreign	-		-	
Local	(1,165)		(1,181)	
Value added	**53,431**		**23,701**	
Distribution of Value Added				
To Employees:				
Employees costs	1,142	2%	663	3%
To government				
Government as taxes	418	1%	(232)	-1%
To providers of finance				
Interest on borrowings	7,878	15%	-	0%
Dividend to shareholders	46,209	86%	24,882	105%
Retained in business:				
For replacement of property and equipment	94	0%	20	0%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	(2,309)	-4%	(1,632)	-7%
	53,431	**100%**	**23,701**	**100%**