Fidelity

# 2024 Annual Report

Winning Together

We Are Fidelity, We Keep Our Word

Contact Us: 0700 3433 5489
true.serve@fidelitybank.ng

Fidelity Bank Plc
RC103022

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Winning
together

At Fidelity Bank, we believe that success is best achieved together. Through collaboration, trust, and innovation, we empower our customers, employees, and stakeholders to reach new heights.

By providing cutting-edge financial solutions, personalized services, and unwavering support, we ensure that every step forward is a step taken together. Whether you're growing your business, securing your future, or making a difference in your community—your success is our success.

Let's continue winning together.

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## FORMS AND DETACHABLES

# Corporate Information

## Directors

| | |
|---|---|
| 1 | Mr. Mustafa Chike-Obi (Chairman) |
| 2 | Engr. Henry Obih (Independent Non-Executive Director) |
| 3 | Mrs. Amaka Onwughalu (Non-Executive Director) |
| 4 | Chief Nelson C. Nweke (Non-Executive Director) |
| 5 | Mr. Chinedu Okeke (Non-Executive Director) |
| 6 | Mrs. Ronke Bammeke (Independent Non-Executive Director) |
| 7 | Alhaji Abdullahi S. Mohammed (Independent Non-Executive Director) |
| 8 | Ms. Obiaku Okam (Non-Executive Director) |
| 9 | Dr. Nneka Onyeali-Ikpe (Managing Director/CEO) |
| 10 | Mr. Kevin Ugwuoke (Executive Director) |
| 11 | Dr. Ken Opara (Executive Director) |
| 12 | Mr. Stanley Amuchie (Executive Director) |
| 13 | Mrs. Pamela Shodipo (Executive Director) |
| 14 | Mr. Abolore Solebo (Executive Director) |
| 15 | Mr. Sufiyanu Garba (Executive Director) |

**Registered Office**
Fidelity Place, 2 Kofo Abayomi Street
Victoria Island, Lagos, Nigeria

Tel + 234-1-4485252, 2700530–3
E-mail: info@fidelitybank.ng
www.fidelitybank.ng

facebook.com/fidelitybankplc
x.com/fidelitybankplc
instagram.com/fidelitybankplc
fidelity bank plc

**Auditors**
Deloitte & Touche Nigeria
Civic Towers
Plot GA1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos

**Correspondent Banks Include:**
ABSA Bank, Johannesburg, South Africa
Africa Export Import Bank Cairo, Egypt
Citibank N.A., London & New York
Deutsche Bank
FBN Bank UK
Standard Chartered Bank UK

**Company Secretary**
Mrs. Ezinwa Unuigboje

**Board Appraisal Consultant**
KPMG Advisory Services
KPMG Towers
Bishop Aboyade Cole Street
Victoria Island, Lagos

# Vision

To be number one in every market we serve and for every branded product we offer.

# About us

Fidelity Bank Plc is a full-fledged commercial bank with over 9.1 million customers who are serviced across its 251 business offices and various digital banking channels in Nigeria. The Bank is focused on select niche corporate banking sectors, small and medium enterprises (SMEs) and has rapidly implemented a digital-led retail banking strategy which led to 473% growth in savings deposits in the last 7 years, 61% customer enrollment on its flagship mobile/internet banking products and 92.0% of customer-induced transactions now done on its digital banking platforms.

Fidelity began operations in 1988, as a merchant bank. In 1999, it converted to commercial banking and became a universal bank in February 2001. In July 2023, Fidelity completed the acquisition of a 100% equity stake in Union Bank UK (now FidBank UK Limited) to enable it tap cross-border opportunities and provide scalable services to its growing clientele. Fidelity Bank is today ranked the 6th largest Nigerian Bank, with presence in the City of London and every commercial hub in Nigeria.

The Bank is led by a stable, experienced, and proficient management team. The team has built the Bank on sound corporate governance with robust enterprise-risk management at the core of the its operations.

# Mission

To make financial services easy and accessible to our customers.

# Performance Highlights

## Revenue and Efficiency Ratio

- Gross earnings up by **87.7%** to **₦1,043.4 billion** in 2024FY (2023FY: **₦555.8 billion**)
- Cost to Income Ratio came down to **42.9%** in 2024FY from **50.4%** in 2023FY
- PBT up by **210.0%** to **₦385.2 billion** in 2024 (PAT came in at **₦278.1 billion**)

## Asset Quality

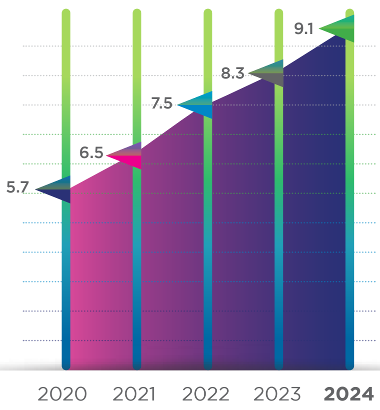
- Cost of Risk was down to **1.5%** in 2024FY from **2.6%** in 2023FY
- NPL Ratio dropped to **3.1%** in 2024FY compared to **3.5%** in 2023FY
- Coverage Ratio improved significantly:**138.4%** in 2024FY Vs. **127.7%** in 2023FY

## Capital Adequacy and Liquidity

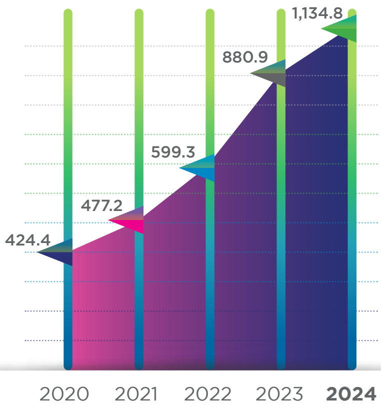
- Capital Adequacy Ratio of **23.5%**, based on Basel II computation
- Liquidity Ratio of **46.5%** compared to the regulatory minimum of **30.0%**
- Total Equity at **₦897.9 billion** compared to **₦437.3 billion** in 2023FY

# Retail & Digital Banking Evolution

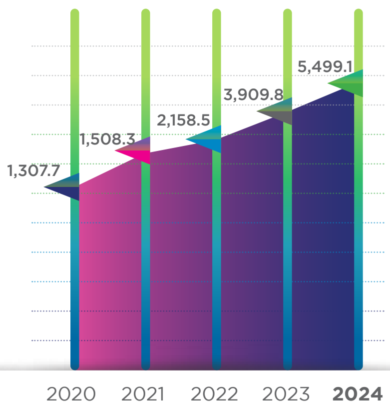
### Number of Customer Accounts
(#'million)



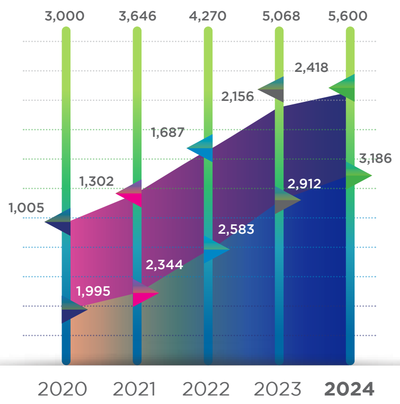

### Savings Deposit
(N'billion)



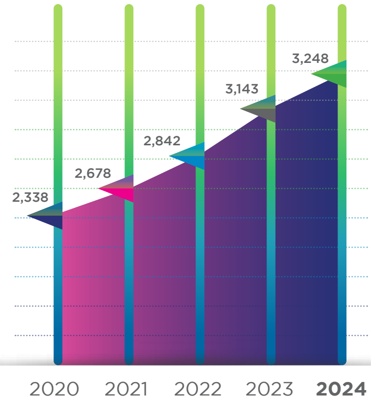

### Low-Cost Deposits
(N'billion)



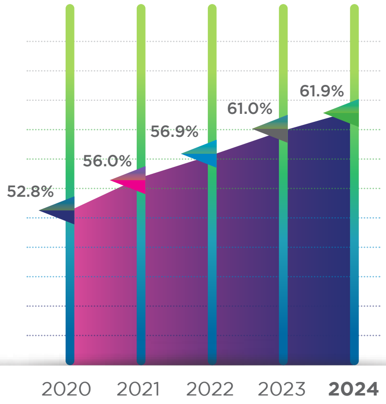

### Mobile/Internet Banking Customers
(#'000) ◁MOBILE BANKING, ▷INTERNET BANKING




### Number of Debit Card Holders
(#'000)




### Electronic Banking Penetration
(%)



# NOTICE OF AGM

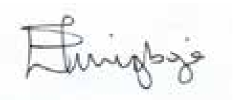
**NOTICE OF 37TH ANNUAL GENERAL MEETING**

Notice is Hereby Given that the 37th Annual General Meeting of members of Fidelity Bank Plc will hold virtually via https://www.fidelitybank.ng/agm/ at 10.00a.m. on Tuesday, April 29, 2025 to transact the following business:

**ORDINARY BUSINESS**

1. To lay before the members, the Audited Financial Statements for the year ended December 31, 2024 and the Reports of the Directors, External Auditors and Audit Committee thereon.
2. To declare a Final Dividend.
3. To elect the following Directors who were appointed since the last Annual General Meeting:
   (i) Alhaji Abdullahi Sarki Mohammed, Independent Non-Executive Director.
   (ii) Ms. Obiaku Augusta Okam, Non-Executive Director.
   (iii) Mr. Sufiyanu Ibrahim Garba, Executive Director.
4. To re-elect the following Directors retiring by rotation:
   (i) Mr. Mustafa Chike-Obi, Chairman, Non-Executive Director.
   (ii) Engr. Henry Obih, Independent Non-Executive Director.
5. To authorize the Directors to fix the remuneration of the External Auditors for 2025.
6. To disclose the remuneration of the managers of the Company.
7. To elect members of the Statutory Audit Committee.

Dated the 4th day of April 2025
By Order of the Board



**EZINWA UNUIGBOJE**
Company Secretary
FRC/2014/NBA/00000008909
No. 2 Kofo Abayomi Street
Victoria Island, Lagos.

## NOTES:

### (a) Proxy

Any member entitled to attend and vote at the 37th Annual General Meeting (AGM) is also entitled to appoint a Proxy to attend and vote in his/her/its stead. A Proxy need not be a member of the Company. A blank proxy form is attached to the Annual Report and can be downloaded from the Bank's website at www.fidelitybank.ng

To be valid, completed proxy forms should be deposited at the office of the Registrar, First Registrars & Investor Services Limited, Plot 2, Abebe Village Road, Iganmu, Lagos or emailed to info@firstregistrarsnigeria.com not later than 48 hours before the time fixed for the meeting. Payment of stamp duties on the proxy forms shall be at the Bank's expense.

### (b) Virtual Meeting Link

Pursuant to the provisions of the Business Facilitation (Miscellaneous Provisions) Act, 2022, which allows public companies to hold general meetings electronically, the 37th Annual General Meeting will be held virtually. The link for the meeting is https://www.fidelitybank.ng/agm/ and can also be accessed through the Bank's website www.fidelitybank.ng and social media platforms. The meeting will also be live streamed online on the Bank's website.

### (c) Dividend

The Directors declared and paid an interim dividend of 85 Kobo per Ordinary Share of 50 Kobo each on 32,000,000,000 shares amounting to ₦27,200,000,000,00 for the half-year period ended June 30, 2024. Withholding Tax was deducted at the time of payment.

If the proposed final dividend of ₦1.25 only per Ordinary Share of 50 Kobo each on 50,200,000,000 shares (bringing the total dividend for the financial year ended December 31, 2024 to ₦89,950,000,000.00) is approved, the final dividend will be paid on April 29, 2025 to shareholders whose names appear in the Register of Members at the close of business on April 15, 2025. The proposed final dividend is subject to withholding tax at the applicable tax rate.

Shareholders who have completed the e-Dividend mandate will receive direct credit of the dividend to their bank accounts on April 29, 2025, net of withholding tax.

### (d) Closure of Register of Members

The Register of Members and Transfer Books of the Company will be closed from April 16, 2025, to April 22, 2025 (both days inclusive) to enable the Registrar prepare for dividend payment.

### (e) Statutory Audit Committee

In accordance with Section 404(6) of the Companies and Allied Matters Act, 2020, a Shareholder may nominate another Shareholder for election to the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the Annual General Meeting. Section 404 (5) of the Companies and Allied Matters Act 2020 provides that all the members of the Audit Committee shall be financially literate and at least one (1) member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. In addition, the Code of Corporate Governance issued by the Financial Reporting Council of Nigeria provides that members of the Audit Committee should be financially literate and able to read and interpret financial statements. Consequently, a detailed curriculum vitae affirming the nominee's qualifications should be submitted with each nomination to the Statutory Audit Committee.

### (f) Unclaimed Dividend Warrants and Share Certificates

Some share certificates were returned to the Registrars as unclaimed, while some dividend warrants are yet to be presented for payment or returned for revalidation. Affected Shareholders are advised to contact the Registrars, First Registrars & Investor Services Limited www.firstregistrarsnigeria.com.

**(g) E-Dividend**

Notice is hereby given to all Shareholders who are yet to mandate their dividends to their bank accounts to kindly update their records by completing the e-dividend mandate form and submitting same to the Registrars, or using the e-dividend mandate link (https://docuhub3.nibss-plc.com.ng/edmms/self-service) as dividend will be credited electronically to shareholders' accounts as directed by the Securities and Exchange Commission.

Detachable application forms for e-dividend mandate, change of address and unclaimed certificates are attached to the Annual Report for the convenience of all shareholders. The forms can also be downloaded from the Company's website at www.fidelitybank.ng or from the Registrars' website at www.firstregistrarsnigeria.com. The completed forms should be returned to First Registrars & Investor Services Limited, Plot 2, Abebe Village Road, Iganmu, Lagos.

**(h) Election/Re-Election of Directors:**

**(i). Election of Directors:**

(a) Alhaji Abdullahi Sarki Mohammed, Independent Non-Executive Director, was appointed to the Board with effect from January 14, 2025.

(b) Ms. Obiaku Augusta Okam, Non-Executive Director, was appointed to the Board with effect from January 14, 2025.

(c) Mr. Sufiyanu Ibrahim Garba was appointed as Executive Director, North Directorate, and approved by the Central Bank of Nigeria on January 14, 2025.

**(ii). Re-election of Directors**

In accordance with the provisions of Article 95(1)(a) of the Articles of Association of the Company, the Non-Executive Directors to retire by rotation at the 37th Annual General Meeting are Mr. Mustafa Chike-Obi and Engr. Henry Obih. The retiring Directors, being eligible, have offered themselves for re-election.

The profile of all the Directors including the Directors for election/re-election is in the Annual Report and on the Company's website www.fidelitybank.ng

**(i) Right of Securities Holders to Ask Questions**

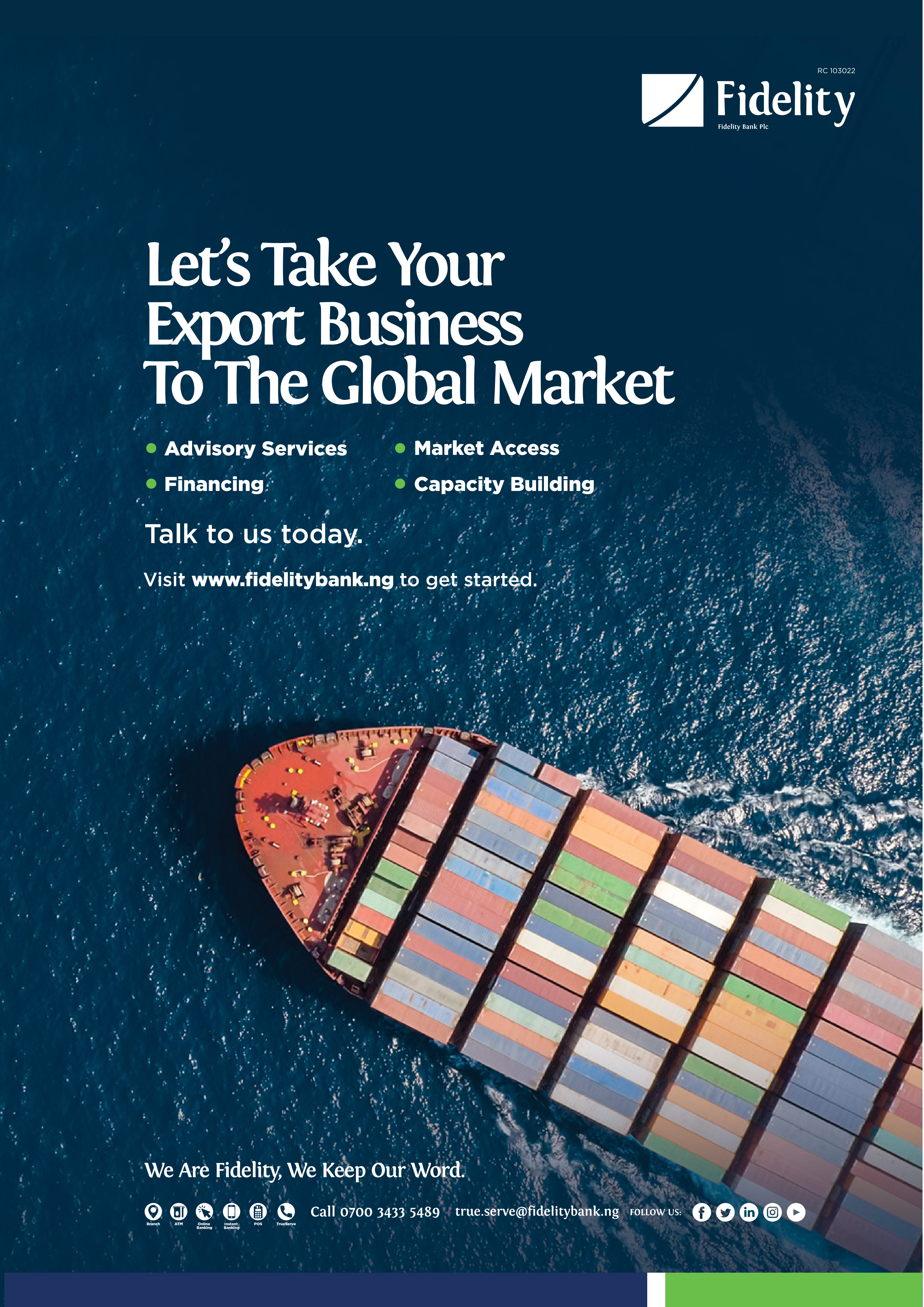
Securities holders have the right to ask questions at the Annual General Meeting and may also submit written questions to the Company prior to the meeting. Such questions should be sent by electronic mail to info.investor@fidelitybank.ng or addressed to the Company Secretary and delivered to The Company Secretariat, Fidelity Bank Plc, Block B, No. 2, Kofo Abayomi Street, Victoria Island, Lagos on or before April 17, 2025.

**(j) E-Annual Report**

The electronic version of this notice as well as the annual report (e-annual report) for 2024 financial year can be downloaded from the Company's website www.fidelitybank.ng. The e-annual report will be emailed to all Shareholders who have provided their email addresses to the Registrars. Shareholders who wish to receive the e-annual report are kindly requested to send an email to info.investor@fidelitybank.ng or info@firstregistrarsnigeria.com.

**(k) Website**

A copy of this Notice and other information relating to the meeting can be found at www.fidelitybank.ng.


RC 103022
Fidelity
Fidelity Bank Plc
Let's Take Your Export Business To The Global Market
Advisory Services
Market Access
Financing
Capacity Building
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# Chairman's Statement

The Nigerian Economy showed unusual elasticity in 2024. Despite significant macroeconomic challenges, the Gross Domestic Product increased by 25.9% Year-on-Year from 2.7% in 2023 to 3.4% in the reporting period.

**Mustafa Chike-Obi**
Chairman, Fidelity Bank Plc

### A Brief Overview

Distinguished shareholders, I welcome you to the 37th Annual General Meeting of Fidelity Bank PLC.

The past fiscal year was truly remarkable. Despite the global economic headwinds, we demonstrated exceptional resilience, achieving record-breaking growth across all performance indicators. Most notably, our Profit Before Tax (PBT) increased by an outstanding 210%, rising from ₦124.3 billion in December 2023 to ₦385.2 billion in the reporting period.

We are pleased with the success of the first stage of our capital-raise exercise. The oversubscription of 237.9% in the Public Offer and 137.7% in the Rights Issue is a testament to the strength of our brand and the confidence the investing public has in us. We are profoundly grateful for this extraordinary vote of trust.

Our success is driven by the clarity of our vision, the simplicity of our processes and the dedication of our workforce. The commitment and passion of our employees have positioned us for sustained growth in an increasingly dynamic financial landscape.

.

### Domestic Economy Review

The 2024 economic landscape in Nigeria was significantly influenced by the impact of key policy changes implemented in the preceding year.

The removal of fuel subsidies and the unification of the exchange rate led to an unprecedented rise in energy costs and a sharp devaluation of the Naira. Consequently, the exchange rate dropped to a low of ₦1,681 per dollar in the official market and nearly ₦1,800 per dollar in the parallel market. The nation's annual inflation rate climbed steadily, reaching a 30-year high of 34.80% in December 2024.

In response, the Central Bank of Nigeria (CBN) adopted a restrictive monetary policy stance, raising the Monetary Policy Rate (MPR) from 18.8% to 27.5%, increasing the Cash Reserve Ratio (CRR) from 32.5% to 50.0%, and adjusting the asymmetric corridor around the MPR to +500/-100 basis points.

These measures led to higher borrowing costs, contraction in business activities, exit of several multinational companies and liquidity pressure in Deposit Money Banks. However, the policies also resulted in higher yields on Treasury assets and fixed-income securities, creating attractive investment outlets for foreign portfolio investors.

Despite these macroeconomic challenges, Nigeria's Gross Domestic Product (GDP) grew by 3.4% in the review period, up from 2.7% in 2023, representing 25.9% growth year-on-year.

### Outlook for the 2025 Fiscal Year

The prognosis for the Nigerian economy is favourable, but the persistently high inflation rate, devaluation of the national currency and consistent security challenges threatens progress. Sustained reforms and decisive policy execution are crucial to overcome these hurdles.

The following are the major growth drivers.

1. **Foreign Exchange and Monetary Policies –** The launch of the Bloomberg B-Match system and the reintroduction of the retail Dutch Auction system are intended to increase FX liquidity, ensure price transparency and foster exchange rate stability.

2. **Oil & Energy Sector –** Higher crude oil production and reforms in the energy sector will drive revenue growth and support fiscal consolidation.

3. **Economic Diversification –** Increased focus on non-oil export will reduce dependence on oil and create a more resilient economy.

4. **Capital Importation –** Pro-investment policies and improved business conditions will attract foreign exchange inflows and boast economic growth.

### Changes to the Board

The following changes occurred on the Board after the 36th Annual General Meeting, which was held on May 16, 2024.

| No. | Board Changes |
|---|---|
| 1. | Alhaji Isa Inuwa, Independent Non-Executive Director, retired on December 31, 2024. |
| 2. | Mr. Chidi Agbapu, Non-Executive Director, retired on January 15, 2025. |
| 3. | Alhaji Abdullahi Sarki Mohammed, Independent Non-Executive Director, was appointed to the Board on January 14, 2025. |
| 4. | Ms. Obiaku Augusta Okam, Non-Executive Director, was appointed to the Board on January 14, 2025. |
| 5. | Mr. Sufiyanu Ibrahim Garba, Executive Director, North Directorate, was appointed to the Board on January 24, 2025. |

The Board uses this medium to thank Alhaji Isa Inuwa and Mr. Chidi Agbapu for their meritorious service to the Bank and looks forward to working with the new Directors to achieve the Bank's strategic objectives.

### Looking forward

Our strategy for 2025 is centered on reinforcing our position in the tier-one space. We will deepen our presence in the corporate/commercial sectors and unlock new growth opportunities in the retail segments through the introduction of innovative products.

We are committed to a pattern of continuous process improvement. We will drive automation to reduce our cost to serve and enhance customer experience across our network.

In line with the re-capitalization plan submitted to the Central Bank of Nigeria, we expect to conclude our capital-raise exercise by the last quarter of the 2025 financial year.

### Closing Remarks

In the past five years, our business has experienced remarkable growth. We have achieved a compounded annual growth rate of 92.0% in Profit Before Tax, 42.3% in low-cost deposits, and 33.0% in total assets. Although we take great pride in these accomplishments, we recognize that these feats would not have been possible without you, our treasured stakeholders.

We will continue to prioritize strong corporate governance practices, effective risk management, capital preservation, talent retention, and enhancement of shareholder value through the payment of interim and final dividends.

We appreciate your trust and confidence in us. Our steadfast commitment to excellence, stability, and long-term prosperity guarantees that Fidelity Bank will continue to thrive.

Thank you and God bless.

**Mustafa Chike-Obi**
Chairman, Fidelity Bank Plc


Fidelity

# CEO's Statement

The investing community responded positively with our share price rising by 61.3%, significantly outperforming the Nigerian Stock Exchange Banking Index and the All-Share Index, which rose by 37.7% and 21.5%, respectively.


Nneka Onyeali-Ikpe
MD/CEO, Fidelity Bank Plc

**Esteemed Shareholders,**

I am pleased to present the highlights of our Bank's exceptional performance in the 2024 financial year.

This result was achieved through the disciplined execution of our strategic objectives, strong growth across key revenue streams, and the expansion of our core business segments.

- **Profit Before Tax (PBT)** increased from ₦124.3 billion in the 2023 Financial Year to ₦385.2 billion in the reporting period.
- **Profit After Tax (PAT)** rose by 179.6% to N278.1 billion, causing Return on Average Equity (RoAE) to increase to 41.7% from 26.5% in 2023.
- **Net Interest Margin (NIM)** improved to 12.0% from 8.1%, due to the high-yield environment. However, funding cost remained relatively constant at 5.2% despite the increase in the Monetary Policy Rate.
- **Customer Deposits** grew by 47.9% to ₦5.9 trillion, driven by robust growth in demand, savings, and tenor funds.
- **Savings Deposits** rose by 28.8% to ₦1.1 trillion, marking 10 years of double-digit annual growth in our retail deposit line.
- **Net Loans & Advances** increased by 41.9% to ₦4.4 trillion, with actual growth (excluding currency effects) at 10.5%.
- **Non-Performing Loan (NPL) ratio** improved from 3.5% to 3.0%, and the Cost of Risk moderated from 2.6% to 1.5%, reflecting the efficiency of our risk management processes.
- **Shareholder's Equity** was boosted by an additional ₦175.9 billion following the success of the first stage of our capital raise exercise.

This impressive performance did not go unnoticed. The investing community responded positively with our share price rising by 61.3%, significantly outperforming the Nigerian Stock Exchange Banking Index and the All-Share Index, which rose by 37.7% and 21.5%, respectively.

Investors who participated in our Public Offer at ₦9.75 per share and our Rights Issue at ₦9.25 per share saw capital appreciation of 79.5% and 89.2%, respectively.

**Strategic Initiatives and Operational Excellence**

In 2024, we reinforced our leadership position across key sectors.

- Non-Oil Export Financing: We doubled export trade volumes, leveraging institutional partnerships and advisory expertise. Over 500 aspiring exporters benefitted from our Export Management Programme, equipping them for success in global trade.
- Retail Banking: Our customer base grew to 9 million accounts, supported by different value propositions including Diaspora Banking, workplace banking, and loyalty programs.
- Empowering SMEs: We strengthened our commitment to SMEs through innovative financing solutions, capacity-building events, and market access opportunities. We sponsored the Guardian Women Festival, Naija Soup Fest and supported SMEs at the Africa Tech Expo.

These initiatives reinforced Fidelity Bank as a catalyst for entrepreneurial success.

**Recognition and Awards**

Our achievements in 2024 were recognized with prestigious industry accolades.

We were honoured with the **Excellence in Digital Transformation** and **MSME Banking** awards at the BusinessDay Banks and Other Financial Institutions (BAFI) Awards.

Our leadership in non-oil export financing was recognized as we were voted as the **Export Financing Bank of the Year**.

**Global Business Outlook** named Fidelity Mobile App the **Most Innovative Mobile Banking Application**, while **Global Brands Magazine** recognized us as the **Most Innovative Investment Banking Service Provider.**

**Outlook for 2025**

Our priorities in the 2025 financial year are to:

- Complete the next phase of our **capital-raising initiative** and further strengthen our asset base.
- Enhance **operational efficiency** and accelerate **digital innovation** to improve customer experience.
- Explore **strategic regional expansion** into select African markets.
- Invest in people, platforms, and partnerships to drive sustainable and long-term value creation.

**Appreciation**

I sincerely thank our customers for their loyalty and patronage, our shareholders for their confidence in our brand and our staff for their dedication and hard work.

We have built solid foundations in the last few years and attained significant milestones.

I am excited about the next phase of our journey and look forward to maintaining the current trajectory in 2025 and beyond.

Thank you.

**Dr. Nneka C. Onyeali-Ikpe**
MD/CEO


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# Directors' Profiles

A detailed presentation of Directors' profiles.

## Board Of Directors

*Standing (from left to right)*

**Mr. Kevin Ugwuoke, Mr. Sufiyanu Garba, Ms. Obiaku Okam, Mr. Chinedu Okeke, Dr. Nneka Onyeali-Ikpe, Mr. Mustafa Chike-Obi, Mrs. Amaka Onwughalu, Engr. Henry Obih, Mrs. Pamela Shodipo, Alh. Abdullahi Sarki Mohammed.**

*Sitting (from left to right)*

**Dr. Ken Opara, Mrs. Ezinwa Unuigboje (Company Secretary), Chief Nelson Nweke, Mr. Stanley Amuchie, Mrs. Ronke Bammeke, Mr. Abolore Solebo.**

## Mustafa Chike-Obi

*Chairman*

Mustafa Chike-Obi was appointed Chairman of the Board of Fidelity Bank in July 2020. Prior to his appointment, he served as Executive Chairman at Alpha African Advisory.

He has held several managerial and leadership positions in reputable global investment banking and asset management firms such as Chase Merchant Bank, Goldman Sachs, Shoreline Group, Bear Stearns and Guggenheim Partners, amongst others, where he acquired a broad knowledge base in capital market operations in both mature and emerging markets. This includes the development and marketing of fixed income securities products to institutional investors. It is also noteworthy that he created the Treasury Department concept in Nigerian banking and headed the first one.

Mustafa holds a Bachelor's Degree in Mathematics and a Master's in Business Administration from Stanford School of Business, California, USA. He seats on the board of several blue-chip companies.

## Nneka Onyeali-Ikpe, OON

*Managing Director/CEO*

Dr. Nneka Onyeali-Ikpe assumed office as Managing Director/CEO of Fidelity Bank on January 1, 2021. She was formerly Executive Director, Lagos and South-West, overseeing the Bank's business in the seven States that make up the South-West Directorate of the Bank. She led the transformation of the Directorate to profitability and sustained its impressive year-on-year growth, across key performance metrics, including contributing over 28% of the Bank's PBT, Deposits and Loans prior to her appointment as MD/CEO.

Nneka is widely regarded as one of Africa's leading female CEOs with a reputation for authentic leadership and proven people skills in identifying talents, opportunities and executing complex business deals. She has extensive business development experience with proficiency in retail, corporate and commercial banking and treasury management among others.

Nneka has radically repositioned Fidelity Bank as the go-to financial institution for Small and Medium Enterprises. Understanding the crucial role of small businesses in the sustenance of economic growth and development, she led the bank to create the Fidelity International Trade & Creative Connect (FITCC) which is aimed at providing a touchpoint for exporters, regulators, subject matter experts and the market.

In recognition of her leadership and outstanding performance, she received commendation from AMCON as a member of the Management Team for restructuring and turnaround of the erstwhile Enterprise Bank. She also received several board commendations from the Managing Directors of Standard Chartered Bank and Citizens International Bank for outstanding performance at various times.

Nneka holds Bachelor of Laws (LLB) and Master of Laws (LLM) degrees from the University of Nigeria, Nsukka and Kings College, London, respectively. She has attended executive training programs at Harvard Business School, The Wharton School University of Pennsylvania, INSEAD School of Business, Chicago Booth School of Business, London Business School and IMD amongst others. She recently completed a Diploma programme in Organizational Leadership at Said Business School, Oxford University, UK and received an Honorary Doctorate Degree in Business Administration from the University of Nigeria, Nsukka (UNN). She is an Honorary Senior Member (HCIB) of The Chartered Institute of Bankers of Nigeria.

## Kevin Ugwuoke
*Executive Director*

Kevin Ugwuoke joined Fidelity Bank in 2015 as General Manager, Chief Risk Officer. He was appointed to the Board in July 2020 and is the Executive Director Risk Management/Chief Risk Officer of the Bank. He is currently responsible for Enterprise Risk Management including Credit Risk Management, Credit Strategy and Policy, Risk Measurement, IT Risk Management, Market Risk Management and Operational Risk Management. He also serves as the Executive Compliance Officer of the Bank.

He has over 32 years of banking experience across various banks namely Citi Bank, Access Bank Plc, United Bank for Africa Plc and Mainstreet Bank Limited, where he worked in various capacities in Banking Operations, Commercial Banking, Corporate Banking and Risk Management. Over the period, he was also Chief Risk Officer of United Bank for Africa Plc and Mainstreet Bank Limited.

Kevin holds a Bachelor's degree (First Class) in Civil Engineering from the University of Nigeria, Nsukka. He also holds a Post Graduate Diploma in Management and Master of Business Administration from Edinburgh Business School of Herriot-Watt University, Edinburg, Scotland. He has attended several executive trainings at world-class institutions, including Wharton and Harvard Business School. He is a Senior Honorary Member of the Chartered Institute of Bankers of Nigeria.

He is a fellow of the Chartered Institute of Credit Administration, a Fellow of the Chartered Risk Management Institute of Nigeria and also its First Vice President.

## Ken Opara
*Executive Director*

Dr. Ken Opara joined the Board on January 1, 2021 as Executive Director Lagos & South West Directorate. Prior to his appointment, Dr. Opara served as General Manager/Regional Bank Head, Ikeja Region. He has over 30 years' experience in banking and worked at various financial institutions including legacy Omega Bank Plc, Equatorial Trust Bank Plc and Manny Bank Plc, before joining Fidelity Bank Plc in 2006, following its merger with Manny Bank Plc.

He has core-banking experience in diverse areas of banking including Credit, Treasury, Retail, Consumer and Commercial Banking, International Operations and Corporate Banking and has held senior management positions in the industry including Divisional Head, Managed SMEs, Multilateral Agencies & Trade Missions; Division Head, SMEs, Electronic & Consumer Banking; Head, Private & Consumer Banking, Head, Affinity Banking & Corporate Consumer Banking; and Head Consumer & Commercial Banking.

Dr. Opara has attended executive management programs at Harvard Business School, Kellogg School of Management, Wharton, INSEAD and Lagos Business School amongst others. He is a Fellow of the Chartered Institute of Bankers of Nigeria (CIBN) and an active member of the Institute's Governing Council, where he is the immediate past President having previously served as 1st Vice President, 2nd Vice President and National Treasurer of the Institute.

He holds a Bachelor of Science (B.Sc.) degree in Finance and Master of Business Administration (MBA) from the University of Nigeria, Nsukka and a Ph.D. in Credit Management from International University of Panama.

**Stanley Amuchie**
*Executive Director*

Stanley Amuchie is the Bank's Chief Operations and Information Officer. He joined the Board of Fidelity Bank with impressive multi-functional work experience spanning banking, audit, risk management, corporate governance, quality control, operations and information technology, strategy, financial control, business and financial advisory, accounting, general management, business development and consulting, with over 25 years of experience in the banking and financial services industry.

Stanley commenced his professional career in September 1995 at Arthur Andersen (now KPMG Professional Services) where he served until February 2000, when he joined Zenith Bank Plc. He enjoyed a sterling career spanning over 18 years at Zenith Bank Plc which culminated in his appointment as Group Chief Financial Officer in July 2015 and Group Zonal Head in June 2018, a position he held until his exit in October 2018.

While at Zenith Bank, Stanley also served as a Non-Executive Director on the Boards of Zenith Trustees Limited, Zenith Bureau De Change Limited and Zenith Nominees Limited and was Chairman of the Board of Directors of Zenith Securities Limited.

Between April 2019 and February 2021, Stanley was Chief Technical Consultant at Mint Financial Technologies Limited (now Mintyn Bank, a digital bank). He was appointed as a Technical Consultant to Fidelity Bank Plc in March 2021, a position he held until his appointment to the Board as an Executive Director.

Stanley holds a Bachelor of Science Degree (First Class Honours) in Industrial Chemistry from the University of Benin, where he graduated as the Best Student in Industrial Chemistry. He obtained a Master of Science Degree in Corporate Governance from Leeds Metropolitan University (now Leeds Beckett University) United Kingdom in 2014.

He has attended several leadership and executive development programmes at world-class business schools including INSEAD France, Harvard Business School and Lagos Business School. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN). He joined the Board of Fidelity Bank in January 2022.

**Pamela Shodipo**
*Executive Director*

Pamela is the Executive Director, South Directorate. She joined the Board of Fidelity Bank Plc with over 26 years of multifunctional and cross-border banking experience at leading financial institutions covering general management and business origination in diverse segments including corporate, commercial, consumer, retail and public sector.

She commenced her professional career at International Standard Insurance Limited in January 1991, from where she joined United Commercial Bank Limited (UCBL) in 1992 as a Customer Service Officer. In April 1997, Pamela joined Zenith Bank Plc where she worked until September 2007, rising to the position of Assistant General Manager, before joining United Bank for Africa Plc (UBA) as Regional Director in October 2007.

Pamela enjoyed an illustrious career at UBA and headed various Regional Banks. She was elevated to the position of General Manager in 2017 and had direct supervisory responsibility for up to 28 Branch Managers from 2017 to 2020. Between October 2020 and November 2021, she was Directorate Head, Lagos 3/Public Sector, before her appointment as Managing Director/Chief Executive Officer of UBA Benin Republic, where she served from December 2021 to November 2022. Pamela was the Head of Personal Banking for the UBA Group overseeing Nigeria and Africa until her appointment to the Board of Fidelity Bank Plc.

Pamela holds a Bachelor of Science degree in Psychology from the University of Lagos (1990) and Master's in Business Administration from University of Wales College of Cardiff, United Kingdom (1995).

She has attended several business, leadership and executive development programmes at world-class institutions including Lagos Business School, Harvard Business School and University of Oxford, United Kingdom. She is an alumna of Lagos Business School Senior Management Programme (SMP22) and an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN). She joined the Board of Fidelity Bank in February 2023.

## Abolore Solebo
*Executive Director*

Abolore Solebo joined the Board of Fidelity Bank Plc on February 1, 2024 with over 24 years of extensive financial services and general management experience in Corporate, Investment, Commercial, Retail and Transaction Banking, Enterprise-Wide Risk Management, Corporate Strategy and Consulting in Nigeria and the United Kingdom. He heads the Corporate Banking Directorate.

Since joining the Bank in 2008 as a Senior Manager, Abolore has held key positions including Head, Corporate Bank Directorate Analyst Group (2008); Division Head, Upstream (2010); Division Head, Energy & Power/Project Finance (2017) and serves on various Management Committees.

Abolore was Acting Head of the Corporate Bank Directorate from 2021 until his appointment as Executive Director and is the recipient of several performance awards in the Bank.

Before joining the Bank, Abolore worked at Shell International Trading and Shipping Co Ltd, London as a Credit Risk QA Analyst on the Global Credit Initiative Project for its global trading operations between 2007 and 2008.

He began his career as a Trainee Banking Officer at Citizens International Bank Plc in 1999. He later moved to Broad Bank of Nigeria Plc as a Banking Officer in 2002 after which he left for the UK and returned to Nigeria in 2008 to join the Bank.

Aside from being a seasoned corporate banker with experience in various sectors of the economy, he is also an Energy Sector expert. Abolore is a keynote speaker and resource person on Oil and Gas matters in Nigeria and has been involved in multibillion dollar projects/finance transactions.

He holds an MBA from London Business School (UK), an MSc in Financial Management and Economics (Middlesex University, UK) with Distinction, and a BSc in Accounting from Ogun State University.

He has attended executive management and leadership programmes at international business schools including Wharton, University of Pennsylvania and London Business School.

Abolore is an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria and a member of The Energy Institute UK (Nigeria Branch).

## Sufiyanu Garba
*Executive Director*

Mr. Sufiyanu Ibrahim Garba joined Fidelity Bank on January 24, 2025 with an impressive background of multifunctional and cross-border experience in leading financial institutions. His career spans general management and business origination across a broad range of segments, including Commercial and Business Banking, Financial Advisory/Consulting, Retail Banking, Public Sector, Corporate Banking, Credit Structuring, Investment Banking, Strategic Financial Planning and Analysis, Data Analytics, Investment Appraisal, Fundraising, and Capital Structuring.

With over 30 years of experience in the financial services industry, Sufiyanu has held key leadership and management positions in both financial and non-financial institutions. His extensive career also includes public service, where he served as Technical Adviser to the Honourable Minister at the National Planning Commission between November 2007 and December 2008.

Sufiyanu began his professional journey in 1995 at Guaranty Trust Bank Plc, following the completion of his National Youth Service at the Central Bank of Nigeria. Between 1998 and 2010, he gained invaluable experience working in the UK and Nigeria across public and private sectors. He held significant roles at Threadneedle Asset Management, UK; Morley Fund Management Company Limited, UK; Asset and Resource Management Company Limited; ARM Pension Managers Limited; and Access Bank Plc, where he served as Group Head of Financial Institutions, Insurance & Asset Management in 2003, and later as Group Head of Commercial Banking (North).

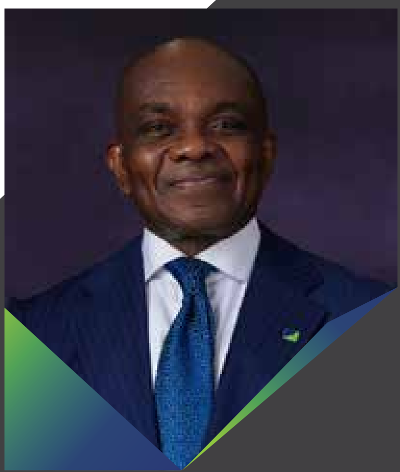
In May 2012, he joined Diamond Bank Plc (now Access Bank Plc) as Divisional Head of the Public Sector Directorate. He subsequently rose to the position of Regional Sales Director, North, where he led and coordinated the bank's branches across the Northern Directorate.

In May 2019, Sufiyanu took on the role of Head of North Bank and Public Sector at Keystone Bank Limited. During his tenure, which lasted until November 2023, he achieved the rank of General Manager. He then joined Union Bank of Nigeria Plc as Executive Director, overseeing Business Banking across the North, South-South, and South-East regions, as well as the Public Sector, a role he held until January 2024.

Sufiyanu holds a BSc in Economics from the University of Nigeria, Nsukka, and an MSc in International Banking, Investment, and Securities from Henley Business School, University of Reading, UK. He recently completed a certification in the Effective Execution of Organisational Strategy from Wharton Business School, University of Pennsylvania.

He is a member of the Society of Investment Professionals (UKSIP) and the Securities Futures Authority, London, UK; an Honorary Member of the Chartered Institute of Bankers Nigeria (HCIB); an Associate of the Chartered Institute of Stockbrokers (ACS); and a Certified Investment Manager.

Additionally, Sufiyanu has participated in business, leadership, and executive development programs at renowned institutions, including Wharton Business School, Euromoney, Lagos Business School, and Phillips Consulting. A former medal-winning track athlete at King's College, Lagos, he remains a voracious reader, with a keen interest in current affairs.



**Henry Obih**

*Independent Non-Executive Director*

Engr. Henry Obih was the Group Executive Director/ Chief Operating Officer (GED/COO), Downstream, Nigerian National Petroleum Corporation (NNPC) until his retirement in 2019 and was subsequently appointed to the Board of Nigeria Liquefied Natural Gas Limited (NLNG) in July 2020. He also served on the Board of NNPC Limited from January 2022 to November 2023.

He joined the Board of Fidelity Bank with significant cross-functional work experience and exposure spanning over three (3) decades, across different climes including Africa, Europe, Asia and the Americas. He has extensive experience in project and performance management, manufacturing and operations management, sales and marketing, strategy and business planning/analysis, business development/re-engineering, general management, corporate governance and risk management.

Prior to joining NNPC as GED/COO in 2016, Engr. Obih had a stellar 22-year career at Mobil Oil Nigeria (ExxonMobil Nigeria Downstream) and held several high-profile positions in the company including Executive Director, Retail and Executive Director, Operations, Customer Service and Logistics.

His recent leadership roles include board positions at Nigeria Gas Marketing Company Limited, Pipelines and Products Marketing Company Limited, NNPC Retail Limited, NIDAS Marine Limited (a subsidiary of NNPC in joint venture with Daewoo Industries South Korea), NIKORMA Limited (a subsidiary of NNPC in joint venture with Hyundai Heavy Industries South Korea) and Duke Oil Company Inc.

Engr. Obih holds a Bachelor's degree in Mechanical Engineering from the University of Nigeria, Nsukka (UNN) and an MBA in Financial Management from the University of Bradford, Yorkshire, England.

His professional affiliations include membership of the Institute of Directors, Society for Corporate Governance and Council for the Regulation of Engineering in Nigeria (COREN); Nigerian Institute of Mechanical Engineers; Institute of Credit Administration and Fellowship of the Nigerian Society of Engineers.

He has attended executive programs in leadership, strategy, finance, corporate governance, and business management at some of the world's leading institutions including Columbia Business School, New York, Massachusetts Institute of Technology (MIT), IMD Lausanne, Switzerland, London Business School and Lagos Business School, Nigeria. He joined the Board in September 2020.

## Amaka Onwughalu
*Non-Executive Director*

Mrs. Amaka Onwughalu has over 30 years' banking experience including over 10 years in Executive Management positions at various financial institutions, with proven expertise across diverse segments including Commercial Banking, Retail Banking, Treasury Management, Banking Operations and Corporate Banking. She was the former Group Managing Director of legacy Mainstreet Bank Limited where she led the successful integration with Skye Bank Plc where she served as Deputy Managing Director until her retirement in July 2016.

She is currently the Chief Executive Officer of Blueshield Financial Services Limited and holds a BSc Degree in Economics from the University of Buckingham, an MSc Degree in Corporate Governance from Leeds Metropolitan University, United Kingdom and an MBA from the University of Port Harcourt, Nigeria. She gained further exposure and training at the Executive Business School, INSEAD, France; IMD Business School, Lausanne, Switzerland; Judge Business School, University of Cambridge; and Columbia Business School, USA.

Mrs. Onwughalu is a Senior Fellow of the Institute of Internal Auditors of Nigeria; a Fellow of the Institute of Credit Administration (ICA); a Member of the Nigeria Institute of Management (NIM); an Honorary Member of the Chartered Institute of Bankers of Nigeria (CIBN); and a Fellow of the Institute of Directors (IoD). She is passionate about mentoring the Girl Child and committed to supporting women entrepreneurs/professionals to contribute their quota to stimulating economic development in Nigeria. She is a Paul Harris Fellow and recipient of various prestigious awards including the National Merit Award for Accountability and Transparency (NMAT), the Award of Excellence and Distinction for Financial Management (AEDFM) and the Vocational Service Award (VSA) from the Rotary Club, Enugu. She joined the Board in December 2020.

## Nelson C. Nweke
*Non-Executive Director*

Chief Nelson C. Nweke currently serves as the Managing Director of Neilville Nigeria Limited. He worked at Guinness Nigeria Plc before moving to First City Monument Bank Limited where he commenced his banking career. Thereafter, he joined legacy Intercontinental Bank Plc where he rose to the position of Executive Director. His banking industry experience covers Corporate Services, Capital Markets (Stockbroking), Operations and Public Sector business.

He holds a B.Sc. in Political Science and a Masters in Industrial and Labour Relations, both from the University of Ibadan and has attended various executive development programmes at world class business schools including INSEAD, France, the University of Michigan School of Business Administration, IMD Lausanne Switzerland, Cambridge Judge Business School, Said Business School, University of Oxford and Harvard Business School amongst others.

Chief Nweke is an Associate of the Chartered Institute of Stockbrokers (CIS), Honorary Senior Member of the Chartered Institute of Bankers and member of the Chartered Institute of Personnel Management of Nigeria (CIPM). Chief Nweke also served as a Non-Executive Director of Premium Pension Limited, member of the Governing Council of Anambra State Investment Promotion and Protection Agency and Independent Non-Executive Director of Berger Paints Plc. He joined the Board in December 2020.

## Chinedu Okeke

*Non-Executive Director*

Mr. Chinedu Eric Okeke is the Managing Director of Azura Power West Africa Limited, an infrastructure development and operating company with special focus on emerging markets in Africa, including Nigeria. He is a member of the Board of Trustees of the Association of Power Generation Companies. Prior to joining Azura in 2014, Mr. Okeke had a stellar career spanning over nineteen years in a succession of blue-chip companies including Guinness Nigeria Plc, La Farge Plc, Schlumberger Oilfield Services, and General Electric (GE). His areas of interest and specialization across geographies (Nigeria, France, South Africa, Vietnam and Pakistan), includes Technology, Power, Corporate Strategy, Finance, Market Analysis and International Development.

Mr. Okeke has held executive and senior management positions in various climes, with direct responsibility for teams of diverse and multicultural professionals and demonstrated ability to develop and maintain strategic client relationships and deliver quality results under complex conditions. He holds a B.Eng. Degree in Electronic Engineering from the University of Nigeria, Nsukka (UNN) and an MBA from Imperial College, London.

He has attended executive training programmes at various premier institutions including Gordon Institute of Business Science, South Africa; INSEAD, France; Graduate School of Business, Stanford, USA; College of Management, Georgia Institute of Technology, USA and GE John F. Welch Leadership Development Centre, USA. He joined the Board in January 2021.

## Ronke Bammeke

*Independent Non-Executive Director*

Mrs. Ronke Bammeke has impressive multi-functional work experience and cross-border exposure spanning Nigeria and the United Kingdom with proven expertise in diverse segments including Information Technology (IT), Banking Operations, Strategy, Business Origination, Corporate and Commercial Banking, Human Resources Development, Business and Financial Advisory, Internal Audit, Accounting, Pension Fund Administration and General Management.

She has over thirty-four (34) years' experience in the financial services industry and has held key executive, leadership and management positions at notable institutions including GTBank Plc, GTBank UK Limited (as pioneer Managing Director) First Bank of Nigeria Plc (as General Manager and Group Head of Branch Operations) and Pensions Alliance Limited (a leading Pension Fund Administrator in Nigeria where she served as Managing Director). She was an Independent Non-Executive Director on the Boards of Saro Agrosciences Limited and Palton Morgan Holdings Limited and a member of the Investment Committee of Trium Networks Limited.

Mrs. Bammeke holds a Bachelor of Science degree (First Class) in Computer Science with Economics from the University of Ife, Nigeria (now Obafemi Awolowo University, Ile-Ife). She obtained a Master of Science degree in Management from London Business School, UK as a Sloan Research Fellow and British FCO Chevening Scholar. She also holds a Prince2 Practitioner Certification in Project Management.

She has attended leadership and executive development programmes at world class business schools including INSEAD, France; IMD, Lausanne, Switzerland; IESE Business School, Spain, Harvard Business School, USA; Lagos Business School, Nigeria; Ross School of Business, USA and Strathmore Business School, Kenya. She is a Chartered Information Systems Auditor (CISA) and Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). She joined the Board in November 2021.

## Abdullahi Sarki Mohammed

*Independent Non-Executive Director*

Alhaji Abdullahi Sarki Mohammed has over thirty-six (36) years' experience in the financial services industry spanning Retail, Corporate, Consumer and Commercial Banking; Treasury; Pension Fund Administration; Business and Financial Advisory; Human Resources Development; as well as Public Administration.

He has held key leadership and management positions at notable financial institutions and most recently served as Executive Director Abuja and Northern Directorate (covering the Federal Capital Territory and eighteen (18) States) of Polaris Bank Limited from September 2018 to June 2023, before his retirement.

Prior to joining Polaris Bank Limited, Alhaji Mohammed was Executive Director Abuja and Northern Directorate of Skye Bank Plc from July 2016 to July 2018. He also served as a Non-Executive Director of Trustfund Pensions Limited and Skye Bank Limited, Guinea where he chaired the Board Credit Committee and Board Audit & Risk Management Committee.

Before joining Skye Bank Plc, he held key leadership positions at First Bank of Nigeria Plc from October 2003 to July 2016, where he was responsible for business development activities across Corporate, Commercial, and Retail Banking; and Kakawa Discount House Limited from August 1995 to October 2003, where he served as Abuja Area Office Manager, overseeing the company's business in nineteen Northern States and the Federal Capital Territory.

Whilst at Kakawa Discount House Limited, he took a leave of absence to honour a call to public service by serving as the Commissioner for Works, Housing, and Transport of Kano State from February to May 1999. During this period, he also briefly acted as Relief Commissioner at the Ministries of Health and Water Resources, Kano State.

Alhaji Mohammed began his career at the Cement Company of Northern Nigeria as a Staff Development and Training Instructor in November 1987 and rose to the position of Senior Instructor in January 1991, before joining Century Merchant Bank Limited in February 1991 as the Liaison Officer responsible for branch establishment in Abuja. He rose to the position of Head of Treasury Department for the Kano Area Office in July 1995, before joining Kakawa Discount House Limited.

He holds Ordinary and Higher National Diplomas in Electrical Engineering from Kaduna Polytechnic as well as a Bachelor's degree in Industrial Education and Technology, and Master's degree in Career and Technical Education from Bowling Green State University, Ohio, USA.

Alhaji Mohammed has attended leadership and executive development programmes at world class business schools including INSEAD; London Business School; Cornell University, USA; and Strathmore Business School, Kenya.

He is a member of the 37th Senior Management Programme (SMP) of the Lagos Business School and an Honourary Senior Member of the Chartered Institute of Bankers, Nigeria. He is an avid golfer and member of the IBB Golf and Country Club.

## Obiaku Okam

*Non-Executive Director*

Ms. Obiaku Augusta Okam has over thirty (30) years of cumulative experience in the Banking, Financial Services, Real Estate and Retail Sectors and currently serves as the Managing Director and Chief Executive Officer of Skycurve Nigeria Limited, a company engaged in the development and sale of residential properties.

Her professional background encompasses corporate and retail/consumer banking, capital market, importation, wholesale and retail marketing of fast-moving consumer goods, as well as development and sale of real estate.

She has over twenty-two (22) years' experience in leading financial institutions and started her banking career at Nigeria International Bank Limited (Citibank) in 1990 during her National Youth Service Corps Programme. She rose to the position of Treasury Operations Officer at Citibank before leaving in 1996 to pursue further studies at University of Cardiff, Wales, where she obtained a Master's Degree in Business Administration and returned to join Zenith Bank Plc in May 1998.

She held various leadership and senior management positions at Zenith Bank Plc and served as Head of Marketing and Branch Head at various branches, before leaving in April 2012 as an Assistant General Manager.

Upon leaving Zenith Bank Plc, Ms. Okam assumed the role of Managing Director and CEO of Enando Nigeria Limited, a company engaged in the importation and wholesale of consumer goods, before joining Skycurve Nigeria Limited in June 2018 as MD/CEO with overall responsibility for development and sale of residential real estate.

In May 2023, she was appointed to the Board of FSL Securities Limited, a member of the FSL Group, as a Non-Executive Director and served as a member of the Board Audit and Risk Committee until her retirement on December 31, 2024.

Ms. Okam holds a Bachelor's degree in Economics and Statistics from the University of Benin, Nigeria, and Master's Degree in Business Administration from the University of Cardiff, Wales.

She has attended leadership and executive development programmes at notable institutions including the Lagos Business School, Financial Institutions Training Centre, Lagos and Institute of Directors, Nigeria.

Ms. Okam is a fitness enthusiast and enjoys reading, visiting new countries and experiencing new cultures.


Fidelity
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FOOD BANK
SINCE 2023
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From The Bank with A Heart
We have been to over 100 communities in 64 local government areas and distributed over 120,000 food packs. We are touching lives and building communities through the Fidelity Food Bank Initiative.
Visit www.fidelitybank.ng/foodbank to learn more.
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# MANAGEMENT STAFF

**As at 31 December, 2024**

## Executive Management

| | | |
|---|---|---|
| 1. | Onyeali-Ikpe Chinwe Nneka | Managing Director/Chief Executive Officer |
| 2. | Ugwuoke Chukwuma Kevin | Executive Director, Risk |
| 3. | Opara Onyewuchi Kenneth | Executive Director, Commercial and Consumer Banking - Lagos and South West |
| 4. | Amuchie Chiedoziem Stanley | Executive Director, Operations & Information Group/Chief Digital Officer |
| 5. | Shodipo Pamela | Executive Director, Commercial And Consumer Banking - South |
| 6. | Solebo Najeem Abolore | Executive Director, Corporate Bank |

## General Manager

| | | |
|---|---|---|
| 1. | Abejegah Victor | Chief Finance Officer |
| 2. | Ogunmolade Adeboye Rafiu | Chief Compliance Officer |
| 3. | Monye Jude | Regional Bank Head, Ikeja |
| 4. | Madiebo Nwora Richard | DH, Public Sector and Collections |
| 5. | Unuigboje Ezinwa | Company Secretary |
| 6. | Edekobi Pius Nnamdi | Regional Bank Head, Victoria Island/Lekki |
| 7. | Kayode-Lawal Nnenna | Division Head, Fast Moving Consumer Goods Team 2 |
| 8. | Adeyinka Omotoso Adebayo | Executive Technical Assistant to MD/CEO |
| 9. | Nwachukwu Izuchukwu Charles | Chief Human Resources Officer |

## Deputy General Manager

| | | |
|---|---|---|
| 1. | Ogunbiyi James Adebayo | Division Head, Conglomerates |
| 2. | Eretoru Paul Ibisiki | Regional Bank Head Rivers/Bayelsa |
| 3. | Asiegbu Ugochukwu Henry | Division Head, Operations |
| 4. | Mesioye Zacchaeus Adewale | Division Head, Project Finance & Advisory |
| 5. | Nwankwo Ngozi Chioma | Regional Bank Head, Lagos Central |
| 6. | Babalola Oluyemi Akintoye | Division Head, Treasury And Financial Instituitions |
| 7. | Egbuna Francis Chukwudi | Regional Bank Head, Mainland I |
| 8. | Zawiya Sani Sadi | Regional Bank Head, North Central |
| 9. | Tarimbuka Musa | Regional Bank Head, North East |
| 10. | Nzeribe Ntomchukwu Paschal | Regional Bank Head, Festac |
| 11. | Mukoro Ramat Ovie | Regional Bank Head, Midwest I |
| 12. | Okeke Ngozi Samuel | Division Head, Fast Moving Consumer Goods Team 1 |

| | | |
|---|---|---|
| 13. | Okechukwu Chinenye Chetachi | Regional Bank Head, Ikoyi |
| 14. | Okafor Obiajulu | Regional Bank Head, Apapa |
| 15. | Olabisi Arinola Morenike | Regional Bank Head, South West II |

## Assistant General Manager

| | | |
|---|---|---|
| 1. | Orizu Nzubechukwu Damian | DH, Remedial And Asset Management |
| 2. | Okonkwo Azubike Bartholomew | Chief Information Officer |
| 3. | Ede Jude Osita | DH, Product Development/Customer Experience Design |
| 4. | Ubbaonu Joy Nnenna | DH, Loan Processing |
| 5. | Onyekwere Anthonia Nwanja | Head, Telecoms |
| 6. | Iloh Chidiruo Nnamdi | Head, Fast Moving Consumer Goods Team 2 |
| 7. | Mustafa Olumuyiwa Adetunji | DH, SIBT |
| 8. | Omorogbe Osaigbovo | DH, Partnership & Ecosystem |
| 9. | Erigbuem Onuwa Cynthia | Regional Bank Head, Lagos Island |
| 10. | Ahijo Mohammed | Regional Bank Head, North West II |
| 11. | Ezekwugo Charles Afamefuna | Regional Bank Head, Mainland II |
| 12. | Orumwense Ernest Nosa | Regional Bank Head, Awka |
| 13. | Omotosho Oyedoyin Joyce | DH, Loan Portfolio Reporting And Monitoring |
| 14. | Mbanaso Nnadozie Nwabueze | Regional Bank Head, Imo |
| 15. | Chukwu Charles | Group Head, Credit Compliance and Loan Disbursement |
| 16. | Anyanwu Kechi Cynthia | Head, Liquidity & Balance Sheet |
| 17. | Ekweronu Ononogbu Onyinyechi | Group Head, Branch Operations |
| 18. | Onibuje Sandra Ifeoma | DH, Electronic Banking |
| 19. | Obasi Anoke Stephen | Group Head, Head Office Operations |
| 20. | Odubanjo Nihinlola Omobolaji | Regional Bank Head, Mainland III |
| 21. | Dukor Chukwuemeka Hillary | Group Head, Power |
| 22. | Ohiri Onyewuchi Kingsley | DH, Legal |
| 23. | Lawal Olayinka Mojeed | Group Head, Corporate Credit Appraisal |
| 24. | Ndukwe Ojebe Isaiah | DH, Export & Agriculture |
| 25. | Anyanonu Innocent Ozioma | Regional Bank Head, Onitsha |
| 26. | Akabogu Nchedo Augustina | DH, Credit Administration |
| 27. | Osinigwe Eberechukwu I. Ugochi | DH, Internal Audit And Investigation |
| 28. | Mordi Ezinwa Veronica Vanessa | Regional Bank Head, Abuja I |
| 29. | Onuoha Ndubuisi Audifax | Compliance Risk Management |
| 30. | Nwadike Chukwuka Charles | Business Leader, Allen Avenue, Ikeja Branch |
| 31. | Ejiofobiri Augustine Chiefo | Business Leader, Corporate Branch |
| 32. | Ofochebe Ogonna Ngozi | Business Leader, Burma Road, Apapa Branch |
| 33. | Ayodele Ayodeji Martin | Regional Bank Head, Abuja III |
| 34. | Oroh Aherete Ezekiel | Head Utilities & Infrastructure |
| 35. | Omogiafo Ayegbeni Osato | Chief Information Security Officer |
| 36. | Nkemakolam Emeka | Head Energy & Power |

# SUBSIDIARY INFORMATION

FIDBANK UK LIMITED

Registered Office
1 King's Arms Yard
London
EC2R 7AF.

**Telephone**
0044 (0) 20 7920 6100

**Email**
info@fidbank.uk

**Website**
www.fidbank.co.uk

**Directors**

| | |
|---|---|
| Dr. Nneka Onyeali-Ikpe | Chair of the Board |
| Mr. David Forster | Managing Director/Chief Executive |
| Mrs. Ndidi Dimanochie | Executive Director |
| Mr. Emeka Okonkwo | Non-Executive Director |
| Mr. Nigel J. Richards | Independent Non-Executive Director |
| Ms. Caroline C. Bault | Independent Non-Executive Director |
| Mr. Mark V. Jarvis | Independent Non-Executive Director |

**Auditors**
BDO LLP
55 Baker Street
London
W1U 7EU

# REPORT OF THE DIRECTORS

**For The Year Ended 31 December 2024**

The Directors of Fidelity Bank Plc (the Bank/Company) are pleased to submit their report on the affairs of the Bank and its subsidiary (the Group), together with the Group Audited Financial Statements and External Auditors Report for the financial year ended 31 December 2024.

## 1. Results

Highlights of the Group's operating results for the financial year ended December 31, 2024 are as follows:

| | Group | | Bank | |
|---|---|---|---|---|
| | 31 December 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 |
| | N 'million | N 'million | N 'million | N 'million |
| Profit before income and windfall taxes | 385,215 | 124,260 | 393,000 | 124,338 |
| Windfall tax | (13,331) | - | (13,331) | - |
| Income tax expense | (93,777) | (24,806) | (96,811) | (24,806) |
| **Profit for the year** | **278,106** | **99,454** | **282,858** | **99,532** |
| **Earnings per share** | | | | |
| Basic and diluted (in kobo) | 665 | 194 | 677 | 311 |

## 2. Dividend

The Board of Directors of the Group, pursuant to the provisions of Section 379 of the Companies and Allied Matters Act (CAMA) 2020, propose a final dividend of ₦1.25k per share (31 December 2023: N0.85k per share) for the 2024 financial year. The proposed final dividend of ₦1.25k per share and interim dividend of ₦0.85k per share paid on October 15, 2024, brings the total dividend for financial year 2024 to ₦2.10k per Ordinary Share to be paid from the retained earnings account as at 31 December 2024.

The proposed dividend will be presented for shareholders' approval at the Bank's 37th Annual General Meeting. If approved, the proposed dividend will be paid net of withholding tax at the applicable tax rate.

## 3. Legal Form

The Bank was incorporated on 19 November 1987 as a private limited liability company in Nigeria. It obtained a merchant banking license on 31 December 1987 and commenced banking operations on 3 June 1988. The Bank converted to a commercial bank on 16 July 1999 and re-registered as a public limited company on 10 August 1999. The Bank's shares were listed on the floor of the Nigerian Stock Exchange (now Nigerian Exchange Group) on 17 May 2005

## 4. Principal Business Activities

The principal activity of the Bank continues to be the provision of banking and other financial services to corporate and individual customers from its Headquarters in Lagos and 250 business offices. These services include retail banking, granting of loans and advances, equipment leasing, collection of deposits and money market activities.

The Bank has one wholly owned subsidiary, FidBank UK Limited which was acquired in 2023. The financial result of the subsidiary has been consolidated into these financial statements.

## 5. Beneficial Ownership

The Bank's shares are held largely by Nigerian citizens and corporations.

## 6. Share Capital

The range of shareholding as of December 31, 2024, is as follows:

| RANGE ANALYSIS AS AT 31ST DECEMBER 2024 | | | | |
|---|---|---|---|---|
| RANGE | No of Holders | % Holders | Units | % Units |
| 1 - 1000 | 101,631 | 25.18 | 82,008,542 | 0.26 |
| 1001 - 5000 | 171,406 | 42.47 | 470,481,261 | 1.47 |
| 5001 - 10000 | 51,537 | 12.77 | 422,401,115 | 1.32 |
| 10001 - 50000 | 56,947 | 14.11 | 1,350,489,684 | 4.22 |
| 50001 - 100000 | 10,422 | 2.58 | 809,389,532 | 2.53 |
| 100001 - 500000 | 8,979 | 2.23 | 1,934,931,618 | 6.05 |
| 500001 - 1000000 | 1,332 | 0.33 | 981,848,037 | 3.07 |
| 1000001 - 5000000 | 936 | 0.23 | 1,963,274,936 | 6.14 |
| 5000001 - 10000000 | 128 | 0.03 | 954,038,440 | 2.98 |
| 10000001 - 50000000 | 158 | 0.04 | 3,277,741,979 | 10.24 |
| 50000001 - 100000000 | 20 | 0.00 | 1,476,142,148 | 4.61 |
| 100000001 - 32000000000 | 53 | 0.01 | 18,277,252,708 | 57.12 |
| **GRAND TOTAL** | **403,549** | **100.00** | **32,000,000,000** | **100.00** |

Following the completion of the public offer/ right issue, the total number of shares increased to 50,200,000,000 Units, all ranking for dividend.

### Substantial Interest In Shares

The Bank's shares are widely held and according to the Register of Members, no single shareholder held up to 5% of the issued share capital of the Bank during the year ended 31 December 2024.

## 7. Changes on the Board and Directors' Interests

### (a) Changes on the Board:

The following changes occurred on the Board after the 36th Annual General Meeting, which held on May 16, 2024.

| No. | Board Changes |
|---|---|
| 1. | Alhaji Isa Inuwa, Independent Non-Executive Director, retired with effect from December 31, 2024. |
| 2. | Mr. Chidi Agbapu, Non-Executive Director, retired with effect from January 15, 2025. |
| 3. | Alhaji Abdullahi Sarki Mohammed, Independent Non-Executive Director, was appointed to the Board on January 14, 2025. |
| 4. | Ms. Obiaku Augusta Okam, Non-Executive Director, was appointed to the Board on January 14, 2025. |
| 5. | Mr. Sufiyanu Garba, Executive Director, North, was appointed to the Board with effect from January 24, 2025. |

The Board uses this medium to express sincere appreciation to Alhaji Isa Inuwa and Mr. Chidi Agbapu for their dedication and meritorious service to the Bank.

### (b) Directors Who Held Office During the Review Period:

The Directors who held office during the year ended 31 December 2024 together with their interest in the issued share capital of the Bank as recorded in the Register of Directors' Shareholding and as notified by the Directors for the purpose of Sections 301 and 302 of the Companies and Allied Matters Act (CAMA), 2020 and the listing requirements of the Nigerian Exchange Group (NGX) are detailed below:

| | | | As at December 31, 2023 | | As at December 31, 2024 | |
|---|---|---|---|---|---|---|
| **NO.** | **NAME** | **DESIGNATION** | **Direct** | **Indirect** | **Direct** | **Indirect** |
| | | | Units | Units | Units | Units |
| 1 | Mr. Mustafa Chike-Obi | Chairman, Non-Executive Director | 39,516,294 | NIL | 39,516,294 | NIL |
| 2 | *Alhaji Isa Inuwa | Independent Non-Executive Director | NIL | NIL | NIL | NIL |
| 3 | Engr. Henry Obih | Independent Non-Executive Director | NIL | NIL | NIL | NIL |
| 4 | **Mr. Chidi Agbapu | Non-Executive Director | 1,724,276 | NIL | 1,724,276 | NIL |
| 5 | Chief Nelson C Nweke | Non-Executive Director | 71,847,773 | NIL | 71,847,773 | NIL |
| 6 | Mr. Chinedu Okeke | Non-Executive Director | 1,040,000 | NIL | 1,040,000 | NIL |
| 7 | Mrs. Amaka Onwughalu | Non-Executive Director | 4,404,700 | NIL | 4,404,700 | NIL |
| 9 | Mrs. Ronke Bammeke | Independent Non-Executive Director | NIL | NIL | NIL | NIL |
| 11 | Dr. Nneka Onyeali-Ikpe | Managing Director/CEO | 69,644,260 | NIL | 94,644,260 | NIL |
| 10 | ***Mr. Hassan Imam | Executive Director | 41,252,468 | NIL | 41,252,468 | NIL |
| 12 | Mr. Kevin Ugwuoke | Executive Director | 39,123,921 | NIL | 39,202,811 | NIL |
| 13 | Dr. Ken Opara | Executive Director | 32,192,832 | NIL | 39,123,921 | NIL |
| 14 | Mr. Stanley Amuchie | Executive Director | 15,727,272 | NIL | 40,727,272 | NIL |
| 15 | Mrs. Pamela Shodipo | Executive Director | 12,727,272 | NIL | 12,727,272 | NIL |
| 16 | ***Mr. Abolore Solebo | Executive Director | NIL | NIL | 9,927,512 | NIL |

** Retired with effect from December 31, 2024*
***Retired with effect from January 15, 2025.*
****Retired with effect from January 10, 2024.*
*****Appointed with effect from February 1, 2024*

### (c) Directors' Interest in Contracts

The Directors' interests in related party transactions as stated in Note 38. to the financial statements were conducted at arm's length and disclosed to the Board of Directors in compliance with Section 303 of the Companies and Allied Matters Act, 2020.

### (d) Disclosure on Directors' Remuneration

The disclosure on Directors' Remuneration is made pursuant to the Governance Codes and Regulations issued by the Central Bank of Nigeria, Nigerian Exchange Group, the Securities and Exchange Commission and the Financial Reporting Council of Nigeria.

The Bank has a formal Board Remuneration Policy, which is consistent with its size and scope of operations. The policy focuses on ensuring sound corporate governance practices as well as sustained and long-term value creation for shareholders. The policy aims to achieve the following amongst others:

a. Motivate the Directors to promote the right balance between short and long-term growth objectives of the Bank while maximizing Shareholders' returns.

b. Enable the Bank attract and retain Directors with integrity, competence, experience and skills to execute the Bank's strategy;

c. Promote compliance with global regulatory trends and governance requirements, with emphasis on long-term sustainability;

d. Align individual rewards with the Bank's performance, the interests of Shareholders, and a prudent approach to risk management;

e. Ensure that remuneration arrangements are equitable, transparent, well communicated, easily understood, aligned with the interest of Shareholders and adequately disclosed.

### (e) Executive Directors' Remuneration

Executive remuneration at Fidelity Bank is structured to provide a solid basis for succession planning and to attract, retain and motivate the right caliber of staff to ensure achievement of the Bank's business objectives.

The Board sets operational targets consisting of Key Performance Indicators (KPIs) covering both financial and non-financial measures of performance for the Executives at the beginning of each year. Executive compensation is therefore tied to specific deliverables on a fixed pay basis. Fixed pay includes basic salary, transport, housing and other allowances.

The Board Remuneration Nomination and Governance Committee (a Committee comprised of only Non-Executive Directors) makes recommendations to the Board on all matters relating to Directors' remuneration. The Executive Directors are not involved in decisions on their own remuneration.

Please see the table below for the key elements of Executive Directors' remuneration arrangements:

| REMUNERATION ELEMENT | OBJECTIVE | PAYMENT MODE | PAYMENT DETAIL |
|---|---|---|---|
| Base Pay: This is a fixed pay (guaranteed cash) which is not dependent on performance. It comprises basic salary and all cash allowances paid to the Executive Director. | | | |
| Base Pay | • To attract and retain talent in a competitive market | Monthly | • Reviewed every 2 years and changes made on need basis and market findings.<br>• Salaries for all roles are determined with reference to applicable relevant market practices. |
| **Remuneration element** | **Objective** | **Payment mode** | **Programme Detail** |
| Performance Incentives: This represents the pay-at-risk i.e. pay contingent on the achievement of agreed key performance indicators. | | | |
| Performance Incentive | • To motivate and reward the delivery of annual goals at the Bank and individual levels | Annually | • Performance incentives are awarded based on the performance of the Bank and individual Directors. |
| | • Rewards contribution to the long-term performance of the Bank | Annually | • Executive Directors' annual performance incentives are evaluated against the performance metrics defined in his/her approved individual balanced scorecard/KPIs. |

| Benefits and Perquisites: These are the non-monetary compensation provided to the Executive Directors such as official car, club and professional membership subscription. | | | |
|---|---|---|---|
| Benefits and Perquisites | • Reflect market value of individuals and their role within the Bank | • Actual items are provided or the cash equivalent for one year is given. | • Reviewed periodically in line with contract of employment. |

*Review of the various remuneration elements means re-appraisal to ensure they are competitive and reflective of industry expectations. They do not necessarily refer to an increment or reduction in the value of the benefits.

### (f) Non-Executive Directors' Remuneration

Non-Executive Directors' remuneration is structured to conform to prevailing regulations and is set at a level that is at par with market developments, reflects their qualifications, the contributions required and the extent of their responsibilities and liabilities. Non-Executive Directors are paid an annual fee in addition to reimbursable expenses (travel and hotel expenses) incurred whilst executing their role as Board members, where not provided directly by the Bank. The annual fee is approved by Shareholders at the Annual General Meeting and is paid quarterly in arrears, with subsequent changes subject to Shareholders approval. They also receive a sitting allowance for each meeting attended by them but do not receive any performance incentive payments.

Please see the table below for the key elements of Non-Executive Directors' remuneration arrangements:

| REMUNERATION ELEMENT | OBJECTIVE | PAYMENT MODE | PROGRAMME DETAIL |
|---|---|---|---|
| **Annual Fees** | • To attract individuals with relevant skills, knowledge and experience.<br>• To recognise the responsibilities of the Non-Executive Directors. | • Quarterly | • Reviewed every 2 years or as appropriate and changes made on need basis subject to Shareholders' approval at the Annual General Meeting. |
| **Sitting Allowances** | • To encourage attendance and participation at designated committees assigned to them. | • Per meeting | • Reviewed every 2 years or as appropriate and changes made on need basis subject to Shareholders' approval at the Annual General Meeting. |

**Review of the various remuneration elements means the re-appraisal of the elements to ensure that they are competitive and reflective of industry expectations. They do not necessarily refer to an increment or reduction in the value of the benefit.*

The Board periodically benchmarks its remuneration practices against peer organizations whose business profiles are similar to that of the Bank and makes changes as appropriate.

The remuneration paid to the Directors in the year ended December 31, 2024 is disclosed in Note 38 of the Financial Statements.

## 8. Events After Reporting Period

There were no significant events after the reporting period which could have had a material effect on the financial position of the Group as at December 31, 2024 and on the profit and other comprehensive income for the year then ended, which have not been disclosed of the financial year. See note 47

## 9. Property, Plant and Equipment

Information relating to property, plant and equipment is provided in Note 25 to the financial statements. In the Directors' opinion, the fair value of the Bank's properties is not less than the carrying value shown in the financial statements.

## 10. Donations And Charitable Contributions

Donations and gifts to charitable organizations during the period ended 31 December, 2024 amounted to ₦1,547,023,967.18 (31 December 2023 - ₦819,820,447.75). There were no donations to political organizations during the year. .

The beneficiaries were:

| SN | BENEFICIARY | DONATIONS | AMOUNT(₦) |
|---|---|---|---|
| 1 | Association of Audit Executives of Banks in Nigeria, Lagos | Sponsorship of ACAEBN Annual Retreat/ Conference and AGM | 1,000,000.00 |
| 2 | Federal Ministry Of Women Affairs, Abuja | Sponsorship of the Launch of Women Empowerment programme | 10,000,000.00 |
| 3 | Crowning Grace Home Foundation, Owerri, Imo State | Financial Support to the Foundation | 6,000,000.00 |
| 4 | Cosmopolitan Women's Club, Lagos | Sponsorship of the launch of a humanitarian initiative at their investiture ceremony | 5,000,000.00 |
| 5 | Misnoory Foundation, Kano | Sponsorship of Ramadan Feeding Program | 5,000,000.00 |
| 6 | Healthy Heart Foundation, Lagos | Financial Support to the Foundation | 5,000,000.00 |
| 7 | Patrick Language and Speech Centre, Lagos | Support for the Centre | 500,000.00 |
| 8 | Church of Resurrection Women Project, Lagos | Support for Women's Mission, Social Welfare and Developmental Projects | 5,000,000.00 |
| 9 | Community Primary School, Olambe, Ogun State | Provision of educational materials to economically disadvantaged school children | 780,000.00 |
| 10 | Queens College, Federal Science and Technical College Yaba, and National Primary School | Provision of giant recycle bins to Queens College, Federal Science and Technical College and National Primary School, at Yaba | 860,000.00 |
| 11 | CMS Grammar School, Bishop Howell Memorial Grammar School, and Great Destination School | Provision of giant recycle bins to CMS Grammar School, Bishop Howell Memorial Grammar School, and Great Destination School | 800,000.00 |
| 12 | Sura Primary Health Care Centre, Lagos | Donation of Maternity Kits to economically disadvantaged expectant mothers | 1,000,000.00 |
| 13 | Primary Health Care Clinic, Lafia, Lagos | Provision of borehole and overhead tank | 2,726,000.00 |
| 14 | Hearts of Gold Children's Hospice, Lagos | Donation of food items to children in the Hearts of Gold Children's Hospice | 995,200.00 |
| 15 | Gbagada Senior Grammar School, Lanre Awolokun High School, Gbagada Primary School, Lagos | Production and donation of recycle bins to four schools in Gbagada | 880,000.00 |
| 16 | Center for Destitute Empowerment International, Lagos | Provision of food and other essential items | 1,989,773.68 |

| | | | |
|---|---|---|---|
| 17 | Fidelity Food Bank Initiative (Oyo, Ondo, Osun, Imo, Lagos, Bauchi, Zamfara, Abuja, Nasarawa, Kaduna, Kano Anambra and Benue) | Distribution of raw food packs through the Fidelity Food Bank Initiative to underserved communities across the country | 468,000,000.00 |
| 18 | CBN/Bankers Committee | Support for the Implementation of the 2024 Financial Literacy Day, a Financial Inclusion Project | 5,040,868.50 |
| 19 | Kirikiri Correctional centre | Financial Support for Capacity Development | 14,900,000.00 |
| 20 | Jennda Forte Academy, Festac, Lagos | School Support to Jennda Forte Academy | 1,000,000.00 |
| 21 | Lagos State Parks & Gardens (LASPARK), Marina, Lagos | Sponsorship of Year 2024 Tree Planting Day Event and Activities by LASPARK (Donation for Tree Seedlings) | 1,000,000.00 |
| 22 | Abuja Investments Company Limited, Abuja, FCT | Sponsorship of Abuja Business & Investment Summit | 20,000,000.00 |
| 23 | Nigerian Bar Association, Lagos | Sponsorship of NBA Conference 2024 | 20,000,000.00 |
| 24 | Nigerian Conservation Foundation | Sponsorship of Year 2024 Walk For Nature | 2,000,000.00 |
| 25 | Unusual Praise, Anambra and Lagos | Sponsorship of Unusual Entrepreneurs 2024 | 20,000,000.00 |
| 26 | Market Impact Church, Lagos | Sponsorship of 2024 Youth Empowerment Conference | 5,000,000.00 |
| 27 | Women in Journalism, Lagos | Sponsorship of Women in Journalism Summit 2024 | 3,800,000.00 |
| 28 | Borno State Govt, Maiduguri | Flood Disaster Support Fund by Bankers Committee | 20,000,000.00 |
| 29 | Women in Healthcare Network, Lagos | Sponsorship of Women in Healthcare Network Conference, 2024 | 10,000,000.00 |
| 30 | CIPM, Lagos | Sponsorship of CIPM Conference, 2024 | 1,000,000.00 |
| 31 | Obosi Community, Obosi, Anambra State | Sponsorship of Obiora Festival, 2024 | 2,000,000.00 |
| 32 | Lifeline Advocacy and Development Initiative/Bimbo Oloyede, Lagos | Support for Cancer Research and treatment in public health facilities | 10,000,000.00 |
| 33 | Anita Harris Foundation, Ikeja, Lagos | Sponsorship of Community Health Outreach | 5,000,000.00 |
| 34 | Chief Engr. Emmanuel Iwuanyanwu Project, Lagos | Support for Chief Engr. Emmanuel Iwuanyanwu memorial project | 3,000,000.00 |
| 35 | Ministry of Women Affairs, Abuja | Sponsorship of Women Empowerment Initiatives | 20,000,000.00 |
| 36 | Asaba Monument Memorial Committee, Lagos | Sponsorship of Asaba Memorial Monument Project | 22,610,000.00 |
| 37 | Lagos State Ministry of Health, Lagos | Sponsorship of the 10th African Conference on One Health and Biosecurity and the Conference on Digital Health | 15,000,000.00 |
| 38 | Enugwabo Oganiru Intervention Project, Anambra State | Sponsorship of the reconstruction of the administrative block of community secondary school | 24,160,029.00 |
| 39 | Rotary Club, Lagos | Sponsorship For Rotary Charity Golf Kitty Event | 5,000,000.00 |

| | | | |
|---|---|---|---|
| 40 | Government of Bayelsa State | Sponsorship of the 2024 Bayelsa Business Funding Forum | 20,000,000.00 |
| 41 | Government of Anambra State, Awka, Anambra State | Sponsorship of Anambra Investment Summit | 25,000,000.00 |
| 42 | Sir Emmanuel Uchechukwu Uzodike memorial project, Lagos | Support for Late Sir Emmanuel Uchechukwu Uzodike memorial event | 1,000,000.00 |
| 43 | Centre For Value in Leadership, Lagos | Sponsorship of the Women Speak Conference 2024. | 3,000,000.00 |
| 44 | Nnokwa Progressive Union Women's Wing, Lagos | Support for the empowerment of the women of Nnokwa Community | 1,000,000.00 |
| 45 | Original Product Services Nig, Lagos | Support for Community Engagement Initiative | 5,000,000.00 |
| 46 | E-germinate Hub Limited, Lagos | Sponsorship of the Mentorship Matchup Challenge (MMC) 6.0 event | 15,000,000.00 |
| 47 | Growthbow Solutions Ltd, Lagos | Sponsorship of AfroJazz Festival 2024 | 2,000,000.00 |
| 48 | Barr Chinedu Ikem, Lagos | Sponsorship Of A Book Launch On Bank Debt Recovery | 2,000,000.00 |
| 49 | Ohafia LGA, Abiriba, Abia State | Support for the construction of Ohafia LGA Recreation Center, Abiriba | 141,801,096.00 |
| 50 | Iwaya Primary Health Center (PHC), Iwaya, Yaba, Lagos | Donation of Maternity Kits to indigent expectant mothers | 1,640,000.00 |
| 51 | Aiyetoro Primary Health Care Center, Adekunle, Lagos | Donation of maternity kits to less privileged expectant mothers | 760,000.00 |
| 52 | Mushin Primary Health Care Center, Mushin, Lagos | Donation of maternity kits to less privileged expectant mothers | 1,015,000.00 |
| 53 | SOS Children Village, Isolo, Lagos | Provision of Food and other essential items | 1,260,000.00 |
| 54 | Aguda Grammar School, Lagos | Donation of back-to-school bags to economically disadvantaged students | 1,080,000.00 |
| 55 | Ideal Girls Junior High school, Lagos | Donation of back-to-school bags to economically disadvantaged students | 931,000.00 |
| 56 | Hearts of Gold Children's Hospice, Surulere, Lagos | Provision of food and other essential items to vulnerable children | 1,200,000.00 |
| 57 | Canal Primary School, Orile, Lagos | Provision of educational materials to underprivileged students | 540,000.00 |
| 58 | Modupe Cole Memorial Home, Akoka, Lagos | Donation of food items and other essential items | 600,000.00 |
| 59 | The destitutes, Alaba Int'l Market | Provision of food and other essential items | 400,000.00 |
| 60 | Surulere Girls Junior Secondary School, Lagos | Provision of high-standard, eco-friendly, and safe sanitary pads | 1,000,000.00 |
| 61 | Eyosung Community, Akwa Ibom State | Installation of borehole and solar power infrastructure | 3,255,000.00 |
| 62 | Fidelity Food Bank Initiative (Oyo,Ilorin, Ogun,Osun, Imo, Lagos, Abuja, Nasarawa, Kano, Anambra and Benue States) | Distribution of raw food packs through the Fidelity Food Bank Initiative to underserved communities across the country | 571,500,000.00 |
| | | **TOTAL** | **1,547,023,967.18** |

### 11. Gender Analysis as at December 31, 2024

Fidelity Bank is an equal opportunity employer and is committed to promoting gender diversity in the workplace. The Bank recognizes that women have different skills, viewpoints, ideas and insights which will enable it serve a diverse customer base more effectively. The report on gender analysis as of 31 December 2024 is shown below:

| GENDER ANALYSIS OF TOTAL STAFF AS AT 31 December 2024 | | | 31 December, 2023 | |
|---|---|---|---|---|
| GENDER | NUMBER | % OF TOTAL STAFF | NUMBER | % OF TOTAL STAFF |
| FEMALE | 1,619 | 52% | 1,537 | 50% |
| MALE | 1,508 | 48% | 1,526 | 50% |
| **TOTAL** | **3,127** | **100%** | **3,063** | **100%** |

| GENDER ANALYSIS OF TOP MANAGEMENT (AGM-GM) AS AT 31 DECEMBER 2024 | | | 31 December, 2023 | |
|---|---|---|---|---|
| GENDER | NUMBER | % OF TOTAL STAFF | NUMBER | % OF TOTAL STAFF |
| FEMALE | 17 | 27% | 16 | 33% |
| MALE | 45 | 73% | 42 | 67% |
| **TOTAL** | **62** | **100%** | **58** | **100%** |

| GENDER ANALYSIS OF TOP MANAGEMENT (AGM-GM) AS AT 31 DECEMBER 2024 | | | | 31 December, 2023 | | |
|---|---|---|---|---|---|---|
| GRADE | FEMALE | MALE | TOTAL | FEMALE | MALE | TOTAL |
| General Manager | 2 | 7 | 9 | 0 | 8 | 8 |
| Deputy General Manager | 4 | 13 | 17 | 6 | 12 | 18 |
| Assistant General Manager | 11 | 25 | 36 | 10 | 22 | 32 |
| **TOTAL** | **17** | **45** | **62** | **16** | **42** | **58** |
| Percentage | 27% | 73% | 100% | 28% | 72% | 100% |

| GENDER ANALYSIS OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2024 | | | | 31 December, 2023 | | |
|---|---|---|---|---|---|---|
| GRADE | FEMALE | MALE | TOTAL | FEMALE | MALE | TOTAL |
| Executive Director | 1 | 4 | 5 | 1 | 4 | 5 |
| Managing Director | 1 | 0 | 1 | 1 | 0 | 1 |
| Non-Executive Director | 2 | 6 | 8 | 2 | 6 | 8 |
| **TOTAL** | **4** | **10** | **14** | **4** | **10** | **14** |
| Percentage | 29% | 71% | 100% | 29% | 71% | 100% |

### 12. Human Resources Policy

The Bank places a high premium on all its employees and recognizes that their input is critical for its long-term success. Consequently, the Bank ensures its continued compliance with regulatory provisions on employment and carries out pre-employment background screening on prospective employees.

The Bank also ensures that all employees are treated fairly and equally regardless of their ethnicity, gender, nationality, religion or other factors, while promoting diversity in the workplace. The Bank operates a contributory pension plan for its employees in accordance with the provisions of the Pension Reform Act 2014.

## 13. Employment of Persons with Special Needs

There is no discrimination in considering applications for employment including applications from persons with special needs. The Bank ensures that such persons are afforded identical opportunities with other employees. The Bank currently has in her employment four (4) persons with special needs and ensures that the work environment is accessible and conducive for them.

## 14. Health, Safety and Welfare of Employees

The health, safety and wellbeing of all employees is a top priority and the Bank continues to make significant investments along these lines.

All employees are provided with comprehensive healthcare coverage through a health management scheme with 3,265 hospitals across the country. The scheme covers each staff, his/her spouse and four biological/adopted children.

The Bank also has an international health insurance scheme, which provides emergency medical evacuation support. These healthcare initiatives are actively enhanced with regular health screening exercises including mammograms, prostate screening, eye examinations, cardiovascular and tuberculosis tests and immunization for cerebrospinal meningitis, Hepatitis B and COVID-19.

Beyond direct clinical healthcare support, staff members also benefit from structured preventive health awareness programmes. In this regard, the Bank carries out well-articulated awareness sessions on topical health issues including preventing the spread of malaria, diabetes, hypertension, and kidney disease. Staff are also engaged on occupational safety matters including regular fire and first aid drills, with each business office having designated fire safety officers/ champions.

In addition to physical health, the Bank is mindful of the importance of mental wellness in the overall wellbeing of staff and arranges regular sessions on mental health by experienced professionals, while ensuring individual access to counselling/follow-up sessions.

The Bank has a defined process for preventing the spread of communicable diseases including HIV/ AIDS through health campaigns that encourage good personal hygiene while ensuring that no person living with HIV/AIDS is discriminated against. Through regular medical updates from the health insurance providers, emails, text messages and periodic health awareness presentations, staff members are frequently educated on how to take personal responsibility for their health, mental and physical wellbeing, by consciously making better lifestyle choices.

## 15. Human Rights

The Bank has a formal Human Rights Policy and consciously strives to ensure that it does not engage in business activities or relationships that would violate the provisions of the policy. The policy aligns with extant laws, including the relevant provisions of the Constitution of the Federal Republic of Nigeria. The Bank will continue to meet the standards of international treaties on human rights, as domesticated and ratified by the National Assembly, as well as other workplace related treaties.

## 16. Employee Involvement and Training

The Bank is committed to keeping employees fully informed of its corporate objectives and the progress made on achieving same. The opinions and suggestions of staff are valued and considered not only on matters affecting them as employees, but also on the general business of the Bank. The Bank operates an open communication policy and employees are encouraged to communicate with Management through various media.

Sound management and professional expertise are considered to be the Bank's major assets, and investment in employees' future development continues to be a top priority. Fidelity is a learning organization and believes in the development of her employees, irrespective of their job roles and responsibilities in the Bank. As an institution committed to maintaining its competitive edge, Fidelity Bank ensures that employees receive qualitative training within and outside the country. Staff Training Plans are drawn up yearly premised on grade specific baseline and function specific programmes. These include local, offshore and inhouse programmes.

Worthy of note are the Bank's Weekly Thursday Lecture Series, the Fidelity Business School with its various academies and the E-Learning Management System (LMS) Platform, all of which are designed to deepen knowledge, skills, and productivity.

The Bank currently has Seven modern Learning Centers at Lagos, Ibadan, Benin, Port-Harcourt, Enugu, Abuja, and Kano. A total of 5597 staff (3013 core staff and 2584 non-core), participated in various training programs as of 31 December 2024.

Training programmes are not limited to function specific programmes but include programmes on occupational safety and life skills such as fire drills, first and treatment and emergency evacuation procedures.

## 17. Research and Development

The Bank continues to research, develop, and deploy innovative banking products.

## 18. Credit Ratings

The Central Bank of Nigeria's Revised Prudential Guidelines requires all banks to be credit rated. The ratings are updated every year and published in the Annual Report. During the period under review, Fidelity Bank was assigned the credit ratings below by the following rating agencies:

| | Long Term | Short Term | Outlook |
|---|---|---|---|
| Fitch Rating | B- | B | Stable |
| S & P Rating | B- | B | Stable |
| **Local Rating** | | | |
| GCR- | A(NG) | A1(NG) | Stable |
| Agusto & Co | A | A | Stable |

*Additional information on the ratings can be obtained from the Bank's website at https://www.fidelitybank.ng/investor-relations/credit-ratings/*

## 19. External Auditors

The appointment of the External Auditors, Deloitte & Touché, was approved on April 30, 2021, at the 33rd Annual General Meeting in accordance with Section 401(1) of the Companies and Allied Matters Act, 2020. The appointment took effect on May 5, 2021.

The External Auditors have indicated their willingness to continue in office as the Bank's auditors for 2025 financial year in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020. The resolution authorizing the Directors to determine their renumeration will be proposed and approved at the 37th Annual General Meeting.

By Order of the Board

**Ezinwa Unuigboje**
Company Secretary
FRC/2014/NBA/00000006957
Fidelity Bank Plc
No. 2 Kofo Abayomi Street
Victoria Island, Lagos.
**3rd March 2025**


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# REPORT OF STATUTORY AUDIT COMMITTEE

For the Year Ended 31 December 2024

**To The Members of Fidelity Bank Plc**

In compliance with Section 404(7) of the Companies and Allied Matters Act, 2020, we the members of the Statutory Audit Committee hereby report that we:

- Reviewed the scope and planning of the audit requirements and found them adequate.
- Reviewed the financial statements for the year ended 31 December 2024 and are satisfied with the explanantions obtained.
- Reviewed the External Auditors Management Report for the year ended 31 December 2024 and are satisfied that Management is taking appropriate steps to address the issues raised.
- Ascertained that the Company has complied with the provisions of Central Bank of Nigeria (CBN) Circular BSD/1/2004 dated February 18, 2004 on "Disclosure of insider credits in the financial statements of banks". In addition, related party transactions and balances have been disclosed in the Notes to the Financial Statements for the year ended 31 December 2024 in accordance with the prescribed CBN format.
- Ascertained that the accounting and reporting policies of the Company for the year ended 31 December 2024 are in accordance with legal requirements and agreed ethical practices.

The External Audits confirmed having received full cooperations from the Company's Management and that the scope of their work was not restricted in any way.

**Chief Frank Onwu**
Chairman, Audit Committee
FRC/2014/CISN/00000009012
**March 4, 2025**

**MEMBERS OF THE COMMITTEE**

| | | |
|---|---|---|
| 1. Chief Frank Onwu | - | Chairman (Shareholder) |
| 2. Dr. Christian Nwinia | - | Member (Shareholder) |
| 3. Mr. Innocent Mmuoh | - | Member (Shareholder) |
| 4. Chief Nelson Nweke | - | Member (Director) |
| 5. Mrs. Ronke Bammeke | - | Member (Director) |

**In Attendance:**

| | | |
|---|---|---|
| Mrs. Ezinwa Unuigboje | - | Company Secretary |

# CORPORATE GOVERNANCE REPORT

For The Year Ended 31 December 2024

## Introduction

**This report is designed to update stakeholders on how Fidelity Bank Plc ("Fidelity" or "the Bank") discharged its fiduciary responsibilities in relation to governance as well as its level of compliance with relevant statutory and regulatory requirements during the review period.**

The Board of Directors is committed to ensuring sustainable long-term success for the Bank and is mindful that best practice in corporate governance is essential for ensuring accountability, fairness and transparency in a company's relationship with all its stakeholders.

### Corporate Governance Framework

Fidelity Bank has a structured corporate governance framework, which supports the Board's objective of achieving sustainable value. This is reinforced by the right culture, values and actions at the Board and Management level and throughout the entire organization.

The Board of Directors is the principal driver of corporate governance and has overall responsibility for ensuring that the tenets of good corporate governance are adhered to in the management of the Bank. In the Bank's bid to achieve long-term shareholder value, we constantly strive to maintain the highest standards of corporate governance, which is the foundation on which we manage risk and build the trust of our stakeholders.

The Bank's governance framework is designed to ensure on-going compliance with its internal policies, applicable laws and regulations as well as the corporate governance codes. These include the Financial Reporting Council of Nigeria's (FRCN) Nigerian Code of Corporate Governance ("the NCCG"), the Central Bank of Nigeria's (CBN) Corporate Governance Guidelines for Commercial, Merchant, Non-Interest and Payment Service Banks in Nigeria ("the CBN Guidelines"), the Securities and Exchange Commission's Corporate Governance Guidelines ("the SEC Guidelines"), the Post-Listing Requirements and Rules issued from time to time by the Nigerian Exchange Group (NGX).

The Bank undertakes frequent internal assessment of its level of compliance with the Codes/ Rules and submits periodic compliance reports to the CBN, SEC, NGX, FRCN and Nigeria Deposit Insurance Corporation (NDIC).

The Codes and Rules are quite detailed and cover a wide range of issues, including Board and Management, Shareholders, Rights of Stakeholders, Disclosure Requirements, Risk Management, Organizational Structure, Quality of Board Membership, Board Performance Appraisal, Reporting Relationship, Ethics and Professionalism, Conflict of Interest, Sustainability, Whistleblowing, Code of Ethics, Complaints Management Processes and the Role of Auditors. These, in addition to the Bank's Memorandum and Articles of Association, Board, Board Committees and Management Committee Charters, collectively constitute the bedrock of the Bank's corporate governance framework.

The Bank's governance structure is hinged on its internal governance framework, which is executed through the following principal organs:

(a) The Board of Directors.
(b) Board Committees.
(c) Statutory Audit Committee.
(d) General Meetings.
(e) Management Committees.

# Corporate Governance Report

## 1. Key Governance Developments

### (a) Board Changes

The following changes occurred on the Board after the 36th Annual General Meeting, which held on May 16, 2024.

**(i) Retirements from the Board:**

(a) Alhaji Isa Inuwa, Independent Non-Executive Director, retired from the Board on December 31, 2024.

(b) Mr. Chidi Agbapu, Non-Executive Director, retired from the Board on January 15, 2025.

**(ii) Board Appointments:**

(a) Alhaji Abdullahi S. Mohammed, Independent Non-Executive Director, was appointed to the Board with effect from January 14, 2025.

(b) Ms. Obiaku A. Okam, Non-Executive Director, was appointed to the Board with effect from January 14, 2025.

(c) Mr. Sufiyanu Garba was appointed as Executive Director, North Directorate, and approved by the Central Bank of Nigeria on January 14, 2025.

The appointments were approved by the Central Bank of Nigeria

### (b) Issuance of additional shares by way of Public Offer and Rights Issue

Further to the CBN's upward review of the minimum capital requirement for banks including the minimum capital requirement of N500Billion for banks with international authorization, the Bank undertook a Public Offer and Rights Issue (the Combined Offer) in 2024.

## (A) THE BOARD OF DIRECTORS

### Board Size

The Board currently comprises of fifteen (15) Directors, seven (7) Executives including the Managing Director/Chief Executive Officer (MD/CEO) and eight (8) Non-Executive Directors including three (3) Independent Non-Executive Directors. The Independent Non-Executive Directors do not hold any shares in the Company, nor are they involved in any business relationship with the Bank. All Board appointments are in line with the Bank's Directors Selection Criteria Policy, and applicable regulations and are also subject to the approval of the Central Bank.

### Board Structure and Responsibilities

The Board is responsible for creating and delivering sustainable value to all stakeholders through efficient management of the business. The Board is also responsible for determining the strategic direction of the Bank, which said strategy is implemented through Executive Management, within a framework of rewards, incentives and controls. Executive Management, led by the Managing Director/Chief Executive Officer, constitutes the key management organ of the Bank and is primarily responsible for achieving performance expectations and increasing shareholder value.

Executive Management reports regularly to the Board on issues relating to the growth and development of the Bank. The Board plays a major supportive and complementary role in ensuring that the Bank is well managed and that appropriate controls are in place and fully operational.

The Board is accountable to the Bank's stakeholders and continues to play a key role in governance. It is the responsibility of the Board of Directors to approve the Bank's organizational strategy, develop directional policy, appoint, supervise and remunerate senior executives and ensure accountability of the Bank to its owners, stakeholders and the regulatory authorities. The Board is also responsible for providing stable and effective leadership for the Bank, to facilitate achievement of its corporate operating objectives.

Responsibility for the day-to-day management of the Bank resides with the MD/CEO, who carries out her functions in accordance with guidelines approved by the Board of Directors. The MD/CEO is ably assisted by the six (6) Executive Directors. In line with best practice and requisite regulations, the roles of the Chairman of the Board and MD/CEO are assumed by different individuals to ensure that the right balance of power and authority is maintained.

The effectiveness of the Board is derived from the broad range of skills and competencies of the Directors, who are persons of high integrity and seasoned professionals and are competent, knowledgeable and proficient in their professional careers, businesses and/or vocations. The Directors bring to the Board their diverse experience in several fields ranging from business management, corporate finance, accounting, banking operations, Oil & Gas, information technology, risk management, engineering, project finance, leasing, law, entrepreneurship and treasury management.

The professional background of the Directors reflects a balanced mix of skills, experience and competencies that impacts positively on the

Board's activities. No individual dominates the decision-making process. The Board operated effectively throughout the period and continues to do so.

The Directors are members of the Institute of Directors of Nigeria (IoD) and the Bank Directors Association of Nigeria (BDAN), two non-profit organizations dedicated to promoting good corporate governance and high ethical standards for Nigerian companies/banks.

## Access to Information

Management is responsible for ensuring that the Board receives information on the Bank's operations and activities on a regular and timely basis to aid the decision-making process. Executive Management and other principal officers attend Board and Board Committee meetings to make presentations and clarify any issue as appropriate.

The Directors have unfettered access to Management and relevant information on the Bank's operations. They also have the resources to execute their responsibilities as Directors, including access to external independent professional advice at the Bank's expense.

Matters reserved exclusively for the Board include but are not limited to: approval of credit requests in excess of the approval limit of the Board Credit Committee, approval of the Bank's quarterly, half yearly and full year financial statements, disposal of assets other than in the normal course of the Bank's business, mortgaging or otherwise creating security interests over the assets of the Bank, appointment or removal of key management personnel, strategic planning and succession planning. The Board is also responsible for the integrity of the financial statements.

The Board has a comprehensive Remuneration Policy, which is designed to address the compensation of both Executive and Non-Executive Directors. The Policy is designed to establish a framework for Directors' remuneration that is consistent with the Bank's scale and scope of operations and is aimed at attracting, motivating and retaining qualified individuals with the talent, skills and experience required to run the Bank effectively.

The Board meets quarterly, and additional meetings are convened as required. The Directors are provided with comprehensive information at each quarterly meeting and briefed on business developments between Board meetings. The Board met twelve (12) times during the year ended 31 December 2024.

Details of the Directors who served on the Board during the year ended 31 December 2024 are indicated below:

| S/N | Name of Director | Designation | Date of Appointment | Cumulative Period Served as at December 31, 2024 |
|---|---|---|---|---|
| 1 | Mr. Mustafa Chike- Obi | Chairman/Non-Executive Director | August 15, 2020 | 4 years/4 months |
| 2 | Mr. Chidi Agbapu | Non-Executive Director | September 3, 2018 | 6 years/3 months |
| 3 | Alhaji Isa Inuwa | Independent Non-Executive Director | January 22, 2020 | 4 years/11 months |
| 4 | Engr. Henry Obih | Independent Non-Executive Director | September 21, 2020 | 4 years/3 months |
| 5 | Mrs. Amaka Onwughalu | Non-Executive Director | December 15, 2020 | 4 years |
| 6 | Chief Nelson C. Nweke | Non-Executive Director | December 15, 2020 | 4 years |
| 7 | Mr. Chinedu Okeke | Non-Executive Director | January 4, 2021 | 3 years/11 months |
| 8 | Mrs. Ronke Bammeke | Independent Non-Executive Director | November 18, 2021 | 3 years /1 month |

| | | | | |
|---|---|---|---|---|
| 9 | Dr. Nneka Onyeali-Ikpe | Managing Director/ CEO | Appointed to the Board as Executive Director on September 3, 2015; Assumed office as MD/CEO on January 1, 2021. | 4 years as MD/ CEO; 5 years /3 months as Executive Director |
| 10 | *Mr. Hassan Imam | Executive Director | January 1, 2020 | 4 years |
| 11 | Mr. Kevin Ugwuoke | Executive Director | July 28, 2020 | 4 years/5 months |
| 12 | Dr. Ken Opara | Executive Director | January 1, 2021 | 4 years |
| 13 | Mr. Stanley Amuchie | Executive Director | January 27, 2022 | 2 year/11 months |
| 14 | Mrs. Pamela Shodipo | Executive Director | February 3, 2023 | 1 year 10 months |
| 15 | **Mr. Abolore Solebo | Executive Director | February 1, 2024 | 11 months |

*Retired with effect from January 10, 2024

**Appointed with effect from February 1, 2024

## Directors' Appointments, Retirements and Re-elections

Directors' appointments, retirements and re-elections are effected in accordance with the provisions of the Bank's Memorandum and Articles of Association, the Board Appointment and Directors' Selection Criteria Policy, the Central Bank's Assessment Criteria for Approved Persons Regime in Nigeria as well as other relevant laws, to ensure a balanced and experienced Board.

The Board Corporate Governance Committee is charged with the responsibility of leading the process for Board appointments and for ascertaining and recommending suitable candidates for the Board's approval. The appointment process is transparent and involves external consultants who carry out an independent evaluation of all nominees as part of the appointment process. The importance of achieving the right balance of skills, experience and diversity is also taken into consideration in making Board appointments.

Mr. Hassan Imam, former Executive Director North, retired from the Board on January 10, 2024, sequel to his appointment as the MD/CEO of another financial institution by the Central Bank of Nigeria.

Mr. Abolore Solebo was appointed as Executive Director with effect from February 1, 2024 to oversee the Bank's Corporate Banking Directorate.

## Directors' Term of Office

To ensure that the Board is continually renewed and refreshed, Non-Executive Directors' tenure is two (2) terms of three (3) years while Independent Non-Executive Directors serve for one term of four (4) years. The tenure of Executive Directors is coterminous with their respective contracts of employment. All Board appointments are subject to the Bank's Retirement Age Policy and the CBN's tenure guidelines.

## Board Induction and Continuous Education

Given the increasing complexity of banking transactions, the demands of the operating environment and the Directors' weighty oversight responsibilities, the Board of Fidelity Bank acknowledges that its ability to effectively discharge its functions can only be enhanced by qualitative training programs. Training of individual Directors and the Board are important investments for every organization, given the strong correlation between qualitative Board training programmes and sound corporate governance practices, growth, and profitability. The Bank has a Directors Induction and Continuous Development Policy, which provides for formal induction programmes for newly appointed Directors and bespoke training programmes for serving Directors. The Directors also participate in regulator-initiated training programmes.

An induction plan is designed for all new Directors and covers personalized in-house orientation including individual meetings with Executive Management and Senior Executives responsible for the Bank's key business areas, and external training programmes. The induction programme includes an overview of the Bank's operations, risk management, treasury operations, internal audit, compliance, corporate governance framework and Board processes. Board development programmes also include executive coaching sessions and the annual Board strategy retreat.

New Directors also receive a comprehensive induction pack, which includes copies of Board and Board Committees' Charters, the annual goals of the Board and Board Committees for the year, relevant legislations and the calendar of Board meetings and activities for the year. The induction and training programmes are robust and designed to equip all Directors to effectively discharge their responsibilities whilst improving overall board effectiveness.

The Bank renders periodic returns on training programmes attended by Directors to the Central Bank. The Directors who served on the Board during the year under review, participated in the programmes listed below:

| No. | Course | Vendor | Start Date | End Date | Names |
|---|---|---|---|---|---|
| 1 | Leadership For the 21st Century | Harvard Kennedy School | January 21, 2024 | January 26, 2024 | Dr. Ken Opara |
| 2 | Strategic Decision-Making for Leaders | University of Cambridge Judge Business School | April 22, 2024 | April 24, 2024 | Chief Nelson Nweke |
| 3 | Competitive Strategy - Creating And Sustaining Competitive Advantage | Kellogg | May 13, 2024 | May 17, 2024 | Mr. Kevin Ugwuoke |
| 4 | Business Essentials for | Wharton School of Business | May 13, 2024 | May 17, 2024 | Mr. Chinedu Okeke |
| 5 | The Strategic Leader Programme | Columbia Business School | May 21, 2024 | May 23, 2024 | Mr. Mustafa Chike-Obi |
| 6 | Leading Strategic Growth And Change | Columbia Business School | June 10, 2024 | June 14, 2024 | Engr. Henry Obih |
| 7 | Leading Strategic Growth And Change | Columbia Business School | June 10, 2024 | June 14, 2024 | Mr. Abolore Solebo |
| 8 | Disruptive Innovation | Harvard Business School | June 17, 2024 | June 22, 2024 | Mrs. Ronke Bammeke |
| 9 | Leadership Decision Making | Harvard Kennedy School | September 8, 2024 | September 13, 2024 | Mrs. Amaka Onwughalu |
| 10 | Competitive Strategy – Creating And Sustaining Competitive Advantage | Kellogg | September 9, 2024 | September 13, 2024 | Mrs. Pamela Shodipo |
| 11 | Strategic Marketing For Driving Growth | Harvard Business School | September 22, 2024 | September 27, 2024 | Mr. Chidi Agbapu |
| 12 | Strategy And Management For Competitive Advantage | Wharton Business School | September 30, 2024 | October 4, 2024 | Mr. Stanley Amuchie |
| 13 | Directors Consortium | Stanford University | October 14, 2024 | October 18, 2024 | Dr. Ken Opara |
| 14 | Board Induction Programme | In-house (Fidelity Bank Plc) | March 21/April 3, 2024 | April 4, 2024 | Mr. Abolore Solebo |
| 15 | Audit Committee Seminar (Auditing in a Dynamical Era) | DCSL | June 19, 2024 | June 20, 2024 | 1. Dr. Christian Nwinia<br>2. Chief Frank Onwu<br>3. Mr. Innocent Mmuoh |

| No. | Course | Vendor | Start Date | End Date | Names |
|---|---|---|---|---|---|
| 16 | Company Direction Course 1 | Institute of Directors | September 10, 2024 | September 11, 2024 | Chief Nelson Nweke |
| 17 | Board AML/CFT Training | H. Pierson Associates | October 7, 2024 | October 7, 2024 | 1. Mr. Mustafa Chike-Obi<br>2. Alhaji Isa Inuwa<br>3. Mrs. Amaka Onwughalu<br>4. Engr. Henry Obih<br>5. Chief Nelson Nweke<br>6. Mr. Chinedu Okeke<br>7. Mr. Chidi Agbapu<br>8. Mrs. Ronke Bammeke<br>9. Dr. Nneka Onyeali-Ikpe<br>10. Dr. Ken Opara<br>11. Mr. Kevin Ugwuoke<br>12. Mr. Stanley Amuchie<br>13. Mr. Pamela Shodipo<br>14. Mr. Abolore Solebo |
| 18 | Board Sustainability Training | Ernst & Young | October 7, 2024 | October 7, 2024 | 1. Mr. Mustafa Chike-Obi<br>2. Alhaji Isa Inuwa<br>3. Mrs. Amaka Onwughalu<br>4. Engr. Henry Obih<br>5. Chief Nelson Nweke<br>6. Mr. Chinedu Okeke<br>7. Mr. Chidi Agbapu<br>8. Mrs. Ronke Bammeke<br>9. Dr. Nneka Onyeali-Ikpe<br>10. Dr. Ken Opara<br>11. Mr. Kevin Ugwuokw<br>12. Mr. Stanley Amuchie<br>13. Mr. Pamela Shodipo<br>14. Mr. Abolore Solebo |
| 19 | Company Direction Course 1 | Institute of Directors | October 16, 2024 | October 17, 2024 | Mr. Abolore Solebo |
| 20 | Board Cybersecurity Awareness Training | Digital Jewels | October 30, 2024 | October 30, 2024 | 1. Mr. Mustafa Chike-Obi<br>2. Alhaji Isa Inuwa<br>3. Mrs. Amaka Onwughalu<br>4. Engr. Henry Obih<br>5. Chief Nelson Nweke<br>6. Mr. Chinedu Okeke<br>7. Mr. Chidi Agbapu<br>8. Mrs. Ronke Bammeke<br>9. Dr. Nneka Onyeali-Ikpe<br>10. Dr. Ken Opara<br>11. Mr. Kevin Ugwuokw<br>12. Mr. Stanley Amuchie<br>13. Mr. Pamela Shodipo<br>14. Mr. Abolore Solebo |

### Access to independent advice

In compliance with the Codes and global best practices, the Board ensures that the Directors have access to independent professional advice when they deem same necessary to discharge their responsibilities as Directors. The Bank also provides the Directors with sufficient resources to enable them execute their oversight responsibilities.

Independent consultants engaged during the review period include:

| No | Consultant | Brief |
|---|---|---|
| 1 | KPMG Professional Services; | Corporate Strategy, Board Appraisal |
| 2 | Ernst & Young | Consultancy Services |
| 3 | Olaniwun Ajayi LP | Legal Consultancy |
| 4 | Banwo & Ighodalo | Legal Consultancy |

### Board Performance Appraisal

The Board, recognizing the need to maintain an energized, proactive and effective Board, adopted a formal Board and Board Committees' Performance Evaluation Policy in April 2012. To give effect to the provisions of the Policy and comply with the Codes, the Board engages an independent consultant to conduct an annual appraisal of the Board's performance and highlight issues that require remedial action. The appraisal enables the Board to identify future developmental needs, while benchmarking its performance against global best practices and enhancing board effectiveness.

The appraisal is extensive and covers the Board, Board Committees and individual Directors, focusing on strategy, corporate culture, monitoring, evaluation, performance and stewardship. A governance survey is also occasionally administered on senior management staff of the Bank and the result of the survey is presented to the Board. Amongst other indices the annual assessment focuses on the Board's role in the following key areas:

(a) Defining strategy and management of the Board's own activities.

(b) Monitoring Management and evaluating its performance against defined objectives.

(c) Implementing effective internal control systems.

(d) Communicating standards of ethical organizational behaviour by setting the tone at the top.

The independent consultant's report on the Board appraisal is presented to Shareholders at the Annual General Meetings and submitted to the Central Bank of Nigeria. The Board appointed KPMG Advisory Services to carry out the Board appraisal and governance evaluation exercise for 2024 financial year. The Consultant's report was presented to the shareholders at the 36th Annual General Meeting on May 16, 2024.

### Board Meetings

To ensure its effectiveness throughout the year, the Board develops an Annual Agenda Cycle, Annual Goals and Calendar of Board activities at the beginning of each year. These not only focus the activities of the Board, but also establish benchmarks against which its performance can be evaluated at the end of the year.

While a detailed forward agenda is available, it is periodically updated to reflect contemporary issues that may arise, which may be of interest to the Bank, the financial services industry or national/global economies. The Board meets quarterly or as the need arises.

## (B). BOARD COMMITTEES

The responsibilities of the Board are also accomplished through six (6) standing committees, which work closely with the Board to achieve the Bank's strategic objectives. The Board Committees are listed below:

**(i) Board Credit Committee.**

**(ii) Board Risk Management Committee.**

**(iii) Board Audit Committee.**

**(iv) Board Remuneration Nomination and Governance Committee.**

**(v) Board Finance and General-Purpose Committee.**

**(vi) Board Information Technology Committee.**

To enable the Committees, execute their oversight responsibilities, each Committee has a formal Charter, which defines its objectives and operating structure including composition, functions, and scope of authority. At the beginning of the year, each Committee develops its Annual Agenda Cycle, Annual Goals, and meeting calendar, to guide its activities during the year.

Complex and specialized matters are effectively dealt with through the Committees, which also make recommendations to the Board on various matters. The Committees present periodic reports to the Board on the issues considered by them.

The composition of Board Committees as of 31 December 2024, was as follows:

| S/N | COMMITTEE | MEMBERSHIP | DESIGNATION |
|---|---|---|---|
| 1 | **Board Finance & General-Purpose Committee (FGPC)** | Chief Nelson Nweke | Chairman, Non-Executive Director |
| | | Mrs. Ronke Bammeke | Independent Non-Executive Director |
| | | Mr. Chidi Agbapu | Non-Executive Director |
| | | Mrs. Amaka Onwughalu | Non-Executive Director |
| 2 | **Board Remuneration Nomination and Governance Committee (BRNGC)** | Engr. Henry Obih | Chairman, Independent Non-Executive Director |
| | | Mr. Chidi Agbapu | Non-Executive Director |
| | | Alhaji Isa Inuwa | Independent Non-Executive Director |
| | | Mrs. Amaka Onwughalu | Non-Executive Director |
| | | Chief Nelson Nweke | Non-Executive Director |
| 3 | **Board Risk Management Committee (BRMC)** | Mrs. Amaka Onwughalu | Chairman, Non-Executive Director |
| | | Alhaji Isa Inuwa | Independent Non-Executive Director |
| | | Engr. Henry Obih | Independent Non-Executive Director |
| | | Mr. Chinedu Okeke | Non-Executive Director |
| | | Mrs. Ronke Bammeke | Independent Non-Executive Director |
| | | Mr. Chidi Agbapu | Non-Executive Director |
| | | Dr. Nneka Onyeali-Ikpe | Managing Director/CEO |
| | | Mr. Kevin Ugwuoke | Executive Director, Chief Risk Officer |
| 4 | **Board Audit Committee (BAC)** | Alhaji Isa Inuwa | Chairman, Independent Non-Executive Director |
| | | Chief Nelson Nweke | Non-Executive Director |
| | | Mrs. Ronke Bammeke | Independent Non-Executive Director |
| | | Mr. Chinedu Okeke | Non-Executive Director |
| 5 | **Board Credit Committee (BCC)** | Mr. Chidi Agbapu | Chairman, Non-Executive Director |
| | | Alhaji Isa Inuwa | Independent Non-Executive Director |
| | | Engr. Henry Obih | Independent Non-Executive Director |
| | | Mrs. Amaka Onwughalu | Non-Executive Director |
| | | Mr. Chinedu Okeke | Non-Executive Director |
| | | Mrs. Nneka Onyeali-Ikpe | Managing Director/CEO |
| 6 | **Board Information Technology Committee (BITC)** | Mrs. Ronke Bammeke | Chairman Independent Non- Executive Director |
| | | Mr. Chinedu Okeke | Non-Executive Director |
| | | Engr. Henry Obih | Independent Non-Executive Director |
| | | Mr. Chidi Agbapu | Non-Executive Director |

### i. Board Credit Committee

This Committee functions as a Standing Committee of the Board with responsibility for Credit Management. The primary purpose of the Committee is to advise the Board on its oversight responsibilities in relation to the Bank's credit exposures and lending practices. The Committee comprises a minimum of four (4) Non-Executive Directors (including an Independent Non-Executive Director) and the MD/CEO. The Committee meets monthly or as the need arises.

Its terms of reference include:

(a) Exercising all Board assigned responsibilities on credit related issues.

(b) Review and recommend credit policy changes to the Board.

(c) Ensure compliance with regulatory requirements on credits.

(d) Approving credits above the Management's credit approval limit.

(e) Tracking the quality of the Bank's loan portfolio through quarterly review of risk assets.

(f) Receive and consider recommendations from the Management Credit Committee (MCC), Asset & Liability Committee (ALCO), and Operational Risk & Service Measurement Committee on matters relating to Credit Management.

(g) Consider and recommend for Board approval, any Director, Shareholder and Insider Related credits.

(h) Consider exceptions to rules or policies and counsel on unusual credit transactions.

### ii. Board Risk Management Committee

This Committee functions as a Standing Committee of the Board with responsibility for the enterprise risk management activities of the Bank, approving appropriate risk management procedures, and measurement methodologies, as well as identification and management of strategic business risks of the Bank. It consists of a minimum of four (4) Non-Executive Directors including an Independent Non-Executive Director, the Executive Director, Chief Risk Officer and the Managing Director/CEO.

Its terms of reference include:

(a) Establishing the Bank's risk appetite;

(b) Ensuring that business profiles and plans are consistent with the Bank's risk appetite;

(c) Establishing and communicating the Bank's risk management framework including responsibilities, authorities and control;

(d) Establishing the process for identifying and analyzing business level risks;

(e) Agreeing and implementing risk measurement and reporting standards and methodologies;

(f) Establishing key control processes and practices, including limits, structures, impairments, allowance criteria and reporting requirements;

(g) Monitoring the operation of the controls and adherence to risk direction and limits;

(h) Ensuring that the risk management practices and conditions are appropriate for the business environment.

The Committee meets quarterly or as the need arises. Occasionally, a joint meeting is held between the Board Credit Committee and the Board Risk Committee to review credit risk related issues.

### iii. Board Audit Committee

The Committee functions as a Standing Committee of the Board with responsibility for internal control over financial reporting, including internal and external audit. The Committee is composed of a minimum of four (4) Non-Executive Directors (including an Independent Director who chairs the Committee in line with the Central Bank's guidelines on composition of the Board Audit Committee). The Committee meets quarterly or as the need arises.

Its terms of reference include:

(a) Ensuring the integrity of the Bank's financial reporting system.

(b) Ensuring the existence of independent internal and external audit functions.

(c) Ensuring the effectiveness of the internal control system, prudence and accountability in significant contracts and compliance with regulatory requirements.

(d) Effectiveness of accounting and operating procedures.

(e) Ensuring compliance with legal and regulatory requirements.

### iv. Board Remuneration Nomination and Governance Committee

The Board Remuneration Nomination and Governance Committee comprises a minimum of four (4) Non-Executive Directors (including an Independent Director who chairs the Committee). The Committee has oversight responsibility for issues relating to the Bank's Governance Framework.

The Committee meets quarterly or as the need arises. Its terms of reference include:

(a) Review and make recommendations for improvement of the Bank's Corporate Governance Framework.

(b) Recommend membership criteria for the Board and its Committees.

(c) Review and make recommendations on the Bank's key human capital policies.

(d) Review and make recommendations on Key Performance Indicators for the Managing Director and Executive Directors.

(e) Ensure that an independent Board evaluation exercise is undertaken annually.

(f) Provide oversight on Directors' orientation and continuing education programmes.

(g) Ensure proper reporting and disclosure of the Bank's corporate governance procedures to stakeholders.

(h) Ensure proper succession planning for the Bank.

### v. Board Finance & General-Purpose Committee

The Board Finance & General-Purpose Committee has oversight responsibility for issues relating to the Bank's budgetary process, procurements and strategic planning. The Committee is composed of a minimum of four (4) Non-Executive Directors (including an Independent Director). The Committee meets quarterly or as the need arises.

Its terms of reference include:

(a) Review major expense lines periodically and approve expenditure within the approval limit of the Committee as documented in the financial manual of authorities;

(b) Participate in and lead an annual strategy retreat for the Board.

(c) Review annually, the Bank's financial projections, as well as capital and operating budgets and review on a quarterly basis with Management, the progress of key initiatives, including actual financial results against targets and projections.

(d) Make recommendations to the Board regarding the Bank's investment strategy, policy and guidelines, its implementation and compliance with those policies and guidelines and the performance of the Bank's investment portfolios.

(e) Ensure a transparent and competitive tendering process on major contracts to guarantee the best value for the Bank.

(f) Review and recommend to the Board for approval, the procurement strategy and policy of the Bank.

(g) Ensure that all major contracts are carried out according to the terms and conditions of the contract agreement.

(h) Other finance matters including recommending for Board approval, the Bank's dividend policy, including amount, nature and timing and other corporate actions.

(i) Recommend a comprehensive framework for delegation of authority on financial matters and ensure compliance with same.

### vi. Board Information Technology Committee

The Board Information Technology Committee ("the Committee") has oversight responsibility for all issues relating to the Bank's Information Technology (IT) and digitalisation strategies, investments and risks. The Committee is also responsible for matters relating to IT Governance, Cybersecurity and IT Risk. The Committee is composed of a minimum of four (4) Non-Executive Directors including an Independent Director. The Committee meets quarterly or as the need arises.,

Its terms of reference include:

(a) Execution of the Board's strategy in relation to Information Technology and Digitalisation.

(b) Provide advice on strategic direction on IT related issues.

(c) Review IT related investments and expenditure.

(d) Review IT-related innovation as well as existing and future trends that may affect the Bank's digital strategy.

(e) Review the effectiveness of the Bank's IT and cybersecurity risk identification and remediation practices, policies, controls and procedures.

(f) Review the effectiveness of the Bank's overall IT enterprise architecture including the stability and reliability of the digital eco-system, the quality of IT services provided and the type of customer experience delivered.

(g) Ensure the Bank's compliance with applicable IT related laws and regulations.

## (C). ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS

Records of the Directors' attendance at meetings during the year ended 31 December 2024 are provided below:

### BOARD OF DIRECTORS

| S/N | NAME | DESIGNATION | JAN 19, 2024 | JAN 30, 2024 | MAR 11, 2024 | MAR 18, 2024 | APR 22, 2024 | MAY 27, 2024 | JULY 3, 2024 | SEPT 14, 2024 | SEPT 30, 2024 | OCT 24, 2024 | NOV 28, 2024 | DEC 17, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | **Mr. Mustafa Chike-Obi** | Chairman | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 2. | **Alhaji Isa Inuwa** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 3. | **Mrs. Amaka Onwughalu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 4. | **Chief Nelson Nweke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 5. | **Mr. Chinedu Okeke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 6. | **Engr. Henry Obih** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 7. | **Mr. Chidi Agbapu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 8. | **Mrs. Ronke Bammeke** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 9. | **Dr. Nneka Onyeali-Ikpe** | MD/CEO | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 10. | ***Mr. Hassan Imam** | Executive Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | - | - |
| 11. | **Mr. Kevin Ugwuoke** | Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 12. | **Dr. Ken Opara** | Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 13. | **Mr. Stanley Amuchie** | Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 14. | **Mrs. Pamela Shodipo** | Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 12 | 12 |
| 15. | ***Mr. Abolore Solebo** | Executive Director | N/A | N/A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |

*Mr. Hassan Imam retired from the Board on January 10, 2024

* Mr. Abolore Solebo was appointed to the Board with effect from February 1, 2024.

### BOARD CREDIT COMMITTEE MEETING

| SN | NAME | DESIGNATION | JAN 17, 2024 | APR 15, 2024 | MAY 29, 2024 | JULY 11, 2024 | AUG 7, 2024 | OCT 4, 2024 | OCT 10, 2024 | NOV 19, 2024 | NOV 22, 2024 | DEC 11, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | **Mr. Chidi Agbapu** | Chairman, Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |
| 2. | **Mr. Chinedu Okeke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |
| 3. | **Engr. Henry Obih** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |
| 4. | **Mrs. Amaka Onwughalu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |
| 5. | **Alhaji Isa Inuwa** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |
| 6. | **Dr. Nneka Onyeali-Ikpe** | MD/CEO | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 | 10 |

## Corporate Governance Report

### BOARD RISK MANAGEMENT COMMITTEE

| SN | NAME | DESIGNATION | JAN 25, 2024 | APR 18, 2024 | SEPT 4, 2024 | OCT 21, 2024 | N0. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|
| 1. | **Mrs. Amaka Onwughalu** | Chairman. Non-Executive Director | ✓ | ✓ | ✓ | ✓ | 4 | 4 |
| 2. | **Mr. Chinedu Okeke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | 4 | 4 |
| 3. | **Engr. Henry Obih** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | 4 | 4 |
| 4. | **Alhaji Isa Inuwa** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | 4 | 4 |
| 5. | **Mrs. Ronke Bammeke** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | 4 | 4 |
| 6. | **Dr. Nneka Onyeali-Ikpe** | MD/CEO | ✓ | ✓ | ✓ | ✓ | 4 | 4 |
| 7. | **Mr. Kevin Ugwuoke** | Executive Director, Chief Risk Officer | ✓ | ✓ | ✓ | ✓ | 4 | 4 |

### FINANCE AND GENERAL-PURPOSE COMMITTEE

| SN | NAME | DESIGNATION | JAN 17, 2024 | APR 15, 2024 | MAY 29, 2024 | JULY 11, 2024 | AUG 7, 2024 | OCT 4, 2024 | OCT 10, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | **Chief. Nelson Nweke** | Chairman, Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |
| 2. | **Mr. Chidi Agbapu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |
| 3. | **Mrs. Amaka Onwughalu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |
| 4. | **Mrs. Ronke Bammeke** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |

### BOARD REMUNERATION NOMINATION AND GOVERNANCE COMMITTEE

| S/N | NAME | DESIGNATION | FEB 8, 2024 | APR 25, 2024 | MAY 9, 2024 | MAY 20, 2024 | JUL 8, 2024 | SEPT 4, 2024 | SEPT 19, 2024 | SEPT 26, 2024 | OCT 9, 2024 | OCT 17, 2024 | OCT 23, 2024 | NOV 12, 2024 | DEC 16, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | **Engr. Henry Obih** | Chairman, Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 13 | 13 |
| 2. | **Mr. Chidi Agbapu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 13 | 13 |
| 3. | **Chief. Nelson Nweke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 13 | 13 |
| 4. | **Mrs. Amaka Onwughalu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 13 | 13 |
| 5. | **Alhaji Isa Inuwa** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 13 | 13 |

### BOARD AUDIT COMMITTEE

| S/N | NAME | DESIGNATION | JAN 22, 2024 | MAR 11, 2024 | APR 16, 2024 | MAY 20, 2024 | SEPT 13, 2024 | SEPT 23, 2024 | OCT 14, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | **Alhaji Isa Inuwa** | Chairman, Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |
| 2. | **Chief Nelson Nweke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |
| 3. | **Mr. Chinedu Okeke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |
| 4. | **Mrs. Ronke Bammeke** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7 |

## BOARD INFORMATION TECHNOLOGY COMMITTEE

| S/N | NAME | DESIGNATION | JAN 24, 2024 | APR 12, 2024 | SEPT 11, 2024 | OCT 18, 2024 | DEC 11, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|
| 1. | **Mrs. Ronke Bammeke** | Chairman, Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| 2. | **Engr. Henry Obih** | Independent Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| 3. | **Mr. Chidi Agbapu** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| 4. | **Mr. Chinedu Okeke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |

## BOARD CHAIRMAN'S MEETING WITH NON-EXECUTIVE DIRECTORS

| S/N | NAME | DESIGNATION | JAN 30, 2024 | DEC 17, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|
| 1. | **Mr. Mustafa Chike-Obi** | Chairman | ✓ | ✓ | 2 | 2 |
| 2. | **Alhaji Isa Inuwa** | Independent Non-Executive Director | ✓ | ✓ | 2 | 2 |
| 3. | **Mrs. Amaka Onwughalu** | Non-Executive Director | ✓ | ✓ | 2 | 2 |
| 4. | **Chief Nelson Nweke** | Non-Executive Director | ✓ | ✓ | 2 | 2 |
| 5. | **Mr. Chinedu Okeke** | Non-Executive Director | ✓ | ✓ | 2 | 2 |
| 6. | **Engr. Henry Obih** | Independent Non-Executive Director | ✓ | ✓ | 2 | 2 |
| 7. | **Mr. Chidi Agbapu** | Non-Executive Director | ✓ | ✓ | 2 | 2 |
| 8. | **Mrs. Ronke Bammeke** | Independent Non-Executive Director | ✓ | ✓ | 2 | 2 |

## MEETING OF INDEPENDENT NON-EXECUTIVE DIRECTORS

| S/N | NAME | DESIGNATION | SEPT 2, 2024 | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|
| 1. | **Engr. Henry Obih** | Chairman | ✓ | 1 | 1 |
| 2. | **Alhaji Isa Inuwa** | Independent Non-Executive Director | ✓ | 1 | 1 |
| 3. | **Mrs. Ronke Bammeke** | Independent Non-Executive Director | ✓ | 1 | 1 |

The dates of Board and Board Committee meetings that held in the year ended 31 December 2024 are shown below:

| S/N | Full Board (12) | Board Credit Committee (BCC) (10) | Board Remuneration Nomination and Governance Committee (BRNGC) (13) | Board Audit Committee (BAC) (6) | Board Risk Management Committee (BRMC) (4) | Board Finance and General Purpose Committee (FGPC) (7) | Board Information Technology Committee (BITC) (5) | Board Chairman's Meeting with Non-Executive Directors (2) | Meeting of Independent Non-Executive Directors (1) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | January 19, 2024 | January 17, 2024 | February 8, 2024 | January 22, 2024 | January 25, 2024 | January 19, 2024 | January 24, 2024 | January 30, 2024 | September 2, 2024 |
| 2 | January 30, 2024 | April 15, 2024 | April 25, 2024 | March 11, 2024 | April 18, 2024 | March 11, 2024 | | | |
| 3 | March 11, 2024 | May 29, 2024 | May 9, 2024 | April 16, 2024 | September 14, 2024 | April 11, 2024 | April 12, 2024 | December 17, 2024 | |
| 4 | March 18, 2024 | July 11, 2024 | May 20, 2024 | May 20, 2024 | October 21, 2024 | September 13, 2024 | | | |
| 5 | April 22, 2024 | August 7, 2024 | July 8, 2024 | September 13, 2024 | | September 27, 2024 | September 11, 2024 | | |
| 6 | May 27, 2024 | October 4, 2024 | September 4, 2024 | October 14, 2024 | | October 11, 2024 | | | |
| 7 | July 3, 2024 | October 10, 2024 | September 19, 2024 | | | December 11, 2024 | October 18, 2024 | | |
| 8 | September 14, 2024 | November 19, 2024 | September 26, 2024 | | | | December 12, 2024 | | |
| 9 | September 30, 2024 | November 22, 2024 | October 9, 2024 | | | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 10 | October 24, 2024 | December 11, 2024 | October 17, 2024 | | | | | | | | |
| 11 | November 28, 2024 | | October 23, 2024 | | | | | | | | |
| 12 | December 17, 2024 | | November 12, 2024 | | | | | | | | |
| 13 | | | December 16, 2024 | | | | | | | | |

**Notes:**

Except for the Board Credit Committee, which meets monthly or as the need arises, all other Board and Board Committee meetings are held quarterly or as the need arises. The Board Chairman is not a member of any Board Committee. Each Board Committee Chairman presents a formal report on the Committee's deliberations at subsequent Board meetings.

## (D). STATUTORY AUDIT COMMITTEE

The Statutory Audit Committee was established in compliance with Section 404(3) of the Companies and Allied Matters Act, 2020. The Committee has five (5) members comprising of two (2) members of the Board and three (3) members nominated by Shareholders at the Annual General Meeting.

The Committee's primary responsibilities include:

(i) Review the External Auditor's proposed audit scope and approach.

(ii) Monitor the activities and performance of External Auditors.

(iii) Review with the External Auditors any difficulties encountered in the course of the audit.

(iv) Review results of the half year and annual audits and discuss same with Management and the External Auditors.

(v) Present the report of the Statutory Audit Committee to Shareholders at the Annual General Meeting.

Membership and attendance at Statutory Audit Committee meetings during the year ended December 31, 2024 is indicated below:

| S/N | NAME | DESIGNATION | JAN 26, 2024 ✓ | MAR 12, 2024 ✓ | APR 19, 2024 ✓ | SEPT 18, 2024 ✓ | SEPT 25, 2024 ✓ | OCT 23, 2024 ✓ | NO. OF MEETINGS | NUMBER ATTENDED |
|---|---|---|---|---|---|---|---|---|---|---|
| 1. | **Chief Frank Onwu** | Chairman, Shareholder Representative | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 | 6 |
| 2. | **Mr. Innocent Mmuoh** | Shareholder Representative | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 | 6 |
| 3. | **Dr. Christian Nwinia** | Shareholder Representative | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 | 6 |
| 4. | **Mrs. Ronke Bammeke** | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 | 6 |
| 5. | **Chief Nelson Nweke** | Non-Executive Director | | | | | | | 6 | 6 |

## (E). GENERAL MEETINGS

Fidelity Bank recognizes that its shareholders are major stakeholders in the enterprise and that General Meetings are the primary avenue for interaction between the shareholders, Management and the Board. Since shareholders collectively constitute the highest decision-making organ in the Company, the Bank complies strictly with regulatory requirements and convenes at least one General Meeting (the Annual General Meeting) in each financial year, to give all shareholders the opportunity to participate in governance.

The Annual General Meetings are convened and conducted in a transparent manner and attended by representatives of the Central Bank of Nigeria, Securities & Exchange Commission, Nigerian Exchange Group, Corporate Affairs Commission, Nigeria Deposit Insurance Corporation, various Shareholders' Associations and other stakeholders.

The Board takes a keen interest in its responsibility to ensure that material developments (financial and non-financial) are promptly communicated to shareholders. The Board is also conscious of regulatory reporting requirements and routinely discloses material information to all stakeholders. To achieve this, the Bank has developed formal structures for information dissemination via direct communication to all interested parties using electronic and print media as well as its website, www.fidelitybank.ng.

The Bank's Company Secretariat is well equipped to handle enquiries from shareholders in a timely manner. The Company Secretary also ensures that concerns expressed by investors, are communicated to Management and the Board as appropriate.

## (F). MANAGEMENT COMMITTEES

In addition to the Board, Board Committees, Statutory Audit Committee and the Shareholders in General Meeting, the Bank's governance objectives are also met through the Management Committees. Each Management Committee has a formal Charter, which guides its purpose, composition, responsibilities and similar matters. Additional information on the terms of reference of management committees, is provided below:

### (i). Executive Committee

The Executive Committee (EXCO) is charged with overseeing the business of the Bank within agreed financial and other limits set by the Board from time to time. This Committee is comprised of the Managing Director and the Executive Directors of the Bank. The Committee meets monthly or as required and has the following key objectives:

(a) Ensure implementation of the Bank's Business Plan and Strategy upon approval of same by the Board;

(b) Review budget presentations for each financial year ahead of presentation to the Board;

(c) Evaluate the Bank's strategy at quarterly intervals and update the Board on same;

(d) Review the Bank's Budget performance at quarterly intervals and update the Board on same at bi-annual intervals;

(e) Review the Bank's Quarterly, Half-Yearly and Full Year financial statements ahead of presentation to the Board and the Regulators;

(f) Review and approve proposals for capital expenditure and acquisitions within its approval limit;

(g) Make recommendations to the Board on dividend and/or corporate actions for each financial year; and

(h) Any other matter as the Board may direct.

### (ii). Asset & Liability Committee

Membership of the Asset & Liability Committee is derived mainly from the asset and liability generation divisions of the Bank. The Committee meets fortnightly or as required and has the following key objectives:

(a) Review the economic outlook and its impact on the Bank's strategy.

(b) Ensure adequate liquidity.

(c) Ensure that interest rate risks are within acceptable parameters.

(d) Maintain and enhance the capital position of the Bank.

(e) Maximize risk adjusted returns to stakeholders over the long term.

### (iii). Management Credit Committee

The primary purpose of the Committee is to advise the Board of Directors on its oversight responsibilities in relation to the Bank's credit exposures and lending practices. The Committee also provides guidance on development of the Bank's credit and lending objectives. The Committee meets once a week or as necessary and its key responsibilities include the following:

(a) Establishing the Minimum Lending Rate and Prime Lending Rate (PLR).

(b) Recommending Target Market Definition (TMD) and Risk Assets Acceptance Criteria (RAAC).

(c) Pre-approval of Platform Credits (Product Papers).

(d) Recommend Inter-Bank and Discount House Placement Limits.

(e) Review the policies and the methodologies for assessing the Bank's credit risks and recommend appropriate exposure limits.

(f) Approve credit facilities within the Committee's approval limits and recommend for approval as appropriate, credit facilities above its approval limit.

(g) Review and recommend the Bank's loan portfolio limits and classifications.

(h) Review and recommend changes to credit policy guidelines for Board approval.

### (iv). Criticized Assets Committee

The Criticized Assets Committee is responsible for the review and coverage of the Bank's total risk assets portfolio for quality. It also ensures that approved facilities are operated in accordance with approved terms and conditions and accelerates collection/recovery of nonperforming loans. This Committee is comprised of the Managing Director, all the Executive Directors of the Bank and key management personnel including the Chief Risk Officer. The Committee meets monthly or as required and has the following key objectives:

(a) Review of individual credit facilities based on their risk rating and exceptions.

(b) Review of the loan portfolio of Business Divisions/Groups/Units bank-wide.

(c) Review the activities and oversee the effectiveness of the Regional Criticized Assets Committees.

(d) Review of collateral documentation to ensure compliance with approvals.

(e) Approval of portfolio classification/ reclassification and levels of provisioning.

(f) Approval of loan transfers to any committee or persons for recovery action.

(g) Continuously review and evaluate recovery strategies on each account, and recommend alternative strategies on an account-by-account basis.

(h) Review the performance of loan recovery agents, and other third party agents assigned recovery briefs with the objective of delisting non-performers.

(i) Consider and recommend collateral realization on defaulting accounts.

(j) Recommend for EXCO or Board approval, waivers and concessions and propose amounts to be paid as full and final settlement by defaulting borrowers.

(k) Recommend interest suspension for non-performing accounts on a case-by-case basis.

**(v). Monthly Performance Review Committee**

The Committee meets monthly or as necessary and has the following key objectives:

(a) Review the Bank's monthly performance.

(b) Monitor budget achievement.

(c) Assess the efficiency of resource deployment in the Bank.

(d) Review products' performance.

(e) Reappraise cost management initiatives.

(f) Develop and implement a framework for measuring performance in the Bank.

(g) Develop Key Performance Indicators (KPI) for business and support units.

(h) Determine the basis for rewards and consequence management.

**(vi). Operational Risk & Service Measurement Committee**

The Operational Risk & Service Measurement Committee meets monthly or as necessary and oversees all matters related to operational risk and service delivery in the Bank. The Committee is charged with the following key responsibilities:

(a) Ensuring full implementation of the risk management framework approved by the Board of Directors.

(b) Monitoring the implementation of policies, processes and procedures for managing operational risk in all of the Bank's material products, activities, processes and systems.

(c) Ensuring that clear roles and responsibilities are defined for the management of operational risks throughout all levels of the Bank, including all Business and Support Units.

(d) Providing support to the Chief Risk Officer and Chief Compliance Officer to ensure that a culture of compliance is entrenched throughout the Bank.

**(vii). Sustainable Banking Governance Committee**

The Sustainable Banking Governance Committee meets every two months and oversees implementation of the Sustainable Banking Policies and Guidance Notes. The Committee is responsible for the following:

(a) Oversee the implementation of the Environmental and Social Management Systems.

(b) Oversee the implementation and management of the Bank's environmental and social footprint as it concerns:

- (i) Energy and water conservation.
- (ii) Waste management.
- (iii) Sustainable procurement.
- (iv) Stakeholder engagement.

(c) Oversee the implementation of other sustainability issues in the Bank as it relates to:

- (i) Promotion of equal opportunity and diversity.

(ii) Occupational health and safety.

(iii) Grievance mechanism and related issues.

(iv) Financial inclusion and literacy.

(vi) Corporate Social Responsibility.

(vii) Collaborative partnership.

(viii) Capacity building.

(d) Review the Bank's environmental and social performance and progress.

(e) To review and advise the Board on sustainability issues affecting the Bank.

**(viii). Information Technology (IT) Steering Committee**

The Committee advises Management on technology trends in the banking industry and ensures that IT initiatives and proposed projects help in achieving the strategic goals and objectives of the Bank. The Committee also provides leadership in information security and protection of the Bank's Information assets. The Committee prioritizes the development of information security and Information Technology (IT) initiatives, programmes, projects and policies.

The Committee is comprised of the Executive Director, Chief Operations and Information Officer (who serves as the Chairman), the Chief Compliance Officer, Chief Technology Officer, Divisional Head, Operations, Chief Human Resources Officer and the Chief Information Security Officer (CISO). Other Committee members include key Divisional and Unit Heads. The responsibilities of the Committee include the following:

(a) Steer the Bank's business to profitability through technology;

(b) Reviews, monitors and enforces implementation of the Bank's IT strategy;

(c) Reviews short to mid-term trends and makes recommendations

(d) Harmonizes all IT related budget entries from other Departments with the provisions in the IT budget;

(e) Serves as support and advisory to the Executive Committee on IT and Information Security matters;

(f) Assesses the criticality of IT spend;

(g) Reviews and monitors IT budget implementation;

(h) Serves as a governing council/steering committee for Information Security Management System;

(i) Resolves issues or conflicts that, if unresolved, would jeopardize the successful completion of approved IT initiatives and programmes;

(j) Makes recommendations on resources required to implement proposed IT initiatives and programmes;

(k) Reviews the performance and effectiveness of IT activities; and

(l) Ensures IT leadership meets on a quarterly basis with the Bank's user groups to further align IT initiatives with business needs.

**(ix). Information Security Steering Committee**

The Central Bank of Nigeria (CBN) through its issuance of the Risk-Based Cyber Security Framework mandated Deposit Money Banks (DMBs) to establish cyber security governance and ensure it becomes an integral part of the organization's Corporate Governance.

The Information Security Steering Committee (ISSC) is a key instrument of this governance function. The existence of a strategic governing body is important in ensuring the alignment of cyber security investments and initiatives with business strategy and technology requirements.

The Information Security Steering Committee is chaired by the Managing Director/CEO and the Committee members include the Executive Director - Chief Operations and Information Officer, Chief Compliance Officer, Chief Risk Officer, Chief Technology Officer, Chief Financial Officer, and Chief Information Security Officer, who acts as the Secretary to the Committee. Other members include Divisional Heads of key divisions and Heads of various IT units. The role of the Committee includes the following:

(a) Provide strategic direction and governance on cybersecurity to the Bank by ensuring that effective cyber security policies, procedures and initiatives are established and updated in line with the changing risk landscape.

(b) Ensure alignment of cyber security projects with technology and corporate strategy

(c) Resolve strategic level issues and risks in relation to cyber security which may arise from existing or new/proposed business initiatives.

(d) Evaluate, approve, and sponsor institution-wide security investments; Review the justifications and business cases for security investments and ensure that proposed security projects are aligned with the Bank's strategic direction.

(e) Ensure adequate investment prioritization and cyber risk management.

(f) In consultation with senior management, oversee regulatory compliance with respect to cyber security, to ensure that the Bank complies with all extant regulations to avoid the risk of non-compliance.

(g) Approve or reject changes to projects with high impact on timelines and budget.

(h) Assess the progress on projects and provide relevant reports on same to executive management.

(i) Advise and provide guidance on issues relating to cyber security projects.

(j) Review and approve final project deliverables.

(k) Manage the relationship between the cyber security function and respective business units.

**Note**

Management Committee Meetings are held weekly, fortnightly, monthly or quarterly per the terms of reference of each Committee or as the need arises. The Bank diligently submits its financial reports quarterly, half yearly and annually to the Securities & Exchange Commission and Nigerian Exchange Group for publication following approval by the Central Bank of Nigeria as appropriate.

### (F) GOVERNANCE AND MANAGEMENT

Fidelity has adopted various policies which define acceptable standards of behavior in the organization.

These include the following:

(a) Code of Business Conduct and Ethics Policy.

(b) Directors Code of Conduct Policy.

(c) Insider Trading Policy.

(d) Whistle-blowing Policy.

(e) Remuneration Policy.

(f) Shareholders Complaints Management Policy.

#### (a). Code of Business Conduct and Ethics Policy

The Code of Business Conduct and Ethics ("the Code") is an expression of the Bank's core values and represents a framework for guidance in decision-making. The main objectives of the Policy are to:

(i) Demonstrate the Bank's commitment to the highest standards of ethics and business conduct; and

(ii) Govern the Bank's relationship with its stakeholders including employees, customers, suppliers, shareholders, competitors, the communities in which it operates and the relationship with each other as employees.

The Code requires all Directors, significant Shareholders, officers and employees of the Bank to avoid taking actions or placing themselves in positions that create or could create the appearance of conflict of interest, corruption or impropriety. The Bank must also protect the privacy of its customers' financial and other personal information. The Code provides basic guidelines of business practice, professional and personal conduct that the Bank expects all employees to adopt and uphold as members of Team Fidelity.

Employees are also expected to comply with other policies referred to in the Code, additional policies that apply to their specific job functions, and the spirit and letter of all laws and regulations. At the beginning of each year and upon resumption, all employees are required to formally disclose that they have no material or any other conflicting interest as well as declare their interest in any account, customer, transaction or person who is a party to a contract or proposed contract with the Bank.

The Chief Audit Executive has primary responsibility for enforcing the Code subject to the supervision of the Ethics Committee and the Board Audit Committee. The execution of disciplinary actions and sanctions for infringement of the Code are guided by the Bank's disciplinary procedures as documented in the Staff Handbook.

#### (b). Directors' Code of Conduct Policy

At the Board level, the Board of Directors adopted the Directors' Code of Conduct Policy, which sets out ethical standards that all Directors are expected to comply with. Directors have a duty to oversee the management of the business and affairs of the Bank. In carrying out this duty, Directors are required to always act honestly, in good faith and in the best interest of the Bank. All Directors are expected to execute an annual attestation to adhere strictly to the Code and formally declare their interest, if any, in any contract or transaction to which the Bank is a party.

**(c). Insider Trading Policy (Dealing in the Company's Securities)**

The Bank has a formal Insider Trading Policy that prohibits all "Insiders" and their "Connected Persons" (as defined in the Policy) from dealing in the Company's securities at certain times. The provisions of the Policy are based on terms no less exacting than the standards defined in the Listing Rules of the Nigerian Stock Exchange. The objectives of the Policy include the following:

(i) Promote compliance with the provisions of the Investments and Securities Act (ISA) 2007, the Securities and Exchange Commission's Code of Corporate Governance and the Listing Rules of the Nigerian Exchange Group.

(ii) Ensure that all persons to whom the policy applies (affected persons), who possess material non-public information do not engage in insider trading or tipping.

(iii) Ensure that all the Bank's employees and Directors comply with utmost secrecy and confidentiality on all information which they receive due to their position in the Bank; and

(iv) Protect the Bank and its staff from reputational damage and penalties that may be imposed by regulators due to improper identification, disclosure and management of insider trading activities.

The Policy has been communicated to all persons to whom it is applicable including Employees, Directors and members of the Statutory Audit Committee. The Company Secretary periodically notifies affected persons of when trading in the Bank's securities is permitted (Open Periods) or prohibited (Blackout Periods).

The Bank has established a mechanism for monitoring compliance with the Policy and affected persons are required to notify the Company Secretary of transactions undertaken on their accounts in the Bank's securities. Enquiries are also made to confirm the Directors compliance with the Policy and in event of non-compliance, the reasons for same and the remedial steps taken. In addition to being hosted on the Bank's website and SharePoint Portal (an internal web-based application), the Policy is circulated to all affected persons on a regular basis.

**(d). Whistle-blowing Policy**

Fidelity Bank Plc requires all Employees, Directors, Vendors and other Stakeholders to always act with utmost fidelity and good faith in their dealings with the Bank and its stakeholders. The Bank's Whistle-Blowing Policy and Procedures therefore aim to strengthen its corporate governance and risk management architecture whilst enhancing value for all stakeholders. To this end, internal and external stakeholders are encouraged to report their concerns about any ostensibly unethical behaviour to enable the Bank investigate and address same appropriately. The Bank recognizes the need for protection of whistle-blowers and takes all reasonable steps to protect their identity. The Bank also appreciates the importance of utmost confidentiality in these situations and has developed various anonymous channels for reporting unethical behaviour.

The Bank has provided the following reporting channels to ensure that all ethical issues can be reported to the Ethics Committee directly or anonymously, through the following media:

i. Email to ethicscommittee@fidelitybank.ng

ii. Visit www.fidelitybank.ng/whistle-blowing

iii. Call 0813-984-3525 (Whistle Blowing Desk)

A policy statement on whistleblowing is available on the Bank's website along with a whistle-blowing form, to ease the reporting process. These can be accessed at: https://www.fidelitybank.ng/whistle-blowing

The Board is responsible for implementation of the Policy and communication of same to stakeholders. To facilitate implementation of the Policy, the Bank has established an Ethics Committee comprised of staff drawn from key areas of the Bank including Operations, Legal, and Human Resources.

The Ethics Committee is responsible for receiving and evaluating whistle-blowing reports, deciding the nature of the action to be taken, reviewing the report of any enquiry arising from a whistle-blowing report, providing feedback on the outcome of investigations to the whistle-blower (where the whistle-blower has provided a means of communicating with him/her).

The Ethics Committee also provides updates on whistle-blowing incidents to the Board Audit Committee on a quarterly basis, through the Chief Audit Executive. In addition, the Chief Compliance Officer renders periodic returns on whistle-blowing incidents to the Central Bank of Nigeria and Nigeria Deposit Insurance Corporation as appropriate.

**(e). Staff Remuneration Policy**

The Bank's remuneration policy is designed to establish a framework that is consistent with the Bank's scale and scope of operations and is aligned with leading corporate governance practices. The policy reflects the desire to sustain long-term value creation for shareholders and focuses on ensuring sound corporate governance.

The policy aims to motivate the workforce and enable the Bank attract and retain employees with integrity, ability, experience and skills to deliver the Bank's strategy; Promote compliance with global regulatory trends and governance requirements, with emphasis on long-term sustainability; Align individual rewards with the Bank's performance, the interests of its shareholders, and a prudent approach to risk management, whilst ensuring that remuneration arrangements are equitable, transparent, well communicated, easily understood, aligned with the interest of shareholders and adequately disclosed.

The guiding principles that underpin the Staff Remuneration Policy include the following:

(i) Remuneration and reward strategies are set at levels that enable the Bank attract, motivate and retain employees with the skills required to efficiently manage the operations and growth of the business.

(ii) Performance goals are aligned to shareholders' interests and ensures that the Board makes prudent decisions in deploying the Bank's resources to generate sustainable growth.

(iii) The Bank's performance-based incentive programs are aligned to individual performance and the overall performance of the Bank. This approach drives a high performance culture that rewards individual contributions and the achievement of business results that enhance shareholder value.

The Bank complies with the provisions of the Pension Reform Act, 2014 (the Act) and continues to meet its statutory obligations to all employees as provided in the Act.

### (f). Shareholders' Complaints Management Policy.

The objectives of the Policy include:

(i) Ensure compliance with the provisions of the SEC Rules relating to Complaints Management Framework, the Rules and Regulations made pursuant to the ISA, the rules and regulations of Securities Exchanges and guidelines of public companies/ recognized trade associations as well as other applicable regulatory requirements.

(ii) Handle complaints by Shareholders, Stakeholders, and Customers in relation to Fidelity Bank's shares.

(iii) Provide an avenue for Shareholder communication and feedback,Recognize, promote and protect Shareholders' rights, including the right to comment and provide feedback on service.

(iv) Provide an efficient, fair and accessible framework for resolving Shareholder complaints and feedback to improve service delivery.

(v) Inform Shareholders on the Shareholder feedback handling processes.

(vi) Establish a framework to guard against trade manipulation, accounting frauds, Ponzi schemes and such other complaints as may be determined by SEC from time to time.

(vii) Establish and maintain electronic complaints register and provide information on a quarterly basis to the NSE in line with regulations.

(viii) Protect the Bank from sanctions from regulatory bodies and ensure strict compliance by the responsible parties.

### (g). Gender Diversity

Fidelity Bank is an equal opportunity employer and is committed to promoting gender diversity in the workplace. The Bank recognizes that women have different skill sets, viewpoints, ideas and insights which will enable the Bank serve a diverse customer base more effectively.

### (h). Fraud & Forgeries

In accordance with the CBN Corporate Governance Guidelines, frauds and forgeries recorded in year ended 2024 were as follows:

**Fraud and Forgeries Summary**

| Fraud and Forgeries | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Number of Fraud Incidents | 2,249 | 3,079 |
| Amount Involved (Naira) | 937,156,762.03 | 3,826,666,642.69 |
| Amount Involved (US Dollars) | 109,983.57 | 15,706.76 |
| Amount Involved (Euros) | - | - |
| Actual/Expected Loss (Naira) | 11,018,184.07 | 2,094,761,449.64 |
| Actual/Expected Loss (US Dollars) | - | 200.00 |
| Actual/Expected Loss (Euros) | - | - |

### (i). Governance and Compliance

The Chief Compliance Officer of the Bank is charged with the responsibility of monitoring the Bank's compliance with all applicable legislation including the Code of Corporate Governance issued by the

Central Bank of Nigeria. The Chief Compliance Officer and the Company Secretary submit periodic returns on the various governance Codes to the Central Bank, Nigerian Exchange Group, Securities & Exchange Commission and Nigeria Deposit Insurance Corporation as appropriate.

### (j). Foreign Subsidiary Governance

As of December 31, 2024, the Bank had one (1) wholly owned subsidiary, Fidelity Bank UK Limited, which was acquired during the year under review. The activities of the subsidiary are monitored at the Group level to ensure operational efficiency, achievement of performance objectives and alignment of strategy/processes/controls within the Group without prejudice to applicable regulations in each jurisdiction. The framework for this includes ensuring the Bank has effective representation on the Board of the subsidiary and regular meetings of the Board and Board Committees of the Subsidiary.

### (k). Clawback Policy

In accordance with the provisions of the Nigeria Code of Corporate Governance issued by the Financial Reporting Council of Nigeria, Fidelity Bank has adopted a formal Clawback Policy which allows the Board to require, in specific situations, the reimbursement of short term or long-term variable pay benefits, pay-out or gain received by a Covered Person that is later found to be underserved, excessive or wrongfully paid. The key objectives of the policy include:

(i) To enable the Bank recover from any current or former Covered Persons, any incentive-based compensation paid or payable, that was determined, in whole or in part, based on any financial or operating results of Fidelity Bank, and which turns out to have been erroneously or excessively awarded to the Covered Persons, due to material noncompliance with any accounting or financial reporting requirement under applicable laws or wrongful act committed.

(ii) Promote compliance with global regulatory trends and corporate governance requirements, with emphasis on long-term sustainability.

(iii) Align Covered Persons' remuneration with the Bank's performance, shareholders' interests, and a prudent approach to risk management, while avoiding any excessive or erroneous pay out.

There was no incident of clawback during the reporting period.

### (l). The Company Secretary

The Company Secretary plays a key role in ensuring that Board procedures are complied with and that Board members are aware of and provided with guidance as to their duties and responsibilities. The Company Secretary is responsible for the following:

(i) Ensuring that the applicable rules and regulations for the conduct of the affairs of the Board are complied with.

(ii) Provision of facilities associated with maintenance of the Board or otherwise required for its efficient operation.

(iii) Provide a central source of guidance and advice to the Board on matters of ethics and implementation of the Codes of Corporate Governance, as well as providing administrative support to the Board and Board Committees.

(iv) Coordinating the orientation, induction and training of new Directors, and the continuous training of existing Directors.

(v) Assist the Chairman and Managing Director/ CEO to formulate the annual Board Plan and administration of other strategic issues at the Board level.

(vi) Organize Board/General meetings and properly record and communicate the decisions for implementation.

(vii) Update the Board and Management on contemporary developments in corporate governance.

The Company Secretary also acts as a liaison between the Shareholders, the Bank's Registrars and the Investor Relations Desk and ensures timely communication with Shareholders in relation to issuance of shares, calls on shares, replacement of share certificates, managing of shareholding accounts, dividend payment, and production and distribution of annual reports amongst others. The Board is responsible for the appointment and disengagement of the Company Secretary.

**EZINWA UNUIGBOJE**
Company Secretary
FRC/2014/NBA/00000008909
No. 2 Kofo Abayomi Street
Victoria Island, Lagos.
3rd day of March 2025

# Sustainability & Climate Report

The standalone 2024 Sustainability Report is our first to be prepared with elements of the Corporate Sustainability Reporting Directive (CSRD) requirements and the European Sustainability Reporting Standards (ESRS) as a voluntary adopter. Our voluntary adoption of the ESRS Standards complements our early adoption of the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) for our 2023 Sustainability Report. Our report has been prepared utilizing the interoperability guidelines to communicate our sustainability performance for 2024, with ESRS, IFRS (S1 and S2) and GRI in line with our stakeholders' needs.

# SUSTAINABILITY & CLIMATE REPORT

## Our Sustainability Journey

Our 2024 Sustainability Report offers a transparent look at our environmental, social, and governance (ESG) performance for the fiscal year ending December 31, 2024. This report, which is a summary of our standalone 2024 Sustainability Report, articulates our commitment to sustainable banking practices, responsible growth, and the creation of enduring value for our stakeholders.

The standalone 2024 Sustainability Report is our first to be prepared with elements of the Corporate Sustainability Reporting Directive (CSRD) requirements and the European Sustainability Reporting Standards (ESRS) as a voluntary adopter. Our voluntary adoption of the ESRS Standards complements our early adoption of the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) for our 2023 Sustainability Report. Our report has been prepared utilizing the interoperability guidelines to communicate our sustainability performance for 2024, with ESRS, IFRS (S1 and S2) and GRI in line with our stakeholders' needs.

We are aware of the ongoing discussions surrounding the Omnibus and its expected impact on the ESRS. Despite these discussions, our steadfast commitment to transparency and accountability in communicating our sustainability performance which is underpinned by alignment with globally recognized standards, guided our decision to adopt the ESRS voluntarily. Our adoption of the ESRS reflects our dedication to ensuring the comparability and credibility of our disclosures, to enable stakeholders benchmark our performance effectively on a global stage. This adoption is also a step towards the categorization of our capital outflows and inflows into sustainability-related activities, gleaning insights from the EU taxonomy requirements, which is pivotal for becoming a key player in sustainable finance.

Aligning this report with elements of the ESRS helped us to demonstrate the seamless integration of financial and sustainability considerations within our operations. This integration has been achieved through collaborative efforts of our Risk Management, Investment Management and Sustainable Banking functions. This summarised report covers the impacts, risks and opportunities identified in Fidelity Bank's operations across our value chain in the 2024 financial year.

### DISCLOSING WITH THE EUROPEAN SUSTAINABILITY REPORTING STANDARDS (ESRS)

#### General Disclosures
#### Reporting Scope

The report covers all material sustainability matters across our organization, including our headquarters and all branch locations. It is prepared on a consolidated basis, encompassing all entities under Fidelity Bank's operational control. We uphold the principles of accuracy, balance, clarity, comparability, reliability, and timeliness in our reporting. Our methodologies for data collection and analysis involve internal systems, cross-functional collaboration, regular performance reviews, and materiality assessments.

#### Basis for Preparation
#### BP-1, BP-2

Our sustainability statement has been

prepared to capture the scope of our entire business operations and assess our environmental, social and governance impacts. This sustainability report covers Fidelity Bank's entire value chain (upstream and downstream), which includes our suppliers, partners, agents, and customers, as outlined in ESRS 1 section 5.1. Keeping with our commitment to protect our stakeholders' data and exercise the right to protect our intellectual property, we have omitted sensitive information in line with ESRS 1 section 7.7 yet maintained transparency while preparing this report.

## Governance
## GOV-1, GOV-2, GOV-3, GOV-4, GOV-5

### Sustainability-related Board and Management Committees

At Fidelity Bank, we have a dedicated team responsible for managing sustainability-related impacts, risks, and opportunities. At the Board level, the Board Risk Management Committee (BRMC) oversees these efforts, while at the management level, the Sustainable Banking Governance Committee (SBGC) is responsible for overseeing them. The SBGC comprises 22 members, chaired by the Managing Director/CEO. To maintain the effectiveness of the Board and Management committees, skills and expertise are continuously mapped to align with the Bank's material sustainability and climate-related risks and opportunities. The committee's composition is reviewed every two years to ensure it remains relevant and well-equipped to address the evolving sustainability landscape.

In 2024, the Sustainable Banking Governance Committee (SBGC) prioritized key sustainability and climate-related impacts, risks, and opportunities, including:

- Resource Utilization – Energy and fuel consumption, water use, paper reduction, waste management, pollution control, and loss prevention
- Sustainable Procurement
- Employment Practices – Compliance with labor policies in line with local regulations and international standards
- Equality, Diversity, and Inclusion – Promoting equal opportunities and fostering a diverse workforce
- Women Empowerment – Implementing policies that support gender equality across business operations and activities
- Occupational Health and Safety Management
- Financial Inclusion – Developing products for the unbanked and promoting financial literacy
- Climate Risks and Opportunities Management – Implementing recommendations from the Bank's Physical and Transition Risks Assessment

### Due Diligence on Sustainability-related Matters

The Bank recognizes the potential positive and negative impacts of its operations across our value chain. These impacts have been integrated into our strategy and business model to drive sustainable growth. However, with our first adoption of the European Sustainability Reporting Standards (ESRS), we have conducted a deeper assessment to identify additional potential impacts. These insights were instrumental in our double materiality assessment and will be further incorporated into our strategy and operations.

### Risk Management and Internal Controls for Sustainability Reporting

To ensure the accuracy, completeness, and reliability of our sustainability disclosures, Fidelity Bank has an operationalized risk management and internal control system. In 2024, we enhanced our internal controls to address a broader range of sustainability-related risks. These risks are formally documented in our Environmental & Social Risk Management (ESRM) Policy, which has been integrated into our Enterprise Risk Management (ERM) framework.

## Strategy
## SBM- 1, SBM-2, SBM-3

### Sustainability Strategy

We are dedicated to embedding sustainability into our corporate strategy. This commitment is reflected in our sustainability strategy, which is aligned with our overall business model and reflective in our entire value chain.

Business Model and Value Chain

Our operations rely on a range of interdependent inputs that form the foundation of our value chain.

| Value Chain | Components |
|---|---|
| Inputs | Financial Capital, Technological Infrastructure and Human Capital |
| Outputs | Financial Products, Sustainability Commitments and Social Impact Contributions |
| Upstream Value Chain | Suppliers, and Technology and IT Service Providers |
| Downstream Value Chain | Customers and End-users |

### Interest and Views of Stakeholders

Employees, Customers, Communities, Investors, and Suppliers represent our key stakeholders, and we engage these stakeholders through different methods such as policies, surveys, meetings, polls, grievance mechanisms channels, customer experience platforms, trainings and emails.

### Material Impacts, Risks and Opportunities

We conducted a Double Materiality Assessment (DMA), where we identified various material impacts, risks and opportunities (IROs) across our value chain. As a Bank, we extended this assessment beyond our operations and considered financed activities. Our DMA results show that all 10 ESRS topics are material to our operations. We completed this assessment using potential impacts and anticipated financial effects. From our assessment, the following areas were deemed material to Fidelity Bank's operations.

| ESRS Code | Topic | Fidelity's Applicable Sub-topics |
|---|---|---|
| E1 | Climate change | Energy, Climate change adaptation and Climate change mitigation |
| E2 | Pollution | Pollution of air |
| E3 | Water and marine resources | Water & effluent, Water consumption and Water withdrawals |
| E4 | Biodiversity and ecosystems | Biodiversity |
| E5 | Circular economy | Resource inflow, Resource outflow and Waste |
| S1 | Own workforce | Stakeholder engagement, Occupational health and safety, Training and education, Diversity and equal opportunities and Human rights |
| S2 | Workers in the value chain | Occupational health and safety, Human rights and Training and skill development |
| S3 | Affected communities | Local communities, Stakeholder engagement, Human rights (political, Indigenous people and civil) |
| S4 | Consumers and end-users | Data Security and Customer Privacy |
| G1 | Business conduct | Economic performance, Market presence, Indirect economic impact, Ant-corruption, Tax and Procurement policies |

### Impact, risk and opportunity management IRO-1, IRO-2

### Double Materiality Assessment Methodology

| S/N | Step | Summary of Activities |
|---|---|---|
| 1 | **Understand** | We took into consideration our operations, and activities to select potential material areas from the ESRS topics. |
| 2 | **Develop** | Impact pathways were created based on the identified potential topics in Step 1. We then compiled the impacts, risks and opportunities (IRO) for the topics. |

| | | |
|---|---|---|
| 3 | **Assess** | Using IROs from Step 2, we conducted an assessment for our internal and external stakeholders. |
| 4 | **Compile and Prioritize** | We compiled the results from step 3, set a threshold of 2.5 and prioritized the material topics accordingly. |

For step 2 in the table above, we assigned sub-rankings for potential positive and negative impacts in the Impact Materiality assessment. For Financial Materiality, we used magnitude and likelihood as sub-rankings. All rankings followed a 1-5 scale, where 1 represents the least impact, and 5 represents the most.,

Potential Positive Impact rankings were based on scale, scope, and likelihood.

Potential Negative Impact rankings considered scale, scope, the irremediable nature of the impact, and likelihood.

To ensure a structured approach, we first conducted an internal materiality assessment session to explain the process and the importance of participation. We then deployed questionnaires and guides for both internal and external stakeholders. Once responses were collected, we analyzed and normalized the data to determine scores for each material topic. Finally, we established a threshold of 2.5 to identify material topics.

## Environmental
## E1, E2, E3, E4 and E5

### Climate Change

Fidelity Bank recognizes the urgency of the global climate crisis and the critical role of financial institutions in driving sustainable solutions. Our commitment to climate action is deeply embedded in our core values and business practices, and we are dedicated to aligning with the goals of the Paris Agreement. The Bank's transition plan outlines our strategic approach to reducing greenhouse gas emissions and contributing to a low-carbon and climate-resilient future.

To redress the profound threat of climate change and its potential to disrupt economies, societies, and ecosystems, we are taking proactive steps to mitigate our impact and adapt to a changing world. To guide our efforts, we have established formal policies that align with global sustainability goals while safeguarding our business and stakeholders. These policies form the foundation of our climate action strategy, ensuring we actively reduce our environmental footprint and enhance resilience to climate-related risks.

Our climate policies and framework focus on the following key areas:

1. Climate change mitigation: We have updated our lending policies to prioritize investments in projects that reduce emissions and enhance carbon sequestration. This includes renewable energy projects, energy efficiency improvements, green building developments, waste management and recycling, sustainable agriculture, and afforestation initiatives.
2. Climate change adaptation: Our climate action framework supports financing for climate-resilient infrastructure, climate-smart agricultural practices, coastal ecosystem protection, and initiatives that strengthen resilience in vulnerable communities.
3. Energy efficiency: Internally, we are committed to improving energy efficiency across all aspects of our operations. In the 2024 financial year, we conducted a comprehensive review of our energy consumption and implemented energy-efficient measures. The resulting energy efficiency targets are detailed in the IFRS section of this report.
4. Renewable energy deployment: As part of our green finance initiatives, we are actively investing in green loans, and financing for renewable energy and recycling projects etc. Our lending practices have been aligned to support these areas, reinforcing our commitment to sustainable development.

We are committed to driving sustainable economic development and facilitating the transition to a low-carbon economy. Our approach includes major green financing initiatives, investments in early-stage environmental-focused companies, and the continuous expansion of our green finance portfolio.

Aligned with the goals of the Paris Agreement, we are committed to progressively reducing our greenhouse gas (GHG) emissions and achieving net-zero emissions by 2050. To ensure transparency, we measure and report both direct and indirect emissions associated with our operations and financing activities in accordance with the GHG Protocol and the Partnership for Carbon Accounting Financials (PCAF) methodology.

To set ambitious yet achievable targets, we have adopted the Science Based Targets initiative (SBTi) methodology, utilizing a 1.5˚C scenario and an absolute contraction approach. Based on this framework, we aim to reduce our operational carbon emissions by 33.6% by 2028, using 2023 as the baseline year. Additionally, we are committed to achieving net-zero emissions across all operations and our portfolio by 2050.

In line with the GHG Protocol, we classify and quantify our emissions as follows:

- Scope 1: Direct emissions from sources owned or controlled by the Bank, including fuel combustion from generators and company-owned vehicles.
- Scope 2: Indirect emissions from the consumption of purchased electricity, such as emissions generated by the national grid supplying our offices and branches.
- Scope 3: All other indirect emissions throughout our value chain, including business travel, employee commuting, waste management, financed emissions from loans and investments, and emissions from third-party suppliers.

| S/N | GHG Emission type | Total ($tCO_2e$) |
|---|---|---|
| 1 | Gross Scope 1 | 12,289.60 |
| 2 | Gross Scope 2 | 3,083.24 |
| 3 | Gross Scope 3 (Operational) | 6,708.60 |
| 4 | Financed Emmisions | 4,606,362.05 |
| | **Total** | **4,628,443.49** |

## Pollution

As part of our sustainability commitment, we have integrated pollution control measures into several policies that guide our operations. One of those policies is our Environmental and Social Risk Management (ESRM) policy.

## Environmental and Social Risk Management (ESRM) Policy

This Policy provides a structured approach to identifying, assessing, managing, and monitoring environmental and social risks within our value chain. It aligns with our broader sustainability strategy to minimize our environmental and social footprint while addressing climate-related risks and opportunities. To promote responsible financing, we have identified high-risk sectors—such as oil and gas, power, agriculture, and cement—which require enhanced due diligence before financing.

In 2024, we focused on key initiatives to enhance our pollution prevention and control measures:

- Waste Management and Recycling: We optimized our waste management and recycling programs, aiming to reduce waste generation and increase resource recovery.
- Sustainable Procurement: We embedded sustainable procurement practices into our operations, recognizing the significant impact of our purchasing decisions on the environment.
- Environmental Impact Assessments: We conducted Environmental Impact Assessments (EIAs) for major projects and initiatives undertaken during the year. These assessments helped us identify and mitigate potential environmental risks associated with our activities.

At Fidelity Bank, we believe it is imperative that we incorporate key performance indicators and targets of the entire business into our sustainability strategy. This helps us consistently track, measure, and report on our sustainability goals.

- In our Sustainability Strategy, we detailed our aim to reduce our greenhouse gas emissions by 33.6% by 2028 against our 2023 baseline. This will be achieved by reducing our operational emissions by a minimum of 6.7% annually. To this effect, we developed a decarbonization strategy aligned with the Science Based Targets initiative (SBTi).

- As an ethical company, we will continue to work transparently towards our goal of being net zero in all our operations by 2050 by aligning our targets with sustainability goals and ensuring that our targets are cascaded throughout our value chain. Monitoring systems such as the Sustainable Banking Management System portal will track our progress, and we will report regularly to ensure transparency.

## Water and marine resources

We have an approach to sourcing water and protecting marine resources, including water treatment plans that promote sustainable water sourcing and the prevention, mitigation and remediation of water pollution from our activities and our financed projects. Fidelity Bank recognizes the critical importance of responsible water management and its connection to protecting marine resources. While our direct operations have limited impact on marine ecosystems, we integrate these considerations into our lending and investment activities, particularly in coastal regions like the Niger Delta. This approach aligns with the ESRS E3 framework, emphasizing the importance of sustainable water and marine resource management.

In line with our dedication to responsible water stewardship, Fidelity Bank has introduced certain initiatives, such as the sponsored water project at Federal Government Girls College, Owerri and Nnokwa community, Anambra State. This initiative was aimed at improving water efficiency, reducing contamination risks, and promoting sustainable water management throughout our operations and investments.

- In 2023, our total water consumption was 77,386,665m3, consisting solely of purchased drinking water for our office facilities.
- In 2024, our total water consumption was 55,807,086 m3
- Total water consumption decreased by 27.89% in 2024 compared to 2023, primarily due to the implementation of water efficiency measures in our branches.

We are committed to reducing water wastage and achieving zero discharge of untreated waste into water bodies, which will help protect the environment and ensure sustainable water resources for future generations.

## Biodiversity and ecosystems

In recognition of the vital role that healthy ecosystems and biodiversity play in mitigating climate change, we are committed to integrating biodiversity considerations into our operations and decision-making processes. While our direct operational impact on biodiversity may be limited, we acknowledge the potential indirect effects of our lending and investment activities. We have the understanding at Fidelity Bank that to foster a resilient and nature-positive future, we must adopt a holistic approach to environmental stewardship. Biodiversity is crucial for a thriving ecosystem and is key to maintaining ecological balance and long-term prosperity. As a financial institution dedicated to sustainability, we understand the interdependence of biodiversity with ecosystem health and economic resilience. In line with our sustainability strategy, we have intensified our efforts to identify, assess, and mitigate biodiversity-related risks while leveraging opportunities to drive positive environmental impact.

Our comprehensive biodiversity strategy focuses on four key areas:

- Assessing and managing the potential impacts of our lending and investment activities
- Supporting projects that contribute to biodiversity conservation and ecosystem restoration
- Promoting biodiversity awareness among employees and customers
- Collaborating with stakeholders to protect and enhance Nigeria's biodiversity

## Circular economy

At Fidelity Bank, we recognize the urgent need to transition to a circular economy model. We understand that our planet's resources are finite, and the traditional linear model of "take, make, dispose" is unsustainable. Therefore, we are actively embracing circular economy principles to minimize waste, conserve resources, and reduce our environmental footprint. We have developed a comprehensive policy framework to promote sustainable resource use and circular economy principles. We have a Sustainability Strategy and Implementation Framework that aims to reduce our environmental footprint across our operations and value chain by focusing on resource efficiency, waste management, and material reuse and recycling. We adequately comply with both national and international regulations on waste management, energy efficiency, and carbon emissions.

Our Sustainable Procurement Policy prioritizes the use of eco-friendly materials and partnerships with suppliers committed to sustainability. Additionally, we collaborate with government agencies, NGOs, and global organisations through our Corporate Social Responsibility (CSR) initiatives to drive circular economy projects in both urban and rural areas. Our policies also promote the reuse, repair, refurbishing, and recycling of office supplies and equipment to reduce waste and extend product life cycles.

Our target is to strive for 80% implementation of energy-efficient initiatives annually and reduce energy consumption by 40% in 2028

## Social
## S1, S2, S3 and S5

### Own workforce

To successfully drive our workforce engagement, we have carefully curated our diversity policy, which is integral to our workforce engagement. In addition, we have built, over the years, employees who are dedicated to upholding a non-discriminatory environment. We do not tolerate any form of discrimination, whether direct or indirect, against any employee, customer, or individual associated with the Bank. This includes discrimination based on gender, ethnicity, race, religion, physical disability, or any other characteristic.

As an equal opportunity employer, we recognize the immense value that employees from diverse cultural and linguistic backgrounds bring to our organisation. This diversity enriches our understanding and enhances our ability to provide exceptional service to various markets. We ensure that job descriptions and specifications are free from discriminatory language and practices. In addition, our rewards and recognition are based solely on performance and the pursuit of excellence. We are committed to treating all employees fairly, evaluating them objectively, and compensating them equitably, regardless of gender or any other affiliation.

To support our Diversity Policy, we have implemented several key initiatives:

I. Educating Managers
II. Employee Engagement
III. Inclusive Workplace Policies
IV. Buddy/Mentorship Programs
V. Clear Communication and Task Forces

We believe in the power of open dialogue. To ensure our employees' voices are heard, we regularly engage with them through surveys, focus groups, town hall meetings, and feedback sessions. The insights we gather are invaluable, shaping our policies and strategic planning to address key concerns and potential impacts.

For our employees' health and safety, we tracked incidents using reports, training attendance logs, and key performance indicators (KPIs) such as lost time injury frequency rates (LTIFR).

| 2023 | 2024 |
|---|---|
| Fatality: 0<br>Fatality Rate: 0 per 100,000 hours worked | Fatality: 0<br>Fatality Rate:0 per 100,000 hours worked |

Number and Rate of High Consequence Series:

| 2023 | 2024 |
|---|---|
| 2 high consequence work-related injuries excluding fatalities | Nil |
| Consequence injury rate: 0.15 per 100,000 hours worked | Nil |

Rate of Recordable injuries:

| 2023 | 2024 |
|---|---|
| 1.12 per 100,000 hours worked | Less than 1.0 in 100,000 hours achieved |

### Workers in the value chain

Our Human Rights Policy outlines the Bank's dedication to maintaining high human rights standards. It includes a comprehensive non-discrimination policy that strictly prohibits child labor, forced labor, and any form of discrimination based on religion, gender, race, tribe, age, physical ability, or economic background. This policy is in full alignment with existing laws, including the relevant provisions of the Constitution of the Federal Republic of Nigeria.

The Bank remains dedicated to meeting the standards set by international human rights treaties, as domesticated and ratified by the National Assembly, along with other workplace-related treaties. In our steadfast commitment to upholding human rights, we are consistently aligned with the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the conventions of the International Labor Organisation.

We also prioritize inclusivity and representation in our investment strategy through Development Finance Institutions (DFIs), the Central Bank of Nigeria (CBN), and the Bank's criteria for inclusion. This shows how we engage value chain workers, ensuring the inclusion of these value chain workers or their legitimate representatives.

We have developed channels, such as Infopool, WhatsApp, intranet, and phone calls for communication and managing our value chain workers, including their health-related issues. We also promote reports and visits to the Bank's branches. These are legitimate, accessible, and transparent channels that are always improved on to ensure effective dialogue with value chain workers, irrespective of location.

During the reporting period, two OHS regulatory compliance audits were conducted. We achieved 95% compliance with OHS regulations, with any identified areas for improvement addressed promptly. Initially, our target was to achieve 100% compliance. However, due to unforeseen challenges in certain areas, we revised the target to 98% compliance. More details on these challenges can be found in our Standalone Report. We conduct monthly audits to ensure ongoing compliance, with quarterly reviews to track progress. We remain committed to continuous improvement in our OHS compliance performance.

### Affected communities

Fidelity Bank acknowledges and supports communities affected by our products, operations, and business relationships. Our Human Rights Policy, guided by rules and regulations of the Constitution of the Federal Republic of Nigeria, 1999 (particularly Chapter 4), details our commitment to upholding human rights standards in our business operations, ensuring that stakeholders' complaints are dealt with in a responsive, efficient and effective manner. This Policy was developed in line with identified risks and impacts on affected communities. We adhere to relevant regulations to ensure that the Bank's engagement with affected communities is aligned with our policies and legal obligations. Currently, our activities have not directly involved Indigenous people, therefore matters around Indigenous people are not captured in our policy.

As part of our approach, Fidelity Bank engages affected communities through various channels, such as Truserve, CSR initiatives, forums, and other platforms to identify and address concerns they have. We are committed to transparency, accountability, and inclusivity in our relationships with stakeholders.

Our commitment to the communities where we operate is deeply ingrained in our values at Fidelity Bank. We recognize that our presence, while offering valuable financial services, can also have both positive and negative impacts. Therefore, we are dedicated to engaging actively with these communities, understanding their unique needs and concerns, and contributing meaningfully to their sustainable development. This commitment is formalized in our approach to managing community impacts, which aligns with ESRS S3 and is built on core principles.

### Community Investment and Development Programs

Our community development programs focus on key areas that contribute to sustainable and inclusive growth.

## Key Areas of Investment

| Key Area of Investment | Description | SDG Alignment |
|---|---|---|
| Education | Support for initiatives such as scholarships, school infrastructure development, and teacher training to empower future generations and foster human capital development. | SDG 4: Quality Education (Equitable access to quality education and lifelong learning)<br><br>SDG 8: Decent Work and Economic Growth (Skilled Workforce Development) |
| Healthcare | Investment in healthcare infrastructure, access to medical services, and support for health awareness programs to improve community health and well-being. | SDG 3: Good Health and Well-being (Healthy lives and well-being for all, access to health services, reduced mortality) |
| Financial Literacy | Provision of financial literacy training to community members to enhance economic management skills and promote financial inclusion. | SDG 1: No Poverty (Empowering economic management and economic security)<br><br>SDG 8: Decent Work and Economic Growth (Participation in the formal economy) |
| Entrepreneurship & Skills Development | Support for programs to create economic opportunities and empower individuals to build sustainable livelihoods. | SDG 8: Decent Work and Economic Growth (Sustained, inclusive, and sustainable economic growth, full employment, and decent work)<br><br>SDG 1: No Poverty (Pathways out of poverty through economic empowerment) |
| Environmental Protection | Investment in projects such as tree planting, waste management, and water conservation to contribute to a healthy and sustainable environment. | SDG 13: Climate Action (Combating climate change and its impacts)<br><br>SDG 6: Clean Water and Sanitation (Availability and sustainable management of water and sanitation)<br><br>SDG 15: Life on Land (Protecting, restoring, and promoting sustainable use of ecosystems) |

### Consumers and end-users

As a financial institution, we understand that the quality of our banking services and the accessibility of our financial solutions have a high impact on the economic well-being and financial security of our customers. At Fidelity Bank, we recognize that responsible banking goes beyond transactions as it shapes livelihoods, empowers communities, and drives inclusive growth among all and across our operations. Our commitment to customer-centric innovation and financial inclusion will ensure that individuals and businesses have access to transparent, secure, and responsible financial products.

We have continued to leverage digital banking solutions, financial literacy programs, and other tailored lending solutions. We empower consumers to make informed financial decisions while mitigating risks associated with financial exclusion.

At Fidelity Bank, we are deeply committed to ensuring transparency, fairness, and inclusivity in all our financial products and services. We have a Consumer and End-user Policy Framework that helps us deliver on our commitment. Through our Responsible Banking Policy, we provide clear, accurate, and timely information to help customers mitigate financial risks.

Our Investment Management Team engages with consumers and stakeholders through various communication platforms to gather feedback on the social impacts of our investments. We incorporate stakeholder feedback through regular surveys and continuous monitoring of our investment portfolio. We ensure that any negative impacts are addressed through E&S (Environmental and Social) conditions, which are integrated into our investment evaluations. Issues raised by consumers or stakeholders are escalated to the relevant units and resolved efficiently. We take action to address material social impacts, including quarterly reports and ongoing monitoring to evaluate our portfolio's performance against social risk and opportunity targets.

To address customer concerns swiftly, we have implemented a 24/7 customer care center for reporting fraud, service disruptions, or complaints through hotlines and mobile applications. Customers also have access to self-service options that allow for issue resolution without visiting a branch. We maintain a dedicated consumer protection unit responsible for investigating complaints and ensuring adherence to industry standards. To enhance transparency, we offer a complaints dashboard that tracks the number of complaints, response times, and resolutions, which is updated monthly. Escalations can be managed through a self-service system, with most issues resolved within 24 hours of being reported.

## Governance
## G1

### Business Conduct

We are committed to upholding our Code of Business Conduct and Ethics Policy, which clearly outlines our zero-tolerance approach to corruption, money laundering, bribery, abuse of office, and related offenses. This policy is shared with all employees at the beginning of each year and reinforced periodically, requiring each staff member to attest to their compliance.

We also have a Director's Code of Conduct that sets out standards each Director is expected to adhere to while conducting his/her duties. This document covers political contributions, whistleblower protection, insider trading, anti-money laundering, anti-bribery and corruption, gifts and hospitality, conflicts of interest, declaration of interest, and other focus areas. This is to ensure that all Directors comply with ethical principles in all transactions with and on behalf of the Bank. The Bank reviews the Director's Code of Conduct document every 3 years or as frequently as required.

To detect and report potential corruption and bribery incidents, we have put several mechanisms in place, such as:

- Internal control/ Audit: Our internal audit team regularly reviews customer-facing processes to identify vulnerabilities and assess the risk of corruption or bribery.
- Whistleblower Platform: Confidential whistleblower platforms allow employees and customers to report any suspected wrongdoing.
- Contact Centre: Anyone can also call the contact center to make a report.

The Bank also uses monitoring systems, intrusion detection tools, and regular audits to detect unauthorized access, misuse, or bribery involving sensitive customer data. We have also stationed Closed-Circuit Televisions (CCTVs) in strategic locations within the work environment to capture not only intruders but staff movements and behaviors. The Bank prohibits cash gifts which guide the employees' relationships with our customers, as violation leads to the termination of an employee's appointment.

To monitor customer satisfaction with payment-related practices, we conduct:

- **Post-Transaction Surveys:** We conduct surveys after transactions to gauge customer satisfaction with the payment process.
- **Customer Service Feedback:** We track feedback received by our customer service team related to payment issues or concerns.
- **Social Media Monitoring:** We monitor social media for mentions of our Bank and any complaints about payment-related practices.

## DISCLOSING WITH THE IFRS SUSTAINABILITY DISCLOSURE STANDARDS

### GOVERNANCE (IFRS S1.27)

### Oversight of Sustainability-Related Risks and Opportunities

Fidelity Bank ensures rigorous oversight and continuous enhancement of its sustainability strategy through exemplary governance. As a publicly listed entity on the Nigerian Exchange (NGX), the Bank adheres to the Nigerian Code of Corporate Governance and proactively adopts IFRS Sustainability Disclosure Standards, reinforcing its commitment to ethical conduct and industry best practices. Its corporate governance framework includes detailed codes and rules covering board composition, performance evaluation, conflict of interest management, and sustainability integration. Supported by the Bank's Memorandum and Articles of Association, Board Committees, and Management Charters, this framework fosters responsible governance, strong leadership, and long-term value creation for all stakeholders.

### Board Oversight

The Board Risk Management Committee (BRMC) oversees sustainability and climate-related risks and opportunities, ensuring their integration into Fidelity Bank's business strategy while adhering to international standards.

### Sustainable Banking Governance Committee

Our dedicated Sustainable Banking Governance Committee, led by the CEO with the Head of Sustainable Banking (HSB) as the secretary, is responsible for implementing the Board-approved sustainability strategy and integrating sustainability and climate-related considerations into our business operations and activities. The HSB plays a key role in developing, implementing, monitoring, and communicating our sustainability strategy, ensuring that it is effectively translated into action. This comprehensive governance structure, encompassing Board oversight and Management-level responsibilities, ensures that sustainability is integrated into all levels of our organization. This approach enables us to effectively manage sustainability-related risks and opportunities, drive our sustainability agenda, and contribute to a more sustainable future.

### Sustainability Strategy and Commitment

Fidelity Bank integrates sustainability into its corporate strategy, prioritizing environmental stewardship, social responsibility, and governance to create lasting value for stakeholders. In 2023, the Bank strengthened its commitment by becoming a signatory to the UNEP-FI Principles for Responsible Banking and the United Nations Women's Empowerment Principles. This reflects its proactive approach to incorporating sustainability and climate-related goals into its business strategy. Also, Fidelity Bank remains committed to the UN Global Compact principles, focusing on human rights, labor rights, environmental sustainability, and anti-corruption efforts.

### Governance Structure and Oversight

Committed to the highest corporate governance standards, Fidelity Bank adheres to full disclosure requirements and global best practices, earning the CG+ rating under the Corporate Governance Rating System (CGRS), which reflects its commitment to high governance standards and grants it special privileges in the stock market. Fidelity Bank became the first Nigerian Bank to publish an ISSB-compliant sustainability report, showcasing its leadership in the sustainability space.

### Fidelity Bank's ESG Performance and IFRS S2 Governance Integration

We are pleased to announce our recognition for strong Environmental, Social, and Governance (ESG) performance, securing fourth place among 29 Nigerian Banks in a recent survey by the Independent Project Monitoring Company (IPC) Limited, with a score of 57.73%. This achievement underscores our commitment to integrating ESG considerations into our business operations and strategic decision-making processes. The survey highlights our progress in embedding sustainability practices, including climate-related considerations as outlined in IFRS S2, into our operations. This recognition demonstrates our ongoing efforts to be a leader in responsible banking and sustainability in Nigeria.

Aligned with IFRS S2, Fidelity Bank is enhancing its governance framework for the 2024 sustainability report to ensure full compliance with climate-related disclosure requirements. The Board Risk Management Committee will maintain oversight of climate-related risks and opportunities, ensuring these are integrated into our strategic planning and risk management processes. The Sustainable Banking Governance Committee will be accountable for executing climate-related initiatives. Additionally, we will continue to provide training for our Board and management on climate-related issues and IFRS S2 requirements.

## Strategy
## Strategy (IFRS S1 and S2.28 – 42)

### Sustainability-Related Risks and Opportunities:

At Fidelity Bank, we recognize the significant impact of sustainability-related risks and opportunities on our long-term prospects. In line with IFRS S1, we have assessed these factors to inform our strategic decision-making and ensure sustainability is integrated into our core business strategy. To analyze and address these risks, we have established the following time horizons:

- Short-term: 0 - 5 years
- Medium-term: 5 - 10 years
- Long-term: 10 - 40 years

These time horizons are directly aligned with our business planning cycles and the horizons employed for strategic decision-making.

### Sustainability-Related Opportunities

Fidelity Bank recognizes the significant opportunities that sustainability presents, both for our business and for society. We are committed to capitalizing on these opportunities to drive innovation, enhance our performance, and contribute to a more sustainable future. Our key sustainability-related opportunities include:

### Key Opportunity Areas for Sustainability

We are positioned to capitalize on sustainability-driven opportunities across various sectors. In sustainable investments, the Bank aims to meet the growing demand for ESG-focused products by developing innovative solutions. Through green finance and lending, Fidelity Bank is expanding its portfolio and establishing a contextual green lending criterion. The Bank also drives innovation in sustainable products by integrating sustainability into financial services. Renewable energy investments present an opportunity to support clean energy projects and sector growth. Additionally, Fidelity Bank promotes a sustainable supply chain by embedding sustainability criteria into procurement. The Bank fosters employee engagement in sustainability through training and development initiatives. Finally, digital transformation for sustainability enables the integration of digital solutions to enhance sustainability performance and expand sustainable finance offerings.

### Adapting the Business Model and Fortifying the Value Chain

Fidelity Bank is adapting its business model to meet the demand for responsible financial services by integrating ESG factors into all product offerings, including lending, investments, and retail banking. We are enhancing risk management to address emerging challenges like climate change and social inequality, while investing in sustainable solutions. We ensure our suppliers adhere to ethical and environmental standards and focus on reducing our environmental impact through energy efficiency and waste reduction. By considering ESG factors in lending and investment decisions, we support sustainable businesses. Additionally, we promote sustainability through employee training and invest in community development initiatives for social and environmental well-being.

### Core Principles and Operational Impacts

Fidelity Bank recognizes the critical link between sustainability and long-term success. We evaluate sustainability risks and opportunities, considering their financial and operational impacts, to safeguard our future. Our commitment to environmental stewardship, social responsibility, and governance is central to creating lasting value for stakeholders. Identified risks, such as regulatory non-compliance, reputational damage, cyber threats, and environmental and social impacts of lending, can harm operations and growth. Conversely, sustainability opportunities, including the growing demand for sustainable investments, expanding green finance, and supporting SMEs in transitioning to a low-carbon economy, offer avenues for growth. Sustainable products, renewable energy investments, and a responsible supply chain improve both reputation and efficiency, while employee engagement in sustainability fosters a culture of responsibility.

## Financial Impacts of Sustainability-Related Risks and Opportunities

Fidelity Bank recognizes the significant impact that sustainability-related risks and opportunities can have on our financial performance, position, and cash flows. We have assessed these impacts on our current business operations and conducted forecasts to understand how they might affect us in the future, considering how we have integrated sustainability into our financial planning.

| Risk/Opportunity | Impact on Financial Performance | Impact on Financial Position | Impact on Cash Flows |
| --- | --- | --- | --- |
| Occupational Health & Safety | • Reduced accident-related costs.<br>• Improved employee productivity.<br>• Enhanced reputation as a responsible employer. | • Reduced liabilities from accidents and injuries.<br>• Improved financial stability. | • Short-term impact on capital expenditure for OHS initiatives.<br>• Long-term savings and returns from reduced accident costs and improved efficiency. |
| Stakeholder Engagement | • Enhanced brand reputation, brand differentiation, and customer retention through community investment of ₦1,547,023,967.18. | • Strengthened stakeholder relationships and increased social capital. | • Positive impact on cash flows through increased customer loyalty and revenue generation. |
| Tax | • The tax expense for 2024 amounted to ₦107,108billion, comprising ₦93,777billion in income tax and ₦13,331billion in windfall tax. | • Effective tax management optimizes cash flow by minimizing tax burdens. | • Improved cash flow management through efficient tax planning and compliance. |
| Data Security | • Short-term expenses related to compliance measures and cybersecurity. | • Enhanced brand reputation, customer loyalty, and innovation in the medium to long-term, contributing to sustained financial growth. | • Short-term investments in compliance and cybersecurity can lead to increased operational efficiency and reduced risk exposure. |
| Business Ethics | • Enhanced transparency and integrity leading to improved customer trust and loyalty, increased revenue, and cash inflows. | • Improved access to capital and lower borrowing costs due to a strong ethical reputation. | • Positive impact on cash flows through increased revenue and reduced costs associated with unethical conduct. |

## Investing in a Sustainable Future

Fidelity Bank is dedicated to investing in a range of sustainable initiatives that will reduce our environmental impact, support social development, and contribute to a more sustainable future for Nigeria. Our key investment areas include:

**Renewable Energy and Energy Efficiency:** Fidelity Bank is committed to transitioning to renewable energy and enhancing energy efficiency across its operations. Key initiatives include transitioning to renewable power, upgrading IT systems with energy-efficient equipment, and replacing electronic devices with low-energy alternatives. The Bank also uses LED lighting, manages a staff bus system to reduce emissions, encourages carpooling, and promotes virtual meetings to reduce business travel. Also, digital technology is leveraged to improve operational efficiency and minimize the carbon footprint.

**Green Financing and Carbon Credits:** We will allocate financial resources towards environmentally friendly projects and initiatives. This will involve investing in projects that promote renewable energy, energy efficiency, pollution prevention, green transportation, sustainable agriculture, and other activities that foster a climate-resilient future with low carbon emissions. Our long-term approach includes purchasing certified carbon credits to meet our emission reduction targets. Our reliance on carbon credits aims to supplement and enhance our internal emission reduction initiatives, creating long-term value by investing in a green future.

**Socially Responsible Investments:** Our focus is on socially responsible investments to support community welfare and economic growth in Nigeria. This includes investing in affordable housing projects to provide sustainable housing solutions for underserved communities and supporting social enterprises that create jobs, promote inclusion, and contribute to local economic development.

**Sustainable Supply Chain:** We are enhancing our sustainable supply chain by partnering with eco-conscious suppliers. This includes integrating environmental and social criteria into procurement policies to ensure ethical and sustainable practices and working with suppliers to reduce carbon emissions and improve environmental performance through initiatives like energy efficiency programs and waste reduction strategies.

Responsible Asset Disposal: We are committed to responsible asset disposal by evaluating divestment options for assets with environmental or social risks, ensuring compliance with regulations, and minimizing negative impacts on communities and ecosystems. We are also implementing e-waste recycling programs and exploring circular economy principles, such as reducing waste, reusing materials, and promoting recycling and upcycling. In addition, the Bank continuously monitors and adapts its sustainability strategy to address dynamic risks and maximize opportunities.

## Climate-Related Risks and Opportunities

Climate change presents a spectrum of risks and opportunities that could significantly affect the prospects of the Bank. We have conducted a thorough assessment of these potential impacts, considering both our direct operations and our broader role within the financial system.

## Climate-Related Risks

Climate-related risks to Fidelity Bank include both physical and transition risks. Physical risks include acute risks, such as floods, droughts, and storms, which can damage assets and disrupt operations, and chronic risks such as rising temperatures and sea levels, affecting agriculture and water resources, potentially impacting loan portfolios. Transition risks stem from the global shift to a low-carbon economy, including policy and legal risks from changing regulations like carbon pricing, technology risks from low-carbon advancements, market risks from shifting preferences towards sustainable products, and reputational risks from perceived inaction on climate change, which could harm customer and investor relationships.

## Climate-Related Opportunities

We see several climate-related opportunities, including green financing, where the growing demand for sustainable finance solutions allows us to expand its offerings and attract new customers through green loans or renewable energy project financing. Investing in climate-resilient infrastructure, such as flood defenses or drought-resistant agriculture, presents opportunities to finance projects that promote economic growth. Additionally, the increasing investor interest in ESG factors offers the Bank the chance to develop sustainable investment products, attracting responsible investors and enhancing its reputation while increasing funds under management.

### Anticipated Financial and Reputational Impacts

The climate-related risks that we have identified could have financial and reputational impacts on Fidelity Bank. Our creditworthiness may be affected as extreme weather events and policy changes could lead to higher loan defaults and impairments, particularly in climate-sensitive sectors. Changes in market conditions, such as a decline in the value of fossil fuel assets, could also impact our investments. Operational resilience may be challenged by weather-related disruptions, but we are actively mitigating this by investing in climate-resilient infrastructure. In terms of reputation, failing to take adequate action on climate change could erode stakeholder trust, potentially leading to customer attrition and negative media coverage. We are addressing these risks by integrating ESG factors into our strategies, conducting thorough risk assessments and being transparent in our communication with stakeholders.

### Our Commitment to Proactive Climate Action

Fidelity Bank is committed to proactively managing climate-related risks and opportunities to ensure our long-term resilience and contribute to a more sustainable future for Nigeria. We are integrating climate-related considerations into our risk management framework, conducting scenario analysis and stress testing, and developing and implementing climate-related policies and procedures. We are also investing in climate-resilient infrastructure and technologies, supporting our clients in their transition to a low-carbon economy, and engaging with stakeholders on climate-related issues. By taking a proactive approach to climate change, we aim to ensure our long-term success and contribute to a more sustainable future for all.

### Climate-Resilient Strategy

At Fidelity Bank, we acknowledge the impact climate change can have on its long-term prospects and have integrated climate-related considerations into our strategic planning to ensure the resilience of our business model. To build resilience to climate-related risks, we conduct comprehensive risk assessments to identify potential impacts on our operations, lending portfolio, and investments, followed by the development of risk mitigation strategies, including risk transfer mechanisms and business continuity planning. We also use scenario analysis and stress testing to evaluate the resilience of our strategy under various climate futures, allowing us to adapt our approach accordingly. Furthermore, we are investing in climate-resilient infrastructure and technologies to safeguard our assets and operations from the physical impacts of climate change, ensuring that our buildings and IT systems are protected against extreme weather events. Climate-related risks are fully integrated into our risk management framework to ensure systematic identification, assessment, and management alongside other critical risks.

### Adaptive Strategy

Our strategy is not static but rather adaptive, allowing us to respond to the evolving climate landscape. We regularly review and update our strategy, considering new climate data, emerging risks and opportunities, and changes in the regulatory environment.

### Transition Plan: Navigating the Path to a Low-Carbon Economy

The Bank understands the complexities of climate change and the importance of a clear transition plan to navigate the shift toward a low-carbon economy. Our transition plan outlines essential actions, assumptions, dependencies, and resources to achieve our climate-related goals and ensure the long-term sustainability of our business. Key elements include establishing measurable climate-related targets, such as reducing financed emissions, increasing green financing, and investing in climate-resilient infrastructure. These targets align with national and international climate goals, such as the Paris Agreement. Our strategic initiatives involve integrating climate risk into our risk management framework, developing green finance products, investing in renewable energy and energy efficiency, and supporting clients in their transition to a low-carbon economy. The plan is based on critical assumptions like a supportive regulatory environment, advancements in green technologies, and stakeholder collaboration. Key dependencies include client engagement, especially in carbon-intensive sectors, access to reliable climate-related data, and building internal capacity. Dedicated financial, human, and technological resources have been allocated to ensure the successful implementation of this transition plan.

### Regular Review and Updates

Our transition plan is a dynamic document that will be regularly reviewed and updated to reflect the evolving climate landscape, emerging risks and opportunities, and changes in the regulatory environment.

Fidelity Bank Nigeria believes that our comprehensive transition plan, with its clear targets, strategic initiatives, and consideration of critical assumptions and dependencies, will enable us to effectively manage climate-related risks and opportunities and contribute to a more sustainable future for Nigeria.

### Metrics and Targets

### Metrics for Measuring and Monitoring Sustainability-Related Risks and Opportunities

Fidelity Bank employs a diverse set of metrics to measure and monitor sustainability-related risks and opportunities, ensuring alignment with its sustainability strategy and objectives. These metrics enable the Bank to track progress, identify areas for improvement, and maintain accountability to stakeholders. The metrics are categorized into four key areas: Environmental Metrics, which monitor greenhouse gas emissions, energy consumption, water use, and biodiversity impacts; Social Metrics, which assess financial inclusion, community development, and employee well-being; Governance Metrics, which evaluate board diversity, ethical conduct, and anti-corruption efforts; and Economic Metrics, which measure financial performance in sustainability-related investments, such as renewable energy and green finance.

### GHG Emissions Methodology and Approach (IFRS S1, 29)

We employ a two-stage process for measuring and managing our GHG emissions:

1. Planning Stage: We establish a resolute GHG inventory team, define the inventory boundary, and select appropriate methodologies for estimating emissions.
2. Implementation Stage: We collect activity data, apply emission factors, and calculate GHG emissions for each relevant source.

The table below provides a breakdown of the two-stage process accordingly:

| Stage | Description | Key Actions |
|---|---|---|
| Planning Stage | • - Establish the GHG inventory team and allocate resources.<br>• - Design the inventory considering the business environment, goals, and guiding principles.<br>• - Define the GHG assessment boundary using the Financial Control Approach.<br>• - Identify and classify significant emission sources (Scope 1, 2, and 3).<br>• - Ensure completeness by including emission sources contributing at least 5% of total gross emissions. | • - Form a dedicated team.<br>• - Align inventory with business goals and principles.<br>• - Define organizational and operational boundaries.<br>• - Categorize emission sources.<br>• - Include significant emission sources. |

| | | |
|---|---|---|
| Implementation Stage | • - Collect relevant data and calculate emissions.<br>• - Conduct Quality Assurance/Quality Control (QA/QC) processes.<br>• - Set reduction targets and report results.<br>• - Implement data management procedures.<br>• - Adopt the Tier 1 approach for measuring operational emissions.<br>• - Follow the Greenhouse Gas Protocol for Scope 1 and 2 emissions.<br>• - Measure Scope 3 emissions according to the GHG Protocol Corporate Value Chain Standard. | • - Gather data and calculate emissions.<br>• - Ensure data quality.<br>• - Establish targets and report findings.<br>• - Manage emissions data.<br>• - Use Tier 1 methodology.<br>• - Adhere to GHG Protocol standards. |

### GHG Emissions Methodology and Approach - Carbon Footprint and Reduction Targets

We adopted a layered approach to assess and manage our GHG emissions, incorporating risk factors and sensitivities for various climate change scenarios. This includes improving climate resilience through asset upgrades such as building retrofits and technology system enhancements.

As part of our commitment to sustainability, we have set ambitious carbon reduction targets, aiming for net-zero GHG emissions by 2050. Specific targets include a 33.6% reduction in operational emissions by 2028, a 3.5% decrease in climate risk exposure in our loan and investment portfolio by 2030 and achieving net-zero financed emissions by 2050. The Bank also plans to implement energy efficiency initiatives, aiming for 80% annual implementation and a 40% reduction in energy consumption by 2028 while increasing its green finance portfolio to 2.5% by 2030.

### Risk Management
### Risk Management (IFRS S1, S2. 25, 43 – 44)

### Sustainability Risk Management

Recognizing the interconnectedness of sustainability risks with traditional risk categories, we have fully integrated sustainability risk management into our Enterprise Risk Management (ERM) framework. This ensures that climate and other sustainability risks, such as extreme weather events and the low-carbon transition, are assessed alongside credit, operational, market, and liquidity risks.

### A Step-by-Step Approach

Fidelity Bank has seamlessly integrated sustainability considerations into its Enterprise Risk Management (ERM) framework. This integration follows a sequential process, ensuring that sustainability risks are systematically addressed alongside traditional risk categories.

- Identification
- Risk Assessment
- Risk Prioritization
- Risk Mitigation
- Risk Monitoring and Reporting

### Monitoring and Adapting to Change

We continuously monitor sustainability-related risks and opportunities, tracking key performance indicators (KPIs), conducting regular reviews, and adapting our strategies as needed to ensure they remain relevant and effective.

### Key Performance Indicators (KPIs) and Targets

The Bank uses a range of KPIs and targets to monitor sustainability-related risks and opportunities, ensuring that we remain accountable and track our progress towards our goals. Some examples include:

| Material Issue | KPI | Target |
|---|---|---|
| Climate Change | Greenhouse gas emissions (operational) | 33.6% carbon emissions reduction in our operations by 2028 against our 2023 baseline |
| | Energy Efficiency | Strive for 80% implementation of energy efficient initiatives annually and reduce energy consumption by 40% in 2028. |
| | Climate-related financial risk exposure | Conduct climate scenario analysis and stress testing |
| Human Rights | Number of human rights-related incidents reported | Zero incidents of human rights violations |
| | Employee satisfaction with diversity and inclusion initiatives | Achieve a satisfaction score of 80% |
| Data Privacy | Number of data breaches and security incidents | Reduce incidents by 10% annually |
| | Customer satisfaction with data privacy practices | Achieve a satisfaction score of 90% |

### Three Lines of Defense: Integrating Sustainability into Risk Management

Fidelity Bank has a risk management framework built on the "Three Lines of Defense" model. This model ensures a comprehensive and layered approach to managing all risks, including those related to sustainability. Each line of defense plays a crucial role in identifying, assessing, mitigating, and monitoring risks, contributing to the overall resilience and sustainability of the Bank. The Lines of Defense are Ownership & Management, Expertise & Challenge and Independent Assurance

### Climate-Related Risks and Opportunities

We recognize the significant impact of climate change on the financial sector and have proactively established a framework for managing climate-related risks. This comprehensive approach is essential to protect our business operations and ensure long-term sustainability.

### Our Climate-Related Risk Management Process

The Bank acknowledges the significant challenges climate change poses to society, the environment, and economic activities, particularly in Nigeria's climate-sensitive sectors like agriculture and oil. To enhance resilience, we have implemented a rigorous climate-related risk management process. Our systematic approach ensures long-term sustainability by integrating climate risk assessment into our operations and decision-making. This involves the following key steps:

### Step 1: Identifying Climate Risk Drivers

We begin by identifying the full spectrum of primary climate risk drivers and their potential impacts on our business and the broader economy. We then select the risk drivers that are most relevant to our value chain, considering our operations, lending and investment portfolios, and the geographic regions where we operate.

These drivers typically fall into two categories:

| Risk/Opportunity Category | Specific Risk/Opportunity | Impact on Business Model and Value Chain | Time Horizon |
|---|---|---|---|
| Physical Risks | Extreme weather events | - Events and conditions leading to physical risk could affect loan repayment and collateral, leading to stranded assets.<br>- Valuation of assets and liabilities affected by physical risk conditions. | Medium to long-term<br>Short, medium, and long-term |
| | Fluctuating Temperatures | Workforce health and safety | Short, medium, and long-term |
| Transition Risks | Policy and Legal | Write-off or early retirement of assets due to policy and regulation changes. | Medium to long-term |
| | Technology | Capital expenditures and financing for technology development. | Short, medium, and long-term |
| | Market | Negative stakeholder feedback affecting customer base and profitability ratios. | Short, medium, and long-term |
| | Reputation | Stigmatization of sector affecting employee attraction and retention. | Short, medium, and long-term |

### Step 2: Mapping Climate Risk Drivers Against Transmission Channels and Business Risks

After identifying climate risk drivers, we assess their impact on operations and assets by identifying transmission channels, mapping risks across our value chain, and gathering data on sector activity, operational locations, and customer distribution to prioritize risk management.

### Step 3: Conducting Scenario Analysis and Stress Testing

Fidelity Bank employs climate scenario analysis to assess the potential impact of various climate-related risks on its business. This proactive approach enables the Bank to anticipate changes in risk exposure and financial performance, allowing for strategic risk mitigation and adaptation. Given the uncertainties surrounding climate risks, such as unpredictable time horizons, variable future pathways, and complex interactions between climate, economic, and technological factors, scenario analysis provides a structured method to explore a range of plausible futures.

### Scenario Analysis and Stress Testing

We utilize scenario analysis to explore potential climate pathways and their impacts on our business across various time horizons. This forward-looking approach is integrated into our strategic planning process to proactively address climate change, ensuring alignment between our immediate needs, medium-term growth opportunities, and long-term sustainability goals.

### Scenario Analysis

Our scenario analysis follows key steps: selecting relevant climate scenarios from Intergovernmental Panel on Climate Change (IPCC) and Network for Greening the Financial System (NGFS), assessing potential physical and transition risks, and integrating insights into strategic planning to align our business with climate-related challenges and opportunities.

### Impact Assessment and Strategic Implications

We assess the potential impacts of identified climate-related risks on our business, including effects on operations (e.g., infrastructure damage), our lending portfolio (e.g., credit risk in affected sectors), and strategic planning (e.g., long-term investment decisions). By analyzing different emissions pathways and associated temperature rises, we gain insights into how these risks may evolve.

### Stress Testing

We also utilize stress testing to assess the resilience of our business to specific climate-related shocks. This involves simulating the impact of extreme climate events or policy changes on our portfolio and financial performance. Stress testing helps us identify vulnerabilities and develop contingency plans to mitigate potential losses.

### Integration with Strategic Planning

Our scenario analysis and stress testing processes are integrated with our strategic planning process. This ensures that our strategies are aligned with the potential impacts of climate change and that we are well-positioned to manage climate-related risks and opportunities.

### Our Prioritization Framework

Our prioritization framework considers potential impact, assessing financial, reputational, and operational risks; likelihood, evaluating climate event frequency, asset vulnerability, and mitigation effectiveness; time horizon, distinguishing between immediate and long-term risks; interdependencies, analyzing interactions with credit, operational, and market risks; and strategic alignment, ensuring our approach supports business strategy and sustainability objectives.

### Integration and Dynamic Adaptation

Climate-related risks are integrated into our overall risk management framework alongside traditional risks, ensuring they are factored into decision-making. Given the evolving nature of climate change, we dynamically update risk assessments using new data and projections. This includes reassessing mitigation measures and adjusting priorities as needed.

### Fidelity Bank's Climate Significant Risks and Opportunities Mapping

| Climate Risk Driver | Transmission Channel | Business Risk | Fidelity Bank's Internal Operations | Downstream (Bank's Customers and Portfolio) |
|---|---|---|---|---|
| Physical Risks | | | | |
| Chronic (e.g., temperature & precipitation changes, water stress, sea-level rise) | Direct Impacts | (O) Business Disruption | Disruption of operations linked to non-viable conditions for the workforce (heatwaves, T>32°C).<br>Increase of operational costs linked to temperature variability (increase of cooling needs). | (C); (L) Loss of assets that are dependent on natural resources due to shifts in rainfall patterns, extreme temperatures (T>32°C), water stress, sea level rise, affecting the ability of the counterparty to fulfil their contractual obligations. |
| Acute (extreme weather events, e.g., floods, storms, droughts, heatwaves) | | (O) Property Damage | Property damage and disruption of business activities due to flooding. | (C); (L) Property damage and liabilities: destruction of assets linked to physical climate-related events (floods, droughts, heatwaves) affecting the ability of the counterparty to fulfil their contractual obligations. |
| Transition Risks | | | | |
| Risks that arise from efforts to transition to a lower-carbon economy. These include policy, legal, technological, market, and reputational risks. | Indirect Impacts | (P); (O) Rising Energy Costs | Rising energy costs due to policies aimed at curbing fossil fuel use, including subsidy removal and carbon taxes, could result in higher operational costs for the Bank. | (P); (C); (L); (M) Asset stranding resulting from policy changes, technological shifts, and market adjustments can impact revenues in affected sectors and increase Probability of Default (PD). This poses financial risks for the Bank, especially in carbon-intensive sectors. |
| | | (C); (R) Liabilities | | Liabilities resulting from climate change-related legal action affecting the ability of the counterparty to fulfil their contractual obligations. |

**Legend:**
- (C): Credit Risk
- (L): Liquidity Risk
- (M): Market Risk
- (O): Operational Risk
- (P): Policy and Legal Risks
- (R): Reputational Risk

The table above provides a clear and organized overview of how Fidelity Bank maps climate-related risk.

### Transition Risk Scenario Analysis at Fidelity Bank

We have adopted climate scenario modelling to analyze the impacts of carbon pricing and other climate transition risk drivers on our assets, portfolios, and business models. Our analysis leverages existing frameworks, such as those developed by the Network for Greening the Financial System (NGFS), to ensure alignment with best practices and available information.

### Assessing Direct and Indirect Impacts

Our transition risk scenario analysis evaluates both direct impacts on our operations, including emissions, carbon pricing, and policy effects, and indirect impacts on customers and our loan portfolio, considering sectoral exposure, financed emissions, and borrower creditworthiness under evolving climate policies.

### Outputs of the Analysis

The outputs of our scenario analysis include annual direct cost implications, estimating potential yearly costs from transition risk drivers (e.g., carbon pricing, technology shifts, policy changes) on our operations; annual indirect cost implications, assessing the financial burden on our customers across sectors; and financial impacts under different scenarios, evaluating how transition risks and opportunities may affect our business activities across various climate scenarios and time horizons.

### Consolidating GHG Emissions

Fidelity Bank consolidates GHG emissions using the Financial Control approach, aligning with financial reporting methodologies and IFRS S1 and S2 for accurate sustainability and climate-related disclosures.

### Organizational Boundary for GHG Emissions

Our GHG organizational boundary covers our network of interconnected business offices and digital banking channels across Nigeria, including our financial investments but excluding our subsidiaries outside Nigeria.

## DISCLOSING WITH THE GRI STANDARDS

### Case Studies

This section of the report showcases our Sustainability initiatives that positively impact the environment and society, while demonstrating our commitment to transparency and accountability. Through the case studies highlighted below, we communicate the matters important to our stakeholders by using the GRI Standards. Our continuous contribution to sustainable development is possible because we integrate sustainability into our operations, as seen in the case studies.

### Walking the Talk - Fidelity Championing Excellence in Environmental Action

### Energy

### Case Study 1: Installation of Solar Panels

In our commitment to transition to renewable energy, the Bank installed solar panels across branches, and we have also been able to get our head office migrated to a dedicated grid, which has seen a reduction in our diesel consumption. We also provided solar panels to local communities in Akwa Ibom and Lagos State. This initiative is part of our broader strategy to achieve net zero emissions in all our operations by 2050.

*Commissioning of the solar-powered water system donated by the Risk Management Directorate under the Fidelity Helping Hands Project Initiative in Eyosung Community in Akwa Ibom state*

We are charting the course, staying committed to social impact

## Training and Education

### Case Study 2: Read to Lead Initiative

Our Read to Lead project is aimed at encouraging the reading culture in Nigeria.

The first edition was held in 2024, with over 3,000 students participating across the six geopolitical zones of the country. This will be an annual project that encourages students and young children to read.

## Promoting Governance Practices that Look Beyond the Now

### Case Study 3: Flood Disaster Support Fund by Bankers Committee

We supported the Borno State Government in mitigating the impact of the flood disaster. Our Board and employees remain conscious of the natural disasters that affect Nigeria, and we are committed to assisting communities mitigate and adapt to the effects of climate change.

### Case Study 4: Sponsorship of the Mentorship Matchup Challenge (MMC) 6.0 event

The Bank sponsored a mentorship program that is aimed at empowering youths of this Nation. Through this program, the participants can get decent work opportunities and contribute to national economic growth.

### Case Study 5: Periodic Reviews of Bank's Policies and Strategies

As a Bank committed to fostering the integration of ESG and sustainability matters in our operations and value chain, we conduct periodic reviews of all Bank's policies and strategies to ensure effective operation and alignment with regulatory requirements and stakeholder engagement.

## INITIATIVES AND DEVELOPMENTS IN THE FINANCIAL INCLUSION SPACE

Fidelity Bank has consistently demonstrated its commitment to advancing financial inclusion by strategically addressing the challenges identified in the National Financial Inclusion Strategy (NFIS), as outlined by the Central Bank of Nigeria (CBN). The Bank's efforts are deliberately focused on the five key demographics emphasized by the CBN: Youths, Women, the Northern region, Micro, Small, and Medium Enterprises (MSMEs), and financially excluded or underserved locations across the country.

### Youth Inclusion

In line with the CBN's focus on youth inclusion, Fidelity Bank has remained dedicated to integrating young people into the financial sector. In 2024, the Bank executed campus activations at 10 tertiary institutions to engage more youths (aged 18-35) in financial services. This initiative, part of the Fidelity Bank campus activation program, provided financial literacy education, inclusion awareness, and a reward campaign aimed at encouraging young people to embrace financial services.

The following table outlines the number of accounts opened across participating institutions:

| S/n | Institution | Accounts Opened |
|---|---|---|
| 1 | Adekunle Ajasin University Satellite | 800 |
| 2 | Obafemi Awolowo University | 1,020 |
| 3 | Osun State University Ikire | 500 |
| 4 | Bayero University Kano | 900 |
| 5 | Bhingham University | 700 |
| 6 | Benue State University | 750 |
| 7 | Leed City University | 500 |
| 8 | Kano State Poly | 400 |
| 9 | DELSU (Abraka) | 700 |
| 10 | Maryam Abasha Uni | 750 |

**Total Accounts Opened: 7,020**

### Northern Region & Women's Empowerment

On October 15th, 2024, Fidelity Bank participated in a Financial Inclusion program in Abuja, aimed at improving financial access for rural women. The event provided an opportunity to enhance the Bank's brand visibility and reputation. It hosted 124 participants, including 63 rural women from seven communities across the Federal Capital Territory (FCT), namely Gbuduwyi, Lugbe, Shereti, Garki Village, Kabusa Village, Mpape, and Sabon Kuchinguoro.

The event served as a platform to address key challenges related to accessing financial services, such as difficulties in opening accounts, high transaction costs, lack of nearby physical banks, and challenges in securing loans. Additional activities included financial literacy training, health awareness sessions, and onboarding of women as Points of Sale (POS) agents, thereby creating income opportunities and promoting financial inclusion in these communities.

In 2024, Fidelity Bank further reinforced its commitment to women's economic empowerment by focusing on financial inclusion, capacity-building, and wellness initiatives. The Bank continues to advocate for gender equality and support women-led enterprises, further solidifying its position as a key driver of women's empowerment in Nigeria.

### MSME Support

Fidelity Bank has continued to adopt strategic initiatives to empower Micro, Small, and Medium Enterprises (MSMEs). The Bank has demonstrated an unwavering commitment to supporting MSMEs through lending, training, and capacity-building programs, providing vital resources to this critical sector of the Nigerian economy.

### Financially Excluded/Underserved

In its efforts to deepen financial inclusion, the Bank made significant upgrades to its Agency Banking platform in 2024, introducing enhanced features and services designed to streamline transactions, improve reliability, and reward agents. These improvements have made the platform more attractive to underserved communities.

Fidelity Bank has expanded its Agency Banking network (CEVA) and established partnerships with super-agents, agent aggregators, and fintech companies to increase the number of agents and enhance financial access for underserved populations. The Bank now boasts over 35,000 agents and more than 7,000 POS terminals to serve these segments.

In 2024, the Bank organized Agent Forums across various regions, providing training, addressing challenges, and increasing support for agents. These efforts ensure that agents have the necessary resources and assistance to effectively serve their communities.

By continuing to focus on these key areas, Fidelity Bank remains at the forefront of promoting financial inclusion and empowering marginalized groups, with a strong commitment to improving access to financial services for all Nigerians.

## EMPOWERING AND CREATING OPPORTUNITIES FOR WOMEN IN 2024

Fidelity Bank has consistently demonstrated its commitment to women's empowerment, recognizing that gender inequality often hinders women's ability to fully realize their economic potential. Through targeted initiatives, the Bank continues to create opportunities for women within its workforce, lending activities, capacity-building programs, and advisory services.

### Women Representation and Workforce Diversity

In line with Fidelity Bank's Women Economic Empowerment Policy and the Central Bank of Nigeria's requirements, the Bank remains steadfast in its commitment to gender diversity and inclusion. Fidelity Bank ensures robust female representation in its workforce, providing equal career advancement opportunities, access to healthcare, and financial support.

### International Women's Day Commemoration

In March 2024, Fidelity Bank proudly sponsored the Guardian Women Festival to commemorate International Women's Day by celebrating the achievements of women across various sectors. The event spotlighted trailblazing women who serve as inspirations to both their peers and male allies. The program featured keynote addresses and panel discussions centered around the theme "Inspiring Inclusion," with key focus areas including:

- Financial Inclusion
- Board Inclusion
- STEM Inclusion
- Educational Inclusion
- Entrepreneurship & Innovation Inclusion
- Political Inclusion
- Digital Skills Training for Women

### Digital Skills Training for Women

In partnership with ImpactHER, Fidelity Bank facilitated three cohorts of digital skills training programs for women entrepreneurs and female-led SMEs. More than 6,000 women participated in these sessions, gaining crucial business management and digital skills to enhance their enterprises. The training sessions were organized under the following themes:

- May 2024: Green Economy in Business
- August 2024: Beginner Digital Skills Courses

This initiative further reinforced the Bank's commitment to capacity-building, ensuring that female entrepreneurs are equipped with the knowledge and tools to scale their businesses.

### Mental Health Awareness Webinar

Recognizing the importance of mental well-being, Fidelity Bank hosted a Mental Health Awareness Webinar in September 2024, which attracted 1,950 registrants. The webinar, themed "Let's Talk About Mental Health Stigma," facilitated open conversations on mental health challenges and solutions. Post-event surveys revealed over 90% positive feedback.

To further support mental well-being, Fidelity Bank rewarded 45 participants with therapy and spa sessions, which included:

- 30 therapy sessions
- 15 spa sessions

The webinar reached a wide audience, with participants from diverse industries such as trading, fashion, IT, transportation, logistics, and agriculture. The geographic coverage extended across cities including Lagos, Abuja, Kano, Oyo, Rivers, Kogi, Gombe, and Adamawa.

In 2024, Fidelity Bank expanded its impact on women's economic empowerment through financial inclusion, capacity-building, and wellness initiatives. The Bank remains committed to championing gender equality and providing ongoing support to women-led enterprises, reinforcing its position as a key driver of women's empowerment in Nigeria.

### ADOPTING THE EQUATOR PRINCIPLES (EPs)

As a financial institution adopting the EPs, Fidelity Bank is committed to not supporting projects where the borrower fails to comply with the environmental and social requirements set forth by the EPs. As part of our E&S assessment procedures, we categorize projects in line with the International Finance Corporation Performance Standards (IFC PS) as follows:

Category A: Projects with potential significant adverse social or environmental impacts that are diverse, irreversible, or unprecedented.

Category B: Projects with potential limited adverse social or environmental impacts that are few, generally site-specific, largely reversible, and readily addressed through mitigation measures; and

Category C: Projects with minimal or no social or environmental impacts.

The table below presents a report of our project finance activities, in line with Equator Principle 4 requirements for the period, 1 January to 31 December 2024. During this period, Fidelity Bank was not involved in any project-related refinancing, project-related acquisition financing, project finance-related advisory services, project-related corporate loans and bridge loans, as defined in the Equator Principles.

**Project Finance Sector Reporting**

| | E&S Risk Category | | |
|---|---|---|---|
| **Sector** | A | B | C |
| Mining | 0 | 0 | 0 |
| Infrastructure | 0 | 0 | 0 |
| Oil and Gas | 2 | 0 | 0 |
| Power | 0 | 0 | 0 |
| Others | 0 | 0 | 0 |
| Total | 2 | 0 | 0 |
| | | | |

| **Project Finance Regional Reporting** | | | |
|---|---|---|---|
| | E&S Risk Category | | |
| Region | A | B | C |
| Americas | 0 | 0 | 0 |
| Europe, Middle East and Africa | 2 | 0 | 0 |
| Asia And Oceania | 0 | 0 | 0 |
| **Total** | **2** | **0** | **0** |
| **Project Finance Country Designation** | | | |
| | E&S Risk Category | | |
| **Designation** | **A** | **B** | **C** |
| Designated | 0 | 0 | 0 |
| Non-designated | 2 | 0 | 0 |
| **Total** | **2** | **0** | **0** |
| **Project Finance Country Designation** | | | |
| | E&S Risk Category | | |
| **Review** | A | B | C |
| **Yes** | 0 | 0 | 0 |
| **No** | 2 | 0 | 0 |
| **Total** | 2 | 0 | 0 |

## Conclusion

As we reflect on our sustainability journey, we acknowledge the significant strides we have made in integrating Environmental, Social, and Governance (ESG) principles into our strategy, business operations, and activities. Our commitment to responsible banking has been demonstrated through various initiatives, including our paperless transition, financial inclusion programs, and sustainable finance efforts.

We have improved our approach to sustainability by embedding it within our core business strategy, ensuring that we remain resilient and innovative in a rapidly evolving financial and regulatory landscape. As we move forward, our focus will remain on continuous improvement, leveraging our achievements to build a more sustainable and inclusive financial system.

Our focus remains to drive impactful change through innovation, responsible finance, and stakeholder engagement. We recognize that sustainability is a continuous journey, and we are committed to deepening our efforts in shaping a financial system that is inclusive, resilient, and environmentally responsible. By staying true to our sustainability commitments, we are poised to create long-term value for our stakeholders while contributing to a more sustainable future for Nigeria and beyond. Our goal is to be the number one Bank in Sustainable Banking practices in every market where we serve and for every branded product we offer.

# Corporate Social Responsibility

## Winning Together: Fidelity Bank's Commitment to Sustainable Development

**At Fidelity Bank, we believe that true success is shared success. Our growth as an organization is deeply connected to the well-being of the communities we serve. That is why we champion Corporate Social Responsibility (CSR) initiatives that drive collective progress, sustainability, and inclusive prosperity.**


In 2024, we advanced our CSR commitments across four pillars that align with the United Nations Sustainable Development Goals (SDGs). These are:

- Environmental Sustainability & Conservation (SDG 13: Climate Action, SDG 15: Life on Land)
- Quality Education (SDG 4: Quality Education)
- Health & Social Welfare (SDG 3: Good Health and Well-being)
- Youth Empowerment (SDG 8: Decent Work and Economic Growth)

By focusing on these areas, we are building cleaner, healthier, and more resilient communities—because when communities thrive, we all win together.

### Our Approach to Driving Impact

To maximize our reach, we dedicate a significant portion of our annual earnings to support transformational projects that foster inclusivity, sustainability, and long-term economic growth.

Our CSR initiatives are designed to:

- Strengthen Community Relations by identifying and executing high-impact projects.
- Promote Ethical Engagement with government and community stakeholders.
- Lead Solutions to Societal Challenges by leveraging our expertise and partnerships.

### How We Make a Difference

Our CSR initiatives are executed through three platforms designed to ensure collaborative action and shared success:

- Fidelity Helping Hands Programme (FHHP): A staff volunteer program supporting local communities.
- Strategic Sponsorships: Centrally coordinated and funded projects that create long-lasting impact.
- Collaborations and Partnerships: Engaging with local and international organizations to drive SDG-aligned initiatives.

### Together, We Make an Impact

At Fidelity Bank, CSR is more than a commitment—it's a partnership for progress. Through our initiatives, we continue to empower people, protect the planet, and promote prosperity for all.

### 2024 CSR Impact Highlights

In 2024, our CSR activities were tailored towards winning for our communities, winning for our future, and winning for sustainable development.

Below is a summary of our CSR activities in the year:

| Area of focus | Project Description |
|---|---|
| Education | Provision of educational materials to economically disadvantaged school children |
| Education | Donation of Back-to-School bags to economically disadvantaged students |
| Education | Provision of educational materials to underprivileged students |
| Education | Implementation of the 2024 Financial Literacy Day, a Financial Inclusion Project |
| Education | Renovation of the Common room, Basic Nine Study and Rest Rooms of the Rehoboth Hostel |
| Education | Read to Lead Project |
| Education | Implementation of the 2024 World Savings, a Financial Inclusion Project |
| Education | Sponsorship of ACAEBN Annual Retreat/Conference and AGM |
| Education | School Support to Jennda Forte Academy |
| Education | Sponsorship of the reconstruction of the administrative block of community secondary school |
| Education | Sponsorship Of A Book Launch On Bank Debt Recovery |
| Environment | Provision of giant recycle bins to Queens College, Federal Science and Technical College and National Primary School, all around Yaba |
| Environment | Provision of giant recycle bins to CMS Grammar School (Bariga, Lagos), Bishop Howell Memorial Grammar School (Bariga, Lagos), and Great Destination School (Bariga, Lagos) |
| Environment | Production and donation of recycle bins to four schools in Gbagada |
| Environment | Provision of transformer and solar panels to power the street lights |
| Environment | Construction of Ohafia LGA Recreation Center, Abriba |
| Environment | Sponsorship of Year 2024 Tree Planting Day Event and Activities by LASPARK (Donation for Tree Seedlings) |
| Environment | Sponsorship of Year 2024 Walk for Nature |
| Health/Social Welfare | Donation of Maternity Kits to economically disadvantaged expectant mothers (30) |
| Health/Social Welfare | Provision of borehole and overhead tank in Worker's Village Tudun Amba, NTA Road Lafia, Nasarawa State |
| Health/Social Welfare | Donation of food items to children in the Hearts of Gold Children's Hospice |
| Health/Social Welfare | Provision of Food and other essential items to orphaned, abandoned children and those born with special needs |
| Health/Social Welfare | Donation of Maternity Kits to indigent expectant mothers |

## Corporate Social Responsibility

| | |
|---|---|
| Health/Social Welfare | Donation of maternity kits to less privileged expectant mothers |
| Health/Social Welfare | Provision of Food and other essential items |
| Health/Social Welfare | Provision of food and other essential items to vulnerable children |
| Health/Social Welfare | Donation of food items and other essential items |
| Health/Social Welfare | Involves the provision of high-standard, eco-friendly, and safe sanitary pads |
| Health/Social Welfare | Installation of the borehole, solar power infrastructure |
| Health/Social Welfare | Distribution of Raw Food packs through the Fidelity Food Bank Initiative |
| Health/Social Welfare | Financial Support to the Foundation |
| Health/Social Welfare | Sponsorship of the launch of a humanitarian initiative at their investiture ceremony |
| Health/Social Welfare | Sponsorship of Ramadan Feeding Program |
| Health/Social Welfare | Financial Support to the Foundation |
| Health/Social Welfare | Support for Patricks Annual Sports Day Event |
| Health/Social Welfare | Support for Women's Mission, Social Welfare and Developmental Projects |
| Health/Social Welfare | Flood Disaster Support Fund by Bankers Committee |
| Health/Social Welfare | Sponsorship of Obiora Festival, 2024 |
| Health/Social Welfare | Support for Cancer Research and treatment in public health facilities |
| Health/Social Welfare | Sponsorship of Community Health Outreach |
| Health/Social Welfare | Support for Chief Engr. Emmanuel Iwuanyanwu memorial project |
| Health/Social Welfare | Sponsorship of Asaba Memorial Monument Project |
| Health/Social Welfare | Sponsorship of the 10th African Conference on One Health and Biosecurity and the Conference on Digital Health |
| Health/Social Welfare | Sponsorship For Rotary Charity Golf Kitty Event |
| Health/Social Welfare | support for Late Sir Emmanuel Uchechukwu Uzodike memorial event |
| Health/Social Welfare | Support for Community Engagement Initiative |
| Youth Empowerment | Financial Support for Capacity Development |
| Youth Empowerment | Sponsorship of the Launch of Women Empowerment programme |
| Youth Empowerment | Sponsorship of Abuja Business & Investment Summit |
| Youth Empowerment | Sponsorship of NBA Conference 2024 |
| Youth Empowerment | Sponsorship of Unusual Entrepreneurs 2023 |
| Youth Empowerment | Sponsorship of 2024 Youth Empowerment Conference |
| Youth Empowerment | Sponsorship of Women in Journalism Summit 2024 |
| Youth Empowerment | Sponsorship of Women in Healthcare Network Conference, 2024 |
| Youth Empowerment | Sponsorship of CIPM Conference, 2024 |
| Youth Empowerment | Sponsorship of Women Empowerment Initiatives |
| Youth Empowerment | Sponsorship of the 2024 Bayelsa Business Funding Forum |
| Youth Empowerment | Sponsorship of Anambra Investment Summit |
| Youth Empowerment | Sponsorship of the Women Speak Conference 2024. |
| Youth Empowerment | Support for the empowerment of the women of Nnokwa Community |
| Youth Empowerment | Sponsorship of the Mentorship Matchup Challenge (MMC) 6.0 event |
| Youth Empowerment | Sponsorship of AfroJazz Festival 2024 |

## Health and Social Welfare

01



02



03


- 01 Promoting girl hygiene through the donation of eco friendly Sanitary Materials by the Estrella Class of Inductees at Surulere Girls Secondary School
- 02 Fidelity Food Bank Distribution at Ilorin, Kwara State
- 03 Fidelity Food Bank Distribution at Oshogbo, Osun State
- 04 Fidelity Food Bank Distribution at Keffi, Nasarawa State
- 05 Fidelity Food Bank Distribution at Ikyogen IDP Camp, Kwande Local Govt Area, Benue State
- 06 Fidelity Food Bank Distribution in Victoria Island, Lagos

04


05


06


## Bundles of Joy initiative for Children living with Autism

## Bundles of Joy initiative for Children living with Cerebral Palsy


Donation of Food and other essential materials by the Treasure Class of Inductees to the SOS Children's Village.

Donation of Food and other essential materials by The Prestige Class of Inductees to the Hearts of Gold Children's Hospice, Surulere


Donation of Maternity kits by the Crest Core Class of Inductees at Aiyetoro Primary Health Care Center


Donation of Maternity kits by the Great Minds Class of Inductees at Mushin Primary Health Care Center.

## Read To Lead 2024

Read to Lead initiative is designed for young people aged between 12 and 17 years to foster a love for reading and writing from an early age.




Global Money Week 2024

World Savings Day 2024

World Savings Day 2024

Global Money Week 2024

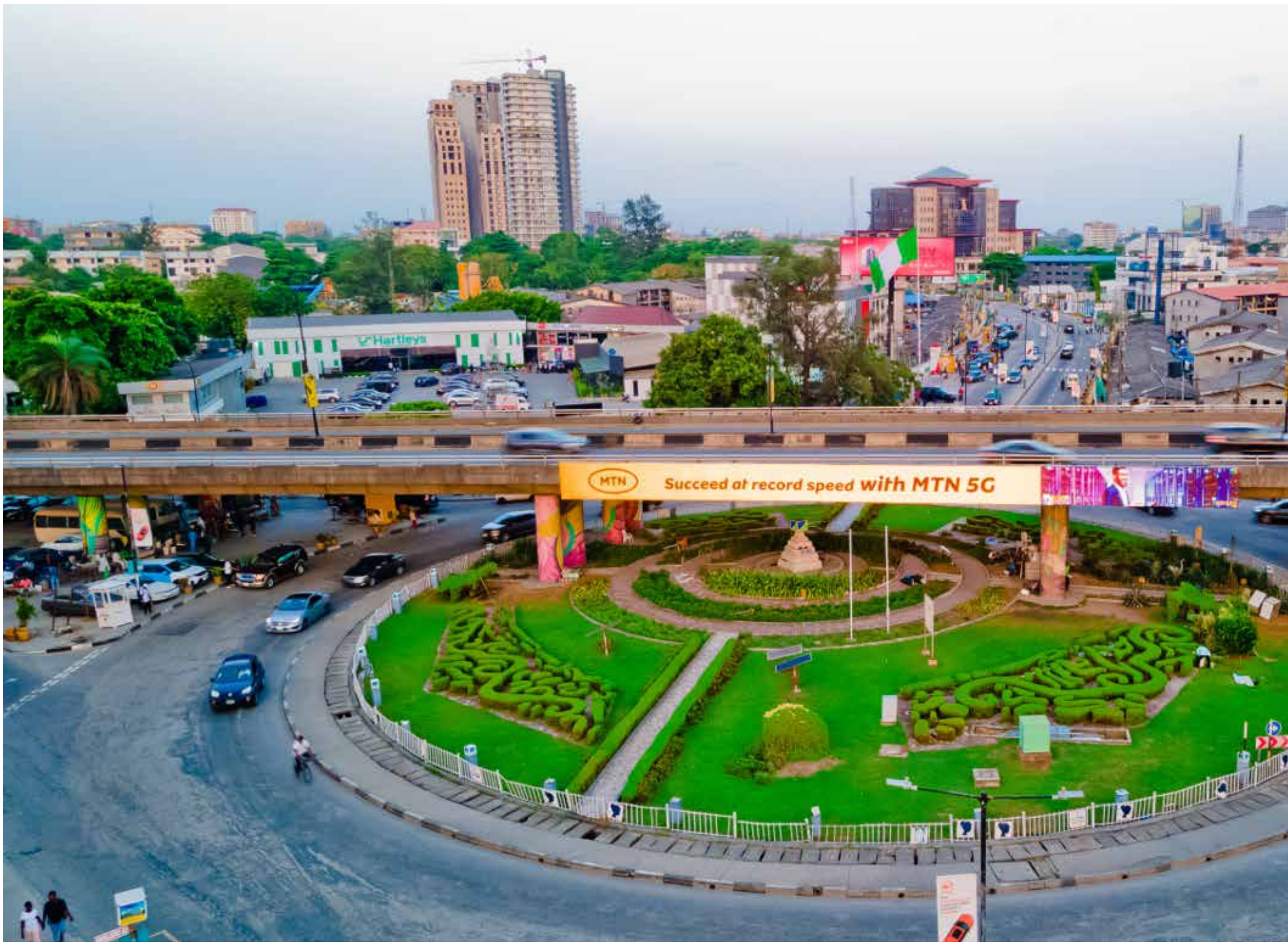
Promoting Quality Education through the Back to School Project by the Masterminds Class of Inductees at Aguda Grammar School.

Promoting Quality Education through the Back to School Project by the Luminary Class of Inductees at Community Primary School, Olambe.

Promoting Quality Education through the Back to School Project by the Synergy Class of Inductees at Ideal Girls Junior High school

# Environment

Upgraded Onikan Garden, Lagos




Beautified Falomo Garden, Lagos


Beautified Onikan Garden, Lagos


Upgraded Akin Adesola Garden, Lagos

## Tree Planting Day 2024 with LASPARK


## Walk For Nature 2024 with the Nigerian Conservation Foundation (NCF)


Recycle Bins donated by Crest Knights Class of Inductees at Gbagada Junior High School.


Recycle Bins donated by Emerald Class of Inductees at Queens College, Lagos



Recycle bins donated by Trail Blazers Class of Inductees at CMS Girls Grammar School, Lagos

# Youth Empowerment

## HerFidelity Apprenticeship Programme Graduation in Kano

# COMPLIANCE REPORT

### Compliance Management Philosophy and Culture

Fidelity Bank Plc strives to formulate, design, build and sustain a philosophy and culture of compliance in the bank based on best practices. The following philosophy governs the compliance management function in Fidelity Bank Plc:

- The Board, supported by the Management, sets the right 'tone-at-the-top' by creating an enabling environment where regulatory compliance thrives and is embedded into the overall corporate and strategic imperatives as well as operations, while Management establishes and implements effective controls to ensure adherence to regulatory requirements.
- Adopting a risk-based approach to identify, assess, and mitigate potential risks, prioritizing areas of higher risk exposure and ensuring that risk management strategies are proportionate to the Bank's exposure to various levels of risk.
- Compliance is a collective responsibility in Fidelity Bank therefore, every staff member has a role to play.

### Regulatory Pressure

With the CBN's 2022 AML, CFT & CPF sanctions regime, regulators across jurisdictions are sending a clear message of zero tolerance for Money Laundering, Terrorist Financing & Proliferation Financing infractions, thereby demanding proactive management of compliance risks.

This has continued to place more pressure on financial institutions, not only to put in place structures to identify, assess and understand the Money Laundering, Terrorist Financing & Proliferation risks they face and adopt measures that are commensurate with the identified risks but also to ensure that the compliance programs are adequate and robust enough to ensure compliance with all applicable laws and regulations, so as to mitigate all forms of compliance risks.

In response to these increasing and tightening regulatory obligations, the Bank regularly looks inward with a view to revalidating the compliance risk management processes and procedures to withstand the emerging pressures and is committed to continuously educating its employees, including the Board, on regulatory changes and their attendant implications on the business and our customers.

### The Compliance Framework

The bank has a Compliance Division that is responsible for managing compliance and related regulatory risks. The Division is responsible for promoting compliance with statutory and regulatory requirements and the Anti-Money Laundering (AML), Combating Financing of Terrorism (CFT) & Countering the Proliferation of weapons of mass destruction (CPF), Know Your Customer (KYC), Customer Due Diligence (CDD) and other related programmes of the Bank. The Bank leverages relevant technologies to enable it cope with the ever-evolving regulatory compliance environment and requirements that ensure that we deliver excellent services to our customers.

In order to strengthen Corporate Governance and achieve associated compliance management expectations, the Bank has a Compliance Risk Management Framework, an integral part of its Enterprise

Risk Management Framework, which assists the Bank in the management of regulatory compliance risks.

Within this framework, the Board of Directors of the Bank has put the following in place:

- An independent Compliance Division with a Chief Compliance Officer (CCO) at senior management level and an Executive Compliance Officer (ECO) at Board level to oversee the compliance function, and report to the Board. The Bank provides sufficient human and material resources to the Compliance Division to ensure its effective management.
- An Enterprise Risk Management (ERM) framework that encompasses Compliance Risk Management, addressing AML, CFT, CPF, Data Privacy/ Protection, and other financial crimes.
- Adequate allocation of Compliance Officers in Head Office, Regional Offices and Branches of the Bank through a cluster arrangement to effectively cover all identified risks.
- Profiling of customers, geographies, delivery channels, products & services, Counter parties and Third party service providers for exposure to financial crime risks and controls. Based on the outcome of the profiling the Board approves the Bank's financial crime risk appetite.
- Well-defined compliance communication channels and feedback mechanisms for identified compliance risks to ensure corrective actions are promptly, effectively and efficiently taken.
- The Bank has an effective and robust whistle-blowing framework, which encourages stakeholder approach to report genuine concerns or unethical conduct confidentially through active, dedicated and secure channels.
- Annual attestation by all staff to have read and understood the Bank's Code of Business Conduct and Ethics Policy, Anti Bribery and Corruption Policy, AML, CFT & CPF Policy, Claw Back Policy, Oath of Secrecy, Employee Privacy Policy, Income Reversal Policy, Whistle blowing Policy, Mandatory Disclosure of interests, Prohibition on Staff BDC Ownership, Nigerian Foreign Exchange(FX) Code and Prohibition of staff engagement in Agency Banking with commitment to comply.

**Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT/ CPF) and Countering the Proliferation of weapons of mass destruction Framework**

Money Laundering (Prevention and Prohibition) Act 2022; the Terrorism (Prevention and Prohibition) Act 2022; the Central Bank of Nigeria (Anti Money Laundering, Combating The Financing of Terrorism and Countering Proliferation Financing of Weapons of Mass Destruction in Institutions) Regulations 2022, Central Bank of Nigeria Administrative Sanctions Regulation 2023, CBN Customer Due Diligence Regulation 2023, the Financial Action Task Force (FATF) recommendations and other relevant local and international principles and regulations guiding AML, CFT & CPF Our AML, CFT & CPF framework is designed such that we have adequate systems, processes and controls in place and our people are adequately trained to prevent, promptly detect and report suspicious money laundering , terrorism financing and proliferation financing activities.

We have implemented an AML/CFT/CPF & GRC solution that enables us conduct risk rating of our customers both at the point of on-boarding and continuously during the lifetime of the relationship, carry out continuous monitoring of transactions and render all the relevant regulatory and supervisory reports there by ensuring regulatory compliance. We also have an automated sanction screening process that screens customers at on-boarding and on an ongoing basis as well as all transactions (local and wire transfers) against all the major sanctions lists.

We have a properly documented Operations Policy and Procedural Manual (OPPM), Regulatory and Financial Crimes Framework, Compliance Operations Manual, Internal Control Process Manual, Code of Business Conduct and Ethics Policy, Terrorism Financing Framework, Anti Bribery & Corruption policy, Whistle blowing policy, Sanctions and Asset Freeze Framework, AML/CFT& CPF Training Framework and Know Your Customer (KYC) Policy Manual among other documents that guide our

AML/CFT & CPF activities. These documents cover the following:

- Identification, assessing and understanding the bank's ML, TF & PF risks
- Scope of the AML, CFT & CPF framework.
- Board and Management roles and responsibilities.
- Reports to Board and Senior Management.
- Customer Due Diligence (CDD)/ Know Your Customer (KYC) and Risk Categorization.
- Institutional Risk Assessment
- Transaction Monitoring.
- Statutory and Regulatory Reports.
- Politically Exposed Persons (PEPs).
- Sanctions Compliance Management (Sanctions screening and filtering of sanction list/ watch list).
- Employee training.
- Correspondent Banks.
- Agency Banking
- Customer records.
- Testing adequacy of the framework through independent review by Internal and External Auditors.
- Cooperation with Regulators and Law Enforcement Agencies.
- Anti-Bribery & Corruption tone at the top.
- Conflict of Interest, donations & Gift policy.
- Whistle blowing and unethical conduct reporting responsibilities and channels
- Handling of unethical conduct reports.
- Interaction and Management of vendors and third-party service providers

### Board and Management Responsibilities

The Board of Directors has oversight and overall responsibility for managing compliance in the Bank. Through the Board Audit Committee (BAC), the Board Risk Management Committee (BRMC) and the Board Information Technology Committee (BITC) which are standing committees of the Board. The BAC and BRMC provide supporting oversight on the management of compliance within the Bank. The Board also has the responsibility of ensuring the implementation of the approved compliance risk policies, procedures, processes and tool-sets including annual compliance plan. The Board Information Technology Committee (BITC) provides oversight on IT-related compliance matters. The BITC focuses on ensuring the bank's IT systems and processes comply with regulatory requirements and industry standards. This includes overseeing IT risk management, cyber security, and data protection. The BITC also reviews IT-related policies, procedures, and reports to ensure alignment with the bank's overall strategy and compliance framework. By doing so, the BITC supports the bank's overall compliance management efforts, complementing the work of the BAC and BRMC. The Committees receive quarterly AML, CFT and CPF reports and reviews same to ensure compliance with all statutory, regulatory and internal procedures of the Bank. The BAC in turn, submits a quarterly report to the Board on the foregoing to give assurance. The BAC provides oversight on the bank's whistleblowing process for transparency and accountability. It also provides oversight to ensures proper implementation of the Anti-Bribery and Corruption process of the Bank.

The management of the Bank is committed to the AML, CFT and CPF framework, by ensuring that the AML, CFT and CPF framework is properly documented and approved. It also ensures constant review of the framework to incorporate new laws and guidelines. Management ensures the provision of all resources needed for implementation of the AML, CFT and CPF framework, which clearly states the roles of all employees in Customer Due Diligence, Know Your Customer, and suspicious transactions monitoring. Reporting mechanisms are also outlined with appropriate sanctions for violation. Furthermore, management sets and maintains effective internal controls to prevent, detect, and respond to money laundering, terrorism financing, and other financial crimes.

### Reports to Board and Senior Management

The following AML, CFT and CPF reports are submitted to the Board and Management:

- Monthly report on AML, CFT and CPF, Anti-Bribery & Corruption, ethics & whistleblowing and other compliance related issues are rendered to the Board and the Executive Committee.
- Quarterly AML, CFT and CPF reports are submitted to the Board through the Board Audit Committee. AML, CFT and CPF risk report are submitted to the BRMC, IT Compliance report and Data Protection/Privacy report are submitted to the BITC
- Routine reports to the Managing Director/Chief Executive and other Executive Committee members on contemporary AML, CFT & CPF issues or regulations, Guidelines and Circulars as may be released from time to time.

### Customer Due Diligence (CDD)/Know Your Customer (KYC)/Ultimate Beneficial Owners (UBO)

Fidelity Bank continually conducts appropriate and detailed due diligence on new and existing relationships by monitoring the operation of all accounts to ensure that their activities comply with the laws and regulations which govern their operation and that no account is being used as a conduit for illicit funds. Our AML, CFT and CPF/KYC policy stipulates that an effective procedure is put in place to identify and verify the identity of all customers, screen customers against sanction lists, identify and verify the identity of the ultimate beneficial owners (UBO) of legal persons/legal arrangements, Trusts and NPO/NGOs, decline onboarding requests and/or transactions outside acceptable risk tolerance level and immediately report suspicious activities or transactions to competent authorities and cooperate with law enforcement agencies.

In addition, the policy ensures that:

- Enhanced Due Diligence (EDD) measures are applied on customers using a risk-based approach.
- Customer Due diligence and KYC measures are carried out on all new relationships (natural and legal persons) before on-boarding them. These include obtaining proof of identity, verification of the identity using reliable independent sources, verification of address, and unveiling of ultimate beneficial owners of legal persons and arrangements.
- Identify the Ultimate Beneficial owner for all accounts, verify their identity and maintain an updated UBO register.
- The Bank understands the nature and purpose of business as well as the sources of funds/wealth of all its customers.
- The Bank conducts ongoing due diligence on existing business relationships and scrutinize transactions undertaken throughout the course of the relationships to ensure that the transactions being conducted are consistent with its knowledge of the customer; customer's business and risk profile; and source of funds.
- The Bank does not keep anonymous accounts or banking relationships in obviously fictitious names. Relationships are not maintained with "Shell Banks" or with correspondent foreign financial institutions that permit their accounts to be used by Shell Banks.
- The Bank takes requisite measures as required by law during on-boarding of Designated Non-Financial Businesses and Professionals (DNFBPs). Beneficial-owners of pooled-accounts held by Designated Non-Financial Businesses and Professionals (DNFBPs) are scrutinized to ensure they are consistent with the provisions of the Money Laundering (Prevention and Prohibition) Act, 2022.

### Transaction Monitoring

The Bank does not only establish the identity of its customers, but also monitors account activity to determine the transactions that do not conform with the normal or expected transactions for the customer or the type of account.

The Wolfsberg Group of financial institutions (the "Wolfsberg Group") emphasized the need for appropriate and continuous monitoring of transactions and customers to identify potentially unusual or suspicious activities and transactions, and for reporting such to relevant regulatory authorities. Fidelity Bank Plc continues to carry out online real-time screening or filtering of account opening, transactions processing, and payment instructions, inclusive of wire or funds transfers, prior to their execution to ensure funds are not made available in breach of sanctions, embargoes, and other prohibitive measures.

Apart from proactive screening, the Bank also carries out retroactive searches through the system to identify specific past transactions as well as existing and closed accounts to take timely decisions on further investigation and reporting where necessary.

The Bank's transaction monitoring system uses advanced algorithms and techniques to identify and flag suspicious transactions, including those that may be related to money laundering, terrorist financing, or other financial crimes.

### Basic Statutory Reports

The Nigerian Financial Intelligence Unit (NFIU), the regulatory body in charge of collating financial intelligence requires that all financial institutions render routine reports in a specified format to it. In compliance with this requirement and in accordance with the relevant provisions of Sections 3, 7 and 11 of the Money Laundering Prevention and Prohibition Act 2022, the Bank renders the following reports respectively to the NFIU.

- Reports of all international transfer of funds and securities exceeding ten thousand dollars ($10,000) or its equivalent in other foreign currencies.
- Reports on all unusual or suspicious transactions within 24hours of the transactions.
- Report of all lodgments or transfer of funds more than N5 million for individual customers and N10 million and above for corporate customers.
- Reports on all Foreign Transactions detailing all foreign currency transactions that exceed a certain threshold

### Politically Exposed Persons (PEPs)

Before the bank enters or where the Bank is in a business relationship with a PEP, it is required to conduct enhanced due diligence to ascertain the source of wealth, source of fund and the Ultimate Beneficial Owner (UBO) and continuously monitor the relationship to avoid being used for fraudulent activities, money laundering or financing of terrorism and proliferation.

Before the account of a Politically Exposed Person (PEP) is opened, senior management approval (General Manager & above) is obtained in line with the regulatory requirement. The Bank also maintains a comprehensive list of all PEPs and continuously updates the list. We adopt an appropriate risk-based identification of PEPs based on the FATF recommendation that defines a PEP to include current and past political office holders and all those in some form of relationship with them either by virtue of being family members or associates.

Fidelity Bank renders monthly returns on the transactions of PEPs to both the Central Bank of Nigeria and the Nigerian Financial Intelligence Unit (NFIU).

### Sanctions Compliance Management (Sanctions Screening and Assets Freeze)

Fidelity Bank Plc complies with domestic (Nigerian Sanctions Committee) and international laws, regulations, and regulatory directives, and actively prevents any transaction that otherwise facilitates criminal activities, money laundering or terrorism and proliferation financing. As such, Fidelity Bank Plc does not engage in any business relationship with any sanctioned individual or entity. Pursuant to this, Fidelity Bank:

1. Formulates and implements internal controls and other procedures on sanctioned individuals and entities.
2. Ensures efficient implementation of the Bank's Sanction Framework.
3. Does not in any way inhibit the implementation of the provisions of all regulations on sanctioned individuals and entities and cooperates with regulators and other relevant agencies within and outside Nigeria.

4. Complies promptly with regulatory requests, and requests by other competent authorities on sanctioned individuals and entities.

5. Complies with the directive of the Nigeria Sanctions Committee (NIGSAC) on the Obligations on Nigerians Persons and Entities to implement TFS regimes for all FI's to:

   a. Register with the NIGSAC to receive automated email notifications.

   b. Screen – undertake ongoing and daily checks to the UN and NIGSAC databases to identify possible matches.

   c. Apply TFS (Freezing measures & Prohibition of making funds available); and

   d. Notify by immediately reporting any freezing measure taken and/or attempted transactions to the Nigeria Sanctions Committee, The Nigeria Financial Intelligence Unit, and the relevant sector regulator.

6. Renders statutory reports to appropriate authorities required by law on sanctioned individuals and entities.

7. Promptly discontinues business relationship with an existing customer upon identification of the customer as a sanctioned individual and entity.

8. Does not enter a business relationship with any prospective customer, or partner, who is a sanctioned individual or entity.

9. Immediately identifies and freezes accounts/assets belonging to designated persons.

10. Reports to the Sanctions Committee any assets frozen or actions taken.

11. Includes in its STRs/SARs, all activities involving attempted and concluded transactions in the frozen account/asset.

Apart from keeping and regularly updating the list of watch-listed persons and entities, the Bank subscribes to the use of international screening systems like The SWIFT Sanctions Screening for inbound and outbound wire transfers and Acuity (by World Compliance a LexisNexis company) for screening of customers against all lists including private and public lists from recognized third party list providers and PEPs list.

### Sanction Lists

Fidelity Bank screens against the following watchlist:

- US Treasury Office of Foreign Assets - OFAC-SDN (Specially Designated Nationals) and FSE (Foreign Asset Evaders) - The main sanction list for the U.S. Government.
- International United Nations Consolidated List - The main sanction list issued by the United Nations.
- FATF Black-List/NCCT List - The FATF (Financial Action Task Force) blacklist is also referred to as the list of "Non-Cooperative Countries or Territories" (NCCTs). This is a list of countries, which are perceived to be non-cooperative in the global fight against Money Laundering (ML) and Terrorist Financing (TF). The list is modified from time to time by either adding or deleting, based on current status of the countries.
- Her Majesty's Treasury (United Kingdom).
- European Union (EU).
- Canada – Office of Superintendent of Financial Institutions – OSFI-UN.
- Australia Department of Foreign Affairs and Trade DFTA.
- The Ministry of Economy, Finance, and Industry (France).
- Nigerian Sanction Committee (NIGSAC) List.

### AML, CFT and CPF Training

Fidelity Bank conducts regular and continuous AML, CFT and CPF training for staff, management, vendors, contractors, agents, and the Board. Apart from being a regulatory requirement, the Bank also does this to ensure that staff have a good understanding of the AML, CFT and CPF and KYC requirements and understand their roles and responsibilities as well as sanctions/penalties attached to violations and failure to comply.

The basic elements of the employee training program are expected to include:

- AML, CFT and CPF regulations and offences.
- The nature of money laundering.
- Money Laundering, Terrorism Financing and Proliferation red flags
- Suspicious transactions, including trade-based money laundering typologies.
- Customer due diligence and Know Your Customer (KYC) principles
- Risk-based approach to AML, CFT and CPF.
- Record keeping and retention policy.
- Antibribery and Corruption
- Whistle blowing/Ethics: Reporting Suspicious activities and Reporting requirements.
- Data Protection and Privacy
- Employee Roles and Responsibilities
- Ultimate Beneficial Owners

### Correspondent Banks – AML, CFT and CPF Due Diligence

Fidelity Bank ensures that it establishes and maintains correspondent banking relationships with institutions that show evidence of robust AML, CFT and CPF programs and have implemented policies and procedures that ensures that they have adequately mitigated all their AML, CFT and CPF risks.

We regularly administer questionnaires on these institutions to assess the adequacy of their AML, CFT and CPF program.

The Bank does not deal with shell companies and obtains information on the beneficial owner(s) of all transactions.

### Customer records

In accordance with the Statutes of Limitation and Money Laundering Prevention and Prohibition Act 2022 which stipulates 5 years for retention of records, Fidelity Bank keeps and retains customer identification documents, account opening records and business correspondence of all customers and related documents for at least a period of five (5) years after closure of the account or severance of the relationship with the customer.

Individual financial transaction records are kept for at least five (5) years after the transaction has taken place.

### Testing adequacy of the AML, CFT and CPF framework through independent review by Internal and External Auditors

In accordance with the Money Laundering Prevention and Prohibition Act 2022 and in line with best practice, the AML, CFT and CPF process and function is subjected to a semi-annual review by the Internal Audit Department of the Bank. The report of their findings is sent to the Board Audit Committee and the CBN to ensure that all identified ML, TF and PF risks and control gaps identified are remediated. The objective of the audit is to independently review the adequacy of the framework to mitigate the AML, CFT and CPF risks the bank is exposed to.

The AML, CFT and CPF framework is also reviewed by the external auditors of the bank as well as regulators during their routine examination of the bank. At least once every three years, the Bank engages an external consultant to review and test the maturity level of its compliance function and AML, CFT and CPF programs. The outcome of the review helps to strengthen our processes.

### Cooperation with Regulators and Law Enforcement Agencies.

The Bank continues to cooperate with law enforcement agencies and regulators by making records and documents available to always aid their investigation. All employees of the Bank are required to cooperate fully with regulators and law enforcement agencies and make available required records or documents based on the powers conferred on the agencies by their respective Acts as well as the Money Laundering Prevention and Prohibition Act 2022.

### Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act provisions (generally referred to as "FATCA") were included in the Hiring Incentives to Restore Employment ('HIRE") Act, which was passed in March 2010. The objective of FATCA is to facilitate disclosure of assets and income of U.S taxpayers held with foreign financial institutions.

The Act requires a Foreign Financial Institution (FFI) to enter into an agreement with the Inland Revenue Services (IRS) or face a 30% withholding tax on 'withholdable payments'.

Under the agreement, the FFI is required to:

- Obtain information on account holders that is necessary to determine if their accounts are U.S. Accounts.
- Comply with any required due diligence/ verification procedures and certify completion of such procedures.
- Report information on U.S. Accounts.
- Deduct and withhold 30% tax on any qualifying U.S. source income to any account holders who do not supply the required information.
- Comply with IRS information requests.

The effective date for FATCA was 1st, July 2014. Before the effective date, Fidelity Bank registered and entered into an agreement with the IRS as a Participating Foreign Financial Institution in compliance with the requirements of FATCA and was issued a Global Intermediary Identification Number (GIIN). The Bank immediately put in place mechanisms for collection of requisite information from all new and existing customers in accordance with the requirements of the Act and commenced rendering reports of U.S. Accounts from 2015 as required.

### Independent Assessment Compliance

During the review period, the Bank's compliance function was independently tested and found to be fully developed in accordance with ISO 37301 and AML/CFT/CPF standards.

Fidelity Bank's compliance with ISO 37301 and AML/CFT/CPF standards enhances its reputation, mitigate risks, builds customer trust, ensures regulatory compliance, improves operational efficiency, and provides a competitive advantage.

### Risks Associated with Emerging Technologies.

Fidelity Bank adopts new technologies with clear vision and supported by its robust IT governance process. Accordingly, these new technologies come with associated risks including risk of missed objectives, non-compliance with changing and new regulations, compromised data quality and security and more importantly, the risk of potential abuse for money laundering, terrorism, and proliferation financing.

To contain these risks, the Bank adopts a robust Financial Crime Risk management framework within its broad enterprise risk management framework, powered by cutting edge technologies. A rigorous change management process is in place, ensuring that all new technologies or changes to existing ones undergo thorough scrutiny. This process identifies inherent risks and implements mitigating controls to address them, minimizing potential impacts on the organization.

The Bank also performs enhanced on-boarding and on-going due diligence on its FINTECH partners to ascertain their regulatory status, AML, CFT & CPF framework, and the sanction status of their beneficial owners and controllers. The FINTECHs also provide an attestation to Fidelity Bank to confirm that they will abide with all AML, CFT & CPF regulations and laws.

### Virtual Asset Service Providers (VASP).

The Bank, in compliance with CBN directive does not hold, trade, or transact in virtual currencies on its own account. The Bank has put in place the necessary framework to onboard and maintain relationship with entities registered with the Corporate Affairs Commission (CAC) and licensed by the Securities and Exchange Commission (SEC) to conduct the business of digital/ virtual assets service in line with CBN Guidelines on Operations of Bank Accounts for Virtual Assets Service Providers issued in December 2023. The bank has also put in place adequate controls to ensure that its platform is not used by any unlicensed entity/individual to trade in or offer virtual assets.

**Subsidiaries.**

In compliance with international best practice, the Group ensures that its subsidiary's AML, CFT & CPF provisions are consistent with its framework. These measures are applied to the extent that the subsidiary's local laws and regulations permit; however, where there is a variance, the stricter regulation will always apply. Greater collaboration has been fostered and control measures taken based on the current international best practices. This is to ensure that the subsidiary maintains the highest standards for AML, CFT & CPF controls. The bank also implemented groupwide policies and procedures for sharing information required for the purpose of CDD and ML, TF and PF risk management.

# Internal Control System

**Fidelity Bank's internal control system encompasses the operating framework, practices, processes, philosophy and culture, code of conduct, disciplinary processes and actions that ensure:**


- Business objectives are met.
- Effectiveness and efficiency of operations.
- Safeguard of assets.
- Reliability of financial reporting and compliance with general accounting principles.
- Compliance with applicable laws and regulations.

Our internal control framework is patterned after the Committee of Sponsoring Organizations (COSO) standards. The standard defines internal control as a process effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives. The Framework provides for three categories of objectives:

1. Operations Objectives which pertain to effectiveness and efficiency of operations, including operational and financial performance goals, and safeguarding assets against loss.
2. Reporting Objectives which pertain to internal and external financial and non-financial reporting and may encompass reliability, timeliness, transparency, or other terms as set forth by regulators, recognized standard setters, or the entity's policies.
3. Compliance Objectives which pertain to adherence to laws and regulations to which the entity is subject.

We have adopted the COSO framework for our control practices and also apply the five integrated components identified by the framework as our guide. The components include:

### Control Environment

The control environment is the set of standards, processes, and structures that provides the basis for carrying out internal control across the organization. Management reinforces expectations at various levels in the organization.

The control environment comprises the integrity and ethical values of the organization; the parameters enabling the board of directors to carry out its governance oversight responsibilities; the organizational structure and assignment of authority and responsibility; the process for attracting, developing, and retaining competent individuals; and the rigor around performance measures, incentives, and rewards to drive accountability for performance. The resulting control environment has a pervasive impact on the overall system of internal control.

Our Board and Executive Management set the right tone from the top and ensure the right messages are passed across. The Board, through the Board Audit Committee oversees the activities of the control function. During its quarterly meetings, it obtains reports that enable it review and assess the adequacy of the Bank's internal controls.

In addition, the management Operational Risk and Service Measurement Committee meets monthly to review the adequacy of internal control processes and make recommendations for improvements. They also receive and review reports of the external auditors and regulators on the adequacy of the internal control system.

### Risk Assessment

Risk assessment involves a dynamic and interactive process for identifying and assessing risks for the achievement of objectives. Risks to the achievement of these objectives from across the entity are considered relative to established risk tolerances. Thus, risk assessment forms the basis for determining how risks will be managed.

The Board and Senior Management regularly assess the risks the Bank is exposed to including credit, legal, compliance, liquidity and reputational risks and consider if the existing controls are sufficient to mitigate or reduce identified risks.

### Control Activities

Control activities are performed at all levels of the Bank, at various stages within its business processes, and over the technology environment. These are preventive or detective in nature and encompass a range of manual and automated activities such as authorizations and approvals, verifications, reconciliations, and business performance reviews. Segregation of duties is typically built into the selection and development of these control activities. Where segregation of duties is not practical, Management selects and develops alternative control activities.

In Fidelity Bank, staff members in business units and support functions are the first line of defense for the Bank because they assume primary responsibility for ensuring that the controls around their processes/products are adequate and consistently applied.

### Information and Communication

Information is necessary for the Bank to carry out internal control responsibilities to support the achievement of its objectives.

The Operational Risk and Service Measurement Committee meets monthly to review reports of activities from various control areas, based on which decisions are taken and communicated to all relevant stakeholders. This is a feedback session that ensures information is properly communicated for effectiveness of the internal control processes.

### Monitoring Activities

The Bank uses a combination of ongoing evaluation and separate/independent evaluations to ascertain whether each of the five components of internal control, including controls to effect the principles within each component, is present and functioning.

The Bank deploys Control Officers to conduct on-going and continuous monitoring of processes and products including our information technology infrastructure to ensure that controls are not only adequate but effective and efficient.

Our internal and external auditors also conduct routine reviews of our internal control process for adequacy and submit their report of findings to the Board and management, which helps to improve our processes.

### Fraud and Forgeries

The Bank continues to enhance its fraud prevention and detection capabilities, building upon robust controls and innovations implemented over the years to mitigate financial crimes. These measures include:

## Internal Control System

- **Advanced Fraud Detection & Monitoring:** Continuous deployment of sophisticated analytics and real-time monitoring tools to detect anomalies in transaction patterns and behaviors, ensuring early fraud identification.
- **Enhanced Transaction Verification:** Strengthened verification protocols for high-risk transactions, including biometric authentication and enhanced Know Your Customer (KYC) procedures.
- **Employee Training & Awareness:** Ongoing fraud prevention training for employees to reinforce their ability to recognize fraud schemes, red flags, and emerging threats.
- **Internal & External Fraud Risk Coverage:** Comprehensive insurance coverage against fraud-related risks, including cash-in-premises/transit coverage and Fidelity Guarantee insurance to mitigate staff-related fraud.
- **Strengthened Internal Controls:** Continuous enhancements to internal control mechanisms aimed at minimizing fraud, forgeries, and armed robbery losses.
- **Customer Awareness & Education:** Regular dissemination of fraud prevention resources to customers, including guidance on recognizing phishing scams, identity theft, and digital fraud protection best practices.
- **Zero Tolerance Policy:** Strict disciplinary measures for employees involved in fraud, along with proactive engagement with law enforcement agencies for recovery and prosecution, serving as a deterrent.
- **Whistleblowing & Ethics Compliance:** A confidential whistleblowing process that enables staff to report suspicious activities anonymously, fostering a culture of accountability. Additionally, all staff members attest annually to the Code of Business Conduct and Ethics Policy to reinforce ethical standards.

### Strengthening Electronic Fraud Prevention

As digital transactions continue to evolve, the Bank remains at the forefront of electronic fraud prevention by implementing cutting-edge security measures, including:

1. **Mandatory PIN Authentication:** Enforced Personal Identification Number (PIN) requirements for all POS transactions on debit cards, except for hotel and web transactions.
2. **Two-Factor Authentication (2FA):** Deployment of One-Time Password (OTP) and second-factor authentication for web and online banking transactions.
3. **Enterprise Fraud Risk Management (EFRM) System:** Utilization of an AI-driven fraud management solution that detects suspicious electronic transactions using behavior-based rules.
4. **24/7 Electronic Anti-Fraud Unit:** A dedicated unit operating round-the-clock to monitor, investigate, and respond to fraudulent activities in real time, ensuring swift resolution of customer complaints.
5. **SOC-Integrated Fraud Response:** The Electronic Anti-Fraud Unit operates within the Security Operations Center (SOC) to enhance collaboration between cybersecurity and fraud risk management teams.

The Bank remains committed to continuous improvement, leveraging technology, innovation, and best practices to safeguard financial assets, mitigate fraud risks, and uphold the highest standards of trust and security for customers and stakeholders.

### Cybersecurity

As the Bank continues to expand its digital footprint, the scale, frequency, and sophistication of cyber threats also increase. Risks such as cyberattacks triggered by human factors, evolving threat landscapes, vulnerabilities in data protection, and inadequate incident response mechanisms underscore the need for a robust cybersecurity strategy.

Recognizing cybersecurity as a critical business imperative, we have aligned our security posture with the Central Bank of Nigeria's (CBN) Risk-Based Cybersecurity Framework and other regulatory directives. Our strategic approach includes significant investments in a resilient, adaptive, and future-ready cybersecurity framework, ensuring the confidentiality, integrity, and availability of our digital ecosystem.

A key milestone in our cybersecurity journey is the establishment of a fully operational Security Operations Center (SOC), enhancing our threat detection, incident response, and cyber intelligence capabilities. The SOC is designed to proactively identify, analyze, and mitigate cyber threats in real time, reinforcing our cyber resilience.

To further strengthen our security posture, we have implemented advanced security technologies, conducted specialized cybersecurity training, and enhanced our organizational structures to ensure swift incident response and continuous learning. Each security event provides valuable insights that inform our ongoing improvements and threat mitigation strategies.

As we navigate an increasingly complex digital landscape, we remain committed to striking a delicate balance between innovation and security. Our unwavering focus is to provide a safe, secure, and resilient banking experience for our customers, partners, and stakeholders.

### Customer complaints and feedback

At Fidelity Bank, all relationships are invaluable and the Bank considers customers' complaints a gift. This is because customer complaints are seen as an opportunity for improved services to a dissatisfied customer who could have walked away to competition.

Customer complaints can arise from people issues, system/process failures, product complexity and other factors. Fidelity Bank therefore appreciates such feedback or complaints from customers and ensures timely resolution and process/product improvement.

### Complaints Channels

To ensure a seamless complaint and feedback process, the Bank has provided various communication channels for customers. These include:

- Contact through the Bank's website.
- Customer service desks in all the branches nationwide.
- 24-hour Contact Centre (Trueserve) with feedback through emails, telephone, online chat or SMS.
- Correspondence from customers.

### Complaints Handling

We handle all complaints professionally taking due cognizance of the rights of our customers. The overriding target is to ensure that each complaint is resolved to the satisfaction of the customer without infringing the policies of the Bank or any regulation. Effort is made to resolve complaints at first level before escalation. All complaints are logged with tracking numbers and monitored for prompt resolution.

### Customer Complaints and Protection Department

The Bank has a full-fledged department whose core mandate is to promptly resolve all customer complaints. The department is headed by a senior management staff and interfaces with the CBN and other regulators on all issues related to customer complaints and consumer protection. The department also renders support services to other departments of the Bank and branches, to ensure speedy resolution of customer complaints.

### Complaints Tracking and Reporting

Customer complaints are carefully tracked, monitored and resolved and also used as a tool for improvement of our processes, products and services.

Independent reviews are conducted to identify the underlying causes of all customers' complaints and the learning points extracted to guard against recurrence in future. Updates and customer complaints reports are presented to Executive Management through the Operational Risk and Service Measurement Committee.

Reports on customer complaints are also sent to the Central Bank of Nigeria as required.

A break-down of complaints received and resolved by the Bank from January 1 to December 31, 2024 are provided in the schedule below:

## Internal Control System

| S/N | DESCRIPTION | NUMBER | | AMOUNT CLAIMED | | AMOUNT REFUNDED | |
|---|---|---|---|---|---|---|---|
| | | **2024** | 2023 | **2024 [Million]** | 2023 [Million] | **2024 [Million]** | 2023 [Million] |
| | | | | | | | |
| 1 | Pending complaints b/f | **195,838** | 80,550 | **22,698** | 4,866 | **N/A** | N/A |
| 2 | Received complaints | **839,576** | 1,668,004 | **411,329** | 88,606 | **N/A** | N/A |
| 3 | Resolved complaints | **988,405** | 1,552,716 | **45,626** | 70,774 | **322** | 287 |
| 4 | Unresolved complaints escalated to CBN for intervention | **26** | 95 | **111** | 2,116 | **N/A** | N/A |
| 5 | Unresolved complaints pending with the Bank c/f | **47,009** | 195,838 | **388,401** | 22,698 | **N/A** | N/A |

# Report of the Independent Consultant to the Board of Directors of Fidelity Bank Plc. on their Appraisal

For the year ended 31 December 2024

In compliance with the guidelines of Section 10.1 of the Central Bank of Nigeria (CBN) Corporate Governance Guidelines for Commercial, Merchant, Non-interest And Payment Service Banks in Nigeria ("the CBN Guidelines") and Section 14.1 of the Nigerian Code of Corporate Governance 2018 ("NCCG"), Fidelity Bank Plc. ("the Bank") engaged KPMG Advisory Services to carry out an appraisal of the Board of Directors ("the Board") for the year ended 31 December 2024. The CBN Guidelines mandates an annual appraisal of the Board with specific focus on the Board's structure and composition, responsibilities, processes and relationships.

We have performed the procedures agreed with Fidelity Bank in respect of the appraisal of the Board in accordance with the provisions of the CBN Guidelines and the NCCG. These procedures, which are limited in scope but sufficient for the Board's objectives in line with the CBN Guidelines and the NCCG, are different in scope from an external audit. Consequently, no opinion is expressed by us on the activities reported upon.

Our approach to the appraisal of the Board involved a review of the Bank's Board papers and minutes, key corporate governance structures, policies and practices. This included the review of the corporate governance framework and representations obtained from questionnaires and interviews with members of the Board and Senior Management.

On the basis of our review, the Bank's corporate governance practices are largely in compliance with the key provisions of the CBN Guidelines and the NCCG. Specific recommendations for further improving the Bank's governance practices have been articulated and included in our detailed report to the Board. These include a recommendation on Board composition.

**Olumide Olayinka**
Partner KPMG Advisory Services
FRC/2013/ICAN/00000000427
March 2025

# Statement Of Directors' Responsibilities In Relation To The Preparation Of The Financial Statements

For the year ended 31 December 2024

In accordance with the provisions of Sections 377 and 378 of the Companies and Allied Matters Act (CAMA) 2020, Banks and Other Financial Institutions Act (BOFIA) 2020, and the Financial Reporting Council Act No. 6, 2011, the Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Bank, and of the financial performance for the year. The responsibilities include ensuring that:

(a) Appropriate internal controls are established both to safeguard the assets of the Bank and to prevent and detect fraud and other irregularities.

(b) The Bank keeps accounting records which disclose with reasonable accuracy the financial position of the Bank and which ensure that the financial statements comply with requirements of International Financial Reporting Standards and the Companies and Allied Matters Act (CAMA) 2020, Banks and Other Financial Institutions Act (BOFIA) 2020, the Financial Reporting Council Act No. 6, 2011, Revised Prudential Guidelines and relevant circulars issued by the Central Bank of Nigeria.

(c) The Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and

(d) It is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Bank will not continue in business.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act, CAP C20 (CAMA) 2020 , Banks and Other Financial Institutions Act (BOFIA) 2020 , the Financial Reporting Council Act No. 6, 2011, Revised Prudential Guidelines, and relevant circulars issued by the Central Bank of Nigeria.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and its financial performance for the year under review

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of financial control.

Nothing has come to the attention of the Directors to indicate that the Bank and its subsidiary will not remain a going concern from the date of this statement.

**Signed on behalf of the Directors by:**

**Date: March 3 2025**

**Kevin Ugwuoke**
Executive Director
FRC/2020/003/00000022290

**Nneka Onyeali-Ikpe**
Managing Director/Chief Executive Officer
FRC/2017/NBA/00000016998

# Statement Of Corporate Responsibility For The Preparation Of The Financial Statements

For the Year Ended 31 December 2024

In line with the provision of Section 405 of CAMA 2020, the Chief Executive Officer and Chief Financial officer of Fidelity Bank Plc have reviewed the Financial Statements of the bank for the year ended December 31 2024 and accept responsibility for the financial and other information within the report based on the following:

i The financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statement misleading.

ii The financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and result of operation of the bank as of and for the year ended December 31, 2024.

iii The bank's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2024

iv The bank's internal Controls has been designed to ensure that all material information relating to the bank has been provided.

v That we have disclosed to the bank's Auditor and the Audit Committee that there are no significant deficiencies in the design or operation of the bank's internal controls which could adversely affect the bank's ability to record, process, summarise and report financial data, and have discussed with the auditors any weaknesses in internal controls observed in the course of the Audit; And that there is no fraud involving management or other employees which could have any significant role in the bank's internal control.

vi There is no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

**Signed on behalf of the Directors by:**

**Date: 3 March 2025**

**Victor Abejegah**
Chief Financial Officer
FRC/2013/ICAN/00000001733

**Nneka Onyeali-Ikpe**
Managing Director/Chief Executive Officer
FRC/2017/NBA/00000016998

# Management's Annual assessment of, and report on, Fidelity Bank Plc's Internal Control Over Financial Reporting.

For the Year Ended 31 December 2024

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and securities Act 2007, we hereby make the following statements regarding the internal controls of FIDELITY BANK Plc for the year ended 31 December 2024:

i FIDELITY BANK Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii FIDELITY BANK Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;

iii FIDELITY BANK Plc's management has assessed that the entity's ICFR as at the end of 31 December 2024 is effective.

iv FIDELITY BANK Plc's external auditor, Messrs Deloitte & Touche that audited the financial statements included in the report has issued an attestation report on management's assessment of the entity's internal control over financial reporting. The attestation report of Messrs Deloitte & Touche that audited its financial statements will be filed as part of Fidelity Bank's annual report.

Signed on behalf of the Directors by:

**3 March 2025**

**Victor Abejegah**
Chief Financial Officer
FRC/2013/ICAN/00000001733

**Nneka Onyeali-Ikpe**
Managing Director/Chief Executive Officer
FRC/2017/NBA/00000016998

# Management Report on Internal Control Over Financial Reporting (ICFR)

## CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of investments and securities Act 2007, I hereby make the following statements regarding the internal controls of FIDELITY BANK Plc for the year ended 31 December 2024.

I, **Abejegah Victor**, certify that:

(a) I have reviewed this Management's assessment on internal control over financial reporting of FIDELITY BANK Plc;

(b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered in this report.

(c) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.

(d) The entity's other certifying officer and I:

i are responsible for establishing and maintaining internal controls;

ii have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared.

iii have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

iv have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

(e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and audit committee of the entity's board of directors:

i All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

ii Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

(f) The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

**Victor Abejegah**
Chief Financial Officer
**FRC/2013/ICAN/00000001733**
3 March 2025

# Management Report on Internal Control Over Financial Reporting (ICFR)

## CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

For the year ended 31 December 2024

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of investments and securities Act 2007, I hereby make the following statements regarding the internal controls of FIDELITY BANK Plc for the year ended 31 December 2024.

I, **Onyeali-Ikpe Nneka**, certify that:

(a) I have reviewed this Management's assessment on internal control over financial reporting of FIDELITY BANK Plc;

(b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered in this report.

(c) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.

(d) The entity's other certifying officer and I:

- i are responsible for establishing and maintaining internal controls;
- ii have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared.
- iii have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- iv have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

(e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and audit committee of the entity's board of directors

- i All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
- ii Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

(f) The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

**Nneka Onyeali-Ikpe**
Managing Director/Chief Executive Officer
**FRC/2017/NBA/00000016998**
3 March 2025

Deloitte.

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**INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of Fidelity Bank Plc**

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

**Opinion**

We have audited the consolidated and separate financial statements of Fidelity Bank Plc and its subsidiary (the Group and Bank) set out on pages 154 to 306, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, the notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Fidelity Bank Plc as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act 2020, Central Bank of Nigeria regulatory guidelines and Financial Reporting Council of Nigeria (Amendment) Act 2023.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of consolidated and separate financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of consolidated and separate Financial Statements in Nigeria.

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

**Key Audit Matters**

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated and separate financial statements of the current year. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

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| Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| **Impairment of loans and advances (Consolidated and Separate)**<br><br>Loans and advances make up a significant portion of the total assets of the Group. As of 31 December 2024, gross loans and advances for the Group were N4.58 trillion, Bank: N4.54 trillion comprising local and foreign denominated loans against which total loan impairment for the Group is N195.60 billion, Bank: N195.27 billion was recorded, resulting in a net loan balance of N4.387 trillion for the Group, Bank: N4.346 trillion. This value represents 50% of the total assets as at the reporting date.<br><br>The basis of the impairment on loans and advances is summarized in the accounting policies (2.4.3) to the audited consolidated and separate financial statements.<br><br>The Directors have assessed the bank's loan loss impairment using the expected credit loss (ECL) model, in accordance with the provisions of IFRS 9 - Financial Instruments, disclosed in notes 3.2, 8 and 22. The Directors exercised significant judgement and assumptions in the process of determining the value recorded as loan and advance impairment. Some of these judgements and assumptions include:<br><br>(i) Segmentation of loans and advances into portfolios with similar characteristics<br><br>(ii)Using a combination of payment history, credit ratings and prudential classification used to determine whether a significant increase in credit risk (SICR) occurred since origination that requires migration from stage 1 to stages 2 and default that require movement to stage 3.<br><br>(iii)Estimation of probability of default (PD), loss given default (LGD (including realization of the collateral) exposure at default (EAD),<br><br>(iv)Assumptions and weightings applied to the macro-economic variables used as part of the forward-looking information.<br><br>(v).The credit conversion factor (CCF) used when determining the required impairment on offbalance sheet exposures such as undrawn facilities and guarantees. | We focused our testing of the impairment on loans and advances to customers on the key assumptions and inputs made by Directors. Specifically, with the assistance of our technology and credit specialists, our audit procedures included the following:<br><br>(a)Through discussion and inspection, we established an understanding of the processes, systems, models, data, and assumptions used, and the governance of all these during the origination and collection of loans and advances, and the subsequent impairment thereof as required by IFRS when there is a SICR.<br><br>(b)We tested the design and operating effectiveness of the key General and IT Controls (GITC) on the loan impairment system, automated controls around the timely identification and determination of the impairment of loans and advances, including data inputs, and the interfaces between the core banking system and the loan impairment system.<br><br>(c)We tested a sample of loans and advances (including loans that had not been identified by management as potentially impaired) to form our own assessment as to whether impairment events had occurred and had been identified in a timely manner. We challenged management's judgements on loans that were not reported as being impaired in sectors that are currently experiencing difficult economic and market conditions, such as the oil and gas and power sectors.<br><br>(d)We tested whether the loans and advances, undrawn facilities and historical payment data used in the models were accurate and assessed and challenged whether the modelling assumptions applied by management in their models (such as portfolio segmentation, PD, LGD, EAD, SICR, CCR, default, write off, recovery, cure, ratings, collateral value and timing, the effective interest rate, treatment of foreign denominated loans, modifications, and the multiple economic scenarios and probability<br><br>Based on our review, we concluded that the amount of loan impairment losses was comparable with the prevailing economic situations and that was estimated loan impairment losses determined was appropriate in the circumstances. |

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**Other Information**

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Fidelity Bank Plc Annual Report and Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, the Audit Committee's Report, the Bank Secretary's Report , the Report of the External Consultants on the Performance of the Board of Directors, the Statement Of Corporate Responsibility for the Preparation of the Financial Statements, and Other National Disclosures as required by the Financial Reporting Council of Nigeria which we obtained prior to the date of this report.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act 2020, Central Bank of Nigeria regulatory guidelines and the Financial Reporting Council of Nigeria (Amendment) Act 2023 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors

- Conclude on the appropriateness of the 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's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or the Bankto cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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**Report on Other Legal and Regulatory Requirements**

In accordance with the Fifth Schedule of Companies and Allied Matters Act we expressly state that:

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

ii) The Group and the Bank has kept proper books of account, so far as appears from our examination of those books.

iii) The Group and the Bank's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In compliance with the Banks and Other Financial Institutions Act (BOFIA) 2020 and circulars issued by Central Bank of Nigeria, we confirm that:

i) Related party transactions and balances are disclosed in Note 38 of the consolidated and separate financial statements in compliance with Central Bank of Nigeria circular BSD/1/2004.

ii) Returns on customers' complaints are disclosed in Note 41.2 to the consolidated and separate financial statements in compliance with Central Bank of Nigeria circular PDR/DIR/CIR/01/20.

iii) As stated in Note 41.1 to the consolidated and separate financial statements, the Bank paid penalties for contraventions of certain sections of the Banks and Other Financial Institutions Act (BOFIA) 2020 and relevant Central Bank of Nigeria Circulars during the year ended 31 December 2024.

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Entity's internal control over financial reporting as of 31 December 2024. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued our report dated 28 March 2025 and is included on pages 144 to 151 of the financial statements.


**For: Deloitte & Touche**
Chartered Accountants
Lagos, Nigeria
28 March 2025
**Engagement partner:** **Michael Daudu**
**FRC/2013/PRO/ICAN/004/00000000845**

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**Assurance Report of Independent Auditor**

**To the Shareholders of Fidelity Bank Plc**

**Assurance Report on management's assessment of controls over financial reporting**

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of ("the Bank")/ and its subsidiary ("the Group) as of 31 December 2024, in accordance with the FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ("the ICFR framework"), and the SEC Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007. Fidelity Bank's management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the accompanying Management's Report on Internal Control Over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the Group and our report dated 28 March 2025 expressed an unmodified opinion.

***Limited Assurance Conclusion***

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the Bank/Group did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on the SEC Guidance on Management Report on Internal Control Over Financial Reporting.

***Definition of internal control over financial reporting***

Internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank;

II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank/group are being made only in accordance with authorizations of management and directors of the bank/group; and

III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank/group's assets that could have a material effect on the financial statements.

***Inherent limitations***

Our procedures included the examination of historical evidence of the design and implementation of the Group's system of internal control over financial reporting for the year ended 31 December 2024. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Directors' and Management's Responsibilities***

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting.

Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the ICFR framework.

Section 7(2f) of the Financial Reporting Council of Nigeria (Amendment) Act 2023 further requires that management perform an assessment of internal controls, including information system controls.

Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

***Our Independence and Quality Control***

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

***Auditor's Responsibility and Approach***

Our responsibility is to express a limited assurance opinion on the Bank's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the Group did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

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That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the Bank/Group established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

**Deloitte & Touché (FRC/2022/COY/091021)**
**Michael Daudu (FRC/2013/PRO/ICAN/0004/00000000845)**
**Lagos Nigeria**
**Date: 28 March 2025**

# Financial Statement

A detailed presentation of report on the affairs of Fidelity Bank Plc (the Bank), together with the financial statements and External Auditors opinion for the year ended 31 December 2024.

# Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income

| For the year ended 31 December 2024 | Notes | Group | | Bank | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| | | N'million | N'million | N'million | N'million |
| **Gross Earnings** | | **1,043,401** | 555,830 | **1,021,032** | 552,765 |
| Interest and similar income calculated using effective interest rate method | 6 | **803,054** | 434,008 | **784,171** | 431,397 |
| Other interest and similar income | 12.1 | **147,534** | 25,522 | **147,534** | 25,522 |
| Interest and similar expense calculated using effective interest rate method | 7 | **(320,818)** | (182,165) | **(316,648)** | (182,063) |
| **Net interest income** | | **629,770** | 277,366 | **615,057** | 274,856 |
| Credit loss expense | 8 | **(56,441)** | (67,436) | **(55,483)** | (67,686) |
| **Net interest income after credit loss expense** | | **573,329** | 209,929 | **559,574** | 207,170 |
| Fee and commission income | 9 | **78,355** | 49,600 | **75,647** | 49,146 |
| Fee and commission expense | 9 | **(8,043)** | (11,812) | **(8,043)** | (11,812) |
| Net Gain / loss on derecognition on financial assets measured at amortised cost | 10 | **-** | - | **-** | - |
| Other operating income | 11 | **2,742** | 2,613 | **1,964** | 2,613 |
| Foreign Currency Revaluation Gains | 11.1 | **11,716** | 44,087 | **11,716** | 44,087 |
| Net Gains from financial assets at fair value through profit or loss | 12 | **721** | 997 | **721** | 900 |
| Derivative Gains" | 12.2 | **57,875** | 23,786 | **57,875** | 23,786 |
| Personnel expenses | 13 | **(73,450)** | (52,619) | **(62,284)** | (50,836) |
| Depreciation , amortisation and Impairment | 14 | **(15,335)** | (7,042) | **(10,497)** | (6,890) |
| Other operating expenses | 15 | **(242,696)** | (135,278) | **(233,673)** | (133,825) |
| **Profit before income and windfall taxes** | | **385,215** | 124,260 | **393,000** | 124,338 |
| Income tax expense | 16 | **(93,777)** | (24,806) | **(96,811)** | (24,806) |
| Windfall tax | | **(13,331)** | - | **(13,331)** | - |
| **Profit for the year** | | **278,106** | 99,454 | **282,858** | 99,532 |
| **Other comprehensive income:** | | | | | |
| **Items that will not be reclassified subsequently to profit or loss** | | | | | |
| Fair value gains on equity instruments at fair value through other comprehensive income | 24.4 | **28,054** | 13,981 | **28,054** | 13,981 |
| Total items that will not be reclassified subsequently to profit or loss | | **28,054** | 13,981 | **28,054** | 13,981 |
| **Items that will be reclassified subsequently to profit or loss** | | | | | |
| - Exchange differences on translation of foreign operations | | **38,144** | 6,050 | **-** | - |
| - Net change in fair value during the year in FVOCI debt financial Instrument | | **(12,712)** | 9,035 | **(12,750)** | 9,035 |
| - Changes in allowance for expected credit losses of FVOCI debt financial Instrument | | **(455)** | 428 | **(462)** | 428 |
| - Reclassification adjustments to profit or loss of FVOCI debt financial Instrument | 17 | **(21)** | 847 | **(21)** | 847 |
| Total items that will be reclassified subsequently to profit or loss | | **24,956** | 16,360 | **(13,233)** | 10,310 |
| Other comprehensive income/(loss) for the year, net of tax | | **53,010** | 30,341 | **14,821** | 24,291 |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR.** | | **331,116** | 129,795 | **297,679** | 123,823 |
| **Earnings per share** | | | | | |
| Basic and diluted (in kobo) | 18 | **665** | 311 | **677** | 311 |

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

# Consolidated & Separate Statement of Financial Position

| As at 31 December 2024 | Notes | Group 2024 N'million | Group 2023 N'million | Bank 2024 N'million | Bank 2023 N'million |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and Cash equivalents | 19 | **707,450** | 364,177 | **505,331** | 376,595 |
| Restricted balances with central bank | 20 | **1,586,350** | 1,174,398 | **1,586,350** | 1,174,398 |
| Loans and advances to customers | 22 | **4,387,108** | 3,092,419 | **4,346,049** | 2,962,397 |
| Derivative financial assets | 23 | **50,293** | 10,723 | **50,292** | 10,723 |
| Investment securities: | | | | | |
| Financial assets at fair value through profit or loss | 24.1 | **5,113** | 7,684 | **5,113** | 7,684 |
| Debt instruments at fair value through other comprehensive income | 24.2 | **186,571** | 227,750 | **112,925** | 187,751 |
| Debt instrument at amortised cost | 24.3 | **1,552,347** | 818,803 | **1,552,347** | 818,803 |
| Equity instruments at fair value through other comprehensive income | 24.4 | **69,635** | 41,550 | **69,635** | 41,550 |
| Other assets | 29 | **158,116** | 403,763 | **154,713** | 402,186 |
| Investment in Subsidiary: | 24.4iii | **-** | - | **68,591** | 63,403 |
| Property, plant and equipment | 25 | **77,876** | 47,382 | **77,785** | 47,329 |
| Right of Use Assets | 26 | **3,750** | 3,270 | **1,736** | 1,677 |
| Goodwill | 21 | **11,443** | 8,656 | **-** | - |
| Intangible assets | 27 | **20,380** | 10,341 | **14,371** | 5,123 |
| Deferred tax Assets | 28.1 | **5,305** | 23,771 | **-** | 22,554 |
| **TOTAL ASSETS** | | **8,821,737** | 6,234,688 | **8,545,237** | 6,122,174 |
| | | | | | |
| **LIABILITIES** | | | | | |
| Deposits from customers | 30 | **5,937,064** | 4,014,811 | **5,660,315** | 3,926,842 |
| Derivative financial liabilities | 23 | **-** | - | **-** | - |
| Current income tax payable | 16 | **113,910** | 26,835 | **113,910** | 26,835 |
| Other liabilities | 31 | **938,776** | 1,152,369 | **978,435** | 1,133,795 |
| Provision | 32 | **3,791** | 3,434 | **3,791** | 3,434 |
| Debts issued and other borrowed funds | 33 | **929,595** | 577,028 | **929,595** | 577,028 |
| Deferred tax liabilities | 28.1 | **727** | 22,905 | **727** | 22,905 |
| **TOTAL LIABILITIES** | | **7,923,863** | 5,797,381 | **7,686,773** | 5,690,839 |
| | | | | | |
| **EQUITY** | | | | | |
| Share capital | 34 | **25,100** | 16,000 | **25,100** | 16,000 |
| Share premium | 35 | **280,455** | 113,705 | **280,455** | 113,705 |
| Retained earnings | 35 | **185,256** | 65,508 | **190,073** | 65,573 |
| Other equity reserves: | | | | | |
| Statutory reserve | 35 | **108,699** | 66,270 | **108,711** | 66,282 |
| Small scale investment reserve (SSI) | 35 | **764** | 764 | **764** | 764 |
| Non-distributable regulatory reserve (NDR) | 35 | **155,665** | 100,279 | **155,665** | 100,279 |
| Translation reserve | 35 | **44,194** | 6,050 | **-** | - |
| Fair value reserve | 35 | **69,176** | 54,310 | **69,131** | 54,310 |
| AGSMEIS reserve | 35 | **28,565** | 14,422 | **28,565** | 14,422 |
| **Total equity** | | **897,874** | 437,307 | **858,464** | 431,335 |
| **TOTAL LIABILITIES AND EQUITY** | | **8,821,737** | 6,234,688 | **8,545,237** | 6,122,174 |

The accompanying notes to the financial statements are an integral part of these financial statements. The financial statements were approved by the Board of Directors on 3 March 2025 and signed on its behalf by:

**Mustafa Chike-Obi**
Chairman
FRC/2013/IODN/00000004048

**Nneka Onyeali-Ikpe**
Managing Director/Chief Executive Officer
FRC/2017/NBA/00000016998

**Victor Abejegah**
Chief Financial Officer
FRC/2013/ICAN/00000001733

# Consolidated and Separate Statement of Changes in Equity

For the year ended 31 December 2024

| Group | Share capital | Share premium | Retained earnings | Statutory reserve | Small scale investment reserve | Non-dis-tributable regulatory reserve | Transla-tion reserve | Fair value reserve | AGSMEIS reserve | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| Balance at 1 January 2024 | 16,000 | 113,705 | 65,508 | 66,270 | 764 | 100,279 | 6,050 | 54,310 | 14,422 | **437,307** |
| Profit for the year | - | - | 278,106 | - | - | - | - | - | - | **278,106** |
| Other comprehensive income | | | | | | | | | | |
| - Net change in fair value during the year in FVOCI debt financial Instrument | - | - | ` | - | - | - | - | (12,712) | - | **(12,712)** |
| Fair value gains on equity instruments at fair value through other comprehensive income | - | - | - | - | - | - | - | 28,054 | - | **28,054** |
| - Changes in allowance for expected credit losses of FVOCI debt financial Instrument | - | - | - | - | - | - | - | (455) | - | **(455)** |
| -Exchange differences on translation of foreign operations | - | - | - | - | - | - | 38,144 | - | - | **38,144** |
| - Reclassification adjustments to profit or loss of FVOCI debt financial Instrument | - | - | - | - | - | - | - | (21) | - | **(21)** |
| ` | **-** | **-** | **278,106** | **-** | **-** | **-** | **38,144** | **14,866** | **-** | **331,116** |
| Proceed from Issue of Shares | 9,100 | 166,750 | - | - | - | - | - | - | - | **175,850** |
| Dividends paid | - | - | (46,400) | - | - | - | - | - | | **(46,400)** |
| Transfers between reserves (Note 35) & (Note 43) | - | - | (111,958) | 42,429 | | 55,386 | - | - | 14,143 | **-** |
| **At 31 December 2024** | **25,100** | **280,455** | **185,256** | **108,699** | **764** | **155,665** | **44,194** | **69,176** | **28,565** | **897,874** |

| Group | Share capital | Share premium | Retained earnings | Statutory reserve | Small scale investment reserve | Non-distributable regulatory reserve | Translation reserve | Fair value reserve | AGSMEIS reserve | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| **Balance at 1 January 2023** | **14,481** | **101,272** | **44,883** | **51,352** | **764** | **62,144** | **-** | **30,019** | **9,445** | **314,360** |
| Profit for the year | - | - | 99,454 | - | - | - | - | - | - | **99,454** |
| Other comprehensive income | | | | | | | | | | |
| - Net change in fair value during the period in FVOCI debt financial Instrument | - | - | ` | - | - | - | - | 9,035 | - | **9,035** |
| Fair value gains on equity instruments at fair value through other comprehensive income | - | - | - | - | - | - | - | 13,981 | - | **13,981** |
| - Changes in allowance for expected credit losses of FVOCI debt financial Instrument | - | - | - | - | - | - | - | 428 | - | **428** |
| -Exchange differences on translation of foreign operations | - | - | - | - | - | - | 6,050 | - | - | **6,050** |
| - Reclassification adjustments to profit or loss of FVOCI debt financial Instrument | - | - | - | - | - | - | - | 847 | - | **847** |
| | **-** | **-** | **99,454** | **-** | **-** | **-** | **6,050** | **24,291** | **-** | **129,795** |
| Proceed from Issue of Shares | 1,519 | 12,433 | - | - | - | - | - | - | - | **13,952** |
| Dividends paid | - | - | (20,800) | - | - | - | - | - | | **(20,800)** |
| Transfers between reserves (Note 35) & (Note 43) | - | - | (58,029) | 14,918 | | 38,134 | - | - | 4,977 | **-** |
| **At 31 December 2023** | **16,000** | **113,705** | **65,508** | **66,270** | **764** | **100,279** | **6,050** | **54,310** | **14,422** | **437,307** |

The accompanying notes to the financial statements are an integral part of these financial statements.

# Consolidated and Separate Statement of Changes in Equity

For the year ended 31 December 2024

| Bank | Share capital | Share premium | Retained earnings | Statutory reserve | Small scale investment reserve | Non-distributable regulatory reserve | Fair value reserve | AGSMEIS reserve | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | **N'million** |
| Balance at 1 January 2024 | 16,000 | 113,705 | 65,573 | 66,282 | 764 | 100,279 | 54,310 | 14,422 | **431,335** |
| Profit for the year | - | - | 282,858 | - | - | - | - | - | **282,858** |
| Other comprehensive income | | | | | | | | | |
| - Net change in fair value during the year in FVOCI debt financial Instrument | - | - | ` | - | - | - | (12,750) | - | **(12,750)** |
| Fair value gains on equity instruments at fair value through other comprehensive income | - | - | - | - | - | - | 28,054 | - | **28,054** |
| - Changes in allowance for expected credit losses of FVOCI debt financial Instrument | - | - | - | - | - | - | (462) | - | **(462)** |
| - Reclassification adjustments to profit or loss of FVOCI debt financial Instrument | - | - | - | - | - | - | (21) | - | **(21)** |
| **Total comprehensive income for the year** | **-** | **-** | **282,858** | **-** | **-** | **-** | **14,821** | **-** | 297,679 |
| Proceed from Issue of Shares | 9,100 | 166,750 | | | | | | | **175,850** |
| Dividends paid | - | - | (46,400) | - | - | - | - | | **(46,400)** |
| Transfers between reserves (Note 35) & (Note 43) | - | - | (111,958) | 42,429 | | 55,386 | - | 14,143 | **-** |
| **At 31 December 2024** | **25,100** | **280,455** | **190,073** | **108,711** | **764** | **155,665** | **69,131** | **28,565** | 858,464 |

| Bank | Share capital | Share premium | Retained earnings | Statutory reserve | Small scale investment reserve | Non-distributable regulatory reserve | Fair value reserve | AGSMEIS reserve | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| Balance at 1 January 2023 | 14,481 | 101,272 | 44,883 | 51,352 | 764 | 62,144 | 30,019 | 9,445 | **314,360** |
| Profit for the year | - | - | 99,532 | - | - | - | - | - | **99,532** |
| Other comprehensive income | | | | | | | | | |
| - Net change in fair value during the year in FVOCI debt financial Instrument | - | - | ` | - | - | - | 9,035 | - | **9,035** |
| Fair value gains on equity instruments at fair value through other comprehensive income | - | - | - | - | - | - | 13,981 | - | **13,981** |
| - Changes in allowance for expected credit losses of FVOCI debt financial Instrument | - | - | - | - | - | - | 428 | - | **428** |
| - Reclassification adjustments to profit or loss of FVOCI debt financial Instrument | - | - | - | - | - | - | 847 | - | **847** |
| **Total comprehensive income for the year** | **-** | **-** | **99,532** | **-** | **-** | **-** | **24,291** | **-** | 123,823 |
| Proceed from Issue of Shares | 1,519 | 12,433 | | | | | | | **13,952** |
| Dividends paid | - | - | (20,800) | - | - | - | - | | **(20,800)** |
| Transfers between reserves (Note 35) & (Note 43) | - | - | (58,041) | 14,930 | | 38,134 | - | 4,977 | **-** |
| **At 31 December 2023** | **16,000** | **113,705** | **65,573** | **66,282** | **764** | **100,279** | **54,310** | **14,422** | 431,335 |

The accompanying notes to the financial statements are an integral part of these financial statements.

# Consolidated and Separate Statement of Cash Flows

## For the year ended 31 December

| For the year ended 31 December 2024 | Notes | Group | | Bank | |
|---|---|---|---|---|---|
| | | 31 Dec. 2024 | *31 Dec. 2023 | 31 Dec. 2024 | *31 Dec. 2023 |
| | | N'million | N'million | N'million | N'million |
| **Operating Activities** | | | | | |
| Cash flows from operations | 36 | 308,150 | 368,235 | 79,696 | 390,262 |
| Interest received | 36b | 812,434 | 330,193 | 793,551 | 327,158 |
| Interest paid | 36c | (336,029) | (182,311) | (331,859) | (182,341) |
| Income tax paid | 16c | (22,635) | (6,277) | (22,580) | (6,277) |
| **Net cash flows from operating activities** | | **761,921** | **509,840** | **518,808** | **528,802** |
| | | | | | |
| **Investing activities** | | | | | |
| Purchase of property, plant and equipment | 25 | (38,452) | (9,537) | (38,406) | (9,488) |
| Proceeds from sale of property plant and equipment | 25 | 251 | 87 | 251 | 85 |
| Changes in intangible assets | 27 | (19,020) | (2,851) | (11,246) | (2,745) |
| Purchase of debt Instruments at FVOCI | 36.d | (135,441) | (173,688) | (49,587) | (221,229) |
| Purchase of debt Instruments at amortised cost | 36.e | (1,112,823) | (647,686) | (1,112,823) | (647,686) |
| Redemption of financial assets at amortised cost | 36.e | 432,664 | 260,952 | 432,664 | 260,952 |
| Redemption of debt financial assets at FVOCI | 36.d | 239,330 | 16,824 | 174,232 | 16,824 |
| Purchase of equity instruments at FVOCI | 36f | - | - | - | - |
| Acquisition of a subsidiary | 36g | - | (40,845) | - | - |
| Dividend received | 11 | 741 | 2,018 | 741 | 2,018 |
| | | | | | |
| **Net cash flows used in investing activities** | | **(632,749)** | **(594,725)** | **(604,173)** | **(601,268)** |
| | | | | | |
| **Financing activities** | | | | | |
| Dividends paid | SCE | (46,400) | (20,800) | (46,400) | (20,800) |
| Unclaimed dividend Receipt / (Payment) | 36h | - | 1,960 | - | 1,960 |
| Lease Payment on Right of Use (ROU) Assets | 26 | (798) | (532) | (798) | (532) |
| Proceeds from Issue of shares | | 175,850 | 13,952 | 175,850 | 13,952 |
| Proceeds of debts issued and other borrowed funds | 33 | 298,748 | 129,906 | 298,748 | 129,906 |
| Payment of interest portion of debts issued and other borrowed funds | 33 | (37,137) | (4,804) | (37,137) | (4,804) |
| Repayment of principal portion of debts issued and other borrowed funds | 33 | (208,533) | (15,051) | (208,533) | (15,051) |
| **Net cash flows used in financing activities** | | 181,730 | 104,630 | 181,730 | 104,630 |
| **Net increase in cash and cash equivalents** | | **310,902** | **19,745** | **96,365** | **32,163** |
| Net foreign exchange difference on cash and cash equivalents | 11 | 32,371 | 44,087 | 32,371 | 44,087 |
| **Cash and cash equivalents as at 1 January** | 19 | **364,177** | **300,345** | **376,595** | **300,345** |
| | | | | | |
| **Cash and cash equivalents as at 31 December** | 19 | **709,155** | **365,327** | **506,481** | **376,595** |

*Changes to previously reported amounts are detailed in note 46

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1.0 Corporate Information

These financial statements are for Fidelity Bank Plc (the "Bank"), a company incorporated in Nigeria on 19 November 1987.The registered office address of the Bank is at Fidelity Place, 1 Fidelity Bank Close Off Kofo Abayomi Street, Victoria-Island, Lagos, Nigeria.

The Bank completed its acquisition of its subsidiary, Fidelity Bank UK Limited (former Union Bank UK Plc) on 26 July 2023. The financial result of the subsidiary has been consolidated into these financial statements.

The principal activity of the Bank is the provision of banking and other financial services to corporate and individual customers. Fidelity Bank Group provides a full range of financial services including investment, commercial and retail banking.

## 2.0 Summary of material accounting policies

### 2.1 Introduction to summary of accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

### 2.1.1 Basis of Preparation

The Group's financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and in the manner required by the Companies and Allied Matters Act of Nigeria , the Financial Reporting Council Act of Nigeria , Banks and Other Financial Institutions Act of Nigeria and relevant Central Bank of Nigeria Circulars, Additional information required by national regulations is included where appropriate.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, statement of cashflows, significant accounting policies and the notes to the financial statements.

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial assets and financial liabilities measured at fair value and amortised cost as applicable.
The financial statements are presented in Naira, which is the Group's presentation currency. The figures shown in the financial statements are stated in Naira millions.

### 2.1.2 Changes in accounting policies and disclosures

**New standards, amendments and interpretations adopted.**

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB) and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act, the Banks and other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars. The same accounting policies and methods of computation are followed in the financial statements as compared with the most recent annual financial statements.

#### a IAS 1 (Amendments): Classification of liabilities as current or non-current

The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The amendments also clarify that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are expected to be effective for annual periods beginning on or after 1 January 2024 with early adoption permitted.

### bi. IFRS 7 Investments in equity instruments designated at FVTOCI

The disclosures requirements in IFRS 7 in respect of investments in equity instruments designated at FVTOCI are amended. In particular, an entity is required to disclose the fair value gain or loss presented in OCI during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period. If an entity derecognises investments in equity instruments measured at FVTOCI during the reporting period, it is now required, under the amendments, to disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period. An entity is no longer required to disclose the reporting date fair value of each equity instruments designated at FVTOCI; this information can be provided by class of instruments.

### Contractual terms that could change the timing or amount of contractual cash flows

The amendments introduce disclosure requirements for financial instruments that include contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs (such as the time value of money or credit risk). Disclosures include a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows as well as the gross carrying amount of financial assets and the amortised cost of financial liabilities subject to those contractual terms. The entity is required to make these disclosures by class of financial assets measured at amortised cost or FVTOCI and by class of financial liabilities measured at amortised cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

### bii IAS 7 and IFRS 7 (Amendments) - Disclosures: Supplier Finance Arrangements

**Disclosures:** Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024). The amendments require companies to disclose information about their Supplier Finance Arrangements such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment due dates and liquidity risk information. The Group is examining the impact from the above amendments

### c IAS 8 (Amendment): Definition of Accounting Estimates

IAS 8 (Amendment): Definition of Accounting Estimates (effective for annual reporting periods beginning on or after 1 January 2023). The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition,

Accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. There was no impact on the Financial Statements from the adoption of this amendment.

### d IFRS 9 Derecognition of a financial liability settled through electronic transfer.

The application guidance in IFRS 9 is amended to clarify the date of initial recognition or derecognition of financial assets and financial liabilities.

The existing application guidance states that a financial liability is derecognised at its settlement date, being the date on which the liability is extinguished because the obligation specified in the contract is discharged, cancelled or expires, or the liability otherwise qualifies for derecognition.

As an alternative to this requirement, the amendments permit an entity to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction that has resulted in:

- the entity having no practical ability to withdraw, stop or cancel the payment instruction
- the entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction

- the settlement risk associated with the electronic payment system being insignificant. An entity that elects to apply the derecognition alternative for financial liabilities is required to apply it to all settlements made through the same electronic payment system.

**e IAS 12 Income Taxes-Deferred Tax ( Pillar Two Model Rules)**

IAS 12 clarifies that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement, the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum topup taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

IAS 12 (Amendments): Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual reporting periods beginning on or after 1 January 2023). These amendments clarify and narrow the scope of the exemption provided by the IAS 12 "Income Taxes" standard allowing institutions not to recognise any deferred tax during the initial recognition of an asset and a liability. All leases and decommissioning obligations are excluded from the exemption scope for which companies recognise both an asset and a liability and will now have to recognise deferred taxes. From the date of first application of IFRS 16 "Leases", the Bank have considered the right of use assets and the lease-related liabilities as a single transaction. Consequently, on the initial recognition date, the amount of deferred tax asset offsets the amount of deferred tax liability. The net temporary differences resulting from later variations in the right of use assets and lease liabilities subsequently result in a deferred tax asset as reporting date which is subject to the recoverability criteria of IAS 12 "Income Taxes".

There was no impact on the Financial Statements from the adoption of these amendments.

**f IFRS 16 - Leases : Lease Liability in a Sale and Leaseback**

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If a seller-lessee applies the amendments for an earlier period, it is required to disclose that fact.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

**g IFRS 17 Insurance Contracts**

IFRS 17 (Amendment): Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective for annual periods beginning on or after 1 January 2023). The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for the users of financial statements. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The main features of the accounting model for insurance contracts are as follows:

- The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, remeasured every reporting period (the fulfilment cash flows)
- A Contractual Service Margin (CSM) that is equal and opposite to any day one gain in the fulfilment cash flows of a group of contracts, representing the unearned profit of the insurance contracts to be recognised in profit or loss over the service period (i.e., coverage period)
- Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognised in profit or loss over the remaining contractual service period
- The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice.
- The presentation of insurance revenue and insurance service expenses in the statement of comprehensive income based on the concept of services provided during the year under review.
- Amounts that are paid to a policyholder in all circumstances, regardless of whether an insured event happens (non-distinct investment components) are not presented in the income statement, but are recognised directly on the balance sheet.
- Insurance services results (earned revenue less incurred claims) are presented separately from the insurance finance income or expense
- Extensive disclosures to provide information on the recognised amounts from insurance contracts and the nature and extent of risks arising from these contracts

### i Business Combination

The accounting policies set out below have been consistently applied to all periods presented in these consolidated and separate financial statements. Business combinations are accounted for using the acquisition method as at the acquisition date, that is, when control is transferred to the Group. Consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred.

The Consideration transferred does not include amounts related to the settlement of any relationships or transaction. Such amounts are generally recognized in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Other contingent consideration is measured at fair value at each reporting date and subsequent changes in fair value of the contingent consideration are recognized in profit or loss.

### ii Non-controlling interest

Non-controlling interests (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The Bank acquired 100% Of its United Kingdom Subsidiary.

### iii Subsidiaries

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 financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the investee entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control and if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences; and until the date when control ceases

**iv Fund management**

The entities within the group manage and administer assets and other investment vehicles on behalf of investors. The financial statements of these entities are not included in these consolidated financial statements except when the Group controls the entity.

**v Loss of control**

The Group assesses whether there is loss of control in a variety of ways which includes:

- sale of all or part of its ownership interest in its subsidiary.
- expiry of a contractual agreement that gave control of the subsidiary to the Group;
- issue of shares to third parties by the subsidiary, thereby reducing the Group's ownership interest in the subsidiary so that it no longer has control of the subsidiary.
- distribution of its ownership interest in the subsidiary by the Group; - when the subsidiary becomes subject to the control of a government, court, administrator or regulator.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and the other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

"The amount recognised in profit or loss on the loss of control of a subsidiary is measured as the difference between:

**(i) The sum of: - the fair value of the consideration received, if any;**

- the recognized amount of the distribution of shares, if applicable;
- the fair value of any retained non-controlling investment (NCI); and
- the carrying amount of the NCI in the former subsidiary, including the accumulated balance of each class of other comprehensive income (OCI) attributable to the NCI .

**(ii) The carrying amount of the former subsidiary's net assets, together with any profit or loss reclassifications.**

From the Group's perspective, any loss of control of a subsidiary results in derecognition of the individual assets and liabilities of the subsidiary. On disposal, components of OCI related to the subsidiary's assets and liabilities are accounted for on the same basis as would be required if the individual assets and liabilities had been disposed of directly. As a result, amounts from the exercise are reclassified to profit or loss: (- exchange differences that were recognised in OCI; - changes in the fair value of financial assets at Fair value through other comprehensive income previously recognised in OCI; and - the effective portion of gains and losses on hedging instruments in a cash flow hedge previously recognised in OCI).

**vi Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currency of Group entities at the spot exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated using the functional currency at the spot exchange rate at that date. The foreign currrency gain or loss on monetary items is the difference between the amortized cost in the functional currrency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in the foreign currency translated at the spot exchange rate at the end of the reporting period.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences arising on translation of monetary items are generally recognised in profit or loss. However, foreign currency differences arising from the translation of FVTOCI financial assets and monetary assets are recognised in Other Comprehensive Income (OCI).

**vii Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into naira at spot exchange rates at the reporting date. The income and expenses and other comprehensive income of foreign operations 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 spot exchange rates on the dates of the transactions.

Foreign exchange differences on translation of foreign operations are recognized in other comprehensive income and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation differences is allocated to non-controlling interests.

When a foreign operation is disposed of such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such items are considered to form part of a net investment in the foreign operation and are recognized in other comprehensive income and presented in the translation reserve in equity.

### viii Determination of Goodwill

Fidelity Bank Plc completed the acquisition of the United Kingdom component on the 26th of July 2023 from the Union bank plc ( A Nigerian Parent ) at a value of $50,000,000.00 with provision for Net Asset Value adjustment between the Completion net assets value and the Planned net asset value on the Purchase consideration which has now been completed in the sum of $1,800,000.00 based on the Sales Purchase Agreement. The purchase price is allocated to the various identified intangible assets acquired and the accounting has now been completed resulting N7,469m recognised in intangibles with Amortization recognized. This is reallocated from the previously recognised goodwill and comparatives adjusted accordingly.. The Bank acquired 100% of its United Kingdom Subsidiary. Prior to the acquisition , the United Kingdom component did not have any legal suit that required settlement.

### Core deposits

Relates to a stable deposit base that provides a low-cost source of funding (versus the alternative next funding in the market).

Valuation Methodology : Cost Savings Method

### Customer relationships

Relates to existing beneficial customer relationships (i.e., fees and commission customers which provide benefits from interest and fees expected to be earned above the amount reflected in the balance sheet as loans/advances and others). Valuation Methodology : Multi period excess earnings method.

### Computer software

Relates to operational and financial software databases and payment systems. Valuation Methodology : Replacement cost method.

Calculation of resulting Goodwill post purchase price allocation is presented below :

| | USD'000 | USD'000 | Exchange rate | NGN'000 |
|---|---|---|---|---|
| **Purchase consideration:** | | | | |
| Cash | 50,000 | | | |
| Deferred consideration | - | | | |
| Contingent consideration | - | | | |
| Accruals and deferred income | (3,127) | | | |
| Total liabilities | | 46,873 | | |
| **Net asset acquired** | | | | |
| ***Assets at June 30, 2023*** | | | | |
| Cash and cash equivalents | 5,286 | | | |
| Loans and advances to banks | 73,321 | | | |
| Loans and advances to customers | 35,133 | | | |
| Financial assets measured at FVOCI | 32,032 | | | |
| Intangible assets | 514 | | | |
| Property and equipment | 37 | | | |
| Right-of-Use-of-Asset | 1,863 | | | |
| Other Assets | 1,395 | | | |
| Prepayments | - | | | |
| **Total Assets** | 149,581 | | | |
| **Liabilities at June 30, 2023** | | | | |
| Deposits by banks | 69,324 | | | |
| Customer accounts | 44,323 | | | |
| Lease liabilities - | | | | |
| Other Liabilities | 3,127 | | | |
| Accruals and deferred income | - | | | |
| **Total liabilities** | **116,774** | | | |
| **Total Net assets at Acquisition** | **32,807** | | | |
| **Goodwill and other intangibles** | **15,392** | | **951.79** | **14,649,952** |
| **UBUK's identified intangible valuation result:** | | | | |
| Core deposits | 1,973 | | | |
| **Customer relationships** | **3,046** | | | |
| **UBUK's FV as at 31 December 2024** | **5,019** | | **1,549** | **7,774,431** |
| | | | | |
| **Resulting Goodwill** | **10,373** | | **1,549** | **16,067,777** |
| Impairment DEC 2024 | (1,572) | | 1,497 | (2,353,144) |
| Uk DT on PPA | (1,466) | | 1,549 | (2,271,422) |
| | | | | |
| **Goodwill at year end - Deecmber 31 , 2024** | **7,334** | | **1,549** | **11,443,211** |

*** Details of Goodwill impairment testing result is presented in note 21

### 2.2 Income Taxation

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

#### i Current Income Tax

The current income tax charge is calculated on the basis of the applicable tax laws enacted or substantively enacted at the reporting date in the respective jurisdiction.

#### ii Deferred Income 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 financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxables entities where there is an intention to settle the balance on a net basis.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and reviewed at each reporting date , reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Group has applied caution by not recognising additional deferred tax assets which is not considered capable of recovery.

### 2.3 Accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the accompanying disclosures, as well as the disclosure of contingent liability about these assumptions and estimates that could result in outcome that requires a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Management discusses with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates, and the application of these policies and estimates.

#### Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances beyond the control of the Bank. Such changes are reflected in the assumptions when they occur.

#### Going Concern

Business continues to function well and largely uninterrupted. The Group continues to provide access to it's products and services for modern life which it has proven to be doing responsibly and efficiently in even challenging circumstances. Uncertainties remain with doubts about the status of Russian- Ukrain and Isreal - Hamas War. However, the financial situation of the group remains healthy and it does not believe that the impact of the Isreal - Hamas war or Russian-Ukrain War will have any material adverse effect on our financial condition or liquidity. Therefore, based on the Group's liquidility and expected yearly cash outflow, the Group expects that it will be able to meet its financial obligations and therefore continues to adopt a going concern assumption as the basis for preparing its financial statements.

### Allowances for credit losses

### Measurement of the expected credit loss allowance

The measurement of the Expected Credit Loss (ECL) allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 3, which also sets out key sensitivities of the ECL to changes in these elements.

A number of Significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL.

The uncertainties caused by the volatility in macro economic variables required the Group to update the inputs and assumptions used for the determination of expected credit losses ("ECLs") as at 31 December 2024. No futher update was done in the current year .

### Determination of Collateral Value

Management monitors market value of collateral on a regular basis. Management uses its experienced judgement on independent opinion to adjust the fair value to reflect the current circumstances. The amount and collateral required depend on the assessment of credit risk of the counterpart.

In determining the collateral value, the Bank has considered potential impacts of the economic volatility as a result of Isreal - Hamas war as well the the impact of Russian/Ukrain war and elections within various relevant jurisdictions across the globe.

The Directors believe that the underlying assumptions are appropriate and that the Bank's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the notes.

### Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the statement ot financial position cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 3.5 for further disclosures.

The Group has considered potential impacts of the current economic volatility in determination of the reported fair value of the financial instruments and these are considered to represent management's best assessment based on observable information. Markets , however , remain volatile and the recorded amounts remain sensitive to market fluctuations.

### 2.3.1 Standards Issued, Amendments But Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Bank intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

**a Amendments to IAS 21 - Lack of exchangeability In August 2023, the Board issued Lack of exchangeability amendments to IAS 21.**

The amendments specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use:

- an observable exchange rate without adjustment; or
- another estimation technique.

The amendment becomes effective from 1 January 2025

**b IFRS 18 Presentation and Disclosure in Financial Statements:**

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. The standard introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss, provide disclosures on management-defined performance measures (MPMs) and improve aggregation & disaggregation. The standard also made some minor amendments to IAS 7 and IAS 33.

All entities are required to follow the same classification requirements. However, there are reporting modifications for entities that invest in assets as a main business activity (such as investment entities, investment property entities and insurers) and entities that provide financing to customers as a main business activity (such as bank

IFRS 18 requires an entity to classify income and expenses included in profit or loss into one of the following categories:

i. Operating Category: This comprises all income and expenses included in the statement of profit or loss that are not classified in the investing, financing, income taxes or discontinued operations categories. It is the default category that includes, but not limited to, income and expenses from an entity's main business activities.

   Income and expenses from other business activities, such as income and expenses from additional activities, are also classified in the operating category if those income and expenses do not meet the requirements to be classified in any of the other categories.

ii. Investing Category: This comprises income and expenses from:

- investments in associates, joint ventures, and unconsolidated subsidiaries
- cash and cash equivalents.
- other assets that generate a return individually and largely independently of the entity's other resources Income and expenses' classified in the investing category comprises:
- income generated by the assets
- income and expenses that arise from the initial and subsequent measurement of the assets, including on derecognition of the assets
- incremental expenses directly attributable to the acquisition and disposal of the assets (e.g. transaction costs and costs to sell the assets

iii. Financing category: This includes income and expenses from liabilities arising from transactions that involve the raising of finance, whether the transaction involves only the raising of finance or not.

iv. Income taxes category: The income taxes category comprises:

- tax expense or tax income included in profit or loss applying IAS 12 Income Taxes
- any related foreign exchange differences.

v. Discontinued operations category: The discontinued operations category comprises income and expenses from discontinued operations as defined in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

**c IFRS 18 causes amendments to IAS 7 Statement of Cashflows as follows.**

Require all entities to use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities.

Remove the presentation alternatives for cash flows related to interest and dividends paid and received as follows

- for entities with no specified main business activities:

  interest and dividends received will always be classified as cash flows from investing activities interest and dividends paid will always be classified as cash flows from financing activities.

- for entities that invest in assets or provide financing to customers as a main business activity, the entity is required to:

determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how , applying IFRS 18 - it classifies dividend income, interest income and interest expenses in the statement of profit or lossclassify the total of each of these cash flows in a single category in the statement of cash flows (that is, either as operating, investing or financing activities) classify dividends paid as cash flows from financing activities.

### d IFRS 18 causes amendments to IAS 33 Earnings Per Share.

In addition to reporting basic and diluted earnings per share (EPS), entities are permitted by IAS 33 to disclose (in the notes only) additional EPS calculated based on any component of the statement of comprehensive income.

The amendments to IAS 33 permit an entity to disclose these additional EPS only if the numerator is either a total or subtotal identified in IFRS 18 or is an MPM.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. If an entity applies IFRS 18 for an earlier period, it is required to disclose that fact in the notes. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18.

### 2.3.2 Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.The amendments 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 in itself an equity instrument , would the terms of a liability not impact its classification.

### Right to Defer Settlement

The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

### Existence at the end of the reporting period

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.

### Management Expectation

IAS 1.75A has been added to clarify that the 'classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period'. That is, management's intention to settle in the short run does not impact the classification. This applies even if settlement has occurred when the financial statements are authorised for issuance.

### 2.3.3 Foreign currency translation and transaction

### (a) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency")

The financial statements are presented in Naira, which is the Group's presentation currency.

### (b) Transactions and balances

Foreign currency transactions (i.e. transactions denominated, or that require settlement, in a currency other than the functional currency) 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 items denominated in foreign currency are translated with the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

In the case of changes in the fair value of monetary assets denominated in foreign currency classified as fair value through other comprehensive income (FVOCI), a distinction is made between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount, except impairment, are recognised in other comprehensive income.

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

## 2.4 Financial assets and liabilities (Policy applicable for financial instruments)

### 2.4.1 Initial recognition

The Group initially recognises loans and advances, deposits and debt securities issued on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, (for an item not at fair value through profit or loss), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in Net gains/(losses) from financial instruments.In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

### Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

### Effective interest method

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

For purchased or originated credit-impaired (`POCI') financial assets — assets that are credit-impaired at initial recognition — the Bank calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Bank revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

### Interest income

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired financial assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

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

**a) Debt Instruments**

The classification and subsequent measurement of debt instruments depend on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Based on these factors, the Group classifies its debt instruments into one of the following measurement categories:

**Amortised Cost:** Financial assets that are held within a business model whose objective is collection of contractual cash flows and where such cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss due to impairment or upon derecognition of a debt investment that is subsequently measured at amortised cost is recognised in profit or loss. Interest income from these financial assets using the effective interest rate method is included in "Interest and similar income using the effective interest rate method

**Fair value through other comprehensive income (FVOCI):**

Financial assets that are held within a business model whose objective is achieved both by collection of contractual cash flows and by selling the assets, where those cash flows represent solely payments of principal and interest, and are not designated at fair value through profit or loss, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for recognition of impairment gains and losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost 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 using the effective interest rate method is included in "Interest and similar income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the profit or loss statement within "Net gains/(losses) from financial instruments classified as held for trading" in the period in which it arises. Interest income from these financial assets is included in "Other Interest and similar income.

### 2.4.2 Financial Assets - Subsequent Measurement

**Business Model Assessment**

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected.
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing financial assets is achieved and how cash flows are realized.

**Solely Payments of Principal and Interest (SPPI) Assessment**

Principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money - e.g. periodical rate of interest

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

### Reclassifications

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

### Modifications

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses.

### b) Equity Instruments

The Group subsequently measures all Quoted and Unquoted equity investments at fair value through other comprehensive income. Where the Group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established. These investments are held for strategic purposes rather than for trading purposes .See note 24.3

### c) 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.

The Group uses widely recognised valuation models for determining the fair value of common and simple financial instruments, such as interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable markets prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

### d) Non-derivative financial assets

"The Group revised its internal treasury and risk management systems to support the transition to SOFR. During the course of this transition, the Group's IBOR Transition team established policies for amending the interbank offered rates on existing floating-rate loan portfolio indexed to IBORs. Loan products are amended in a uniform way, while syndicated products, are amended in bilateral negotiations with syndicated loan partners.

### e) Non-derivative financial Liabilities

The Bank has floating-rate liabilities indexed to

USD LIBOR. The IBOR Transition team and the treasury team discussed with the counterparties of our financial liabilities and amended the contractual terms in response to IBOR reform.

### 2.4.3 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 loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, 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. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12 months ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12m ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

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 if it is 30 days past due. Based on the above process, it groups its loans into Stage 1, Stage 2 and Stage 3, as described below:

- **Stage 1:**

When loans are first recognised, the Group recognises an allowance based on 12 months expected credit losses (12m ECLs). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

- **Stage 2:**

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the lifetime expected credit losses (LTECLs). Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

- **Stage 3:**

These are loans considered as credit-impaired.The group records an allowance for the LTECLs.

**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

#### The calculation of ECLs

The Bank calculates ECLs based on a multiple scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

**PD:** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PDs is further explained in Note 3.2.4.

**EAD:** The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. The EAD is further explained in Note 3.2.4 (c).

**LGD:** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is further explained in Note 3.2.4 (c).

When estimating the ECLs, the Group considers multiple scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. When relevant, the assessment also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Group has the legal right to call it earlier, with the exception of revolving facilities which could extend beyond the contractual life.

Provisions for ECLs for undrawn loan commitments are assessed as set out in Note 2.20. The calculation of ECLs (including the ECLs related to the undrawn element) for revolving facilities is explained in Note 3.2.4 (c).

The mechanics of the ECL method are summarised below:

**Stage 1**

- The 12m ECL is calculated as the portion of LTECLs 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 12mECL 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 EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**Stage 2**

- When a financial instrument has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above 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 financial instruments considered credit-impaired (as defined in Note 3), 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**

- 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, discounted by the credit-adjusted EIR.

**Loan Commitments and Letters of Credit**

- When estimating LTECLs 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. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.
- For 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 Provisions.

**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 profit or loss, 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 ECLs related to financial guarantee contracts are recognised within Provisions.

**Bank Overdraft and Other Revolving Facilities**

The Group's product offering includes a variety of corporate and retail overdraft and credit cards facilities, in which the Group has the right to cancel and/or reduce the facilities with one day's notice. The Bank does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Group's expectations of the customer behaviour, its likelihood of default and the Group's future risk mitigation procedures, which could include reducing or cancelling the facilities.

**Restructured Financial Assets**

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL is measured as follows:

- if the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating cash shortfalls from the existing asset.

- if the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

### Credit-Impaired Financial Assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt instruments carried at FVOCI are credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following:

- there is significant financial difficulty of a customer/issuer/obligor (potential bad debt indicator);
- there is a breach of contract, such as a default or delinquency in interest or principal payments;
- the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the Group would not otherwise consider.
- it becomes probable that a counterparty/ borrower may enter bankruptcy or other financial reorganisation;
- there is the disappearance of an active market for a financial asset because of financial difficulties; or
- observable data indicates that there is a measurable decrease in the estimated future cash flows from a group of financial assets.
- the financial asset is 90 days past due

A loan that has been renegotiated due to a deterioration in the borrower's financial condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered impaired.

### 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. The Group's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same is it was under IAS 39. 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 quarterly basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily. Details of the impact of the Group's various credit enhancements are disclosed in Note 3.

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

### Collateral Repossessed

The Group's accounting policy under IFRS 9 remains the same as it was under IAS 39. 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.

In its normal course of business, the Group does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the statement of financial position.

### 2.4.4 Presentation of Allowance for ECL

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

- Loan commitments and financial guarantee contracts: the loss allowance is recognised as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

### Write-Off

The Group writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasing enforcement activity and where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Group may write-off financial assets that are still subject to enforcement activity.

### Initial and Subsequent Measurement

Financial liabilities are initially measured at their fair value, except in the case of financial liabilities recorded at FVPL, transaction costs are added to, or subtracted from, this amount. Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVPL when they are held for trading and derivative instruments or the fair value designation is applied.

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. 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. The Group classifies financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading liabilities are recorded and measured in the statement of financial position at fair value.

In both the current and prior period, all financial liabilities are classified and subsequently measured at amortised cost.

### Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

### Financial Guarantee Contracts and Loan Commitments

Financial guarantee contracts are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of the debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or commitments to provide a loan at below-market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently, they are measured at the higher of the amount of loss allowance and the premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

## 2.5 Revenue Recognition

### Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'Interest income' and 'Interest expense' in the Statement of profit or loss and Other comprehensive income using the effective interest method.

### Fees and Commission Income

Fees and commissions are generally recognised on an accrual basis when the service has been provided in line with the requirement of IFRS 15 - Revenue from Contracts with Customers. Loan commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognised as an adjustment to the effective interest rate on the loan. Loan syndication fees are recognised as revenue when the syndication has been completed and the Group has retained no part of the loan package for itself or has retained a part at the same effective interest rate as the other participants. Commission and fees arising from negotiating, or participating in the negotiation of, a transaction for a third party, are recognised on completion of the underlying transaction.

### Income From Bonds or Guarantees and Letters of Credit

Income from bonds or guarantees and letters of credit are recognised on a straight line basis over the life of the bond or guarantee in accordance with the requirement of IFRS 15.

### Dividend Income

Dividends are recognised in profit or loss when the entity's right to receive payment is established.

## 2.6 Impairment of Non-Financial Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Additionally, intangible assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). The impairment test may also be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication 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. An impairment loss in respect of goodwill is not reversed.

## 2.7 Statement of Cash Flows

The Statement of cash flows shows the changes in cash and cash equivalents arising during the period from operating activities, investing activities and financing activities. Cash and cash equivalents include highly liquid investments.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The Group's assignment of the cash flows to operating, investing and financing category depends on the Group's business model (management approach). Interest received and interest paid are classified as operating cash flows, while dividends received and dividends paid are included in investing and financing activities respectively.

### 2.8 Cash and Cash Equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents include cash, due from banks and non-restricted balances with central bank.

### 2.9 Leases

#### a The Bank is the lessee

#### i Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentive received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

#### ii Short-term leases and leases of low-value assets

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 (i.e., below N1,532,500). Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### b The Bank is the lessor

#### i Operating Lease

When assets are subject to an operating lease, the assets continue to be recognised as property and equipment based on the nature of the asset. Lease income is recognised on a straight line basis over the lease term. Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term.

#### ii Finance Lease

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) 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.

### 2.10 Property, Plant and Equipment

Land and buildings comprise mainly branches and offices. All property and equipment used by the Group is stated at historical cost less accumulated depreciation and accumulated impairment losses, if any Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to 'Other operating expenses' during the financial period in which they are incurred.

"Land included in leasehold land and buildings is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Building: 50 years
- Leasehold Improvements: the lower of useful life and lease period
- Motor vehicles: 4 years
- Furniture and fittings: 5 years
- Computer equipment: 5 years
- Office equipment: 5 years

### 2.10 Property, Plant and Equipment-continued

The assets' residual values, depreciation method and useful lives are reviewed annually, and adjusted if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in 'Other operating expenses' in profit or loss.

Construction cost and improvements in respect of offices is carried at cost as capital work in progress. On completion of construction or improvements, the related amounts are transferred to the appropriate category of property and equipment. Payments in advance for items of property and equipment are included as Prepayments in "Other Assets" and upon delivery are reclassified as additions in the appropriate category of property, plant and equipment.

### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## 2.11 Intangible Assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group, are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell thesoftware product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Direct computer software costs recognised as intangible assets are amortised on the straight-line basis over the life of the intangible asset and are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Direct computer software costs recognised as intangible assets are amortised on the straight-line basis over the life of the intangible asset and are carried at cost less any accumulated amortisation and any accumulated impairment losses.

### Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

## 2.12 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. The Group recognises no provisions for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2.13 Retirement Obligations and Employee Benefits

The Group operates the following contribution and benefit schemes for its employees:

### 2.13.1 Defined Contribution Pension Scheme

The Group operates a defined contributory pension scheme for eligible employees. Bank contributes 10% of the employees' Basic, Housing and Transport allowances in line with the provisions of the Pension Reform Act 2014 while employee contributes 8% summing to 18% annual contribution . The Group pays the contributions to a pension fund administrator. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The Group has no further obligation beyond the its 10% contribution at the terminal date or disengagement.

### 2.13.2 Short-Term Benefits

Wages, salaries, annual leave, bonuses and non-monetary benefits are recognised as employee benefit expenses in the statement of profit or loss and paid in arrears when the associated services are rendered by the employees of the Group.

### 2.14 Termination Benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed , without realistic possibility of withdrawal , to a formal detailed plan to either terminate employment before the normal retirement date , or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognized in the statement of other comprehensive income if the company has made an offer for voluntary redundancy ,it is probable that the offer will be accepted , and the number of acceptances can be estimated reliably.

### 2.15 Share Capital

#### (a) Share Issue Costs

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

#### (b) Dividends on Ordinary Shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders.

Dividends for the period that are declared after the reporting date are dealt with in the subsequent events note.

Dividends proposed by the Directors but not yet approved by members are disclosed in the financial statements in accordance with the requirements of the Company and Allied Matters Act.

### 2.16 Fair Value Measurement

The Group measures some financial instruments at fair value at each reporting date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### 2.16 Fair Value Measurement- continued

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2.17 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

## 2.18 Segment Reporting

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which seperate financial information is availble that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance. The Group has determined the (Executive Committee) as its chief operating decision maker.

An entity shall disclose information to enable users of its financial statements to evaluate the nature and financial effects of the types of business activities in which it engages and the economic environments in which it operates. Following the management approach , operating segments are reported in accordance with the internal reports provided to the Group's Managing Director (the chief operating decision maker). The following summary describes each of the Group's reportable segments.

### Retail Banking

The retail banking segment offers a comprehensive range of retail, personal and commercial services to individuals, small and medium business customers including a variety of E-Business products to serve the retail banking segment.

### Corporate Banking

The corporate banking segment offers a comprehensive range of commercial and corporate banking services to the corporate business customers including other meduim and large business customers. The segment covers Power and infrastructure, Oil and Gas Upstream and Downstream, Real Estate, Agro-Allied and other industries.

### Investment Banking

The Group's investment banking segment is involved in the funding and management of the Group's securities, trading and investment decisions on asset management with a view of maximising the Group's shareholders returns.

## 3. Financial risk management and fair value measurement and disclosure

## 3.1 Introduction and overview

**IFRS 7:** An entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the end of the reporting period. Set out below is the information about the nature and extent of risks arising from the financial instruments to which the group is exposed at the end of the reporting period.

### Enterprise Risk Management

The Group runs an Enterprise-wide Risk Management system which is governed by the following key principles:

i) Comprehensive and well defined policies and procedures designed to identify, assess, measure, monitor and report significant risk exposures of the entity. These policies are clearly communicated throughout the Group and are reviewed annually.

ii) Clearly defined governance structure.

iii) Clear segregation of duties within the Risk Management Division and also between them and the business groups.

iv) Management of all classes of banking risk broadly categorized into credit, market, liquidity, operational risk independently but in a co-coordinated manner at all relevant levels within the system.

v) Incorporate the volatility in macro economic variables caused by Covid-19 in the inputs and assumptions used for the determination of expected credit losses ("ECLs")

### Risk Management Governance Structure

Enterprise-wide risk management roles and responsibilities are assigned to stakeholders in the Group at three levels as follows:

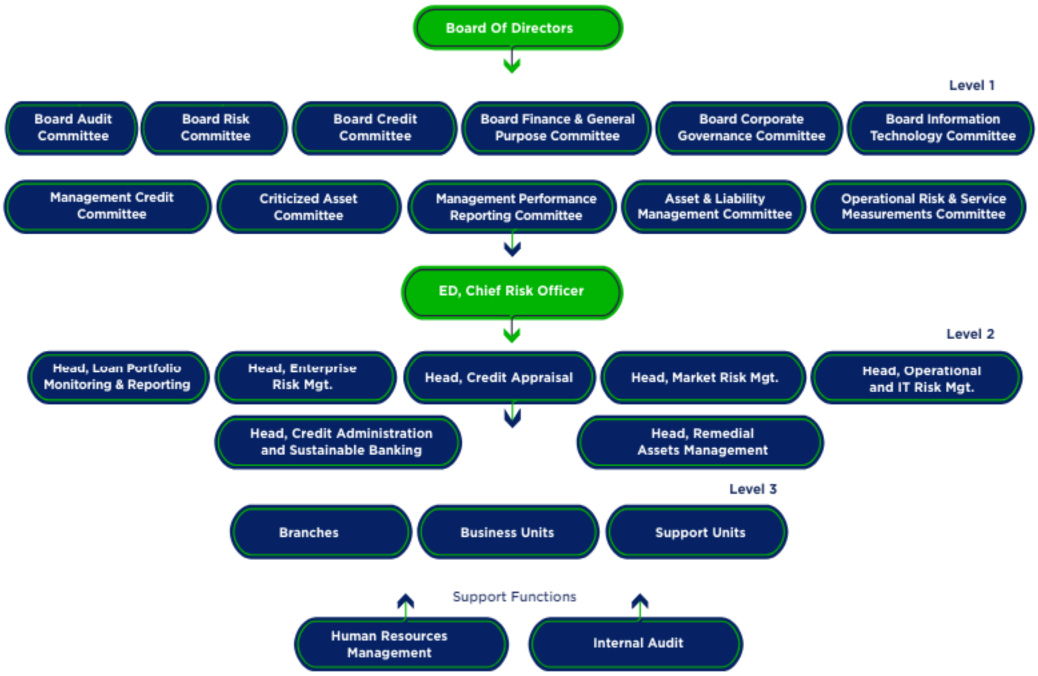
**Level 1** - Board/Executive Management oversight is performed by the Board of Directors, Board Audit Committee, Board Risk Management Committee, Board Credit Committee (BCC), Board Finance & General Purpose Committee, Board Information Technology Committee and Executive Management Committee (EXCO).

**Level 2** - Senior Management function is performed by the Management Credit Committee (MCC), Criticised Assets Committee (CAC), Asset and Liability Management Committee (ALCO), Operational Risk & Service Measurements Committee (ORSMC), Management Performance Reporting Committee (MPR), The Chief Risk Officer

(CRO) and Heads of Enterprise Risk Management, Loan Monitoring and Portfolio Reporting, Credit Appraisal, Credit Administration and Sustainable Banking, Remedial Assets Management, Market Risk Management and Information Technology and Operational Risk Management.

**Level 3** - This is performed by all enterprise-wide Business and Support Units. Business and Support Units are required to comply with all risk policies and procedures and to manage risk exposures that arise from daily operations.

The Group's Corporate Audit Division assists the Board Risk Committee by providing independent appraisal of the Group's risk framework for internal risk assurance. The Division assesses compliance with established controls and enterprise-wide risk management methodologies. Significant risk related infractions and recommendations for improvement in processes are escalated to relevant Management and Board committees.




## Enterprise Risk Management- continued

## Enterprise Risk Philosophy

## Fidelity Enterprise Risk Mission

## Risk Culture

The Group's risk culture proactively anticipates and curtails losses that may arise from its banking risk underwriting. This culture evolved out of the understanding that the Group is in a growth phase which requires strong risk management. By design therefore, the Group operates a managed risk culture, which places emphasis on a mixture of growth and risk control to achieve corporate goals without compromising asset or service quality.

## Risk Appetite

The risk appetite describes the quantum of risk that we would assume in pursuit of the Group's business objectives at any point in time. For the Group, it is the core instrument used in aligning the Group's overall corporate strategy, the Group's capital allocation and risks.

The Group defines the Group's Risk Appetite quantitatively at two levels: Enterprise level and Business/Support Unit level.

To give effect to the above, the Board of Directors of the Group sets target Key Performance Indicators (KPIs) at both enterprise and business/support unit levels based on recommendations from the Executive Management Committee (EXCO).

At the Business and Support unit level, the enterprise KPIs are cascaded to the extent that the contribution of each Business/Support Unit to risk losses serves as input for assessing the performance of the Business/Support Unit.

### 3.2 Credit Risk

### 3.2.1 Management of credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is the single largest risk for the Group's business; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors and head of each business unit.

The Group measures and manage credit risk following the principles below:

- Consistent standards as documented in the Group's credit policies and procedures manual are applied to all credit applications and credit approval decisions.
- Credit facilities are approved for counter-parties only if underlying requests meet the Group's standard risk acceptance criteria.
- Every extension of credit or material change to a credit facility (such as its tenor, collateral structure or major covenants) to any counter-party requires approval at the appropriate authority level. The approval limits are as follows:

| **Individual Approval Limit** | | |
|---|---|---|
| Approving Authority | Tenor | Limit |
| Business-Facing Executive Director | All tenors | N100m |
| Managing Director/Chief Executive | All tenors | N200m |

| **Committee Approval Limit** | | | | | |
|---|---|---|---|---|---|
| | MCC | | | BCC | Board |
| Obligor Risk Rating | Up to 2yrs | 3 - 5yrs | >5yrs | All Tenors | All Tenors |
| AAA - A | N3bn | N2bn | N1bn | N7.5bn | Above BCC limit up to Single Obligor Limit (SOL) |
| BBB - B | N2bn | N1.50bn | N1.0bn | N5bn | |
| CCC | N0.5bn | N0.3bn | Nil | N2bn | |

- The Group assigns credit approval authorities to individuals according to their qualifications, experience, training and quality of previous credit decisions. These are also reviewed by the Group periodically.
- The Group measures and consolidates all the Group's credit exposures to each obligor on a global basis. The Group's definition of an "obligor" include a group of individual borrowers that are linked to one another by any of a number of criteria the Group have established, including capital ownership, voting rights, demonstrable control, other indication of group affiliation; or are jointly and severally liable for all or significant portions of the credit the Group have extended.The Group's respective business units are required to implement credit policies and procedures while processing credit approvals including those granted by Management and Board Committees.
- Each business unit is responsible for the quality, performance and collection of its credit portfolio including those approved by the Management and Board Committees.
- The Group's Credit Control and Loan Portfolio Monitoring & Reporting departments regularly undertake independent audit and credit quality reviews of credit portfolios held by business units.

### 3.2.2 Credit Risk Ratings

A primary element of the Group's credit approval process is a detailed risk assessment of every credit associated with a counter-party. The Group's risk assessment procedures consider both the credit worthiness of the counter-party and the risks related to the specific type of credit facility or exposure. This risk assessment not only affects the structuring of the transaction and the outcome of the credit decision, but also influences the level of decision-making authority required to extend or materially change the credit and the monitoring procedures we apply to the on-going exposure

The Group has its own in-house assessment methodologies and rating scale for evaluating the creditworthiness of it's counter-parties. The Group's programmed 9-grade rating model was developed in collaboration with Agusto & Company, a foremost rating agency in Nigeria, to enable comparison between the Group's internal ratings and the common market practice, which ensures comparability between different portfolios of the Group.

| Group rating | Applicable score band | Agusto & Co. Limited | Description of the grade |
|---|---|---|---|
| | | | Investment grade |
| AAA | 90% - 100% | AAA | Exceptionally strong business fundamentals and overwhelming capacity to meet obligations in a timely manner. |
| | | | Standard Monitoring |
| AA | 80% - 89% | AA | Very good business fundamentals and very strong capacity to meet obligations |
| A | 70% - 79% | A | Good business fundamentals and strong capacity to meet obligations |
| BBB | 60%- 69% | BBB | Satisfactory business fundamentals and adequate capacity to meet obligations |
| BB | 50% - 59% | BB | Satisfactory business fundamentals but ability to repay may be contingent upon refinancing. |
| B | 40% - 49% | B | Weak business fundamentals and capacity to repay is contingent upon refinancing. |
| CCC | 30% - 39% | CCC | Very weak business fundamentals and capacity to repay is contingent upon refinancing. |
| CC | 20% - 29% | CC | Very weak business fundamentals and capacity to repay in a timely manner may be in doubt. |
| | | | Default |
| C | 0% - 19% | C | Imminent Insolvency |

We generally rate all the Group's credit exposures individually. The rating scale and its mapping to the Standard and Poors agency rating scale is as follows:

| Internal Rating Categories | Interpretation | Mapping to External Rating (S&P) |
|---|---|---|
| AAA | Impeccable financial condition and overwhelming capacity to meet obligations in a timely manner | AAA |
| AA | Very good financial condition and very low likelihood of default | AA |
| A | Good financial condition and low likelihood of default | A |
| BBB to BB | Satisfactory financial condition and adequate capacity to meet obligations | BBB to BB |
| B to D | Weak financial condition and capacity to repay is in doubt and may be contingent upon refinancing | B to D |

### 3.2.3 Credit Limits

Portfolio concentration limits are set by the Group to specify maximum credit exposures we are willing to assume over given periods. The limits reflect the Group's credit risk appetite. The parameters on which portfolio limits are based include limits per obligor, products, sector, industry, rating grade, geographical location, type of collateral, facility structure and conditions of the exposure.

### Monitoring Default Risk

The Group's credit exposures are monitored on a continuing basis using the risk management tools described above. The Group has also put procedures in place to identify at an early stage credit exposures for which there may be an increased risk of loss. Counter-parties that on the basis of the application of the Group's risk management tools, demonstrate the likelihood of problems, are identified well in advance so that the Group can effectively manage the credit exposure and maximize the recovery. The objective of this early warning system is to address potential problems while adequate alternatives for action are still available. This early risk detection is a tenet of the Group's credit culture and is intended to ensure that greater attention is paid to such exposures. In instances where the Group has identified counter-parties where problems might arise, the respective exposure is placed on a watch-list.

### 3.2.4 Expected Credit Loss Measurement

Change in credit quality since initial recognition

| Stage 1 | Stage 2 | Stage 3 |
|---|---|---|
| Initial recognition | Significant increase in credit risk since initial recognition | Credit-impaired assets |
| 12 month expected credit losses | Lifetime expected credit losses | Lifetime expected credit losses |

### (a) Significant Increase In Credit Risk

At initial recognition, the Group allocates each exposure to a credit risk grade based on available information about the borrower that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined and calibrated such that the risk of default occurring increases as the credit risk deteriorates.

The Group monitors its loans and debt portfolios to determine when there is a significant increase in credit risk in order to transition from stage 1 to stage 2. In assessing significant increase in credit risk, management considers credit rating, prudential classification and backstop (30 days past due presumption) indicators. Financial assets that have been granted forbearance could be considered to have significantly increased in credit risk.

### Backstop Indicators

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

For assessing increase in credit risk, the Group sets the origination date of revolving and non-revolving facilities as the last re-price date i.e. the last time the lending was re-priced at a market rate.

### (b) Definition of Default

The Group considers a financial asset to be in default, which is fully aligned with the credit-impaired, when it meet the following criteria:

### Quantitative criteria

- Internal credit rating - Downgrade from Performing to Non-performing (rating grids C and below)
- Days past due (Dpd) observation – DPDs of 90 days and above
- Prudential classification of sub-standard, doubtful or lost

### (c) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

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 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 (LGD) 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 ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is derived by using historical data to develop specific lifetime PD models for all asset classes. The long term span of historical data is then used to directly model the PD across the life of a exposure. For debt instruments that are not internally rated , the Group obtains the issuer ratings of such instruments and matches them to its internal rating framework to determine the equivalent rating. The lifetime PD curves developed for that rating band will then be used.

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

The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a regular basis.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

### (d) Forward-Looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided by the Group's strategy team on a quarterly basis. The specific macro-economic model applied is a Markov multi-state model of transitions in continuous time with macroeconomic co-variates. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis. This helps to understand the impact these variables have had historically on default rates and on the components of LGD and EAD.

In addition to the base economic scenario, the Group's strategy team also provides other possible scenarios along with scenario weightings. The number of other scenarios used is based on the analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are re-assessed at each reporting date. At 1 January 2024 and 31 December 2024, the Group concluded that the scenarios appropriately captured non-linearities for all its portfolios.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

### Economic Variable Assumptions

The most significant period-end assumptions used for the ECL estimate as at 31 December 2024 are set out below. The scenarios "base", "upside" and "downside" were used for all portfolios.

| | | 6M | 2025 | 2026 | 2027 |
|---|---|---|---|---|---|
| Foreign exchange rate (N) | | | | | |
| | Base Case | 1,650.000 | 1,750.184 | 1,847.417 | 1,944.649 |
| | Best Case | 1,320.000 | 1,400.147 | 1,477.933 | 1,555.719 |
| | Worse Case | 1,980.000 | 2,100.221 | 2,216.900 | 2,333.579 |
| Inflation rate | | | | | |
| | Base Case | 27.64% | 23.25% | 20.22% | 22.06% |
| | Best Case | 18.83% | 14.71% | 12.36% | 13.45% |
| | Worse Case | 40.56% | 36.77% | 33.10% | 15.05% |
| Crude Oil ($) | | | | | |
| | Base Case | 54.66 | 54.61 | 54.56 | 54.53 |
| | Best Case | 80.96 | 87.16 | 91.85 | 93.13 |
| | Worse Case | 22.60 | 19.64 | 17.57 | 17.02 |
| Foreign Reserves ($ Bn) | | | | | |
| | Base Case | 41.73 | 43.11 | 40.94 | 38.36 |
| | Best Case | 46.03 | 48.36 | 46.30 | 45.52 |
| | Worse Case | 37.84 | 38.42 | 36.19 | 32.33 |
| USD Index | | | | | |
| | Base Case | 104.94 | 105.96 | 107.94 | 109.69 |
| | Best Case | 100.21 | 100.70 | 102.23 | 102.94 |
| | Worse Case | 109.89 | 111.50 | 113.97 | 116.88 |
| GDP | | | | | |
| | Base Case | 2.45 | 2.53 | 2.41 | 2.39 |
| | Best Case | 6.46 | 6.67 | 6.42 | 6.35 |
| | Worse Case | 0.93 | 0.96 | 0.91 | 0.90 |
| MPR | | | | | |
| | Base Case | 27.50% | 23.00% | 18.00% | 15.00% |
| | Best Case | 20.63% | 17.25% | 13.50% | 11.25% |
| | Worse Case | 34.38% | 28.75% | 22.50% | 18.75% |
| Money Supply | | | | | |
| | Base Case | 3.41 | 3.22 | 3.96 | 4.49 |
| | Best Case | 4.01 | 3.83 | 4.82 | 5.48 |
| | Worse Case | 2.89 | 2.71 | 3.26 | 3.68 |
| Baltic Dry | | | | | |
| | Base Case | 1.47 | 2.16 | 2.32 | 2.47 |
| | Best Case | 2.43 | 3.62 | 3.89 | 4.14 |
| | Worse Case | 0.88 | 1.29 | 1.39 | 1.48 |

### (e) Grouping Financial Instruments For Collective Assessment

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Group has considered benchmarking internal/external supplementary data to use for modelling purposes. The characteristics used to determine groupings include instrument type, credit risk ratings and industry.

The aggregation of financial instruments may change over time as new information becomes available.

### 3.2.5 Maximum Exposure to credit risk before collateral held or other credit enhancements

The Bank's maximum exposure to credit risk as at 31 December , 2024 and 31 December, 2023 is represented by the gross carrying amounts of the financial assets set out below:

| Group | Maximum exposure | Fair value of Collateral held | Surplus collateral | Net exposure |
|---|---|---|---|---|
| **Financial Assets** | **31 December 2024** | | | |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Balances with central bank | 75,892 | - | - | 75,892 |
| Restricted balances with central bank | 1,586,350 | | | 1,586,350 |
| Due from banks | 584,646 | 79,395 | - | 505,251 |
| Loans and advances to customers | 4,582,711 | 32,328,199 | 27,701,426 | - |
| Derivative finacial assets | 50,292 | | - | 50,292 |
| Investments: | | | - | - |
| Financial assets at fair value through profit or loss | 5,113 | - | - | 5,113 |
| | | | | |
| Debt instruments at fair value through other comprehensive income | 186,571 | - | - | 186,571 |
| Debt instruments at amortised cost | 1,553,765 | - | - | 1,553,765 |
| Other assets | 143,483 | - | - | 143,483 |
| | 8,838,457 | 32,407,594 | 27,701,426 | 4,176,351 |
| | | | | |
| Financial Guarantee contracts: | | | | |
| Performance bonds and guarantees | 1,012,354 | - | - | 1,012,354 |
| Letters of credit | 759,058 | 3,075 | - | 755,983 |
| Undrawn portion of overdraft | 240,213 | | | 235,336 |
| | **2,011,624** | **3,075** | **-** | **2,003,673** |

| | Maximum exposure | Fair value of Collateral held | Surplus collateral | Net exposure |
|---|---|---|---|---|
| **Financial Assets** | **31 December 2023** | | | |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Balances with central bank | 115,576 | - | - | 115,576 |
| Restricted balances with central bank | 1,174,398 | | | 1,174,398 |
| Due from banks | 239,804 | - | - | 239,804 |
| Loans and advances to customers | 3,106,324 | 17,394,847 | 14,288,523 | - |
| Derivative finacial assets | 10,723 | | - | 5,947 |
| Investments: | | | - | - |
| Financial assets at fair value through profit or loss | 7,684 | - | - | 7,684 |
| Debt instruments at fair value through other comprehensive income | 187,561 | - | - | 187,561 |
| Debt instruments at amortised cost | 821,014 | - | - | 821,014 |
| Other assets | 394,750 | - | - | 394,699 |
| | 6,162,786 | 17,394,847 | 14,288,523 | 3,047,446 |
| | | | | |
| Financial Guarantee contracts: | | | | |
| Performance bonds and guarantees | 730,779 | - | - | 730,779 |
| Letters of credit | 413,362 | | - | 413,362 |
| Undrawn portion of overdraft | 115,650 | | | 120,292 |
| | **1,259,791** | **-** | **-** | **1,264,433** |

*Excluding equity instruments

| Bank | Maximum exposure | Fair value of Collateral held | Surplus collateral | Net exposure |
|---|---|---|---|---|
| **Financial Assets** | | **31 December 2024** | | |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Balances with central bank | 75,892 | - | - | 75,892 |
| Restricted balances with central bank | 1,586,350 | | | 1,586,350 |
| Due from banks | 395,192 | - | - | 395,192 |
| Loans and advances to customers | 4,541,322 | 32,239,119 | 27,697,797 | - |
| Derivative finacial assets | 50,292 | | - | 50,292 |
| Investments: | | | - | - |
| Financial assets at fair value through profit or loss | 5,113 | - | - | 5,113 |
| | | | | - |
| Debt instruments at fair value through other comprehensive income | 112,925 | - | - | 112,925 |
| Debt instruments at amortised cost | 1,553,765 | - | - | 1,553,765 |
| Other assets | 143,154 | - | - | 143,154 |
| | 8,533,640 | 32,239,119 | 27,697,797 | 3,992,317 |
| | | | | |
| Financial Guarantee contracts: | | | | |
| Performance bonds and guarantees | 1,012,354 | - | - | 1,012,354 |
| Letters of credit | 737,355 | | - | 737,355 |
| Undrawn portion of overdraft | 235,336 | | | 235,336 |
| | **1,985,045** | **-** | **-** | **1,985,045** |

The Bank's maximum exposure to credit risk as at 31 December, 2024 and 31 December 2023 is represented by the gross carrying amounts of the financial assets set out below:

| | Maximum exposure | Fair value of Collateral held | Surplus collateral | Net exposure |
|---|---|---|---|---|
| **Financial Assets** | | **31 December 2023** | | |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Balances with central bank | 115,576 | - | - | 115,576 |
| Restricted balances with central bank | 1,174,398 | | | 1,174,398 |
| Due from banks | 239,804 | - | - | 239,804 |
| Loans and advances to customers | 3,106,324 | 17,394,847 | 14,288,523 | - |
| Derivative finacial assets | 10,723 | | - | 10,723 |
| Investments: | | | | |
| Financial assets at fair value through profit or loss | 7,684 | - | - | 7,684 |
| Debt instruments at fair value through other comprehensive income | 187,561 | - | - | 187,561 |
| Equity instruments at fair value through other comprehensive income | 104,953 | - | - | 100,763 |
| | 821,014 | - | - | 821,014 |
| Debt instruments at amortised cost | 394,750 | - | - | 394,699 |
| Other assets | | | | |
| | 6,162,786 | 17,394,847 | 14,288,523 | 3,052,222 |
| Performance bonds and guarantees | 730,779 | - | - | 730,779 |
| Letters of credit | 413,362 | | - | 413,362 |
| Undrawn portion of overdraft | 115,650 | | | 120,292 |
| | **1,259,791** | **-** | **-** | **1,264,433** |

*Excluding equity instruments

### 3.2.6 Credit Concentrations

The Bank monitors concentrations of credit risk by sector and by geographical location. An analysis of concentrations of credit risk at 31 December 2024, is set out below:

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| **Financial assets with credit risk:** | **Cash and balances with Central bank** | **Due from banks** | **Loans and advances to customers** | **Investment securities** | **Other assets** |
| | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Carrying amount | 1,697,639 | 582,941 | 4,387,106 | 1,744,031 | 135,626 |
| | | | | | |
| Concentration by sector | | | | | |
| Agriculture | - | - | 225,099 | - | - |
| Oil and gas | - | - | 1,991,749 | - | - |
| Consumer credit | - | - | 86,549 | - | - |
| Manufacturing | - | - | 328,129 | - | - |
| Mining and Quarrying | - | - | 19,737 | - | - |
| Mortgage | - | - | - | - | - |
| Real estate | - | - | 52,413 | - | - |
| Construction | - | - | 131,728 | - | - |
| Finance and insurance | - | 584,646 | 14,431 | - | - |
| Government | - | - | 222,409 | 1,730,184 | - |
| Power | - | - | 335,753 | - | - |
| Other public utilities | - | - | - | - | - |
| Transportation | - | - | 557,834 | - | - |
| Communication | - | - | 62,341 | 10,202 | - |
| Education | - | - | 10,468 | - | - |
| Central Bank balance (restricted ) | 1,586,350 | - | - | - | - |
| Other | 111,289 | - | 544,072 | 5,063 | 143,154 |
| **Total Gross Amount** | **1,697,639** | **584,646** | **4,582,711** | **1,745,449** | **143,154** |
| | | | | | |
| **Concentration by location** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Abroad | - | 466,614 | 41,389 | 73,646 | - |
| Nigeria: | | | | | |
| North East | - | - | 50,121 | - | - |
| North Central | 1,662,242 | - | 94,184 | - | - |
| North West | - | - | 94,058 | - | - |
| South East | - | - | 81,069 | - | - |
| South South | - | - | 442,041 | - | - |
| South West | 35,397 | 118,032 | 3,779,848 | 1,671,803 | 143,154 |
| **Total gross amount** | **1,697,639** | **584,646** | **4,582,711** | **1,745,449** | **143,154** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| **Financial assets with credit risk:** | **Cash and balances with Central bank** | **Due from banks** | **Loans and advances to customers** | **Investment securities** | **Other assets** |
| | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Carrying amount | 1,311,414 | 227,161 | 3,092,419 | 1,054,237 | 391,807 |
| | | | | | |
| Concentration by sector | | | | | |
| Agriculture | - | - | 137,161 | - | - |
| Oil and gas | - | - | 1,111,294 | - | - |
| Consumer credit | - | - | 206,073 | - | - |
| Manufacturing | - | - | 357,545 | - | - |
| Mining and Quarrying | - | - | 5,631 | - | - |
| Mortgage | - | - | - | - | - |
| Real estate | - | - | 44,793 | - | - |
| Construction | - | - | 108,803 | - | - |
| Finance and insurance | | 246,361 | 4,728 | 6,847 | - |
| Government | - | - | 240,183 | 989,859 | - |
| Power | - | - | 241,954 | - | - |
| Other public utilities | - | - | - | - | - |
| Transportation | - | - | 328,058 | - | - |
| Communication | - | - | 66,576 | 10,199 | - |
| Education | - | - | 13,691 | - | - |
| Central Bank balance (restricted ) | 1,174,398 | - | - | - | - |
| Other | 137,016 | - | 369,856 | 49,352 | 394,750 |
| **Total Gross Amount** | **1,311,414** | **246,361** | **3,236,346** | **1,056,257** | **394,750** |
| | | | | | |
| **Concentration by location** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Abroad | - | 214,005 | - | 53,869 | - |
| Nigeria: | | | | | |
| North East | - | - | 58,371 | - | - |
| North Central | 1,289,974 | - | 102,225 | | - |
| North West | - | - | 106,837 | - | - |
| South East | - | - | 84,225 | - | - |
| South South | - | - | 281,663 | - | - |
| South West | 21,440 | 32,356 | 2,473,003 | 1,002,385 | 394,699 |
| **Total gross amount** | **1,311,414** | **246,361** | **3,106,324** | **1,056,255** | **394,699** |

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| **Financial assets with credit risk:** | **Cash and balances with Central bank** | **Due from banks** | **Loans and advances to customers** | **Investment securities** | **Other assets** |
| | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Carrying amount | 1,697,639 | 394,042 | 4,346,049 | 1,670,385 | 135,297 |
| | | | | | |
| Concentration by sector | | | | | |
| Agriculture | - | - | 205,856 | - | - |
| Oil and gas | - | - | 2,034,992 | - | - |
| Consumer credit | - | - | 68,404 | - | - |
| Manufacturing | - | - | 328,129 | - | - |
| Mining and Quarrying | - | - | 5,173 | - | - |
| Mortgage | - | - | - | - | - |
| Real estate | - | - | 36,331 | - | - |
| Construction | - | - | 131,728 | - | - |
| Finance and insurance | | 395,192 | 11,859 | | - |
| Government | - | - | 222,409 | 1,656,538 | - |
| Power | - | - | 335,753 | - | - |
| Other public utilities | - | - | - | - | - |
| Transportation | - | - | 557,834 | - | - |
| Communication | - | - | 62,341 | 10,202 | - |
| Education | - | - | 10,468 | - | - |
| Central Bank balance (restricted ) | 1,586,350 | - | - | - | - |
| Other | 111,289 | - | 530,045 | 5,063 | 143,154 |
| **Total Gross Amount** | **1,697,639** | **395,192** | **4,541,322** | **1,671,803** | **143,154** |
| | | | | | |
| **Concentration by location** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Abroad | - | 379,618 | - | | - |
| Nigeria: | | | - | | |
| North East | - | - | 50,121 | - | - |
| North Central | 1,662,242 | - | 94,184 | | - |
| North West | - | - | 94,058 | - | - |
| South East | - | - | 81,069 | - | - |
| South South | - | - | 442,041 | - | - |
| South West | 35,397 | 15,574 | 3,779,848 | 1,671,803 | 143,154 |
| **Total gross amount** | **1,697,639** | **395,192** | **4,541,322** | **1,671,803** | **143,154** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| **Financial assets with credit risk:** | **Cash and balances with Central bank** | **Due from banks** | **Loans and advances to customers** | **Investment securities** | **Other assets** |
| | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Carrying amount | 1,311,414 | 239,579 | 2,962,397 | 1,014,238 | 391,391 |
| | | | | | |
| Concentration by sector | | | | | |
| Agriculture | - | - | 137,161 | - | - |
| Oil and gas | - | - | 1,111,294 | - | - |
| Consumer credit | - | - | 76,051 | - | - |
| Manufacturing | - | - | 357,545 | - | - |
| Mining and Quarrying | - | - | 5,631 | - | - |
| Mortgage | - | - | - | - | - |
| Real estate | - | - | 44,793 | - | - |
| Construction | - | - | 108,803 | - | - |
| Finance and insurance | | 239,804 | 4,728 | 6,847 | - |
| Government | - | - | 240,183 | 989,859 | - |
| Power | - | - | 241,954 | - | - |
| Other public utilities | - | - | - | - | - |
| Transportation | - | - | 328,058 | - | - |
| Communication | - | - | 66,576 | 10,199 | - |
| Education | - | - | 13,691 | - | - |
| Central Bank balance (restricted ) | 1,174,398 | - | - | - | - |
| Other | 137,016 | - | 369,856 | 9,354 | 394,750 |
| **Total Gross Amount** | **1,311,414** | **239,804** | **3,106,324** | **1,016,259** | **394,750** |
| | | | | | |
| **Concentration by location** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Abroad | - | 207,448 | - | 13,874 | - |
| Nigeria: | | | | | |
| North East | - | - | 58,371 | - | - |
| North Central | 1,289,974 | - | 102,225 | | - |
| North West | - | - | 106,837 | - | - |
| South East | - | - | 84,225 | - | - |
| South South | - | - | 281,663 | - | - |
| South West | 21,440 | 32,356 | 2,473,003 | 1,002,385 | 394,750 |
| **Total gross amount** | **1,311,414** | **239,804** | **3,106,324** | **1,016,259** | **394,750** |

### 3.2.7 Credit Quality

### A Maximum Exposure to Credit Risk – Financial instruments subject to impairment

The credit risk model is applied as per homogeneous group of risk assets which can be a portfolio or a rating model (e. g. Master Rating). The bank set up 6 portfolios, three of which are a mix of Corporate and Commercial Accounts segregated on the basis of related economic sectors. The other three portfolios are made up of retails accounts segregated on the basis of similarity of risk characteristics. Details of the portfolios are shown below:

| Code | Description |
|---|---|
| Portfolio 1 | Agriculture, Energy, Manufacturing, Construction & Real Estate |
| Portfolio 2 | Government, Public Sector & NBFIs |
| Portfolio 3 | Transport, Communication, Commerce & General |
| Portfolio 4 | Automobile, Equipment & Mortgage Loans |
| Portfolio 5 | Medium and Small Scale Enterprises |
| Portfolio 6 | Personal & Employee Loans |

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Bank's maximum exposure to credit risk on these assets.

### a) Agriculture, Energy, Manufacturing, Construction & Real Estate Portfolio

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Credit grade | | | | |
| Investment grade | 258,384 | - | - | 258,384 |
| Standard monitoring | 1,853,778 | 874,686 | - | 2,728,464 |
| Default | - | - | 48,387 | 48,387 |
| Gross carrying amount | 2,112,162 | 874,686 | 48,387 | 3,035,235 |
| Loss allowance | (8,361) | (81,361) | (31,187) | (120,909) |
| **Carrying amount** | **2,103,801** | **793,325** | **17,200** | **2,914,326** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Credit grade | | | | |
| Investment grade | 153,404 | - | - | 153,404 |
| Standard monitoring | 1,009,250 | 791,680 | - | 1,800,930 |
| Default | - | - | 52,100 | 52,100 |
| Gross carrying amount | 1,162,655 | 791,680 | 52,100 | 2,006,435 |
| Loss allowance | (16,668) | (56,085) | (13,442) | (86,194) |
| **Carrying amount** | **1,145,987** | **735,595** | **38,658** | **1,920,240** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | 258,384 | - | - | 258,384 |
| Standard monitoring | 1,889,370 | 874,686 | - | 2,764,056 |
| Default | - | - | 47,601 | 47,601 |
| Gross carrying amount | 2,147,754 | 874,686 | 47,601 | 3,070,041 |
| Loss allowance | (8,103) | (81,361) | (31,187) | (120,651) |
| **Carrying amount** | **2,139,652** | **793,325** | **16,413** | **2,949,390** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | 153,404 | - | - | 153,404 |
| Standard monitoring | 1,009,250 | 791,680 | - | 1,800,930 |
| Default | - | - | 52,100 | 52,100 |
| Gross carrying amount | 1,162,655 | 791,680 | 52,100 | 2,006,435 |
| Loss allowance | (16,668) | (56,085) | (13,442) | (86,194) |
| **Carrying amount** | **1,145,987** | **735,595** | **38,658** | **1,920,240** |

## b) Government, Public Sector & NBFIs portfolio

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | 12-month ECL | Lifetime ECL | Lifetime ECL | |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | 71,071 | - | - | 71,071 |
| Standard monitoring | 124,672 | 92,826 | - | 217,499 |
| Default | - | - | 11,071 | 11,071 |
| Gross carrying amount | 195,744 | 92,826 | 11,071 | 299,641 |
| Loss allowance | (199) | (212) | (4,469) | (4,880) |
| **Carrying amount** | **195,545** | **92,614** | **6,602** | **294,762** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | 12-month ECL | Lifetime ECL | Lifetime ECL | |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | 20,998 | - | - | 20,998 |
| Standard monitoring | 179,688 | 43,583 | - | 223,271 |
| Default | - | - | 10,480 | 10,480 |
| Gross carrying amount | 200,686 | 43,583 | 10,480 | 254,749 |
| Loss allowance | (956) | (9,427) | (6,647) | (17,029) |
| **Carrying amount** | **199,730** | **34,156** | **3,834** | **237,720** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | 12-month ECL | Lifetime ECL | Lifetime ECL | |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | 15,698 | - | - | 15,698 |
| Standard monitoring | 124,672 | 92,826 | - | 217,499 |
| Default | - | - | 11,071 | 11,071 |
| Gross carrying amount | 140,370 | 92,826 | 11,071 | 244,268 |
| Loss allowance | (196) | (212) | (4,469) | (4,877) |
| **Carrying amount** | **140,174** | **92,614** | **6,602** | **239,390** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | 12-month ECL | Lifetime ECL | Lifetime ECL | |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | 20,998 | - | - | 20,998 |
| Standard monitoring | 179,688 | 43,583 | - | 223,271 |
| Default | - | - | 10,480 | 10,480 |
| Gross carrying amount | 200,686 | 43,583 | 10,480 | 254,749 |
| Loss allowance | (956) | (9,427) | (6,647) | (17,029) |
| **Carrying amount** | **199,730** | **34,156** | **3,834** | **237,720** |

## c) Transport, Communication, Commerce & General portfolio

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 819,562 | 152,708 | - | 972,270 |
| Default | - | - | 46,197 | 46,197 |
| Gross carrying amount | 819,562 | 152,708 | 46,197 | 1,018,467 |
| Loss allowance | (4,024) | (11,248) | (33,453) | (48,725) |
| **Carrying amount** | **815,538** | **141,460** | **12,744** | **969,742** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 403,487 | 229,071 | - | 632,558 |
| Default | - | - | 16,741 | 16,741 |
| Gross carrying amount | 403,487 | 229,071 | 16,741 | 649,299 |
| Loss allowance | (2,722) | (5,855) | (10,118) | (18,695) |
| **Carrying amount** | **400,765** | **223,216** | **6,624** | **630,605** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 816,990 | 152,708 | - | 969,697 |
| Default | - | - | 46,197 | 46,197 |
| Gross carrying amount | 816,990 | 152,708 | 46,197 | 1,015,894 |
| Loss allowance | (4,023) | (11,248) | (33,453) | (48,724) |
| **Carrying amount** | **812,966** | **141,460** | **12,744** | **967,170** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 403,487 | 229,071 | - | 632,558 |
| Default | - | - | 16,741 | 16,741 |
| Gross carrying amount | 403,487 | 229,071 | 16,741 | 649,299 |
| Loss allowance | (2,722) | (5,855) | (10,118) | (18,695) |
| **Carrying amount** | **400,765** | **223,216** | **6,624** | **630,605** |

## d) Automobile, Equipment & Mortgage Loans portfolio

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 104,932 | 1,559 | - | 106,491 |
| Default | - | - | 3,876 | 3,876 |
| Gross carrying amount | 104,932 | 1,559 | 3,876 | 110,366 |
| Loss allowance | (40) | - | (2,241) | (2,280) |
| **Carrying amount** | **104,892** | **1,559** | **1,635** | **108,086** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 67,443 | 8,307 | - | 75,750 |
| Default | - | - | 2 | 2 |
| Gross carrying amount | 67,443 | 8,307 | 2 | 75,752 |
| Loss allowance | (356) | (4) | (2) | (362) |
| **Carrying amount** | **67,087** | **8,303** | **-** | **75,390** |

## e) Medium and Small Scale Enterprises Portfolio

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 29,063 | 423 | - | 29,485 |
| Default | - | - | 2,863 | 2,863 |
| Gross carrying amount | 29,063 | 423 | 2,863 | 32,348 |
| Loss allowance | (54) | (11) | (1,291) | (1,357) |
| **Carrying amount** | **29,008** | **411** | **1,571** | **30,991** |
| | | | | |
| | 31 December 2023 | | | |
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 37,501 | 15 | - | 37,516 |
| Default | - | - | 6,523 | 6,523 |
| Gross carrying amount | 37,501 | 15 | 6,523 | 44,039 |
| Loss allowance | (186) | (0) | (3,885) | (4,071) |
| **Carrying amount** | **37,315** | **15** | **2,638** | **39,968** |

## f) Personal & Employee Loans portfolio

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 56,368 | 1,336 | - | 57,704 |
| Default | - | - | 28,948 | 28,948 |
| Gross carrying amount | 56,368 | 1,336 | 28,948 | 86,653 |
| Loss allowance | (898) | (23) | (16,566) | (17,487) |
| **Carrying amount** | **55,470** | **1,313** | **12,382** | **69,165** |
| | | | | |
| | 31 December 2023 | | | |
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 48,232 | 882 | - | 49,114 |
| Default | - | - | 26,936 | 26,936 |
| Gross carrying amount | 48,232 | 882 | 26,936 | 76,051 |
| Loss allowance | (390) | (6) | (17,180) | (17,576) |
| **Carrying amount** | **47,842** | **876** | **9,757** | **58,475** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 39,480 | 217 | - | 39,698 |
| Default | - | - | 28,707 | 28,707 |
| Gross carrying amount | 39,480 | 217 | 28,707 | 68,404 |
| Loss allowance | (874) | (23) | (16,487) | (17,384) |
| **Carrying amount** | **38,607** | **194** | **12,219** | **51,020** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Credit grade | | | | |
| Investment grade | - | - | - | - |
| Standard monitoring | 48,232 | 882 | - | 49,114 |
| Default | - | - | 26,936 | 26,936 |
| Gross carrying amount | 48,232 | 882 | 26,936 | 76,051 |
| Loss allowance | (390) | (6) | (17,180) | (17,576) |
| **Carrying amount** | **47,842** | **876** | **9,757** | **58,475** |

## B. Reconciliation of Allowance for Impairment by portfolio

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| At 1 January | (21,453) | (71,408) | (51,273) | (144,134) |
| Agric, Energy, Manufactur'g, Const'n & Real Estate Portfolio | 8,399 | (25,276) | (17,745) | (34,622) |
| Government, Public Sector & NBFIs portfolio | 761 | 9,215 | 2,177 | 12,153 |
| Transport, Comm, Commerce & General portfolio | (1,164) | (5,390) | (23,335) | (29,889) |
| Automobile, Equipment & Mortgage Loans portfolio | 316 | 4 | (2,239) | (1,919) |
| Medium and Small Scale Enterprises portfolio | 131 | (11) | 2,594 | 2,714 |
| Personal & Employee Loans portfolio | (506) | (16) | 613 | 92 |
| **At 31 December** | **(13,515)** | **(92,882)** | **(89,208)** | **(195,605)** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| At 1 January | (19,377) | (28,693) | (32,478) | (80,548) |
| Agric, Energy, Manufactur'g, Const'n & Real Estate Portfolio | (6,268) | (30,333) | (6,119) | (42,721) |
| Government, Public Sector & NBFIs portfolio | 171 | (9,426) | 1,709 | (7,546) |
| Transport, Comm, Commerce & General portfolio | 4,222 | (3,071) | (90) | 1,061 |
| Automobile, Equipment & Mortgage Loans portfolio | (228) | 30 | 4 | (194) |
| Medium and Small Scale Enterprises portfolio | (93) | 10 | (1,872) | (1,955) |
| Personal & Employee Loans portfolio | 120 | 75 | (12,427) | (12,232) |
| **At 31 December** | **(21,453)** | **(71,408)** | **(51,273)** | **(144,135)** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| At 1 January | (21,277) | (71,377) | (51,273) | (143,927) |
| Agric, Energy, Manufactur'g, Const'n & Real Estate Portfolio | 8,565 | (25,276) | (17,745) | (34,456) |
| Government, Public Sector & NBFIs portfolio | 760 | 9,215 | 2,177 | 12,152 |
| Transport, Comm, Commerce & General portfolio | (1,301) | (5,393) | (23,335) | (30,029) |
| Automobile, Equipment & Mortgage Loans portfolio | 316 | 4 | (2,239) | (1,919) |
| Medium and Small Scale Enterprises portfolio | 131 | (11) | 2,594 | 2,714 |
| Personal & Employee Loans portfolio | (483) | (17) | 692 | 192 |
| **At 31 December** | **(13,290)** | **(92,855)** | **(89,128)** | **(195,273)** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| At 1 January | (19,377) | (28,693) | (32,478) | (80,548) |
| Agric, Energy, Manufactur'g, Const'n & Real Estate Portfolio | (6,227) | (30,332) | (6,119) | (42,678) |
| Government, Public Sector & NBFIs portfolio | 172 | (9,426) | 1,709 | (7,545) |
| Transport, Comm, Commerce & General portfolio | 4,355 | (3,040) | (90) | 1,225 |
| Automobile, Equipment & Mortgage Loans portfolio | (228) | 30 | 4 | (194) |
| Medium and Small Scale Enterprises portfolio | (93) | 10 | (1,872) | (1,955) |
| Personal & Employee Loans portfolio | 121 | 75 | (12,427) | (12,231) |
| **At 31 December** | **(21,277)** | **(71,377)** | **(51,273)** | **(143,927)** |

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Cash and balance with Central bank | Due from banks | Loans and advances to customers | Debt securities | Other assets |
| | N'million | N'million | N'million | N'million | N'million |
| Not Due & Not impaired | 1,839,208 | 497,650 | 3,425,624 | 1,745,457 | 143,154 |
| Past due and not impaired (0-30 days) | - | | 86,487 | | |
| Past due and not impaired (31-90 days) | - | - | 973,682 | - | - |
| Past due and impaired (aged above 90 days) | - | - | 141,342 | - | - |
| Gross | 1,839,208 | 497,650 | 4,627,136 | 1,745,457 | 143,154 |
| Impairment allowance | (22) | (1,684) | (195,636) | (1,584) | (7,857) |
| Net | 1,839,187 | 495,967 | 4,431,499 | 1,743,873 | 135,297 |
| **At 31 December** | **1,839,187** | **495,967** | **4,431,499** | **1,743,873** | **135,297** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Cash and balance with Central bank | Due from banks | Loans and advances to customers | Debt securities | Other assets |
| | N'million | N'million | N'million | N'million | N'million |
| Not Due & Not impaired | 1,311,414 | 239,804 | 1,855,876 | 1,016,259 | 394,750 |
| Past due and not impaired (0-30 days) | - | | 64,128 | | |
| Past due and not impaired (31-90 days) | - | - | 1,073,538 | - | - |
| Past due and impaired (aged above 90 days) | - | - | 112,783 | - | - |
| Gross | 1,311,414 | 239,804 | 3,106,324 | 1,016,259 | 394,750 |
| Impairment allowance | - | (225) | (143,927) | (2,830) | (3,359) |
| **Net** | **1,311,414** | **239,579** | **2,962,397** | **1,013,429** | **391,391** |

| **Bank** | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Cash and balance with Central bank | Due from banks | Loans and advances to customers | Debt securities | Other assets |
| | N'million | N'million | N'million | N'million | N'million |
| Not Due & Not impaired | 1,697,639 | 395,192 | 3,340,861 | 1,671,803 | 143,154 |
| Past due and not impaired (0-30 days) | - | | 86,465 | | |
| Past due and not impaired (31-90 days) | - | - | 973,682 | - | - |
| Past due and impaired (aged above 90 days) | - | - | 140,313 | - | - |
| Gross | 1,697,639 | 395,192 | 4,541,322 | 1,671,803 | 143,154 |
| Impairment allowance | - | (1,150) | (195,273) | (1,576) | (7,857) |
| **Net** | **1,697,639** | **394,042** | **4,346,049** | **1,670,226** | **135,297** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total | |
| | N'million | N'million | N'million | N'million | |
| Not Due & Not impaired | 1,311,414 | 239,804 | 1,855,876 | 1,016,259 | 394,750 |
| Past due and not impaired (0-30 days) | - | | 64,128 | | |
| Past due and not impaired (31-90 days) | - | - | 1,073,538 | - | - |
| Past due and impaired (aged above 90 days) | - | - | 112,783 | - | - |
| Gross | 1,311,414 | 239,804 | 3,106,324 | 1,016,259 | 394,750 |
| Impairment allowance | - | (225) | (143,927) | (2,830) | (3,359) |
| **Net** | **1,311,414** | **239,579** | **2,962,397** | **1,013,429** | **391,391** |

### (a) Financial assets collectively impaired (Stage 1 and Stage 2)

The credit rating of the portfolio of financial assets that were collectively impaired can be assessed by reference to the internal rating system adopted by the Bank.

| Group | Due from Banks | Overdrafts | Term loans | Finance lease | Total Loan | Other assets |
|---|---|---|---|---|---|---|
| **31 December 2024** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Grades: | | | | | | |
| 1. AAA to AA | 233,395 | 4,573 | 278,068 | - | 282,641 | - |
| 2. A+ to A- | 97,671 | 10,042 | 249,511 | - | 259,553 | - |
| 3. BBB+ to BB- | 56,127 | 374,835 | 3,154,884 | 4,091 | 3,533,810 | 143,154 |
| 4. Below BB- | 103,927 | 121,873 | 342,995 | 108 | 560,904 | - |
| 5. Unrated | 6,530 | 6 | 85,122 | - | 91,658 | - |
| | 497,650 | 511,329 | 4,110,580 | 4,199 | 4,728,566 | 143,154 |
| Collective Impairment | (1,684) | (84,367) | (111,147) | (43) | (196,091) | (7,857) |
| **Net amount** | **495,967** | **426,962** | **3,999,433** | **4,155** | **4,532,474** | **135,297** |
| | | | | | | |
| **31 December 2023** | N'million | N'million | N'million | N'million | N'million | N'million |
| Grades: | | | | | | |
| 1. AAA to AA | 165,044 | 3,967 | 274,568 | - | 278,535 | - |
| 2. A+ to A- | 30,688 | 7,292 | 201,435 | - | 208,727 | - |
| 3. BBB+ to BB- | 40,930 | 153,741 | 1,372,444 | 7,003 | 1,533,187 | 394,699 |
| 4. Below BB- | 3,141 | 62,335 | 907,857 | 2,154 | 972,347 | - |
| 5. Unrated | - | 676 | 68 | - | 745 | - |
| | 239,804 | 228,011 | 2,756,372 | 9,157 | 2,993,541 | 394,699 |
| Collective Impairment | (225) | (5,045) | (87,606) | (3) | (92,654) | (3,359) |
| **Net amount** | **239,579** | **222,966** | **2,668,766** | **9,155** | **2,900,887** | **391,340** |

| Bank | Due from Banks | Overdrafts | Term loans | Finance lease | Total Loan | Other assets |
|---|---|---|---|---|---|---|
| **31 December 2024** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Grades: | | | | | | |
| 1. AAA to AA | 233,395 | 4,573 | 278,068 | - | 282,641 | - |
| 2. A+ to A- | 97,671 | 10,042 | 249,511 | - | 259,553 | - |
| 3. BBB+ to BB- | 56,127 | 374,835 | 3,154,884 | 4,091 | 3,533,810 | 143,154 |
| 4. Below BB- | 7,999 | 121,873 | 342,975 | 108 | 464,956 | - |
| 5. Unrated | - | 3 | 360 | - | 362 | - |
| | 395,192 | 511,325 | 4,025,798 | 4,199 | 4,541,322 | 143,154 |
| Collective Impairment | (1,150) | (84,367) | (110,863) | (43) | (195,273) | (7,857) |
| **Net amount** | **394,042** | **426,958** | **3,914,935** | **4,155** | **4,346,049** | **135,297** |
| | | | | | | |
| **31 December 2023** | | | | | | |
| Grades: | | | | | | |
| 1. AAA to AA | 165,044 | 3,967 | 274,568 | - | 278,535 | - |
| 2. A+ to A- | 30,688 | 7,292 | 201,435 | - | 208,727 | - |
| 3. BBB+ to BB- | 40,930 | 153,741 | 1,372,444 | 7,003 | 1,533,187 | 394,699 |
| 4. Below BB- | 3,141 | 62,335 | 907,857 | 2,154 | 972,347 | - |
| 5. Unrated | - | 676 | 68 | - | 745 | - |
| | 239,804 | 228,011 | 2,756,372 | 9,157 | 2,993,541 | 394,699 |
| Collective Impairment | (225) | (5,045) | (87,606) | (3) | (92,654) | (3,359) |
| **Net amount** | **239,579** | **222,966** | **2,668,766** | **9,155** | **2,900,887** | **391,340** |

### b Maximum Exposure To Credit Risk – Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment i.e. fair value through profit or loss (FVTPL):

| Group | Maximum exposure to credit risk | | | |
|---|---|---|---|---|
| | Group | | Bank | |
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Financial assets designated at fair value through profit or loss** | | | | |
| • Debt securities | | | | |
| Federal Government bonds | 331 | 1,023 | 331 | 1,023 |
| Treasury bills | 4,782 | 6,661 | 4,782 | 6,661 |
| Placements | - | - | - | - |
| | 5,113 | 7,684 | 5,113 | 7,684 |
| **Derivative financial assets** | 50,295 | 10,723 | 230,087 | 10,723 |

| Bank | Maximum exposure to credit risk | | | |
|---|---|---|---|---|
| | Group | | Bank | |
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Financial assets designated at fair value through profit or loss** | | | | |
| • Debt securities | | | | |
| Federal Government bonds | 331 | 1,023 | 331 | 1,023 |
| Treasury bills | 4,782 | 6,661 | 4,782 | 6,661 |
| Placements | - | - | - | - |
| | 5,113 | 7,684 | 5,113 | 7,684 |
| **Derivative financial assets** | 50,293 | 10,723 | 50,292 | 10,723 |

The credit rating of cash and cash equivalents, short-term investments and investments in government and corporate securities that were neither past due nor impaired can be assessed by reference to the bank's internal ratings as at 31 December 2024 and 31 December 2023:

| | Investments in Government and other Securities | | | | | |
|---|---|---|---|---|---|---|
| **Group** | **Cash & cash equiva-lents** | **Treasury bills** | **Federal Govt bonds** | **State bonds** | **Corporate bonds** | **Total** |
| **31 December 2024** | N'million | N'million | N'million | N'million | N'million | N'million |
| Grades: | | | | | | |
| AAA to AA | 344,684 | 1,204,461 | 515,703 | - | - | 2,064,849 |
| A+ to A- | 97,671 | - | - | 10,027 | 15,265 | 122,963 |
| BBB+ to BB- | 56,127 | - | - | - | - | 56,127 |
| Below BB- | - | - | - | - | - | - |
| Unrated | - | - | - | - | - | - |
| | **498,483** | **1,204,461** | **515,703** | **10,027** | **15,265** | **2,243,939** |

| | Investments in Government and other Securities | | | | | |
|---|---|---|---|---|---|---|
| **Group** | **Cash & cash equivalents** | **Treasury bills** | **Federal Govt bonds** | **State bonds** | **Corporate bonds** | **Total** |
| **31 December 2023** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Grades: | | | | | | |
| AAA to AA | 302,060 | 565,226 | 413,616 | - | - | 1,280,902 |
| A+ to A- | 30,688 | - | - | 11,017 | 26,400 | 68,105 |
| BBB+ to BB- | 40,930 | - | - | - | | 40,930 |
| Below BB- | 3,141 | - | - | - | - | 3,141 |
| Unrated | - | - | - | - | - | - |
| | 376,820 | 565,226 | 413,616 | 11,017 | 26,400 | 1,393,078 |

## Loss allowance

| | Investments in Government and other Securities | | | | | |
|---|---|---|---|---|---|---|
| **Bank** | **Cash & cash equivalents** | **Treasury bills** | **Federal Govt bonds** | **State bonds** | **Corporate bonds** | **Total** |
| **31 December 2024** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Grades: | | | | | | |
| AAA to AA | 344,684 | 1,130,807 | 515,703 | - | - | 1,991,195 |
| A+ to A- | 97,671 | - | - | 10,027 | 15,265 | 122,963 |
| BBB+ to BB- | 56,127 | - | - | - | | 56,127 |
| Below BB- | 7,999 | - | - | - | - | 7,999 |
| Unrated | - | - | - | - | - | - |
| | **506,481** | **1,130,807** | **515,703** | **10,027** | **15,265** | **2,178,284** |

| | Investments in Government Securities | | | | | |
|---|---|---|---|---|---|---|
| **Bank** | **Cash & cash equivalents** | **Treasury bills** | **Federal Govt bonds** | **State bonds** | **Corporate bonds** | **Total** |
| **31 December 2023** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Grades: | | | | | | |
| AAA to AA | 302,060 | 565,226 | 413,616 | - | - | 1,280,902 |
| A+ to A- | 30,688 | - | - | 11,017 | 26,400 | 68,105 |
| BBB+ to BB- | 40,930 | - | - | - | | 40,930 |
| Below BB- | 3,141 | - | - | - | - | 3,141 |
| Unrated | - | - | - | - | - | - |
| | 376,820 | 565,226 | 413,616 | 11,017 | 26,400 | 1,393,078 |

## Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Additional allowances for new financial instruments recognised during the period as well as releases for financial instruments derecognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis; and
- Foreign exchange re-translations for assets denominated in foreign currencies and other movements.

### 3.2.8 Description of Collateral Held

Potential credit losses from any given exposure are mitigated using a range of tools including collateral securities, insurance bonds and policies as well as different forms of guarantees. The Group assesses the degree of reliance that can be placed on these credit risk mitigants carefully in the light of issues such as legal enforceability, market valuation, correlation with exposure and the counterparty risk of the guarantor.

#### (a) Key Collateral Management Policies

The Group's risk mitigation policies determine the eligibility of collateral types. Eligible collateral types for credit risk mitigation include: cash; residential, commercial and industrial property in acceptable locations; fixed assets such as motor vehicles, plant and machinery; marketable securities; bank guarantees; confirmed domiciliation of payments; credit and insurance bonds, warehouse warrants, lien on shipping documents; back-to-back letters of credit; etc. The Bank also enters into collateralised reverse repurchase agreements where appropriate. For certain types of lending, typically mortgages and asset financing, the right to take charge over physical assets is a significant consideration in determining appropriate pricing and recoverability in the event of default.

The Group reports collateral values in accordance with the Group's risk mitigation policy, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral and the nature of the underlying product or risk exposure. Depending on the nature of the collateral, frequent or periodic evaluations are carried out to determine the adequacy of collateral margins. Services of independent professional appraisers are used where the Group lacks adequate internal valuation capability or where dictated by industry practice or legal requirements. Where appropriate, collateral values are adjusted to reflect current market conditions, the probability of recovery and the period of time to realise the collateral in the event of repossession.

The Group will only grant unsecured loans where clean lending is a market feature and insistence on security would compromise Bank's market share. In such an instance, the Group ensures that the borrower has proven record of sound financial condition and ability to repay the loan from internal sources in the ordinary course of business. In addition, we ensure that total outstanding borrowings of the obligor do not exceed 70% of estimated asset value.

The Group believes that the requirement for collateral is not a substitute for the ability to pay, which is a primary consideration in the Bank's lending decisions. Although the Group will usually collaterise its credit exposure to a customer, such an obligor is expected to repay the loan in the ordinary course of business without forcing the Group to look to the collateral for ultimate repayment. Therefore, if while reviewing a loan request, there is the possibility that the collateral will need to be relied upon to repay the loan, the Group will not grant the facility.

Where guarantees are used for credit risk mitigation, the creditworthiness of the guarantor is assessed and established using the credit approval process in addition to that of the obligor or main counterparty.

Management of secured credits requires periodic inspections of the collateral to ensure its existence and adequacy for the bank's exposure. These inspections include examination of security agreements to determine enforceability of liens, verification of adequate insurance protection, proper legal registration and adequacy of overall safeguards.

When obligations are secured by marketable securities, predetermined maintenance margins are established and the securities are liquidated if the value falls to this limit except if additional and satisfactory security is provided. In all cases, only valuations done at the instance of the Group can be considered acceptable for the purposes of credit risk mitigation. The Group ensures that all properties and chattels pledged as collateral are properly and adequately insured with the Group's interest duly noted as first loss beneficiary. Only insurance policies obtained from an insurance firm in the Group's pre-approved list of Insurance Companies are acceptable as eligible collateral.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Bank since the prior year.

The following table indicates the Bank's credit exposures by class and value of collaterals:

| Group | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Exposure | Collateral Value | Exposure | Collateral Value |
| | N'million | N'million | N'million | N'million |
| Secured against real estate | 111,632 | 397,269 | 262,135 | 995,106 |
| Secured by shares of quoted companies | 3,949 | 7,598 | - | |
| Secured by others | 4,276,010 | 31,828,631 | 2,843,447 | 16,399,742 |
| Unsecured | 235,545 | - | 742 | - |
| **Gross Loans and Advances to Customers** | **4,627,136** | **32,233,498** | **3,106,324** | **17,394,847** |

| Bank | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Exposure | Collateral Value | Exposure | Collateral Value |
| | N'million | N'million | N'million | N'million |
| Secured against real estate | 75,185 | 336,233 | 262,135 | 995,106 |
| Secured by shares of quoted companies | 3,949 | 7,598 | - | |
| Secured by others | 4,227,102 | 31,806,207 | 2,843,447 | 16,399,742 |
| Unsecured | 235,087 | | 742 | - |
| **Gross Loans and Advances to Customers** | **4,541,322** | **32,150,039** | **3,106,324** | **17,394,847** |

The Bank closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses.

### 3.3 Liquidity Risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfil commitments to lenders.

### 3.3.1 Management of Liquidity Risk

The Group's principal liquidity objective is to ensure that the Group holds sufficient liquid reserve to enable it meet all probable cashflow obligations, without incurring undue transaction costs under normal conditions. Liquidity management safeguards the ability of the group to meet all payment obligations as they fall due. The Group's liquidity risk management framework has been an important factor in maintaining adequate liquidity and a healthy funding profile during the period and is structured to identify, measure and manage the Group's liquidity risk at all times. The Board approved liquidity policy guides the management of liquidity risk strategically through the Board Risk Managment Committee (BRMC) as well as Asset and Liability Committee (ALCO) and daily by the Market Risk Division. The liquidity management framework is designed to identify, measure and manage the Group's liquidity risk position at all times. Underlying Assets and Liabilities Management policies and procedures are reviewed and approved regularly by the Assets and Liability Management Committee (ALCO).

The Group has established liquidity and concentration limits and ratios, tolerance levels as well as triggers, through which it identifies liquidity risk. It also uses gap analysis to identify short, medium and long term mismatches, deploying gapping strategies to appropriately manage them. Periodic monitoring is carried out to trigger immediate reaction to deviations from set limits.

#### Short-Term Liquidity

The Group's reporting system tracks cash flows on a daily basis. This system allows management to assess the Group's short-term liquidity position in each location by currency and products.

The system captures all of the Group's cash flows from transactions on the Group's Statement of financial position, as well as liquidity risks resulting from off-balance sheet transactions. We take account of products that have no specific contractual maturities by extrapolating from their historical behaviour of cash flows

#### Asset Liquidity

The asset liquidity component tracks the volume and booking location of the Group's inventory of unencumbered liquid assets, which we can used to raise liquidity in times of need. The liquidity of these assets is an important element in protecting us against short-term liquidity squeezes. We keep a portfolio of highly liquid securities in major currencies to supply collateral for cash needs associated with clearing activities.

**Funding Diversification**

Diversification of the Group's funding profile in terms of investor types, regions, products and instruments is also an important element of the Group's liquidity risk management practices. In addition, the group invests in liquid assets to facilitate quick conversion to cash, should the need arise.

**Stress Testing**

As a result of volatilities which take place in the Group's operating environment, the Group conducts stress tests to evaluate the size of potential losses related to rate movements under extreme market conditions. These are conducted on elements of its trading portfolio and the balance sheet in response to the economic and market outlook. Consideration is given to historical events, prospective events and regulatory guidelines. The Group, after ALCO's authorization, responds to the result of this activity, by modifying the portfolio and taking other specific steps to reduce the expected impact in the event that these risks materialize.

### 3.3.2 Maturity Analysis

The table below analyses financial assets and liabilities of the Group into relevant maturity bands based on the remaining period at reporting date to the contractual maturity date. The table includes both principal and interest cash flows.

| Group | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| 31 December 2024 | | | | | | |
| Non-deivative assets | | | | | | |
| Restricted balances with central bank | - | - | - | 1,222,184 | - | 1,222,184 |
| Cash and Cash equivalents | 707,450 | - | - | - | - | 707,450 |
| Loans and advances to customers | 1,057,774 | 754,381 | 863,579 | 1,607,632 | 3,394,620 | 7,677,987 |
| Derivative financial assets | 50,293 | - | - | - | - | 50,293 |
| Investment securities | - | - | - | - | - | - |
| - Financial instrument at FVTPL | 473 | 1,312 | 7,505 | 758 | 1 | 10,050 |
| - Debt instruments at amortised | 47,504 | 24,253 | 920,150 | 331,537 | 939,419 | 2,262,863 |
| - Debt instruments at FVOCI | 30,771 | 49,481 | 81,615 | 184,174 | 64,609 | 410,649 |
| Deferred tax Assets | - | - | - | - | - | |
| Other Assets | 14,315 | 71,577 | 57,262 | 6,075 | - | 149,229 |
| **Total financial assets** | **1,908,580** | **901,005** | **1,930,111** | **3,352,360** | **4,398,650** | **12,490,705** |
| | | | | | | |
| Derivaitive assets | | | | | | |
| Trading : | | | | | | |
| Gross settled | | 50,293 | | - | - | 50,293 |
| Net settled | | | | | | |
| | - | 50,293 | - | - | - | 50,293 |
| **Total financial assets** | **1,908,580** | **951,298** | **1,930,111** | **3,352,360** | **4,398,650** | **12,540,999** |

| | | | | | | |
|---|---|---|---|---|---|---|
| Financial liabilities | | | | | | |
| Non-derivative liabilities | | | | | | |
| Customer deposits | 693,572 | 544,988 | 944,385 | 2,011,368 | 2,103,268 | 6,297,581 |
| Other liabilities | 149,707 | 161,252 | 180,218 | 147,039 | 401,977 | 1,040,193 |
| Debt issued and other borrowed funds | 291 | 80,149 | 120,223 | 776,358 | 128,297 | 1,105,319 |
| | 843,571 | 786,389 | 1,244,826 | 2,934,765 | 2,633,542 | 8,443,093 |
| Derivative Liabilities | | | | | | |
| Trading : | | | | | | |
| Gross settled | - | - | - | - | - | - |
| Net settled | | | | | | |
| | - | - | - | - | - | - |
| **Total financial liabilities** | **843,571** | **786,389** | **1,244,826** | **2,934,765** | **2,633,542** | **8,443,093** |
| **Gap (assets-liabilities)** | **1,065,009** | **164,909** | **685,284** | **417,595** | **1,765,108** | |
| **Cumulative liquidity gap** | **1,065,009** | **1,229,918** | **1,915,202** | **2,332,797** | **4,097,905** | |
| | | | | | | |
| Financial Guarantee Contracts: | | | | | | |
| Performance bonds and guaran-tees | 56,194 | 61,865 | 304,845 | 406,985 | 182,463 | 1,012,354 |
| Letters of credit | 252,570 | 292,634 | 218,731 | - | - | 763,934 |
| | **308,764** | **354,499** | **523,576** | **406,985** | **182,463** | **1,776,288** |

| | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| **31 December 2023** | | | | | | |
| Restricted balances with central bank | - | - | - | 1,174,398 | - | 1,174,398 |
| Cash and Cash equivalents | 362,530 | 21,172 | - | - | - | 383,702 |
| Loans and advances to customers | 235,975 | 515,799 | 867,353 | 1,001,318 | 2,013,800 | 4,634,245 |
| Derivative financial assets | - | | - | - | - | - |
| Investment securities | - | - | - | - | - | - |
| - Financial instrument at FVTPL | 77 | 317 | 6,931 | 1,001 | 4,215 | 12,540 |
| - Debt instruments at amortised | 951 | 44,292 | 417,381 | 339,063 | 1,017,731 | 1,819,418 |
| - Debt instruments at FVOCI | 23,622 | 61,401 | 121,127 | 40,236 | 35,132 | 281,519 |
| Deferred tax Assets | | | | | | |
| Other Assets | 39,589 | 199,524 | 166,432 | - | - | 405,545 |
| **Total financial assets** | **662,744** | **842,505** | **1,579,225** | **2,556,016** | **3,070,877** | **8,711,367** |
| | | | | | | |
| | | | | | | |
| Derivaitive assets | | | | | | |
| Trading : | | | | | | |
| Gross settled | | 10,723 | | - | - | 10,723 |
| Net settled | | | | | | |
| | - | 10,723 | - | - | - | 10,723 |
| **Total financial assets** | **662,744** | **853,228** | **1,579,225** | **2,556,016** | **3,070,877** | **8,722,090** |
| | | | | | | |
| Financial liabilities | | | | | | |
| Non-derivative liabilities | | | | | | |
| Customer deposits | 337,757 | 496,625 | 657,113 | 1,328,011 | 1,389,284 | 4,208,791 |
| Other liabilities | 122,415 | 172,796 | 248,943 | 360,566 | 281,890 | 1,186,609 |
| Debt issued and other borrowed funds | 85 | 303,773 | 53,379 | 520,491 | 49,049 | 926,777 |
| | **460,257** | **973,195** | **959,434** | **2,209,068** | **1,720,223** | **6,322,177** |
| Derivative Liabilities | | | | | | |
| Trading : | | | | | | |
| Gross settled | - | - | - | - | - | - |
| Net settled | | | | | | |
| | - | - | - | - | - | - |
| **Total financial liabilities** | **460,257** | **973,195** | **959,434** | **2,209,068** | **1,720,223** | **6,322,177** |
| **Gap (assets-liabilities)** | **202,487** | **(119,966)** | **619,791** | **346,948** | **1,350,654** | |
| **Cumulative liquidity gap** | **202,487** | **82,521** | **702,312** | **1,049,259** | **2,399,913** | |
| | | | | | | |
| Financial Guarantee Contracts: | | | | | | |
| Performance bonds and guarantees | 38,303 | 132,311 | 284,455 | 169,511 | 106,200 | 730,779 |
| Letters of credit | 91,580 | 127,638 | 177,868 | 16,276 | - | 413,362 |
| **Total** | **129,883** | **259,949** | **462,323** | **185,786** | **106,200** | **1,144,141** |

### 3.3.2 Maturity Analysis - continued

| Bank | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| 31 December 2024 | | | | | | |
| Non-deivative assets | | | | | | |
| Restricted balances with central bank | - | - | - | 1,586,350 | - | 1,586,350 |
| Cash and Cash equivalents | 506,580 | - | - | - | - | 506,580 |
| Loans and advances to customers | 826,365 | 720,468 | 850,047 | 1,575,936 | 3,376,248 | 7,349,064 |
| Derivative financial assets | - | - | - | - | - | - |
| Investment securities | - | - | - | - | - | - |
| - Financial instrument at FVTPL | 473 | 1,312 | 7,505 | 758 | 1 | 10,050 |
| - Debt instruments at amortised | 47,504 | 24,253 | 920,150 | 331,537 | 939,419 | 2,262,863 |
| - Debt instruments at FVOCI | 1 | 6,604 | 81,615 | 184,174 | 64,609 | 337,003 |
| Other Assets | 14,315 | 71,577 | 57,262 | - | - | 143,154 |
| **Total financial assets** | **1,395,238** | **824,215** | **1,916,578** | **3,678,755** | **4,380,278** | **12,195,064** |
| | | | | | | |
| Derivaitive assets | | | | | | |
| Trading : | | | | | | |
| Gross settled | | 50,292 | | - | - | 50,292 |
| Net settled | | | | | | |
| | - | 50,292 | - | - | - | 50,292 |
| **Total financial assets** | **1,395,238** | **874,507** | **1,916,578** | **3,678,755** | **4,380,278** | **12,245,356** |
| | | | | | | |
| | | | | | | |
| Financial liabilities | | | | | | |
| Non-derivative liabilities | | | | | | |
| Customer deposits | 516,144 | 485,881 | 862,192 | 1,998,773 | 2,103,268 | 5,966,258 |
| Other liabilities | 148,926 | 161,252 | 176,267 | 147,039 | 401,977 | 1,035,461 |
| Debt issued and other borrowed funds | 291 | 80,149 | 120,223 | 776,358 | 128,297 | 1,105,319 |
| | **665,362** | **727,281** | **1,158,683** | **2,922,170** | **2,633,542** | **8,107,038** |
| Derivative Liabilities | | | | | | |
| Trading : | | | | | | |
| Gross settled | - | - | - | - | - | - |
| Net settled | | | | | | |
| | - | - | - | - | - | - |
| **Total financial liabilities** | **665,362** | **727,281** | **1,158,683** | **2,922,170** | **2,633,542** | **8,107,038** |
| **Gap (assets-liabilities)** | **729,877** | **147,226** | **757,896** | **756,584** | **1,746,735** | |
| **Cumulative liquidity gap** | **729,877** | **877,102** | **1,634,998** | **2,391,583** | **4,138,318** | |
| | | | | | | |
| Financial Guarantee Contracts: | | | | | | |
| Performance bonds and guarantees | 56,194 | 61,865 | 304,845 | 406,985 | 182,463 | 1,012,354 |
| Letters of credit | 225,990 | 292,634 | 218,731 | - | - | 737,355 |
| **Total** | **282,185** | **354,499** | **523,576** | **406,985** | **182,463** | **1,749,709** |

| 31 December 2023 | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| Restricted balances with central bank | - | - | - | 1,174,398 | - | 1,174,398 |
| Cash and Cash equivalents | 362,530 | 14,390 | - | - | - | 376,920 |
| Loans and advances to customers | 235,975 | 515,799 | 867,353 | 1,001,318 | 2,013,800 | 4,634,245 |
| Derivative financial assets | - | | - | - | - | - |
| Investment securities | - | - | - | - | - | - |
| - Financial instrument at FVTPL | 77 | 317 | 6,931 | 1,001 | 4,215 | 12,540 |
| - Debt instruments at amortised | 951 | 44,292 | 417,381 | 339,063 | 1,017,731 | 1,819,418 |
| - Debt instruments at FVOCI | 23,622 | 21,402 | 121,127 | 40,236 | 35,132 | 241,520 |
| Other Assets | 39,589 | 197,946 | 166,432 | - | - | 403,968 |
| **Total financial assets** | **662,744** | **794,146** | **1,579,225** | **2,556,016** | **3,070,877** | **8,663,008** |
| | | | | | | |
| | | | | | | |
| Derivaitive assets | | | | | | |
| Trading : | | | | | | |
| Gross settled | | 10,723 | | - | - | 10,723 |
| Net settled | | | | | | |
| | - | 10,723 | - | - | - | 10,723 |
| **Total financial assets** | **662,744** | **804,869** | **1,579,225** | **2,556,016** | **3,070,877** | **8,673,731** |
| | | | | | | |
| Financial liabilities | | | | | | |
| Non-derivative liabilities | | | | | | |
| Customer deposits | 337,757 | 373,604 | 657,113 | 1,328,011 | 1,389,284 | 4,085,770 |
| Other liabilities | 122,415 | 170,073 | 248,943 | 360,566 | 281,890 | 1,183,887 |
| Debt issued and other borrowed funds | 85 | 61,998 | 53,379 | 520,491 | 49,049 | 685,002 |
| | **460,257** | **605,676** | **959,434** | **2,209,068** | **1,720,223** | **5,954,658** |
| Derivative Liabilities | | | | | | |
| Trading : | | | | | | |
| Gross settled | - | - | - | - | - | - |
| Net settled | | | | | | |
| | - | - | - | - | - | - |
| **Total financial liabilities** | **460,257** | **605,676** | **959,434** | **2,209,068** | **1,720,223** | **5,954,658** |
| **Gap (assets-liabilities)** | **202,487** | **199,193** | **619,791** | **346,948** | **1,350,654** | |
| **Cumulative liquidity gap** | **202,487** | **401,680** | **1,021,471** | **1,368,419** | **2,719,073** | |
| | | | | | | |
| Financial Guarantee Contracts: | | | | | | |
| Performance bonds and guarantees | 38,303 | 132,311 | 284,455 | 169,511 | 106,200 | 730,779 |
| Letters of credit | 91,580 | 127,638 | 177,868 | 16,276 | - | 413,362 |
| **Total** | **129,883** | **259,949** | **462,323** | **185,786** | **106,200** | **1,144,141** |

### 3.4 Market Risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will be adversely affected by changes in market prices such as interest rates, foreign exchange rates, equity prices and commodity prices.

### 3.4.1 Management of Market Risk

Essentially, the banking business is subject to the risk that financial market prices and rates will move and result in profits or losses for us. Market risk arises from the probability of adverse movements in financial market prices and rates. The Group's definition of financial market prices in this regard refer to interest rates, equity prices, foreign exchange rates, commodity prices, the correlations among them and their levels of volatility. Interest rate and equity price risks consist of two components each: general risk, which describes value changes due to general market movements, and specific risk which has issuer-related causes.

The Group assumes market risk in both the Group's trading and non-trading activities. The Group underwrite market risks by making markets and taking proprietary positions in the inter-bank, bonds, foreign exchange and other security markets. The Group separates its market risk exposures between the trading and the banking books. Overall authority and management of market risk in the Group is invested on the Assets and Liability Management Committee (ALCO).

The Board approves the Group's Market Risk Management policy and performs its oversight management role through the Board Risk Management Committee (BRMC).The Group's trading strategy evolves from its business strategy, and is in line with its risk appetite. The Group's Market Risk division manages the Group's market risk in line with established risk limits, which are measured, monitored and reported periodically. Established risk limits, which are monitored on a daily basis by the Group's Market Risk group, include intraday, daily devaluation for currency positions, net open position, dealers', deposit placement, stop loss, duration and management action trigger limits. Daily positions of the Group's trading books are marked-to-market to enable it obtain an accurate view of its trading portfolio exposures. Financial market prices used in the mark-to-market exercise are independently verified by the Market Risk division with regular reports prepared at different levels to reflect volatility of the Groups earnings.

### 3.4.2 Foreign Exchange Risk

The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and its aggregate for both overnight and intra-day positions, which are monitored daily.

The table below summarises the Bank's exposure to foreign currency exchange risk at 31 December 2024.

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | USD | GBP | Euro | Naira | Total |
| Financial assets | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | 1,586,350 | 1,586,350 |
| Cash and Cash equivalents | 340,534 | 32,675 | 48,182 | 92,612 | 514,003 |
| Loans and advances to customers | 2,508,625 | 782 | 3,931 | 1,873,770 | 4,387,108 |
| Derivative assets | 50,292 | - | - | - | 50,292 |
| Investment securities: | | | | | |
| - Financial assets at FVTPL | - | - | - | 5,113 | 5,113 |
| - Debt instruments at FVOCI | 4,775 | 4,757 | - | 108,150 | 117,682 |
| - Equity instruments at FVOCI | 21,401 | - | - | 48,234 | 69,635 |
| - Debt instruments at amortised cost | - | - | - | 1,552,347 | 1,552,347 |
| Other financial assets | 834,983 | 4,358 | 293 | (517,635) | 321,999 |
| | **3,760,611** | **42,571** | **52,406** | **4,748,941** | **8,604,528** |
| | | | | | |
| Financial liabilities | | | | | |
| Customer deposits | 2,542,276 | 309,496 | 33,365 | 3,051,926 | 5,937,064 |
| Derivative liabilities | - | - | - | - | - |
| Other liabilities | 433,576 | 4,556 | 4,123 | 658,958 | 1,101,213 |
| Debt issued and other borrowed funds | 750,163 | - | - | 179,432 | 929,595 |
| | **3,726,015** | **314,052** | **37,488** | **3,890,316** | **7,967,872** |
| Net on balance sheet position | 34,595 | (271,481) | 14,917 | 858,625 | 636,656 |
| | | | | | |
| Net exposure | 34,595 | (271,481) | 14,917 | 858,625 | 636,656 |

**Sensitivity Analysis of Foreign Currency Statement of Financial Position**

| Currency | USD | GBP | Euro |
|---|---|---|---|
| | N'million | N'million | N'million |
| Net effect on Statement of Financial Position | 34,595 | (271,481) | 14,917 |
| Closing Exchange Rate (Naira/ Currency) | 1,549 | 1,919 | 1,591 |
| | | | |
| 10% Currency Depreciation (+) | 1,704 | 2,111 | 1,750 |
| Net effect of depreciation on Profit or loss (pre-tax) | 3,460 | (27,148) | 1,492 |
| | | | |
| 10% Currency Appreciation (-) | 1,394 | 1,727 | 1,432 |
| Net effect of appreciation on Profit or loss (pre-tax) | (3,460) | 27,148 | (1,492) |

The table below summarises the Bank's exposure to foreign currency exchange risk at 31 December 2023.

| Group | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | USD | GBP | Euro | Naira | Total |
| Financial assets | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | 1,174,398 | 1,174,398 |
| Cash and Cash equivalents | 199,832 | 8,017 | 20,850 | 147,897 | 376,595 |
| Loans and advances to customers | 1,425,087 | 4,460 | 10,508 | 1,522,343 | 2,962,397 |
| Derivative assets | 10,723 | | | | 10,723 |
| Investment securities: | - | - | - | | |
| - Financial assets at FVTPL | - | - | - | 7,684 | 7,684 |
| - Debt instruments at FVOCI | 18,495 | - | - | 169,066 | 187,561 |
| - Equity instruments at FVOCI | 9,507 | - | - | 95,446 | 104,953 |
| - Debt instruments at amortised cost | - | - | - | 818,803 | 818,803 |
| Other financial assets | 355,347 | 11,442 | 813 | 23,789 | 391,391 |
| | 2,018,991 | 23,919 | 32,171 | 3,959,425 | 6,034,506 |
| Financial liabilities | | | | | |
| Customer deposits | 1,243,428 | 24,752 | 20,523 | 2,638,139 | 3,926,842 |
| Derivative liabilities | - | | | | - |
| Other liabilities | 247,342 | 2,138 | 2,138 | 882,256 | 1,133,874 |
| Debt issued and other borrowed funds | 511,458 | | | 65,570 | 577,028 |
| | 2,002,228 | 26,890 | 22,660 | 3,585,966 | 5,637,744 |
| **Net exposure** | **16,763** | **(2,971)** | **9,510** | **373,460** | **396,762** |

### Sensitivity Analysis of Foreign Currency Statement of Financial Position

| Currency | USD | GBP | Euro |
|---|---|---|---|
| | N'million | N'million | N'million |
| Net effect on Statement of Financial Position | 16,763 | (2,971) | 9,510 |
| Closing Exchange Rate (Naira/ Currency) | 952 | 1,140 | 991 |
| 1% Currency Depreciation (+) | 961 | 1,152 | 1,001 |
| Net effect of depreciation on Profit or loss (pre-tax) | 168 | (30) | 95 |
| 1% Currency Appreciation (-) | 942 | 1,129 | 981 |
| Net effect of appreciation on Profit or loss (pre-tax) | (168) | 30 | (95) |

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | USD | GBP | Euro | Naira | Total |
| Financial assets | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | 1,586,350 | 1,586,350 |
| Cash and Cash equivalents | 340,534 | 24,715 | 47,527 | 92,555 | 505,331 |
| Loans and advances to customers | 2,467,567 | 782 | 3,931 | 1,873,770 | 4,346,049 |
| Derivative assets | 50,292 | | | | 50,292 |
| Investment securities: | - | - | - | | |
| - Financial assets at FVTPL | - | - | - | 5,113 | 5,113 |
| - Debt instruments at FVOCI | 4,775 | - | - | 108,150 | 112,925 |
| - Equity instruments at FVOCI | 21,401 | - | - | 48,234 | 69,635 |
| - Debt instruments at amortised cost | - | - | - | 1,552,347 | 1,552,347 |
| Other financial assets | 834,983 | (367) | 213 | (517,635) | 317,195 |
| | 3,719,552 | 25,130 | 51,671 | 4,748,884 | 8,545,237 |
| Financial liabilities | | | | | |
| Customer deposits | 2,542,276 | 32,895 | 33,217 | 3,051,926 | 5,660,315 |
| Derivative liabilities | - | | | | - |
| Other liabilities | 433,576 | 199 | 4,119 | 658,958 | 1,096,851 |
| Debt issued and other borrowed funds | 750,163 | | | 179,432 | 929,595 |
| | 3,726,015 | 33,094 | 37,336 | 3,890,316 | 7,686,761 |
| Net on balance sheet position | (6,463) | (7,963) | 14,335 | 858,568 | 858,476 |
| **Net exposure** | **(6,463)** | **(7,963)** | **14,335** | **858,568** | **858,476** |

### Sensitivity Analysis of Foreign Currency Statement of Financial Position

| Currency | USD | GBP | Euro |
|---|---|---|---|
| | N'million | N'million | N'million |
| Net effect on Statement of Financial Position | (6,463) | (7,963) | 14,335 |
| Closing Exchange Rate (Naira/ Currency) | 1,549 | 1,919 | 1,591 |
| 10% Currency Depreciation (+) | 1,704 | 2,111 | 1,750 |
| Net effect of depreciation on Profit or loss (pre-tax) | (646) | (796) | 1,433 |
| 10% Currency Appreciation (-) | 1,394 | 1,727 | 1,432 |
| Net effect of appreciation on Profit or loss (pre-tax) | 646 | 796 | (1,433) |

The table below summarises the Bank's exposure to foreign currency exchange risk at 31 December 2023.

| Bank | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | **USD** | **GBP** | **Euro** | **Naira** | **Total** |
| Financial assets | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | 1,174,398 | 1,174,398 |
| Cash and Cash equivalents | 199,832 | 8,017 | 20,850 | 147,897 | 376,595 |
| Loans and advances to customers | 1,425,087 | 4,460 | 10,508 | 1,522,343 | 2,962,397 |
| Derivative assets | 10,723 | | | | 10,723 |
| Investment securities: | - | - | - | | |
| - Financial assets at FVTPL | - | - | - | 7,684 | 7,684 |
| - Debt instruments at FVOCI | 18,495 | - | - | 169,066 | 187,561 |
| - Equity instruments at FVOCI | 9,507 | - | - | 95,446 | 104,953 |
| - Debt instruments at amortised cost | - | - | - | 818,803 | 818,803 |
| Other financial assets | 355,347 | 11,442 | 813 | 23,789 | 391,391 |
| | 2,018,991 | 23,919 | 32,171 | 3,959,425 | 6,034,506 |
| Financial liabilities | | | | | |
| Customer deposits | 1,243,428 | 24,752 | 20,523 | 2,638,139 | 3,926,842 |
| Derivative liabilities | - | | | | - |
| Other liabilities | 247,342 | 2,138 | 2,138 | 882,256 | 1,133,874 |
| Debt issued and other borrowed funds | 511,458 | | | 65,570 | 577,028 |
| | 2,002,228 | 26,890 | 22,660 | 3,585,966 | 5,637,744 |
| Net exposure | 16,763 | (2,971) | 9,510 | 373,460 | 396,762 |

Sensitivity Analysis of Foreign Currency Statement of Financial Position

| **Currency** | **USD** | **GBP** | **Euro** |
|---|---|---|---|
| | N'million | N'million | N'million |
| Net effect on Statement of Financial Position | 16,763 | (2,971) | 9,510 |
| Closing Exchange Rate (Naira/ Currency) | 952 | 1,140 | 991 |
| 1% Currency Depreciation (+) | 961 | 1,152 | 1,001 |
| Net effect of depreciation on Profit or loss (pre-tax) | 168 | (30) | 95 |
| 1% Currency Appreciation (-) | 942 | 1,129 | 981 |
| Net effect of appreciation on Profit or loss (pre-tax) | (168) | 30 | (95) |

The Bank's exposure to foreign exchange risk is largely concentrated in USD. Movement in the exchange rate between the foreign currencies and the Nigerian naira affects reported earnings through revaluation gain or loss and the statement of financial position through an increase or decrease in the revalued amounts of financial assets and liabilities denominated in foreign currencies.

### 3.4.3 Interest Rate Risk

The table below summarises the Bank's interest rate gap position on non-trading portfolios:

| **Group**<br>**31 December 2024** | **Carrying amount** | **Variable interest** | **Fixed interest** | **Non interest bearing** |
|---|---|---|---|---|
| | N'million | N'million | N'million | N'million |
| Financial assets | | | | |
| Restricted balances with central bank | 1,586,350 | - | - | 1,586,350 |
| Cash and Cash equivalents | 964,142 | - | 15,574 | 948,568 |
| Loans and advances to customers | 4,387,108 | 1,146,682 | 3,240,427 | - |
| Derivative assets | 50,293 | - | - | 50,293 |
| Investment securities | - | - | - | - |
| - Financial assets at FVTPL | 5,113 | - | 5,113 | - |
| - Debt instruments at FVOCI | 186,571 | - | 186,571 | - |
| - Debt instruments at amortised cost | 1,552,347 | - | 1,552,347 | - |
| Other financial assets | 143,154 | - | - | 143,154 |
| | 8,875,078 | 1,146,682 | 5,000,031 | 2,728,365 |
| Financial liabilities | | | | |
| Customer deposits | 5,937,064 | - | 2,543,551 | 3,393,513 |
| Derivative liabilities | - | - | - | - |
| Other liabilities | 938,776 | - | 344,800 | 593,976 |
| Debts issued and other borrowed funds | 929,595 | 124,484 | 805,111 | - |
| | **7,805,435** | **124,484** | **3,693,462** | **3,987,489** |

| **Group**<br>**31 December 2023** | **Carrying amount** | **Variable interest** | **Fixed interest** | **Non interest bearing** |
|---|---|---|---|---|
| Financial assets | | | | |
| Restricted balances with central bank | 1,174,398 | - | - | 1,174,398 |
| Cash and Cash equivalents | 376,595 | - | 32,356 | 344,239 |
| Loans and advances to customers | 2,962,397 | 647,617 | 2,314,780 | - |
| Derivative assets | 10,723 | - | - | 10,723 |
| Investment securities | - | | | - |
| - Financial assets at FVTPL | 7,684 | - | 7,684 | - |
| - Debt instruments at FVOCI | 187,561 | - | 187,561 | - |
| - Debt instruments at amortised cost | 818,803 | - | 818,803 | - |
| Other financial assets | 391,391 | - | - | 391,391 |
| | 5,929,553 | 647,617 | 3,361,185 | 1,920,751 |
| Financial liabilities | | | | |
| Customer deposits | 3,926,842 | - | 1,574,066 | 2,352,776 |
| Derivative liabilities | - | - | - | - |
| Other liabilities | 1,133,874 | - | 443,736 | 690,138 |
| Debts issued and other borrowed funds | 577,028 | 83,337 | 493,691 | - |
| | **5,637,744** | **83,337** | **2,511,493** | **3,042,914** |

The table below summarises the Bank's interest rate gap position on non-trading portfolios:

| Bank<br>31 December 2024 | Carrying amount | Variable interest | Fixed interest | Non interest bearing |
|---|---|---|---|---|
| | N'million | N'million | N'million | N'million |
| Financial assets | | | | |
| Restricted balances with central bank | 1,586,350 | - | - | 1,586,350 |
| Cash and Cash equivalents | 505,331 | - | 15,574 | 489,757 |
| Loans and advances to customers | 4,346,049 | 1,091,675 | 3,254,375 | - |
| Derivative assets | 50,292 | - | - | 50,292 |
| Investment securities | - | | | - |
| - Financial assets at FVTPL | 5,113 | - | 5,113 | - |
| - Debt instruments at FVOCI | 112,925 | - | 112,925 | - |
| - Debt instruments at amortised cost | 1,552,347 | - | 1,552,347 | - |
| Other financial assets | 143,154 | - | - | 143,154 |
| | **8,301,561** | **1,091,675** | **4,940,333** | **2,269,553** |
| Financial liabilities | | | | |
| Customer deposits | 5,660,315 | - | 2,266,802 | 3,393,513 |
| Derivative liabilities | - | - | - | - |
| Other liabilities | 978,435 | - | 384,459 | 593,976 |
| Debts issued and other borrowed funds | 929,595 | 124,484 | 805,111 | - |
| | 7,568,345 | 124,484 | 3,456,372 | 3,987,489 |

| Bank<br>31 December 2023 | Carrying amount | Variable interest | Fixed interest | Non interest bearing |
|---|---|---|---|---|
| Financial assets | | | | |
| Restricted balances with central bank | 1,174,398 | - | - | 1,174,398 |
| Cash and Cash equivalents | 376,595 | - | 32,356 | 344,239 |
| Loans and advances to customers | 2,962,397 | 647,617 | 2,314,780 | - |
| Derivative assets | 10,723 | - | - | 10,723 |
| Investment securities | - | | | - |
| - Financial assets at FVTPL | 7,684 | - | 7,684 | - |
| - Debt instruments at FVOCI | 187,561 | - | 187,561 | - |
| - Debt instruments at amortised cost | 818,803 | - | 818,803 | - |
| Other financial assets | 391,391 | - | - | 391,391 |
| | 5,929,553 | 647,617 | 3,361,185 | 1,920,751 |
| Financial liabilities | | | | |
| Customer deposits | 3,926,842 | - | 1,574,066 | 2,352,776 |
| Derivative liabilities | - | - | - | - |
| Other liabilities | 1,133,874 | - | 443,736 | 690,138 |
| Debts issued and other borrowed funds | 577,028 | 83,337 | 493,691 | - |
| | 5,637,744 | 83,337 | 2,511,493 | 3,042,914 |

**(a) Interest Rate Sensitivity**

Total interest repricing gap

- The repricing gap details each time the interest rates are expected to change.

| Group<br>31 December 2024 | Less than 3 months | 3-6 months | 6-12 months | 1-5 years | More than 5 years | Total rate sensitive |
|---|---|---|---|---|---|---|
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Restricted balances with central bank | - | - | - | - | - | - |
| Cash and Cash equivalents | 707,450 | - | - | - | - | 707,450 |
| Loans and advances to customers | 1,070,110 | 1,029,742 | 222,498 | 813,043 | 1,251,715 | 4,387,108 |
| Derivative financial assets | - | - | - | - | - | - |
| Investment securities | | | | | | - |
| - Financial assets at FVTPL | 785 | - | 1,004 | 3,041 | 283 | 5,113 |
| - Debt instruments at FVOCI | 48,106 | 42,876 | 22,167 | 67,165 | 6,257 | 186,571 |
| | | | | | | |
| - Debt instruments at amortised cost | 231,843 | 76,299 | 779,995 | 95,803 | 369,825 | 1,553,765 |
| **Total assets** | **2,058,294** | **1,148,917** | **1,025,664** | **979,051** | **1,628,080** | **6,840,007** |
| **Financial liabilities** | | | | | | |
| Customer deposits | 524,409 | 236,136 | 178,125 | 758,105 | 744,315 | 2,441,090 |
| Derivative Financial Liabilities | - | - | - | - | - | - |
| Other liabilities | 6,993 | 4,717 | 30,241 | 137,822 | 207,173 | 386,945 |
| Debts issued and other borrowed funds | 22,766 | 44,591 | 713,241 | 101,217 | 47,780 | 929,595 |
| Total liabilities | 554,168 | 285,444 | 921,607 | 997,144 | 999,267 | 3,757,631 |
| **Net financial assets/(liabilities)** | **1,504,126** | **863,473** | **104,058** | **(18,093)** | **628,812** | **3,082,376** |

| 31 December 2023 | Less than 3 months | 3-6 months | 6-12 months | 1-5 years | More than 5 years | Total rate sensitive |
|---|---|---|---|---|---|---|
| Financial assets | N'million | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | - | - | - |
| Cash and Cash equivalents | 32,356 | | - | | | 32,356 |
| Loans and advances to customers | 731,685 | 192,738 | 567,164 | 669,822 | 800,987 | 2,962,397 |
| Derivative financial assets | - | | | | | - |
| **Investment securities** | | | | | | **-** |
| - Financial assets at FVTPL | 5,627 | 28 | 758 | 863 | 407 | 7,684 |
| - Debt instruments at FVOCI | 83,160 | 10,048 | 27,161 | 17,249 | 49,943 | 187,561 |
| - Debt instruments at amortised cost | 532,148 | - | 61,227 | 17,836 | 207,592 | 818,804 |
| **Total assets** | **1,384,977** | **202,814** | **656,310** | **705,771** | **1,058,929** | **4,008,801** |
| **Financial liabilities** | | | | | | |
| Customer deposits | 276,822 | 117,231 | 102,541 | 538,960 | 538,512 | 1,574,066 |
| Derivative Financial Liabilities | | | | | | - |
| Other liabilities | 7,529 | 15,661 | 23,492 | 161,931 | 235,123 | 443,736 |
| Debts issued and other borrowed funds | 61,683 | 28,594 | - | 444,271 | 42,480 | 577,028 |
| **Total liabilities** | **346,034** | **161,485** | **126,033** | **1,145,162** | **816,115** | **2,594,830** |
| **Net financial assets and liabilities** | **1,038,943** | **41,329** | **530,277** | **(439,391)** | **242,815** | **1,413,972** |

**(b) interest rate sensitivity analysis on variable rates instruments on profit and equity**

| 31 December 2024<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| | | N'million | N'million | N'million | N'million | N'million |
| | | | - | - | - | - |
| Loans and advances to customers | +200bp/-200bp | 1,146,682 | 22,934 | (22,934) | 22,934 | (22,934) |
| | | | | | | |
| Debts issued and other borrowed funds | +200bp/-200bp | 124,484 | (2,490) | 2,490 | (2,490) | 2,490 |

| 31 December 2023<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| | | N'million | N'million | N'million | N'million | N'million |
| | | | | | | |
| Loans and advances to customers | +/-200bp | 647,617 | 12,952 | (12,952) | 12,952 | (12,952) |
| | | | | | | |
| Debts issued and other borrowed funds | +/-200bp | 83,337 | (1,667) | 1,667 | (1,667) | 1,667 |

**(c) interest rate sensitivity analysis on fixed rate instruments on profit and equity**

| 31 December 2024<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| **Investments:** | | N'million | N'million | N'million | N'million | N'million |
| -Financial assets measured at FVTPL | +/-200bp | 5,113 | 102 | (102) | 102 | (102) |
| -Debts instruments at FVOCI* | +/-200bp | 186,571 | - | - | 3,731 | (3,731) |

| 31 December 2023<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| **Investments:** | | N'million | N'million | N'million | N'million | N'million |
| -Financial assets held for trading | +/-200bp | 7,684 | 154 | (154) | 154 | (154) |
| -Debts instruments at FVOCI* | +/-200bp | 187,561 | - | - | 3,751 | (3,751) |

**a. Enterprise Risk Management**

| Bank<br>31 December 2024 | Less than 3 months | 3-6 months | 6-12 months | 1-5 years | More than 5 years | Total rate sensitive |
|---|---|---|---|---|---|---|
| Financial assets | N'million | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | - | - | - |
| Cash and Cash equivalents | 15,574 | | - | | | 15,574 |
| Loans and advances to customers | 1,048,689 | 1,029,314 | 208,966 | 781,347 | 1,277,733 | 4,346,049 |
| Derivative financial assets | - | | | | | - |
| Investment securities | | | | | | - |
| - Financial assets at FVTPL | 785 | - | 1,004 | 3,041 | 283 | 5,113 |
| - Debt instruments at FVOCI | 17,336 | - | 22,167 | 67,165 | 6,257 | 112,925 |
| - Debt instruments at amortised cost | 231,843 | 76,299 | 779,995 | 95,803 | 369,825 | 1,553,765 |
| Total assets | 1,314,227 | 1,105,613 | 1,012,132 | 947,355 | 1,654,098 | 6,033,426 |
| Financial liabilities | | | | | | |
| Customer deposits | 460,398 | 175,987 | 140,591 | 745,511 | 744,315 | 2,266,802 |
| Derivative Financial Liabilities | | | | | | - |
| Other liabilities | 6,993 | 4,717 | 30,241 | 135,335 | 207,173 | 384,459 |
| Debts issued and other borrowed funds | 22,766 | 44,591 | 713,241 | 101,217 | 47,780 | 929,595 |
| Total liabilities | 490,157 | 225,295 | 884,073 | 982,064 | 999,267 | 3,580,856 |
| Net financial assets/(liabilities) | 824,070 | 880,318 | 128,059 | (34,708) | 654,831 | 2,452,569 |

| 31 December 2023 | Less than 3 months | 3-6 months | 6-12 months | 1-5 years | More than 5 years | Total rate sensitive |
|---|---|---|---|---|---|---|
| Financial assets | N'million | N'million | N'million | N'million | N'million | N'million |
| Restricted balances with central bank | - | - | - | - | - | - |
| Cash and Cash equivalents | 32,356 | | - | | | 32,356 |
| Loans and advances to customers | 731,685 | 192,738 | 567,164 | 669,822 | 800,987 | 2,962,397 |
| Derivative financial assets | - | | | | | - |
| Investment securities | | | | | | - |
| - Financial assets at FVTPL | 5,627 | 28 | 758 | 863 | 407 | 7,684 |
| - Debt instruments at FVOCI | 83,160 | 10,048 | 27,161 | 17,249 | 49,943 | 187,561 |
| - Debt instruments at amortised cost | 532,148 | - | 61,227 | 17,836 | 207,592 | 818,804 |
| Total assets | 1,384,977 | 202,814 | 656,310 | 705,771 | 1,058,929 | 4,008,801 |
| Financial liabilities | | | | | | |
| Customer deposits | 276,822 | 117,231 | 102,541 | 538,960 | 538,512 | 1,574,066 |
| Derivative Financial Liabilities | | | | | | - |
| Other liabilities | 7,529 | 15,661 | 23,492 | 161,931 | 235,123 | 443,736 |
| Debts issued and other borrowed funds | 61,683 | 28,594 | - | 444,271 | 42,480 | 577,028 |
| Total liabilities | 346,034 | 161,485 | 126,033 | 1,145,162 | 816,115 | 2,594,830 |
| Net financial assets and liabilities | 1,038,943 | 41,329 | 530,277 | (439,391) | 242,815 | 1,413,972 |

**(b) interest rate sensitivity analysis on variable rates instruments on profit and equity**

| 31 December 2024<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| | | N'million | N'million | N'million | N'million | N'million |
| Loans and advances to customers | +200bp/-200bp | 1,091,675 | 21,833 | (21,833) | 21,833 | (21,833) |
| Debts issued and other borrowed funds | +200bp/-200bp | 124,484 | (2,490) | 2,490 | (2,490) | 2,490 |

| 31 December 2023<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| | | N'million | N'million | N'million | N'million | N'million |
| Loans and advances to customers | +/-200bp | 647,617 | 12,952 | (12,952) | 12,952 | (12,952) |
| Debts issued and other borrowed funds | +/-200bp | 83,337 | (1,667) | 1,667 | (1,667) | 1,667 |

**(c) Interest Rate Sensitivity Analysis On Fixed Rate Instruments On Profit And Equity**

| 31 December 2024<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| **Investments:** | | N'million | N'million | N'million | N'million | N'million |
| -Financial assets measured at FVTPL | +/-200bp | 5,113 | 102 | (102) | 102 | (102) |
| -Debts instruments at FVOCI* | +/-200bp | 112,925 | - | - | 2,259 | (2,259) |

| 31 December 2023<br>Asset with variable interest rate | Increase/ Decrease in bp | Amount | Effect of increase by 200bp on Profit | Effect of decrease by 200bp on Profit | Effect of increase by 200bp on Equity | Effect of decrease by 200bp on Equity |
|---|---|---|---|---|---|---|
| **Investments:** | | N'million | N'million | N'million | N'million | N'million |
| -Financial assets held for trading | +/-200bp | 7,684 | 154 | (154) | 154 | (154) |
| -Debts instruments at FVOCI* | +/-200bp | 187,561 | - | - | 3,751 | (3,751) |

*Changes in the value of debt instruments at FVOCI will impact other comprehensive income (OCI) rather than profit.

### 3.4.4 Equity Price Risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. A 67 percent increase in the value of the Group's equity investment at FVOCI at 31 December 2024 would have increased equity investment by ₦28.04 billion (December 2023: ₦77.4 billion). An equivalent decrease would have resulted in an equivalent but opposite impact.

## 3.5 Fair Value of Financial Assets and Liabilities

| Group | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| Cash and balances with Central bank of Nigeria | 1,697,639 | 1,697,639 | 1,311,414 | 1,311,414 |
| Cash | 35,397 | 35,397 | 21,440 | 21,440 |
| Balances with central bank other than mandatory reserve deposits | 75,892 | 75,892 | 115,576 | 115,576 |
| Mandatory reserve deposits with central banks | 1,586,350 | 1,586,350 | 1,174,398 | 1,174,398 |
| **Due from banks** | **650,735** | **395,192** | **239,579** | **239,579** |
| - Current balances with foreign banks | 391,689 | 379,618 | 207,330 | 207,330 |
| - Placements with other banks and discount houses | 259,046 | 15,574 | 32,249 | 32,249 |
| **Loans and advances to customers** | **4,431,499** | **4,541,322** | **2,962,397** | **2,962,397** |
| - Term loans | 4,000,385 | 4,025,798 | 2,707,023 | 2,707,023 |
| - Advances under finance lease | 4,155 | 4,199 | 9,380 | 9,380 |
| - Other loans | 426,958 | 511,325 | 245,994 | 245,994 |
| **Derivative financial assets** | **50,293** | **50,293** | **10,723** | **10,723** |
| **Fair Value Through Profit and Loss** | **5,113** | **5,113** | **7,684** | **7,684** |
| - Treasury bills | 4,782 | 4,782 | 6,661 | 6,661 |
| - Federal Government bonds | 331 | 331 | 1,023 | 1,023 |
| - Placement | - | - | - | - |
| **Debt instruments at FVOCI** | **186,571** | **186,571** | **187,561** | **187,561** |
| - Treasury bills | 120,590 | 120,590 | 153,028 | 153,028 |
| - Federal Government bonds | 65,981 | 65,981 | 17,714 | 17,714 |
| - State Government bonds | - | - | 5,897 | 5,897 |
| - Coporate bonds | - | - | 10,922 | 10,922 |
| **Equity instruments measured at FVOCI** | **69,635** | **69,635** | **41,550** | **41,550** |
| **Debt instruments at amortised** | **1,552,346** | **1,553,764** | **818,804** | **-** |
| - Treasury bills | 1,078,287 | 1,079,081 | 404,734 | |
| - Federal Government bonds | 448,867 | 449,392 | 393,591 | |
| - State Government bonds | 9,997 | 10,027 | 5,103 | |
| - Corporate Bonds | 15,196 | 15,265 | 15,375 | |

| | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| **Financial liabilities** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Deposits from customers** | **3,097,254** | **3,097,254** | **1,364,702** | **1,364,702** |
| Term | 1,864,259 | 1,864,259 | 75,999 | 75,999 |
| Domiciliary | 1,232,995 | 1,232,995 | 1,288,703 | 1,288,703 |
| **Derivative financial liabilities** | **-** | **-** | **-** | **-** |
| **Debts issued and other borrowed funds** | **929,595** | **929,595** | **577,028** | **577,028** |

**Financial Instruments Measured at Fair Value - Continued**

| Bank | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| Cash and balances with Central bank of Nigeria | 1,697,639 | 1,697,639 | 1,311,414 | 1,311,414 |
| Cash | 35,397 | 35,397 | 21,440 | 21,440 |
| Balances with central bank other than mandatory reserve deposits | 75,892 | 75,892 | 115,576 | 115,576 |
| Mandatory reserve deposits with central banks | 1,586,350 | 1,586,350 | 1,174,398 | 1,174,398 |
| **Due from banks** | **394,042** | **395,192** | **239,579** | **239,579** |
| - Current balances with foreign banks | 378,468 | 379,618 | 207,330 | 207,330 |
| - Placements with other banks and discount houses | 15,574 | 15,574 | 32,249 | 32,249 |
| **Loans and advances to customers** | **4,346,049** | **4,541,322** | **2,962,397** | **2,962,397** |
| - Term loans | 3,914,935 | 4,025,798 | 2,707,023 | 2,707,023 |
| - Advances under finance lease | 4,155 | 4,199 | 9,380 | 9,380 |
| - Other loans | 426,958 | 511,325 | 245,994 | 245,994 |
| **Derivative financial assets** | **50,292** | **50,292** | **10,723** | **10,723** |
| **Fair Value Through Profit and Loss** | **5,113** | **5,113** | **7,684** | **7,684** |
| - Treasury bills | 4,782 | 4,782 | 6,661 | 6,661 |
| - Federal Government bonds | 331 | 331 | 1,023 | 1,023 |
| - Placement | - | - | - | - |
| **Debt instruments at FVOCI** | **112,925** | **112,925** | **187,561** | **187,561** |
| - Treasury bills | 46,944 | 46,944 | 153,028 | 153,028 |
| - Federal Government bonds | 65,981 | 65,981 | 17,714 | 17,714 |
| - State Government bonds | - | - | 5,897 | 5,897 |
| - Coporate bonds | | | 10,922 | 10,922 |
| **Equity instruments measured at FVOCI** | **69,635** | **69,635** | **41,550** | **41,550** |
| **Debt instruments at amortised** | **1,552,346** | **1,553,764** | **818,804** | **818,804** |
| - Treasury bills | 1,078,287 | 1,079,081 | 404,734 | 404,734 |
| - Federal Government bonds | 448,867 | 449,392 | 393,591 | 393,591 |
| - State Government bonds | 9,997 | 10,027 | 5,103 | 5,103 |
| - Corporate Bonds | 15,196 | 15,265 | 15,375 | 15,375 |

| | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| **Financial liabilities** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Deposits from customers** | **5,660,315** | **5,660,315** | **3,926,842** | **3,926,842** |
| Demand | 1,633,502 | 1,633,502 | 1,652,267 | 1,652,267 |
| Savings | 1,132,429 | 1,132,429 | 880,905 | 880,905 |
| Term | 264,605 | 264,605 | 75,999 | 75,999 |
| Domicilliary | 2,608,389 | 2,608,389 | 1,288,703 | 1,288,703 |
| Others | 21,390 | 21,390 | 28,968 | 28,968 |
| **Derivative financial liabilities** | **-** | **-** | **-** | **-** |
| **Debts issued and other borrowed funds** | **929,595** | **929,595** | **577,028** | **577,028** |

## (a) Financial Instruments Measured at Fair Value

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- **Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

Listed below are assets and liabilities that the carrying amount approximates the fair value as at the reporting date. These assets and liabilities have been excuded from the fair value table by hierachcy analysed below:

- Cash and cash equivalents
- Due from banks

| **Group<br>31 December 2024** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Assets measured at fair value** | | | | |
| **Financial assets at FVTPL** | | | | |
| - Federal Government bonds | 331 | - | - | - |
| - State Government bonds | - | - | - | - |
| - Treasury bills | 4,782 | - | - | - |
| - Placement | - | - | - | - |
| **Derivative financial assets** | **-** | **-** | **50,292** | **50,292** |
| **Debt instruments measured at FVOCI** | | | | **-** |
| - Treasury bills | 46,944 | - | - | 46,944 |
| - Federal Government bonds | - | - | - | - |
| - State Government bonds | - | - | - | - |
| - Corporate bonds | - | - | - | - |
| **Equity instruments measured at FVOCI** | **3,773** | **37,777** | **63,403** | **104,953** |
| **Loans and Advances** | | | | **-** |
| - Term loans | - | - | 4,067,165 | 4,067,165 |
| - Advances under finance lease | - | - | 4,199 | 4,199 |
| - Other loans | - | - | 511,358 | 511,358 |
| **Debt instruments at amortised cost** | | | | **-** |
| - Treasury bills | - | 1,079,081 | - | 1,079,081 |
| - Federal Government bonds | - | - | 449,392 | 449,392 |
| - State Government bonds | - | - | 10,027 | 10,027 |
| - Corporate Bonds | - | - | - | - |

## Financial Instruments Measured at Fair Value

| Financial liabilities at FVTPL | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| Derivative financial liabilities | - | - | - | - |
| **Financial liabilities for which fair values are disclosed** | | | | **-** |
| **Financial liabilities carried at amortised cost** | **-** | **-** | **-** | **-** |
| Debt issued and other borrowed funds | - | - | 929,595 | 929,595 |
| Deposits from customers | - | - | 5,660,315 | 5,660,315 |

The assets and liabilities not listed above are those that the carrying amount approximates the fair value as at the reporting date. These assets and liabilities have been excuded from the fair value table by hierachcy analysed.

| Group<br>31 December 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| Assets measured at fair value | | | | |
| Held for trading | | | | |
| - Federal Government bonds | - | | - | - |
| - State Government bonds | - | 1,023 | - | 1,023 |
| - Treasury bills | - | 6,661 | - | 6,661 |
| - Placement | - | - | | - |
| Debt instruments measured at FVOCI | | | | |
| - Treasury bills | - | 153,028 | - | 153,028 |
| - Federal Government bonds | - | 17,714 | - | 17,714 |
| - State Government bonds | - | 5,897 | - | 5,897 |
| - Corporate bonds | | 10,922 | - | 10,922 |
| **Equity instruments measured at FVOCI** | **3,773** | **37,777** | **63,403** | **104,953** |
| Loans and Advances | | | | - |
| - Term loans | - | - | 2,707,023 | 2,707,023 |
| - Advances under finance lease | - | - | 9,380 | 9,380 |
| - Other loans | - | - | 245,994 | 245,994 |
| Derivative financial assets | - | 10,723 | - | 10,723 |
| | | | | |
| **Debt instruments at amortised cost** | | | | |
| - Treasury bills | - | 404,734 | | 404,734 |
| - Federal Government bonds | - | | 393,591 | 393,591 |
| - State Government bonds | - | | 5,103 | 5,103 |
| - Corporate bonds | - | | 15,375 | 15,375 |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial liabilities | - | 24,225 | - | 24,225 |
| **Financial liabilities for which fair values are disclosed** | | | | |
| **Financial liabilities carried at amortised cost** | | | | **-** |
| Debt issued and other borrowed funds | - | - | 577,028 | 577,028 |
| Deposits from customers | | | 1,364,702 | 1,364,702 |

The assets and liabilities not listed above are those that the carrying amount approximates the fair value as at the reporting date. These assets and liabilities have been excuded from the fair value table by hierachcy analysed

| Bank<br>31 December 2024 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Assets measured at fair value** | | | | |
| **Financial assets at FVTPL** | | | | |
| - Federal Government bonds | 331 | | - | 331 |
| - State Government bonds | - | | - | - |
| - Treasury bills | 4,782 | | - | 4,782 |
| - Placement | - | - | | - |
| **Derivative financial assets** | **-** | | **50,292** | **50,292** |
| **Debt instruments measured at FVOCI** | | | | **-** |
| - Treasury bills | 46,944 | | - | 46,944 |
| - Federal Government bonds | 65,981 | | - | 65,981 |
| - State Government bonds | - | - | - | - |
| - Corporate bonds | - | - | | - |
| **Equity instruments measured at FVOCI** | **4,018** | **65,617** | | **69,635** |
| **Loans and Advances** | | | | **-** |
| - Term loans | - | - | 4,025,798 | 4,025,798 |
| - Advances under finance lease | - | - | 4,199 | 4,199 |
| - Other loans | - | - | 511,325 | 511,325 |
| **Debt instruments at amortised cost** | | | | **-** |
| - Treasury bills | - | 1,079,081 | - | 1,079,081 |
| - Federal Government bonds | - | | 449,392 | 449,392 |
| - State Government bonds | - | | 10,027 | 10,027 |
| - Corporate Bonds | - | | 15,265 | 15,265 |
| **Financial liabilities at FVTPL** | | | | |
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Derivative financial liabilities | - | - | - | - |
| **Financial liabilities for which fair values are disclosed** | | | | |
| **Financial liabilities carried at amortised cost** | | | | |
| Debt issued and other borrowed funds | - | - | 929,595 | 929,595 |
| Deposits from customers | | | 5,660,315 | 5,660,315 |

The assets and liabilities not listed above are those that the carrying amount approximates the fair value as at the reporting date. These assets and liabilities have been excuded from the fair value table by hierachcy analysed

| Bank<br>31 December 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Assets measured at fair value** | | | | |
| **Held for trading** | | | | |
| - Federal Government bonds | - | | - | - |
| - State Government bonds | - | 1,023 | - | 1,023 |
| - Treasury bills | - | 6,661 | - | 6,661 |
| - Placement | - | - | | - |
| **Debt instruments measured at FVOCI** | | | | **-** |
| - Treasury bills | - | 153,028 | - | 153,028 |
| - Federal Government bonds | - | 17,714 | - | 17,714 |
| - State Government bonds | - | 5,897 | - | 5,897 |
| - Corporate bonds | - | 10,922 | | 10,922 |
| **Derivative financial assets** | **-** | **10,723** | **-** | **10,723** |
| **Equity instruments measured at FVOCI** | **3,773** | **37,777** | **63,403** | **104,953** |
| **Loans and Advances** | | | | **-** |
| - Term loans | - | - | 2,707,023 | 2,707,023 |
| - Advances under finance lease | - | - | 9,380 | 9,380 |
| - Other loans | - | - | 245,994 | 245,994 |
| **Debt instruments at amortised cost** | | | | **-** |
| - Treasury bills | - | 404,734 | | 404,734 |
| - Federal Government bonds | - | | 393,591 | 393,591 |
| - State Government bonds | - | | 5,103 | 5,103 |
| - Corporate Bonds | - | | 15,375 | 15,375 |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial liabilities | - | 24,225 | - | 24,225 |
| **Financial liabilities for which fair values are disclosed** | | | | |
| Financial liabilities carried at amortised cost | | | | |
| Debt issued and other borrowed funds | - | - | 577,028 | 577,028 |
| Deposits from customers | | | 1,364,702 | 1,364,702 |

The assets and liabilities not listed above are those that the carrying amount approximates the fair value as at the reporting date. These assets and liabilities have been excuded from the fair value table by hierachcy analysed

### (b) Fair Valuation Methods and Assumptions

### (i) Cash and balances with central banks

Cash and balances with central bank represent cash held with central banks of the various jurisdictions in which the Group operates. The fair value of these balances approximates their carrying amounts.

### (ii) Due from other banks

Due from other banks represents balances with local and correspondence banks, inter-bank placements and items in the course of collection. The fair value of the current account balances, floating placements and overnight deposits approximates their carrying amounts.

**(iii) Derivatives**

The Group uses widely recognized valuation models for determining the fair value of common and simple financial instruments, such as interest rate and currency swaps that use only observable market data and require little judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable markets prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

**(iv) Treasury Bills and Bonds**

Treasury bills represent short term instruments issued by the Central banks of the jurisdiction where the Group operates. The fair value of treasury bills are derived from the quoted yields, while the fair value of bonds are determined with reference to quoted prices in active markets for identical assets. For certain securities market prices cannot be readily obtained especially for illiquid Federal Government Bonds, State Government and Corporate Bonds. Some of the positions were marked to market while others were marked-to-model at 31 December 2024 and 31 December 2023 based on yields for identical assets.

**(v) Equity Securities**

The fair value of unquoted equity securities are determined based on the level of information available. The investment in unquoted entities is carried at fair value. They are measured at fair value using price multiples

**(vi) Loans and Advances to customers**

Loans and advances are carried at amortised cost net of allowance 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.

**(vii) Overdraft**

The management assessed that the fair value of Overdrafts approximate their carrying amounts largely due to the short-term maturities of these instruments.

**(viii) Other Assets**

Other assets represent monetary assets which usually has a short recycle period and as such the fair values of these balances approximate their carrying amount.

**(ix) Deposits from banks and due to 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 values of fixed interest-bearing deposits and borrowings are determined using a discounted cash flow model based on a current yield curve appropriate for the remaining term to maturity.

**(x) Other Liabilities**

Other liabilities represent monetary assets which usually has a short recycle period and as such the fair values of these balances approximate their carrying amount.

**(xi) Debt Issued And Other Borrowed Funds**

The fair value of the Group's Eurobond issued is derived from quoted market prices in active markets. The fair values of the Group's interest-bearing borrowings and loans are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The fair value is determined by using discounted cashflow method.

**3.6 Operational Risk Management**

Operational risk is the potential for loss arising from inadequate or failed internal processes, people and systems or from external events. This definition includes legal and regulatory risk, but excludes strategic and reputational risk.

The scope of operational risk management in the Group covers risk exposures that may lead to unavailability of service, information deficiency, financial loss, increased costs, loss of professional reputation, failure to keep or increase market share, risks which result in the imposition of sanctions on the Group by regulators or legal proceedings against the Group by third parties.

- The event of Covid-19 situation made the Group put additional focus on several operational risk aspects, such as:
  - Business continuity plans to support our employees, customers and overall businesses.
  - Potential increase of cyber risk due to new conditions in business management and remote working. Our cyber security programme continued to be improved by strengthening detection, response and protection mechanisms.
  - Increase in technological support in order to ensure adequate customer service and correct performance of our services, especially in online banking and call centres.

### Organizational Set-up

Operational Risk Management is an independent risk management function within Fidelity Bank group. The Operational Risk & Service Measurements Committee is the main decision-making committee for all operational risk management matters and approves the Group's standards for identification, measurement, assessment, reporting and monitoring of operational risk. Operational Risk Management is responsible for defining the operational risk framework and related policies while the responsibility for implementing the framework day-to-day operational risk management lies with the Group's business and support units. Based on this business partnership model, the Group ensures close monitoring and high awareness of operational risk.

### Operational Risk Framework

As is common with all businesses, operational risk is inherent in all operations and activities of the Group. We therefore carefully manage operational risk based on a consistent framework that enables us to determine the Group's operational risk profile in comparison to the Groups risk appetite and to define risk mitigating measures and priorities. We apply a number of techniques to efficiently manage operational risk in the Group's business, for example: as part of the Group's strategy for making enterprise risk management the Group's discriminating competence, the Group has redefined business requirements across all networks and branches using the following tools:

### Loss Data Collection

The Group implements an event driven Loss Data Collection (LDC) system designed to facilitate collection of internal loss data triggered at the occurrence of a loss event anywhere within the divisions of the Group. The LDC system captures data elements, which discriminate between boundary events related to credit, market and operational risk. The system facilitates collection of loss data arising from actual losses, potential losses and near misses. Work-flow capabilities built within the Group's predefined Event Escalation Matrix enable risk incidents to be reported to designated Event Identifiers, Event Managers, Event Approvers and Action Owners that manage each risk incident from point of occurrence to closure.

### Risk and Control Self Assessments (RCSA)

The Group implement a quantitative methodology for the its Risk and Control Self Assessments, which supports collection of quantitative frequency and severity estimates. Facilitated top-down RCSA workshops are used by the Group to identify key risks and related controls at business unit levels. During these workshops business experts and senior management identify and discuss key risks, controls and required remedial actions for each respective business unit and the results captured within the operational risk database for action tracking.

### Key Risk Indicators (KRIs)

The Group measures quantifiable risk statistics or metrics that provide warning signals of risk hotspots within the entity. The Group has established key risk indicators with tolerance limits for core operational groups of the entity. The Group's KPI database integrates with the Loss Data Collection and Risk & Control Self Assessment models and systems to provide red flags that typically inform initiatives for risk response actions in the Group.

### Business Continuity Management (BCM)

The Group recognises that adverse incidences such as technology failure, natural and man-made disasters could occur and may affect the Group's critical resources leading to significant business disruption. To manage this risk, our BCM plans assist in building resilience for effective response to catastrophic events. In broad categories, the plans which are tested periodically, cover disaster recovery, business resumption, contingency planning and crisis management.

## 4. Capital Management

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of statement of financial position, are:

a. To comply with the capital requirements set by the regulators of the banking markets where the entities within the Bank operate;

b. To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

c. To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management, employing techniques based on the guidelines developed by the Central Bank of Nigeria (CBN), for supervisory purposes. The required information is filed with the CBN on a monthly basis.

**The CBN requires each bank to:** (a) hold the minimum level of the regulatory capital of N25 billion (international presence of N50 billion) and (b) maintain a ratio of total regulatory capital to the risk-weighted asset at or above the minimum of 15% for an international licensed Bank.

In 2016, the Central Bank of Nigeria issued circular BSD/DIR/CIR/GEN/LAB/06/03 to all Banks and discount houses on the implementation of Basel II/III issued 10 December 2013 and guidance notes to the regulatory capital measurement and management for the Nigerian Banking System for the implementation of Basel II/III in Nigeria. The capital adequacy ratio for the year ended 31 December 2024 and the comparative year 31 December 2023 is in line with the new circular. The computations are consistent with the requirements of Pillar I of Basel II ACord (Interenal Convergence of capital measurement and Capital Standards. Although the guidelines comply with the requirement of the Basel II accord certain sections were adjusted to reflect the peculiarities of the Nigerian enviroment.

**Tier 1 capital:** This includes only permanent shareholders' equity (Fully paid ordinary shares/ common stock and perpetual non-cumulative preference shares) and disclosed reserves (created or increased by appropriations of retained earnings or other surpluses). There is no limit on the inclusion of Tier 1 capital for the purpose of calculating regulatory capital.

**Tier 2 capital:** This includes revaluation reserves, general provisions/general loan loss reserves, Hybrid (debt/equity), capital instruments and subordinated debt. Tier 2 capital is limited to a maximum of 33.3% of the total of Tier 1 capital.

The CBN excluded the following reserves in the computation of total qualifying capital:

i The Regulatory Risk Reserve created pursuant to Section 12.4 (a) of the Prudential Guidelines which was effective on 1 July 2010 is excluded from regulatory capital for the purposes of capital adequacy assessment;

ii Collective impairment on loans and receivables and other financial assets no longer forms part of Tier 2 capital; and

iii Other Comprehensive Income (OCI) Reserves is recognized as part of Tier 2 capital subject to the limits on the Calculation of Regulatory Capital.

**Capital Management- continued**

The table below summarises the composition of regulatory capital and the ratios of the Bank as at 31 December 2024 and as at 31 December 2023. During those two periods, the Bank as an entity complied with all of the externally imposed capital requirements to which it is subject to.

| | 31 December 2024 N'million | 31 December 2023 N'million |
|---|---|---|
| Tier 1 capital | | |
| Share capital | 25,100 | 16,000 |
| Share premium | 280,455 | 113,705 |
| Retained earnings | 245,459 | 103,708 |
| Statutory reserve | 108,711 | 66,282 |
| Small scale investment reserve | 29,329 | 15,186 |
| Tier 1 Deductions - Intangible Assets | (14,371) | (5,123) |
| Total qualifying Tier 1 capital | 674,683 | 309,757 |
| Regulatory adjustment | 55,386 | 38,134 |
| Investment In Subsidiary | 68,591 | 63,403 |
| Adjusted qualifying Tier 1 capital | 550,706 | 208,221 |
| Tier 2 capital | | |
| Eurobond Issue | - | - |
| Local Bond Issue ( Discounted at 60%) | 42,261 | 42,174 |
| Revaluation reserve | - | - |
| Fair value reserve | 69,131 | 54,310 |
| Total Tier 2 capital | 111,392 | 96,484 |
| Qualifying Tier 2 Capital restricted to lower of Tier 2 and 33.33% of Tier 1 Capital | 111,392 | 90,541 |
| Total Tier 1 & Tier 2 Capital | 662,098 | 298,762 |
| Risk-weighted assets: | | |
| Credit Risk Weighted Assets | 2,102,092 | 1,459,539 |
| Market Risk Weighted Assets | 15,559 | 12,104 |
| Operational Risk Weighted Assets | 703,571 | 376,354 |
| Total risk-weighted assets | 2,821,222 | 1,847,998 |
| Capital Adequacy Ratio (CAR) | 23.47% | 16.17% |
| Minimum Capital Adequacy Ratio | 15% | 15% |

## 5 SEGMENT ANALYSIS

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reports provided to the Bank's Executive Committee (the chief operating decision maker). During the year to 31 December, 2024, Management prepared its financial records in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board . This segment is what the Bank's Executive Committee reviews in assessing performance, allocating resources and making investment decisions.

Transactions between the business segments are on normal commercial terms and conditions.

### Segment result of operations

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2024 is as follows:

| | Group | | | |
|---|---|---|---|---|
| **31 December 2024** | **Retail banking** | **Corporate banking** | **Investment banking** | **Combined** |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| Revenue derived from external customers | 547,598 | 287,671 | 208,132 | 1,043,401 |
| Revenues from other segments | | - | - | - |
| **Total** | **547,598** | **287,671** | **208,132** | **1,043,401** |
| Interest income | 515,779 | 249,893 | 184,916 | 950,588 |
| Interest expense | (158,547) | (92,275) | (69,996) | (320,818) |
| Fees and commission income | 46,040 | 25,421 | 6,893 | 78,355 |
| Fee and commission expense | (4,629) | (2,603) | (811) | (8,043) |
| Operating Expense | (179,910) | (74,625) | (61,610) | (316,146) |
| Profit before tax | 209,864 | 108,893 | 66,458 | 385,215 |
| Income tax expense | (72,376) | (12,417) | (8,984) | (93,777) |
| **Profit for the year ended 31 December 2024** | **137,487** | **96,476** | **57,474** | **291,437** |
| | - | | | |
| | - | | | |
| **Total segment assets** | **4,684,719** | **2,400,345** | **1,736,672** | **8,821,737** |
| **Total segment liabilities** | **4,227,634** | **2,144,595** | **1,551,634** | **7,923,863** |
| | - | | | |
| Other segment information | - | | | |
| Depreciation / amortization | (10,444) | (2,838) | (2,053) | (15,335) |

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2023 is as follows:

| | Group | | | |
|---|---|---|---|---|
| **31 December 2023** | **Retail banking** | **Corporate banking** | **Investment banking** | **Combined** |
| | N'million | N'million | N'million | N'million |
| Revenue derived from external customers | 381,730 | 99,488 | 74,612 | 555,830 |
| Revenues from other segments | - | - | - | - |
| Total | 381,730 | 99,488 | 74,612 | 555,830 |
| | - | | | |
| Interest income | 293,906 | 96,779 | 68,845 | 459,530 |
| Interest expense | (106,910) | (47,987) | (27,268) | (182,165) |
| Fees and commission income | 29,388 | 15,725 | 4,488 | 49,600 |
| Fee and commission expense | (7,042) | (3,526) | (1,244) | (11,812) |
| Operating Expense | (120,124) | (35,371) | (32,402) | (187,897) |
| Profit before tax | 98,180 | 15,379 | 10,701 | 124,260 |
| Income tax expense | (22,352) | (1,447) | (1,007) | (24,806) |
| Profit for the Year ended 31 December 2023 | 75,828 | 13,932 | 9,694 | 99,454 |
| | - | | | |
| | - | | | |
| Total segment assets | 4,510,316 | 942,561 | 781,811 | 6,234,688 |
| Total segment liabilities | 4,292,151 | 885,461 | 619,769 | 5,797,381 |
| | - | | | |
| Other segment information | - | | | |
| Depreciation / amortization | (4,433) | (1,568) | (1,041) | (7,042) |

No revenue from transactions with a single external customer or counteparty amounted to 10% or more of the Bank's total revenue in the year ended 31 December 2024 and 31 December 2023 . The cashflow information for the reporting segment is not provided to the chief operating decision maker,

In the opinion of the directors, all of the Bank's income form the United Kingdom component derives from one main activity, commercial and retail banking, which is carried out in the United Kingdom.

| | Bank | | | |
|---|---|---|---|---|
| **At 31 December 2024** | **Retail banking** | **Corporate banking** | **Invest-ment banking** | **Combined** |
| | N'million | N'million | N'million | N'million |
| Revenue derived from external customers | 525,228 | 287,671 | 208,132 | 1,021,032 |
| Revenues from other segments | - | - | - | - |
| Total | 525,228 | 287,671 | 208,132 | 1,021,032 |
| Interest income | 496,896 | 249,893 | 184,916 | 931,705 |
| Interest expense | (154,377) | (92,275) | (69,996) | (316,648) |
| Fees and commission income | 43,332 | 25,421 | 6,893 | 75,647 |
| Fee and commission expense | (4,629) | (2,603) | (811) | (8,043) |
| Operating Expense | (159,721) | (74,625) | (61,610) | (295,957) |
| Profit before tax | 217,649 | 108,893 | 66,458 | 393,000 |
| Income tax expense | (75,410) | (12,417) | (8,984) | (96,811) |
| Profit for the year ended 31 December 2024 | 142,239 | 96,476 | 57,474 | 296,189 |
| | - | | | |
| Total segment assets | 4,408,219 | 2,400,345 | 1,736,672 | 8,545,237 |
| Total segment liabilities | 3,990,545 | 2,144,595 | 1,551,634 | 7,686,773 |
| | - | | | |
| Other segment information | - | | | |
| Depreciation / amortization | (5,606) | (2,838) | (2,053) | (10,497) |

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2023 is as follows:

| | Bank | | | |
|---|---|---|---|---|
| **At 31 December 2023** | **Retail banking** | **Corporate banking** | **Invest-ment banking** | **Combined** |
| | N'million | N'million | N'million | N'million |
| Revenue derived from external customers | 329,719 | 126,086 | 96,960 | 552,765 |
| Revenues from other segments | - | - | - | - |
| Total | 329,719 | 126,086 | 96,960 | 552,765 |
| | - | | | |
| Interest income | 252,350 | 115,039 | 89,530 | 456,919 |
| Interest expense | (90,634) | (52,778) | (38,651) | (182,063) |
| **Fees and commission income | 28,933 | 15,725 | 4,488 | 49,146 |
| **Fee and commission expense | (7,042) | (3,526) | (1,244) | (11,812) |
| Operating Expense | (116,888) | (35,371) | (32,402) | (184,661) |
| Profit before tax | 69,758 | 31,656 | 22,924 | 124,338 |
| Income tax expense | (18,879) | (3,438) | (2,490) | (24,806) |
| Profit for the year ended 31 December 2023 | 50,879 | 28,218 | 20,434 | 99,532 |
| | - | | | |
| Total segment assets | 3,546,324 | 1,470,572 | 1,105,278 | 6,122,174 |
| Total segment liabilities | 3,280,461 | 1,388,927 | 1,021,451 | 5,690,839 |
| | - | | | |
| Other segment information | - | | | |
| Depreciation / amortization | (4,105) | (1,661) | (1,124) | (6,890) |

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Bank's total revenue in the year ended 31 December 2024 and 31 December 2023 . The cashflow information for the reporting segment is not provided to the chief operating decision maker .

**SEGMENT ANALYSIS- Continued**

**Segment report by country:**

The segment information by country provided to the Executive Committee for the reportable segments for the year ended 31 December 2024 is as follows:

| | Group by Country | | |
|---|---|---|---|
| | **Nigeria** | **United Kingdom** | **Combined** |
| At 31 December 2024 | N'million | N'million | N'million |
| Revenue derived from external customers | 1,021,032 | 22,370 | 1,043,401 |
| Revenues from other segments | - | - | - |
| Total | 1,021,032 | 22,370 | 1,043,401 |
| Interest income | 931,705 | 18,883 | 950,588 |
| Interest expense | (316,648) | (4,170) | (320,818) |
| Operating Expense | (295,957) | (20,189) | (316,146) |
| Profit before tax | 393,000 | (7,786) | 385,215 |
| Income tax expense | (96,811) | 3,034 | (93,777) |
| Profit for the year ended 31 December 2024 | 296,189 | (4,752) | 291,437 |
| | | | |
| | - | | |
| Total segment assets | 8,545,237 | 276,500 | 8,821,737 |
| Total segment liabilities | 7,686,773 | 237,090 | 7,923,863 |
| | | | |
| Other segment information | | | |
| Depreciation / amortization | (10,497) | (4,838) | (15,335) |

The segment information by country provided to the Executive Committee for the reportable segments for the year ended 31 December 2023 is as follows:

| | Group by Country | | |
|---|---|---|---|
| | **Nigeria** | **United Kingdom** | **Combined** |
| At 31 December 2023 | N'million | N'million | N'million |
| Revenue derived from external customers | 552,765 | 3,066 | 555,830 |
| Revenues from other segments | - | - | - |
| Total | 552,765 | 3,066 | 555,830 |
| | | | |
| Interest income | 456,919 | 2,611 | 459,530 |
| Interest expense | (182,063) | (102) | (182,165) |
| Operating Expense | (184,661) | (3,236) | (187,897) |
| Profit before tax | 124,338 | (78) | 124,260 |
| Income tax expense | (24,806) | - | (24,806) |
| Profit for the year ended 31 December 2023 | 99,532 | (78) | 99,454 |
| | | | |
| | - | | |
| Total segment assets | 6,122,174 | 112,515 | 6,234,688 |
| Total segment liabilities | 5,690,839 | 106,542 | 5,797,381 |
| | | | |
| Other segment information | | | |
| Depreciation / amortization | (6,890) | (151) | (7,042) |

## 6 Interest and similar income using effective interest rate method

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Loans and advances to customers** | 626,283 | 363,370 | 617,017 | 360,914 |
| Advances under finance lease | 1,689 | 2,487 | 1,689 | 2,487 |
| Treasury bills and other investment securities: | | | | |
| -Fair value through other comprehensive income | 14,472 | 11,143 | 11,360 | 10,564 |
| -Amortised cost | 148,945 | 56,039 | 148,945 | 56,039 |
| **Placements and short term funds** | 11,665 | 969 | 5,160 | 1,393 |
| | 803,054 | 434,008 | 784,171 | 431,397 |

Interest and similar income represents interest income on financial assets measured at amortised cost and Fair value through other comprehensive income.

Interest income accrued on impaired financial assets amount to N8,104.67 million (31 December 2023: N6,190.43 million) which is part of interest income recognized in the financial Statement.

## 7 Interest expense calculated using the effective interest rate method

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Term deposits | 155,200 | 107,610 | 155,664 | 107,610 |
| Debts issued and other borrowed funds | 94,012 | 36,583 | 93,725 | 36,549 |
| Savings deposits | 41,098 | 21,799 | 41,080 | 21,799 |
| Current accounts | 16,387 | 7,170 | 16,379 | 7,035 |
| Inter-bank takings | 5,743 | 39 | 1,421 | 105 |
| Intervention loan | 8,379 | 8,965 | 8,379 | 8,965 |
| | 320,818 | 182,165 | 316,648 | 182,063 |

Total interest expense is calculated using the effective interest rate method as reported above and does not include interest expense on financial liabilities carried at fair value through profit or loss.

## 8 Credit loss reversal/(expense)

The table below shows the ECL charges on financial instruments for the year ended 31 December 2024 recorded in profit or loss:

**Group**

| | Stage 1 Individual | Stage 1 Collective | Stage 2 Individual | Stage 2 Collective | Stage 3 | POCI | Total |
|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| Due from banks (Note 19) | - | 1,310 | - | - | - | - | 1,310 |
| Loans and advances to customers (Note 22 ) | - | (7,779) | - | 21,477 | 37,934 | - | 51,632 |
| Debt instruments measured at FVOCI (24.6.1) | - | (455) | - | - | - | - | (455) |
| Debt instruments measured at amortised costs (24.6.2) | - | (793) | - | - | - | - | (793) |
| Financial guarantees (Note 32.3.1) | - | (41) | - | - | - | | (41) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Letters of credit (Note 32.3.2) | - | 290 | - | - | - | - | 290 |
| | - | (7,467) | - | 21,477 | 37,934 | - | 51,944 |
| Other assets ( Note 29) | 4,498 | - | - | - | - | - | 4,498 |
| | **4,498** | **(7,467)** | **-** | **21,477** | **37,934** | **-** | **56,442** |

The table below shows the ECL charges on financial instruments for the year ended 31 December 2023 recorded in profit or loss:

**Group**

| | Stage 1 Individual | Stage 1 Collective | Stage 2 Individual | Stage 2 Collective | Stage 3 | POCI | Total |
|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| Due from banks ( Note 19) | - | (249) | - | - | - | - | (249) |
| Loans and advances to customers ( Note 22 ) | - | 1,942 | - | 42,684 | 18,796 | - | 63,422 |
| Debt instruments measured at FVOCI (24.6.1) | - | 428 | - | - | - | - | 428 |
| Debt instruments measured at amortised costs (24.6.2) | - | 1,289 | - | - | - | - | 1,289 |
| Financial guarantees (Note 32.3.1) | - | 126 | - | - | - | | 126 |
| Letters of credit (Note 32.3.2) | - | 409 | - | - | - | - | 409 |
| | - | 3,945 | - | 42,684 | 18,796 | - | 65,425 |
| Other assets ( Note 29) | 2,011 | - | - | - | - | - | 2,011 |
| | 2,011 | 3,945 | - | 42,684 | 18,796 | - | 67,436 |

The table below shows the ECL charges on financial instruments for the year ended 31 December 2024 recorded in profit or loss:

**Bank**

| | Stage 1 Individual | Stage 1 Collective | Stage 2 Individual | Stage 2 Collective | Stage 3 | POCI | Total |
|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| Due from banks ( Note 19) | - | 925 | - | - | - | - | 925 |
| Loans and advances to customers ( Note 22 ) | - | (7,987) | - | 21,478 | 37,855 | - | 51,346 |
| Debt instruments measured at FVOCI (24.6.1) | - | (462) | - | - | - | - | (462) |
| Debt instruments measured at amortised costs (24.6.2) | - | (793) | - | - | - | - | (793) |
| Financial guarantees (Note 32.3.1) | - | (41) | - | - | - | | (41) |
| Letters of credit (Note 32.3.2) | - | 10 | - | - | - | - | 10 |
| | - | (8,348) | - | 21,478 | 37,855 | - | 50,985 |
| Other assets ( Note 29) | 4,498 | - | - | - | - | - | 4,498 |
| | **4,498** | **(8,348)** | **-** | **21,478** | **37,855** | **-** | **55,483** |

The table below shows the ECL charges on financial instruments for the year ended 31 December 2023 recorded in profit or loss:

**Bank**

| | Stage 1 Individual | Stage 1 Collective | Stage 2 Individual | Stage 2 Collective | Stage 3 | POCI | Total |
|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million |
| Due from banks ( Note 19) | - | (47) | - | - | - | - | (47) |
| Loans and advances to customers ( Note 22 ) | - | 1,899 | - | 42,684 | 18,796 | - | 63,379 |
| Debt instruments measured at FVOCI (24.6.1) | - | 428 | - | - | - | - | 428 |
| Debt instruments measured at amortised costs (24.6.2) | - | 1,380 | - | - | - | - | 1,380 |
| Financial guarantees (Note 32.3.1) | - | 126 | - | - | - | | 126 |
| Letters of credit (Note 32.3.2) | - | 409 | - | - | - | - | 409 |
| | - | 4,195 | - | 42,684 | 18,796 | - | 65,675 |
| Other assets ( Note 29) | 2,011 | - | - | - | - | - | 2,011 |
| | **2,011** | **4,195** | **-** | **42,684** | **18,796** | **-** | **67,686** |

## 9 Net fee and commission income

Fee and commission income is disaggregated below and includes a total fees in scope of IFRS 15 Revenues from Contracts with Customers except for Credit related fee in line with IFRS 9.

| | Group | | | |
|---|---|---|---|---|
| | 31 December 2024 | | | |
| | Retail banking | Corporate banking | Investment banking | Total |
| | N'million | N'million | N'million | N'million |
| Fee and commision type: | | | | |
| ATM charges | 6,389 | 3,206 | - | 9,595 |
| Accounts maintenance charge | 7,024 | 4,488 | 1,425 | 12,937 |
| Commision on E-banking activities | 2,283 | 1,062 | 851 | 4,196 |
| Commission on travellers cheque and foreign bills | 6,871 | 4,815 | 1,732 | 13,417 |
| Commission on fidelity connect | 3,387 | 1,024 | 816 | 5,228 |
| Letters of credit commissions and fees | 9,473 | 5,145 | 1,642 | 16,261 |
| Commissions on off balance sheet transactions | 3,508 | 2,563 | - | 6,072 |
| Other fees and commissions | 889 | 191 | - | 1,080 |
| Commision and fees on banking services | 1,182 | 443 | - | 1,625 |
| Commision and fees on NXP | 64 | 46 | 27 | 137 |
| Collection fees | 170 | 133 | 67 | 370 |
| Telex fees | 1,406 | 459 | 325 | 2,190 |
| Cheque issue fees | 44 | 10 | 8 | 62 |
| Remittance fees | 78 | 42 | - | 120 |
| Total revenue from contracts with customers | 42,768 | 23,627 | 6,893 | 73,288 |
| Other non-contract fee income: | | | | |
| Credit related fees | 3,273 | 1,794 | - | 5,067 |
| Total fees and commission income | 46,040 | 25,421 | 6,893 | 78,355 |
| Fee and commission expense | (4,629) | (2,603) | (811) | (8,043) |
| **Net fee and commission income** | **41,412** | **22,818** | **6,082** | **70,312** |

The fees and commission income reported above excludes amount included in determining effective interest rates on financial assets that are not carried at fair value through profit or loss.

| | Group | | | |
|---|---|---|---|---|
| | 31 December 2023 | | | |
| | Retail banking | Corporate banking | Invest-ment banking | Total |
| | N'million | N'million | N'million | N'million |
| Fee and commision type: | | | | |
| ATM charges | 6,634 | 3,754 | - | 10,388 |
| Accounts maintenance charge | 4,066 | 3,532 | 911 | 8,509 |
| Commission on E-banking activities | 1,953 | 931 | 751 | 3,635 |
| Commission on travellers cheque and foreign bills | 3,515 | 1,242 | 919 | 5,677 |
| Commission on fidelity connect | 2,022 | 724 | 589 | 3,335 |
| Letters of credit commissions and fees | 2,932 | 1,497 | 922 | 5,351 |
| Commissions on off balance sheet transactions | 2,478 | 1,452 | - | 3,931 |
| Other fees and commissions | 704 | 109 | - | 812 |
| Commission and fees on banking services | 544 | 245 | - | 789 |
| Commission and fees on NXP | 222 | 129 | 95 | 446 |
| Collection fees | 167 | 114 | 56 | 337 |
| Telex fees | 915 | 315 | 236 | 1,466 |
| Cheque issue fees | 47 | 11 | 9 | 67 |
| Remittance fees | 58 | 34 | - | 92 |
| Total revenue from contracts with customers | 26,258 | 14,089 | 4,488 | 44,834 |
| Other non-contract fee income: | | | | |
| Credit related fees | 3,130 | 1,636 | - | 4,766 |
| Total fees and commission income | 29,388 | 15,725 | 4,488 | 49,600 |
| Fee and commission expense | (7,042) | (3,526) | (1,244) | (11,812) |
| **Net fee and commission income** | **22,346** | **12,199** | **3,244** | **37,788** |

The fees and commission income reported above excludes amount included in determining effective interest rates on financial assets that are not carried at fair value through profit or loss.

| | Bank | | | |
|---|---|---|---|---|
| | 31 December 2024 | | | |
| | Retail banking | Corporate banking | Invest-ment banking | Total |
| | N'million | N'million | N'million | N'million |
| Fee and commision type: | | | | |
| ATM charges | 6,389 | 3,206 | - | 9,595 |
| Accounts maintenance charge | 6,735 | 4,488 | 1,425 | 12,648 |
| Commision on E-banking activities | 2,283 | 1,062 | 851 | 4,196 |
| Commission on travellers cheque and foreign bills | 6,871 | 4,815 | 1,732 | 13,417 |
| Commission on fidelity connect | 3,387 | 1,024 | 816 | 5,228 |
| Letters of credit commissions and fees | 7,171 | 5,145 | 1,642 | 13,958 |
| Commissions on off balance sheet transactions | 3,508 | 2,563 | - | 6,072 |
| Other fees and commissions | 771 | 191 | - | 962 |
| Commision and fees on banking services | 1,182 | 443 | - | 1,625 |
| Commision and fees on NXP | 64 | 46 | 27 | 137 |
| Collection fees | 170 | 133 | 67 | 370 |
| Telex fees | 1,406 | 459 | 325 | 2,190 |
| Cheque issue fees | 44 | 10 | 8 | 62 |
| Remittance fees | 78 | 42 | - | 120 |

| | | | | |
|---|---|---|---|---|
| Total revenue from contracts with customers | 40,059 | 23,627 | 6,893 | 70,580 |
| Other non-contract fee income: | | | | |
| Credit related fees | 3,273 | 1,794 | - | 5,067 |
| Total fees and commission income | 43,332 | 25,421 | 6,893 | 75,647 |
| Fee and commission expense | (4,629) | (2,603) | (811) | (8,043) |
| **Net fee and commission income** | **38,703** | **22,818** | **6,082** | **67,604** |

The fees and commission income reported above excludes amount included in determining effective interest rates on financial assets that are not carried at fair value through profit or loss.

| | Bank | | | |
|---|---|---|---|---|
| | 31 December 2023 | | | |
| | Retail banking | Corporate banking | Invest-ment banking | Total |
| | N'million | N'million | N'million | N'million |
| Fee and commision type: | | | | |
| ATM charges | 6,634 | 3,754 | - | 10,388 |
| Accounts maintenance charge | 4,040 | 3,532 | 911 | 8,483 |
| Commission on E-banking activities | 1,896 | 931 | 751 | 3,577 |
| Commission on travellers cheque and foreign bills | 3,515 | 1,242 | 919 | 5,677 |
| Commission on fidelity connect | 2,022 | 724 | 589 | 3,335 |
| Letters of credit commissions and fees | 2,566 | 1,497 | 922 | 4,985 |
| Commissions on off balance sheet transactions | 2,478 | 1,452 | - | 3,931 |
| Other fees and commissions | 699 | 109 | - | 807 |
| Commission and fees on banking services | 544 | 245 | - | 789 |
| Commission and fees on NXP | 222 | 129 | 95 | 446 |
| Collection fees | 167 | 114 | 56 | 337 |
| Telex fees | 915 | 315 | 236 | 1,466 |
| Cheque issue fees | 47 | 11 | 9 | 67 |
| Remittance fees | 58 | 34 | - | 92 |
| Total revenue from contracts with customers | 25,804 | 14,089 | 4,488 | 44,380 |
| Other non-contract fee income: | | | | |
| Credit related fees | 3,130 | 1,636 | - | 4,766 |
| Total fees and commission income | 28,933 | 15,725 | 4,488 | 49,146 |
| Fee and commission expense | (7,042) | (3,526) | (1,244) | (11,812) |
| **Net fee and commission income** | **21,891** | **12,199** | **3,244** | **37,334** |

The fees and commission income reported above excludes amount included in determining effective interest rates on financial assets that are not carried at fair value through profit or loss.

## 10 Derecognition loss on financial asset

The table below shows the modification charge on financial instruments recorded in profit or loss :

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Modified Loan Assets (Carrying Amount) | - | | | |
| Specific allowances for impairment | - | | | |
| Derecognition loss | - | | | |

In line with IFRSs, derecognition is carried out when the cash flows of the modified assets are substantially different from the contractual cash flows of the original financial assets. Based on this, A modification was carried out on affected customers' loans, the cash flows of the original financial assets were deemed to have expired and therefore modified to reflect a new financial assets at fair value . The gross carrying amount of the loan before modification was N352.7 billion (31 December 2023 - Nil). The financial assets is not deemed to be credit impaired.

## 11 Other operating income

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Dividend income | **741** | 2,018 | **741** | 2,018 |
| Profit / (Loss) on disposal of property, plant and equipment | **63** | 49 | **63** | 49 |
| Loan Recoveries | **986** | 470 | **986** | 470 |
| Other income | **952** | 76 | **174** | 76 |
| | **2,742** | 2,613 | **1,964** | 2,613 |

11a Dividend income represent dividend received from the Bank's investment in equity instruments held for strategic purposes and for which the Bank has elected to present the fair value and loss in other comprehensive income. See note 2.4.2.b

11b Loan recoveries represents amount recovered for previously written-off facilities. The amount is recognised on a cash basis only.

11c Other income relates to other miscelanous income made during the financial year

## 11.1 Foreign Currency Revaluation Gains

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Net foreign exchange gains | **11,716** | 44,087 | **11,716** | 44,087 |
| | **11,716** | 44,087 | **11,716** | 44,087 |

**11.1a Net foreign exchange gain represent unrealised gains from the revaluation of foreign currency-denominated assets and Liabilities held in the non-trading books.**

## 12 Net gains / (Losses) from financial instruments classified as fair value through profit or loss and recycling gain /(Losses) from Other Comprehensive income Instruments.

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Net gains/(losses) arising from: | | | | |
| - Bonds | **634** | 918 | **634** | 918 |
| - Treasury bills | **87** | (18) | **87** | (18) |
| - Placements/Foreign exchange | **-** | 97 | - | - |
| | **721** | 997 | **721** | 900 |

Amounts reclassified on debt instruments financial assets reclassified from the bank's other comprehensive income amount to a loss of N21 million (31 December 2023: N847 million gain). No additional amounts arose in the group.

| | | | | |
|---|---|---|---|---|
| **12.1 Other interest and similar income measured at FVTPL** | 147,534 | 25,522 | 147,534 | 25,522 |

Other interest and similar income on financial assets measured at FVTPL have been presented separately in the statement of profit or loss and other comprehensive income.

## 12.2 Derivative Gains

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| - Derivatives -(Realized) | 7,633 | 23,786 | 7,633 | 23,786 |
| - Derivatives - ( Unrealized) | 50,242 | - | 50,242 | - |
| | 57,875 | 23,786 | 57,875 | 23,786 |

## 13 Personnel expenses

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Wages and salaries | 64,468 | 40,009 | 54,282 | 38,226 |
| End of the year bonus (see note 31) | 7,456 | 12,055 | 7,456 | 12,055 |
| Pension contribution | 1,525 | 555 | 546 | 555 |
| | 73,450 | 52,619 | 62,284 | 50,836 |

### 13a Wages and Salaries include staff activities and Employee benefits , Industrial Training Fund (ITF) contribution , Staff medical expenses ,Staff estacode , Relocation expense and NSITF contribution duing the year.

## 14 Depreciation, Amortisation and Impairment

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Property, plant and equipment (Note 25) | 7,614 | 4,619 | 7,423 | 4,609 |
| Computer software (Note 27) | 4,560 | 1,686 | 2,276 | 1,645 |
| Goodwill impairment ( Note 21 ) | 2,353 | - | | - |
| Depreciation of ROU asset (Note 26) | 808 | 736 | 798 | 636 |
| | 15,335 | 7,042 | 10,497 | 6,890 |

## 15 Other operating expenses

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Marketing, communication & entertainment | 35,468 | 22,818 | 35,124 | 22,818 |
| Banking sector resolution cost | 35,809 | 23,071 | 35,809 | 23,071 |
| Outsourced cost | 10,264 | 7,416 | 10,253 | 7,352 |
| Deposit insurance premium | 15,918 | 11,129 | 15,918 | 11,129 |
| Repairs and maintenance | 13,659 | 8,315 | 13,596 | 8,315 |
| Other expenses | 10,975 | 10,109 | 9,908 | 8,720 |
| Computer expenses | 56,006 | 16,571 | 53,649 | 16,571 |
| Lease expense (Finance Cost) | 59 | 207 | 59 | 207 |

| | | | | |
|---|---|---|---|---|
| Security expenses | 3,428 | 1,842 | 3,428 | 1,842 |
| Rent and rates | 2,301 | 399 | 1,141 | 399 |
| Cash movement expenses | 1,280 | 976 | 1,173 | 976 |
| Training expenses | 12 | 1,606 | (76) | 1,606 |
| Travelling and accommodation | 6,258 | 2,663 | 6,119 | 2,663 |
| Consultancy expenses | 16,707 | 2,466 | 16,229 | 2,466 |
| Corporate finance expenses | 14,841 | 16,283 | 14,841 | 16,283 |
| Legal expenses | 2,186 | 1,594 | 1,942 | 1,594 |
| Electricity | 1,211 | 756 | 1,156 | 756 |
| Office expenses | 559 | 393 | 559 | 393 |
| Directors' emoluments | 2,449 | 1,044 | 1,903 | 1,044 |
| Insurance expenses | 1,085 | 564 | 488 | 564 |
| Stationery expenses | 1,800 | 1,092 | 1,781 | 1,092 |
| Bank charges | 6,582 | 2,438 | 6,148 | 2,438 |
| Auditors' remuneration | 1,576 | 361 | 488 | 361 |
| Donation | 1,547 | 820 | 1,547 | 820 |
| Telephone expenses | 447 | 145 | 220 | 145 |
| Postage and courier expenses | 270 | 200 | 270 | 200 |
| | 242,696 | 135,278 | 233,673 | 133,825 |

15a Banking sector resolution cost represents AMCON statutory levy chargeable annually on every Bank's total assets in Nigeria. This is applicable on total balance sheet size of the Bank. The current applicable rate in Nigeria based on AMCON Act of 2021 is 0.5% of total assets (inclusive of off-balance sheett

15b The Bank paid external auditors' professional fees for the provision of non-audit services. The total amount of non-audit services provided to the external auditors during the year was ₦11. 80million. These non-audit services were for Common Reporting Standard (CRS) Reporting (₦1.72 million), Corporate Tax Reporting (₦10.08 million). These services in the Bank's opinion, did not impair the independence and objectivity of the external auditors as adequate safeguards were put in place .

15c Included in other expense is the sum of N1.83 billion remitted to Central Bank of Nigeria in respect of cash processing fees deducted from cash deposits and cash withdrawals by defined thresholds , in line with CBN Circular BKS/DIR/CON/DMB/001/043 of July 15 ,2024 . "The total amount has been recognized in the current year

15d The bank paid a total of ₦504.35 million as contribution to the Industrial Training Fund, ( Annual contribution ).

## 16 Taxation

| | Group | | Bank | |
|---|---|---|---|---|
| **a Income tax expense** | **2024** | **2023** | **2024** | **2023** |
| | **N'million** | N'million | **N'million** | N'million |
| Current taxes on income for the period (Minimum tax) | 82,420 | 20,297 | 82,420 | 20,297 |
| Tertiary education tax (note 16g) | 9,083 | 2,921 | 9,083 | 2,921 |
| Police Trust Fund (note 16e) | 20 | 6 | 20 | 6 |
| National Agency for science and engineering infrastructure 0.25% | 983 | 311 | 983 | 311 |
| Capital gains tax | - | - | - | - |
| Information Technology levy (note 16f) | 3,931 | 1,243 | 3,931 | 1,243 |
| Current income tax expense | 96,435 | 24,778 | 96,435 | 24,778 |
| Deferred tax expense | (2,658) | 28 | 376 | 28 |
| | 93,777 | 24,806 | 96,811 | 24,806 |

### b Total income tax expense in profit or loss

| | Group | | Bank | |
|---|---|---|---|---|
| **Profit before income tax** | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Income tax using the domestic corporation tax rate of 33% Education Tax inclusive ( Dec 2023 : 33%) | **115,568** | 37,301 | **117,904** | 37,301 |
| Non-deductible expenses | **15,632** | 24,419 | **15,632** | 24,419 |
| Tax exempt income | **(12,851)** | (32,512) | **(12,851)** | (32,512) |
| Utilization of previously unrecognised tax losses | **-** | 929 | **-** | 929 |
| Balancing Charge | **98** | 4 | **98** | 4 |
| Income Tax expense | **82,420** | - | **82,420** | |
| Effect of concessions (research and development and other allowanc-es) | | | | |
| Tertiary education tax (note 16g) | **9,083** | 2,921 | **9,083** | 2,921 |
| Capital allowance | **(2,879)** | (9,845) | **(2,879)** | (9,845) |
| Police Trust Fund (note 16e) | **20** | 6 | **20** | 6 |
| National Agency for science and engineering infrastructure 0.25% | **983** | 311 | **983** | 311 |
| Information Technology levy (note 16f) | **3,931** | 1,243 | **3,931** | 1,243 |
| Deferred Tax expense | **(2,658)** | 28 | **376** | 28 |
| | **93,777** | **24,806** | **96,811** | **24,806** |

Effective tax rate

The effective income tax rate is 24.63% (31 Dec 2023: 21.7%).

### c The movement in the current income tax payable is as follows:

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| At 1 January | **26,863** | 8,446 | **26,835** | 8,446 |
| Income tax paid | **(22,635)** | (6,277) | **(22,580)** | (6,277) |
| WHT recovered | **(112)** | (112) | **(112)** | (112) |
| Current income tax expense | **93,777** | 24,806 | **96,435** | 24,778 |
| **At 31 December** | 97,894 | **26,863** | 100,579 | **26,835** |

### d Windfall tax

| | Group | | Bank | |
|---|---|---|---|---|
| **Profit before income tax** | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| At 1 January | **-** | - | **-** | - |
| Windfall Tax paid | **-** | - | **-** | - |
| Current Windfall tax | **13,331** | | **13,331** | - |
| **At 31 December** | 13,331 | **-** | 13,331 | **-** |

Federal Government of Nigeria Amended the Finance Act (Amendment) 2024 which imposes WIND-FALL LEVY on Financial Institutions for the first time in Nigeria tax system. The Act imposes 70% levy in restrospect for 2023 financial period , 2024 and 2025 on Foreign exchange gains from impact of foreign exchange on financial instruments as a result of currency floating by the apex Bank (CBN). The sum of ₦5,713 million of the ₦13,331million relate to gains relized in 2023 financial year

e The Companies Income Tax Act 2004 and as amended, stipulates that Companies be assessed at 30% of taxable income.

f The Nigerian Police Trust Fund Act (PTFA) 2019, stipulates that operating business in Nigeria to contribute 0.005% of their net profit to Police Trust Fund. In line with the Act, the Bank has provided for Police Trust Fund at the specified rate and recognised it as part of income tax for the year

g The National Information Technology Agency Act (NITDA) 2007, stipulates that specified companies contribute 1% of their profit before tax to National Information Development Agency. In line with the Act, the Bank has provided for Information technology levy at the specified rate and recognised it as part of income tax for the year

h "Tertiary Education Tax (TET) as amended by Finance Act 2022, stipulates that 3% of assessable profit of bank shall be contributed to funding of tertiary educational institutions in Nigeria. The specified rate has been provided for as Tertiary Education Tax and recognized as part of income tax for the year by the Bank

i National Agency for Science and Engineering Infrastructure Act (NASENI) stipulates that 0.25% of bank profit before tax should be contributed to funding the agency. The Bank has provided for the specified rate for NASENI fund and recognised it as part of the income tax for the year.

## 17 Net reclassification adjustments for realised net gains

The net reclassification adjustments for realised net gains from other comprehensive income to profit or loss are in respect of debt instruments measured at fair value through other comprehensive income which matured during the year See Other Comprehensive Income.

## 18 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the year. The diluted earnings per share is the same as basic EPS because there are no potential ordinary shares outstanding during the reporting period.

| | Group | | Bank | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| | **N'million** | N'million | **N'million** | N'million |
| Profit attributable to equity holders of the Bank (N'million) | **278,118** | 99,454 | **282,870** | 99,532 |
| Weighted average number of ordinary shares in issue (N'million) | **41,799** | 33,398 | **41,799** | 33,398 |
| | | | | |
| **Basic & diluted earnings per share (expressed in kobo per share)** | **665** | **311** | **677** | **311** |

a Basic and diluted earnings per share are the same, as the Bank has no potentially dilutive ordinary shares.

b As described in note 34, the Bank issued shares in a rights issue and private offer in July 2024. Both issuances have been included in the weighted average number of shares for 2024. In addition, both issuances included a discount element. This discount element has been incorporated into an adjustment to the weighted average number of shares in issue for all periods presented.

## 19 Cash and Cash equivalents

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Cash | 35,397 | 21,440 | 35,397 | 21,440 |
| Balances with central bank other than mandatory reserve deposits | 75,892 | 115,576 | 75,892 | 115,576 |
| Due from banks | 596,161 | 227,161 | 394,042 | 239,579 |
| **Total cash and cash equivalents** | **707,450** | **364,177** | **505,331** | **376,595** |

## 19.1 Due from Banks

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Current accounts with foreign banks | 379,618 | 194,828 | 379,618 | 207,448 |
| Placements with other banks and discount houses | 205,027 | 32,356 | 15,574 | 32,356 |
| Sub-total | 584,646 | 227,184 | 395,192 | 239,804 |
| Less:Allowance for impairment losses | (1,705) | (23) | (1,150) | (225) |
| | 582,941 | 227,161 | 394,042 | 239,579 |

## 19.2 Movement in allowance for impairment losses

| | | | | |
|---|---|---|---|---|
| At 1 Jan | 23 | 272 | 225 | 272 |
| Profit or Loss | 1,682 | (249) | 925 | (47) |
| **At 31 December** | 1,705 | 23 | 1,150 | 225 |

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash on hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities of less than three months. See Note 44

### Imapairment allowance for due from Banks

The table below shows the credit quality and the maximum exposure to credit risk based on the external credit rating system and reporting period stage classification. The amounts presented are gross of impairment allowances. Details of the external rating system are explained in Note 3.2.2 and policies about whether ECL allowances are calculated on an individual or collective basis are set out in Note 3.2.1.

| **Group** | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| External rating grade Performing | | | | |
| High grade | 522,933 | - | - | **522,933** |
| Standard grade | 92,679 | 15,610 | 15,610 | **123,898** |
| Sub-standard grade | 7,999 | - | - | **7,999** |
| Past due but not impaired | - | - | - | **-** |
| Non- performing | | | | **-** |
| Individually impaired | - | - | - | **-** |
| **Total** | **623,610** | **15,610** | **15,610** | **654,830** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| External rating grade Performing | | | | |
| High grade | 331,066 | - | - | 331,066 |
| Standard grade | 56,127 | - | - | 56,127 |
| Sub-standard grade | 7,999 | - | - | 7,999 |
| Past due but not impaired | - | - | - | - |
| Non- performing | | | | - |
| Individually impaired | - | - | - | - |
| **Total** | **395,192** | **-** | **-** | **395,192** |

| Bank | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| External rating grade Performing | | | | |
| High grade | 195,733 | - | - | 195,733 |
| Standard grade | 40,930 | - | - | 40,930 |
| Sub-standard grade | 3,141 | - | - | 3,141 |
| Past due but not impaired | - | - | - | - |
| Non- performing | | | | - |
| Individually impaired | - | - | - | - |
| **Total** | **239,804** | **-** | **-** | **239,804** |

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2024 | 434,357 | 14,954 | - | 449,311 |
| New assets originated or purchased | 270,893 | 15,610 | - | 286,502 |
| Assets derecognised or repaid (excluding write offs) | (227,695) | (14,954) | - | (242,649) |
| 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 | - | - | - | - |
| Accrued Interest | - | - | - | - |
| Foreign exchange adjustments | 146,056 | - | - | 146,056 |
| **At 31 December 2024** | **623,610** | **15,610** | **-** | **639,220** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2024 | 239,804 | - | - | 239,804 |
| New assets originated or purchased | 42,476 | - | - | 42,476 |
| Assets derecognised or repaid (excluding write offs) | (33,143) | - | - | (33,143) |
| 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 | - | - | - | - |
| Accrued Interest | | - | - | - |
| Foreign exchange adjustments | 146,056 | - | - | 146,056 |
| **At 31 December 2024** | **395,192** | **-** | **-** | **395,192** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2023 | 146,101 | - | - | 146,101 |
| New assets originated or purchased | 22,786 | - | - | 22,786 |
| Assets derecognised or repaid (excluding write offs) | (4,389) | - | - | (4,389) |
| 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 | - | - | - | - |
| Accrued Interest | | - | - | - |
| Foreign exchange adjustments | 75,305 | - | - | 75,305 |
| **At 31 December 2023** | **239,804** | **-** | **-** | **239,804** |

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2024 | 363 | 32 | - | 395 |
| New assets originated or purchased | 938 | 443 | - | 1,382 |
| Assets derecognised or repaid (excluding write offs) | (247) | (32) | - | (278) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Impact on period end ECL of exposures transferred between stages during the period | 0 | - | - | 0 |
| Unwind of discount | - | - | - | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | 0 | 0 | - | 0 |
| Changes in PD/LGD/EAD and Accrued Interest | - | - | - | - |
| Amounts written off | - | - | | - |
| Foreign exchange adjustments | 207 | (0) | | 207 |
| **At 31 December 2024** | **1,262** | **443** | | **1,705** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2024 | 225 | - | - | 225 |
| New assets originated or purchased | 826 | - | - | 826 |
| Assets derecognised or repaid (excluding write offs) | (108) | - | - | (108) |
| Transfers to Stage 1 | | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Impact on period end ECL of exposures transferred between stages during the period | - | - | - | - |
| Unwind of discount | | - | - | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Changes in PD/LGD/EAD and Accrued Interest | | - | - | - |
| Amounts written off | | - | - | - |
| Foreign exchange adjustments | 207 | - | - | 207 |
| **At 31 December 2024** | **1,150** | **-** | **-** | **1,150** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2023 | 272 | - | - | 272 |
| New assets originated or purchased | 107 | - | - | 107 |
| Assets derecognised or repaid (excluding write offs) | (231) | - | - | (231) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Impact on Year end ECL of exposures transferred between stages during the year | - | - | - | - |
| Unwind of discount | | - | - | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | | - | - | - |
| "Changes to models and inputs used for ECL calculations" | - | - | - | - |
| Recoveries | | - | - | - |
| Amounts written off | | - | - | - |
| Foreign exchange adjustments | 76 | - | - | 76 |
| **At 31 December 2023** | **225** | **-** | **-** | **225** |

Contractual amounts outstanding in relation to Due from banks that were still subject to enforcement activity, but otherwise had already been written off, were nil both at 31 December 2024 and at 31 December 2023.

## 20 Restricted balances with central bank

| | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|
| | N'million | N'million | N'million | N'million |
| Mandatory reserve deposits with central bank (see note 20.1 below) | **1,364,987** | 945,037 | **1,364,987** | 945,037 |
| Special cash reserve (see note 20.2 below) | **221,362** | 229,361 | **221,362** | 229,361 |
| **Carrying amount** | **1,586,350** | **1,174,398** | **1,586,350** | **1,174,398** |

20.1 Mandatory reserve deposits are not available for use in the Bank's day-to-day operations. It represents a percentage of the Customers' deposits and are non interest-bearing. The amount, which is based on qualified assets, is determined by the Central Bank of Nigeria from time to time. For the purpose of statement of cash flows, these balances are excluded from the cash and cash equivalents.

20.2 Special cash reserve represents special Intervention funds held with Central Bank of Nigeria as a regulatory requirement.

20.3 Cash and Bank Balances was seperated into Cash and Cash Equivalent ,and Balances with Central Bank to reflect best practice . See Note 44

## 21 Goodwill

| | 2024 | 2023 |
|---|---|---|
| | N'million | N'million |
| At 1 January 2024 | **8,656** | 14,650 |
| Intagible Assets | **(2,271)** | (5,994) |
| Impairment of goodwill | **(2,353)** | - |
| Foreign currency translation | **2,787** | - |
| **At 31 December 2024** | **11,443** | **8,656** |

### 21.1 Goodwill is the cost of acquired company in excess of the fair value of net assets, including identifiable intangible assets, at the acquisition date.

The quantitative test requires a comparison of the fair value of the reporting unit to its carrying value, including goodwill. If the fair value of the reporting unit is in excess of the carrying value, the related goodwill is considered not impaired. If the carrying value of the reporting unit exceeds the fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

### 21.2 Goodwill impairment testing

Goodwill is reviewed annually or more frequently for impairment when there are objective indicators that impairment may have occurred by comparing the carrying value to its recoverable amount.

The Group performed its annual goodwill impairment test as of December 31 , 2024, by applyimg Price to Book value multiples of comparable companies to determine the value of Fidbank Uk to arrive at a price of $1.72 per unit , with a discount rate of 10% applied (Marketability discount of 10% was applied by management based on expert judgement and knowledge of similar transactions ) which resulted in the impairment of the reporting units' goodwill. The valuation is a level 3 fair value. In the prior year, the recoverable amount was determined using a value in use which leveraged the initial acquisition accounting. The fair value approach reflects the approach to value banks in the market.. See Note 21.3 below;

### 21.3

| | |
|---|---|
| **The table below shows the Impairment testing result of  Reporting Unit ( Fid Bank Uk )** | |
| **Fidelity Bank UK Limited** | |
| **Impairment testing as at 31 December  2024** | |
| USD'000 | |
| Recoverable Amount | 62,731 |
| Carrying Amount | 64,304 |
| Headroom/ (Impairment) | (1,572) |
| | |
| **Decision :** | **Impaired** |

### 21.4 Performance Indicators.

For 2024, the Group generated higher net revenues, net of provision for credit losses and increased book value per share, as well as increased overall performance compared with 2023 however its performance did not entirely match its projected performance threshold in the year which accounted for impairment on goodwill  . This Increase reflected the group's continued execution of its strategic focus, which had a positive impact on net earnings. Within the reporting units with goodwill, there continued to be solid fundamentals underlying the business, where the group continued to maintain strong positions and also deepening its strategic goals with positive outlook .

### 21.5 Macroeconomic Indicators.

Despite broad macroeconomic and geopolitical concerns, the global economy continued to grow in 2024.

**Firm and Industry Events.**

There were no events, entity specific or otherwise, that would have had a more than recognized  negative impact on the valuation of the firm's reporting units as goodwill Impairment.

**Fair Value Indicators.**

Changes in the fair value indicators in the market did not have a more than recognized negative impact ( Impairment ) on the valuation of the goodwil.

## 22 Loans and Advances to Customers

| | Group | | Bank | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **N'million** | N'million | **N'million** | N'million |
| **Loans to corporate and other organisations** | **4,496,059** | 3,160,338 | **4,472,918** | 3,030,274 |
| Loans to individuals | **86,652** | 76,051 | **68,404** | 76,051 |
| | **4,582,711** | 3,236,389 | **4,541,322** | 3,106,324 |
| Less: Allowance for ECL/impairment losses | **(195,605)** | (143,970) | **(195,273)** | (143,927) |
| | **4,387,106** | 3,092,419 | **4,346,049** | 2,962,397 |

| | Group | | Bank | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| **Loans to corporate entities and other organisations** | | | | |
| Overdrafts | **487,128** | 281,837 | **487,128** | 281,837 |
| Term loans | **4,005,403** | 2,870,144 | **3,982,251** | 2,740,080 |
| Advance under finance lease | **3,527** | 8,357 | **3,538** | 8,357 |
| | **4,496,059** | 3,160,338 | **4,472,918** | 3,030,274 |

| | | | | |
|---|---|---|---|---|
| Less: Allowance for ECL/impairment losses | (178,117) | (126,394) | (177,889) | (126,351) |
| | 4,317,942 | 3,033,944 | 4,295,029 | 2,903,923 |
| | | | | |
| **Loans to individuals** | | | | |
| Overdrafts | 24,230 | 17,837 | 24,197 | 17,837 |
| Term loans | 61,762 | 57,165 | 43,547 | 57,165 |
| Advance under finance lease | 661 | 1,049 | 661 | 1,049 |
| | 86,653 | 76,051 | 68,404 | 76,051 |
| Less: Allowance for ECL/impairment losses | (17,488) | (17,576) | (17,384) | (17,576) |
| | 69,165 | 58,475 | 51,020 | 58,475 |
| | | | | |
| **Net loans and advances include** | 4,387,117 | 3,092,419 | 4,346,049 | 2,962,398 |

## 22.1 Impairment allowance for loans and advances to customers

### 22.1.1 Corporate and Other Organisations

The table below shows the credit rating of corporate obligors and the maximum exposure to credit risk based on the Bank's internal credit rating system and reporting period stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 3.2.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 3.2.1.

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | | | | | |
| High grade (AAA - A) | 278,274 | 267,588 | - | - | 545,863 |
| Standard grade (BBB - B) | 2,983,935 | 854,614 | - | - | 3,838,549 |
| Sub-standard grade (CCC - CC) | 41 | - | - | - | 41 |
| Past due but not impaired (C) | - | - | - | - | - |
| Non- performing: | - | - | - | - | - |
| Individually impaired | - | - | 111,607 | - | 111,607 |
| **Total** | **3,262,250** | **1,122,202** | **111,607** | **-** | **4,496,059** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | | | | | |
| High grade (AAA - A) | 423,615 | 193,711 | - | - | 617,326 |
| Standard grade (BBB - B) | 1,398,593 | 874,936 | - | - | 2,273,529 |
| Sub-standard grade (CCC - CC) | 179,627 | 4,009 | - | - | 183,636 |
| Past due but not impaired (C) | | | | - | - |
| Non- performing: | | | | - | - |
| Individually impaired | - | - | 85,847 | - | 85,847 |
| **Total** | **2,001,836** | **1,072,655** | **85,847** | **-** | **3,160,338** |

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | | | | | |
| High grade (AAA - A) | 274,605 | 267,588 | - | - | 542,194 |
| Standard grade (BBB - B) | 2,964,475 | 854,614 | - | - | 3,819,089 |
| Sub-standard grade (CCC - CC) | 28 | - | | - | 28 |
| Past due but not impaired (C) | | | | - | - |
| Non- performing: | | | | - | - |
| Individually impaired | - | - | 111,607 | - | 111,607 |
| **Total** | **3,239,109** | **1,122,202** | **111,607** | **-** | **4,472,918** |

| Bank | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | | | | | |
| High grade (AAA - A) | 293,551 | 193,711 | - | - | 487,262 |
| Standard grade (BBB - B) | 1,398,593 | 874,936 | - | - | 2,273,529 |
| Sub-standard grade (CCC - CC) | 179,627 | 4,009 | - | - | 183,636 |
| Past due but not impaired (C) | | | | - | - |
| Non- performing: | | | | - | - |
| Individually impaired | - | - | 85,847 | - | 85,847 |
| **Total** | **1,871,772** | **1,072,655** | **85,847** | **-** | **3,030,274** |

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Corporate lending is, as follows:

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2024 | 1,878,553 | 1,072,655 | 85,847 | | 3,037,055 |
| New assets originated or purchased | 719,088 | - | - | | 719,088 |
| Assets derecognised or repaid (excluding write offs) | (208,944) | (149,346) | (12,050) | | (370,341) |
| Transfers to Stage 1 | 545,092 | (487,487) | (57,604) | | - |
| Transfers to Stage 2 | (240,106) | 249,762 | (9,655) | | - |
| Transfers to Stage 3 | (1,681) | (92,487) | 94,168 | | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | - | (185) | | | (185) |
| Unwind of discount | 117,680 | 49,555 | 744 | - | 167,979 |
| Amounts written off | - | - | (12,375) | - | (12,375) |
| Changes in PD/LGD/EAD Including Accrued Interest | - | - | - | - | |
| | 79,604 | 34,705 | 6,587 | - | 120,897 |
| Foreign exchange adjustments | 372,965 | 445,030 | 15,946 | - | 833,941 |
| **At 31 December 2024** | **3,262,250** | **1,122,202** | **111,607** | **-** | **4,496,059** |

| | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collec-tively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2024 under IFRS 9 | 20,928 | 71,371 | 34,094 | - | 126,393 |
| New assets originated or purchased | 20,550 | - | - | - | 20,550 |
| Assets derecognised or repaid (excluding write offs) | (21,593) | (281) | (3,315) | - | (25,189) |
| Transfers to Stage 1 | 4,978 | (4,958) | (20) | - | - |
| Transfers to Stage 2 | (18,471) | 18,499 | (28) | - | - |
| Transfers to Stage 3 | (6,035) | (27,218) | 33,253 | - | - |
| Unwind of discount | 2,616 | 15,307 | 6,315 | - | 24,239 |
| Changes to contractual cash flows due to modifications not resulting in derecognition | - | - | | - | - |
| Changes in PD/LGD/EAD Including Accrued Interest | 686 | 3,282 | 7,744 | - | 11,712 |
| Changes to models and inputs used for ECL calculations | - | - | - | - | - |
| Amounts written off | - | - | (12,375) | - | (12,375) |
| Foreign exchange adjustments | 8,984 | 16,830 | 6,974 | - | 32,787 |
| **At 31 December 2024** | **12,643** | **92,832** | **72,642** | **-** | **178,117** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collec-tively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2023 under IFRS 9 | 18,866 | 28,612 | 27,725 | - | 75,203 |
| New assets originated or purchased | 21,141 | - | - | - | 21,141 |
| Assets derecognised or repaid (excluding write offs) | (28,123) | (9,434) | (1,614) | - | (39,170) |
| Transfers to Stage 1 | 2,004 | (1,627) | (377) | - | - |
| Transfers to Stage 2 | (14,218) | 15,773 | (1,556) | - | - |
| Transfers to Stage 3 | (1,380) | (8,913) | 10,293 | - | - |
| Unwind of discount | 421 | 3,481 | - | - | 3,902 |
| Changes in PD/LGD/EAD Including Accrued Interest | 8,473 | 2,955 | 10,204 | - | 21,632 |
| Changes to models and inputs used for ECL calculations | - | - | - | - | - |
| Amounts written off | | | (21,360) | - | (21,360) |
| Foreign exchange adjustments | 13,745 | 40,523 | 10,778 | - | 65,046 |
| **At 31 December 2023** | **20,929** | **71,371** | **34,094** | **-** | **126,394** |

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2024 | 1,871,772 | 1,072,655 | 85,847 | - | 3,030,274 |
| New assets originated or purchased | 651,522 | - | - | - | 651,522 |
| Assets derecognised or repaid (excluding write offs) | (157,750) | (149,346) | (12,050) | - | (319,146) |
| Transfers to Stage 1 | 545,092 | (487,487) | (57,604) | - | - |
| Transfers to Stage 2 | (240,106) | 249,762 | (9,655) | - | - |
| Transfers to Stage 3 | (1,681) | (92,487) | 94,168 | - | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | - | (185) | | - | (185) |
| Unwind of discount | 117,680 | 49,555 | 744 | - | 167,979 |
| Amounts written off | - | - | (12,375) | - | (12,375) |
| Changes in PD/LGD/EAD Including Accrued Interest | - | - | - | - | |
| | 79,604 | 34,705 | 6,587 | - | 120,897 |
| Foreign exchange adjustments | 372,976 | 445,030 | 15,946 | - | 833,952 |
| **At 31 December 2024** | **3,239,109** | **1,122,202** | **111,607** | | **4,472,918** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2023 | 1,656,291 | 422,027 | 51,455 | - | 2,129,774 |
| New assets originated or purchased | 385,016 | - | - | - | 385,016 |
| Assets derecognised or repaid (excluding write offs) | (167,077) | (1,961) | (36,470) | - | (205,508) |
| Transfers to Stage 1 | 97,613 | (96,019) | (1,594) | - | - |
| Transfers to Stage 2 | (361,004) | 379,580 | (18,575) | - | - |
| Transfers to Stage 3 | (61,281) | (16,780) | 78,061 | - | - |
| Unwind of discount | 14,418 | 5,347 | 654 | - | 20,419 |
| Amounts written off | | | (21,360) | - | (21,360) |
| Changes in PD/LGD/EAD Including Accrued Interest | 22,633 | 22,838 | 26,490 | - | 71,961 |
| Foreign exchange adjustments | 285,163 | 357,624 | 7,186 | - | 649,972 |
| **At 31 December 2023** | **1,871,772** | **1,072,655** | **85,847** | **-** | **3,030,274** |

## 22 Loans and Advances to Customers - continued

## 22.1 Impairment allowance for loans and advances to customers - continued

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2024 under IFRS 9 | 20,886 | 71,371 | 34,094 | - | 126,351 |
| New assets originated or purchased | 20,291 | - | - | - | 20,291 |
| Assets derecognised or repaid (excluding write offs) | (21,519) | (281) | (3,315) | - | (25,115) |
| Transfers to Stage 1 | 4,978 | (4,958) | (20) | - | - |
| Transfers to Stage 2 | (18,471) | 18,499 | (28) | - | - |
| Transfers to Stage 3 | (6,035) | (27,218) | 33,253 | - | - |
| Unwind of discount | 2,616 | 15,307 | 6,315 | - | 24,239 |
| Changes in PD/LGD/EAD Including Accrued Interest | 686 | 3,282 | 7,744 | - | 11,712 |
| Changes to models and inputs used for ECL calculations | - | - | - | - | |
| Amounts written off | - | - | (12,375) | - | (12,375) |
| Foreign exchange adjustments | 8,984 | 16,830 | 6,973 | - | 32,787 |
| **At 31 December 2024** | **12,416** | **92,832** | **72,642** | | **177,889** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2023 under IFRS 9 | 18,866 | 28,612 | 27,725 | - | 75,203 |
| New assets originated or purchased | 21,141 | - | - | - | 21,141 |
| Assets derecognised or repaid (excluding write offs) | (28,165) | (9,434) | (1,614) | - | (39,213) |
| Transfers to Stage 1 | 2,004 | (1,627) | (377) | - | - |
| Transfers to Stage 2 | (14,218) | 15,773 | (1,556) | - | - |
| Transfers to Stage 3 | (1,380) | (8,913) | 10,293 | - | - |
| Unwind of discount | 421 | 3,481 | - | - | 3,902 |
| Changes in PD/LGD/EAD Including Accrued Interest | 8,473 | 2,955 | 10,204 | - | 21,632 |
| Changes to models and inputs used for ECL | - | - | - | - | - |
| Amounts written off | | | (21,360) | - | (21,360) |
| Foreign exchange adjustments | 13,745 | 40,523 | 10,778 | - | 65,046 |
| At 31 December 2023 | 20,886 | 71,371 | 34,094 | - | 126,351 |

The contractual amount outstanding on loans that have been written off, but were still subject to enforcement activity was nil at 31 December 2024 (31 December 2023: nil).

The increase in ECLs of the portfolio was driven by an increase in the gross size of the portfolio and movements between stages as a result of increase in credit risk and changes in economic conditions. Further analysis of economic factors is outlined in Note 3.

### 22.1.2 Loans to individuals

The table below shows the credit rating of loans to individuals and the maximum exposure to credit risk based on the Bank's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 3.2.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 3.2.1.

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | - | - | - | - | |
| High grade (AAA - A) | 13,194 | - | - | - | 13,194 |
| Standard grade (BBB - B) | 42,798 | 1,336 | - | - | 44,134 |
| Sub-standard grade (CCC - CC) | 366 | - | - | - | 366 |
| Past due but not impaired (C) | 10 | - | - | - | 10 |
| Non- performing | - | - | - | - | - |
| Individually impaired | - | - | 28,948 | - | 28,948 |
| **Total** | **56,368** | **1,336** | **28,948** | **-** | **86,653** |

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | | - | - | - | |
| High grade (AAA - A) | - | - | - | - | - |
| Standard grade (BBB - B) | 39,114 | 217 | | - | 39,331 |
| Sub-standard grade (CCC - CC) | 366 | - | | - | 366 |
| Past due but not impaired (C) | | | | - | - |
| Non- performing | | | | - | - |
| Individually impaired | - | | 28,707 | - | 28,707 |
| **Total** | **39,480** | **217** | **28,707** | **-** | **68,404** |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Internal rating grade | | | | | |
| Performing | | | | | |
| High grade (AAA - A) | - | - | - | - | - |
| Standard grade (BBB - B) | 47,487 | 882 | | - | 48,370 |
| Sub-standard grade (CCC - CC) | 745 | - | | - | 745 |
| Past due but not impaired (C) | | | | - | - |
| Non- performing | | | | - | - |
| Individually impaired | - | | 26,936 | - | 26,936 |
| **Total** | **48,232** | **882** | **26,936** | **-** | **76,051** |

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to individual lending is, as follows:

| Group | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2024 | 54,376 | 1,309 | 26,936 | - | 82,622 |
| New assets originated or purchased | 20,830 | - | - | - | 20,830 |
| Assets derecognised or repaid (excluding write offs) | (13,835) | (1,891) | (5,040) | - | (20,765) |
| Transfers to Stage 1 | 3,103 | (480) | (2,623) | - | - |
| Transfers to Stage 2 | (1,812) | 2,144 | (332) | - | - |
| Transfers to Stage 3 | (8,203) | (6) | 8,209 | - | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | - | - | - | - | - |
| Unwind of discount | 132 | 214 | 1,512 | - | 1,858 |
| Amounts written off | - | - | - | - | |
| Changes in PD/LGD/EAD Including Accrued Interest | (3) | 19 | 1,138 | - | 1,154 |
| | - | - | 859 | - | 859 |
| Foreign exchange adjustments | 1,781 | 26 | 6 | - | 1,813 |
| **At 31 December 2024** | **56,368** | **1,336** | **28,948** | | **86,653** |

| | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2024 under IFRS 9 | 393 | 7 | 17,180 | - | 17,580 |
| New assets originated or purchased | 3,615 | - | 67 | - | 3,683 |
| Assets derecognised or repaid (excluding write offs) | (1,306) | (102) | (1,987) | - | (3,395) |
| Transfers to Stage 1 | 275 | (4) | (271) | - | - |
| Transfers to Stage 2 | (70) | 110 | (40) | - | - |
| Transfers to Stage 3 | (2,233) | (3) | 2,236 | - | - |
| Impact on year end ECL of exposures transferred between stages during the period | 9 | - | 12 | - | 21 |
| Unwind of discount | 112 | 13 | 21 | - | 146 |
| - Changes in PD/LGD/EAD Including Accrued Interest | 98 | - | 33 | - | 131 |
| Amounts written off | - | - | (859) | - | (859) |
| Foreign exchange adjustments | 5 | 2 | 174 | - | 181 |
| **At 31 December 2024** | **898** | **23** | **16,566** | **-** | **17,488** |

| Bank | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2024 | 48,232 | 882 | 26,936 | - | 76,051 |
| New assets originated or purchased | 6,450 | - | - | - | 6,450 |
| Assets derecognised or repaid (excluding write offs) | (11,533) | (1,891) | (5,040) | - | (18,463) |
| Transfers to Stage 1 | 2,720 | (97) | (2,623) | - | - |
| Transfers to Stage 2 | (713) | 1,045 | (332) | - | - |
| Transfers to Stage 3 | (7,902) | (6) | 7,908 | - | - |
| - Changes to contractual cash flows due to modifications not resulting in derecognition | - | - | - | - | - |
| Unwind of discount | 132 | 214 | 1,512 | - | 1,858 |
| - Changes in PD/LGD/EAD Including Accrued Interest | 502 | 62 | 1,138 | - | 1,702 |
| Amounts written off | - | - | (800) | - | (800) |
| Foreign exchange adjustments | 1,593 | 7 | 6 | - | 1,606 |
| **At 31 December 2024** | **39,480** | **217** | **28,707** | **-** | **68,404** |

## Loans and Advances to Customers - continued

## Impairment allowance for loans and advances to customers - continued

| | 31 December 2024 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| ECL allowance as at 1 January 2024 under IFRS 9 | 390 | 6 | 17,180 | - | 17,576 |
| New assets originated or purchased | 3,600 | - | - | - | 3,600 |
| Assets derecognised or repaid (excluding write offs) | (1,306) | (102) | (1,987) | - | (3,395) |
| Transfers to Stage 1 | 274 | (3) | (271) | - | - |
| Transfers to Stage 2 | (70) | 110 | (40) | - | - |
| Transfers to Stage 3 | (2,233) | (3) | 2,236 | - | - |
| Unwind of discount | 112 | 13 | 21 | | 146 |
| Changes in PD/LGD/EAD Including Accrued Interest | 101 | - | 33 | - | 134 |
| Amounts written off | - | - | (800) | - | (800) |
| Foreign exchange adjustments | 5 | 2 | 115 | - | 122 |
| At 31 December 2024 | 874 | 23 | 16,487 | - | 17,384 |

| | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross carrying amount as at 1 January 2023 | 52,634 | 1,163 | 13,189 | - | 66,986 |
| New assets originated or purchased | 19,363 | - | - | - | 19,363 |
| Assets derecognised or repaid (excluding write offs) | (17,688) | (67) | (283) | - | (18,038) |
| Transfers to Stage 1 | 559 | (166) | (393) | - | - |
| Transfers to Stage 2 | (459) | 468 | (9) | - | - |
| Transfers to Stage 3 | (12,344) | (769) | 13,113 | - | - |
| Changes to contractual cash flows due to modifications not resulting in derecognition | - | - | - | - | - |
| Unwind of discount | 312 | 204 | 358 | - | 874 |
| Changes in PD/LGD/EAD Including Accrued Interest | 4,312 | 46 | 1,237 | - | 5,595 |
| Amounts written off | | | (285) | - | (285) |
| Foreign exchange adjustments | 1,543 | 3 | 10 | - | 1,556 |
| At 31 December 2023 | 48,232 | 882 | 26,936 | - | 76,051 |

## Loans and Advances to Customers - continued

### Impairment allowance for loans and advances to customers - continued

| Bank | 31 December 2023 | | | | |
|---|---|---|---|---|---|
| | Stage 1 Collec-tively | Stage 2 Collectively | Stage 3 | POCI | Total |
| | N'million | N'million | N'million | N'million | N'million |
| Gross Carrying amount as at 1 January 2023 | 511 | 81 | 4,753 | - | 5,345 |
| New assets originated or purchased | 1,428 | - | - | - | 1,428 |
| Assets derecognised or repaid (excluding write offs) | (2,175) | (336) | (153) | - | (2,663) |
| Transfers to Stage 1 | 89 | (7) | (82) | - | - |
| Transfers to Stage 2 | (2) | 7 | (5) | - | - |
| Transfers to Stage 3 | (31) | (46) | 77 | - | - |
| Unwind of discount | 423 | 168 | 8,432 | | 9,023 |
| Changes in PD/LGD/EAD Including Accrued Interest | 141 | 136 | 4,329 | - | 4,606 |
| Amounts written off | | | (285) | - | (285) |
| Foreign exchange adjustments | 6 | 2 | 115 | - | 123 |
| **At 31 December 2023** | **390** | **6** | **17,180** | **-** | **17,576** |

The increase in ECLs of the portfolio was driven by an increase in the gross size of the portfolio and movements between stages as a result of increases in credit risk and a deterioration in economic conditions. Further analysis of economic factors is outlined in Note 3.

### 22.1 Advances under finance lease may be analysed as follows:

| | Group | | Bank | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| **Gross investment** | **N'million** | **N'million** | **N'million** | **N'million** |
| - No later than 1 year | **1,397** | 878 | **1,397** | 878 |
| - Later than 1 year and no later than 5 years | **4,185** | 10,147 | **4,185** | 10,147 |
| - Later than 5 years | **24** | - | **24** | - |
| Less: | **5,606** | 11,026 | **5,606** | 11,026 |
| Allowance for ECL/impairment losses | **(44)** | (23) | **(44)** | (23) |
| Unearned future finance income on finance leases | **(1,407)** | (53) | **(1,407)** | (53) |
| **Net investment** | **4,155** | **10,950** | **4,155** | **10,950** |
| | | | | |
| **The net investment may be analysed as follows:** | | | | |
| - No later than 1 year | **1,209** | 878 | **1,209** | 878 |
| - Later than 1 year and no later than 5 years | **2,935** | 10,125 | **2,935** | 10,125 |
| - Later than 5 years | **11** | - | **11** | - |
| | **4,155** | **11,003** | **4,155** | **11,003** |

### 22.2 Nature of security in respect of loans and advances:

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Secured against real estate | **144,149** | 549,781 | **75,185** | 549,781 |
| Secured by shares of quoted companies | **3,949** | - | **3,949** | - |
| Secured others ( see 22.2.i) | **4,182,936** | 2,548,651 | **4,226,998** | 2,418,586 |
| Advances under finance lease | **5,104** | 37,523 | **5,104** | 37,523 |
| Unsecured | **246,574** | 100,434 | **230,087** | 100,434 |
| **Gross loans and advances to customers** | **4,582,711** | **3,236,389** | **4,541,322** | **3,106,324** |

### 22.2.i Secured others are collaterals includes Licenses of varied nature, State guarantees , Legal mortgages, Oil wells, vessels, all assets debenture, Bonds etc

### 23. Derivative Financial Instruments

The Bank entered into derivative contracts with counter parties; Total Return Swap with Standard Chartered Bank ("SCB"), Meshraq; Non-deliverable Forwards in prior year (December 2023) and Swap with the Central Bank of Nigeria ("CBN") in the year ended 31 December 2024. The table below shows the fair values of derivative financial instruments recorded as assets together with their notional amounts; Nil Derivative Liabilities. The notional amount, recorded gross, is the quantity of the derivative contracts' underlying instrument.The notional amounts indicate the volume of transactions outstanding at the year end and are not indicative of either the market or credit risk. The value of Futures December 2024 represent deposit at the exchange (NGX)for Futures transactions.

### 23a Derivative financial Assets

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Total return swap contracts | 50,243 | - | 50,242 | - |
| Non-deliverable forwards - | - | 10,673 | - | 10,673 |
| Futures Contracts | 50 | 50 | 50 | 50 |
| **Total derivative financial Assets** | **50,293** | **10,723** | **50,292** | **10,723** |
| | | | | |
| **Notional Amount** | | | | |
| Total return swap contracts | 697,592 | 11,998 | 697,050 | 11,998 |
| Futures Contracts | 50 | - | 50 | - |
| **Total** | **697,642** | **11,998** | **697,100** | **11,998** |

### 23b. Derivative financial Assets

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Total return swap contracts | - | - | - | - |
| Non-deliverable forwards | - | - | - | - |
| Futures Contracts | - | - | - | - |
| **Total derivative financial Liabilities** | - | - | - | - |
| | | | | |
| **Notional Amount** | | | | |
| Forward Contract | - | - | - | - |
| Futures Contracts | - | - | - | - |
| **Total** | - | - | - | - |

I. The Bank enters into currency forward / futures contracts with counter parties. On initial recognition, the Bank estimates the fair value of derivatives transacted with the counter parties in line with IFRS 13. In many cases, all significant inputs into the valuation techniques are wholly observable (e.g with reference to similar transactions in the dealer market.) See note 2.4.2c.

II. During the year, various derivative contracts entered into by the Bank generated a net gain which was recognized in the statement of profit or loss and other comprehensive income , while no liability was recognized.

III. All derivative contracts are current.

## 24. Investment Securities

### 24.1 Financial assets at fair value through profit and loss (FVTPL)

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Federal Government bonds | 331 | 1,023 | 331 | 1,023 |
| Treasury bills | 4,782 | 6,661 | 4,782 | 6,661 |
| Placements | - | - | - | - |
| **Total financial assets measured at FVTPL** | **5,113** | **7,684** | **5,113** | **7,684** |

### 24.2 Debt instruments at fair value through other comprehensive income (FVOCI)

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Treasury bills | 46,944 | 193,217 | 46,944 | 153,218 |
| Federal Government bonds | 139,627 | 17,714 | 65,981 | 17,714 |
| State bonds | - | 5,897 | - | 5,897 |
| Corporate bonds | - | 10,922 | - | 10,922 |
| **Total debt instruments measured at FVOCI** | **186,571** | **227,750** | **112,925** | **187,751** |

### 24.3 Debt instruments at amortised cost

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Treasury bills | 1,079,081 | 405,537 | 1,079,081 | 405,537 |
| Federal Government bonds | 449,392 | 394,879 | 449,392 | 394,879 |
| State Government bonds | 10,027 | 5,119.87 | 10,027 | 5,119.87 |
| Corporate bonds | 15,265 | 15,478 | 15,265 | 15,478 |
| **Sub-total** | **1,553,765** | **821,013** | **1,553,765** | **821,014** |
| Allowance for impairment | (1,418) | (2,210) | (1,418) | (2,210) |
| Total debt instruments measured at amortised cost | 1,552,347 | 818,803 | 1,552,347 | 818,803 |
| | | | | |
| **Reconciliation of allowance for impairment** | | | | |
| At beginning of year | (2,210) | (830) | (2,210) | (830) |
| Write back /Additional allowance for impairment | 793 | (1,380) | 793 | (1,380) |
| **At end of year** | **(1,418)** | **(2,210)** | **(1,418)** | **(2,210)** |

### 24.4 Equity instruments:

### 24.4.i Equity instruments at fair value through other comprehensive income (FVOCI)

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Unquoted equity investments:** | | | | |
| - Pay Attitude Global | 13 | 14 | 13 | 14 |
| - African Finance Corporation (AFC) | 19,630 | 8,547 | 19,630 | 8,547 |
| - Unified Payment Solution ( UPSL) | 31,018 | 20,156 | 31,018 | 20,156 |
| - Nigerian Inter Bank Settlement System (NIBBS) | 10,492 | 6,078 | 10,492 | 6,078 |
| - African Export-Import Bank (AFREXIM BANK) | 1,771 | 960 | 1,771 | 960 |
| - The Central Securities Clearing System (CSCS) | 3,952 | 3,716 | 3,952 | 3,716 |
| - Investment in FMDQ | 2,612 | 2,022 | 2,612 | 2,022 |
| - Shared Agent Network Expansion Facility (SANEF) | 80 | 50 | 80 | 50 |
| **Quoted equity investments:** | | | | |
| - Nigerian Exchange Group (NGX) | 67 | 57 | 67 | 57 |
| **Total equity instruments at FVOCI** | **69,635** | **41,600** | **69,635** | **41,600** |

### 24.4 Equity instruments - continued

**24.4ii** The Group has designated its equity investments as equity investments at fair value through other comprehensive income (FVOCI) on the basis that these are not held for trading , see note 2.4.2.b. During the year ended 31 December 2024 , the Bank recognised dividends of ₦741 million (December 2023 - ₦2,018 million) from its FVOCI equities which was recorded in the profit or loss as other operating income.

### 24.4iii Investment in Subsidiary:

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | % Ownership | % Ownership | N'million | N'million |
| | | | | |
| - Fidelity Bank -UK | 100 | 100 | 68,591 | 63,403 |
| **Total equity instruments** | | | **68,591** | **63,403** |

**24.4iv.** During the year ended 31 December 2024 , the Bank injected additional capital of ₦5,188 million into the United Kingdom Subsidiary to bring the total investment in subsidiary to ₦68,591million (December 2023 - ₦63,403 million).

| | | | | |
|---|---|---|---|---|
| **Total investments** | 1,813,666 | 1,095,787 | 1,808,610 | 1,119,191 |

### 24.5 Pledged Assets

The assets pledged as collateral were given to the counter parties without transferring the ownership to them. These are held by the counter party for the term of the transaction being collateralized.

Treasury Bills and Bonds are pledged to the Nigerian Inter Bank Settlement System Company Plc (NIBSS) in respect of the Bank's ongoing participation in the Nigerian settlement system. The Bank pledged Treasury bills and Bonds in its capacity as collection bank for government taxes and Interswitch electronic card transactions. The pledges are overnight collaterals to allow the free flow of the bank"s dailly transactions.

The nature and carrying amounts of the assets pledged as collaterals are as follows:

| **Derivative financial Assets** | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| | | | | |
| Treasury bills - Amortised cost | 139,428 | 35,993 | 139,428 | 35,993 |
| Federal Government bonds - Amortised cost | - | 90,055 | - | 90,055 |

### 24.6 Impairment losses on financial investments subject to impairment assessment

### 24.6.1 Debt Instruments Measured at FVOCI

The table below shows the fair value of the Bank's debt instruments measured at FVOCI by credit risk, based on the Bank's internal credit rating system and reporting Period end stage classification. Details of the Bank's internal grading system are explained in Note 3.2.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 3.2.4:

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | 186,578 | - | - | 186,578 |
| High grade | - | - | - | - |
| Standard grade | - | - | - | - |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| **Non-performing** | | | | |
| Individually impaired | **-** | **-** | **-** | **-** |
| **Total** | **186,578** | **-** | **-** | **186,578** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 112,925 | - | - | 112,925 |
| Standard grade | | - | - | - |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| **Non-performing** | **-** | **-** | **-** | **-** |
| Individually impaired | - | - | - | - |
| **Total** | **112,925** | **-** | **-** | **112,925** |

| Bank | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 170,742 | - | - | 170,742 |
| Standard grade | 16,818 | - | - | 16,818 |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| **Non- performing** | **-** | **-** | **-** | **-** |
| Individually impaired | - | - | - | - |
| **Total** | **187,561** | **-** | **-** | **187,561** |

## 24 Investment Securities - continued

### 24.6.1 Debt Instruments Measured at FVOCI- continued

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2024** | **252,659** | **-** | **-** | **252,659** |
| New assets originated or purchased | 181,733 | - | - | 181,733 |
| Assets derecognised or matured (excluding write-offs) | (239,330) | - | - | (239,330) |
| Change in fair value | (12,157) | - | - | (12,157) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Changes due to modifications not derecognised | - | - | - | - |
| Unwind of discount | 1,834 | - | - | 1,834 |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 1,841 | - | - | 1,841 |
| **At 31 December 2024** | **186,578** | **-** | **-** | **186,578** |

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2024** | **621** | **-** | **-** | **620** |
| New assets originated or purchased | 111 | - | - | 111 |
| Assets derecognised or matured (excluding write offs) | (585) | - | - | (585) |
| Impact on year end ECL of exposures transferred between stages during the period | - | - | - | |
| | - | - | - | - |
| Unwind of discount (recognised in interest income) | 15 | - | - | 15 |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | 0 | - | - | 0 |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 4 | - | - | 4 |
| **At 31 December 2024** | **166** | **-** | **-** | **165** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2024** | **187,561** | **-** | **-** | **187,561** |
| New assets originated or purchased | 108,079 | - | - | 108,079 |
| Assets derecognised or matured (excluding write-offs) | (174,232) | - | - | (174,232) |
| Change in fair value | (12,157) | - | - | (12,157) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Changes due to modifications not derecognised | - | - | - | - |
| Unwind of discount | 1,834 | - | - | 1,834 |
| Amounts written off | | - | - | - |
| Foreign exchange adjustments | 1,841 | - | - | 1,841 |
| **At 31 December 2024** | **112,925** | **-** | **-** | **112,925** |

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2024** | **620** | **-** | **-** | **620** |
| New assets originated or purchased | 103 | - | - | 103 |
| Assets derecognised or matured (excluding write offs) | (584) | - | - | (584) |
| Impact on year end ECL of exposures transferred between stages during the period | - | | | |
| | - | - | - | - |
| Unwind of discount (recognised in interest income) | 15 | - | - | 15 |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 4 | - | - | 4 |
| **At 31 December 2024** | **158** | **-** | **-** | **158** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2023** | **28,696** | **-** | **-** | **28,696** |
| New assets originated or purchased | 159,091 | - | - | 159,091 |
| Assets derecognised or matured (excluding write-offs) | (16,825) | - | - | (16,825) |
| Change in fair value | 8,682 | - | - | 8,682 |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Changes due to modifications not derecognised | - | - | - | - |
| Unwind of discount | 765 | - | - | 765 |
| Amounts written off | | - | - | - |
| Foreign exchange adjustments | 7,153 | - | - | 7,153 |
| **At December 2023** | **187,561** | **-** | **-** | **187,561** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2023** | **192** | **-** | **-** | **192** |
| New assets originated or purchased | 279 | - | - | 279 |
| Assets derecognised or matured (excluding write offs) | (14) | - | - | (14) |
| Impact on year end ECL of exposures transferred between stages during the year | | | | |
| | - | - | - | - |
| Unwind of discount (recognised in interest income) | 12 | - | - | 12 |
| Changes due to modifications not resulting in derecognition | | - | - | - |
| Changes to models and inputs used for ECL calculations | | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 151 | - | - | 151 |
| At 31 December 2023 | 620 | - | - | 620 |

### 24.6.2 Debt Instruments Measured at Amortised Cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and period-end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 3.2.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 3.2.4:

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 1,523,473 | - | - | 1,523,473 |
| Standard grade | 25,292 | - | - | 25,292 |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Non- performing | - | - | - | - |
| Individually impaired | - | - | - | - |
| **Total** | **1,548,765** | **-** | **-** | **1,548,765** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 800,416 | - | - | 800,416 |
| Standard grade | 20,598 | - | - | 20,598 |
| Sub-standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Non- performing | - | - | - | - |
| Individually impaired | - | - | - | - |
| **Total** | **821,014** | **-** | **-** | **821,014** |

An analysis of changes in the gross carrying amount and the corresponding ECLs is, as follows:

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| **Gross carrying amount as at 1 January 2024** | **821,014** | **-** | **-** | **821,014** |
| New assets originated or purchased | 1,112,823 | - | - | 1,112,823 |
| Assets derecognised or matured (excluding write-offs) | (432,664) | - | - | (432,664) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Changes due to modifications not derecognised | - | - | - | - |
| Unwind of Discount | 47,593 | - | - | 47,593 |
| Amounts written off | | - | - | - |
| Foreign exchange adjustments | - | - | - | - |
| **At 31 December 2024** | **1,548,765** | **-** | **-** | **1,548,765** |

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2024** | **2,210** | **-** | **-** | **2,210** |
| New assets purchased | 1,335 | - | - | 1,335 |
| Assets derecognised or matured (excluding write offs) | (2,265) | - | - | (2,265) |
| Transfers to Stage 1 | - | | | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Impact on year end ECL of exposures transferred between stages during the period | - | - | - | - |
| Unwind of discount (recognised in interest income) | 137 | - | - | 137 |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | - | | | - |
| **At 31 December 2024** | **1,418** | | | **1,418** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2023** | **480,422** | **-** | **-** | **480,422** |
| New assets originated or purchased | 592,111 | - | - | 592,111 |
| Assets derecognised or matured (excluding write-offs) | (260,952) | - | - | (260,952) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Changes due to modifications not derecognised | - | - | - | - |
| Unwind of Discount | 9,433 | - | - | 9,433 |
| Amounts written off | | - | - | - |
| Foreign exchange adjustments | - | - | - | - |
| **At 31 December 2023** | **821,014** | **-** | **-** | **821,014** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Collectively | Stage 2 Collectively | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2023** | **830** | **-** | **-** | **830** |
| New assets purchased | 1,264 | - | - | 1,264 |
| Assets derecognised or matured (excluding write offs) | (64) | - | - | (64) |
| Transfers to Stage 1 | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - |
| Impact on year end ECL of exposures transferred between stages during the year | | | | |
| | | | | |
| Unwind of discount (recognised in interest income) | 180 | - | - | 180 |
| Changes Other than modifications not derecognised | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | - | - | - | - |
| **At 31 December 2023** | **2,210** | **-** | **-** | **2,210** |

## 25 Property, Plant and Equipment

| Group | Land | Buildings | Leasehold improve-ments | Office equipment | Furniture fittings | Computer equipment | Motor vehicles | Work in progress | Total |
|---|---|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | |
| **Cost** | | | | | | | | | |
| At 1 January 2024 | 15,713 | 18,886 | 4,508 | 9,485 | 2,166 | 18,892 | 7,466 | 4,700 | 81,816 |
| Additions | 494 | 1,962 | 830 | 3,265 | 1,020 | 15,097 | 5,017 | 10,768 | 38,452 |
| Reclassifications | - | 808 | 146 | 735 | 123 | 1,484 | 220 | (3,855) | (340) |
| Disposals | (89) | (141) | - | (101) | (5) | (707) | (421) | - | (1,464) |
| Translation Difference | | | 182 | 312 | | | | | 494 |
| **At 31 December 2024** | **16,117** | **21,515** | **5,666** | **13,696** | **3,303** | **34,766** | **12,281** | **11,613** | **118,957** |
| **Accumulated depreciation** | | | | | | | | | |
| At 1 January 2024 | - | (4,515) | (3,543) | (7,070) | (1,717) | (12,874) | (4,714) | - | (34,433) |
| Charge for the year | - | (389) | (297) | (1,305) | (224) | (3,549) | (1,324) | - | (7,088) |
| Reclassifications | | - | - | 41 | (41) | 1 | (376) | - | -376 |
| Disposals | | 58 | - | 101 | 5 | 707 | 405 | - | 1,276 |
| Translation Difference | | | (165) | (295) | | | | | -461 |
| **At 31 December 2024** | **-** | **(4,846)** | **(4,005)** | **(8,528)** | **(1,977)** | **(15,715)** | **(6,009)** | **-** | **(41,081)** |
| **Carrying amount at 31 December 2024** | **16,117** | **16,669** | **1,660** | **5,168** | **1,326** | **19,050** | **6,272** | **11,613** | **77,876** |
| **Cost** | | | | | | | | | |
| At 1 January 2023 | 15,679 | 18,312 | 4,194 | 7,874 | 1,896 | 15,842 | 5,466 | 3,264 | 72,527 |
| Additions | 63 | 304 | 304 | 1,505 | 205 | 1,337 | 2,022 | 3,796 | 9,537 |
| Reclassifications | (7) | 269 | 10 | 133 | 67 | 1,720 | - | (2,360) | (168) |
| Disposals | (22) | - | - | (27) | (1) | (9) | (22) | - | (81) |
| **At 31 December 2023** | **15,713** | **18,885** | **4,508** | **9,485** | **2,167** | **18,890** | **7,466** | **4,700** | **81,814** |

| | Land | Buildings | Leasehold improve-ments | Office equipment | Furniture fittings | Computer equipment | Motor vehicles | Work in progress | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Accumulated depreciation** | | | | | | | | | |
| At 1 January 2023 | - | (4,144) | (3,318) | (6,218) | (1,588) | (10,782) | (3,779) | - | (29,829) |
| Charge for the year | - | (372) | (225) | (892) | (119) | (2,096) | (943) | - | (4,646) |
| Reclassifications | | - | - | 12 | (12) | - | - | | |
| Disposals | - | - | - | 28 | 1 | 6 | 9 | - | 43 |
| **At 31 December 2023** | **-** | **(4,516)** | **(3,543)** | **(7,070)** | **(1,718)** | **(12,872)** | **(4,713)** | **-** | **(34,432)** |
| **Carrying amount at 31 December 2023** | **15,713** | **14,369** | **965** | **2,415** | **449** | **6,018** | **2,753** | **4,700** | **47,382** |

| **Bank** | **Land** | **Buildings** | **Leasehold improve-ments** | **Office equipment** | **Furniture fittings** | **Computer equipment** | **Motor vehicles** | **Work in progress** | **Total** |
|---|---|---|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million | N'million | N'million | |
| **Cost** | | | | | | | | | |
| At 1 January 2024 | 15,713 | 18,886 | 4,220 | 8,987 | 2,166 | 18,892 | 7,466 | 4,700 | 81,029 |
| Additions | 494 | 1,962 | 807 | 3,242 | 1,020 | 15,097 | 5,017 | 10,768 | 38,406 |
| Reclassifications | - | 808 | 146 | 735 | 123 | 1,484 | 220 | (3,855) | (340) |
| Disposals | (89) | (141) | - | (101) | (5) | (707) | (421) | - | (1,464) |
| **At 31 December 2024** | **16,117** | **21,515** | **5,173** | **12,863** | **3,303** | **34,766** | **12,281** | **11,613** | **117,632** |
| **Accumulated depreciation** | | | | | | | | | |
| At 1 January 2024 | - | (4,515) | (3,275) | (6,606) | (1,717) | (12,874) | (4,714) | - | (33,701) |
| Charge for the year | - | (389) | (287) | (1,273) | (224) | (3,549) | (1,324) | - | (7,046) |
| Reclassifications | | - | - | 41 | (41) | 1 | (376) | | (376) |
| Disposals | - | 58 | - | 101 | 5 | 707 | 405 | - | 1,276 |
| **At 31 December 2024** | **-** | **(4,846)** | **(3,562)** | **(7,737)** | **(1,977)** | **(15,715)** | **(6,009)** | **-** | **(39,847)** |
| **Carrying amount at 31 December 2024** | **16,117** | **16,669** | **1,611** | **5,126** | **1,326** | **19,050** | **6,272** | **11,613** | **77,785** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | |
| At 1 January 2023 | 15,679 | 18,312 | 3,929 | 7,388 | 1,896 | 15,842 | 5,466 | 3,264 | 71,776 |
| Additions | 63 | 304 | 281 | 1,480 | 205 | 1,337 | 2,022 | 3,796 | 9,488 |
| Reclassifications | (7) | 269 | 10 | 133 | 67 | 1,720 | - | (2,360) | (168) |
| Disposals | (22) | - | - | (15) | (1) | (9) | (22) | - | (69) |
| **At 31 December 2023** | **15,713** | **18,885** | **4,220** | **8,986** | **2,167** | **18,890** | **7,466** | **4,700** | **81,027** |
| | ` | | | | | | | | |
| **Accumulated depreciation** | | | | | | | | | |
| At 1 January 2023 | - | (4,144) | (3,069) | (5,758) | (1,588) | (10,782) | (3,779) | - | (29,120) |
| Charge for the year | - | (372) | (207) | (874) | (119) | (2,096) | (943) | - | (4,611) |
| Reclassifications | | - | - | 12 | (12) | - | - | | |
| Disposals | - | - | - | 17 | 1 | 6 | 9 | - | 33 |
| **At 31 December 2023** | **-** | **(4,516)** | **(3,276)** | **(6,603)** | **(1,718)** | **(12,872)** | **(4,713)** | **-** | **(33,698)** |
| | | | | | | | | | |
| **Carrying amount at 31 December 2023** | **15,713** | **14,369** | **944** | **2,383** | **449** | **6,018** | **2,753** | **4,700** | **47,329** |

a Work in progress relates to capital cost incured in setting up new branches. When completed and available for use, they are transfered to the respective property, plant and equipment classes and depreciation commences.

b All property and equipment are non-current. None of the Bank's assets were financed from borrowings, consequently no borrowing cost has been capitalized as part of asset cost.

c There were no impairment losses on any class of property , plant and equipment during the year (31 December 2023: Nil)

d There were no pledged assets in any class of property, plant and equipment during the year (31 December 2023: Nil)

## 26 Right-of-Use Asset

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Cost** | | | | |
| Balance at beginning of year | 10,853 | 4,481 | 3,377 | 4,481 |
| Acquisition of a Subsidiary | - | 1,953 | | |
| Additions | 798 | 532 | 798 | 532 |
| Additions / Reclassifications during the year | 63 | 167 | 63 | 167 |
| Disposal during the year | (452) | (1,803) | (452) | (1,803) |
| Translation Difference | 217 | | | |
| Balance | 11,479 | 5,330 | 3,786 | 3,377 |
| | | | | |
| **Accumulated Depreciation** | | | | |
| Balance at beginning of year | (4,993) | (2,682) | (1,700) | (2,682) |
| Depreciaiton for the year | (1,389) | (996) | (798) | (636) |
| Disposal during the year | 448 | 1,618 | 448 | 1,618 |
| Translation Difference | (1,796) | | | |
| Balance | (7,729) | (2,060) | (2,049) | (1,700) |
| **Carrying amount** | 3,750 | **3,270** | 1,736 | **1,677** |

### Expense of Low value Item

The expense for low value items and short term leases is N50.09million (31 December 2023: N161.88 million).

## 27 Intangible Assets

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Cost** | | | | |
| Balance at 1 January | 14,346 | 9,361 | 8,980 | 9,361 |
| Acquisition of a Subsidiary | - | 483 | - | |
| Additions | 11,246 | 7,628 | 11,246 | 2,745 |
| Write offs during the year | (511) | (3,126) | (511) | (3,126) |
| Translation Difference | 239 | | | |
| Balance as at 31 December | 25,320 | 14,346 | 19,715 | 8,980 |
| | | | | |
| **Accumulated amortization** | | | | |
| Balance at 1 January | (4,005) | (5,338) | (3,857) | (5,338) |
| Amortisation for the year | (2,475) | (1,793) | (2,276) | (1,645) |
| Write offs during the year | (428) | 3,126 | 789 | 3,126 |
| Translation Difference | (3,475) | | | |
| Balance as at 31 December | (10,382) | (4,005) | (5,344) | (3,857) |
| **Carrying amount** | 14,938 | **10,341** | 14,371 | **5,123** |

### 28i UK Intangible Assest from PPA

| | Group | |
|---|---|---|
| | 2024 | 2023 |
| | N'million | N'million |
| **Cost** | | |
| Balance at 1 January | - | - |
| Acquisition of a Subsidiary | 7,774 | |
| Additions | - | - |
| Write offs during the year | - | - |
| Translation Difference | - | - |
| Balance as at 31 December | 7,774 | |
| | | |
| **Accumulated amortization** | | |
| Balance at 1 January | - | - |
| Amortisation for the year | (2,332) | - |
| Write offs during the year | - | - |
| Translation Difference | - | - |
| Balance as at 31 December | (2,332) | - |
| **Carrying amount** | 5,442 | - |
| | | |
| **Total Carrying Amount** | 20,380 | 10,341 |

i UK Intangible Assest from PPA relate to Core deposits, customer relationship from disagreegation of Goodwill. All intangible assets are non-current with finite useful life of 5 years and are amortised over a 5 year period .

ii The amortisation of intangible asset recognised in depreciation and amortisation in profit or loss was ₦2,276 bn ( Group -₦4,807bn) for the year ended 31 December 2024 (31 December 2023: ₦1,645 bn - ( Group -₦1,793 bn).

### 28 Deferred Taxation

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The deferred tax disclosed relate to current year

Deferred taxes are calculated on all temporary differences under the liability method as there is now various componenet and rate disclosure is not required.

**Deferred tax assets and liabilities are attributable to the following items in the schedule below:**

## 28.1 Group

| | Assets | Liabilities | Net | Assets | Liabilities | Net |
|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million |
| | 31 December 2024 | | | 31 December 2023 | | |
| Property, plant and equipment | - | 12,421 | (12,421) | - | 6,913 | -6,913 |
| Allowances for loan losses | 29,536 | - | 29,536 | 22,554 | - | 22,554 |
| Uk DT carried forward | 3,034 | | 3,034 | - | - | - |
| Uk DT on PPA | 2,271 | 0.19 | 2,272 | 1,217 | - | 1,217 |
| Unutilised tax credits (capital allowances) | - | - | - | - | - | - |
| Foreign exchange difference (Unrealized) | - | 16,460 | (16,460) | - | 14,549 | -14,549 |
| Fair value adjustments | - | 1,443 | (1,443) | - | 1,443 | -1,443 |
| Other: ROU | 61 | - | 61 | - | - | - |
| **Total tax assets/(liabilities)** | **34,902** | **30,324** | **4,579** | **23,771** | **22,905** | **866** |

| United Kingdom | Assets | Liabilities | Net | Assets | Liabilities | Net |
|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million |
| | 31 December 2024 | | | 31 December 2023 | | |
| Property,plant and equipment | - | - | - | - | - | - |
| Allowances for loan losses | - | - | - | - | - | - |
| Uk DT carried forward | 3,034 | | 3,034 | - | - | - |
| Uk DT on PPA | 2,271 | 0.19 | 2,272 | 1,217 | - | 1,217 |
| Unutilised tax credits (capital allowances) | - | - | | - | - | - |
| Foreign exchange difference (Unrealized) | - | - | | - | - | - |
| Fair value adjustments | - | - | | - | - | - |
| Other: ROU | - | - | | | | - |
| **Total tax assets/(liabilities)** | **5,305** | **0.19** | **5,305** | **1,217** | **-** | **1,217** |

A deferred tax asset of US$10,192,976 against losses and temporary differences of US$40,771,9031 from the United Kingdom component and the has been recognized 20% of the asset

A deferred Tax Liability of US$130,000 on Purchase Price adjustment is recognized at the tax rate of 25% which is the ruling rate for the year beginning 1 April, 2024.

### Bank

| United Kingdom | Assets | Liabilities | Net | Assets | Liabilities | Net |
|---|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million | N'million |
| | 31 December 2024 | | | 31 December 2023 | | |
| Property, plant and equipment | - | 12,421 | 12,421 | - | 6,913 | 6,913 |
| Allowances for loan losses | 29,536 | - | 29,536 | 22,554 | - | 22,554 |
| Tax loss carried forward | - | - | - | - | - | - |
| Unutilised tax credits (capital allowances) | - | - | - | - | - | - |
| Foreign exchange difference (Unrealized) | - | 16,460 | 16,460 | - | 14,549 | 14,549 |
| Fair value adjustments | - | 1,443 | 1,443 | - | 1,443 | 1,443 |
| Other: ROU | 61 | - | 61 | - | - | - |
| **Net tax assets/(liabilities)** | **29,597** | **30,324** | **(727)** | **22,554** | **22,905** | **(351)** |

## 29 Other Assets

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| **Financial assets** | | | | |
| Sundry receivables | 73,838 | 141,512 | 73,509 | 141,512 |
| Deposit for Shares - Equit Investment | 19 | - | 19 | - |
| Electronic payment receivables | 60,181 | 244,159 | 60,181 | 243,743 |
| Investments in SMESIS | 9,445 | 9,445 | 9,445 | 9,445 |
| | 143,483 | 395,116 | 143,154 | 394,700 |
| Less: | | | | |
| Specific allowances for impairment | (7,857) | (3,359) | (7,857) | (3,359) |
| | 135,626 | 391,757 | 135,297 | 391,341 |
| **Non financial assets** | | | | |
| Prepayments | 18,451 | 8,845 | 16,987 | 8,367 |
| Others | 1,852 | 184 | 242 | 184 |
| Other non financial assets | 2,187 | 2,928 | 2,187 | 2,244 |
| | 22,490 | 11,957 | 19,416 | 10,795 |
| | | | | |
| **Total** | 158,116 | 403,713 | 154,713 | 402,136 |

### Reconciliation of Allowance for Impairment

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| At 1 January | 3,359 | 1,351 | 3,359 | 1,351 |
| Charge for the year | 4,498 | 2,011 | 4,498 | 2,011 |
| Reversal of provision | - | - | | |
| Write-off during the year | - | (4) | - | (4) |
| At 31 December | 7,857 | 3,359 | 7,857 | 3,359 |

a The Bank's investments under the Small and Medium Enterprises Equity Investment Scheme ("SMEEIS") is in compliance with the Policy Guidelines for 2001 Fiscal Year (Monetary Policy Circular No. 35). There is no existence of either Control or Joint control in SMESIS.

b Prepayment relates to payments made by the bank on items whose benefits covers specified future period of time beyond the reporting period e.g. Insurance premiums, Adverts and publicity, Computer expenses and Subscriptions. They are short tenured and are quickly settled.

c Other non-financial assets comprises of balances on settlement accounts such as: Stock of ATM cards, stock electronic cards, and stock cheque books and stationeries and sundry receivables. These assets are short tenured and are quickly settled.

## 30 Deposits from Customers

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Demand | 1,755,934 | 1,652,267 | 1,633,502 | 1,652,267 |
| Savings | 1,134,824 | 880,905 | 1,132,429 | 880,905 |
| Term | 416,526 | 75,999 | 264,605 | 75,999 |
| Domicilliary | 2,608,389 | 1,376,672 | 2,608,389 | 1,288,703 |
| Others | 21,390 | 28,968 | 21,390 | 28,968 |
| | 5,937,064 | 4,014,811 | 5,660,315 | 3,926,842 |
| | | | | |
| Current | 2,182,946 | 1,491,495 | 1,864,217 | 1,368,474 |
| Non-current | 3,754,118 | 2,523,316 | 3,796,098 | 2,558,368 |
| | 5,937,064 | 4,014,811 | 5,660,315 | 3,926,842 |

30a “Others”, relate to accrued interest payable of deposit liabilities which are considered to be component of deposits.

## 31 Other Liabilities

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Customer deposits for letters of credit (see note 31.1) | 1 | 46,856 | 1 | 46,856 |
| Accounts payable (see note 31.2) | 461,774 | 391,476 | 506,018 | 375,489 |
| FGN Intervention fund (see note 31.3) | 384,459 | 443,736 | 384,459 | 443,736 |
| Manager's cheque | 6,295 | 4,827 | 6,295 | 4,827 |
| Payable on E-banking transactions (see note 31.4) | 67,113 | 246,453 | 67,113 | 246,453 |
| Other liabilites/credit balances (see note 31.5) | 8,380 | 4,555 | 6,281 | 3,873 |
| Accruals for year end bonus (see note 31.6) | 7,677 | 12,055 | 7,677 | 12,055 |
| Lease liability (see note 31.8) | 3,077 | 2,410 | 591 | 506 |
| | 938,776 | 1,152,369 | 978,435 | 1,133,795 |

31.1 Customer deposits for letters of credit relates to liabilities generated from loans granted to customers for trade finance transactions, it mirrors the value of the confirmation line enjoyed by the customer with the offshore bank for the purpose of facilitating the letters of Credit.

31.2 Account payable represents balances in internal accounts drawn for the purpose of settlement of obligations which are due against the bank either from bank expense or customer transaction settlement e.g. accrual/provision for expenses that has or will fall due, Ebanking settlement values drawn from customers account, customers deposit drawn for FX bid with CBN for letters of credit etc.

### 31.3 FGN Intervention Fund (On Lending facilities)

| | | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|---|
| | | N'million | N'million | N'million | N'million |
| a | CBN state bailout fund | **79,824** | 79,824 | **79,824** | 79,824 |
| bi | Real Sector Support Facility - Differentiated Cash Reserves Requirement - (DCRR) | **155,163** | 188,204 | **155,163** | 188,204 |
| ii | Real Sector Support Facility - (RSSF) | **1,709** | 4,954 | **1,709** | 4,954 |
| c | Commercial Agricuture Ccredit Scheme - (CACS) | **306** | 6,503 | **306** | 6,503 |
| di | Bank of Industry BG backed | **109,914** | 105,324 | **109,914** | 105,324 |
| dii | Bank of Industry - Restructured and Refinance scheme | **90** | 192 | **90** | 192 |
| diii | Bank of Industry on lending | **0** | 1 | **-** | 1 |
| e | Nigeria Export Import Bank - (NEXIM) | **14,450** | 18,483 | **14,450** | 18,483 |
| f | Power Airline Intervention Fund - (PAIF) | **94** | 1,628 | **94** | 1,628 |
| g | CBN 100 for 100 PPP - (Policy on Production and Productivity) | **4,669** | 5,945 | **4,669** | 5,945 |
| h | Development Bank of Nigeria - (DBN) | **18,222** | 32,661 | **18,222** | 32,661 |
| i | Nigerian Incentive-based Risk Sharing system for Agricultural Lending - (NIRSAL) | **18** | 17 | **18** | 17 |
| | | **384,459** | 443,736 | **384,459** | 443,736 |

a FGN Intervention fund is CBN Bailout Fund of ₦79.82billion (31 Dec 2023: ₦79.82 billion). This represents funds for states in the Federation that are having challenges in meeting up with their domestic obligation including payment of salaries. The loan was routed through the Bank for on-lending to the states. The Bailout fund is for a tenor of 20 years at 9% per annum. See Note 31.3 k

b The Real Sector Support Facility (RSSF): The Central Bank of Nigeria, as part of the efforts to unlock the potential of the real sector to engender output growth, productivity and job creation has established a ₦300 billion Real Sector Support Facility (RSSF). The facility is disbursed to large enterprises and startups with financing needs of ₦500 million up to a maximum of ₦10.0 billion. The activities targeted by the Facility are manufacturing, agricultural value chain and selected service sub-sectors. The funds are received from the CBN at 2% per annum, and disbursed at 9% per annum to the beneficiary.

c The fund received under the Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme represents a credit line granted to the Bank for the purpose of providing concessionary funding to the agricultural sector.The facility attracts an interest rate of 2% per annum and the Bank is under obligation to on-lend to customers at an all-in interest rate of not more than 9% per annum. Based on the structure of the facility, the Bank assumes the default risk of all amounts lent to the Bank's customers. This facility is not secured.

d The Central Bank of Nigeria (CBN) / Bank of Industry (BOI) - SME / Manufacturing Intervention Fund represents an intervention credit granted to the Bank for the purpose of refinancing / restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and Manufacturing Companies. The total facility is secured by Nigerian Government Securities. A management fee of 1% per annum is deductible at source and the Bank is under obligation to on-lend to customers at an all-In interest rate of 7% per annum. The Bank is the primary obligor to CBN / BOI and assumes the risk of default

Federal Government through CBN, BOI and DBN to enable DMOs avail loans at single digit rates or rates lower than the normal commercial rate to qualifying institutions in line with the guidelines provided by CBN, BOI and DBN.

e Non-oil Export Stimulation Facility (NESF): This Facility was established by the Central Bank of Nigeria to diversify the economy away from the oil sector, after the fall in crude prices. The Central Bank invested N500billion debenture, issued by Nigerian Export-Import Bank (NEXIM). The facility disbursed per customer shall not exceed 70% of total cost of project, or subject to a maximum of N5 billion. Funds disbursed to the Bank from CBN are at a cost of 2% which are then disbursed to qualifying customers at the rate of 9% per annum.

f The purpose of granting new loans and refinancing / restructuring existing loans to companies in the power and aviation industries is to support Federal Government's focus on the sectors. The facility is secured by Irrevocable Standing Payment Order (ISPO). The maximum tenor for term loans under the programme is 15 years while the tenor for working capital is one year, with option to renew the facility annually subject to a maximum tenor of five years. The facility attracts an interest rate of 2% per annum payable quarterly in arrears and the Bank is under obligation to on-lend to customers at an all-in interest rate of 9% per annum. This facility is not secured.

g CBN 100 for 100 PPP - (Policy on Production and Productivity) was established by the Central Bank of Nigeria to stimulate investments in Nigeria's manufacturing sector with the core objective of boosting production and productivity necessary to transform and catalyse the productive base of the economy. The fund is disbursed to the Bank at 2% per annum. Each enterprise is availed the facility at 9% per annum and repayments are made via ISPO deductions.

CBN PAS FUND - The Paddy Aggregation Scheme (PAS) is for Integrated Rice Millers and Large-Scale Aggregators to enable them to purchase home-grown rice paddy at a single digit interest rate to promote the Federal Government of Nigeria's National Food Security Programme (NFSP). It is to provide credit facilities to Integrated Rice Millers and Large-scale rice paddy aggregators at single digit interest rate to increase local production of rice towards effecting lower prices and enhancing national food security.. The fund is disbursed to the Bank at 6% per annum. Each enterprise is availed the facility at 9% per annum and repayments are made via ISPO deductions.

i The Bailout fund is for a tenor of 20 years at 7% per annum and availed for the same tenor at 9% per annum until March 2020 , the rate was reduced to 5% for 1 year period due to Covid 19 pandemic to March 2021 after which it was extended to February 2023 . CBN on August 17 2022 further reviewed the rates in response to economic outlook and approved the following order; All intervention facilities granted effective July 20, 2022 shall be at 9% per annum while all existing intervention facilities granted prior to July 20, 2022 shall be at 9% per annum effective September 1, 2022.

j The bank carries out modification test on all Intervention funds / loans . The modification test was performed and there was no material impact on the financial statement from the assessment.

31.4 Payable on E-banking transactions are settlement balances for RTGS/NIBSS transaction and Etransact transactions .

31.5 Other liabilities/credit balances are credit balances for other liabilities, other than the ones relating to customers deposit.

31.6 A provision has been recognised in respect of staff year end bonus, the provision has been recognised based on the fact that there is a constructive and legal obligation on the part of the Bank to pay bonus to staff where profit has been declared. The provision has been calculated as a percentage of the profit after tax.

| | 31 December 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 |
|---|---|---|---|---|
| **Movement in provision for Year / year end bonus** | | | | |
| At 1 January | 12,055 | 3,164 | 12,055 | 3,164 |
| Arising during the year | 19,709 | 19,709 | 19,709 | 19,709 |
| Utilised | (10,818) | (10,818) | (10,818) | (10,818) |
| **At 31 December** | **20,946** | **12,055** | **20,946** | **12,055** |

### 31.7 Maturity Analysis is presented in Note 44.

31.8 This relates to lease rental for properties used by the Bank. The net carrying amount of leased assets, included within Right of Use Assets is ₦591 million . (31 December 2023: ₦506million) for Bank; ₦3,077 million . (31 December 2023: ₦2,410 million) for Bank. The future minimum lease payments on the lease liabilities extend over a number of years. This is analysed as follows:

| | | | | |
|---|---|---|---|---|
| Not more than 1 year | | | | |
| Over one year but less than five years | 1,480 | 506 | 591 | 506 |
| More than five years | 1,598 | 1,904 | - | - |
| At end of the Year | 3,077 | 2,410 | 524 | 506 |

### 32 Provision

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Provisions for litigations and claims | 2,274 | 1,886 | 2,274 | 1,886 |
| Provision for guarantees and letters of credit (Note 32.3.1 - 32.3.2) | 1,517 | 1,548 | 1,517 | 1,548 |
| | 3,791 | 3,434 | 3,791 | 3,434 |

### 32.1 Movement in provision for litigations and claims

| | | | | |
|---|---|---|---|---|
| At 1 January | 1,886 | 883 | 1,886 | 883 |
| Arising during the Year | 388 | 1,003 | 388 | 1,003 |
| Utilised | | | - | - |
| At 31 December | 2,274 | 1,886 | 2,274 | 1,886 |

### 32.2 Current Provision

| | | | | |
|---|---|---|---|---|
| Current Provision | 1,517 | 1,548 | 1,517 | 1,548 |
| Non-current provisions | 2,274 | 1,886 | 2,274 | 1,886 |
| | 3,791 | 3,434 | 3,791 | 3,434 |

A further disclsore has been made in note 32.2 to ensure that Provisions is further broken down into current and non-current to enhance users understanding of the financial statements. Prior year comparative which were not disclosed have also been disclosed in note 32.2. This changes are not considered material.

### 32.2 Impairment losses on guarantees and letters of credit

An analysis of changes in the gross carrying amount and the corresponding allowances for impairment losses in relation to guarantees and letters of credit is as follows:

### 32.3.1 Performance bonds and guarantees

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year-end stage classification. Details of Bank's internal grading system are explained in Note 3.2.2 and policies on whether ECLs are calculated on an individual or collective basis are set out in Note 3.2.4. This relates funds held to ensure that customers do not default in the obligation .

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| Performing | | | | |
| High grade | 3,380 | - | - | 3,380 |
| Standard grade | 1,006,743 | - | - | 1,006,743 |
| Sub-standard grade | 2,230 | - | - | 2,230 |
| Past due but not impaired | - | - | - | - |
| **Non- performing** | **-** | **-** | **-** | **-** |
| Individually impaired | - | - | - | - |
| **Total** | **1,012,354** | **-** | **-** | **1,012,354** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| Performing | | | | |
| High grade | 9,583 | - | - | 9,583 |
| Standard grade | 675,626 | - | - | 675,626 |
| Sub-standard grade | 45,569 | - | - | 45,569 |
| Past due but not impaired | - | - | - | - |
| **Non- performing** | **-** | **-** | **-** | **-** |
| Individually impaired | - | - | - | - |
| **Total** | **730,779** | **-** | **-** | **730,779** |

An analysis of changes in the outstanding exposures and the corresponding ECLs is, as follows:

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| **Gross carrying amount as at 1 January 2024** | **730,779** | **-** | **-** | **730,779** |
| New exposures | 753,204 | - | - | 753,204 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (508,781) | - | - | (508,781) |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 37,152 | - | - | 37,152 |
| **At 31 December 2024** | **1,012,354** | **-** | **-** | **1,012,354** |

### 32.3.1 Performance bonds and guarantees- continued

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2024** | **455** | **-** | **-** | **455** |
| New exposures | 192 | - | - | 192 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (265) | - | - | (265) |
| Impact on year end ECL of exposures transferred between stages during the period | | - | - | - |
| Unwind of discount | | - | - | - |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 32 | - | - | 32 |
| **At 31 December 2024** | **415** | **-** | **-** | **415** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2023** | **489,617** | **-** | **-** | **489,617** |
| New exposures | 552,551 | - | - | 552,551 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (371,381) | - | - | (371,381) |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 59,992 | - | - | 59,992 |
| **At 31 December 2023** | **730,779** | **-** | **-** | **730,779** |

An analysis of changes in the outstanding exposures and the corresponding ECLs is, as follows:

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2023** | **329** | **-** | **-** | **329** |
| New exposures | 230 | - | - | 230 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (141) | - | - | (141) |
| Impact on year end ECL of exposures transferred between stages during the year | | - | - | - |
| Unwind of discount | | - | - | - |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 37 | - | - | 37 |
| **At 31 December 2023** | **455** | **-** | **-** | **455** |

### 32.3.2 Letters of Credit

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and period-end stage classification. Details of Bank's internal grading system are explained in Note 3.2.2 and policies on whether ECLs are calculated on an individual or collective basis are set out in Note 3.2.4.

| Group | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 25,650 | - | - | 25,650 |
| Standard grade | 565,991 | - | - | 565,991 |
| Sub-standard grade | 192,557 | - | - | 192,557 |
| Past due but not impaired | - | - | - | - |
| **Non-performing** | | | | |
| Individually impaired | - | - | - | - |
| **Total** | **784,198** | **-** | **-** | **784,198** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 22,868 | - | - | 22,868 |
| Standard grade | 329,595 | - | - | 329,595 |
| Sub-standard grade | 60,898 | - | - | 60,898 |
| Past due but not impaired | - | - | - | - |
| **Non-performing** | | | | |
| Individually impaired | - | - | - | - |
| **Total** | **413,362** | **-** | **-** | **413,362** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 25,650 | - | - | 25,650 |
| Standard grade | 534,932 | - | - | 534,932 |
| Sub-standard grade | 176,773 | - | - | 176,773 |
| Past due but not impaired | - | - | - | - |
| **Non-performing** | | | | |
| Individually impaired | - | - | - | - |
| **Total** | **737,355** | **-** | **-** | **737,355** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| **Internal rating grade** | **N'million** | **N'million** | **N'million** | **N'million** |
| **Performing** | | | | |
| High grade | 22,868 | - | - | 22,868 |
| Standard grade | 329,595 | - | - | 329,595 |
| Sub-standard grade | 60,898 | - | - | 60,898 |
| Past due but not impaired | - | - | - | - |
| Non- performing | - | - | - | - |
| Individually impaired | - | - | - | - |
| **Total** | **413,362** | **-** | **-** | **413,362** |

An analysis of changes in the outstanding exposures and the corresponding ECLs is, as follows:

| **Group** | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| **Gross carrying amount as at 1 January 2024** | **426,731** | **4,972** | **-** | **431,704** |
| New exposures | 672,580 | - | - | 672,580 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (358,148) | (4,972) | - | (363,120) |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 43,034 | - | - | 43,034 |
| **At 31 December 2024** | **784,198** | **-** | **-** | **784,198** |

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | **N'million** | **N'million** | **N'million** | **N'million** |
| **ECL allowance as at 1 January 2024** | **1,173** | **19** | **-** | **1,192** |
| New exposures | 1,274 | - | - | 1,274 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (1,024) | - | - | (1,024) |
| Impact on year end ECL of exposures transferred between stages during the year | - | - | - | - |
| Unwind of discount | - | - | - | - |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 41 | - | - | 41 |
| **At 31 December 2024** | **1,463** | **19** | **-** | **1,482** |

| Bank | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2024** | **413,362** | **-** | **-** | **413,362** |
| New exposures | 625,738 | - | - | 625,738 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (344,778) | - | - | (344,778) |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 43,034 | - | - | 43,034 |
| **At 31 December 2024** | **737,355** | **-** | **-** | **737,355** |

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2024** | **1,093** | **-** | **-** | **1,093** |
| New exposures | 991 | - | - | 991 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (1,024) | - | - | (1,024) |
| Impact on year end ECL of exposures transferred between stages during the year | - | - | - | - |
| Unwind of discount | - | - | - | - |
| Changes due to modifications not resulting in derecognition | | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 43 | - | - | 43 |
| **At 31 December 2024** | **1,102** | **-** | **-** | **1,102** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **Gross carrying amount as at 1 January 2023** | **215,696** | **-** | **-** | **215,696** |
| New exposures | 331,454 | - | - | 331,454 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (166,214) | - | - | (166,214) |
| Changes due to modifications not resulting in derecognition | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 32,426 | - | - | 32,426 |
| **At 31 December 2023** | **413,362** | **-** | **-** | **413,362** |

### 32.3.2 Letters of Credit- continued

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Stage 1 Individual | Stage 2 Individual | Stage 3 | Total |
| | N'million | N'million | N'million | N'million |
| **ECL allowance as at 1 January 2023** | **684** | **-** | **-** | **684** |
| New exposures | 341 | - | - | 341 |
| Exposure derecognised or matured/lapsed (excluding write-offs) | (495) | - | - | (495) |
| Impact on year end ECL of exposures transferred between stages during the year | - | - | - | - |
| Unwind of discount | - | - | - | - |
| Changes due to modifications not resulting in derecognition | | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Recoveries | - | - | - | - |
| Amounts written off | - | - | - | - |
| Foreign exchange adjustments | 563 | - | - | 563 |
| **At 31 December 2023** | **1,093** | **-** | **-** | **1,093** |

## 33 Debts Issued and Other Borrowed Funds

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Long term loan from African Development Bank (ADB) (see note 33.1) | 24,237 | 24,791 | 24,237 | 24,791 |
| $400 Million Euro Bond issued (see note 33.4) | 625,679 | 382,422 | 625,679 | 382,422 |
| Local Bond issued (see note 33.5) | 42,261 | 42,174 | 42,261 | 42,174 |
| Bank One (see note 33.9) | - | 22,389 | - | 22,389 |
| Rand Merchant Bank (see note 33.6) | - | 48,810 | - | 48,810 |
| Development Bank of Nigeria (see note 33.8)) | 55,942 | 20,285 | 55,942 | 20,285 |
| Afrexim (see note 33.3) | 100,247 | 36,157 | 100,247 | 36,157 |
| Other Borrowings (see note 337) | 81,229 | - | 81,229 | - |
| | 929,595 | 577,028 | 929,595 | 577,028 |

| Reconcilation of Borrowings during the year: | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| At 1 January | 577,028 | 261,466 | 577,028 | 261,466 |
| Additions during the year | 298,748 | 129,906 | 298,748 | 129,906 |
| Accrued interest | 14,348 | 10,747 | 14,348 | 10,747 |
| Payment of interest | (37,137) | (4,804) | (37,137) | (4,804) |
| Repayment of principal during the year | (208,533) | (15,051) | (208,533) | (15,051) |
| Foreign exchange difference | 285,141 | 194,764 | 285,141 | 194,764 |
| At 31 December | 929,595 | 577,028 | 929,595 | 577,028 |

33.1 The amount of ₦24,237.42 billion (31 December 2023: ₦24,791 billion) represents the amortized cost balance in the on-lending facility of $50million granted to the Bank by ADB. The first tranche of $40 million was disbursed July 27, 2019 while the second tranche of $10 million was disbursed June 3, 2020 with both to mature February 1, 2026 and October 1, 2026 respectively at interest rate at 10.47% per annum. Interest and principal is repaid semi-annually.The borrowing is an un-secured borrowing.

33.2 The amount of  Nil - 30 December 2024: represents the  final balance in the on-lending facility of $21.946 million granted to the Bank by European Investment Bank on 13 April 2015 to mature 2 March, 2023 at an interest rate of Libor plus 3.99% per annum.  Interest is repaid quarterly, with principal repayment at maturity. The borrowing has been fully  repaid.

33.3 The amount of ₦100,247.69 billion, (31 Dec 2023: ₦36,157.76 billion) represents amortised cost balance of $150 million borrowing  from AFREXIM ( under the repurchase agreement), with Fidelity Bank pledging its USD denominated Eurobond and FGN, which the Bank has the right to buy at a later date.

33.4 On 28 October , 2021, $400 million  5-year 2026 Senior Notes at a 7.625 percent coupon was issued.  The proceed from the new issue is for general corporate purposes including supporting the Bank's trade finance business.. The amount of ₦625,679.08 billion represents the amortised cost of  the Issued Notes as at 31 Dcember 2024;  ₦382,422.31 billion  represents the amortised cost for the year ended 31 December  2023 .

33.5 The amount of ₦42,261.02 billion (31 Dec 2023 : ₦42,174.32billion) represents the amortized cost of 10-Year ₦41.2 billion Subordinated Unsecured Series I Bonds issued at 8.5% p.a. in January 2021. The coupon is paid semi-annually. The proceeds from the Series I Bonds will support the Bank's SME and Retail Banking Businesses as well as its Information and Technology Infrastructure

33.6 The amount of  ₦48,810.52 billion of represent the Amortised cost the short term liability with Rand Merchant Bank. ($50m) as at 31 December 2023 at an Interest rate of 9.97%  it matured in March 2024 .

33.7 The amount of  ₦81,229.46 billion represent the Amortised cost of the short term liability with FMDQ as at 31 December 2024 at an Interest rate of 24.55% to mature 6 May 2025.

33.8 The amount of ₦55,842.81 billion  (31 Dec 2023: ₦20,285.62 billion)  represents the amortised cost of a ₦20 billion of wholesale borrowing from Development Bank of Nigeria, to mature 27th April, 2024 at an interest rate of 10%  per annum. Interest is paid semi-annually, with principal repayment after 1 year moratorium period, effective  27th October 2022 to maturity. The borrowing is an unsecured borrowing.

33.9 The amount of ₦22,389 billion  represents the amortised cost  as at 31 December 2023 of a $23 million wholesale borrowing from Bank One Mauritius, which matured on the  1 July 2024 at an interest rate of 10.22% ($15m) and 9.72% ($8m) per annum repectively. Interest was paid semi-annually, with principal repayment at maturity. The borrowing is an unsecured borrowing which has now been fully  repaid.

33.10 Maturity Analysis is presented in Note  44.

## 34 Share Capital

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| 50.2  billion  ordinary shares of 50k each (2023: 32 billion ordinary shares) | 25,100 | 16,000 | 25,100 | 16,000 |

In July 2024, Fidelity Bank issued shares through a rights offer and a public offer.

The rights offer was concluded on 4 July 2024, and offered for subscription 3.2 billion ordinary shares of 50k to existing shareholders of the bank. The rights issue was opened to existing shareholders at ₦9.25 per share, reflecting a 14% discount to the market price. The right is offered on the basis of one new ordinary share for every Ten existing ordinary shares held as of July 4,2024.

The public offer was concluded on 5 July 2024, and offered for subscription 15 billion ordinary shares of 50k through public offer. The Public Offer was issued to the public at N9.75 per share. The offer was priced at a 10% discount compared to the closing market price on July 5,2024.

In 2023, the bank issued 3,037,414,308 units of unissued shares by way of Private Placement. The Private Placement was at N4.59 reflecting a discount of 0.17% compared to the closing market price on ₦4.60 in January 2023.

## 35 Other Equity Accounts

The nature and purpose of the other equity accounts are as follows:

**Share Premium**

Premiums from the issue of shares are reported in the statement of changes in equity. The basis is as below :

| | Issued Shares | Price | Norminal Value | Premium Price | Premium Value |
|---|---|---|---|---|---|
| | Units | N | N'million | N | N'million |
| Public Offer | 15 bn | 9.75 | 7,500 | 9.25 | 138,750 |
| Right Issue | 3.2bn | 9.25 | 1,600 | 8.75 | 28,000 |
| Total | 18.2bn | | 9,100 | | 166,750 |

**Retained Earnings**

Retained earnings comprise the undistributed profits from previous years and current year, which have not been reclassified to the other reserves noted below.

### a Dividends

The following dividends were declared and paid by the Bank during the year

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| | N'million | N'million |
| Balance, begining of year | - | - |
| Final dividend declared & paid | 19,200 | 12,800 |
| Interim dividend declared & paid | 27,200 | 8,000 |
| Payment during the year | -46,400 | -20,800 |
| **Balance, end of year** | - | - |
| Translation Difference | - | - |

### b Statutory Reserve

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.15(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. The Bank made a transfer of ₦42,431 million to statutory reserves during the year ended 31 December 2024 (31 December 2023: ₦14,975 million)

### c Small Scale Investment Reserve

The SMEEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contribution was 10% of profit after tax for the first 5 (five) periods , and thereafter reduced to 5% of profit after tax.

### d Non-Distributable Regulatory Reserve

The amount at which the loan loss provision under IFRS is less than the loan loss provision under prudential guideline is booked to a non-distributable regulatory risk reserve.

### e Fair Value Reserves

The fair value reserve includes the net cumulative change in the fair value of financial assets measured at fair value through other comprehensive income until the investment is derecognised or impaired.

### f AGSMEIS Reserve

Agri-Business/Small and Medium Enterprises Investment Scheme (AGSMEIS); AGSMEIS fund is maintained to support the Federal Government's effort at promoting Agricultural businesses and Small and Medium Enterprises. Effective 2017 all Deposit Money Banks (DMBs) are required to set aside 5% of their Profit After Tax for equity investment in permissible activities as stipulated in the scheme guidelines. The fund is domiciled with CBN.

Though there is no longer mandatory transfers to this reserve under the earlier directives, all Nigerian banks are now required to set aside an amount equal to 5% of their annual Profit After Tax (PAT) towards the funding of equity investments, which qualify under the AGSMEIS Scheme. This is done after the statutory external audit and Central Bank of Nigeria (CBN) approval.

### g Translation Reserves

The translation reserve comprises all foreign currency difference arising from the translation of the financial statements of foreign operations. There were no effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation.

### h Non-controlling Interest

Fidelity Bank acquired 100% holding of the United Kingdom component

## 36 Cash Flows Generated from Operations

| | | Group | | Bank | |
|---|---|---|---|---|---|
| | | 2024 | *2023 | 2024 | *2023 |
| | Notes | N'million | N'million | N'million | N'million |
| Profit before income tax | | 385,215 | 124,260 | 393,000 | 124,338 |
| Adjustments for: | | | | | |
| - Depreciation and amortisation | 14 | 15,335 | 7,042 | 10,497 | 6,890 |
| - Profit/(Loss) on disposal of property, plant and equipment | 11 | (63) | (49) | (63) | (49) |
| - Net foreign exchange | 36a | 273,425 | 150,677 | 273,425 | 150,677 |
| - Net gains from financial assets at fair value through profit or loss | 12 | (58,596) | (24,783) | (58,596) | (24,686) |
| - Increase in Provisions | 32 | 357 | 1,538 | 357 | 1,538 |
| - Credit loss expense | 8 | 56,441 | 67,436 | 55,483 | 67,686 |
| - Impairment charge / reversal on other assets | 8 | - | (4) | - | (4) |
| - Dividend income | 11 | (741) | (2,018) | (741) | (2,018) |
| - Gain on debt instruments measured at FVOCI reclassified from equity | 17 | (21) | 847 | (21) | 847 |
| - Net interest income | SOCI | (629,770) | (277,366) | (615,057) | (274,856) |
| | | | | - | - |
| | | 41,581 | 47,581 | 58,284 | 50,363 |
| **Changes in operating assets** | | | | | |
| - Net changes in Cash and balances with the Central Bank (restricted cash) | 20 | (411,952) | (311,308) | (411,952) | (311,308) |
| - Loans and advances to customers | 22 | (1,156,533) | (846,446) | (1,245,498) | (716,424) |
| - Financial assets held for trading | 23 | 49,067 | (17,355) | 21,598 | 11,885 |
| - Other assets | 29 | 245,598 | (290,848) | 247,423 | (289,271) |
| | | | | | |
| **Changes in operating liabilities** | | | | | |
| - Deposits from customers | 30 | 1,753,981 | 1,449,649 | 1,565,201 | 1,326,628 |
| - Other liabilities | 31 | (213,593) | 336,962 | (155,360) | 318,388 |
| **Cash flows from/(used in) operations** | | **308,150** | **368,235** | **79,696** | **390,262** |

An amount of N13.952 billion was previously reported in the changes in deposits line. These lines have been restated to remove this cash flow as it has been appropriately presented in financing activities. Refer note 46.

## 36a Net foreign exchange

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Unrealised foreign exchange gain | (11,716) | (44,087) | (11,716) | (44,087) |
| Unrealised foreign exchange loss | 285,141 | 194,764 | 285,141 | 194,764 |
| | - | - | - | - |
| Net foreign exchange loss | 273,425 | 150,677 | 273,425 | 150,677 |

## 36b Interest received

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Opening interest receivable | 267,212 | 137,451 | 267,212 | 137,451 |
| Intrest income | 950,588 | 459,954 | 931,705 | 456,919 |
| Closing interest receiavable | (405,366) | (267,212) | (405,366) | (267,212) |
| **Interest inreceived** | **812,434** | **330,193** | **793,551** | **327,158** |

## 36c Interest paid

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Opening interest payable | 28,968 | 23,303 | 28,968 | 23,303 |
| Interest expense | (320,818) | (182,589) | (316,648) | (182,063) |
| Interest paid on debt and borrowed fund | (37,137) | (4,804) | (37,137) | (4,804) |
| Accrued Interest | 14,348 | 10,747 | 14,348 | 10,747 |
| Closing interest payable | (21,390) | (28,968) | (21,390) | (28,968) |
| **Interest paid** | **(336,029)** | **(182,311)** | **(331,859)** | **181,785** |

## 36d Debt instrument at FVOCI

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Opening balance | 227,750 | 28,696 | 187,751 | 28,696 |
| New assets purchase (by cash) | 135,441 | 173,688 | 49,587 | 221,229 |
| Assets derecognised (cash received) | (239,330) | (16,825) | (174,232) | (16,824) |
| Accrued interest | 2,464 | 656 | 2,464 | 656 |
| Change in fair value | 60,246 | 41,535 | 47,355 | (46,006) |
| **Closing balance** | **186,571** | **227,750** | **112,925** | **187,751** |

## 36e Debt instrument at amortised cost

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Opening balance | 818,803 | 480,422 | 818,803 | 480,422 |
| New assets purchase (by cash) | 1,112,823 | 647,686 | 1,112,823 | 647,686 |
| Assets derecognised (cash received) | (432,664) | (260,952) | (432,664) | (260,952) |
| Accrued interest | 13,662 | 11,443 | 13,662 | 11,443 |
| Change in fair value | 39,723 | (59,795) | 39,722 | (59,795) |
| **Closing balance** | **1,552,347** | **818,803** | **1,552,347** | **818,803** |

## 36f Equity instruments at FVOCI

| | Bank | |
|---|---|---|
| | 2024 | 2023 |
| | N'million | N'million |
| Opening balance | 41,550 | 27,560 |
| New assets purchase | 80 | 63,403 |
| Assets derecognised | - | - |
| Change in fair value | 28,005 | 49,412 |
| **Closing balance** | **69,635** | **41,550** |

## 36g Acquisition of a subsidairy

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Purchase consideration ( Acquisition of UK office) | - | (45,876) | - | - |
| Cash in bank | - | 5,031 | - | - |
| | - | **(40,845)** | - | **-** |

## 36h Unclaimed dividend Receipt / (Payment)

| | Bank | |
|---|---|---|
| | 2024 | 2023 |
| | N'million | N'million |
| UNCLAIMED Dividend payment | - | 7 |
| Unclaimed Dividend from First Registrars | - | 1,218 |
| Unclaimed Dividend from First Registrars | - | 0 |
| Unclaimed Dividend from First Registrars | - | 734 |
| Unclaimed Dividend from First Registrars | | |
| | - | 1,960 |

## 37 Contingent Liabilities and Commitments

### 37.1 Capital Commitments

At the reporting date, the Bank had capital commitments amounting to ₦21.62 billion (31 Dec 2023: ₦4.10 billion). The capital commitments relate to property plant and Equipment.

### 37.2 Confirmed credits and other obligations on behalf of customers

In the normal course of business the Bank is a party to financial instruments with off-statement of financial position risk. These instruments are issued to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Performance bonds and guarantees ( Note 32.3.1 ) | 1,012,354 | 730,779 | 1,012,354 | 730,779 |
| Letters of credit ( Note 32.3.2 ) | 763,934 | 413,362 | 737,355 | 413,362 |
| AGSMEIS Disbursement | | | - | - |
| | 1,776,288 | 1,144,141 | 1,749,709 | 1,144,141 |

Included in Performance bonds and guarantees is ₦97.84bn (31 December 2023: ₦104.46billion) Bank of industry backed guarantee. Unsettled transactions are transaction that the Bank has entered into, but is either yet to make payment or receive payment in respect of these transactions.

### 37.3 Claims and Litigation

The Bank is a party to 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 the proceedings will have a material adverse effect on the financial position of the bank either individually or collectively

As at reporting date, the Bank is currently involved in 77 cases as defendant (31 December 2023 - 65) and 9 cases as Plaintiff (31 December 2023- 7 ). The total amount claimed against the Bank is estimated at ₦14 billion as at 31st December, 2024 (31 Dec 2023: ₦11.74 billion) while the amount in the 9 cases instituted by the Bank is ₦5 billion as at 31st December, 2024 (31 Dec 2023: ₦3.95 billion, 7 Cases). Based on the advice of the Bank's legal team and the case facts, the management of the Bank estimates a potential loss of ₦2.27 billion (31 Dec 2023: ₦1.886 billion) upon conclusion of the cases. A provision for the potential loss of ₦2.27 billion is shown in 32.

## 38 Related party transactions with Key Management Personnel

a The related party transactions in respect of Entity controlled by Key Management Personnel have been disclosed in compliance with Central Bank of Nigeria circular BSD/1/2004.A number of banking transactions are entered into with related parties in the normal course of business. These include loans, deposits, placements and off-balance sheet transactions. The volumes of related-party transactions, outstanding balances at the year-end are disclosed below:

### b Subsidiaries

Transactions between Fidelity Bank of Nigeria Plc and its subsidiaries also meet the definition of related party transactions. Transactions with Fidelity Bank UK Limited have been eliminated on consolidation. During the year, Fidelity Bank Plc earned a total interest income of ₦3.1 billion from Fidelity Bank Uk Limited. And as at 31 December 2024 a total amount of ₦189.5 billion is held as placements with Fidelity Bank United Kingdom Limited.

c The Group's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management personnel includes close members of family of key personnel and any entity over which key management personnel exercises control. The key management personnel have been identified as the executive and non-executive directors of the Group and other relevant senior management personnel. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Bank and its subsidiaries. There were no related party transaction in the year.

### 38.1 Deposits/ Interest Expense from Related Parties

| Entity Controlled by Key Management Personnel | Related party | Nature Relationship | Deposits at 31 December 2024 | Interest expense 31 December 2024 | Deposits at 31 December 2023 | Interest expense 31 December 2023 |
|---|---|---|---|---|---|---|
| | | | N | N | N | N |
| Cy Incorporated Nig Ltd (DSRA) | Insider related | Former Director | 105,878 | - | 56,191 | - |
| Equipment Solutions and Logistics Services Limited | Insider related | Former Director | - | - | 55,061 | - |
| The Genesis Restaurant Limited | Insider related | Former Director | 3,867,907 | - | 94,152,427 | - |
| John Holt Plc | Insider related | Former Director | 1,225,900 | 495 | 11,288,719 | - |
| Tenderville Ltd | Insider related | Former Director | 82,207 | - | 362,675 | - |
| Genesis Hub Limited | Insider related | Former Director | 80,645,502 | - | 24,462,347 | - |
| Genesis Deluxe Cinemas | Insider related | Former Director | 14,967,457 | - | 1,874,612 | 301 |
| Sub total | | | 100,894,851 | 495 | 132,252,032 | 301 |
| | | | | | | |
| A-Z Petroleum Products Limited | Insider related | Former Director | 86,730,691 | - | 1,357,832,373 | 492,784 |
| Neconde Energy Limited | Insider related | Former Director | 269,472 | - | 552,750,949 | - |
| Dangote Industries Limited | Insider related | Former Director | 183,355,037 | - | 71,782,429 | - |
| Agric Int'l Tech and Trade | Insider related | Former Director | 2,413,726 | - | 2,206,541 | - |
| Mr. Mustafa Chike-Obi | Insider related | Current Director | 17,354,514 | 15,777,770 | 67,754,782 | - |
| Pastor Kings C. Akuma | Insider related | Former Director | 383,972 | 17,704 | 17,758,943 | 8,883 |
| Chief Charles Chidebe Umolu | Insider related | Former Director | 4,647,022 | 108,176 | 103,468,311 | 11,911 |
| Mr. Okeke Ezechukwu Michael | Insider related | Former Director | 603,140 | 3,391 | 5,446,237 | 3,289 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Alhaji Isa Inuwa | Insider related | Current Director | 46,469,582 | 10,132,231 | 22,416,087 | 5,702,931 |
| Mr. Alex Chinelo Ojukwu | Insider related | Former Director | - | - | 72,181 | 9,336 |
| Mr. Chidi Agbapu | Insider related | Current Director | 12,142,547 | 38,700 | 5,840,004 | 2,403,177 |
| Mr. Chinedu Okeke | Insider related | Current Director | 10,976,171 | 21,729 | 7,216,279 | 35,126 |
| Engr. Henry Obih | Insider related | Current Director | 226,787,897 | 82,034 | 219,652,354 | 2,692,603 |
| Mrs. Amaka Onwughalu | Insider related | Current Director | 9,409,757 | 572,344 | 24,828,030 | 362,696 |
| Chief Nelson C, Nweke | Insider related | Current Director | 9,029,695 | 13,306 | 147,391,712 | 816 |
| Mrs. Ronke Bammeke | Insider related | Current Director | 8,034,919 | 9,183 | 1,801,761 | 64,407 |
| Sub total | | | 618,608,143 | 26,776,569 | 2,608,218,975 | 11,787,959 |
| | | | | | | |
| **Transactions with Key Management Personnel** | **Insider related** | | **52,579,074** | **122,731,727** | **287,168,331** | **43,084,309** |
| **TOTAL** | | | **772,082,067** | **149,508,790** | **3,027,639,339** | **54,872,569** |

## 38.2 Loans and Advances/ Interest Income from Related parties

| Entity Controlled by Key Management Personnel | Related Party | Loan Amount Outstanding | Interest Income | Loan Amount Outstanding | Interest Income | Facility Type | Status | Collateral Status |
|---|---|---|---|---|---|---|---|---|
| | | N | N | N | N | | | |
| | | Dec 2024 | Dec 2024 | Dec 2023 | Dec 2023 | | | |
| Cy Incorporated Nig Ltd | Mrs. Onome Olaolu (Former Director) | 321,580,324 | 8,493,040.37 | 313,087,308 | 26,811,242 | Finance Lease/ Overdraft | Lost | Perfected |
| Equipment Solutions And Logistics Services Ltd | Mr. Ik Mbagwu (Fomer Director) | 767,029,423 | - | 767,029,435 | - | Term Loan/ Overdraft | Lost | Perfected |
| Agric Int'l Tech and Trade | Mr. Ernest Ebi (Former Director) | - | 19,623,484.71 | 400,000,000 | 55,405,479 | Term Loan | Performing | Perfected |
| | | | | | | | | |
| **SUB-TOTAL** | | **1,088,609,748** | **28,116,525** | **1,480,116,743** | **82,216,721** | | | |
| | | | | | | | | |
| **Related Party** | **Key Management Personnel** | | | | | | | |
| Onyeali-Ikpe Nneka Chinwe | Managing Director | 97,117,038 | 3,724,928 | 104,343,868 | 3,835,705 | Term Loan/ Credit Card | Performing | Perfected |
| Hassan Imam Galadanchi | Former Director | 1,104,562 | 1,096,646 | 79,660,508 | 3,069,792 | Term Loan/ Credit Card | Performing | Perfected |
| Kevin Chukwuma Ugwuoke | Executive Director | 54,480,660 | 2,039,985 | 65,744,966 | 2,914,160 | Term Loan/ Credit Card | Performing | Perfected |
| Kenneth Onyewuchi Opara | Executive Director | - | 2,040,667 | 80,415,584 | 4,363,839 | Term Loan | Performing | Perfected |
| Pamela Iyabo Shodipo | Executive Director | 3,226,675 | 630,118 | 67,122,342 | 1,713,905 | Term Loan/ Credit Card | Performing | Perfected |
| Abolore Najeem Solebo | Executive Director | 59,455,498 | 3,653,088 | - | - | Term Loan/ Credit Card | Performing | Perfected |
| Kings Chukwu Akuma | Former Director | 1,496,454 | 163,809 | 1,746,787 | 210,974 | Credit Card | Performing | Perfected |
| Chidozie Bethram Agbapu | Non Executive Director | 72,416 | 21,520 | 41,506 | 4,310 | Credit Card | Performing | Perfected |
| Ikemefuna A. Mbagwu | Former Director | 2,447,253 | 601,345 | 1,481,692 | 278,781 | Credit Card | Performing | Perfected |
| Chief Charles Chidebe Umolu | Former Director | - | 5,710 | 14,322 | 13,189 | Credit Card | Performing | Perfected |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Okonkwo Nnamdi John | Former Director | 35,294,648 | 1,739,926 | 100,080,026 | 2,655,773 | Term Loan/ Credit Card | Performing | Perfected |
| Odinkemelu Aku | Former Director | - | - | - | 1,312,075 | Term Loan | Performing | Perfected |
| Obaro Alfred Odeghe | Former Director | 54,857,143 | 2,311,819 | 75,428,572 | 3,288,906 | Term Loan | Performing | Perfected |
| Yahaya Umar Imam | Former Director | - | 3,460,889 | 29,401,024 | 6,437,947 | Overdraft/ Credit Card | Performing | Perfected |
| **SUB-TOTAL** | | **309,552,347** | **21,490,450** | **605,481,197** | **30,099,354** | | | |
| **TOTAL** | | **1,398,162,095** | **49,606,975** | **2,085,597,940** | **112,316,075** | | | |

## 38.3 Bank Gurantees in Favour of Key Management Personnel

**December 2024**

| BENEFICIARY NAME | RELATED ENTITY | NAME OF RELATED BANK DIRECTOR | POSITION IN BANK | AMOUNT (N) |
|---|---|---|---|---|
| NI | NIL | NIL | NIL | NIL |

**December 2023**

| BENEFICIARY NAME | RELATED ENTITY | NAME OF RELATED BANK DIRECTOR | POSITION IN BANK | AMOUNT (N) |
|---|---|---|---|---|
| NI | NIL | NIL | NIL | NIL |

### 38.4 Key Management Compensation

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Salaries and other short-term employee benefits (Executive directors only) | 1,437 | 507 | 649 | 507 |
| Pension cost | 112 | 30 | 30 | 30 |
| Post-employment benefits paid- Gratuity | - | - | - | - |
| Post-employment benefits paid- Retirement | - | - | - | - |
| Other employment benefits paid | 214 | 168 | 214 | 168 |
| Closing balance | | | | |
| | 1,764 | 705 | 893 | 705 |

### 38.5 Loan and Advances to Staff members

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | Number | Number | Number | Number |
| **As at January 1 2024** | 14,322 | 11,777 | 14,117 | 11,777 |
| Granted during the year | 6,253 | 5,147 | 6,024 | 5,147 |
| Repayment during the year | (5,876) | (2,807) | (5,870) | (2,807) |
| **As at December 31 2024** | 14,698 | 14,117 | 14,271 | 14,117 |

Loans to Staff members include mortgage loans and other personal loans. The loans are repayable from various repayment monthly cycles over the tenor and have an average interest rate of 3.5%. Loans granted to staff are performing.

### 39 Employees

The number of persons employed by the Bank during the year was as follows:

| | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | Number | Number | Number | Number |
| Executive directors | 7 | 6 | 5 | 6 |
| Management | 449 | 441 | 442 | 441 |
| Non-management | 2,726 | 2,616 | 2,680 | 2,616 |
| | 3,182 | 3,063 | 3,127 | 3,063 |

The number of employees of the Bank, other than directors, who received emoluments in the following ranges (excluding pension contribtionss and certain benefits) were:

| | Number | Number | Number | Number |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| N300,000 - N2,000,000 | - | 17 | - | 17 |
| N2,000,001 - N2,800,000 | - | - | - | - |
| N2,800,001 - N3,500,000 | 27 | | | |
| N3,500,001 - N6,500,000 | 1,056 | 1,044 | 1,164 | 1,044 |
| N6,500,001 - N7,800,000 | - | - | - | - |
| N7,800,001 - N10,000,000 | 678 | 660 | 561 | 660 |
| N10,000,001 and above | 1,357 | 1,342 | 1,402 | 1,342 |
| | 3,118 | 3,063 | 3,127 | 3,063 |

## 40 Directors' Emoluments

| Remuneration paid to the Bank's executive and non-executive directors (excluding certain allowances) was: | Group | | Bank | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | N'million | N'million | N'million | N'million |
| Fees and sitting allowances | 963 | 361 | 559 | 257 |
| Executive compensation | 1,924 | 256 | 1,136 | 256 |
| Other directors' expenses | 584 | 427 | 584 | 427 |
| | | | | |
| | 3,471 | 1,044 | 2,279 | 940 |
| Fees and other emoluments disclosed above include amounts paid to: | | | | |
| Chairman | 40 | 40 | 40 | 40 |
| Highest paid director | 110 | 110 | 110 | 110 |
| | | | | |
| The number of directors who received fees and other emoluments (excluding pension contributions and certain benefit) in the following ranges was: | | | | |
| | Number | Number | Number | Number |
| | 2024 | 2023 | 2024 | 2023 |
| Below N1,000,000 | - | - | - | - |
| N1,000,000 - N2,000,000 | - | - | - | - |
| N2,000,001 - N3,000,000 | 7 | - | - | - |
| N5,500,001 - and above | 14 | 14 | 14 | 14 |
| | 21 | 14 | 14 | 14 |

## 41 Compliance with Banking Regulations

**41.1** The Directors are of the opinion that the financial statements of the Bank is in compliance with the Bank and Other Financial Institutions Act, 2020 and all relevant CBN circulars, except for the contraventions below which attracted penalties during the year ended 31 December 2024

### Schedule of Regulatory Contraventions As At 31 December 2024

| Nature of Contravention | Amount (N'000) |
|---|---|
| Penalty - cash shortages - CBN | 27,284 |
| Penalty - AML/CFT Ifractions - CBN | 24,000 |
| Penalty - Report Filing - CBN | 12,000 |
| Penalty - RBS - CBN | 8,000 |
| | 71,284 |

### Schedule of Regulatory Contraventions As At 31 December 2023

| Nature of Contravention | Amount (N'000) |
|---|---|
| Penalty - NEMSF Infraction - CBN | 26,261 |
| Penalty - late returns - CBN | 4,000 |
| Penalty - AML/CFT/CPT - CBN | 10,000 |
| Penalty - Report Filing - NGX | 2,700 |
| | 42,961 |

**41.2** In line with circular FDR/DIR/CIR/GEN/01/20, the returns on customers' complaints for the year ended 31 December 2024 is set as below:

| S/N | DESCRIPTION | NUMBER | | | AMOUNT CLAIMED | | AMOUNT REFUNDED | |
|---|---|---|---|---|---|---|---|---|
| | | 31 'December 2024 | | 31 'December 2023 | 31 'December 2024 | 31 'December 2023 | 31 'December 2024 | 31 'December 2023 |
| | | | | | N'million | N'million | N'million | N'million |
| 1 | Pending complaints b/f | 195,838 | 80,550 | 22,698 | 4,866 | 4,866 | N/A | N/A |
| 2 | Received complaints | 839,576 | 1,668,004 | 411,329 | 88,606 | 88,606 | N/A | N/A |
| 3 | Resolved complaints | 988,405 | 1,552,716 | 45,626 | 70,774 | 70,774 | 322 | 287 |
| 4 | Unresolved complaints escalated to CBN for intervention | 26 | 95 | 111 | 2,116 | 2,116 | N/A | N/A |
| 5 | Unresolved complaints pending with the Bank c/f | 47,009 | 195,838 | 388,401 | 22,698 | 22,698 | N/A | N/A |

### 41.3 Whistle Blowing Policy

The Bank complied with the CBN circular of May 2014 - FPR/DIR/GEN/01/004 code of Corporate Governance for Banks and Discount Houses in Nigeria and Guidelines for Whistle Blowing Policy in Nigeria for the year ended 31 December 2024

## 42 Gender Diversity

| 31 December 2024 | WOMEN Number | % | MEN Number | % | TOTAL |
|---|---|---|---|---|---|
| Board Members | 4 | 29% | 10 | 71% | 14 |
| Management staff (AGM & Above) | 17 | 27% | 45 | 73% | 62 |
| **Total** | **21** | | **55** | | **76** |

| 31 December 2023 | WOMEN Number | % | MEN Number | % | TOTAL |
|---|---|---|---|---|---|
| Board Members | 4 | 29% | 10 | 71% | 14 |
| Management staff (AGM & Above) | 16 | 28% | 42 | 72% | 58 |
| **Total** | **20** | | **52** | | **72** |

## 43 Statement of Prudential Adjustments

a Provisions under prudential guidelines are determined using the time-based provisioning specified by the revised Prudential Guidelines issued by the Central Bank of Nigeria. This is at variance with the expected credit loss (ECL) model required under IFRS 9. As a result of the differences in the methodology/provision, there will be variances in the impairments provisions 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 when IFRS is adopted. However, Banks would be required to comply with the following:

**Transfer to Regulatory Risk Reserve**

The regulatory body Central Bank of Nigeria (CBN) and the Nigerian Deposit Insurance Commission (NDIC) stipulates that provisions recognized in the profit or loss account shall be determined based on the requirements of IFRS (International Financial Reporting Standards). The IFRS provisions should be compared with provisions determined under prudential guidelines and the expected impact/changes in retained earnings should be treated as follows

(i) Prudential Provisions is greater than IFRS provisions; transfer the difference from the retained earnings to a non-distributable regulatory reserve.

(ii) Prudential Provisions is less than IFRS provisions; the excess charges resulting should be transferred from the regulatory reserve account to the retained earnings to the extent of the non-distributable regulatory reserve previously recognized.

b The non-distributable reserve is classified under Tier 1 as part of the core capital for the purpose of determining capital adequacy.

In the guidelines to IFRS implementation, the Central Bank of Nigeria (CBN) directed banks to maintain a regulatory credit risk reserve in the event that the impairment on loans determined using the CBN prudential guideline is higher than the impairment determined using IFRS principles. As a result of this directive, the Bank holds credit risk reserves of ₦155.67 billion as at 31 December 2024 (31 December 2023 - ₦100.28billion).

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| | N'million | N'million |
| **Transfer to regulatory reserve** | | |
| **Prudential provision:** | | |
| Specific provision | 272,398 | 206,155 |
| General provision | 72,661 | 38,690 |
| Provision for other assets | 13,512 | 3,613 |
| Provision for litigations and claims | 2,498 | 1,199 |
| Provision for investments | 2,726 | 2,936 |
| Provision for off-balance sheet exposure | 1,517 | 1,460 |
| **Total prudential provision (A)** | **365,313** | **254,053** |
| | | |
| **IFRS provision:** | | |
| Specific impairment (see note 22) | 89,129 | 51,273 |
| Collective impairment | 106,145 | 92,654 |
| Provision for other assets (see note 29) | 7,857 | 3,359 |
| Provision for litigations and claims (see note 32) | 2,274 | 1,886 |
| Provision for investments (see note 24) | 2,726 | 3,055 |
| Provision for off-balance sheet exposure | 1,517 | 1,548 |
| **Total IFRS provision (B)** | **209,648** | **153,775** |
| | | |
| Difference between prudential and IFRS impairment (A-B) | 155,665 | 100,279 |
| | | |
| **Movement in Non-Distributable Regulatory Risk Reserve (RRR)** | | |
| Opening balance in RRR | 100,279 | 62,144 |
| | - | - |
| Net changes in the year | 55,386 | 38,134 |
| **Balance in RRR at the end of the year** | 155,665 | **100,279** |

## 44 Maturity Analysis Of Assets and Liabilities

Maturity analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

| Group<br>As at 31 December 2024 | Maturing within 12 months | Maturing after 12 months | Total |
|---|---|---|---|
| **ASSETS** | **N'million** | **N'million** | **N'million** |
| Cash and Cash equivalents | 707,450 | - | 707,450 |
| Restricted balances with central bank | 1,222,184 | - | 1,222,184 |
| Loans and advances to customers | 2,675,734 | 5,002,253 | 7,677,987 |
| Derivative financial assets | 50,293 | - | 50,293 |
| **Investments:** | | | |
| - Financial assets at fair value through profit or loss | 9,290 | 760 | 10,050 |
| " - Debt instruments at fair value through other comprehensive income " | 161,866 | 248,783 | 410,649 |
| " - Equity instruments at fair value through other comprehensive income" | - | 69,635 | 69,635 |
| - Debt instruments at amortised cost | 991,907 | 1,270,956 | 2,262,863 |
| Deferred tax Assets | 5,305 | - | 5,305 |
| Other assets | 143,154 | 6,075 | 149,229 |
| Property, plant and equipment | - | 77,876 | 77,876 |
| Right of Use Assets | - | 3,750 | 3,750 |
| Goodwill | 11,443 | - | 11,443 |
| Intangible assets | - | 20,380 | 20,380 |
| **TOTAL ASSETS** | **5,978,628** | **6,700,467** | **12,679,095** |
| | | | |
| **LIABILITIES** | | | |
| Deposits from customers | 2,182,946 | 4,114,636 | 6,297,581 |
| Derivative financial liability | - | | - |
| Current income tax payable | 113,910 | - | 113,910 |
| Deferred tax liabilities | 727 | - | 727 |
| Other liabilities | 491,177 | 549,016 | 1,040,193 |
| Provision | 1,517 | 2,274 | 3,791 |
| Debts issued and other borrowed funds | 200,663 | 904,656 | 1,105,319 |
| **TOTAL LIABILITIES** | **2,990,940** | **5,570,581** | **8,561,522** |

| As at 31 December 2023 | Maturing within 12 months | Maturing after 12 months | Total |
|---|---|---|---|
| **ASSETS** | **N'million** | **N'million** | **N'million** |
| Cash and Cash equivalents | 383,702 | - | 383,702 |
| Restricted balances with central bank | 1,174,398 | - | 1,174,398 |
| Loans and advances to customers | 1,619,127 | 3,015,118 | 4,634,245 |
| Derivative financial assets | 10,723 | - | 10,723 |
| **Investments:** | | - | |
| - Financial assets at fair value through profit or loss" | 7,325 | 5,215 | 12,540 |
| - Debt instruments at fair value through other comprehensive income " | 206,151 | 75,368 | 281,519 |
| - Equity instruments at fair value through other comprehensive income" | - | 41,550 | 41,550 |
| - Debt instruments at amortised cost | 462,624 | 1,356,794 | 1,819,418 |
| Deferred tax Assets | 22,554 | - | 22,554 |
| Other assets | 405,545 | - | 405,545 |

| | | | |
|---|---|---|---|
| Property, plant and equipment | - | 47,382 | 47,382 |
| Right of Use Assets | - | 3,270 | 3,270 |
| Goodwill | 14,650 | - | 14,650 |
| Intangible assets | - | 10,341 | 10,341 |
| **TOTAL ASSETS** | **4,306,799** | **4,555,038** | **8,861,838** |

| | Maturing within 12 months | Maturing after 12 months | Total |
|---|---|---|---|
| **LIABILITIES** | **N'million** | **N'million** | **N'million** |
| Deposits from customers | 1,491,495 | 2,717,295 | 4,208,791 |
| Derivative financial liability | - | | - |
| Current income tax liability | 26,835 | - | 26,835 |
| Deferred tax liabilities | 22,905 | - | 22,905 |
| Other liabilities | 544,153 | 642,456 | 1,186,609 |
| Provision | 1,548 | 1,886 | 3,434 |
| Debts issued and other borrowed funds | 357,237 | 569,540 | 926,777 |
| **TOTAL LIABILITIES** | **2,444,174** | **3,931,177** | **6,375,351** |

| **Bank**<br>**As at 31 December 2024** | Maturing within 12 months | Maturing after 12 months | Total |
|---|---|---|---|
| **ASSETS** | **N'million** | **N'million** | **N'million** |
| Cash and Cash equivalents | 506,580 | - | 506,580 |
| Restricted balances with central bank | - | 1,586,350 | 1,586,350 |
| Loans and advances to customers | 2,396,879 | 4,952,184 | 7,349,064 |
| Derivative financial assets | 50,292 | - | 50,292 |
| **Investments:** | | | |
| - Financial assets at fair value through profit or loss | 9,290 | 760 | 10,050 |
| - Debt instruments at fair value through other comprehensive income | 88,220 | 248,783 | 337,003 |
| - Equity instruments at fair value through other comprehensive income | - | 69,635 | 69,635 |
| - Debt instruments at amortised cost | 991,907 | 1,270,956 | 2,262,863 |
| Deferred tax Assets | - | - | - |
| Other assets | 143,154 | - | 143,154 |
| Property, plant and equipment | - | 77,785 | 77,785 |
| Right of Use Assets | - | 1,736 | 1,736 |
| Goodwill | | - | |
| Intangible assets | - | 14,371 | 14,371 |
| **TOTAL ASSETS** | **4,186,323** | **8,222,559** | **12,408,882** |
| | | | |
| **LIABILITIES** | | | |
| Deposits from customers | 1,864,217 | 4,102,041 | 5,966,258 |
| Derivative financial liability | - | - | - |
| Current income tax payable | 113,910 | - | 113,910 |
| Deferred tax liabilities | - | - | |
| Other liabilities | 113,910 | 921,551 | 1,035,461 |
| Provision | 1,517 | 2,274 | 3,791 |
| Debts issued and other borrowed funds | 200,663 | 904,656 | 1,105,319 |
| **TOTAL LIABILITIES** | **2,294,218** | **5,930,522** | **8,224,739** |

| As at 31 December 2023 | Maturing within 12 months | Maturing after 12 months | Total |
|---|---|---|---|
| ASSETS | N'million | N'million | N'million |
| Cash and Cash equivalents | 376,920 | - | 376,920 |
| Restricted balances with central bank | - | 1,174,398 | 1,174,398 |
| Loans and advances to customers | 1,619,127 | 3,015,118 | 4,634,245 |
| Derivative financial assets | 10,723 | - | 10,723 |
| **Investments:** | | - | - |
| - Financial assets at fair value through profit or loss" | 7,325 | 5,215 | 12,540 |
| - Debt instruments at fair value through other comprehensive income " | 66,152 | 75,368 | 241,520 |
| - Equity instruments at fair value through other comprehensive income" | - | 41,550 | 41,550 |
| - Debt instruments at amortised cost | 462,624 | 1,356,794 | 1,819,418 |
| Deferred tax Assets | 22,554 | - | 22,554 |
| Other assets | 403,968 | - | 403,968 |
| Property, plant and equipment | - | 47,329 | 47,329 |
| Right of Use Assets | - | 1,677 | 1,677 |
| Goodwill | | | |
| Intangible assets | - | 5,123 | 5,123 |
| TOTAL ASSETS | 3,069,392 | 5,722,572 | 8,791,964 |

| | Maturing within 12 months | Maturing after 12 months | Total |
|---|---|---|---|
| LIABILITIES | N'million | N'million | N'million |
| Deposits from customers | 1,368,474 | 2,717,295 | 4,085,770 |
| Derivative financial liability | - | - | - |
| Current income tax liability | 26,835 | - | 26,835 |
| Deferred tax liabilities | - | - | |
| Other liabilities | 45,225 | 1,138,662 | 1,183,887 |
| Provision | 1,548 | 1,886 | 3,434 |
| Debts issued and other borrowed funds | 115,462 | 569,540 | 685,002 |
| TOTAL LIABILITIES | 1,557,544 | 4,427,383 | 5,984,927 |

## 45 Reclassifications

There were no reclassifications since 2023 financial year

## 46 Restatements

There were no significant events requiring restatements during the reporting period which could have had a material effect on the financial position of the Bank as at 31 December 2024 and on the profit or loss and other comprehensive income for the period then ended. However, the proceed for issuance of for ₦13,952 billion was corrected from being previously reported in cash flows from operations and is now appropriately reflected as a financing activity.

## 47 Events after reporting period

There were no significant events after the reporting period which could have had a material effect on the financial position of the Group as at December 31, 2024 and on the profit and other comprehensive income for the year then ended, which have not been adequately disclosed.

## Value Added Statement

For the year ended 31 December 2024

| Group | 31 December 2024 | % | 31 December 2023 | % |
|---|---|---|---|---|
| | N'million | | N'million | |
| Interest and similar income | 950,588 | 187 | 459,530 | 250 |
| Interest and similar expense | (320,818) | (63) | (182,165) | (99) |
| | 629,770 | 124 | 277,366 | 151 |
| -Brought in services | (121,027) | (24) | (93,280) | (51) |
| | | | | |
| **Value added** | **508,743** | **100** | **184,086** | **100** |
| | | | | |
| **Distribution** | | | | |
| **Employees:** | | | | |
| Salaries and benefits | 73,450 | 14 | 52,619 | 29 |
| Shareholders: | | | | |
| Dividends paid during the year | 46,400 | 9 | 20,800 | 11 |
| | | | | |
| **Government:** | | | | |
| Income tax | 82,420 | 16 | - | - |
| Tertiary education tax | 9,083 | 2 | 2,921 | 2 |
| Police trust fund levy | 20 | 0 | 6 | 0 |
| IT levy | 3,931 | 1 | 1,243 | 1 |
| | | | | |
| **The future:** | | | | |
| -Asset replacement (depreciation and amortisation) | 15,335 | 3 | 7,042 | 4 |
| -Profit for the year  (transfers to reserves) | 278,106 | 55 | 99,454 | 54 |
| | | | | |
| | **508,743** | **100** | **184,086** | **100** |

Value added represents the additional wealth the Bank has been able to create by its own and its employees' efforts. This statement shows the allocation of the wealth among the employees, shareholders, government and the portion re-invested for creation of more wealth.

## Value Added Statement // continued

For the year ended 31 December 2024

| Bank | 31 December 2024 | % | 31 December 2023 | % |
|---|---|---|---|---|
| | N'million | | N'million | |
| Interest and similar income | 931,705 | 187 | 456,919 | 226 |
| Interest and similar expense | (316,648) | (64) | (182,063) | (90) |
| | 615,057 | 124 | 274,856 | 136 |
| -Brought in services | (117,566) | (24) | (72,330) | (36) |
| | | | | |
| **Value added** | **497,491** | **100** | **202,526** | **100** |
| | | | | |
| **Distribution** | | | | |
| | | | | |
| **Employees:** | | | | |
| Salaries and benefits | 62,284 | 13 | 50,836 | 25 |
| Shareholders: | | | | |
| Dividends paid during the year | 46,400 | 9 | 20,800 | 10 |
| | | | | |
| **Government:** | | | | |
| Income tax | 82,420 | 17 | 20,297 | 10 |
| Tertiary education tax | 9,083 | 2 | 2,921 | 1 |
| Police trust fund levy | 20 | - | 6 | - |
| IT levy | 3,931 | 1 | 1,243 | 1 |
| | | | | |
| **The future:** | | | | |
| -Asset replacement (depreciation and amortisation) | 10,497 | 2 | 6,890 | 3 |
| -Profit for the year (transfers to reserves) | 282,858 | 57 | 99,532 | 49 |
| | | | | |
| | **497,491** | **100** | **202,526** | **100** |

Value added represents the additional wealth the Bank has been able to create by its own and its employees' efforts. This statement shows the allocation of the wealth among the employees, shareholders, government and the portion re-invested for creation of more wealth.

## Five Year Financial Summary

| Group Statement of Financial Position | 31 December 2024 | 31 December 2023 | 31 December 2022 | 31 December 2021 | 31 December 2020 |
|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million |
| **Assets:** | | | | | |
| Cash and Cash equivalents | 707,450 | 364,177 | 300,345 | 219,253 | 328,493 |
| Restricted balances with central bank | 1,586,350 | 1,174,398 | 863,090 | 686,097 | 540,129 |
| Loans and advances to customers | 4,387,108 | 3,092,419 | 2,116,212 | 1,658,412 | 1,326,106 |
| Derivative assets | 50,293 | 10,723 | 4,778 | 49,575 | 7,072 |
| **Investments:** | | | | | |
| Financial assest at fair value through profit or loss | 5,113 | 7,684 | 2,036 | 5,207 | 47,118 |
| Debt instruments at fair value through other comprehensive income | 186,571 | 227,750 | 28,696 | 100,009 | 265,980 |
| Equity instruments at fair value through other comprehensive income | 69,635 | 41,550 | 27,560 | 26,207 | 17,685 |
| Debt instruments at amortised cost | 1,552,347 | 818,803 | 479,592 | 441,452 | 137,804 |
| Available for sale | - | - | - | - | - |
| Held to maturity | - | - | - | - | - |
| Deferred tax Assets | 5,305 | 23,771 | 5,306 | - | - |
| Other assets | 158,116 | 403,763 | 112,915 | 49,357 | 44,380 |
| Property, plant and equipment | 77,876 | 47,382 | 42,657 | 39,440 | 38,446 |
| Right of Use Assets | 3,750 | 3,270 | 1,799 | 1,477 | 1,652 |
| Goodwill | 11,443 | 8,656 | | | |
| Intangible assets | 20,380 | 10,341 | 4,023 | 3,968 | 3,283 |
| **Total Assets** | **8,821,737** | **6,234,688** | **3,989,009** | **3,280,454** | **2,758,148** |
| | | | | | |
| **Financed by:** | | | | | |
| | | | | | |
| **Liabilities** | | | | | |
| Deposits from customers | 5,937,064 | 4,014,811 | 2,580,597 | 2,024,803 | 1,699,026 |
| Derivative liabilities | - | - | 1,208 | 425 | 1,143 |
| Current income tax payable | 113,910 | 26,835 | 8,445 | 3,523 | 2,307 |
| Deferred income tax liabilities | 727 | 22,905 | 5,629 | - | - |
| Other liabilities | 938,776 | 1,152,369 | 815,407 | 495,597 | 517,093 |
| Provision | 3,791 | 3,434 | 1,896 | 2,399 | 4,075 |
| Debts issued and other borrowed funds | 929,595 | 577,028 | 261,466 | 468,413 | 260,971 |
| Retirement benefit obligations | - | - | - | - | - |
| | | | | | |
| **Total Liabilities** | **7,923,863** | **5,797,381** | **3,674,649** | **2,995,160** | **2,484,615** |
| | | | | | |
| **Equity** | | | | | |
| Share capital | 25,100 | 16,000 | 14,481 | 14,481 | 14,481 |
| Share premium | 280,455 | 113,705 | 101,272 | 101,272 | 101,272 |
| Retained earnings | 185,256 | 65,508 | 44,883 | 55,241 | 66,700 |
| Statutory reserve | 108,699 | 66,270 | 51,352 | 44,343 | 39,006 |
| Small scale investment reserve (SSI) | 764 | 764 | 764 | 764 | 764 |
| Non-distributable regulatory reserve (NDR) | 155,665 | 100,279 | 62,144 | 27,440 | 6,365 |
| Translation reserve | 44,194 | 6,050 | | | |
| Fair value reserve/ Remeasurement reserve | 69,176 | 54,310 | 30,019 | 34,644 | 39,615 |
| AGSMEIS reserve | 28,565 | 14,422 | 9,445 | 7,109 | 5,330 |
| **Total Equity** | **897,874** | **437,307** | **314,360** | **285,294** | **273,533** |
| **Total Liabilities and Equity** | **8,821,737** | **6,234,688** | **3,989,009** | **3,280,454** | **2,758,148** |

## Five Year Financial Summary // continued

| Group<br>Statement of Profit or loss and Other Comprehensive Income | 31 December 2024 | 31 December 2023 | 31 December 2022 | 31 December 2021 | 31 December 2020 |
|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million |
| **Operating income** | | | | | |
| Net interest income | 629,770 | 277,366 | 152,695 | 94,877 | 104,123 |
| Impairment charge for credit losses | (56,441) | (67,436) | (5,443) | (7,035) | (16,858) |
| **Net interest income after impairment charge for credit losses** | **573,329** | **209,929** | **147,252** | **87,842** | **87,265** |
| Commission and other operating income | 73,775 | 109,271 | 27,209 | 33,681 | 30,566 |
| Modification loss on financial asset | - | - | - | - | - |
| Other operating expenses | (331,481) | (194,939) | (120,784) | (96,308) | (89,777) |
| **Profit before income tax** | **315,624** | **124,260** | **53,677** | **25,215** | **28,054** |
| Income tax expense | (93,777) | (24,806) | (6,953) | (2,111) | (1,404) |
| | | | | | |
| **Profit after tax** | **221,846** | **99,454** | **46,724** | **23,104** | **26,650** |
| | | | | | |
| Other comprehensive Loss/income | 53,010 | 30,341 | (4,628) | (4,971) | 18,646 |
| | | | | | |
| **Total comprehensive income for the year** | **274,856** | **129,795** | **42,096** | **18,133** | **45,296** |
| | | | | | |
| Per share data in kobo: | | | | | |
| **Earnings per share (basic & diluted)** | **665k** | **311k** | **161k** | **79k** | **92k** |
| | | | | | |
| **Net assets per share** | **1,789k** | **1,366k** | **1,086k** | **985k** | **944k** |

| **Bank**<br>**Statement of Financial Position** | **31 December 2024** | **31 December 2023** | **31 December 2022** | **31 December 2021** | **31 December 2020** |
|---|---|---|---|---|---|
| **Assets:** | **N'million** | **N'million** | **N'million** | **N'million** | **N'million** |
| Cash and Cash equivalents | 505,331 | 376,595 | 300,345 | 219,253 | 328,493 |
| Restricted balances with central bank | 1,586,350 | 1,174,398 | 863,090 | 686,097 | 540,129 |
| Loans and advances to customers | 4,346,049 | 2,962,397 | 2,116,212 | 1,658,412 | 1,326,106 |
| Derivative assets | 50,292 | 10,723 | 4,778 | 49,575 | 7,072 |
| Investments: | | | | | |
| Financial assest at fair value through profit or loss | 5,113 | 7,684 | 2,036 | 5,207 | 47,118 |
| Debt instruments at fair value through other comprehensive income | 112,925 | 187,751 | 28,696 | 100,009 | 265,980 |
| Equity instruments at fair value through other comprehensive income | 69,635 | 41,550 | 27,560 | 26,207 | 17,685 |
| Investment in Subsidiary: | 68,591 | 63,403 | | | |
| Debt instruments at amortised cost | 1,552,347 | 818,803 | 479,592 | 441,452 | 137,804 |
| Available for sale | - | - | - | - | - |
| Held to maturity | - | - | - | - | - |
| Deferred tax Assets | - | 22,554 | 5,306 | - | - |
| Other assets | 154,713 | 402,186 | 112,915 | 49,357 | 44,380 |
| Property, plant and equipment | 77,785 | 47,329 | 42,657 | 39,440 | 38,446 |
| Right of Use Assets | 1,736 | 1,556 | 1,799 | 1,477 | 1,652 |
| Intangible assets | 14,371 | 6,223 | 4,023 | 3,968 | 3,283 |
| **Total Assets** | **8,545,237** | **6,123,152** | **3,989,009** | **3,280,453** | **2,758,148** |
| | | | | | |
| **Financed by:** | | | | | |
| **Liabilities** | | | | | |
| Deposits from customers | 5,660,315 | 3,926,842 | 2,580,597 | 2,024,803 | 1,699,026 |
| Derivative liabilities | - | - | 1,208 | 425 | 1,143 |
| Current income tax payable | 113,910 | 26,835 | 8,445 | 3,523 | 2,307 |
| Deferred income tax liabilities | 727 | 22,905 | 5,629 | - | - |
| Other liabilities | 978,435 | 1,133,795 | 815,407 | 495,597 | 517,093 |
| Provision | 3,791 | 3,434 | 1,896 | 2,399 | 4,075 |
| Debts issued and other borrowed funds | 929,595 | 577,028 | 261,466 | 468,413 | 260,971 |
| Retirement benefit obligations | - | - | - | - | - |
| | | | | | |
| **Total Liabilities** | **7,686,773** | **5,690,839** | **3,674,649** | **2,995,160** | **2,484,615** |
| | | | | | |
| **Equity** | | | | | |
| Share capital | 25,100 | 16,000 | 14,481 | 14,481 | 14,481 |
| Share premium | 280,455 | 113,705 | 101,272 | 101,272 | 101,272 |
| Retained earnings | 190,073 | 65,573 | 44,883 | 55,241 | 66,700 |
| Statutory reserve | 108,711 | 66,282 | 51,352 | 44,343 | 39,006 |
| Small scale investment reserve (SSI) | 764 | 764 | 764 | 764 | 764 |
| Non-distributable regulatory reserve (NDR) | 155,665 | 100,279 | 62,144 | 27,440 | 6,365 |
| Fair value reserve/ Remeasurement reserve | 69,131 | 54,310 | 30,019 | 34,644 | 39,615 |
| AGSMEIS reserve | 28,565 | 14,422 | 9,445 | 7,109 | 5,330 |
| **Total Equity** | **858,464** | **431,335** | **314,360** | **285,294** | **273,533** |
| **Total Liabilities and Equity** | **8,545,237** | **6,122,174** | **3,989,009** | **3,280,454** | **2,758,148** |

## Five Year Financial Summary // continued

| **Bank Statement of Profit or loss and Other Comprehensive Income** | **31 December 2024** | **31 December 2023** | **31 December 2022** | **31 December 2021** | **31 December 2020** |
|---|---|---|---|---|---|
| | N'million | N'million | N'million | N'million | N'million |
| Operating income | | | | | |
| Net interest income | 615,057 | 274,856 | 152,695 | 94,877 | 104,123 |
| Impairment charge for credit losses | (55,483) | (67,686) | (5,443) | (7,035) | (16,858) |
| **Net interest income after impairment charge for credit losses** | **559,574** | **207,170** | **147,252** | **87,842** | **87,265** |
| Commission and other operating income | 70,289 | 108,720 | 27,209 | 33,681 | 30,566 |
| Modification loss on financial asset | - | - | - | - | - |
| Other operating expenses | (306,454) | (191,551) | (120,784) | (96,308) | (89,777) |
| **Profit before income tax** | **323,409** | **124,338** | **53,677** | **25,215** | **28,054** |
| Income tax expense | (96,811) | (24,806) | (6,953) | (2,111) | (1,404) |
| | | | | | |
| **Profit after tax** | **226,598** | **99,532** | **46,724** | **23,104** | **26,650** |
| | | | | | |
| Other comprehensive Loss/ income | 14,821 | 24,291 | (4,628) | (4,971) | 18,646 |
| | | | | | |
| **Total comprehensive income for the period** | **241,419** | **123,823** | **42,096** | **18,133** | **45,296** |
| | | | | | |
| Per share data in kobo: | | | | | |
| **Earnings per share (basic & diluted)** | **677k** | **311k** | **161k** | **79k** | **92k** |
| | | | | | |
| **Net assets per share** | **1,710k** | **1,347k** | **1,086k** | **985k** | **944k** |

**Note:**

The earnings per share have been computed on the basis of the profit after tax and the number of issued shares as at the end of reporting period.

Net assets per share have been computed based on the net assets and the number of issued shares at the end of the reporting period.

# SHARE CAPITAL HISTORY

| YEAR | Authorized (Additional) | Authorized (Cumulative) | Issued and Fully Paid (Additional) | Issued and Fully Paid (Cumulative) | Consideration |
|---|---|---|---|---|---|
| | N | N | N | N | |
| 1988 | 3,000,000 | 3,000,000 | 1,865,000 | 1,865,000 | Cash |
| 1989 | 9,000,000 | 12,000,000 | 5,822,000 | 7,687,000 | Bonus/Cash |
| 1989 | - | 12,000,000 | - | 7,687,000 | - |
| 1990 | 3,000,000 | 15,000,000 | 1,153,050 | 8,840,050 | Bonus/Cash |
| 1991 | 25,000,000 | 40,000,000 | 4,959,950 | 13,800,000 | Bonus/Cash |
| 1992 | 20,000,000 | 60,000,000 | 13,800,000 | 27,600,000 | Cash |
| 1993 | 40,000,000 | 100,000,000 | 12,703,000 | 40,303,000 | Bonus/Cash |
| 1994 | 50,000,000 | 150,000,000 | 51,830,000 | 92,133,000 | Bonus/Cash |
| 1995 | - | 150,000,000 | 21,737,000 | 113,870,000 | Bonus |
| 1997 | 650,000,000 | 800,000,000 | 272,247,000 | 386,117,000 | Bonus/Cash |
| 1998 | - | 800,000,000 | 151,472,000 | 537,589,000 | Bonus/Cash |
| 2000 | 700,000,000 | 1,500,000,000 | 6,458,920 | 544,047,920 | Cash |
| 2001 | - | 1,500,000,000 | | 544,047,920 | |
| 2001 | 500,000,000 | 2,000,000,000 | 272,023,960 | 816,071,880 | Bonus |
| 2002 | - | 2,000,000,000 | 36,501,911 | 852,573,791 | Cash |
| 2003 | - | 2,000,000,000 | 336,602,981 | 1,189,176,772 | Cash |
| 2004 | | 2,000,000,000 | 344,554,220 | 1,533,730,992 | Bonus/Cash |
| 2004 | 4,000,000,000 | 6,000,000,000 | 519,088,134 | 2,052,819,126 | Bonus |
| 2005 | 2,000,000,000 | 8,000,000,000 | 2,222,101,272 | 4,274,920,398 | Cash |
| 2005 | 2,000,000,000 | 10,000,000,000 | 3,956,922,658 | 8,231,843,056 | Merger/Cash |
| 2007 | 2,500,000,000 | 12,500,000,000 | 249,449,790 | 8,481,292,846 | Rights |
| 2007 | 3,500,000,000 | 16,000,000,000 | 6,000,000,000 | 14,481,292,846 | Public Offer |
| 2023 | - | 16,000,000,000 | 1,518,707,154 | 16,000,000,000 | Private Placement |
| 2024 | 9,100,000,000 | 25,100,000,000 | 9,100,000,000 | 25,100,000,000 | Public Offer/Rights |

# Stakeholders Engagement

The Board and Management of Fidelity Bank Plc recognise that effective shareholder engagement and dialogue can and often leads to improved corporate policies, more sustainable business practices, and greater transparency and responsibility. The Bank is therefore open to change especially if same has the potential to enhance the sustainability of our business by minimizing risk and protecting shareholder value.

### Share Capital Structure

As at December 31, 2024, Fidelity Bank's Issued and Paid-Up Capital was N25,100,000,000 divided into 50,200,000,000 Ordinary shares of 50 kobo each. The shares are widely held and the Bank had over 390,000 shareholders as at December 31, 2024.

### Relations with Shareholders

The Bank is committed to building and maintaining constructive and long-lasting relationships with shareholders and other stakeholders through regular meetings, forums and targeted group engagements. The Board recognizes the importance of a dual-way communication channel with the Bank's shareholders. The general meeting which is the primary avenue for interaction between the Shareholders, Management and the Board, is utilized effectively for this purpose.

The Board ensures that all shareholders are treated fairly, given equal access to information about the Bank as well as notices of shareholders' meetings. General meetings are conducted in an open manner allowing for free discussions on all issues on the agenda. The Board also ensures that the venue of the general meeting is accessible and that shareholders are not disenfranchised from attending the meeting on account of choice of venue.

As a result, the Bank's Annual General Meetings are well attended and shareholders who are unable to attend are encouraged to use the proxy cards sent with the Notice of Meeting. Proceedings at general meetings are monitored by the representatives of the Central Bank of Nigeria, Securities and Exchange Commission and the Nigerian Exchange Group, amongst others.

Fidelity believes that the key to positive engagement is for the Board and the stakeholders, including shareholders, customers and analysts, to interact in a way that is mutually beneficial, promotes constructive dialogue and ensures that legitimate concerns are raised and addressed. Thus apart from the statutory general meetings, other engagement forums offer an opportunity for shareholders and other stakeholders to deliberate and seek understanding of the Bank's financial results and strategic direction.

These consultations enable the Board and Management of the Bank to appreciate the perspectives of shareholders concerning the Bank's overall financial performance and future plans. Feedback from shareholder engagements assist in guiding the implementation of the Bank's corporate objectives. Furthermore, the quarterly, half-yearly and annual financial results are published in widely read national newspapers as well as on the Bank's website - www.fidelitybank.ng

### Protection of Shareholders' Rights

The Board ensures that Shareholders' rights are protected. In particular, the right to attend and vote at general meetings is effectively maintained without restrictions. All shareholders are treated equally regardless of size of shareholding or status. The Board also ensures that the Bank promptly renders to shareholders, documentary evidence of their ownership interest in the Bank such as share certificates and related instruments including secure electronic remittances (e-dividend and Central Securities Clearing System [CSCS] transfers).

### Investor Relations Desk

The Bank has a robust Investor Relations Team that, in liaison with the Company Secretary, engages individual Shareholders, Institutional Investors, Fund Managers and Analysts. The Team, on a regular basis, publishes information on the Bank's strategic direction and provides in-depth analysis of published financial results and performance targets of the Bank through several channels including:

- Investors/Analysts Conference Calls
- One-on-One Meetings with Investors/ Analysts
- Press Releases
- Financial Results Presentations
- Investor Conferences
- Non-Deal Roadshows
- Newspaper Publications
- Investor Relations Portal on the Bank's website
- Annual Report and Accounts

The Team has an annual programme of meetings with institutional investors. Management participates actively in these meetings and the Bank is able to develop an understanding of issues that are of concern to investors

Fidelity continues to raise the level of its activities to enhance information disclosure with focus on disclosure of business and financial information and creating opportunities for dialogue, while taking into consideration the needs and expectations of our shareholders, investors and all stakeholders.

Investor Presentations which are prepared on a bi-annual basis are published on the Investors Section of the Bank's website. The Section also hosts Frequently Asked Questions (FAQs) to enable stakeholders obtain answers to critical questions.

Interested stakeholders may contact our Investor Relations Team on:

**Telephone:** +234 700 3433 5489

**Email:** info.investor@fidelitybank.ng

**Website:** www.fidelitybank.ng

# Unclaimed Dividend Report

**Period Ended December 31, 2024**
**Unclaimed Dividend Above 15 Months**

| | | | | | | A | B | A + B |
|---|---|---|---|---|---|---|---|---|
| Payt No. | Total Amount Of Dividend Declared | Total Division Paid between June & Dec. 2024 | Total Division Paid up to June 30, 2024 | Total Division Paid up to Dec. 31, 2024 | Date of Payment | Unclaimed Dividend with Registrars for Payment to Shareholders | Unclaimed Dividend Returned to the COY after 15 Months | |
| | N | N | N | N | | N | N | N |
| 7 | 3,649,285,796.40 | - | 3,519,765,619.70 | 3,519,765,619.70 | 09/05/2012 | -0.00 | 129,520,176.70 | 129,520,176.70 |
| 8 | 5,492,037,855.15 | 25,501.61 | 5,300,676,447.89 | 5,300,701,949.50 | 21/05/2013 | 1,066,038.69 | 190,269,866.96 | 191,335,905.65 |
| 9 | 3,661,087,989.94 | 3,353,967.12 | 3,338,249,333.99 | 3,341,603,301.11 | 02/05/2014 | 8,330,632.83 | 311,154,056.00 | 319,484,688.83 |
| 10 | 4,722,504,209.50 | 60,387.60 | 4,330,595,587.33 | 4,330,655,974.93 | 07/05/2015 | 12,417,840.66 | 379,430,393.91 | 391,848,234.57 |
| 11 | 4,197,866,869.25 | 95,493.88 | 3,815,263,263.45 | 3,815,358,757.33 | 05/05/2016 | 27,784,577.40 | 354,723,534.52 | 382,508,111.92 |
| 12 | 3,671,368,473.32 | 5,582,037.37 | 3,279,406,019.06 | 3,284,988,056.43 | 04/05/2017 | 6,050,312.42 | 380,330,104.47 | 386,380,416.89 |
| 13 | 2,867,295,983.51 | 140,695.14 | 2,456,976,498.18 | 2,457,117,193.32 | 25/05/2018 | 39,064,543.24 | 371,114,246.95 | 410,178,790.19 |
| 14 | 2,884,492,658.99 | 8,384,082.21 | 2,463,116,549.24 | 2,471,500,631.45 | 4/26/2019 | 11,829,504.70 | 401,162,522.84 | 412,992,027.54 |
| 15 | 5,250,154,407.50 | 15,868,348.92 | 4,487,945,737.78 | 4,503,814,086.70 | 30/04/2020 | 66,222,020.82 | 680,118,299.98 | 746,340,320.80 |
| 16 | 5,769,836,357.81 | 17,944,682.57 | 4,934,635,336.82 | 4,952,580,019.39 | 30/04/2021 | -128,239,167.89 | 945,495,506.31 | 817,256,338.42 |
| 17 | 9,181,329,790.50 | 28,144,421.55 | 7,847,676,324.66 | 7,875,820,746.21 | 05/05/2022 | 87,110,272.26 | 1,218,398,772.03 | 1,305,509,044.29 |
| 18 | 2,629,471,918.71 | 11,076,620.94 | 1,817,590,949.54 | 1,828,667,570.48 | 20/09/2022 | 66,488,835.22 | 734,315,513.01 | 800,804,348.23 |
| 19 | 11,610,248,938.88 | 85,744,825.20 | 9,945,490,035.32 | 10,031,234,860.52 | 23/05/2023 | 89,568,119.47 | 1,489,445,958.89 | 1,579,014,078.36 |
| 20 | 7,265,879,998.00 | 85,137,555.03 | 6,208,143,054.20 | 6,293,280,609.23 | 22/09/2023 | 86,606,282.17 | 885,993,106.60 | 972,599,388.77 |
| | **72,852,861,247.46** | | | **64,007,089,376.30** | | **374,299,811.98** | **8,471,472,059.18** | **8,845,771,871.16** |

# Securities & Exchange Commission (SEC)

**Half Year Report For The Period December 31, 2024**
**Outstanding Dividend Below 15 Months**

| | | | | | | A | B | A + B |
|---|---|---|---|---|---|---|---|---|
| Payt No. | Total Amount Of Dividend Declared | Total Division Paid between June & Dec. 2024 | Total Division Paid up to June 30, 2024 | Total Division Paid up to Dec. 31, 2024 | Date of Payment | Unclaimed Dividend with Registrars for Payment to Shareholders | Unclaimed Dividend Returned to the COY after 15 Months | |
| | N | N | N | N | | N | N | N |
| 21 | 17,439,484,390.80 | | 14,227,989,658.75 | 14,955,013,854.18 | 16/05/2024 | 2,484,470,536.62 | | |
| | **17,439,484,390.80** | | | **14,955,013,854.18** | | **2,484,470,536.62** | | **17,439,484,390.80** |

# Recommendations and Explanatory Notes

Relating to the business to be conducted at the 37th Annual General Meeting on April 29, 2025

## Resolution 1

To lay before the members, the Audited Financial Statements for the year ended December 31, 2024, the Reports of the Directors, External Auditors and Audit Committee thereon:

**Rationale:**

Section 388(1) of the Companies and Allied Matters Act, 2020 (CAMA), requires the Directors to lay before Shareholders at each Annual General Meeting (AGM), the Company's Financial Statements that was prepared by them in compliance with the provisions of Section 404(1) of CAMA.

The Financial Statements include the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Notes to the Accounts, Five Year Financial Summary, Report of the Directors as well as the Reports of the Independent Auditors and Statutory Audit Committee.

The Financial Statements are prepared in compliance with specific regulatory requirements and accounting standards issued from time to time by the Nigerian Accounting Standards Board and present a true and fair view of the Company's business undertaking during the period under review.

The Directors Report contains important information on the financial performance of the Company, the amount (if any) recommended for payment as Dividend, details of the persons who held office as Directors during the year and Directors' interest (direct or indirect) in the Company's shares, amongst others.

The Chairman will therefore lay the Company's Audited Financial Statements for the year ended December 31, 2024, before members at the Annual General Meeting. During the meeting, representatives of the independent External Auditors, Board Appraisal Consultants and Statutory Audit Committee will present their reports and recommendations to Shareholders, as these form part of the Financial Statements.

**Request:**

Shareholders are requested to approve the resolution to lay before the members, the Audited Financial Statements for the year ended December 31, 2024, the Reports of the Directors, External Auditors and Audit Committee thereon.

## Resolution 2

To declare a final Dividend of ₦1.25 per Ordinary Share:

**Rationale:**

The Directors recommend payment of a final dividend of ₦1.25 only per Ordinary Share of 50 Kobo each. The Company had earlier paid an interim dividend of 85 Kobo per share on October 25, 2024. This will bring the total dividend for the financial year ended December 31, 2024, to ₦2.10 per share.

If the recommended dividend is approved, payment of the final dividend will be made on April 29, 2025 to Shareholders whose names appear in the Register of Members at the close of business on April 15, 2025. Shareholders who have mandated their dividend to their bank accounts will be credited on the same date. The proposed final dividend is subject to withholding tax at the applicable tax rate.

**Request:**

Shareholders are requested to vote in favour of the resolution to declare a final dividend of ₦1.25 per Ordinary Share, to enable the Directors pay the recommended dividend.

## Resolution 3

To elect the following Directors who were appointed since the last Annual General Meeting:

(a) Alhaji Abdullahi Sarki Mohammed, Independent Non-Executive Director, was appointed to the Board with effect from January 14, 2025.

(b) Ms. Obiaku Augusta Okam, Non-Executive Director, was appointed to the Board with effect from January 14, 2025.

(c) Mr. Sufiyanu Ibrahim Garba was appointed as Executive Director, North Directorate, and approved by the Central Bank of Nigeria on January 14, 2025.

**Rationale:**

Since the last Annual General Meeting Alhaji Isa Inuwa, Independent Non-Executive Director, and Mr, Chidi Agbapu, Non-Executive Director, retired from the Board, having completed their tenures in accordance with the Bank's policy. Earlier in 2024, Mr. Hassan Imam, Executive Director, North, retired from the Board upon his appointment at another institution by the Central Bank of Nigeria.

The Board appointed Alhaji Abdullahi Sarki Mohammed and Ms. Obiaku Augusta Okam as Independent Non-Executive Director and Non-Executive Director respectively, while Mr. Sufiyanu Ibrahim Garba was appointed as Executive Director with oversight responsibility for the Bank's North Directorate in accordance with the Bank's Board Appointment and Directors' Selection Criteria Policy.

The appointments have been approved by the Central Bank of Nigeria. The new Directors brings to the Board robust multifunctional and cross-border experience garnered from public, private and professional practice and their profiles are as detailed below. This information is also available on the Bank's website at www.fidelitybank.ng.

### Profile of Alhaji Abdullahi Sarki Mohammed (Independent Non-Executive Director):

Alhaji Abdullahi Sarki Mohammed joins the Board of Fidelity Bank Plc with over thirty-six (36) years' experience in the financial services industry spanning Retail, Corporate, Consumer and Commercial Banking; Treasury; Pension Fund Administration; Business and Financial Advisory; Human Resources Development; as well as Public Administration.

He has held key leadership and management positions at notable financial institutions and most recently served as Executive Director Abuja and Northern Directorate (covering the Federal Capital Territory and eighteen (18) States) of Polaris Bank Limited from September 2018 to June 2023, before his retirement.

Prior to joining Polaris Bank Limited, Alhaji Mohammed was Executive Director Abuja and Northern Directorate of Skye Bank Plc from July 2016 to July 2018. He also served as a Non-Executive Director of Trustfund Pensions Limited and Skye Bank Limited, Guinea where he chaired the Board Credit Committee and Board Audit & Risk Management Committee.

Before joining Skye Bank Plc, he had held key leadership positions at First Bank of Nigeria Plc from October 2003 to July 2016, where he was responsible for business development activities across Corporate, Commercial, and Retail Banking; and Kakawa Discount House Limited from August 1995 to October 2003, where he served as Abuja Area Office Manager, overseeing the company's business in nineteen Northern States and the Federal Capital Territory.

Whilst at Kakawa Discount House Limited, he took a leave of absence to honour a call to public service by serving as the Commissioner for Works, Housing, and Transport of Kano State from February to May 1999. During this period, he also briefly acted as Relief Commissioner at the Ministries of Health and Water Resources, Kano State.

Alhaji Mohammed began his career at the Cement Company of Northern Nigeria as a Staff Development and Training Instructor in November 1987 and rose to the position of Senior Instructor in January 1991, before joining Century Merchant Bank Limited in February 1991 as the Liaison Officer responsible for branch establishment in Abuja. He rose to the position of Head of Treasury Department for the Kano Area Office in July 1995, before joining Kakawa Discount House Limited.

He holds Ordinary and Higher National Diplomas in Electrical Engineering from Kaduna Polytechnic as well as a Bachelor's degree in Industrial Education and Technology, and Master's degree in Career and Technical Education from Bowling Green State University, Ohio, USA.

Alhaji Mohammed has attended leadership and executive development programmes at world class business schools including INSEAD; London Business School; Cornell University, USA; and Strathmore Business School, Kenya.

He is a member of the 37th Senior Management Programme (SMP) of the Lagos Business School and an Honourary Senior Member of the Chartered Institute of Bankers, Nigeria. He is an avid golfer and member of the IBB Golf and Country Club.

**Profile of Ms. Obiaku Augusta Okam (Non-Executive Director):**

Ms. Obiaku Augusta Okam has over thirty (30) years of cumulative experience in the Banking, Financial Services, Real Estate and Retail Sectors and currently serves as the Managing Director and Chief Executive Officer of Skycurve Nigeria Limited, a company engaged in the development and sale of residential properties.

Her professional background encompasses corporate and retail/consumer banking, capital market, importation, wholesale and retail marketing of fast-moving consumer goods, as well as development and sale of real estate.

She has over twenty-two (22) years' experience in leading financial institutions and started her banking career at Nigeria International Bank Limited (Citibank) in 1990 during her National Youth Service Corps Programme. She rose to the position of Treasury Operations Officer at Citibank before leaving in 1996 to pursue further studies at University of Cardiff, Wales, where she obtained a Master's Degree in Business Administration and returned to join Zenith Bank Plc in May 1998.

She held various leadership and senior management positions at Zenith Bank Plc and served as Head of Marketing and Branch Head at various branches, before leaving in April 2012 as an Assistant General Manager.

Upon leaving Zenith Bank Plc, Ms. Okam assumed the role of Managing Director and CEO of Enando Nigeria Limited, a company engaged in the importation and wholesale of consumer goods, before joining Skycurve Nigeria Limited in June 2018 as MD/CEO with overall responsibility for development and sale of residential real estate.

In May 2023, she was appointed to the Board of FSL Securities Limited, a member of the FSL Group, as a Non-Executive Director and served as a member of the Board Audit and Risk Committee until her retirement on December 31, 2024.

Ms. Okam holds a Bachelor's degree in Economics and Statistics from the University of Benin, Nigeria, and Master's Degree in Business Administration from the University of Cardiff, Wales.

She has attended leadership and executive development programmes at notable institutions including the Lagos Business School, Financial Institutions Training Centre, Lagos and Institute of Directors, Nigeria.

Ms. Okam is a fitness enthusiast and enjoys reading, visiting new countries and experiencing new cultures.

**Profile of Mr. Sufiyanu Ibrahim Garba (Executive Director, North):**

Mr. Sufiyanu Ibrahim Garba joins Fidelity Bank with an impressive background of multifunctional and cross-border experience in leading financial institutions. His career spans general management and business origination across a broad range of segments, including Commercial and Business Banking, Financial Advisory/ Consulting, Retail Banking, Public Sector, Corporate Banking, Credit Structuring, Investment Banking, Strategic Financial Planning and Analysis, Data Analytics, Investment Appraisal, Fundraising, and Capital Structuring.

With over 30 years of experience in the financial services industry, Sufiyanu has held key leadership and management positions in both financial and non-financial institutions. His extensive career also includes public service, where he served as Technical Adviser to the Honourable Minister at the National Planning Commission between November 2007 and December 2008.

Sufiyanu began his professional journey in 1995 at Guaranty Trust Bank Plc, following the completion of his National Youth Service at the Central Bank of Nigeria. Between 1998 and 2010, he gained invaluable experience working in the UK and Nigeria across public and private sectors. He held significant roles at Threadneedle Asset Management, UK; Morley Fund Management Company Limited, UK; Asset and Resource Management Company Limited; ARM Pension Managers Limited; and Access Bank, where he served as Group Head of Financial Institutions, Insurance & Asset Management in 2003, and later as Group Head of Commercial Banking (North).

In May 2012, he joined Diamond Bank Plc (now Access Bank Plc) as Divisional Head of the Public Sector Directorate. He subsequently rose to the position of Regional Sales Director, North, where he led and coordinated the bank's branches across the Northern Directorate.

In May 2019, Sufiyanu took on the role of Head of North Bank and Public Sector at Keystone Bank Limited. During his tenure, which lasted until November 2023, he achieved the rank of General Manager. He then joined Union Bank of Nigeria Plc as Executive Director, overseeing Business Banking across the North, South-South, and South-East regions, as well as the Public Sector, a role he held until January 2024.

Sufiyanu holds a BSc in Economics from the University of Nigeria, Nsukka, and an MSc in International Banking, Investment, and Securities from Henley Business School, University of Reading, UK. He recently completed a certification in the Effective Execution of Organisational Strategy from Wharton Business School, University of Pennsylvania.

He is a member of the Society of Investment Professionals (UKSIP) and the Securities Futures Authority, London, UK; an Honorary Member of the Chartered Institute of Bankers Nigeria (HCIB); an Associate of the Chartered Institute of Stockbrokers (ACS); and a Certified Investment Manager.

Additionally, Sufiyanu has participated in business, leadership, and executive development programs at renowned institutions, including Wharton Business School, Euromoney, Lagos Business School, and Phillips Consulting. A former medal-winning track athlete at King's College, Lagos, he remains a voracious reader, with a keen interest in current affairs.

**Request:**

Shareholders are requested to vote in favour of the resolution for the appointment of Alhaji Abdullahi Sarki Mohammed, Ms. Obiaku Okam, and Mr. Sufiyanu Garba as Directors of the Bank.

## Resolution 4

Re-election of Mr. Mustafa Chike-Obi and Engr. Henry Obih as Non-Executive Directors:

**Rationale:**

In accordance with Section 285 of CAMA 2020 and Article 95(1) of the Company's Articles of Association, one-third of the Non-Executive Directors for the time being (or the number closest to it) are required to retire from office at each Annual General Meeting and if eligible, offer themselves for re-election at the same meeting.

## Recommendations and Explanatory Notes

The Directors to retire by rotation every year are those who have served longest in office since their last election. To give effect to the foregoing provisions, Mr. Mustafa Chike-Obi and Engr. Henry Obih shall retire by rotation at the 37th Annual General Meeting and being eligible, have offered themselves for re-election. The Board confirms that a formal evaluation was conducted to assess the performance of these Directors and recommends their re-election.

The profile of the Directors standing for re-election are detailed below and also available on the Bank's website at www.fidelitybank.ng.

### Profile of Mr. Mustafa Chike-Obi, Chairman and Non-Executive Director

Mustafa Chike-Obi is the Executive Vice Chairman at Alpha African Advisory. He has over 41 years of experience in investment banking and the financial services sector, working with reputable global investment banking and asset management firms. He provides overall leadership at Alpha African Advisory and has direct oversight of the capital raising division.

Prior to joining Alpha African Advisory, he was the inaugural Chief Executive Officer of Asset Management Corporation of Nigeria (AMCON), a Federal Government backed institution, established to resolve the problem of non-performing loan assets of Nigerian banks after the 2008 global financial crisis.

He started his Nigerian Banking career with Chase Merchant Bank from 1980 – 1982 as Head of Treasury Department and was Founding President at Madison Advisors, a financial services advisory and consulting firm at New Jersey, specializing in hedge funds and private equity investment advice.

He also served as Managing Director, Fixed Income at Shoreline Group and held senior positions at Goldman Sachs, Bear Stearns and Guggenheim Partners in the United States amongst others, where he acquired a broad knowledge base in capital market operations in mature and emerging markets, including the development and marketing of fixed income securities products to institutional investors.

His vast experience includes serving as Chairman of the Public Securities Association Trading Practice Committee of the National Association of Securities Dealers, overseeing mortgage-backed securities. Mustafa was educated at the University of Lagos and Stanford University School of Business where he obtained a Bachelor's degree in Mathematics (First Class Honours) and Master's in Business Administration (MBA) respectively.

In August 2020, he was appointed as Special Envoy of Nigeria to the United States of America on a special mission on behalf of the Federal Government of Nigeria and currently serves as President of the Bank Directors Association of Nigeria (BDAN) and Chairman of Anambra State Investment Promotion and Protection Agency (ANSIPPA).

Mustafa Chike-Obi joined the Board of Fidelity Bank Plc in August 2020.

### Profile of Engr, Henry Obih, Independent Non-Executive Director

Engr. Henry Obih was the Group Executive Director/Chief Operating Officer (GED/COO), Downstream, Nigerian National Petroleum Corporation (NNPC) until his retirement in 2019 and was subsequently appointed to the Board of Nigeria Liquefied Natural Gas Limited (NLNG) in July 2020. He also served on the Board of NNPC Limited from January 2022 to June 2023.

He joined the Board of Fidelity Bank with significant cross-functional work experience and exposure spanning over three (3) decades, across different climes including Africa, Europe, Asia and the Americas. He has extensive experience in project and performance management, manufacturing and operations management, sales and marketing, strategy and business planning/analysis, business development/re-engineering, general management, corporate governance and risk management.

Prior to joining NNPC as GED/COO in 2016, Engr. Obih had a stellar 22-year career at Mobil Oil Nigeria (ExxonMobil Nigeria Downstream) and held several high-profile positions in the company including Executive Director, Retail and Executive Director, Operations, Customer Service and Logistics.

His recent leadership roles include board positions at Nigeria Gas Marketing Company Limited, Pipelines and Products Marketing Company Limited, NNPC Retail Limited, NIDAS Marine Limited (a subsidiary of NNPC in joint venture with Daewoo Industries South Korea), NIKORMA Limited (a subsidiary of NNPC in joint venture with Hyundai Heavy Industries South Korea) and Duke Oil Company Inc.

Engr. Obih holds a Bachelor's degree in Mechanical Engineering from the University of Nigeria, Nsukka (UNN) and an MBA in Financial Management from the University of Bradford, Yorkshire, England.

His professional affiliations include membership of the Institute of Directors, Society for Corporate Governance and Council for the Regulation of Engineering in Nigeria (COREN); Nigerian Institute of Mechanical Engineers; Institute of Credit Administration and Fellowship of the Nigerian Society of Engineers.

He has attended executive programs in leadership, strategy, finance, corporate governance, and business management at some of the world's leading institutions including Columbia Business School, New York, Massachusetts Institute of Technology (MIT), IMD Lausanne, Switzerland, London Business School and Lagos Business School, Nigeria. He joined the Board in September 2020

**Request:**

Given their extensive experience, skills, background and impactful contributions during the year under review, the Board believes that Mr. Mustafa Chike-Obi and Engr. Henry Obih will continue to add value to the Board and the Company and requests that Shareholders should vote in favour of the resolution for their re-election.

## Resolution 5

To authorize the Directors to fix the remuneration of the Auditors:

**Rationale:**

Section 408(1) (b) of CAMA provides that the remuneration of the Auditors shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine.

A resolution will be proposed at the Annual General Meeting to authorize the Directors to determine the remuneration of the Auditors for the period of the appointment. In this regard, the Directors will be guided by the provisions of Section 404(7)(e) of CAMA which authorizes the Audit Committee to make recommendations to the Board on the appointment, removal and remuneration of the external auditors of the Company.

**Request:**

Shareholders are requested to vote in favour of the resolution authorizing the Directors to fix the remuneration of the Auditors for the financial year ending 31 December 2025.

## Resolution 6

To disclose the renumeration of the Managers of the Company:

**Rationale:**

Sections 238 and 257 of CAMA requires that the ordinary business for Annual General Meetings should include an item on the disclosure of the remuneration of the Managers of the company. Premised on the foregoing, Shareholders are informed that the remuneration of the Managers of the Company is disclosed in Note 39 of the audited accounts for 2024.

## Resolution 7

To elect members of the Statutory Audit Committee:

**Rationale:**

By virtue of Section 404(2) of CAMA, all public limited companies are mandated to establish Audit Committees. The Act also requires that the Committee should be composed of a maximum of five (5) members, three Shareholders and two Non-Executive Directors.

Section 404(6) of CAMA specifically provides that a Shareholder may nominate another Shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

The responsibilities of the Audit Committee include the following:

a) Ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices;

b) Review the scope and planning of audit requirements;

c) Review the findings on management matters in conjunction with the external auditor and departmental responses thereon;

d) Keep under review the effectiveness of the company's system of accounting and internal control;

e) Make recommendations to the Board with regard to the appointment, removal and remuneration of the external auditors of the company; and

f) Authorise the Internal Auditor to carry out investigations into any activities of the company which may be of interest or concern to the Committee.

Shareholders are requested to vote at the meeting, to elect three members to the Audit Committee. The nominees would be presented to the meeting. Voting on this resolution will be conducted by a show of hands in compliance with the provisions of Section 248(1) of CAMA or electronically.

**Request:**

Shareholders are requested to vote on the resolution to elect three (3) representatives to the Audit Committee for the 2025 financial year.

# POS Agents' List

**As at 31 December, 2024**

| S/N | Agent Name | Address | State |
|---|---|---|---|
| 1. | Orji Obinna Ukah | No 7 Urualla Street, O/Hills Aba | Abia |
| 2. | Kes Diagnostics And Clinical Support Centre Limited | 98 Ikot Ekpene Road, Aba | Abia |
| 3. | Onyedikachi Orji | 241 Ehi Road East Aba | Abia |
| 4. | Ogochukwu Jessica Chukwuanu | No 6 Ugochukwu Street Ariaria | Abia |
| 5. | Mkpuruoma Ruth Ogbu-ka | Mr Edos House In Ovurugba Village | Abia |
| 6. | Maryjane Tochukwu Patrick | A12 Mansion Zone | Abia |
| 7 | Silas Maduabuchi Duru | No 15/16 Diamond Line Ariaria | Abia |
| 8 | Chioma Maureen Igbok-we | No 4 Akuobu Street | Abia |
| 9 | Chinagorom Mercy On-wukaeme | Obinkita Arochukwu | Abia |
| 10 | Clinton Nmesoma Leon-ard | No 1 Plantation Avenue By Slaughter Old Express Aba | Abia |
| 11 | Oluchi Victoria Ekeh | No 9 Bolingo Plaza Cemetery Msrket Off Asa Road Abaabe | Enugu |
| 12 | Onwuegbuchulam Peace Chinwendu | 106 Azikiwe Road Aba | Abia |
| 13 | Felicia Chilee Buhari | 3c Glass Industries Road Aba | Abia |
| 14 | Geraldine Oluchi Oguike | No 2 Boundary Street Off Nweke Aba | Enugu |
| 15 | Jamiu Isiak | 8b Umuada | Abia |
| 16 | Chibuzor Okoli | No 1 Esiulo Street Off Emelogu | Abia |
| 17 | Okechukwu Emmanuel | Assemblies Of Church Umuoke Awu Road, Omoba Village | Abia |
| 18 | Ezinne Judith Enyeribe | Ichi Umuoru Village Osisioma | Abia |
| 19 | Mido Health Diagnostics $ Clinical Support Ser-vices Ltd | 98 Asa Road Opp Cemetry Market Aba | Abia |
| 20 | Maximus Okechukwu Opara | No 1 Ahnanya Street Aba | Abia |
| 21 | Chioma Uchechi Chin-kere | 223 Clifford By Stop | Abia |
| 22 | Grace Amarachi James | Opopo Junction | Abia |

| | | | |
|---|---|---|---|
| 23 | Ngozi Uchechukwu | Opopo Junction | Abia |
| 24 | Nneka Roseline Ejideaku | 4 Ejideaku World Bank | Abia |
| 25 | Anthony Okechukwu Nnanna | Asa Umudioka Osisioma | Abia |
| 26 | Emmanuel Onuorah Eze | Gline 113 Ariaria Market | Abia |
| 27 | Onyinyechi Constance Ernest | Abia Linw Park | Abia |
| 28 | Glory Oluchi Fortune | 17/18 Stallion Road Aba | Abia |
| 29 | Oddih Loveth Kaosiso-chukwu | No 15 Achor Crescent | Abia |
| 30 | Obi And Bonny Trading Company Nigeria Lim-ited | 3c Cemetry Road Aba By Indomie House | Abia |
| 31 | Onyema Egiri Okemini | 19a Sacred Heart Street Aba | Abia |
| 32 | Green-Edge Investment And Property Limited | No 1 Asa Road Aba, Abia State | FCT |
| 33 | Olumba Ijeoma | No 131 Emmanuel Line Ekumie Plaza | Abia |
| 34 | Ok Ultimate Link & Com-munication Ltd | 21 St Micheals Road Aba | Abia |
| 35 | Vic-Vera Superstores | 75 Umuola Road Ogbor Hill Aba | Abia |
| 36 | Uchechi Rose Nwachuk-wu | 19 Faulks Road | Abia |
| 37 | Mary Ugo Chukwu | House 2, Hehind Royal Seed Academy Jimgbo Kogi Stgate | Kogi |
| 38 | Osochi Loveth Ekeada | Seven Up | Abia |
| 39 | Martin Chidubem Nwosu | 13 Nwankwo Street By Ph Road Aba | Abia |
| 40 | Ernest Agwu Ukpabi | No 46 Imo Lane | Abia |
| 41 | Chiamaka Promise Uba | No 17 Uzukwo Rd Aba | Abia |
| 42 | Kalu Samuel Orji | Umudere Olokoro | Abia |
| 43 | Godwyn Enyinnaya Nnorom | Nnoroms Compound, Eluama Isuikwuato Lga, Abia State | Abia |
| 44 | Benjamin Chigozie Njoku | 6 Umuochim Road | Abia |
| 45 | Chinemerem Victor Ez-enwa | 3 Powa Street Milverton Aba | Abia |
| 46 | Chikaodi Adachukwu Amah | No. 9 Jaja Aba Abia State | Abia |
| 47 | John Udo Inyang | Umuode Village Aba. | Abia |
| 48 | Gabriel Obiora Moses | 39/43 Umuode Road Aba | Abia |
| 49 | Kanayo Kingsley Ibuonye | No 50 Kaduna Street Wadata Makurdi | Abia |
| 50 | Kelechi Nnenna Kalu | 6 Umuocham Rd Aba | Abia |
| 51 | Augusta Adanma Aha-nonu | 2/3 Gravel Avenue Oghill Aba | Abia |
| 52 | Onyenaturuchi Angel Ben | 7 Portharcourt Road | Abia |
| 53 | Otuomasirichi Promise Bassey | 5 Ijeoma Street Aba | Abia |

To view comprehensive schedule; please visit **www.fidelitybank.ng/areakonnect/agent-locations/**

# Communications Policy

The Bank has a formal Communications Policy which complies with the Laws, Rules and Regulations guiding the Nigerian Banking Industry as well as the Codes of Corporate Governance issued by its primary and other Regulators. These includes the Banks and Other Financial Institutions Act (BOFIA), 2020, Companies and Allied Matters Act (CAMA), 2020, the Nigerian Code of Corporate Governance, 2018, and the Corporate Governance Guidelines issued by the Central Bank of Nigeria and the Securities and Exchange Commission. Attention is also drawn to the following:

(a) **Efficiency:** The Bank uses modern communication technologies in a timely manner to convey its messages to target groups, while building synergies and strategic alliances across multi- media platforms.

(b) **Cultural Awareness:** The Bank operates in a multi-cultural environment and recognises the need to be sensitive to the cultural peculiarities of its operating environment.

(c) **Feedback:** The Bank actively and regularly seeks feedback on its image and communication activities not only from the media and target groups but also the general public.

## Information Dissemination

The Bank's Brand and Communications Division oversees the implementation of the Communications Policy as well as the process of dissemination of information from the Bank. The Chief Human Resources Officer is responsible for ensuring that a copy of the Policy is available to each Fidelity Bank employee via the Bank's intranet while the Chief Audit Executive ensures compliance.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Scan Here to Apply

We Are Fidelity. We Keep Our Word

Contact Us: +234 700 3433 5489
Contact Us: trueserve@fidelitybank.ng

Fidelity Bank Plc

FOLLOW US:

www.fidelitybank.ng

# Forms & Detachables

A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy in his stead. All forms should be deposited at the registered office of the Registrar (as in the Notice) not later than 48 hours before the meeting.

# Notes

**Fidelity Bank Plc**

# Proxy Form

**PROXY FORM FOR THE ANNUAL GENERAL MEETING OF MEMBERS OF FIDELITY BANK PLC TO BE HELD VIRTUALLY VIA HTTPS://WWW.FIDELITYBANK.NG/AGM/ AT 10.00A.M. ON TUESDAY, APRIL 29, 2025.**

I/We ..........................................................................................................................................

of ..........................................................................................................................................
...... being a Shareholder(s) of Fidelity Bank Plc hereby appoint **Mr. Mustafa Chike-Obi** or failing him, **Dr. Nneka Onyeali-Ikpe** as my/our Proxy to act and vote for me/us on my/our behalf at the Annual General Meeting to be held at 10:00a.m. on the 29th day of April 2025 and at any adjournment thereof.

Dated this 4th day of April 2025

Shareholder's Signature .................................................................... Account Number ....................................................................

<table>
<tr><th></th><th>No</th><th>Ordinary Business</th><th>For</th><th>Against</th></tr>
<tr><td rowspan="12">I/We desire this proxy to be used in favour of/or against the resolution as indicated alongside (strike out whichever is not required).</td><td></td><td>To consider and if thought fit, pass the following as Ordinary Resolutions:</td><td></td><td></td></tr>
<tr><td>1.</td><td>To lay before the members, the Audited Financial Statements for the year ended December 31, 2024 and the Reports of the Directors, External Auditors and Audit Committee thereon.</td><td></td><td></td></tr>
<tr><td>2.</td><td>To declare a final Dividend.</td><td></td><td></td></tr>
<tr><td>3.</td><td>a. To elect Alhaji Abdullahi Sarki Mohammed, as Independent Non-Executive Director.</td><td></td><td></td></tr>
<tr><td></td><td>b. To elect Ms. Obiaku Augusta Okam as Non-Executive Director.</td><td></td><td></td></tr>
<tr><td></td><td>c. To elect Mr. Sufiyanu Ibrahim Garba as Executive Director.</td><td></td><td></td></tr>
<tr><td>4.</td><td>a. To re-elect Mr. Mustafa Chike-Obi as Non-Executive Director.</td><td></td><td></td></tr>
<tr><td></td><td>b. To re-elect Engr. Henry Obih as Non-Executive Director.</td><td></td><td></td></tr>
<tr><td>5.</td><td>To authorize the Directors to fix the remuneration of the External Auditors for 2025.</td><td></td><td></td></tr>
<tr><td>6.</td><td>To disclose the remuneration of the managers of the Company.</td><td></td><td></td></tr>
<tr><td>7.</td><td>To elect the members of the Statutory Audit Committee.</td><td></td><td></td></tr>
<tr><td colspan="4"></td></tr>
<tr><td colspan="5">Please indicate with an "X" in the appropriate column, how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the Proxy will vote or abstain from voting at his discretion.</td></tr>
<tr><td colspan="5">Signature of Person Attending ____________________________________________</td></tr>
</table>

This proxy form should NOT be completed and sent to the registered office of the Registrar if the Shareholder will be attending the meeting.

**NOTES:**

(i) A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy in his stead. All proxy forms should be deposited at the registered office of the Registrar (as in the Notice) not later than 48 hours before the meeting.

(ii) In the case of Joint Shareholders, any of them may complete the form, but the names of all Joint Shareholders must be stated.

(iii) If the Shareholder is a corporation, this form must be executed under its Common Seal or under the hand of some of its officers or an attorney duly authorized.

(iv) The Proxy must produce the Admission Card sent with the Notice of the meeting to gain entrance to the meeting.

(v) It is a legal requirement that all instruments of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of Shareholders must bear appropriate stamp duty from the Stamp Duties Office (not adhesive postage stamps).

Fidelity

## Fidelity Bank Plc

# Admission Card

For the 37th Annual General Meeting to be held at 10:00 a.m. on April 29, 2025

Please admit ______________________________ to the 37th Annual General Meeting of Fidelity Bank Plc.

Name of Shareholder: ______________________________

Account Number: | | | | | | | | | | |

Number of Shares Held: ______________________________

Signature of person attending: ______________________________

- This admission card should be produced by the Shareholder or his proxy in order to obtain entrance to the Annual General Meeting.
- You are requested to sign this card at the entrance in the presence of the Company Secretary or her Nominee on the day of the Annual General Meeting.

Fidelity

## Fidelity Bank Plc

# Admission Card

For the 37th Annual General Meeting to be held at 10:00 a.m. on April 29, 2025

Please admit ______________________________ to the 37th Annual General Meeting of Fidelity Bank Plc.

Name of Shareholder: ______________________________

Account Number: | | | | | | | | | | |

Number of Shares Held: ______________________________

Signature of person attending: ______________________________

- This admission card should be produced by the Shareholder or his proxy in order to obtain entrance to the Annual General Meeting.
- You are requested to sign this card at the entrance in the presence of the Company Secretary or her Nominee on the day of the Annual General Meeting.

Fidelity

# Change Of Address/Shareholder's Data Update Form

Instructions: Please fill the form and return to the address below:

The Registrar,
First Registrars & Investor Services Limited,
2, Abebe Village Road, Iganmu,
P. M. B. 12692, Lagos, Nigeria.

**Request For Change of Address**
Kindly change my/our address in respect of my/our holdings in the company indicated below:

Shareholders Account Number (If Known)

Fidelity Bank Plc

**Shareholder's Account Information**

Surname/Company

Other Names

Previous Address

City

State

Present/New Address

City

State

Mobil Telephone

Email Address

Shareholder's Signature/Thumb Print

Joint/Corporate Shareholder(s) Signature & Company Seal

**NOTES**

(a) When completed on behalf of a corporate body, each signatory should state the representative capacity, e.g. Company Secretary, Director, etc.
(b) When the holding is in more than one name, all of the security holders must sign.
(c) Please note that this request would not be processed if the signature(s) herein differs from that which appears in the Registrar's records.
(d) Please attach a copy of your CSCS Statement to this form as evidence that a CSCS Account has been opened for you.

The Registrar,

First Registrars & Investor Services Limited,
2, Abebe Village Road, Iganmu,
P. M. B. 2692 Lagos, Nigeria.

Affix recent Passport Photograph (individual)

# Mandate For E-Dividend Payment

I/We hereby request that from now on, all Dividends due to me/us from my/our holdings in Fidelity Bank Plc should be paid directly to my/our Bank below:

**Item**

DATE (DD/MM/YY)

| D | D | M | M | Y | Y | Y | Y |
|---|---|---|---|---|---|---|---|

Shareholder's Account Number (If Known)

(1) Fidelity Bank Plc

(2)* Surname/Company's Name (whichever is applicable)

(2.2) *Other Names

(2.3)* City

State

(2.4) Email Address

(2.5) Mobile (GSM) Phone Number

(3) *Bank Name

(3.1) *Branch Address

(3.2) *Bank Account Number (10 digit NUBAN number)

(3.3) Bank sort code (very important)

(4)*

Shareholder's signature or Thumbprint

Joint Shareholders /Company Signatures

Company Seal & Incorporation Number (Corporate Shareholder)

(5)*

**Authorized Signatures and Stamp of Banker**

The branch stamp and signatures of the authorised signatories of your bank are required to confirm that the signature(s) in box 4 is/are that of the shareholder(s) or an authorised signatory

**NOTES**

a) When completed on behalf of a corporate body, each signatory should state the representative capacity, e.g. Company Secretary, Director, etc.

b) When the holding is in more than one name, all of the security holders must sign.

c) All asterisked fields must be completed.

The Registrar,

First Registrars & Investor Services Limited,
2, Abebe Village Road, Iganmu,
P. M. B. 12692 Lagos, Nigeria,

Affix recent Passport Photograph (individual)

# Unclaimed /Stale Dividend Warrant

I/We declare that i/we am/are the registered holder(s) of Fidelity Bank Plc shares. Till date, I/we am/are yet to receive my/our dividend warrant(s) payments no(s) ........................ (Please specify). In view of this, I/we request and authorise you to cancel the original dividend warrant(s) and credit my/our account below:

DATE (DD/MM/YY)

| D | D | M | M | Y | Y | Y | Y |
|---|---|---|---|---|---|---|---|

**Item**

Shareholder's Account Number (If Known)

(1) *Surname/Company's Name (whichever is applicable)

(1.1) * Other Names

(1.2) Address

(1.2) *Email Address

(1.3) *Mobile (GSM) Phone Number

(2) *Bank Name and Branch

(2.1) *Bank Account Number (10 digit NUBAN number)

Branch Sort Code

(3) I/We hereby authorise that the re-issued/re-validated dividend(s) be paid into my/our current account as indicated above.

(3.1) I/We hereby indemnify the company and registrar against all losses, actions, proceedings, demands, costs and expenses whatsoever which may be made, incurred or brought against them by reason of compliance with this request.

(4)*

| Shareholder's signature or Thumbprint | Joint Shareholders /Company Signatures | Company Seal & Incorporation Number (Corporate Shareholder) |
|---|---|---|

The branch stamp and signatures of the authorised signatories of your bank are required to confirm that the signature(s) in box 4 is/are that of the shareholder(s) or an authorised signatory

**NOTES**

- When completed on behalf of a corporate body, each signatory should state the representative capacity, e.g. Company Secretary, Director, etc.
- When the holding is in more than one name, all of the security holders must sign.
- Please note that this request would not be processed if the signature(s) herein differs from that which appears in the Registrar's records.

# Form for E-Bonus Shares

TO:
The Registrar,
First Registrars & Investor Services Limited,
2, Abebe Village Road, Iganmu,
P.M.B. 12692, Lagos, Nigeria.

**Re: Authority To Credit CSCS A/C With Bonus Shares**

Please take this as my/our authority to credit my/our under-mentioned account with Central Securities Clearing Systems (CSCS) Limited with all subsequent allotments and bonuses due on my/our shareholding(s) in Fidelity Bank Plc, from the date hereof.

1. Shareholder's Surname Or Company Name:

Other Names

(First Name) (Other Names)

2. Shareholder's Account Number. (If Known)
(As it appears on either your dividend warrant stub or share certificate)

3. Shareholder's CSCS Clearing House Number

4. Shareholder's Stockbroker

5. Shareholder's Mobile Telephone Number

6. Shareholder's E-mail Address:

| | | |
|---|---|---|
| **Signature**** (Individual Shareholder) | **Signature**** (Joint/Corporate Shareholders) | **Company Seal** |

Dated this____________________ day of____________________2025

**NOTES**

a) When completed on behalf of a corporate body, each signatory should state the representative capacity, e.g. Company Secretary, Director, etc.

b) When the holding is in more than one name, all of the security holders must sign.

c) Please note that this request would not be processed if the signature(s) herein differs from that in the Registrars records.

d) Please attach a copy of your CSCS Statement to this form as evidence that a CSCS Account has been opened for you.

**www.fidelitybank.ng**

2024 Annual Report / Fidelity Bank Plc®