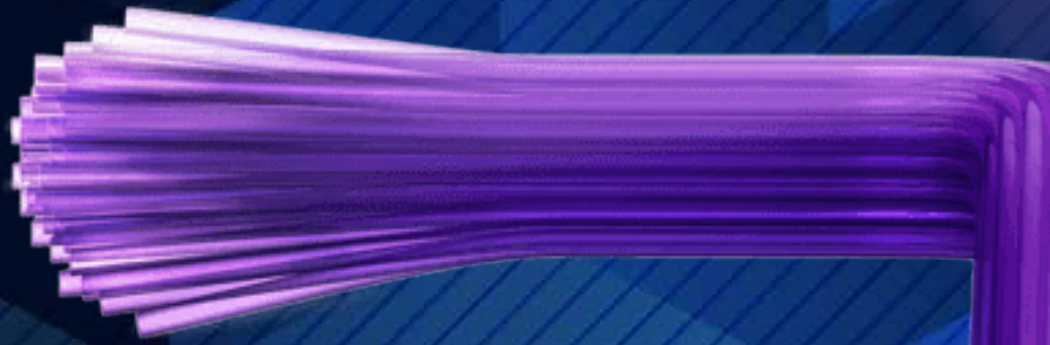
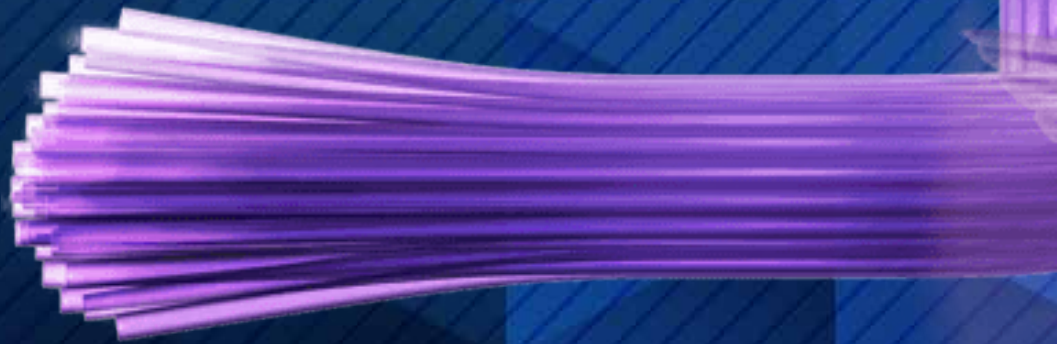


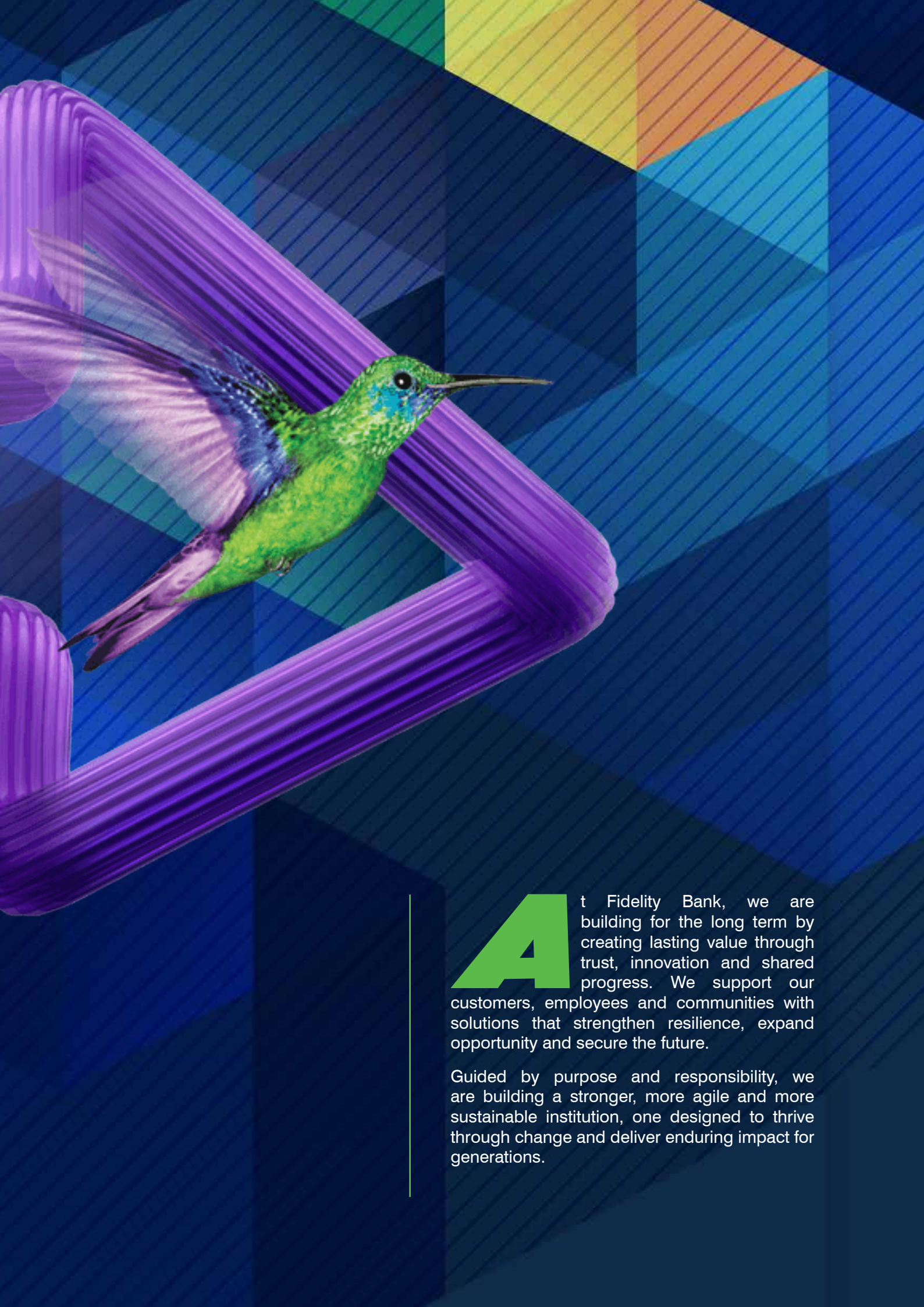
Building for the Long Term



2025 Annual Report



FIDELITY,
BUILDING TODAY
FOR A STRONGER
TOMORROW



At Fidelity Bank, we are building for the long term by creating lasting value through trust, innovation and shared progress. We support our customers, employees and communities with solutions that strengthen resilience, expand opportunity and secure the future.

Guided by purpose and responsibility, we are building a stronger, more agile and more sustainable institution, one designed to thrive through change and deliver enduring impact for generations.

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Corporate Information



Directors

1. Mrs. Amaka Onwughalu (Board Chair)
2. Engr. Henry Obih (Independent Non-Executive Director)
3. Chief Nelson C. Nweke (Non-Executive Director)
4. Mr. Chinedu Okeke (Non-Executive Director)
5. Alhaji Abdullahi S. Mohammed (Independent Non-Executive Director)
6. Ms. Obiaku Okam (Non-Executive Director)
7. Dr. Jonathan O. Ososukpor (Non-Executive Director)
8. Dr. Nneka Onyeali-Ikpe (Managing Director/CEO)
9. Mr. Kevin Ugwuoke (Executive Director)
10. Dr. Ken Opara (Executive Director)
11. Mr. Stanley Amuchie (Executive Director)
12. Mrs. Pamela Shodipo (Executive Director)
13. Mr. Abolore Solebo (Executive Director)
14. 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

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[in](https://www.linkedin.com/company/fidelity-bank-plc) 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 Appraiser

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.

Mission



To make financial services easy and accessible to our customers.

About us

Fidelity Bank Plc is a full-fledged commercial bank with more than 10million customers who are serviced across its 255 business offices and various digital banking channels in Nigeria and the United Kingdom. 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 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 Bank's operations. It voluntarily subjected itself to the NGX Corporate Governance Rating System (CGRS) and compliance.

Performance Highlights



Revenue and Efficiency Ratio

Gross earnings up by **45.6%** to **₦1,519.7 billion** in 2025FY (2024FY: **₦1,043.4 billion**)

Cost to Income Ratio increased to **54.6%** in 2025FY from **42.9%** in 2024FY

PBT declined slightly by **9.7%** to **₦347.7 billion** in 2025 (PAT came in at **₦242.4 billion**)



Asset Quality

Cost of Risk was down to **0.5%** in 2025FY from **1.5%** in 2024FY

NPL Ratio dropped to **2.4%** in 2025FY compared to **3.1%** in 2024FY

Coverage Ratio improved significantly: **203.9%** in 2025FY Vs. **138.4%** in 2024FY



Capital Adequacy and Liquidity

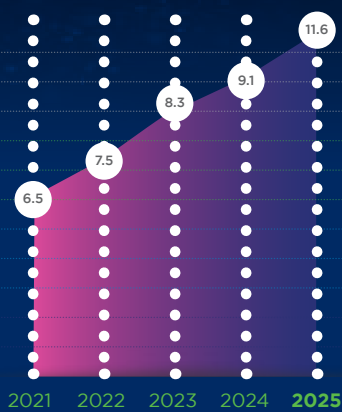
Capital Adequacy Ratio of **16.2%**, based on Basel II computation

Liquidity Ratio of **66.5%** compared to the regulatory minimum of **30.0%**

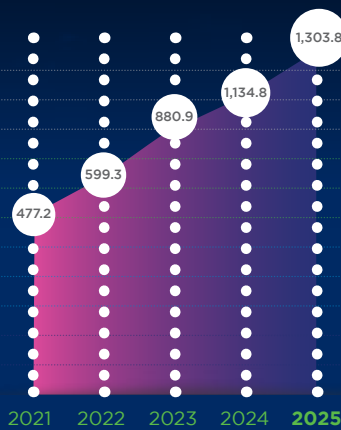
Total Equity at **₦1,087.6 billion** compared to **₦897.9 billion** in 2024FY

Retail & Digital Banking Evolution

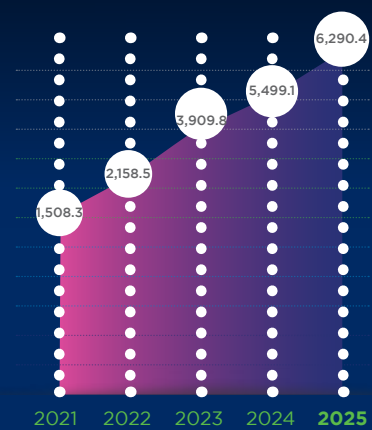
Number of Customer Accounts
(₹ million)



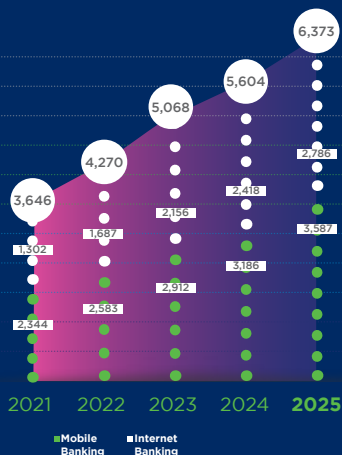
Savings Deposit
(₹ billion)



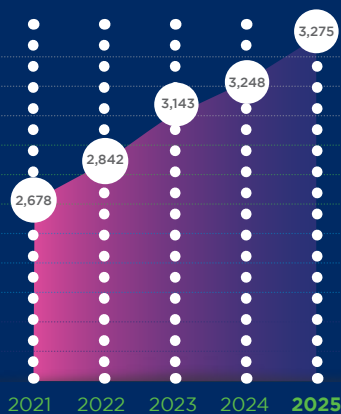
Low Cost Deposits
(₹ billion)



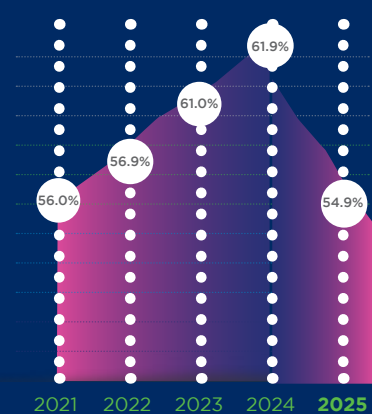
Mobile/Internet Banking Customers
(₹ 000)



Number of Debit Card Holders
(₹ 000)



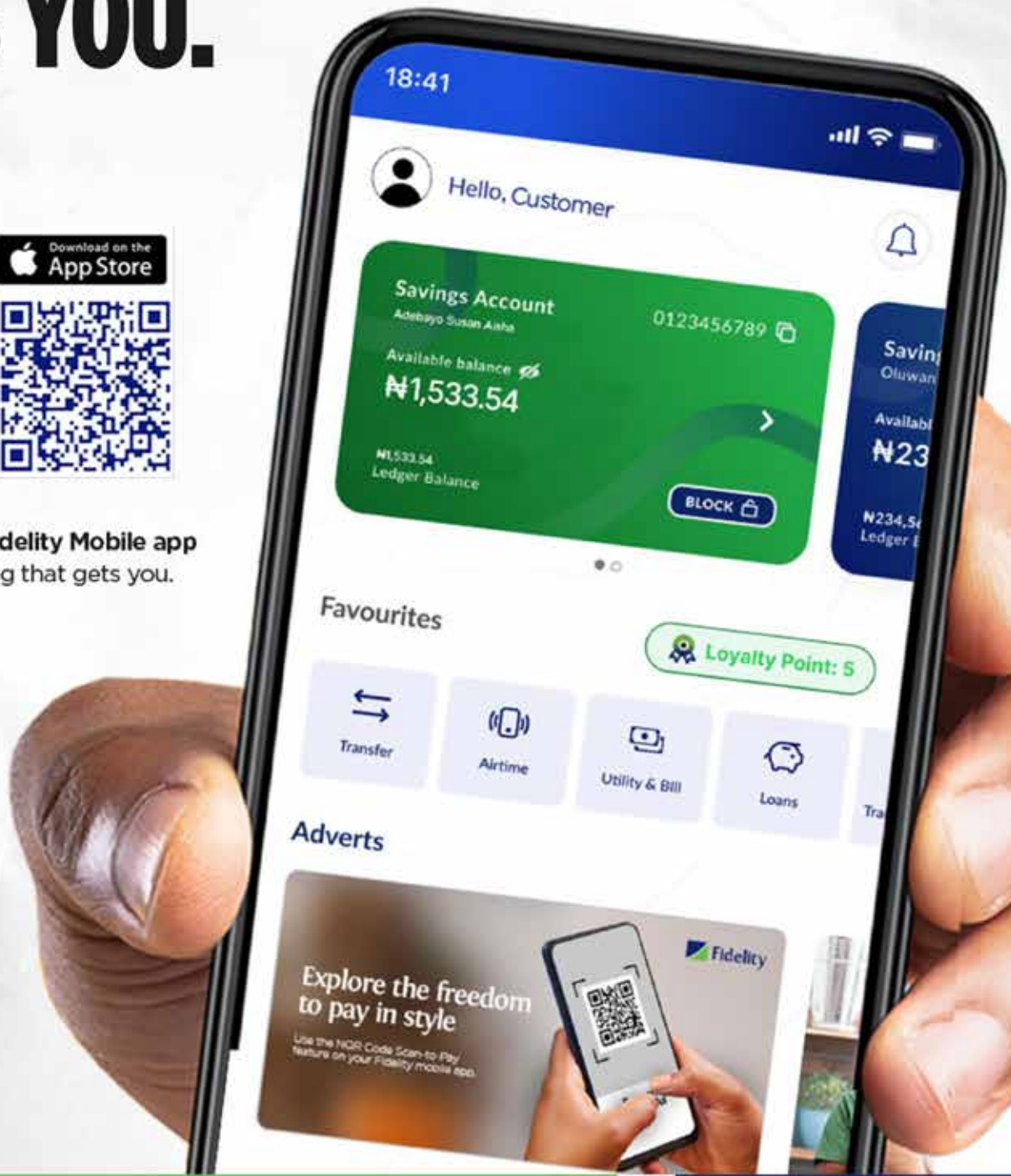
Electronic Banking Penetration
(%)



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We Are Fidelity, We Keep Our Word

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



Fidelity Bank Plc
RC103022

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Notice of AGM

Notice is Hereby Given that the 38th Annual General Meeting of members of Fidelity Bank Plc will hold virtually via <https://www.fidelitybank.ng/agm/> at 10.00a.m. on Tuesday, July 7, 2026 to transact the following business:

ORDINARY BUSINESS

1. To lay before the members, the Audited Financial Statements for the year ended December 31, 2025, and the Reports of the Directors, External Auditors, Board Evaluation Consultants and Statutory Audit Committee thereon.
2. To elect the following Director who was appointed since the last Annual General Meeting:
 - (i) Dr. Jonathan O. Ososuapkor, Non-Executive Director.
3. To Re-Elect/Note the Directors due for Retirement by Rotation:
 - (i) To re-elect Mrs. Amaka Onwughalu, Chairman, Non-Executive Director
 - (ii) To note the retirement by rotation of Chief Nelson Nweke, Non-Executive Director
4. To authorise the Directors to fix the remuneration of the External Auditors for 2026.
5. To disclose the remuneration of the managers of the Company.
6. To elect members of the Statutory Audit Committee.

Dated the 11th day of June 2026

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 38th 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.

(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 38th 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) Closure of Register of Members

The Register of Members and Transfer Books of the Company will be closed from June 25 2026, to June 29, 2026 (both days inclusive) to enable the Registrar prepare for the Annual General Meeting.

(d) 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.

(e) 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.

(f) 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>).

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.

(g) Election/Re-Election/Retirement by Rotation of Directors:**(i) Election of Director:**

- (a) Dr. Jonathan O. Ososuapkor, Non-Executive Director, was appointed to the Board with effect from May 22, 2026 and will be presented for election at the 38th Annual General Meeting.

(ii) Re-election/Retirement by Rotation of Directors:

In accordance with the provisions of Article 95(1) (a) of the Articles of Association of the Company, the Non-Executive Directors due for retirement by rotation and eligible for re-election at the 38th Annual General Meeting are Mrs. Amaka Onwughalu and Chief Nelson Nweke. Mrs. Amaka Onwughalu has offered herself for re-election, while Chief Nelson Nweke has confirmed that he would retire by rotation at the end of the 38th

Annual General Meeting and would not seek 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

(h) 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 June 26, 2026.

(i) E-Annual Report

The electronic version of this notice as well as the annual report (e-annual report) for 2025 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.

(j) Website

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



**Grow.
Thrive.
Prosper.**

Now that's our word.

When you choose Fidelity Bank, you choose genuine partnership that empowers your dreams, and helps you achieve prosperity.

www.fidelitybank.ng/corporatebank

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- TRANSACTION BANKING ■ ADVISORY

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Contact Us: +234 700 3433 5489
trueserve@fidelitybank.ng



Fidelity Bank Plc

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Chairman's Statement

Today, we stand stronger than ever, supported by a resilient business model, robust balance sheet, talented workforce, and a strategic vision that positions us to succeed in an increasingly dynamic and competitive environment.





Amaka Onwughalu
Board Chair, Fidelity Bank Plc

Introduction

Distinguished Shareholders,

It is my profound honor and privilege to welcome you to the 38th Annual General Meeting of Fidelity Bank Plc.

As we gather today to review the Bank's performance, I am pleased to report that Fidelity Bank continued to strengthen its franchise, enhance its resilience, and advance its long-term strategic ambitions despite a challenging and evolving operating environment.

Our performance during the year was underpinned by disciplined execution, prudent risk management, strong governance, and an unwavering commitment to serving our customers. More importantly, it reflected the enduring strength of our institution and the trust that customers, investors, regulators, employees, and shareholders continue to place in the Fidelity Bank brand.

For nearly four decades, Fidelity Bank has evolved from a modest financial institution into one of Nigeria's most respected banking franchises. Throughout this journey, we have remained guided by a clear purpose: to create sustainable value for our stakeholders while contributing meaningfully to economic growth and national development.

Today, we stand stronger than ever, supported by a resilient business model, robust balance sheet, talented workforce, and a strategic vision that positions us to succeed in an increasingly dynamic and competitive environment.

The Economic Environment

The year under review was characterized by significant economic adjustment and transformation. Policymakers continued to implement far-reaching fiscal, monetary, and structural reforms to strengthen macroeconomic stability, improve market efficiency, and lay the foundation for sustainable long-term growth.

While these reforms created short-term challenges for businesses and households, they also improved investor confidence and strengthened the long-term outlook for the Nigerian economy. Encouragingly, economic activity gained momentum during the year, with real GDP growth strengthening to approximately 3.9% in 2025, supported by improved oil production, resilient services sector performance, and continued

expansion across key non-oil sectors.

Inflationary pressures remained elevated but gradually moderated during the year, supported by easing supply-side constraints and improved exchange-rate stability. Headline inflation averaged approximately 23.3% in 2025, declining from 34.8% in December 2024 to about 15.15% by December 2025, supported by tighter monetary policy, improved food supply conditions, relative exchange-rate stability, and easing supply-chain disruptions. This broad deceleration throughout the year was primarily driven by favorable base effects, tactical harvest-season supply improvements, and the structural rebasing of the Consumer Price Index (CPI).

The foreign exchange market also experienced greater stability as ongoing reforms, improved market liquidity, stronger diaspora remittances, and increased capital inflows contributed to a more predictable operating environment. Nigeria's external position strengthened considerably during the period, with gross external reserves rising to approximately US\$45 billion, supported by improved foreign exchange inflows, stronger current account performance, and renewed investor confidence.

Capital importation improved significantly during the period, reflecting renewed investor confidence in Nigeria's economic prospects. Total foreign capital inflows rose to approximately US\$23.2 billion in 2025, representing one of the strongest performances in recent years. The improvement was largely driven by a resurgence in Foreign Portfolio Investment (FPI), which increased to about US\$19.73 billion, as investors responded positively to foreign exchange market reforms, attractive domestic yields, and improving macroeconomic fundamentals.

Other Investments, comprising loans, trade credits, and other financial assets, also strengthened significantly to approximately US\$2.5 billion, reflecting increased confidence from international lenders and counterparties. Meanwhile, Foreign Direct Investment (FDI) amounted to approximately US\$923 million, indicating a gradual recovery in long-term strategic investments despite a still cautious global investment environment.

The banking industry continued to adapt to an evolving regulatory landscape marked by the banks recapitalization programme, strengthened prudential requirements,

enhanced governance expectations, and increased focus on operational resilience and financial stability.

Despite persistent challenges, the Nigerian economy demonstrated remarkable resilience, supported by improved non-oil sector performance, stronger fiscal revenues, increased oil production, and the gradual impact of ongoing reforms.

We remain optimistic about the long-term prospects of the Nigerian economy. With a growing population, entrepreneurial talent, expanding digital adoption, and ongoing structural reforms, Nigeria continues to possess significant potential for sustainable economic growth and value creation.

Building an Enduring Institution

As Directors, our responsibility extends beyond delivering strong financial results in any single year.

We are custodians of an institution entrusted with the savings, aspirations, and confidence of millions of customers and stakeholders. Our role is to ensure that Fidelity Bank remains strong, trusted, relevant, and resilient. Not only today, but for decades to come.

Accordingly, our objective is not simply to build a larger bank. Our objective is to build a stronger and more enduring institution; one capable of thriving across economic cycles, adapting to technological changes, maintaining the highest standards of governance, and consistently creating sustainable value.

The trust placed in Fidelity Bank has been earned over many years through prudent stewardship, disciplined execution, sound risk management, and an unwavering commitment to integrity. Preserving and strengthening that trust remains our highest responsibility.

As the global financial services industry continues to evolve, we are deliberately investing in technology, talent, innovation, governance, and risk management to ensure the Bank remains competitive and relevant in an increasingly complex world.

We firmly believe that institutions that endure are those that combine financial strength with innovation, purpose, integrity, and a long-term perspective. These principles continue to guide every decision we make as a Board.

Strengthening Our Foundation for Growth

One of the most significant milestones of the year was the successful completion of our landmark Private Placement, which raised ₦227.05 billion.

This achievement represents a defining moment in our corporate journey.

Beyond satisfying regulatory capital requirements, the transaction significantly strengthens our capacity to support larger customers, finance strategic sectors of the economy, pursue attractive growth opportunities, invest in innovation, and expand our competitive advantage.

Most importantly, it reinforces our ability to create sustainable long-term value for shareholders while preserving the financial strength and resilience that have become hallmarks of the Fidelity Bank franchise.

Creating Sustainable Value

The strength of our strategy is reflected in the Bank's consistent growth trajectory over the past five years.

Between 2020 and the year under review, Profit Before Tax grew at a compound annual growth rate of 65%, increasing from ₦28.1 billion to ₦347.6 billion. Gross Earnings expanded at a compound annual growth rate of 49%, rising from ₦206 billion to ₦1.5 trillion.

Our balance sheet has also grown significantly. Customer deposits increased at a compound annual growth rate of 32%, growing from ₦1.7 trillion in 2020 to ₦6.9 trillion, while total assets expanded at a compound annual growth rate of 31%, increasing from ₦2.76 trillion to ₦10.46 trillion.

These achievements are more than financial statistics. They represent the trust that customers place in our institution, the dedication of our employees, the confidence of our shareholders, and the effectiveness of our long-term strategy.

Importantly, this growth was achieved while maintaining a disciplined approach to risk management, governance, capital preservation, and sustainable value creation.

At Fidelity Bank, we recognise that our role extends beyond banking. We finance businesses, support entrepreneurs, facilitate trade, promote financial inclusion, and contribute to economic development.

Accordingly, our success is measured not only by the returns we generate but also by the positive impact we create for customers, communities, employees, and society.

Looking ahead

The global banking industry is undergoing a profound transformation. Advances in technology, changing customer expectations, evolving regulatory frameworks, geopolitical uncertainty, cybersecurity risks, and the accelerating pace of innovation are reshaping the competitive landscape.

Against this backdrop, our strategic priorities remain clear.

We will continue to strengthen our franchise, deepen customer relationships, accelerate our digital transformation, enhance operational excellence, strengthen our risk management capabilities, and maintain the disciplined culture that has underpinned our success.

Our ambition is not merely to participate in the future of banking; it is to help shape it.

We aspire to build one of Africa's most respected financial institutions distinguished by excellence, trusted by customers, admired by stakeholders, and recognised for creating sustainable long-term value.

We remain committed to prudent growth, disciplined capital allocation, sound governance, and responsible stewardship as we pursue this ambition.

Board Changes

The following changes occurred on the Board after the 37th Annual General Meeting on April 29, 2025:

- Mr. Mustafa Chike-Obi, Non-Executive Director and Chairman, completed his tenure and retired from the Board on December 31, 2025.
- Mrs. Amaka Onwughalu, Non-Executive Director, was appointed Chairman of the Board of Directors with effect from January 1, 2026.
- Mrs. Morohunke Bammeke, Independent Non-Executive Director, completed her tenure and retired from the Board on April 30, 2026.
- Dr. Jonathan O. Ososuakpor, Non-Executive Director, was appointed to the Board with effect from May 22, 2026.

On behalf of the Board, Management, and Shareholders of the Bank, I sincerely thank Mr. Mustafa Chike-Obi and Mrs. Morohunke Bammeke for their outstanding service and invaluable contributions to the growth and development of the Bank during their tenure on the Board.

I am also pleased to welcome Dr. Jonathan O. Ososuakpor to the Board and look forward to working closely with him to advance our strategic objectives.

Closing Remarks

As we reflect on the progress we have made, we do so with a deep sense of gratitude and responsibility.

In the last few years, Fidelity Bank has demonstrated resilience through periods of economic uncertainty, market disruption, regulatory change, and industry transformation. Through each chapter of our journey, we have emerged stronger because of the trust our customers place in us, the commitment of our employees, the guidance of our regulators, and the confidence of our shareholders.

Yet our greatest opportunities lie ahead.

We are operating in a world undergoing extraordinary change. Institutions that will thrive in this environment are those that remain agile, innovative, financially strong, and unwavering in their commitment to stakeholders. Fidelity Bank is well-positioned to be one of those institutions.

We are building more than a successful bank. We are building an enduring institution; one that will continue to create opportunities, support economic development, empower businesses, and generate sustainable value for customers, communities, employees, and shareholders for generations to come.

On behalf of the Board of Directors, I thank you for your continued confidence and support. Together, we will continue to build a stronger, more resilient, and more impactful Fidelity Bank.

The future is promising, our foundation is strong, and our commitment to excellence remains unwavering.

Thank you, and God bless.



Mrs. Amaka Onwughalu

Board Chair, Fidelity Bank Plc



CEO's Statement

While maintaining support for key sectors of the economy, we adopted a disciplined approach to lending, focusing on portfolio quality, risk-adjusted returns, and capital efficiency. Consequently, our asset quality improved significantly, with our Non-Performing Loan Ratio reducing to 2.4% and Cost of Risk declining to 0.5% from 3.1% and 1.5%, respectively.





Nneka Onyeali-Ikpe
MD/CEO, Fidelity Bank Plc

Esteemed Shareholders, Distinguished Guests, Ladies and Gentlemen,

It is with utmost pride and gratitude that I present Fidelity Bank Plc's 2025 Annual Report and Financial Statements, highlighting the exceptional achievements and transformative progress your Bank recorded this financial year.

2025 was a landmark year in our journey as an institution. We not only consolidated the gains of our transformation agenda but also propelled Fidelity Bank to new heights, solidifying our market position and establishing a robust foundation for sustainable, long-term growth.

In the face of a challenging operating environment characterized by persistent inflationary pressures, exchange rate volatility, and evolving regulatory requirements, the Bank demonstrated exceptional resilience, discipline, and strategic foresight. We made significant progress in building a stable, diversified, and well-balanced funding base, further strengthening our financial position and long-term sustainability.

Our outstanding performance reflects the robustness of our business model, the enduring trust and loyalty of our customers, the unwavering confidence of our shareholders, and the commitment, professionalism, and relentless dedication of our employees. Together, these strengths have enabled us to navigate market uncertainties successfully while continuing to deliver sustainable value to all stakeholders.

Most importantly, this success confirms that Fidelity Bank has evolved beyond a transformation story. We have become a stronger, more diversified, and highly competitive financial institution, uniquely positioned to seize opportunities within Nigeria and across international markets.

Delivering Strong Performance

Our financial performance in 2025 emphatically demonstrates the effectiveness of our forward-thinking strategy and the unparalleled resilience of our franchise.

Gross Earnings increased by 45.6% to ₦1.5 trillion, supported by strong growth across both interest and non-interest income

streams. This performance reflects our ability to grow earnings while maintaining a balanced and diversified revenue base.

Interest income benefited from improved yields on earning assets and the effective deployment of capital, while non-interest income recorded exceptional growth, driven by increased trade flows, foreign exchange-related transactions, digital banking revenues, and credit-related fees.

While Profit After Tax experienced a modest decline, primarily due to unrealized mark-to-market losses on derivative instruments, the underlying performance of our business remained exceptionally strong. Our core banking operations delivered robust earnings growth, and our United Kingdom subsidiary achieved a positive operating profit; validating the success of our international expansion strategy and our ability to deliver sustainable growth across all markets.

The quality and sustainability of our earnings continue to improve as we deepen our retail banking franchise, expand transaction banking capabilities, and increase the contribution of technology-enabled revenue streams.

Strengthening Our Balance Sheet

Throughout the year, we remained focused on preserving the strength and resilience of our balance sheet.

Customer Deposits increased by 16.1% to ₦6.89 trillion, driven largely by growth in low-cost deposits across retail and corporate segments. This growth reflects continued customer confidence in the Fidelity Bank brand and our ability to provide innovative solutions that meet the evolving needs of individuals and businesses.

While maintaining support for key sectors of the economy, we adopted a disciplined approach to lending, focusing on portfolio quality, risk-adjusted returns, and capital efficiency. Consequently, our asset quality improved significantly, with our Non-Performing Loan Ratio reducing to 2.4% and Cost of Risk declining to 0.5% from 3.1% and 1.5%, respectively.

We also maintained strong capital and liquidity positions throughout the year,

ensuring the Bank remains well-positioned to support growth opportunities and navigate changing market conditions.

A Defining Year for Capital and Growth

A defining milestone in the 2025 financial year was the successful completion of the second phase of our capital raise programme. We raised a total of ₦227.05 billion through a Private Placement, which increased the Bank's eligible capital from ₦305.5 billion to ₦532.6 billion, positioning us comfortably above the ₦500 billion regulatory threshold for commercial banks with international authorisation.

The exercise attracted strong participation from both domestic and foreign institutional investors and was oversubscribed, underscoring market confidence in our strategy, governance standards, management team, and future prospects.

For us, the successful capital raise represents more than regulatory compliance. It provides the foundation for the next phase of our growth journey. It enhances our capacity to support larger transactions, deepen our presence across strategic market segments, accelerate technology investments, strengthen our international operations, and create long-term value for shareholders.

As we deploy the proceeds, we remain committed to maintaining prudent capital management, disciplined risk-taking, and sustainable profitability.

Expanding Our Reach and Impact

Our ambition extends beyond financial performance.

Our commitment to ESG principles was boosted by the clear milestones recorded during the year. For instance,

- Our paper usage dropped significantly by 51.8%
- Fossil fuel energy consumption dropped by 38.3%
- Our community investments crossed ₦2.4bn, focused on Education, Environment, Health & Social Welfare and Youth Empowerment projects. Over

40 schools in Nigeria benefited from our Corporate Social Responsibility (CSR) investments.

- And our employees were not left out. Over 3,470 of our employees volunteered several hours devoted to CSR projects, especially in the rural areas and hinterlands.

We also remain committed to driving economic growth by supporting businesses, empowering entrepreneurs, and expanding access to financial services. Through targeted interventions and innovative solutions, we continue to play a meaningful role in advancing financial inclusion and supporting the development of Micro, Small and Medium Enterprises (MSMEs).

We continued to invest in digital transformation during the year, enhancing customer experience, improving operational efficiency, and strengthening the security and reliability of our service channels.

These investments are helping us build a more agile, technology-driven institution capable of meeting the needs of an increasingly digital economy.

Recognition of Our Progress

The progress we have made continues to attract recognition from respected local and international institutions.

In 2025, Fidelity Bank was named the best bank in Nigeria for Export and Trade Finance by BusinessDay Banks and Financial Institutions (BAFI) Award, a recognition that reflects the growing strength of our export and advisory businesses.

We also received the Development Bank of Nigeria Innovation Award in recognition of our outstanding support for Micro, Small and Medium Enterprises. In addition, the Bank earned several awards across retail banking, SME banking, customer service, innovation, and financial inclusion.

While we are honoured by these recognitions, we view them not as an endpoint but as encouragement to continue raising the standards of service, innovation, and value creation.

Looking Ahead

As we look to the future, we are optimistic about the opportunities before us.

Nigeria remains a market of immense potential, supported by a dynamic population, increasing digital adoption, entrepreneurial energy, and expanding opportunities for financial intermediation. We believe Fidelity Bank is uniquely positioned to benefit from these opportunities.

In 2026 and beyond, our strategic priorities will remain focused on accelerating retail growth, expanding our SME leadership, deepening digital banking capabilities, strengthening transaction banking, enhancing operational efficiency, and maximising the benefits of our strengthened capital position.

We will also continue to leverage our growing international platform to support customers, facilitate trade and investment flows, and unlock new sources of value for stakeholders.

Our objective is clear: to build a leading African financial institution that consistently delivers superior customer experience, sustainable profitability, and long-term shareholder value.

Appreciation

On behalf of the Board and Management, I extend my sincere appreciation to our shareholders for their unwavering support and confidence in our institution.

I also thank our customers, regulators, business partners, and other stakeholders for their continued trust and partnership.

To our employees, I express my deepest gratitude. Your dedication, professionalism, and commitment to excellence continue to drive our success and inspire confidence in our future.

Together, we have built a stronger institution. Together, we will continue to seize new opportunities, overcome challenges, and create lasting value for all stakeholders.



Dr. Nneka Onyeali-Ikpe

Managing Director/CEO



Directors' Profiles

A detailed presentation of Directors' profiles.





Standing (from left to right)

Chief Nelson Nweke, Mrs. Pamela Shodipo, Mr. Sufiyanu Garba, Alh. Abdullahi Sarki Mohammed, Mrs. Amaka Onwughalu

Sitting (from left to right)

Mrs. Ezinwa Unuigboje (Company Secretary), Mr. Stanley Amuchie, Dr. Ken Opara



Standing (from left to right)

Dr. Nneka Onyeali-Ikpe, Mr. Kevin Ugwuoke, Mrs. Morhunke Bammeke (Retired from the Board on April 30, 2026), Engr. Henry Obih,

Sitting (from left to right)

Mr. Chinedu Okeke, Ms. Obiaku Okam, Mr. Abolore Solebo.

In circle

Dr. Jonathan Oniovosa Ososuaqpor (Joined the Board on May 22, 2026)



Amaka Onwughalu *Board, Chair*

Mrs. Amaka Onwughalu was appointed Chairman of the Board of Fidelity Bank with effect from January 1, 2026. She is currently the Chief Executive Officer of Blueshield Financial Services Limited. Prior to this, she served in executive management positions in different institutions and was the former Group Managing

Director of legacy Mainstreet Bank Limited where she led the successful execution of a seamless integration of the bank with Skye Bank Plc where she served as Deputy Managing Director until her retirement in July 2016.

Mrs. Amaka Onwughalu has over thirty-two (32) 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 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); a Fellow 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, and served as member/chair of various Board Committees including the Board Credit Committee and Board Risk Management Committee of the Bank before her appointment as Chairman on January 1, 2026.



Nneka Onyeali-Ikpe OON *Managing Director/Chief Executive Officer*

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.

She has over thirty-four (34) years of experience across various banks including Standard Chartered Bank Plc, Zenith Bank Plc and Citizens International Bank Limited, where she held management and leadership positions in Legal, Treasury, Investment Banking, Retail/Commercial Banking and Corporate Banking, in addition to serving as an Executive Director on the Board of Enterprise Bank Plc.

Nneka has been involved in the structuring

of complex transactions in various sectors including Oil & Gas; Manufacturing, Aviation, Real Estate and Export. As an Executive Director at Enterprise Bank Plc, she received formal commendation from the Asset Management Corporation of Nigeria (AMCON) as a member of the management team that successfully turned around Enterprise Bank Plc.

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 a Fellow 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. 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 thirty-three (33) 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 and its current President, having previously served as its First Vice President. He is also a Fellow of the Chartered Risk Management Institute of Nigeria.



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 thirty-two (32) 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 was 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 Executive Director, Operations and Information. 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 twenty-six (26) 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 eighteen (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 twenty-seven (27) 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 twenty-four (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 thirty (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 Division 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.

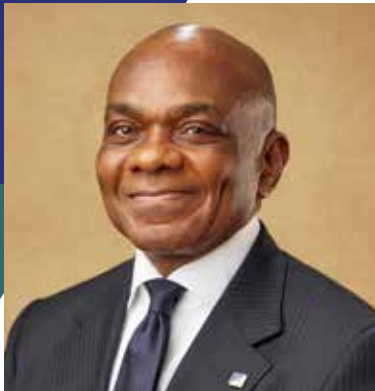
In May 2019, Sufiyanu took on the role of Head of North Bank and Public Sector at Keystone Bank Limited. During his tenure, which lasted until November 2023, he

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 was appointed to the Board of NNPC Limited in April 2025,

having also previously served on its Board 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.



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 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, and as a 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 was also awarded an Honorary Doctorate Degree in Public Administration from the University of Nigeria, Nsukka.

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.



Morohunke Adenike Bammeke

Independent Non-Executive Director

Mrs. Morohunke 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-five (35) 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 Agrosociences 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 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.



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.



Jonathan Oniovosa Ososuakpor

Non-Executive Director

Dr. Jonathan Oniovosa Ososuakpor joins the Board of Fidelity Bank Plc with over 40 years of experience in the financial services industry including Credit and Marketing; Retail; Consumer and Commercial Banking; Public Sector; Banking Operations; and Risk Management.

He enjoyed an illustrious banking career which commenced in 1983 with Union Bank of Nigeria Plc and served in various capacities at notable financial institutions including former Gateway Bank, Oceanic Bank, Ecobank Nigeria Plc and Intercontinental Bank Plc (now Access Bank Plc). He held key leadership and management positions before his appointment as Managing Director/Chief Executive Officer of AMJU Unique Microfinance Bank Limited in 2012, a position he held until his retirement from the bank in July 2025.

He was Chairman of Universal Finance Consult & Investment Limited (2007 to 2017), and V-Capital Consulting Limited (2015 to 2025) and currently chairs the Board of Directors of Top Rank Oil Services Limited, a leading multifunctional engineering company providing diverse services to the nation's Oil and Gas industry, Public and Private Sectors.

Dr. Ososuakpor holds Bachelor's and Masters degrees in Banking and Finance, from University of Benin. He also has both Master of Science and Doctorate Degrees in Economics from Delta State University, Nigeria; and Master of Business Administration (Finance) Degree from Bangor University, Wales, UK.

His professional qualifications include Fellowship of the Chartered Institute of Bankers of Nigeria; Institute of Credit Administration; Institute of Chartered Economists of Nigeria and Association of Enterprise Risk Management Professionals. He is also a Fellow of the Chartered Institute of Taxation of Nigeria; Member of the Nigeria Economic Society and Chartered Banker Institute, Wales, UK;

Dr. Ososuakpor is a Certified Expert in Risk Management and key resource person at local and international trainings. His areas of interest include Risk Management; Data Analytics; Monetary, Macro and Microeconomics; Financial Inclusion; and Corporate Governance.

He brings impressive cross-functional experience to the Board and has attended leadership and executive development programmes at world class institutions including the London Business School and United Nations Institute for Training and Research.

Grow. Thrive. Prosper.

When you choose Fidelity Bank, you have a genuine partnership that empowers your dreams, and helps you achieve prosperity, assured that your aspirations are in safe hands.

That's our word and it's our bond.

- RETAIL BANKING
- MANAGED SMES
- COMMERCIAL BANKING
- CORPORATE BANKING
- EBANKING
- PRIVATE BANKING
- AGRIC & EXPORT

We Are Fidelity, We Keep Our Word.



We Are Fidelity, We Keep Our word

Contact Us: 0700 3433 5489
trueserve@fidelitybank.ng



Fidelity Bank Plc
RC 103022

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Management Staff

As at 31 December, 2025

Executive Management

1.	Onyeali-Ikpe Chinwe Nneka	Managing Director/CEO
2.	Ugwuoke Chukwuma Kevin	Executive Director, Risk Management
3.	Opara Onyewuchi Kenneth	Executive Director, Commercial and Consumer Banking - Lagos and South West
4.	Amuchie Chiedoziem Stanley	Executive Director, Operations and Information Group
5.	Shodipo Pamela	Executive Director, Commercial and Consumer Banking - South
6.	Solebo Najeem Abolore	Executive Director, Corporate Banking
7.	Garba Ibrahim Sufiyanu	Executive Director, Commercial and Consumer Banking - North

General Manager

1.	Abejegah Victor	Chief Financial Officer
2.	Ogunmolade Adeboye Rafiu	Chief Compliance Officer
3.	Monye Jude	Regional Bank Head, Ikeja
4.	Nwachukwu Izuchukwu Charles	Chief Human Resources Officer
5.	Unuigboje Ezinwa	Company Secretary
6.	Madiebo Nwora Richard	Division Head, Public Sector & Collections
7.	Adeyinka Omotoso Adebayo	Technical Assistant to the MD
8.	Kayode-Lawal Nnenna	Division Head, Conglomerates
9.	Edekobi Pius Nnamdi	Regional Bank Head, Victoria Island

Deputy General Manager

1.	Eretoru Paul Ibisiki	Regional Bank Head, Rivers Bayelsa I
2.	Mordi Ezinwa Veronica Vanessa	Regional Bank Head, Abuja I
3.	Asiegbu Ugochukwu Henry	Division Head, Operations
4.	Okafor Obiajulu	Regional Bank Head, Apapa
5.	Okeke Ngozi Samuel	Division Head, FMCG I
6.	Nzeribe Ntomchukwu Paschal	Regional Bank Head, Festac
7.	Okechukwu Chinenye Chetachi	Regional Bank Head, Ikoyi
8.	Nwankwo Ngozi Chioma	Regional Bank Head, Lagos Central
9.	Egbuna Francis Chukwudi	Regional Bank Head, Mainland I
10.	Mukoro Ramat Ovie	Regional Bank Head, Midwest I
11.	Mesioye Zacchaeus Adewale	Division Head, Project Finance & Advisory
12.	Olabisi Arinola Morenike	Regional Bank Head, South West II
13.	Babalola Oluyemi Akintoye	Division Head, Treasury & Financial Institutions
14.	Zawiya Sani Sadi	Regional Bank Head, North Central
15.	Tarimbuka Musa	Regional Bank Head, North East
16.	Erigbuem Onuwa Cynthia	Regional Bank Head, Lagos Island
17.	Osinigwe Eberechukwu I Ugochi	Chief Audit Executive

Assistant General Manager

1.	Okonkwo Azubike Bartholomew	Chief Information Officer
2.	Ede Jude Osita	Division Head, Product Development
3.	Orizu Nzubechukwu Damian	Division Head, Remedial & Asset Mgt
4.	Iloh Chidiruo Nnamdi	Team Lead, Asian Corporates

5.	Omotosho Oyedoyin Joyce	Division Head, Credit Administration
6.	Ubbaonu Joy Nnenna	Division Head, Loan Processing
7.	Omorogbe Osaigbovo	Division Head, Partnership & Ecosystem
8.	Mustafa Olumuyiwa Adetunji	Division Head, SIBT
9.	Orumwense Ernest Nosa	Regional Bank Head, Awka
10.	Nkemakolam Emeka	Division Head, Energy & Power
11.	Mbanaso Nnadozie Nwabueze	Regional Bank Head, Imo-Abia
12.	Anyanwu Kechi Cynthia	Division Head, Liquidity & Balance Sheet
13.	Ezekwugo Charles Afamefuna	Regional Bank Head, Mainland II
14.	Onyekwere Anthonia Nwanja	Division Head, Fintechs & Telecoms
15.	Ahijo Mohammed	Regional Bank Head, North West II
16.	Muhammad Hassan	Branch Leader, NNPC SBU
17.	Cliff-Asu Ifeyinwa Anthonia	Branch Leader, Adetokunbo Ademola SBU
18.	Aniekwena Ebere Marian	Branch Leader, Awolowo Road SBU
19.	Ofochebe Ogonna Ngozi	Branch Leader, Apapa Burma SBU
20.	Omogiafo Ayegbeni Osato	Chief Information Security Officer
21.	Onuoha Ndubuisi Audifax	Group Head, Compliance Risk Mgt
22.	Ejiofobiri Augustine Chiefo	Branch Leader, Corporate Branch
23.	Lawal Olayinka Mojeed	Group Head, Corporate Credit Appraisal
24.	Onibuje Sandra Ifeoma	Division Head, Electronic Banking
25.	Ohiri Onyewuchi Kingsley	Division Head, Legal
26.	Akabogu Nchedo Augustina	Division Head, Loan Portfolio Reporting & Monitoring
27.	Ndukwe Ojebe Isaiah	Division Head, Export & Agriculture
28.	Odu Nyire Vera	Team Lead, General Commerce
29.	Ekweronu Ononogbu Onyinyechi	Group Head, Branch Operations
30.	Obasi Anoke Stephen	Group Head, Head Office Operations
31.	Nwadike Chukwuka Charles	Regional Bank Head, Enugu-Ebonyi
32.	Odubango Nihinlola Omobolaji	Regional Bank Head, Mainland III
33.	Anyanonu Innocent Ozioma	Regional Bank Head, Onitsha
34.	Chukwu Charles	Group Head, Loan Disbursement
35.	Dukor Chukwuemeka Hillary	Team Lead, Power
36.	Ashagbe Aderonke Adediwura	Branch Leader, Saka Tinubu SBU
37.	Ayodele Ayodeji Martin	Regional Bank Head, Abuja III
38.	Daniel Okorie	Divisional Head, Internal Control
39.	Folaranmi Jemirin	Regional Bank Head, West I

Subsidiary Information



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1 King's Arms Yard
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info@fidbank.uk

Website

www.fidbank.co.uk

Directors

Dr. Nneka Onyeali-Ikpe	Chair of the Board
Mr. Johnson O. Ememandu	Managing Director/Chief Executive
Mrs. Ndidi Dimanochie	Executive Director
Mr. Emeka Okonkwo	Non-Executive Director
Ms. Mobola Faloye	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 2025

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 2025.

1. Results

Highlights of the Group's operating results for the year ended December 31, 2025, are as follows:

	Group		Bank	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Profit before income and windfall taxes	347,662	385,215	347,790	393,000
Windfall tax	(5,669)	(13,331)	(5,669)	(13,331)
Income tax expense	(99,549)	(93,777)	(104,854)	(96,811)
Profit after income tax	242,444	278,106	237,267	282,858
Earnings per share				
Basic and diluted (in kobo)	580	665	568	677

Dividend

The Directors have not proposed any dividend for the 2025 financial year (31 December 2024: ₦2.10k per share).

2. 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.

3. 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 255 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 (former Union Bank UK Plc) which was acquired in 2023. The financial result of the subsidiary has been consolidated into these financial statements.

4. Beneficial Ownership

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

5. Share Capital

The range of shareholding as at December 31, 2025 is as follows:

RANGE ANALYSIS AS AT 31ST DECEMBER 2025						
	RANGE	No of Holders	% Holders	Holders Cum	Units	% Units
1	1,000	134,963	25.66%	134,963	105,225,403	0.21%
1,001	5,000	206,648	39.29%	341,611	586,606,723	1.17%
5,001	10,000	71,194	13.54%	412,805	605,971,424	1.21%
10,001	50,000	77,053	14.65%	489,858	1,883,037,161	3.75%
50,001	100,000	17,156	3.26%	507,014	1,339,749,898	2.67%
100,001	500,000	14,671	2.79%	521,685	3,036,130,746	6.05%
500,001	1,000,000	2,247	0.43%	523,932	1,677,910,619	3.34%
1,000,001	5,000,000	1,397	0.27%	525,329	2,826,480,840	5.63%
5,000,001	10,000,000	208	0.04%	525,536	1,453,437,441	2.90%
10,000,001	50,000,000	244	0.05%	525,778	4,814,247,452	9.59%
50,000,001	100,000,000	33	0.01%	525,811	2,001,835,144	3.99%
100,000,001	50,200,000,000	98	0.02%	525,897	29,869,367,149	59.50%
GRAND TOTAL		525,912	100%	50,200,000,000	100%	

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 2025.

As at December 31, 2025, the Bank's issued and paid-up capital was ₦25,100,000,000.00 divided into 50,200,000,000 Ordinary shares of 50 Kobo each.

The Bank undertook a private placement of 12.97Billion Ordinary shares in December 2025 and raised the sum of ₦227Billion, which increased its eligible capital from ₦305.5Billion to ₦532.6Billion, against the regulatory capital requirement of ₦500Billion for banks with international authorization. The private placement was undergoing regulatory capital verification by the Central Bank of Nigeria as of December 31, 2025.

6. Changes on the Board and Directors' Interests

(a) Changes on the Board:

The following changes occurred on the Board during the year ended December 31, 2025 and subsequently:

No.	Board Changes
1	Mr. Chidi Agbapu, Non-Executive Director, retired from the Board with effect from January 15, 2025.
2	Alhaji Abdullahi Sarki Mohammed, Independent Non-Executive Director, was appointed to the Board on January 14, 2025.
3	Ms. Obiaku Augusta Okam, Non-Executive Director, was appointed to the Board on January 14, 2025.
4	Mr. Sufiyanu Ibrahim Garba, Executive Director, was appointed to the Board with effect from January 24, 2025.
5	Mr. Mustafa Chike-Obi, Chairman and Non-Executive Director, retired from the Board with effect from December 31, 2025.
6	Mrs. Amaka Onwughalu, Non-Executive Director was appointed Chairman of the Board of Directors of the Bank with effect from January 1, 2026.

- 7 Mrs. Morohunke Bammeke, Independent Non-Executive Director, completed her tenure and retired from the Board on April 30, 2026.
- 8 Dr. Jonathan Oniovosa Ososuakpor was appointed to the Board as a Non-Executive Director with effect from May 22, 2026.

(b) Directors Who Held Office During the Review Year

The Directors who held office during the year ended 31 December 2025 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:

NAME OF DIRECTOR	STATUS	As at December 31, 2025			As at December 31, 2024		
		DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	TOTAL
		Units	Units	Units	Units	Units	Units
*Mr. Mustafa Chike-Obi	Chairman, Non-Executive Director	53,114,122	NIL	53,114,122	39,516,294	NIL	39,516,294
Engr. Henry Obih	Independent Non-Executive Director	NIL	NIL	NIL	NIL	NIL	NIL
**Mr. Chidi Agbapu	Non-Executive Director	1,724,276	NIL	1,724,276	1,724,276	NIL	1,724,276
Chief Nelson C Nweke	Non-Executive Director	71,847,773	NIL	71,847,773	71,847,773	NIL	71,847,773
Mr. Chinedu Okeke	Non-Executive Director	1,140,000	NIL	1,140,000	1,140,000	NIL	1,140,000
Mrs. Amaka Onwughalu	Non-Executive Director	5,131,891	NIL	5,131,891	4,404,700	NIL	4,404,700
Mrs. Ronke Bammeke	Independent Non-Executive Director	NIL	NIL	NIL	NIL	NIL	NIL
***Alhaji Abdullahi Sarki Mohammed	Independent Non-Executive Director	NIL	NIL	NIL	NIL	NIL	NIL
****Ms. Obiaku Augusta Okam	Non-Executive Director	NIL	NIL	NIL	NIL	NIL	NIL
Dr. Nneka Onyeali-Ikpe	Managing Director/CEO	145,846,128	NIL	145,846,128	94,644,260	NIL	94,644,260
Mr. Kevin Ugwuoke	Executive Director	44,606,759	NIL	44,606,759	39,202,811	NIL	39,202,811
Dr. Ken Opara	Executive Director	45,336,060	NIL	45,336,060	39,123,921	NIL	39,123,921
Mr. Stanley Amuchie	Executive Director	52,458,688	NIL	52,458,688	40,727,272	NIL	40,727,272
Mrs. Pamela Shodipo	Executive Director	18,499,999	NIL	18,499,999	12,727,272	NIL	12,727,272
Mr. Abolore Solebo	Executive Director	25,977,512	NIL	25,977,512	9,927,512	NIL	9,927,512
****Mr. Sufiyanu Ibrahim Garba	Executive Director	NIL	NIL	NIL	NIL	NIL	NIL

* Retired with effect from December 31, 2025.

** Retired with effect from January 15, 2025.

***Appointed with effect from January 14, 2025.

****Appointed with effect from January 14, 2025.

*****Appointed with effect from January 24, 2025

(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	<ul style="list-style-type: none">• To attract and retain talent in a competitive market	Monthly	<ul style="list-style-type: none">• Reviewed every 2 years and changes made on need basis and market findings.• 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	<ul style="list-style-type: none"> To motivate and reward the delivery of annual goals at the Bank and individual levels 	Annually	<ul style="list-style-type: none"> Performance incentives are awarded based on the performance of the Bank and individual Directors.
	<ul style="list-style-type: none"> Rewards contribution to the long-term performance of the Bank 	Annually	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Reflect market value of individuals and their role within the Bank 	<ul style="list-style-type: none"> Actual items are provided or the cash equivalent for one year is given. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> To attract individuals with relevant skills, knowledge and experience. 	<ul style="list-style-type: none"> Quarterly 	<ul style="list-style-type: none"> Reviewed every 2 years or as appropriate and changes made on need basis subject to Shareholders' approval at the Annual General Meeting.
Sitting Allowances	<ul style="list-style-type: none"> To recognise the responsibilities of the Non-Executive Directors. To encourage attendance and participation at designated committees assigned to them. 	<ul style="list-style-type: none"> Per meeting 	<ul style="list-style-type: none"> 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 like that of the Bank and makes changes as appropriate.

The remuneration paid to the Directors in the year ended December 31, 2025 is disclosed in Note 38 of the Financial Statements.

7. Events After Reporting Period

Significant events after the reporting period which could have had a material effect on the financial position of the Group as at December 31, 2025, and on the profit and other comprehensive income for the period ended have all been adequately provided for or disclosed in the financial Report. See note 47

8. 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.

9. Donations and Charitable Contributions

Donations and gifts to charitable organizations during the year ended 31 December, 2025 amounted to ₦2,385,835,362.76 (31 December 2024 - ₦1,547,023,967.18). There were no donations to political organizations during the year.

The beneficiaries were:

SN	REQUESTING/BENEFICIARY ORGANISATION	DONATION	AMOUNT (₦)
1	Enugu State Government, Enugu	Support for the Enugu State Security Trust Fund	100,000,000
2	Lagos State Government, Lagos	Support for the Lagos State Security Trust Fund	50,000,000
3	The Fashion Games 2025, Lagos	Sponsorship for Fashion Games 2025	5,000,000
4	Invest in Africa Summit 2025, Lagos	Sponsorship of the 2nd edition of Invest in Africa Summit	10,000,000
5	Duke of Shomolu Foundation, Lagos	Support for the production of a stage play "Bianca"	5,000,000
6	Morainbow Down Syndrome, Lagos	Support for the Morainbow Down Syndrome Foundation	1,000,000
7	Cocoa Association of Nigeria, Akure, Ondo State	Support towards the National Cocoa Stakeholders Workshop	5,000,000
8	Communications Week Media Ltd, Lagos	Financial towards the Africa's BOICT Merit and Leadership Distinguished Lecture/Awards	1,000,000
9	Clement Adesuyi Haastrup, Ilesha, Osun State	Financial support for the unveiling of the socio-economy development programme	20,000,000
10	William Anumudu Foundation, Lagos	Financial support to the William Anumudu Foundation	100,000,000
11	The Nigerian Conservation Foundation	Sponsorship and participation in the Nigerian Conservation Foundation's 2025 Walk for Nature	2,000,000
12	Clod South-South East Luncheon	Sponsorship of Clod South-South East Luncheon	1,500,000
13	Adamawa State Government, Yola	Support for Green Initiative	50,000,000
14	Katsina State Government, Katsina	Sponsorship of Arewa Tech Festival 2.0	5,000,000
15	Ohafia LGA, Abiriba, Ohafia LGA, Abia State	Construction of Ohafia LGA Recreation Center	141,801,096
16	Boys Secondary School, Igbo-Ukwu, Igbo-Ukwu, Anambra State	Fencing of Boys Secondary School	35,000,000

17	Gilgal Rehabilitation Centre, Lagos	Support for Mental Health Care	7,359,128
18	Nwafor Orizu College of Education, Nsugbue, Anambra	Financial support towards the installation of solar power system	98,317,875
19	Fidelity Food Bank Initiative (Rivers, Osun, Imo, Lagos, Niger, Abuja, Kano, Anambra and Benue States)	Distribution of raw food packs through the Fidelity Food Bank Initiative to underserved communities across the country	1,184,400,000
20	Taraba State Government, Taraba State	Ramadan intervention for the less privileged	8,040,000
21	LEA Primary School, Lugbe, Abuja	Provision of school desks	1,240,000
22	Emotan College, Oredo Community, Edo State	Renovation of the school Library	1,176,000
23	Akere Primary Health Care Centre, Ajeromi Ifelodun LGA, Lagos	Donation of maternity kits to indigent expectant mothers	2,400,252
24	Akinola - Hassan Health Center, Satellite PHLL Lagos	Donation of maternity kits to indigent expecting mothers	2,000,000
25	Old People's Home, Yaba, Lagos	Donation of essential items	1,200,000
26	Orphanage Home, Alaba, Lagos	Donation of essential items	800,000
27	Kobi Government Primary School, Bauchi LGA of Bauchi State	Renovation of three blocks of seven classrooms, two offices, one toilet, and the construction of 105 school tables and chairs	28,532,343
28	Government Secondary School, Elekahia, Port Harcourt, Rivers State	Donation of back to school materials	640,000
29	Artfield Ltd, Lagos	Financial support towards SMEFest Awka 2025	8,500,000
30	Centre for Social Awareness, Advocacy & Ethics, Imo State	Financial support towards the donation of school kits to indigent pupils in underserved primary schools in Ikeduru Local Government Area of Imo State	2,000,000
31	The Center for Ethics and Sustainable Development, Lagos	Sponsorship of Workshop on Sustaining Gender Lens Infrastructure Delivery Agenda in Africa.	5,000,000
32	Aspada Community Secondary School, Aso, Mararaba, Nasarawa State	Renovation of a school block	1,760,000
33	Catholic Men Organisation Archdiocese, Lagos	Sponsorship of Archdiocesan Catholic Men Organization of Nigeria (LAMCON) 12th Edition Empowerment Initiatives	1,000,000
34	ICAN Fidelity Chapter, Lagos	Financial support towards the ICAN Fidelity Bank Chapter's 4th Chairman Investiture, Patron Conferment and Capacity Development.	2,500,000
35	Jennda Forte Academy, Lagos	Financial support towards the hosting of Graduation and Prize-Giving Ceremony	1,000,000
36	Beauty in Motherland 2025, Lagos	Sponsorship of the 2nd Edition of Beauty in Motherland 2025	70,000,000
37	Presbyterian Church, Lagos	Financial support towards Nigeria Women's Guild Workshop	5,000,000
38	National Orthopedic Hospital, Lagos	Financial support to execute a medical outreach	1,170,160
39	Boys to Men Foundation, Lagos	Financial support towards the delivery of 'Owning My Space' Leadership and Life Skills Programme for Male NYSC Corp members.	5,000,000
40	SEC - UNIZIK Centre, Awka	Sponsorship support for SEC- UNIZIK Centre For Capital Market Studies Conference in South-East Nigeria.	15,000,000
41	Nepo Road Market Women, Ajah, Lagos	Donation of waste bins and other environmental friendly materials	2,040,000

42	Old People's Home, Yaba, Lagos	Donation of essential items	2,100,000
43	Nigeria-Britain Association, Lagos	Sponsorship of 2025 Independence Day Celebration	15,000,000
44	Poly General Hospital, Enugu	Donation of maternity kits and other medical equipment.	920,000
45	MPD Logics Property and Management Company International Limited, Lagos	Financial support for women empowerment programme	5,000,000
46	Artfied Limited, Lagos	Financial support for the 2025 Abuja Startup Expo	10,000,000
47	Isanbi Day, Ogun State	Sponsorship for 48th Isanbi Day and Homecoming Week 2025	5,000,000
48	Our Lady, Queen of Peace, Catholic Church, Ifako Gbagada, Lagos	Sponsorship of 2025 Harvest of Divine Assurance and Tremendous Accomplishment Outreach	5,000,000
49	Lagos Business School Alumni Association	Financial support for the thirteenth edition of the President's Dinner	5,000,000
50	Audacity to Transform, Lagos	Financial support for a book launch	5,000,000
51	Oramah Football Club and Academy	Sponsorship for Oramah Football Club and Academy Youth Competition	9,800,000
52	Jesus World Changers Apostolic Mission, Lagos	Sponsorship for the hosting of the Youth Empowerment Conference 2025 (Series III)	5,000,000
53	Eko Boys High School, Surulere, Lagos	Donation of Back to School Materials	1,914,000
54	Gombe State University Accounting Department, Gombe State	Installation of solar panels, batteries and inverter at Gombe State University Accounting Dept. to power offices, computers, equipment and classrooms	7,621,750
55	Catholic Church of Divine Mercy	Sponsorship of Unusual Entrepreneurs 2025 Initiative	20,000,000
56	Tee Tumblers Recreational Services	Sponsorship of GYM FEST Championship 2.0 2025	10,000,000
57	Regina Caeli Catholic Church	Sponsorship of Thanksgiving and Bazaar	500,000
58	Makoko Community, Lagos	Donation of boats, back-to-school materials and food items	2,200,000
59	Rotary Club of Abuja Sapphire, Abuja	Sponsorship of World Polio Day Celebration	5,000,000
60	Lion Village Montherless Babies Home, Lekki Phase 1, Lagos	Donation of essential items	520,000
61	Uvuru Community, Imo State	Sponsorship of 33rd Edition of Bia Were Oji Uvuru Festival	5,000,000
62	Ahijoku Centre, Imo State	Sponsorship of 45th Edition of Ahijoku Lecture	10,000,000
63	Institute of Chartered Arbitrators, Lagos	Sponsorship of NICARB 2025 International Arbitration and ADR Conference	2,000,000
64	Adekunle, Makoko, Aiyetoro Communities School, Lagos	Donation of Back to School materials	6,000,000
65	Udeme Gospel, Lagos	Sponsorship of the Udeme Street Gospel project for community development	1,000,000
66	Oke Ovoro Ezuo People's Assembly, Imo	Sponsorship of a skill acquisition center cultural emporium and OOEPa secretariat building fund launch	10,000,000
67	Green Fingers Wildlife Conservation, Lagos	Elegushi Beach Tree-planting and beach-cleaning project	1,000,000

68	Oluyole Cheshire Home, Ibadan	Donation of essential items	1,145,000
69	Ikoyi Fire Service Station, Lagos	Donation of water pumping machines	562,000
70	Enugu State Teaching Hospital (Parklane), Enugu	Payment of medical bills of indigent patients	1,200,000
71	Coronation Anniversary Empowerment Programme, Ile Ife, Osun State	Sponsorship of the Ooni of Ife Coronation Anniversary Empowerment Programme	20,000,000
72	Boniface Outreach, Lagos	Sponsorship of Christmas outreach	5,000,000
73	Makoko Community, Lagos	Donation of back-to-school and hygiene materials	3,050,759
74	Gilgal Rehabilitation Community Foundation, Lagos	Sponsorship of Christmas outreach	1,000,000
75	Imo Newspaper Publishers Association, Imo	Support for brochure subscription for the Imo Newspaper Publishers Association 14th Anniversary/Award Ceremony	500,000
76	Pasture Travels (Afrojazz), Lagos	Sponsorship of Afrojazz Fest 2025	5,375,000
77	Mgboye Ezeajughi Foundation	Financial support for the Mgboye Ezeajughi Outreach	5,000,000
78	Lighting Young Minds Initiative (North, South West, South South)	Donation of Solar Powered School Bags to select schools in underserved communities across the country	63,000,000
79	Yaba College of Technology, Lagos	Donation of giant recycling bins	1,050,000
80	Catholic Church of the Holy Trinity Lagos	Sponsorship of the vital community outreach	10,000,000
81	Airshow International Nigeria Limited, Abuja	Sponsorship of the Nigerian International Airshow, 2025	100,000,000
82	Imo State Government, Imo	Sponsorship of Imo State Economic Summit 2025	30,000,000
Total			2,385,835,363

10. Gender Analysis as at 31 December, 2025

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 2025 is shown below:

GENDER ANALYSIS OF TOTAL STAFF AS AT 31 DECEMBER 2025			31 DECEMBER, 2024	
GENDER	NUMBER	% OF TOTAL STAFF	NUMBER	% OF TOTAL STAFF
FEMALE	1,775	52%	1,619	52%
MALE	1,632	48%	1,508	48%
TOTAL	3,407	100%	3,127	100%

Gender Analysis of Top Management (AGM-GM) as at 31 December 2025						31 December, 2024
GRADE	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
General Manager	2	7	9	0	8	8
Deputy General Manager	5	12	17	6	12	18
Assistant General Manager	14	25	39	10	22	32
TOTAL	21	44	65	16	42	58
Percentage	32%	68%	100%	28%	72%	100%

Gender Analysis of the Board as at 31 December 2025						31 December, 2024
GRADE	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Executive Director	1	5	6	1	4	5
Managing Director	1	0	1	1	0	1
Non-Executive Director	3	5	8	2	6	8
TOTAL	5	10	15	4	10	14
Percentage	33%	67%	100%	29%	71%	100%

11. 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.

12. 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. Employees include persons with special needs and the Bank ensures that the work environment is accessible and conducive for them.

13. 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.

14. 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.

15. 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 nine modern Learning Centers at Lagos, Ibadan, Benin, Port-Harcourt, Owerri, Awka, Enugu, Abuja, and Kano. A total of 5,033 staff (2,492 core staff and 2,541 non-core), participated in various training programs as of 31 December 2025.

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

16. Research and Development

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

17. 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
Standard & Poor (S&P)	B-	B	Stable

Local Rating			
Agusto & Co	"A"	"A"	Stable
Global Credit Rating Co (GCR)	A (NG)	A1 (NG)	Stable

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

18. 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 2026 financial year in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020. The resolution authorizing the Directors to determine their remuneration will be proposed for approval at the 38th Annual General Meeting.

By Order of the Board



Ezinwa Unuigboje

Company Secretary
FRC/2014/NBA/00000008909
Fidelity Bank Plc
No 2 Kofo Abayomi Street
Victoria Island
Lagos
9 March 2026

Report of the Statutory Audit Committee

For The Year Ended December 31, 2025

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 2025 and are satisfied with the explanations obtained.
- Reviewed the External Auditors Management Report for the year ended 31 December 2025 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 2025 in accordance with the prescribed CBN format.
- Ascertained that the accounting and reporting policies of the Company for the year ended 31 December 2025 are in accordance with legal requirements and agreed ethical practices.

The External Auditors confirmed having received full cooperation 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 6, 2026

MEMBERS OF THE COMMITTEE

- | | | |
|------------------------------|---|------------------------|
| 1. Chief Frank Onwu | - | Chairman (Shareholder) |
| 2. Dr. Christian Nwinia | - | Member (Shareholder) |
| 3. Mr. Innocent Mmuoh | - | Member (Shareholder) |
| 4. Mrs. Morohunke Bammeke | - | Member (Director) |
| 5. Alhaji Abdullahi Mohammed | - | Member (Director) |

In Attendance:

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

Corporate Governance

For The Year Ended December 31 2025

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.

The Bank’s Shared Values of Customer First, Respect, Excellence, Shared Ambition and Tenacity (CREST) continue to be the guiding principles, which we believe are necessary to sustain the growth of the business and our relationship with stakeholders, while keeping faith with our vision to be “No. 1 in every market we serve and for every branded product we offer”.

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. 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) Code of Corporate Governance (“the NCCG Code”), 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 Guidelines/ Rules and submits periodic compliance reports to the CBN, SEC, NGX, FRCN and Nigeria Deposit Insurance Corporation (NDIC).

The Code, Guidelines 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.

1. Key Governance Developments

(a) Board Changes

The following changes occurred on the Board in the year ended December 31, 2025 and thereafter:

(i) Retirements from the Board:

- (a) Mr. Chidi Agbapu, Non-Executive Director, retired from the Board on January 15, 2025.
- (b) Mr. Mustafa Chike-Obi, Chairman and Non-Executive Director, retired from the Board on December 31, 2025.
- (c) Mrs. Morohunke Bammeke, Independent Non-Executive Director, retired from the Board on April 30, 2026.

The retirements were based on tenure completion and notified to the CBN.

(ii) Board Appointments/Changes:

- (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 with

effect from January 24, 2025.

- (d) Mrs. Amaka Onwughalu, Non-Executive Director was appointed Chairman of the Board of Directors of the Bank with effect from January 1, 2026.
- (e) Dr. Jonathan O. Ososuakpor was appointed to the Board of Directors on May 22, 2026 as a Non-Executive Director.

The appointments were approved by the Central Bank of Nigeria.

(b) Issuance of additional shares

To meet the CBN's new regulatory capital requirement of ₦500billion for banks with international authorisation, the Bank undertook a Public Offer and Rights Issue of 18.2billion Ordinary Shares in 2024 and raised additional capital of ₦175.9 billion, which brought its eligible capital to ₦305.5 billion, leaving a margin of ₦194.5 billion.

In December 2025, the Bank undertook a Private Placement of 12.9billion Ordinary Shares, raising the sum of ₦227.045 billion and bringing its eligible capital to ₦532.6billion, against the regulatory minimum of ₦500billion. The private placement was undergoing regulatory capital verification by the CBN as of December 31, 2025.

A. THE BOARD OF DIRECTORS

Board Size

The Board is currently composed of fourteen (14) Directors, seven (7) Executives including the Managing Director/Chief Executive Officer (MD/CEO) and seven (7) Non-Executive Directors including two (2) 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 properly 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/or 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 direction and succession planning. The Board is also responsible for the integrity of the Bank's financial reporting.

The Board has a comprehensive Remuneration Policy, which is designed to address the compensation of 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 meeting and briefed on key developments between Board meetings. The Board met twelve (12) times in 2025.

Details of the Directors who served on the Board during the year ended 31 December 2025, are indicated below:

S/N	Name of Director	Designation	Date of Appointment	Cumulative Period Served as at December 31, 2025
1	Mr. Mustafa Chike-Obji*	Chairman/Non-Executive Director	August 15, 2020	5 years/4 months
2	Mr. Chidi Agbapu**	Non-Executive Director	September 3, 2018	6 years/9 months
3	Engr. Henry Obih	Independent Non-Executive Director	September 21, 2020	5 years/3 months
4	Mrs. Amaka Onwughalu	Non-Executive Director	December 15, 2020	5 years
5	Chief Nelson C. Nweke	Non-Executive Director	December 15, 2020	5 years
6	Mr. Chinedu Okeke	Non-Executive	January 4, 2021	4 years/11 months
7	Mrs. Morohunke Bammeke***	Independent Non-Executive Director	November 18, 2021	4 years /1 month
8	Alhaji Abdullahi Mohammed	Independent Non-Executive Director	January 14, 2025	11 months
9	Ms. Obiaku Okam	Non-Executive Director	January 14, 2025	11 months
10	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.	5 years as MD/CEO; 5 years /3 months as Executive Director
11	Mr. Kevin Ugwuoke	Executive Director	July 28, 2020	5 years/5 months
12	Dr. Ken Opara	Executive Director	January 1, 2021	5 years
13	Mr. Stanley Amuchie	Executive Director	January 27, 2022	3 years/11 months
14	Mrs. Pamela Shodipo	Executive Director	February 3, 2023	2 years/10 months
15.	Mr. Abolore Solebo	Executive Director	February 1, 2024	1 year/10 months
16.	Mr. Sufiyanu Garba	Executive Director	January 24, 2025	11 months

* Retired with effect from December 31, 2025.

** Retired with effect from January 15, 2025.

***Retired with effect from April 30, 2026.

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 Remuneration, Nomination and 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. Chidi Agbapu and Mr. Mustafa Chike-Obi retired from the Board on January 15 and December 31, 2025, respectively. Alhaji Abdullahi Mohammed and Ms. Obiaku Okam were appointed as Independent Non-Executive Director and Non-Executive Director with effect from January 14, 2025. Mr. Sufiyanu Garba was appointed as Executive Director North from January 24, 2025, while Mrs. Amaka Onwughalu was appointed as Board Chairman effective January 1, 2026. In addition, Mrs Morohunke Bammeko, Independent Non-Executive Director, retired from the Board on April 30, 2026 while Dr. Jonathan Oniovosa Ososuakpor was appointed to the Board as a Non-Executive Director with effect from May 22, 2026.

Directors' Term of Office

To ensure that the Board is continually renewed and refreshed, Non-Executive Directors' tenure is limited to maximum of two (2) terms of three (3) years while Independent Non-Executive Directors serve for (1) 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 Committee 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 period under review, participated in the programmes listed below:

No.	Course	Vendor	Start Date	End Date	Names
1	Board Induction Programme	In-house (Fidelity Bank Plc)	March 25, 2025	April 23, 2025	1. Alhaji Abdullahi Mohammed 2. Ms. Obiaku Okam 3. Mr. Sufiyanu Garba
2	Strategy And Management for Competitive Advantage Programme	Wharton Business School	April 7, 2025	April 11, 2025	Mr. Kevin Ugwuoke
3	Executing Strategy for Results	London Business School	May 10, 2025	May 23, 2025	1. Mr. Mustafa Chike-Obi 2. Ms. Obiaku Okam
4	Value Creation through Effective Boards	Harvard	May 19, 2025	May 22, 2025	Dr. Nneka Onyeali-Ikpe
5	Corporate Governance	Kellogg	June 9, 2025	June 12, 2025	Mrs. Amaka Onwughalu
6	Cybersecurity and simulation awareness board masterclass	Digital Encode	July 3, 2025	July 3, 2025	1. Mr. Mustafa Chike-Obi 2. Alhaji Abdullahi Mohammed 3. Mrs. Amaka Onwughalu 4. Engr. Henry Obih 5. Chief Nelson Nweke 6. Mr. Chinedu Okeke 7. Mrs. Ronke Bammeke 8. Ms. Obiaku Okam 9. Dr. Nneka Onyeali-Ikpe 10. Dr. Ken Opara 11. Mr. Kevin Ugwuoke 12. Mr. Stanley Amuchie 13. Mr. Pamela Shodipo 14. Mr. Abolore Solebo 15. Mr. Sufiyanu Garba
7	Making Corporate Boards More Effective	Havard	July 16, 2025	July 19, 2025	Mrs. Pamela Shodipo
8	Audit Committees in a New Era of Governance	Havard	July 23, 2025	July 25, 2025	Mrs. Morohunke Bammeke
9	AML-CFT-CPF Compliance and Sustainable Banking Programme for the Board and Senior Leaders of Fidelity Bank Plc	FITC	August 22, 2025	August 22, 2025	1. Mr. Mustafa Chike-Obi 2. Alhaji Abdullahi Mohammed 3. Mrs. Amaka Onwughalu 4. Engr. Henry Obih 5. Chief Nelson Nweke 6. Mr. Chinedu Okeke 7. Mrs. Ronke Bammeke 8. Ms. Obiaku Okam 9. Dr. Nneka Onyeali-Ikpe 10. Dr. Ken Opara 11. Mr. Kevin Ugwuoke 12. Mr. Stanley Amuchie 13. Mr. Pamela Shodipo 14. Mr. Abolore Solebo 15. Mr. Sufiyanu Garba
10	Advanced Company Direction Programme - ACDP	(IOD) in London	August 26, 2025	August 29, 2025	1. Alhaji Abdullahi Mohammed 2. Chief Nelson Nweke

11	Competitive Strategy: Creating And Sustaining Competitive Advantage	Kellogg	Sept 8, 2025	Sept 12, 2025	Dr. Ken Opara
12	Leading Digital and AI Transformation	IMD	Sept 29, 2025	Oct 30, 2025	Mr. Chinedu Okeke
13	Delivering Business Growth	Kellogg	Oct 27, 2025	Oct 3, 2025	Engr. Henry Obih
14	Executive Influence: Increasing Your Impact with Persuasion and Power	Wharton Business School	Oct 13, 2025	Oct 17, 2025	Mr. Abolore Solebo
15	Company Direction Course 1	IOD	Oct 14, 2025	Oct 15, 2025	Mr. Sufiyanu Garba
16	Developing and Leading High-Performance Teams	Columbia Business School	Dec 9, 2025	Dec 12, 2025	Mr. Sufiyanu Garba

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	Banwo & Ighodalo; Alliance Law Firm;	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 occasionally conducted on senior management staff and the outcomes presented to the Board. The Board appraisal also 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 2025 financial year. The Consultant's report for 2024 was presented to shareholders at the 37th Annual General Meeting on April 29, 2025. The report of the 2025FY Board appraisal exercise is included in the 2025FY Annual Report and will be presented to shareholders at the 38th Annual General Meeting.

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.

Each Committee operates under a formal Charter that delineates its objectives, operational structure, composition, functions, and scope of authority, thereby enabling the Committees to effectively fulfil their oversight responsibilities. 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 2025, was as follows:

S/N	COMMITTEE	MEMBERSHIP	DESIGNATION
1	Board Finance & General-Purpose Committee (FGPC)	Chief Nelson Nweke	Chairman, Non-Executive Director
		Mrs. Amaka Onwughalu	Non-Executive Director
		Mrs. Ronke Bammeke	Independent Non-Executive Director
		Ms. Obiaku Okam	Non-Executive Director
2	Board Remuneration, Nomination and Governance Committee (BRNGC):	Engr. Henry Obih	Chairman, Independent Non-Executive Director
		Mrs. Amaka Onwughalu	Non-Executive Director
		Chief Nelson Nweke	Non-Executive Director
		Alhaji Abdullahi Mohammed	Independent Non-Executive Director

3	Board Risk Management Committee (BRMC):	Alhaji Abdullahi Mohammed	Chairman, Independent Non-Executive Director
		Engr. Henry Obih	Independent Non-Executive Director
		Mrs. Amaka Onwughalu	Non-Executive Director
		Mr. Chinedu Okeke	Non-Executive Director
		Mrs. Ronke Bammeké	Independent Non-Executive Director
		Ms. Obiaku Okam	Non-Executive Director
		Dr. Nneka Onyeali-Ikpe	Managing Director/CEO
		Mr. Kevin Ugwuoke	Executive Director, Risk
4	Board Audit Committee (BAC):	Mrs. Ronke Bammeké	Chairman, Independent Non-Executive Director
		Chief Nelson Nweke	Non-Executive Director
		Mr. Chinedu Okeke	Non-Executive Director
		Alhaji Abdullahi Mohammed	Independent Non-Executive Director
5	Board Credit Committee (BCC):	Mrs. Amaka Onwughalu	Chairman, Non-Executive Director
		Engr. Henry Obih	Independent Non-Executive Director
		Mr. Chinedu Okeke	Non-Executive Director
		Alhaji Abdullahi Mohammed	Independent Non-Executive Director
		Ms. Obiaku Okam	Non-Executive Director
		Dr. Nneka Onyeali-Ikpe	Managing Director/CEO
6	Board IT Committee (BITC)	Mr. Chinedu Okeke	Chairman, Non- Executive Director
		Mrs. Ronke Bammeké	Independent Non-Executive Director
		Ms. Obiaku Okam	Non-Executive Director
		Engr. Henry Obih	Independdnt Non-Executive Director
		Mr. Stanley Amuchie	Executive Director, Chief Operations and Information Officer

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, Risk 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 Management 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 Corporate 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 ecosystem, 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 2025 are provided below:

BOARD OF DIRECTORS

S/N	NAME	DESIGNATION	JAN 10	JAN 29	MAR 4	APR 30	MAY 27	JUL 2	OCT 2	OCT 22	OCT 23	NOV 19	NOV 25	DEC 18	NO. OF MEETINGS	NUMBER ATTENDED
1.	Mr. Mustafa Chike-Obi	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
2.	Mr. Chidi Agbapu*	Non-Executive Director	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12	1
3.	Engr. Henry Obih	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
4.	Mrs. Amaka Onwughalu	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
5.	Chief Nelson Nweke	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	12	11
6.	Mr. Chinedu Okeke	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
7.	Mrs. Ronke Bammeke	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
8.	**Alhaji Abdullahi Mohammed	Independent Non-Executive Director	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	11
9.	**Ms. Obiaku Okam	Independent Non-Executive Director	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	11
10.	Dr. Nneka Onyeali-Ikpe	MD/CEO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
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	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12
16.	**Mr. Sufiyanu Garba	Executive Director	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	11

* Mr. Chidi Agbapu retired from the Board on January 15, 2025

** Alhaji Abdullahi Mohammed and Ms. Obiaku Okam were appointed to the Board with effect from January 14, 2025 while Mr. Sufiyanu Garba was appointed to the Board on January 24, 2025.

BOARD CREDIT COMMITTEE MEETING

SN	NAME	DESIGNATION	JAN 22	MAR 14	APR 14	MAY 28	JUN 17	JUN 27	JUL 10	SEPT 24	OCT 19	DEC 8	NO. OF MEETINGS	NUMBER ATTENDED
1.	Mrs. Amaka Onwughalu	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.	Alhaji Abdullahi Mohammed	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10
5.	Ms. Obiaku Okam	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10
6.	Dr. Nneka Onyeali-Ikpe	MD/CEO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10

BOARD RISK MANAGEMENT COMMITTEE

SN	NAME	DESIGNATION	JAN 24	APR 17	JUN 27	JUL 21	OCT 20	NOV 5	DEC 11	NO. OF MEETINGS	NUMBER ATTENDED
1.	Alhaji Abdullahi Mohammed	Chairman, Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
2.	Mr. Chinedu Okeke	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
3.	Engr. Henry Obih	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
4.	Mrs. Amaka Onwughalu	Chairman, Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
5.	Mrs. Ronke Bammeke	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
6.	Ms. Obiaku Okam	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
7.	Dr. Nneka Onyeali-Ikpe	MD/CEO	✓	✓	✓	✓	✓	✓	✓	7	7
8.	Mr. Kevin Ugwuoke	Executive Director, Risk	✓	✓	✓	✓	✓	✓	✓	7	7

FINANCE AND GENERAL-PURPOSE COMMITTEE

SN	NAME	DESIGNATION	JAN 27	MAR 3	MAR 27	APR 11	JUN 5	JUL 11	OCT 10	DEC 16	NO. OF MEETINGS	NUMBER ATTENDED
1.	Chief. Nelson Nweke	Chairman, Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8	8
2.	Mrs. Amaka Onwughalu	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8	8
3.	Mrs. Ronke Bammeke	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8	8
4.	Ms. Obiaku Okam	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8	8

BOARD REMUNERATION NOMINATION AND GOVERNANCE COMMITTEE

SN	NAME	DESIGNATION	JAN 27	APR 2	APR 28	MAY 7	JUL 17	OCT 21	DEC 12	NO. OF MEETINGS	NUMBER ATTENDED
1.	Engr. Henry Obih	Chairman, Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
2.	Mrs. Amaka Onwughalu	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
3.	Chief. Nelson Nweke	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7
4.	Alhaji Abdullahi Mohammed	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7	7

BOARD AUDIT COMMITTEE

SN	NAME	DESIGNATION	JAN 23	MAR 3	APR 15	JUL 14	OCT 13	NO. OF MEETINGS	NUMBER ATTENDED
1.	Mrs. Ronke Bammeke	Chairman, Independent Non-Executive Director	✓	✓	✓	✓	✓	5	5
2.	Chief Nelson Nweke	Non-Executive Director	✓	✓	✓	✓	✓	5	5
3.	Mr. Chinedu Okeke	Non-Executive Director	✓	✓	✓	✓	✓	5	5
4.	Alhaji Abdullahi Mohammed	Independent Non-Executive Director	✓	✓	✓	✓	✓	5	5

BOARD INFORMATION TECHNOLOGY COMMITTEE

SN	NAME	DESIGNATION	JAN 21	MAR 27	APR 8	JUL 18	OCT 14	DEC 9	NO. OF MEETINGS	NUMBER ATTENDED
1.	Mr. Chinedu Okeke	Chairman, Non-Executive Director	✓	✓	✓	✓	✓	✓	6	6
2.	Engr. Henry Obih	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	6	6
3.	Mrs. Ronke Bammeke	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	6	6
4.	Ms. Obiaku Okam	Non-Executive Director	✓	✓	✓	✓	✓	✓	6	6
5.	Mr. Stanley Amuchie	Executive Director, Chief Operations and Information Officer	✓	✓	✓	✓	✓	✓	6	6

BOARD CHAIRMAN'S MEETING WITH NON-EXECUTIVE DIRECTORS

SN	NAME	DESIGNATION	APR 30	NO. OF MEETINGS	NUMBER ATTENDED
1.	Mr. Mustafa Chike-Obi	Chairman	✓	1	1
2.	Engr. Henry Obih	Independent Non-Executive Director	✓	1	1
3.	Mrs. Amaka Onwughalu	Non-Executive Director	✓	1	1
4.	Chief Nelson Nweke	Non-Executive Director	✓	1	1
5.	Mr. Chinedu Okeke	Non-Executive Director	✓	1	1
6.	Mrs. Ronke Bammeke	Independent Non-Executive Director	✓	1	1
7.	Alhaji Abdullahi Mohammed	Independent Non-Executive Director	✓	1	1
8.	Ms. Obiaku Okam	Non-Executive Director	✓	1	1

MEETING OF INDEPENDENT NON-EXECUTIVE DIRECTORS

SN	NAME	DESIGNATION	DEC 12	NO. OF MEETINGS	NUMBER ATTENDED
1.	Engr. Henry Obih	Independent Non-Executive Director	✓	1	1
2.	Mrs. Ronke Bammeke	Independent Non-Executive Director	✓	1	1
3.	Alhaji Abdullahi Mohammed	Independent Non-Executive Director	✓	1	1

The dates of Board and Board Committee meetings that held in the year ended 31 December 2025 are shown below:

S/N	Full Board (12)	Board Credit Committee (BCC) (10)	Board Remuneration Nomination and Governance Committee (BRNGC) (7)	Board Audit Committee (BAC) (5)	Board Risk Management Committee (BRMC) (7)	Board Finance and General Purpose Committee (FGPC) (8)	Board Information Technology Committee (BITC) (6)	Board Chairman's Meeting with Non-Executive Directors (1)	Meeting Of Independent Non-Executive Directors (1)
1	January 10	January 22	January 27	January 23	January 24	January 28	January 21	April 30	December 12
2	January 29	March 14	April 2	March 3	April 17	March 3	March 27		
3	March 4	April 14	April 28	April 15	June 27	March 27	April 8		
4	April 30	May 28	May 7	July 14	July 21	April 11	July 18		
5	May 27	June 17	July 17	October 13	October 20	June 5	October 14		
6	July 15	June 27	October 21		November 5	July 11	December 9		
7	October 2	July 10	December 12		December 11	October 10			
8	October 17	Sept 24				December 16			
9	October 23	October 9							
10	November 19	December 8							
11	November 25								
12	December 18								

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, 2025, is indicated below:

S/N	NAME	DESIGNATION	JAN 30	MAR 13	APR 23	SEPT 30	OCT 17	NO. OF MEETINGS	NUMBER ATTENDED
1.	Chief Frank Onwu	Chairman, Shareholder Representative	✓	✓	✓	✓	✓	5	5
2.	Mr. Innocent Mmuoh	Shareholder Representative	✓	✓	✓	✓	✓	5	5
3.	Dr. Christian Nwinia	Shareholder Representative	✓	✓	✗	✗	✗	5	2
4.	Mrs. Ronke Bammeke	Non-Executive Director	✓	✓	✓	✓	✓	5	5
5.	Chief Nelson Nweke	Non-Executive Director	✓	✓	✓	✓	✓	5	5

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 Exchange Group. The objectives of the Policy include the following:

- (i) Promote compliance with the provisions of the Investments and Securities Act (ISA) 2025, 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 (Fidelity True Serve)

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.
- (iv) Recognize, promote and protect shareholders' rights, including the right to comment and provide feedback on service.
- (v) Provide an efficient, fair and accessible framework for resolving shareholders' complaints and feedback to improve service delivery.
- (vi) Inform shareholders on the shareholder feedback handling processes.
- (vii) 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.

- (viii) Establish and maintain electronic complaints register and provide information on a quarterly basis to the NGX in line with regulations.
- (ix) 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 Code of Corporate Governance, frauds and forgeries recorded in the year ended 2025 were as follows:

Fraud and Forgeries Summary		
Fraud and Forgeries	De5c. 31, 2025	Dec. 31, 2024
Number of Fraud Incidents	1,687	2,249
Amount Involved (Naira)	774,487,785	937,156,762
Amount Involved (US Dollars)	27	109,984
Amount Involved (Euros)	-	-
Actual/Expected Loss (Naira)	41,305,323	11,018,184
Actual/Expected Loss (US Dollars)	-	-
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, 2025, the Bank had one (1) wholly owned subsidiary, FidBank UK Limited. 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

Fidelity Bank Plc
No 2 Kofo Abayomi Street
Victoria Island
Lagos
9 March 2026

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2025 Sustainability and Climate Report

SCOPE AND BOUNDARY

This Report outlines Fidelity Bank Plc's approach to managing sustainability and climate-related matters across all its banking operations in Nigeria for the reporting period covering 1 January 2025 to 31 December 2025.

The Report presents our sustainability and climate-related financial disclosures and highlights our sustainability performance, including our contribution to the United Nations Sustainable Development Goals.

In addition to this Report, communication about our sustainability practices and performance is also shared through other channels, including our regulatory filings, press releases and website (www.fidelitybank.ng).



Sustainability and Climate Report

Sustainability Reporting Standards Adopted

This report has been prepared in accordance with the following internationally recognized standards:

- IFRS Sustainability Disclosure Standards: We have applied IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures) as issued by the International Sustainability Standards Board (ISSB). In line with the standards, we provided governance, strategy, risk management and metrics and targets disclosures on our sustainability and climate-related risks and opportunities.
- Global Reporting Initiative (GRI): Consistent with our sustainability reporting practice, this Report is prepared with reference to the GRI standards and presents information on the Bank's environmental and social impacts.

Commitment to Transparent Sustainability Disclosures

Our alignment with globally recognized standards supports our effort to ensure clear, comprehensive, and transparent representation of our sustainability performance. This is in line with the Bank's commitment to transparency in its corporate reporting practices while achieving its strategic priorities and creating long-term value.

The Bank remains committed to enhancing the credibility of its sustainability disclosures in alignment with the Financial Reporting Council of Nigeria's amended IFRS Sustainability Adoption Roadmap (2026). In line with the phased assurance requirements set out in the roadmap, the Bank is strengthening its reporting systems and internal controls, with the intention of undertaking limited assurance within the applicable timeline prescribed for its reporting category.

Basis of Preparation of Sustainability-related Financial Disclosures

Statement of compliance

The sustainability-related financial disclosures presented in this Report have been prepared in

accordance with the Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB).

In preparing this report, the disclosure topics outlined in the Sustainability Accounting Standards Board (SASB) standards were referenced and taken into consideration.

Reporting period, reporting entity and presentation currency

The sustainability-related financial disclosures have been prepared for Fidelity Bank Plc (the "Bank"). The disclosures should be made in conjunction with the Bank's financial statements prepared in accordance with IFRS Accounting Standards.

The report covers the 12-month period from 1 January 2025 to 31 December 2025, which aligns with the reporting period of the Bank's audited financial statements.

All sustainability and climate-related financial information are presented in Nigerian Naira (₦), which is the Bank's presentation currency. Amounts disclosed have been rounded to the nearest thousand, unless otherwise stated.

Sources of guidance

In preparing its sustainability and climate-related financial disclosures, Fidelity Bank referred to and considered the applicability of the SASB Standards for the Commercial Banks (FN-CB) and the ISSB's industry-based guidance accompanying IFRS S2 for Commercial Banks. The Bank also referenced the GRI Standards to inform the disclosures. These standards supported identification of sustainability and climate-related risks and opportunities and identification of material information.

Assumptions, judgements and estimates

In preparing the sustainability-related financial disclosures, Management exercised judgement in identifying sustainability-related risks and opportunities, determining what information is material and selecting appropriate methodologies

and data sources. Certain disclosures also required the use of estimates where amounts could not be measured directly.

Events after the reporting period

We identified no transactions, events or conditions occurring after 31 December 2025 and before the date this report was authorised for issue that should be included in the sustainability-related financial disclosures.

About Fidelity Bank

Fidelity Bank Plc is a leading full-service commercial bank in Nigeria, with operations in the UK, committed to fostering sustainable growth and driving positive change. We serve over 9 million customers through a network of over 250+ business offices and a robust suite of digital banking platforms. The Bank has diverse products and service offerings covering private banking, digital banking and corporate banking. More details about the corporate profile, including the footprint and products and services, are provided in the Annual Report and the website (www.fidelitybank.ng).

Sustainability Standards, Principles and Affiliations

The responsible business frameworks, standards, and affiliations we have adopted help embed sustainability into our operations and financing activities and guide our sustainability integration and disclosure efforts. These include the UN Global Compact, IFC Performance Standards on Environmental and Social Sustainability, Equator Principles, IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), UNEP FI Principles for Responsible Banking (PRB), UN Women's Empowerment Principles (WEPs), Nigerian Conservation Foundation (NCF), Global Reporting Initiative (GRI) Standards, Nigerian Sustainable Banking Principles (NSBP), and NGX Sustainability Disclosure Guidelines.

Our Approach to Sustainability

At Fidelity Bank, we have incorporated sustainability into our operations and financing decisions. We have embraced sustainable banking as strategic priority, integrating environmental, social and governance considerations into our investment decisions while channeling financing towards green and social projects. Ultimately, our goal is to accelerate our positive impacts and

contribution to Nigeria's sustainable development.

To guide our efforts toward sustainable growth, we have identified five key focus areas. These areas reflect our values and will help us make a positive impact on our planet and society.

- Optimizing Impact-based Management
- Enhancing Environmental Commitment
- Promoting Inclusive Banking
- Integrating Sustainable Finance
- Maintaining Ethical Business Practices
- Innovating Digital Solutions

Engaging Our Stakeholders

We proactively engage with our stakeholders including customers, employees, communities, regulators, investors, and suppliers to understand their expectations, gather insights and integrate their perspectives into decision-making. Through multiple communication channels, community outreach initiatives and regular feedback mechanisms, we foster trust, strengthen transparency and ensure that our strategies and operations remain aligned with stakeholder expectations. This inclusive approach enables us to build long-term value and collaborative partnerships.

Our Materiality Assessment Process

We adopted double materiality assessment in the previous reporting cycle to identify sustainability issues and topics to prioritize. The approach is aligned with globally recognized sustainability reporting requirements, evaluating sustainability topics from two perspectives:

- **Impact Materiality** – how the Bank affects people, society, and the environment (inside out).
- **Financial Materiality** – how sustainability issues affect the Bank's financial performance, cash flows, and business resilience (outside in).

This approach enabled us to identify the ESG topics that are most critical to our long-term value creation, while also understanding how our operations, products, and decisions shape broader societal and environmental outcomes.

There were no significant changes in our business model and operating environment during the reporting cycle. Consequently, the Bank reviewed the topics from the double materiality assessment to support our understanding of the Bank's sustainability-related risks and opportunities.

In addition to the double materiality assessment, we also reviewed the material topics revalidated by our stakeholders during the previous reporting cycle, an exercise that provided useful insights into the Bank's sustainability-risks and opportunities.

Our Material Topics

Category	Double Materiality Assessment	Revalidated Material Topics
Environmental	<ul style="list-style-type: none"> • Climate change • Pollution • Water and marine services • Biodiversity and ecosystems • Circular economy 	<ul style="list-style-type: none"> • Climate Change Mitigation & Adaptation • Resource Efficiency and Pollution (water, energy, waste) • Biodiversity and Ecosystems
Social	<ul style="list-style-type: none"> • Own workforce • Workers in the value chain • Affected communities • Consumers and end-users 	<ul style="list-style-type: none"> • Financial Inclusion • Employee Well-being, Diversity, and Inclusion • Human Rights (labor rights, non-discrimination) • Community Engagement and Development • Data Privacy and Security
Governance	<ul style="list-style-type: none"> • Business conduct 	<ul style="list-style-type: none"> • Corporate Governance (board diversity, ethics) • Business Ethics and Risk Management (credit, operational, ESG) • Transparency and Reporting • Business Conduct • Procurement Practices • Anti-Corruption • Taxation

Our Sustainability-related Financial Disclosures

Governance

At Fidelity Bank, we recognize that strong governance is the foundation for delivering sustainable value because it shapes how we make decisions, manage risk, uphold ethical conduct and remain accountable to our stakeholders.

Our governance approach provides clear oversight and responsibility for sustainability and climate-related matters, ensuring they are considered alongside business priorities and integrated into our operational and strategic decision-making processes.

Our Board's oversight of sustainability and climate-related risks and opportunities

The Bank's highest governance body with ultimate responsibility for oversight of sustainability and climate-related risks and opportunities is the Board of Directors. The Board provides strategic direction and ensures that sustainability considerations are integrated into the Bank's operations and investment activities.

The Board conducts oversight of sustainability and climate-related risks and opportunities

through the Board Risk Management Committee (BRMC). As part of its mandate, the BRMC reviews the Bank's sustainability and climate strategy, related initiatives and key policies, while monitoring emerging risks and opportunities during its quarterly meetings. The Committee receives periodic communication from the management-level Sustainable Banking Governance Committee (SBGC) on sustainability and climate-related performance, risks, opportunities, and compliance.

Board composition, skills and competencies

The Board is comprised of individuals with varied expertise. Collectively, they bring extensive experience across business, corporate finance, accounting, management, banking, oil and gas, information technology, risk management, engineering, and related fields. This breadth of expertise enables the Board to evaluate sustainability-related issues from multiple perspectives and make informed decisions that support the Bank's strategic priorities, including effective management of sustainability and climate-related risks and opportunities.

Fidelity Bank provides a comprehensive induction program for new Board Committee members and continuous trainings for existing members. This ensures the Board stays informed on sustainability and climate-related risks and opportunities, supporting effective oversight of emerging risks

and opportunities. To enhance achievement of set targets, we are committed to integrating sustainability and climate performance metrics into our remuneration framework.

Management’s role in managing sustainability and climate-related risks and opportunities

At management level, oversight of sustainability and climate-related risks and opportunities is delegated to the Sustainable Banking Governance Committee (SBGC), which coordinates the implementation of the Bank’s sustainability policies and reports to the Board Risk Management Committee (BRMC).

Chaired by the Managing Director/Chief Executive Officer, the Committee brings together all Executive Directors and senior representatives from key control and business functions to ensure coordinated oversight and execution across the Bank. Through established reporting lines, the Committee, via the Executive Director, Risk Management provides regular updates to the Board on sustainability and climate-related risks, opportunities and strategic progress.

Strategy

Fidelity Bank is a commercial bank with a diversified portfolio covering major sectors of the economy. Consequently, we are cognizant of the sustainability and climate-related risks and the

opportunities that have the potential to affect our prospects. We are committed to adopting strategic responses that enable us to mitigate the risks and leverage the opportunities as we seek to enhance enterprise value.

Our sustainability and climate-related risks and opportunities

We evaluated our sustainability and climate-related risks and opportunities across our lending portfolios, investment activities, customer segments, and operational footprint. In identifying and assessing our risks and opportunities, we reviewed a broad range of topics across IFRS S1 and S2, and SASB standards for commercial banks, including those topics aligned with the banking industry in Nigeria and the Nigerian Sustainable Banking Principles. This assessment has positioned us to better integrate sustainability into strategic planning, credit decision-making, risk appetite, capital allocation, and product innovation.

Time Horizon

We have established time horizons to effectively analyze and address sustainability and climate-related risks and opportunities. The defined time horizons correspond directly with our internal planning cycles and the periods applied in strategic decision-making, ensuring they guide resource allocation and the prioritization of key initiatives.



Sustainability Risks and Opportunities and Effects on Fidelity Bank's Business Model and Value Creation

Fidelity Bank faces key sustainability-related risks and opportunities that could affect its operations, value chain, and long-term value creation.

Key risks include occupational health and safety issues that may disrupt operations and reduce productivity, and weaknesses in diversity and inclusion that could impact talent attraction, innovation, and reputation. Human rights risks across operations and lending activities may damage stakeholder trust and restrict market access. Data security and cybersecurity risks could lead to financial losses, regulatory penalties, and reputational damage, while increasing compliance costs under evolving data protection requirements. Weak business ethics and tax non-compliance may also result in regulatory sanctions, reputational harm, and reduced stakeholder confidence.

On the opportunity side, stronger stakeholder engagement enhances trust, improves product development, and strengthens operational resilience. Integrating ESG into credit assessment improves risk management and supports sustainable lending growth. Financial inclusion expands access to underserved markets, driving customer growth and revenue expansion. Sustainable finance initiatives, including green investments and climate-aligned products, enhance competitiveness, attract impact capital, and support portfolio diversification. Innovation in sustainable products and digital transformation improve efficiency, resource optimisation, and reporting quality, although they require higher investment in cybersecurity and compliance systems. Investments in renewable energy and sustainable supply chains strengthen environmental performance and reduce long-term risks. Employee engagement in sustainability further supports culture development and achievement of ESG objectives.

Financial Effects of Sustainability-related Risks and Opportunities on Fidelity Bank and Our Response

Fidelity Bank's sustainability-related risks and opportunities may affect operating costs, profitability, cash flows, and long-term financial resilience over time.

Occupational Health & Safety (OHS)

OHS-related costs include health insurance, training, wellness programmes, and compliance expenses. Incidents may increase operating costs, legal liabilities, and regulatory penalties, with potential reputational impacts affecting productivity and revenue. The Bank mitigates these risks through

risk assessments, regulatory compliance, safety training, and preventive controls.

Diversity & Equal Opportunities

Inclusive hiring may increase recruitment and training costs but enhances productivity, innovation, and revenue growth while strengthening reputation and talent attraction. The Bank implements inclusive recruitment practices, diversity tracking, and capacity-building programmes to support an equitable workplace.

Human Rights

Although no material financial impact was recorded in 2025, emerging risks include regulatory scrutiny, reputational exposure, and increased credit risk. The Bank has established a Human Rights Policy covering fair labour practices and non-discrimination, supported by training and monitoring systems to ensure compliance and accountability.

Data Security

Cybersecurity investments increase operating costs but strengthen customer trust, regulatory compliance, and long-term financial stability. The Bank maintains robust data protection frameworks, audits, cybersecurity enhancements, and continuous monitoring to reduce breach risks and ensure regulatory alignment.

Business Ethics

Ethical breaches may result in regulatory sanctions, reputational damage, and restricted access to ESG-linked financing. During the period, customer settlements were made in accordance with regulatory directives (see Note 41.1). The Bank continues to strengthen governance, anti-corruption controls, whistleblowing mechanisms, and ethics training to reinforce transparency and accountability.

Taxation

Tax expense for 2025 amounted to 110.52 billion (income and windfall taxes). Effective tax compliance supports stable cash flows and reduces regulatory risk. The Bank maintains strong tax planning, compliance reviews, and provisions while enhancing governance and transparency in tax management.

Stakeholder Engagement

Effective engagement improves revenue generation, customer loyalty, and access to capital while reducing contingent liabilities. The Bank maintains structured investor engagement, feedback mechanisms, and transparent communication to strengthen trust and financial resilience.

ESG in Credit Analysis

ESG integration improves credit risk assessment, reduces impairment losses, stabilises cash inflows, and enhances portfolio quality. It supports long-term financial performance through improved lending decisions. The Bank continues to strengthen ESG risk assessment capabilities, staff training, and transparent reporting.

Financial Inclusion

Financial inclusion initiatives drive revenue growth, deposit mobilisation, liquidity improvement, and portfolio diversification. The Bank expands access through digital channels, financial education, and targeted market outreach, while actively monitoring credit risk in underserved segments.

Financial effects of Climate-related Risks and Opportunities and their Effects on Fidelity Bank's Business Model and Value Chain

Climate-related risks and opportunities may affect Fidelity Bank's financial position, performance, cash flows, and long-term value creation.

Physical Risks

Acute risks such as floods and droughts may damage assets, disrupt operations, and increase credit risk across affected regions, potentially leading to loan repayment challenges, collateral devaluation, and stranded assets. Chronic risks, including rising temperatures and sea level rise, may impact agriculture, water resources, and public health, thereby affecting loan portfolio quality, asset values, workforce safety, and overall risk perception.

Transition Risks

Policy and regulatory changes such as carbon pricing may increase credit risk in carbon-intensive sectors and lead to asset write-downs or early retirement of exposures. Technological changes from low-carbon innovation may disrupt existing industries and require increased capital investment, while failure to adapt may weaken competitiveness. Market shifts toward sustainable products may reduce demand for carbon-intensive financing and negatively affect lending portfolios and profitability. Reputational risks from perceived inaction on climate change may weaken stakeholder trust, impact customer relationships, and affect talent attraction and retention.

Opportunities

Growing demand for green finance presents opportunities to expand sustainable lending products and attract new customers. Investment in climate-resilient infrastructure can unlock

new financing markets and support economic development. Increasing investor preference for ESG-aligned assets supports the development of sustainable investment products, enhancing competitiveness and reinforcing the Bank's position as a responsible financial institution.

Financial Effects of Climate-related Risks and Opportunities on Fidelity Bank and Our Response

Climate related risks and opportunities may affect Fidelity Bank's financial performance, cash flows, asset values, and long term resilience.

Physical Risks

Acute risks such as floods, droughts, and storms may disrupt operations, increase costs, weaken borrower cash flows, and drive loan defaults, collateral impairment, and higher credit losses. Chronic risks such as rising temperatures and sea level rise may reduce productivity, increase operating costs, and raise long term credit and asset impairment risk, particularly in climate sensitive sectors. The Bank responds through climate resilient infrastructure, upgraded IT and backup systems, climate scenario analysis, stress testing, and integration of climate risk into credit monitoring, pricing, and collateral valuation.

Transition Risks

Policy and regulatory changes such as carbon pricing may increase compliance costs and credit risk in carbon intensive sectors, leading to stranded assets. Technology shifts may reduce competitiveness of high emission borrowers and require stronger systems and infrastructure investment. Market changes may reduce demand for carbon intensive financing, while reputational risks may affect trust, investor confidence, and talent attraction. The Bank is responding by integrating ESG into credit and investment decisions, applying carbon assumptions in risk models, and gradually shifting exposure toward low carbon and transition aligned sectors while strengthening disclosure and stakeholder engagement.

Opportunities

Climate related opportunities include growth in green finance, expansion of climate resilient infrastructure funding, and increasing demand for ESG aligned investment products. These support revenue growth, portfolio diversification, improved capital access, and stronger long term resilience. The Bank is responding by expanding sustainable lending products, prioritising resilient infrastructure financing, integrating climate resilience assessments into lending decisions, and developing ESG advisory and investment solutions.

Our Decarbonization Efforts and Transition Plan

We recognize the complexities of climate change and the need for a well-defined transition plan to mitigate risks and capitalize on opportunities. Our transition plan outlines the key actions, assumptions, dependencies, and resources required to achieve our climate-related goals and ensure the long-term sustainability of our business.

Key Elements

Targets and Goals: We have established clear and measurable climate-related targets and goals, including reducing our financed emissions, increasing green financing, and investing in climate-resilient infrastructure. These targets are aligned with national and international climate goals, such as the Paris Agreement (see the Climate-related Metrics and Targets section of this report for details).

Strategic Initiatives: Our transition plan outlines the strategic initiatives we will undertake to achieve our targets and goals. These initiatives include integrating climate risk into our risk management framework, developing and offering green finance products and services, investing in renewable energy and energy efficiency, supporting clients in their transition to a low-carbon economy, and engaging stakeholders (including supply chain players) on climate-related issues.

Critical Assumptions: Our transition plan is based on several critical assumptions, including a supportive regulatory environment for climate action, continued technological advancements in green technologies, and active engagement and collaboration from our stakeholders.

Dependencies: Our transition plan also recognizes several key dependencies, including client engagement, particularly in carbon-intensive sectors, access to reliable and comprehensive climate-related data, and building internal capacity and expertise on climate-related issues.

Resourcing: We have allocated dedicated resources to support the implementation of our transition plan. This includes financial resources, human resources, and technological resources.

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.

We believe 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.

Climate scenario analysis and resilience assessment

Fidelity Bank acknowledges the substantial influence that climate change may have on its long-term performance and resilience. To proactively manage these impacts, the Bank has embedded climate-related considerations into its strategic planning processes, ensuring that its overall strategy and business model remain robust and adaptable in a changing climate landscape.

We employ both scenario analysis and stress testing to evaluate how various climate change pathways could affect our operations. These tools enable us to assess the robustness of our strategy under different potential climate futures and make informed adjustments where necessary to ensure continued resilience.

Climate Scenario Analysis

Fidelity Bank's climate scenario analysis is based on two globally recognised frameworks: the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS). The IPCC provides Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs), which model a range of emissions and socioeconomic futures. The NGFS provides financial system focused scenarios that support stress testing and assessment of climate related risks and the transition to a low carbon economy.

Using both frameworks enables the Bank to capture a wide range of possible climate outcomes, from orderly transitions to highly disruptive climate futures. This approach improves the robustness of risk assessment, enhances comparability with peers, and strengthens the credibility of climate related analysis for decision making and long term resilience planning.

Scenario Summary and Implications

IPCC Scenarios

RCP 2.6 (Low Emissions) represents a rapid emissions decline and low warming outcome, resulting in lower physical and transition risks and increased opportunities in green finance and sustainable business.

RCP 4.5 (Medium Emissions) reflects moderate emissions reduction with manageable but rising physical and transition risks, requiring gradual adjustment of exposures to carbon intensive sectors while supporting transition activities.

RCP 8.5 (High Emissions) represents continued high emissions and severe warming, leading to significant physical risks such as extreme weather events, asset damage, stranded assets, and broad based credit risk increases across vulnerable sectors.

NGFS Scenarios

NGFS Orderly Scenario assumes early and coordinated policy action, resulting in a smooth transition, growth in green finance opportunities, and lower credit risk in low carbon aligned sectors.

NGFS Disorderly Scenario reflects delayed policy action, leading to higher transition risks, increased market volatility, stranded assets, and elevated credit risk in carbon intensive industries.

NGFS Hothouse Earth Scenario assumes limited climate action, resulting in severe physical impacts, widespread economic disruption, higher insurance and operational costs, and elevated credit risk across multiple sectors including

agriculture, real estate, and tourism.

Physical Risks Scenario Analysis and Stress-testing

We conducted physical risk scenario analysis and stress testing using a layered sampling approach across the Bank’s investment and loan portfolios, applying risk factors under the following climate scenarios and time horizons: Base Year (2023); RCP2.6-SSP1.26, RCP4.5-SSP2.45, and RCP8.5-SSP5.85 (2030, 2035, and 2050). The analysis considered key climate perils, including drought (SPI-3), water stress, pluvial and tidal flooding, extreme wet-bulb temperatures, heavy precipitation, and rising air surface temperatures. Loss rates were applied to outstanding balances to estimate exposures at risk.

Transition Risks Scenario Analysis and Stress-testing - Methodology and Key Assumptions

Our climate change transition risks scenario analysis and stress testing were conducted based on the NGFS scenarios and tailored assumptions as follows:

Quadrant	Scenario	Policy Reaction	Technology Change	CO2 Removal	Regional Policy Variation
Orderly	Low Demand	Immediate	Fast Change	Medium Use	Medium Variation
	Net Zero 2050	Immediate	Fast Change	Medium-high Use	Medium Variation
	Below 2 °C	Immediate and Smooth	Moderate Change	Medium Use	Low Variation
Disorderly	Delayed Transition	Delayed	Slow/Fast Change	Medium Use	High Variation
Hot House World	Nationally Determined Contributions (NDCs)	NDCs	Slow Change	Low Use	Medium Variation
	Current Policies	None-Current Policies	Slow Change	Low Use	Low Variation
Too little too late	Fragmented World	Delayed and fragmented	Slow/Frag-mented Change	Low-medium Use	High Variation



Transition Risks Scenarios Analysis, Stress Testing and Quantitative Financial Impacts.

Risk Management

Fidelity Bank has a robust enterprise risk management framework that supports risk mitigation. To adequately respond to sustainability and climate-related risks and opportunities, we have enhanced our processes for identifying, assessing, prioritising and monitoring such risks. In addition, we have

integrated sustainability and climate risk factors into our enterprise risk management framework.

Our Risk Governance Approach

The implementation of risk management in Fidelity Bank follows the Three Lines approach, which enables clear definition of roles and responsibilities within the Bank's risk governance structure, with the Board of Directors providing oversight, business units serving as risk owners under the first line of defence, the Risk Management and Compliance function acting as the second line of defence, and the Internal and External Audit functions providing independent assurance as the third line of defence.

Our processes for identifying and assessing sustainability and climate-related risks and opportunities

Fidelity Bank identifies its key sustainability and climate-related risks through a comprehensive process anchored in several internal policies, with the Enterprise Risk Management Framework (ERM) serving as the primary guide amongst others. Collectively, these policies ensure that our practices are aligned with both local and international standards.

Risk and Opportunities Identification

Our identification process covers the Bank's internal operations and material lending and investment activities across priority sectors and geographies, with particular focus on climate-related physical and transition risks and broader sustainability-related factors. The following outlines the key inputs and parameters underpinning the Bank's sustainability and climate related risk identification process.

- **Materiality Assessment:** We identify sustainability and climate-related risks by first establishing the Bank's key material issues through stakeholder engagement, analysis of emerging trends, and consideration of relevant regulatory and industry practices. These material issues provide the basis for evaluating sustainability and climate-related risks, ensuring that they are relevant to our business and stakeholders.
- **Risk Scoring and Ranking:** Identified sustainability and climate-related risks are assessed using likelihood of occurrence and potential impact on the Bank's business model and value chain. Risks assessed as having moderate to high likelihood and significant potential impact on the Bank's prospects are considered material, prioritised

for management action, and integrated into the Bank's decision-making process.

- **Scenario Analysis:** We utilize scenario analysis to understand the potential impact of climate-related risks on our business operations and loan portfolio. This involves exploring different climate change scenarios and assessing their potential consequences on our business, enabling us to develop proactive mitigation and adaptation strategies.
- **Multi-Criteria Decision Analysis (MCDA):** The effects of our sustainability-related risks, including climate-related risks, are assessed using a Multi-Criteria Decision Analysis (MCDA) approach, which considers the opinions of our internal and external stakeholders, regulatory requirements, and a review of market conditions on our business. The likelihood and impact of these risks over the short, medium, and long term are assessed and evaluated by the Bank's sustainability governance committee.
- **Industry Monitoring:** We continuously monitor industry trends, best practices, and regulatory developments related to sustainability. This includes tracking emerging ESG reporting standards, analyzing the sustainability performance of our peers, and engaging with industry bodies and experts.

Risk and Opportunities Assessment

We apply a structured, data-guided approach to evaluating sustainability and climate-related risks and opportunities, using the same level of rigour applied to other risk categories within our Enterprise Risk Management framework. Our assessment process combines quantitative and qualitative techniques, supported by scenario analysis and stress testing, to determine both the likelihood and potential impact of these risks.

Quantitative Assessment

Using advanced analytics and scenario-modelling tools, we quantify our exposure to ESG-related risks across our lending and investment activities. This includes evaluating the possible implications of extreme weather events, carbon-transition pathways, and other emerging sustainability issues on our balance sheet and portfolio performance.

The Bank analyses its exposures to sectors whose operational viability is more likely to be affected by sustainability and climate related disruptions, thereby increasing the probability of financial loss.

- **Qualitative Assessment:** We complement data-driven insights

with qualitative review of factors such as reputational considerations, policy and regulatory changes, and market sentiment. This ensures a holistic understanding of the broader implications of sustainability-related risks on our business model.

- **Scenario Analysis and Stress Testing:**

Fidelity Bank conducts climate scenario analysis and stress testing to evaluate how different future climate states could affect the Bank's business model, financial performance, and portfolio resilience. Under our forward-looking climate scenario analysis:

- Physical risks are assessed under RCP 2.6, RCP 4.5, and RCP 8.5 to understand exposure to flooding, water stress, heat stress, extreme rainfall, and sea-level rise.
- Transition risks are assessed using NGFS Orderly, Disorderly, and Hot House World scenarios to determine policy, technology, and market impacts on obligors and portfolios.
- Stress testing integrates climate-adjusted credit risk parameters to identify potential impacts on probability of default, loss given default, capital adequacy, and liquidity buffers.

Detailed disclosures on our scenario analysis were presented earlier in this report.

- **Comprehensive ESG Risk Evaluation:**

Our assessments cover a wide spectrum of sustainability considerations including climate change, resource constraints, demographic and social shifts, regulatory developments, and evolving stakeholder expectations. These inputs allow us to evaluate potential impacts on business continuity, financial resilience, and long-term strategic positioning.

How we prioritize and monitor risks and opportunities

Fidelity Bank employs a robust framework for identifying sustainability and climate-related risks and opportunities. This process incorporates environmental and social safeguards, climate science insights, emissions analysis, and stakeholder engagement. By doing so, the Bank ensures a thorough evaluation of both internal activities and external exposures, including those within the loan portfolio, to assess the potential effects of climate and sustainability factors.

After risks and opportunities are identified, the Bank conducts a detailed assessment of their potential impact and likelihood. This evaluation covers several dimensions:

- **Financial Impact:** The analysis reviews possible financial consequences, including

expected losses, cost increases, and effects on revenue and profitability.

- **Reputational Impact:** The process considers the risk of negative publicity, potential damage to the Bank's reputation, and erosion of trust among stakeholders.
- **Regulatory Compliance:** The regulatory landscape is reviewed to ensure full compliance with applicable sustainability and climate-related laws, regulations, and disclosure requirements.

Following this assessment, the Bank prioritizes sustainability and climate-related risks and opportunities based on their relative significance and likelihood of occurrence. This ensures that these risks are considered alongside other material risk types within the Bank's overall risk framework, enabling targeted allocation of resources and focused management attention on high-priority areas. Through this approach, sustainability and climate considerations are systematically embedded into the Bank's broader risk prioritization and decision-making processes.

Risk and Opportunities Monitoring

Monitoring sustainability and climate-related risks is an ongoing effort at the Bank. This reporting is integrated with our overall risk reporting, providing a comprehensive view of the bank's risk profile. This approach ensures that sustainability and climate risks are given due consideration in our risk management processes, contributing to the long-term resilience and sustainability of our business.

Monitoring and Adapting to Change

We continuously monitor sustainability and climate-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. This monitoring process includes:

- **Performance Tracking:** We track our performance against sustainability targets and objectives, using relevant metrics to measure our progress and identify areas for improvement.
- **Regular Reviews and Reporting:** Through structured reporting and governance oversight, we conduct regular reviews of our sustainability strategy and risk management framework, ensuring that they remain aligned with our business objectives and the evolving sustainability landscape.
- **Adaptive Management:** We adapt our strategies and risk mitigation measures as

needed based on the results of our monitoring and assessment activities.

This comprehensive framework enables us to proactively manage sustainability-related risks and opportunities, ensuring the long-term resilience and sustainability of our business. Fidelity Bank is committed to continuously improving its risk management framework and ensuring that sustainability and climate considerations are fully integrated into the decision-making processes.

Integration of risks and opportunities into our enterprise risk management system

Fidelity Bank has adopted a systematic and forward-looking approach to embedding sustainability and climate-related risks and opportunities into its Enterprise Risk Management (ERM) system. This integration is driven by the Bank's recognition that climate change and broader environmental and social factors can materially influence credit exposures, operational resilience, capital adequacy, liquidity stability and overall business performance. The Bank further recognizes that each sustainability or climate-related risk identified is inherently linked to a corresponding opportunity, which informs how sustainability considerations are assessed and managed. Accordingly, climate and sustainability matters are not treated as standalone issues, but are fully integrated into core risk management processes, governance structures, strategic planning cycles and decision-making frameworks across the institution. This approach ensures regulatory alignment, organizational resilience and the ability to harness risk-related opportunities that support innovation, business growth and customer value creation.

The Bank's integration approach is aligned with these four key pillars:

1. Governance and Oversight Integration

Climate and sustainability risks are embedded within the Bank's governance architecture. The Board Risk Management Committee (BRMC) provides oversight and ensures these risks are reflected in enterprise-wide risk policies and frameworks, while the ED, Risk Management and the Sustainable Banking Governance Committee (SBGC) drive operational integration through risk reviews, policy updates, and structured reporting across the Bank.

2. Risk Appetite and Strategic Planning

Sustainability and climate-related risks are treated as principal enterprise risks and reflected in the Bank's risk appetite statement. Sector level limits, E&S thresholds, climate linked tolerances, and exposure constraints are informed by climate scenario analysis and financed emissions insights, ensuring the Bank's long-term strategy incorporates climate transition and physical risk considerations.

3. Integration into Risk Processes (Credit, Operational & Scenario Analysis)

Core risk processes incorporate climate factors through ESRM screening and classification (A/B/C), climate aligned covenants, and due diligence for higher risk exposures. Operational risk assessments and business continuity plans reflect physical hazards such as flooding and heat stress, while scenario analysis using IPCC and NGFS pathways assesses impacts on credit quality, capital, liquidity, and sector exposures.

4. Monitoring, Reporting and Portfolio Management

Climate-related KPIs, including financed emissions, sectoral exposures, and ESAP compliance, are tracked and monitored by the Bank. Structured reporting to the SBGC, ED, Risk Management, and BRMC enables continuous oversight. Early warning indicators and portfolio reviews support timely adjustments, ensuring alignment with the Bank's transition toward lower carbon, climate resilient asset classes.

By embedding climate considerations into governance structures, strategic planning, core risk processes, and ongoing monitoring, we strengthen our resilience to emerging environmental and transition related uncertainties.

Metrics and Targets

Fidelity Bank is committed to transparent communication about its performance in relation to sustainability and climate-related risks and opportunities. We will also continue to disclose our progress in respect of the targets set for managing identified risks and opportunities.

Our sustainability-related metrics and targets

In this section, we present the sustainability-related metrics and targets we use to manage and monitor sustainability-related risks and opportunities across Fidelity Bank. We refer to and consider the SASB Standard for Commercial Banks (FN-CB) to anchor investor-relevant measures.

In some cases, we adjust metrics sourced from frameworks outside the IFRS Sustainability Disclosure Standards to better fit our reporting needs. We are committed to continually improving the quality and relevance of our sustainability metrics by reviewing them regularly and engaging with stakeholders for feedback. Through a comprehensive set of indicators, we track our performance, strengthen accountability and transparency, and enhance our ability to manage sustainability-related risks and opportunities while creating long-term value.

Focus Area	Definition	Metrics and Target	Progress
Occupational Health and Safety	Covers the Bank's commitment to ensuring a safe and healthy work environment for all employees, measured through employee safety performance, regulatory compliance, and ongoing training and awareness.	<ul style="list-style-type: none"> Achieve a 20% reduction in Lost Time Injury Frequency Rate (LTIFR) compared to the previous year. Achieve 98% compliance with all OHS regulations by the end of the reporting period. Ensure 100% of employees receive OHS training and awareness sessions annually. 	<p>In 2025, we continued to strengthen workplace safety across all operations, building on the progress achieved in previous years. We recorded zero fatalities, consistent with zero fatalities in 2024 and 2023, maintaining our strong safety performance.</p> <p>There were no high-consequence injuries in the reporting year, following an improvement from two cases in 2023 to none in 2024, which was sustained in 2025.</p> <p>Recordable injuries for 2025 stood at zero cases (0 per 100,000 hours worked), compared to less than 1.0 per 100,000 hours in 2024 and 1.12 per 100,000 hours in 2023. We also achieved a 20% reduction in Lost Time Injury Frequency Rate (LTIFR) compared to the previous year.</p> <p>Compliance with Occupational Health and Safety (OHS) regulations remained strong at 98% in 2025, consistent with 98% compliance in 2024. Compliance with OHS regulations was substantially supported by awareness publications from the Brand and Communications Department. Safety measures and containment strategies were widely communicated to staff and vendors to support adherence. Surveillance and monitoring were intensified by Internal Security Officers (ISOs) and Regional Security Officers (RSOs), who also serve as Bank Safety Officers, to help reduce the incidence of injuries in line with OHS policies.</p> <p>Employee training and awareness remained a priority. In 2025, the Bank achieved 100% participation in First Aid training, with all RSOs and ISOs participating. This compares to 100% completion among OHS, security, and safety staff in 2024, and 98% completion across employees in 2023, demonstrating our sustained commitment to building a safety-conscious workforce.</p>
Human Rights	Covers the Bank's commitment to upholding and promoting human rights across all operations by ensuring full compliance with internal policies and maintaining a zero tolerance approach towards violations.	Achieve full compliance with Human Rights policies and procedures, and maintain a zero-tolerance approach towards all forms of human rights violations.	<p>The Bank remained committed to upholding human rights by ensuring full compliance with its internal Human Rights policies and procedures in 2025. No incidents of human rights violations were reported during the period, reflecting the effectiveness of ongoing awareness initiatives and a strong zero-tolerance approach across all operations.</p>

Financial Inclusion	Measures efforts to expand access to financial services for under-represented segments of the community by promoting account ownership, digital solutions, and financial literacy	<ul style="list-style-type: none"> By 2028, increase account ownership among unbanked and underbanked populations and market segments by 10% annually from a 2023 baseline through digital solutions and financial literacy initiatives. Achieve a 10% annual increase in savings balances among these groups. Additionally, increase loans to MSMEs by 10% annually resulting in a 5% increase in production and/or service output, as measured by business account turnover. 	<p>In 2025, the Bank continued to expand financial inclusion and deepen support for small businesses, leveraging digital solutions, targeted interventions, and financial literacy initiatives to reach underserved segments.</p> <p>The Bank made significant progress in broadening access to financial services, particularly through savings mobilisation and digital channels. Savings accounts increased substantially to 2,369,310 in 2025, compared to 644,661 in 2024 and 761,334 in 2023, reflecting expanded reach among previously underserved and underbanked populations. This growth was supported by increased adoption of digital solutions, particularly USSD banking, where new users rose to 369,072 in 2025 from 229,373 in 2024. In addition, 3,183 previously unbanked individuals were onboarded into the formal financial system during the year.</p> <p>The Bank also scaled its agency banking and digital infrastructure to improve last-mile access. In 2025, 5,658 new agents were onboarded, expanding the network to over 41,200 agents supported by 9,075 POS terminals. This expansion, alongside BVN enrolment initiatives that onboarded over 2,150 financially excluded individuals, enhanced access to banking services across underserved and rural communities.</p> <p>Targeted initiatives further supported inclusion among youth, women, and informal sector participants. Campus activations across tertiary institutions onboarded over 5,500 students and established agency banking points to facilitate transactions. Youth-focused programmes, including empowerment initiatives in Kaduna, enabled 1,200 young people to access financial services and entrepreneurship opportunities.</p> <p>The Bank strengthened its commitment to women's economic empowerment through tailored financial and non-financial interventions. Under its HerFidelity proposition, the Bank launched the FundHer Loan to provide discounted financing to women-led businesses and extended grants to 10 women entrepreneurs. In addition, lending to women remained significant, with 30,877 loans granted to women individuals and 335 to women-owned businesses, amounting to approximately ₦6.99 billion and ₦13.85 billion respectively. Complementary initiatives, including market outreach programmes, military spouse empowerment through the distribution of 523 POS terminals, and targeted engagement in northern Nigeria, further expanded access to finance, skills, and income-generating opportunities for women.</p> <p>In line with its objective to support local entrepreneurship, the Bank continued to deepen financing to MSMEs, despite a decline in the number of MSME customers from 2,131 in 2024 to 1,307 in 2025. The total value of MSME financing increased significantly to ₦267.65 billion in 2025, up from ₦164.31 billion in 2024 and ₦118.99 billion in 2023, indicating a stronger level of support per customer. MSME balances also grew markedly to ₦767.73 billion in 2025, compared to ₦400.13 billion in 2024 and ₦264.70 billion in 2023, while MSME credit turnover rose to ₦45.93 trillion from ₦36.14 trillion in 2024. These trends reflect a strategic focus on scaling the depth and impact of financing to small businesses.</p> <p>Financial literacy and capacity-building remained central to the Bank's inclusion strategy. Through SME Hub masterclasses, over 8,000 participants were trained on topics such as taxation, branding, digital skills, and artificial intelligence, while a weekly financial literacy programme reached an estimated 300,000 listeners. Additional initiatives, including agent training programmes, youth empowerment schemes, and national financial inclusion events, further strengthened financial awareness and capability across target segments.</p> <p>Overall, the Bank's approach in 2025 reflects a holistic and integrated model of financial inclusion, combining expanded digital access, agency banking, targeted lending, and large-scale financial literacy initiatives. This approach has enabled the Bank to deepen its impact across underserved populations while continuing to support the growth and resilience of small businesses and the informal sector.</p>
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Gender Inclusion and Diversity	Reflects progress and commitment to gender equality, diversity, and inclusiveness across board membership, senior executives, and all levels of employment	Attain 35% female representation in top management and senior executives by 2030	<p>As of 31 December 2025, Fidelity Bank's workforce comprised 1,775 female staff (52%) and 1,632 male staff (48%), reflecting a steady increase in female representation over the past three years (50% in 2024 and 50.3% in 2023). This demonstrates the Bank's commitment to building a gender-balanced workforce.</p> <p>At the top management level (AGM-GM), female representation improved to 21 women (32%) and 44 men (68%) in 2025, compared with 17 women (27%) and 45 men (73%) in 2024, and 16 women (28%) and 42 men (72%) in 2023. This shows a positive trend toward the Bank's target of 35% female representation in top management and senior executives by 2030.</p> <p>On the Board of Directors, female participation increased modestly to 5 women (33%) and 10 men (67%) in 2025, up from 4 women (29%) and 10 men (71%) in both 2023 and 2024.</p> <p>Overall, these figures illustrate Fidelity Bank's progressive approach to gender inclusion, with consistent year-on-year growth in female participation across the workforce, senior management, and board levels. The Bank continues to strengthen policies and initiatives that promote equal opportunity, career development for women, and diversity at all levels of governance, positioning it on track to meet its 2030 gender target.</p>
Responsible Lending	Ensures fair, transparent, and regulatorily compliant lending practices, guided by the Bank's Environmental and Social Risk Management (ESRM) Policy, with a focus on rigorous credit evaluations and strong ESG risk management	Adhere to the Bank's defined protocol to uphold global ESG standards in all loans and investments	<p>Fidelity Bank maintained its commitment to responsible lending through strict adherence to its Environmental and Social Risk Management (ESRM) Policy. In 2025, 99.61% of credit facilities underwent ESG screening, a slight change from 99.95% in 2024 and 99.96% in 2023, reflecting the Bank's consistent focus on integrating ESG considerations into lending decisions.</p> <p>Enhanced due diligence was applied to high-impact sectors, ensuring that all lending activities complied with both regulatory requirements and the Bank's internal ESG protocols. By embedding ESG factors into credit processes, the Bank continued to strengthen fair, transparent, and sustainable financing across its portfolio, aligning with its target to uphold global ESG standards in all loans and investments.</p>

Tax Management	Measures the Bank's ability to manage tax-related risks and opportunities through effective tax governance. This includes maintaining a competitive Effective Rate	Maintain an Effective Tax Rate(ETR) at or below the industry average, ensure full compliance with tax disclosure and regulatory requirements, minimize tax infractions and penalties, and uphold adequate tax provision and timely remittances to relevant authorities on annual basis	In 2025, Fidelity Bank's total income tax expense amounted to ₦110.52 billion, compared with ₦110.14 billion in 2024 and ₦24.81 billion in 2023, reflecting the Bank's consistent tax contributions aligned with its financial growth. The Bank continued to apply robust tax controls, ensuring accurate provisioning and full compliance with regulatory requirements. The Bank maintained an effective tax rate (ETR) aligned with industry standards, demonstrating responsible tax management while minimizing infractions and penalties. Timely remittances and adherence to tax disclosure obligations reinforce Fidelity Bank's commitment to financial accountability, regulatory compliance, and sustainable fiscal practices.
Data Security and Customer Privacy	Measures the Bank's ability to manage data security and customer privacy risks and opportunities in alignment with regulatory requirements and strategic objectives. This includes tracking the number of data breaches, compliance with the Nigerian Data Protection Act (NDPA) and NDPR, privacy-related complaints, and employee training on data protection protocols	<ul style="list-style-type: none"> Regulatory Compliance: Ensure continuous compliance with the NDPA, NDPR, and all other applicable privacy regulations throughout the reporting year, with quarterly monitoring and prompt communication of any regulatory updates. Employee Training: Implement a comprehensive Privacy Training Program. Ensure that all new employees complete mandatory data protection training within 90 days of onboarding, with periodic updates to training content based on feedback and changes in regulatory requirements. 	<p>In 2025, Fidelity Bank strengthened its data-protection framework by enhancing governance, staff awareness, and regulatory compliance. We remained aligned with the NDPA and NDPR through quarterly compliance reviews and timely responses to evolving regulatory requirements.</p> <p>All new employees completed mandatory privacy training within the required onboarding period, supported by regular updates to our training materials. We continued to invest in monitoring tools, security upgrades, and strong internal controls to prevent data breaches and protect customer information. Privacy-related enquiries were addressed promptly, helping maintain customer trust and uphold high data-protection standards.</p>

Other Sustainability Metrics and Performance

Focus Area	Definition	Metrics and Target	Progress
Community Impact	Measures the scale and impact of initiatives aimed at supporting local communities, including programs that fund education, support local businesses, and promote social development	Increase community outreach programs by 30% over the next three (3) years	<p>We continued to advance our community investment efforts across our four core pillars: Environmental Sustainability and Conservation, Quality Education, Health and Social Welfare, and Youth Empowerment. These pillars remain central to our commitment to building healthier, more resilient and inclusive communities.</p> <p>Our initiatives were delivered through three main platforms:</p> <ul style="list-style-type: none"> Fidelity Helping Hands Programme (FHHP): our staff-led volunteer initiative supporting local communities. Strategic Sponsorships: centrally funded projects designed to deliver long-term social impact. Collaborations and Partnerships: joint programmes with local and international organisations to drive meaningful and sustainable outcomes. <p>In 2023, total community investments amounted to ₦819.82 million. This increased to ₦1,550 billion in 2024, representing an 89.1% year-on-year growth. By 2025, community investments rose to ₦2,377 billion, a 53.4% increase from 2024 and a 190.0% increase compared to 2023.</p> <p>This growth reflects our strengthened commitment to transformational, high-impact projects and our ongoing efforts to deepen community relations, support inclusive development, and expand our outreach across the communities we serve.</p>
Employee Satisfaction	Measures the overall well-being, engagement, and satisfaction of employees, based on factors such as recognition, compensation, work culture, and professional development opportunities	<ul style="list-style-type: none"> Conduct in-person meetings or online surveys with our employees to identify and discuss issues that are critical to them quarterly. Reduce employee turnover by 5% annually, using 2023 as our baseline which will reflect overall employee satisfaction. Introduce initiatives to engage our employees annually such as wellness program, recognitions and awards program. <p>Introduce learning opportunities for our employees to learn new skills and increase our learnings participation records by 5% annually</p>	<p>In 2025, we continued to prioritise employee satisfaction through initiatives that strengthen engagement, well being, and professional development. Quarterly surveys and engagement forums were sustained to better understand evolving staff needs, while targeted retention measures helped reinforce workforce stability.</p> <p>We maintained strong investment in learning and development through our ELMS platform, virtual sessions, and in-person trainings, ensuring employees had access to structured capability-building opportunities. Programmes such as the Banking School, Induction Trainings, Thursday Lecture Series, and department-led sessions supported continuous professional growth.</p> <p>In 2025, the Thursday Lecture Series delivered two major sustainability-focused sessions—Sustainable Banking: A Comprehensive Overview and Preparation of 2024 ISSB, IFRS & CSRD Sustainability Report—with 1,081 and 845 participants respectively, demonstrating strong engagement compared to previous years (2024: 1,561 and 1,379; 2023: 836). This highlights a consistent commitment to expanding employees' knowledge on sustainability and ESG-related topics.</p> <p>Our wellness initiatives also progressed, including mental-health awareness programmes and staff recognition efforts, helping to reinforce a positive, inclusive, and supportive work culture.</p>

Anti-corruption	Measures the effectiveness of systems and practices that promote transparency and prevent corruption, including bribery, fraud, extortion, and money laundering, in compliance with applicable laws and regulations	<ul style="list-style-type: none"> • Conduct quarterly awareness trainings for employees at all levels on anti-corruption issues. • Deploy an annual anti-corruption learning module requiring employees to read and acknowledge the Bank's anti-corruption policies. • Improve whistleblower protections to encourage safe reporting and significantly increase the number of reported corruption cases through official channels. • Achieve a 5% annual reduction in identified incidents of corruption • Achieve zero incidences of regulatory sanctions or penalties 	<p>In 2025, we maintained our strong commitment to preventing corruption through regular risk assessments, targeted staff and Board training, and strengthened internal controls.</p> <p>Quarterly awareness sessions and annual learning modules ensured continued understanding of our anti-corruption policies. We also upheld robust whistleblower protections to support safe and transparent reporting. Our procurement processes remained rigorous, with vendor due-diligence checks and multi-level approval requirements.</p> <p>As in previous years, no confirmed incidents of corruption were recorded in 2025, reflecting the effectiveness of our governance and compliance framework.</p>
Compliance with Regulations	Prioritizes adherence to all relevant frameworks governing business operations, demonstrating commitment to ethical conduct, legality, transparency, and stakeholder trust.	<ul style="list-style-type: none"> • Achieve zero incidences of regulatory sanctions or penalties 	Fidelity Bank remains committed to ethical conduct, transparency, and full compliance with regulatory requirements. We continue to reinforce monitoring, staff training, and escalation procedures to prevent recurrence and ensure adherence to evolving regulatory expectations.
Data Privacy and Cybersecurity	Represents ongoing efforts to identify emerging cyber threats, implement robust security measures, and educate staff and customers to reduce cyber security risks and data breaches.	<ul style="list-style-type: none"> • Continuously eliminate potential cyber vulnerabilities and privacy breaches to maintain a secure and safe cyber environment 	In 2025, Fidelity Bank continued to prioritise data privacy and cybersecurity by strengthening its systems and controls to prevent potential vulnerabilities. We invested in advanced threat-detection technologies, enhanced monitoring tools, and frequent updates to security protocols to address emerging risks. Regular assessments, system upgrades, and employee awareness initiatives supported our commitment to safeguarding customer data and maintaining a resilient cyber-security posture.

Our climate-related metrics and targets

In this section we present the climate-related metrics and targets we use to manage transition and physical risks and to capture climate-aligned opportunities across Fidelity Bank. We report Scopes 1 (direct emissions from sources owned or controlled by the organization) and 2 (Indirect emissions from the generation of purchased energy), relevant Scope 3 (indirect emissions from both upstream and downstream value chain activities, including financed emissions), and other decision-useful indicators consistent with IFRS S2 and the industry-based guidance for Commercial Banks.

For each metric, we specify the scope and boundary, methodology, base year, and calculation approach. Our targets include the baseline, interim milestones and the time horizon, with progress tracked year-on-year.

These scopes are mutually exclusive to avoid double-counting. This approach ensures that our GHG emissions accounting is consistent with our financial accounting and reporting practices, providing a clear and transparent view of our environmental impact.

Total Gross Emissions

Scope 1 and 2 emissions (tCO₂e)

Scope	2025	2024	2023 ¹
Scope 1	9,714.8	12,289.60	15,749.00
Diesel Consumption in generator sets	7,003.3	9,709.50	12,435.00
Company owned vehicles	2,711.5	2,580.10	3,314.00
Scope 2	3,671.19	3,083.24	3,228.00
Grid electricity purchase (location based)	3,671.19	3,083.24	3,228.00

¹Base year

Note: No contractual instruments – such as energy attribute certificates or power purchase agreements were used.

Scope 3 emissions (tCO₂e)

Scope ¹	2025	2024	2023 ²
Scope 3	5,716,256.77	4,613,070.65	682,299.78
Category 1 – Purchased Goods & Services: Paper Consumed	368.1	697.00	764.00
Category 6 – Business Travel: Business travel (Air)	2018.6	2,580.10	3,314.00
Category 5 – Waste Generated in Operations: Waste Generation & Disposal	118.5	77.60	37.00
Category 7 – Employee Commuting: Staff Commuting	9,411.7	3,864.00	3,864.00
Category 1 – Purchased Goods & Services: Water Purchased	21.9	19.20	0.50
Category 15 – Investments: Financed Emission	5,704,317.97	4,606,362.05	682,299.78

¹Only material Scope 3 emissions categories have been disclosed

²Base Year

GHG Inventory Estimations, Inputs and Assumptions Methodology for Operational Emissions

The GHG inventory for operational emissions is based on Tier 1 methodology, as outlined in the GHG protocol: Corporate Standard. Activity data encompasses all bank locations across Nigeria. Default emission factors and global warming potentials (GWPs) have been applied as specified.

Financed Emissions (Category 15 Scope 3) Methodology and Approach

We calculate our financed emissions, which are the greenhouse gas (GHG) emissions associated with our lending and investment activities, under Category 15 of the Scope 3 emissions framework. Our approach follows the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard for the Financial Industry (2020), which provides a consistent, transparent, and comparable methodology tailored for financial institutions.

Climate-related risk and opportunity exposure

We have conducted a physical and transition climate risk assessment to determine the amount and percentage of our portfolio assets that are vulnerable to climate-related risks. This analysis evaluated the exposure of our loan and investment portfolios to high-risk sectors and regions susceptible to both physical and transition risks. The 2023 financial year serves as our baseline, against which future changes in climate-related portfolio exposure will be measured.

Capital Deployment

Fidelity Bank's commitment to product paper green financing offerings, including the Fidelity Easy Lease Scheme (Solar Power) and Green Energy Financing, continued to grow in 2025, with 612 transactions valued at ₦929.10 million, reflecting strong market demand for sustainable financial solutions.

Transaction counts increased from 112 in 2023 to 482 in 2024 (+330.4%), and further to 612 in 2025 (+27.0%), representing a 446.4% increase compared to 2023. The total value of green financing slightly decreased from ₦512.92 million in 2023 to ₦509.01 million in 2024 (-0.8%), before rising sharply to ₦929.10 million in 2025 (+82.5% from 2024; +81.2% compared to 2023).

These trends demonstrate Fidelity Bank's sustained allocation of capital toward low-carbon

and climate-resilient initiatives, supporting sustainable development across multiple sectors and reinforcing its role as a key provider of green financial solutions.

To expand our impact, we are developing the Fidelity Green App, a digital aggregator that connects providers and consumers of green products and services, with financing support integrated into the platform. Across the Bank, we are actively deploying capital to projects and exploring climate risk advisory services to support the transition to a low-carbon economy, enhance climate resilience, and open new market opportunities. These investments support the development of climate-aligned products and infrastructure, positioning us to finance growth in sectors that contribute to positive environmental and social outcomes.

Internal Carbon Pricing

Fidelity Bank is actively exploring the implementation of an internal carbon price as a tool to guide our investment and lending decisions. This involves:

- **Assessing Carbon Risks:** We will utilize internal carbon pricing to assess the carbon risks associated with our lending and investment portfolio, identifying high-carbon activities and potential financial impacts.
- **Shifting Capital to Low-Carbon Activities:** Internal carbon pricing will help us prioritize investments in low-carbon technologies and projects, supporting the transition to a low-carbon economy.
- **Incentivizing Emission Reductions:** By incorporating carbon costs into our decision-making, we can incentivize emission reductions among our clients and encourage the adoption of sustainable practices.
- **Enhancing Climate Resilience:** Internal carbon pricing will contribute to enhancing the climate resilience of our portfolio by promoting investments in climate-smart solutions and adaptation measures.

We are committed to developing a robust internal carbon pricing mechanism that aligns with our climate goals and contributes to achieving a sustainable future.

Climate-related targets

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. Fidelity Bank is committed to achieving net-zero GHG emissions by 2050 across our own operations and our financed portfolio, using 2023 as the base year.

Our targets are aligned with the Science Based Targets initiative (SBTi) methodology, adopting a 1.5°C temperature-aligned scenario and applying an absolute contraction approach to guide long-term emission reductions. These targets have not yet undergone third-party validation.

The objectives of our climate related targets are to support mitigation and adaptation, while ensuring alignment with science based pathways. Our commitments are designed to reduce emissions across our operations and portfolio, strengthen resilience to physical and transition risks, and align our long term trajectory with the SBTi 1.5°C scenario through an absolute contraction approach.

To support long-term emissions reduction, we are exploring the use of certified carbon credits, which will complement our efforts to reduce actual emissions. The targets cover three gases (CO₂, CH₄ and N₂O) from the Kyoto Protocol. There were no changes to our targets during the reporting year.

Progress is closely overseen by the Executive Director, Risk Management, at the Board level. Key indicators, including operational emissions, portfolio related emissions, and the effectiveness of reduction initiatives, are tracked through a combination of established processes and tools, including the Sustainable Banking Management System (SBMS) portal, which is used to monitor our operational footprint. We remain committed to regularly reporting on these metrics to ensure transparency, accountability, and continuous improvement as our data and methodologies evolve.

Our aim is 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. The targets cover our scope 1, Scope 2 and Scope 3 emissions.

Metrics and Target Performance

Focus Area	Definition	Metrics and Targets	Progress
Carbon Footprint	Measures the total greenhouse gas (GHG) emissions both directly and indirectly attributable to direct and indirect operations and activities, in alignment with the objective of achieving net zero emissions by 2050. GHG emissions are measured and disclosed using the GHG protocol and PCAF Methodology.	Strive for a 33.6% carbon emissions reduction in operations by 2028 against the 2023 baseline and aim for net-zero emissions by 2050 across own operations and portfolio. Carbon credits will be used to support long term emission reduction.	In 2025, Fidelity Bank's operational carbon emissions were 25,324.79 tCO ₂ e, compared to 22,081.44 tCO ₂ e in 2024 and 24,920.50 tCO ₂ e in 2023. While emissions increased in 2025 relative to 2024, the Bank remains committed to implementing reduction initiatives to achieve its 2028 target of a 33.6% reduction against the 2023 baseline. Fidelity Bank is also committed to achieving net-zero emissions by 2050 across its operations and portfolio, leveraging reduction initiatives and carbon credits to support long-term decarbonization. Continuous monitoring and reporting ensure progress is transparent, measurable, and aligned with our sustainability goals.

<p>Climate Risk Exposure</p>	<p>Conduct physical and transition risk assessment to measure the amount and percentage of portfolio assets vulnerable to climate related risks. Evaluate the proportion of the loan and investment portfolio exposed to high-risk sectors and regions susceptible to physical and transition climate risks. Base year -2023</p>	<p>Decrease climate risk exposure in the loan and investment portfolio by 3.5% by 2030 and achieve net-zero financed emissions by 2050.</p>	<p>Fidelity Bank continues to actively manage and reduce climate-related risks in its loan and investment portfolio. Comprehensive physical and transition risk assessments enable the Bank to identify assets exposed to climate hazards, guiding our risk mitigation strategies and sustainable investment decisions.</p> <p>Our product paper green financing offerings, including the Fidelity Easy Lease Scheme (Solar Power) and Green Energy Financing, have expanded significantly. In 2025, we recorded 612 transactions valued at ¥929.10 million, up 27% from 482 transactions in 2024 and representing a 446% increase compared to 112 transactions in 2023. The total value of financing rose 82.5% from 2024 and 81.2% compared to 2023, demonstrating strong market uptake and the Bank's commitment to funding low-carbon, climate-resilient initiatives that help reduce overall climate risk exposure.</p> <p>To further enhance our climate impact, Fidelity Bank is developing the Fidelity Green App, a digital platform linking providers and consumers of green products with integrated financing solutions. Through these initiatives, combined with ongoing capital deployment and climate risk advisory services, we are advancing toward our 2030 target of decreasing climate risk exposure by 3.5% and remain committed to achieving net-zero financed emissions by 2050.</p>
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Energy Efficiency	This evaluates the energy utilization across every operational sector within our banking institution, taking into consideration the use of efficient systems/equipment (such as vehicles, generators, computers, etc.) to reduce energy consumption, transitioning to renewable energy across our business offices.	Strive to implement energy efficient initiatives in our operations and reduce energy consumption by 40% by 2028.	<p>In 2025, Fidelity Bank continued implementing energy-efficient systems across its operations, supported by the Sustainable Procurement Policy. A total of 372 ATMs and 154 branches/business offices were powered by renewable energy (solar energy), reflecting ongoing progress in expanding the Bank's renewable-energy footprint. Diesel consumption for generator sets decreased to 2,585,004 litres in 2025, down from 3,605,228 litres in 2024 (-28.3%) and 4,617,145 litres in 2023 (-44.0%). This contributed to a reduction in Scope 1 emissions from generator diesel from 9,709.5 tCO₂e in 2024 to 7,003.3 tCO₂e in 2025 (-27.9%), and a 55.7% reduction compared to 2023 (12,435 tCO₂e). Fleet fuel consumption for company-owned vehicles rose slightly to 1,149,945 litres in 2025, compared with 1,071,296 litres in 2024 (+7.3%), but remained below 2023 levels of 1,376,126 litres (-16.5%). Corresponding Scope 1 emissions increased marginally to 2,711.5 tCO₂e in 2025 from 2,580.1 tCO₂e in 2024 (+5.1%), while showing a reduction of 18.2% from 2023 (3,314 tCO₂e). Electricity consumption for operations rose to 6,403,830 kWh in 2025, up from 5,486,200 kWh in 2024 (+16.7%) and slightly higher than 5,743,333 kWh in 2023 (+11.5%). This resulted in Scope 2 emissions of 3,671.2 tCO₂e in 2025, an increase of 19.1% from 2024 (3,083.2 tCO₂e) but only 13.7% higher than 2023 (3,228 tCO₂e).</p> <p>Overall, total operational emissions (Scope 1 + Scope 2) were 9,714.8 tCO₂e in 2025, down from 12,289.6 tCO₂e in 2024 (-20.9%) and 15,749 tCO₂e in 2023 (-38.3%).</p>
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Green Finance	Evaluates the proportion of loans and investments in environmentally friendly projects or businesses	Increase the green portfolio that addresses climate-related opportunities to 2.5% by 2030.	<p>Fidelity Bank continues to integrate climate considerations into its lending and investment portfolio, identifying opportunities that support low-carbon and climate-resilient development. Through comprehensive assessments of physical and transition risks, the Bank evaluates portfolio assets exposed to climate hazards, guiding responsible capital allocation and sustainable growth strategies.</p> <p>Our product paper green financing offerings, which include the Fidelity Easy Lease Scheme (Solar Power) and Green Energy Financing, demonstrated robust growth in 2025. The Bank completed 612 transactions valued at ¥929.10 million, marking a 27% increase from 2024 (482 transactions) and a 446% rise compared to 2023 (112 transactions). The total value of green financing increased by 82.5% from 2024 and 81.2% compared to 2023, reflecting strong market demand and Fidelity Bank's commitment to supporting climate-positive initiatives across sectors.</p> <p>To further expand access to sustainable solutions, Fidelity Bank is developing the Fidelity Green App, a digital platform that connects consumers with providers of green products and services while integrating financing support. Beyond these offerings, the Bank continues to deploy capital to businesses pursuing climate-aligned opportunities, positioning the green portfolio to steadily grow toward the 2030 target of 2.5% of total portfolio.</p> <p>These initiatives highlight Fidelity Bank's proactive approach to scaling climate-related investments, supporting the transition to a low-carbon economy, and enhancing resilience across its client base.</p>
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Other Disclosures

Progress on the UN SDGs and Priority Impact Areas

We are deeply committed to advancing the United Nations Sustainable Development Goals (SDGs), recognizing the essential role financial institutions play in shaping a more inclusive, resilient, and sustainable future. Guided by our responsibility to support both societal well being and environmental protection, we view the SDGs as a strategic framework that informs our actions and strengthens our impact. Through targeted initiatives and responsible business practices, we continue to champion sustainable development and contribute meaningfully to the global agenda.

Responsible Finance in Practice: Our Adoption of Equator Principles

Fidelity Bank is a signatory to the Equator Principles and remains committed to applying this framework to manage environmental and social risks across its financing activities. As part of our commitment to responsible and sustainable finance, we have established a dedicated Sustainable Banking team within our Risk Management Directorate to ensure environmental and social factors are fully integrated into our lending decisions. This team carefully reviews all project-related credit requests above US\$10 million, in line with the Equator Principles. They also assess smaller credit requests, applying national and international standards such as the Central Bank of Nigeria's Sustainable Banking Principles (NSBP) and the IFC Performance Standards, to uphold our commitment to responsible financing.

Fidelity Bank's Environmental and Social Risk Management (ESRM) Policy forms the basis for integrating sustainability considerations into all credit and investment decisions. Aligned with national requirements such as the NSBP and with international frameworks including the Equator Principles, IFC Performance Standards, and IFRS Sustainability Disclosure Standards, the policy guides how environmental and social risks are identified, assessed, and monitored across the bank's operations. To operationalize this framework, a dedicated Sustainable Banking team within the Risk Management Directorate conducts E&S reviews for project related credit requests above the US\$10 million Equator Principles threshold, while also assessing smaller transactions in line with relevant national and international standards. All credit applications are screened using defined E&S criteria, assigned a risk category, and supported with appropriate mitigation measures within loan terms. Our monitoring efforts are strengthened through an automated data management system, on site project visits, and regular reporting from clients. Beyond compliance, we actively engage customers on managing ESG risks and opportunities, ensuring that our financing contributes to responsible business practices and long term sustainable development.

Our Sustainable Banking team plays a key role in empowering our Board, Management and employees through ongoing capacity-building programs. To nurture a strong culture of environmental and social risk management across the Bank, we regularly share internal communications that keep everyone informed and engaged. Training in environmental and social risk management is woven into staff induction, featured in our popular Thursday lecture series and made accessible via our E-Learning portal.

Additionally, we offer dynamic onsite and offsite training sessions led by both internal experts and external specialists, ensuring our team is well-equipped to drive sustainable banking practices forward.

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 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 Principles 4 requirements for the period, 1 January to 31 December 2025. During the 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	3	0	0
Oil and Gas	11	0	0
Power	0	0	0
Others	0	1	0
Total	14	1	0

Project Finance - Regional Reporting			
	E&S Risk Category		
Region	A	B	C
Americas	0	0	0
Europe, Middle East and Africa	14	1	0
Asia And Oceania	0	0	0
Total	14	1	0

Project Finance - Country Designation			
	E&S Risk Category		
Designation	A	B	C
Designated	0	0	0
Non-designated	14	1	0
Total	14	1	0

Project Finance - Country Designation			
	E&S Risk Category		
Review	A	B	C
Yes	14	1	0
No	0	0	0
Total	14	1	0

2025 NSBP Highlights

At Fidelity Bank, we are committed to advancing sustainable growth and responsible banking through the integration of the Nigerian Sustainable Banking Principles (NSBPs) into operations, lending activities, and impact initiatives. Fidelity Bank demonstrates robust adherence to the NSBP through a well-defined governance structure and the incorporation of environmental and social risk management into

core decision-making processes. Sustainable banking is embedded at the highest strategic level, with clearly assigned responsibilities across the Board of Directors, the Board Risk Management Committee (BRMC), and the Sustainable Banking Governance Committee (SBGC).

Operationally, Fidelity Bank implements the NSBP through a dedicated Sustainable Banking Team responsible for due diligence, monitoring, stakeholder engagement, and ongoing awareness initiatives across the organization. The Bank's ESRM Policy mandates that all financed projects comply with NSBP requirements and incorporates sector-specific due diligence aligned with NSBP guidelines for high-impact sectors such as Oil & Gas, Power, Agriculture, and Cement. Furthermore, Fidelity Bank commits to submitting bi-annual reports to the Central Bank of Nigeria in accordance with NSBP reporting requirements, thereby ensuring transparency and accountability.

Fidelity Bank remains mindful of the ongoing review of the NSBPs and the development of the Sustainability Principles for Banks and Other Financial Institutions (SPBOFI), which is expected to supersede the NSBPs, and will continue to stay abreast of these developments to ensure alignment with evolving sustainable banking guidelines.

2025 PRB Progress Report

Fidelity Bank has taken bold steps to strengthen its commitment to sustainable banking. After becoming a signatory to the UN Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking (PRB) in 2023, we have made remarkable progress throughout the years to weave these principles into the fabric of our operations. This reflects our conviction that sustainability is not just a side note in our corporate strategy but a vital, integrated part of everything we do.

Guided by the PRB framework, we have aligned our banking strategies with the global SDGs and the Paris Climate Agreement. Our efforts in 2023 demonstrate how we have embedded the six PRB principles at every level – from high-level strategy to individual transactions – moving steadily toward a truly sustainable banking model. Fidelity Bank is dedicated to advancing this integration further, showcasing measurable results and leadership in responsible banking.

Principle 1 – Alignment

Fidelity Bank Plc is a full-fledged commercial bank in Nigeria, with operations in the UK, serving over 9.1 million customers through 250+ branches and multiple digital channels. We integrate sustainability into our strategy and operations, aligning with all 17 Sustainable Development Goals (SDGs), the Paris Climate Agreement, IFC Performance Standards, the Equator Principles (for projects above \$10 million), and the Nigerian Sustainable Banking Principles.

Our ESG integration spans lending, investments, and enterprise-wide risk management, supported by internal policies and measurable targets that guide responsible decision-making. We promote financial inclusion, empower MSMEs, and advance low-carbon transition initiatives, while addressing emerging global priorities such as biodiversity loss and plastic pollution. This ensures Fidelity Bank's strategy drives sustainable growth, positive societal impact, and robust governance across all operations.

Principle 2: Impact & Target Setting

Fidelity Bank identifies and manages its most significant environmental, social, and economic impacts through a Double Materiality Assessment (DMA). This process enables the Bank to assess impacts, risks, and opportunities across its operations and financed activities, with particular focus on sectors with heightened ESG risks such as oil and gas, power, manufacturing, transportation, and agriculture.

ESG considerations are embedded into credit risk assessment using frameworks aligned with IFC Performance Standards and the Equator Principles. This ensures that both positive and negative impacts are systematically identified, monitored, and managed, supporting effective target setting and performance measurement.

In line with the Principles for Responsible Banking, the Bank has established SMART targets in priority impact areas and continues to enhance positive outcomes while mitigating adverse impacts.

1. Carbon Footprint Reduction

- Target: Achieve a 33.6% reduction in operational carbon emissions by 2028 (from a 2023 baseline) and net-zero emissions by 2050 across operations and portfolio.
- Progress: Fidelity Bank's operational carbon emissions were 24,920.50 tCO₂e in 2023, 22,081.44 tCO₂e in 2024, and 25,324.79 tCO₂e in 2025. While emissions declined from 2023 to 2024, they increased in 2025, reflecting a temporary deviation from the planned reduction trajectory.

This underscores the need to accelerate reduction initiatives to remain on track for the 2028 target. The Bank is strengthening its decarbonization strategy through enhanced energy efficiency, improved operational controls, and the planned use of carbon credits to support long-term emission reductions. Fidelity Bank remains committed to achieving net-zero emissions by 2050 across its operations and portfolio, with continuous monitoring and transparent reporting to ensure measurable progress against climate objectives.

2. Financial Inclusion

- Target: Increase account ownership, savings balances, and MSME lending by 10% annually from a 2023 baseline, supporting underserved populations and driving economic growth.
- Progress: In 2025, Fidelity Bank recorded significant progress in advancing financial inclusion through digital banking, agency expansion, and targeted interventions. Savings accounts increased markedly to 2,369,310 in 2025, compared to 644,661 in 2024 and 761,334 in 2023, demonstrating a substantial expansion in reach among underserved and underbanked populations.

Digital adoption continued to strengthen, with USSD users rising to 369,072 in 2025 from 229,373 in 2024, while additional previously unbanked individuals were onboarded into the formal financial system. The Bank also scaled its agent network, onboarding 5,658 new agents in 2025 to reach over 41,200 agents, improving access to financial services in underserved locations.

Support for MSMEs deepened despite a decline in customer numbers from 2,131 in 2024 to 1,307 in 2025, as total financing increased significantly to ₦267.65 billion in 2025, up from ₦164.31 billion in 2024 and ₦118.99 billion in 2023. MSME balances also grew to ₦767.73 billion in 2025, compared to ₦400.13 billion in 2024 and ₦264.70 billion in 2023, while credit turnover rose to ₦45.93 trillion from ₦36.14 trillion in 2024, reflecting increased depth of support per customer.

Additionally, targeted initiatives enhanced inclusion among women, youth, and informal sector participants through tailored financing, capacity-building programmes, and financial literacy initiatives, further strengthening access, usage, and economic participation.

Principle 3: Clients & Customers

Fidelity Bank actively engages its clients and customers to promote sustainable practices and support a more inclusive and low-carbon economy. The Bank's engagement strategy combines product innovation, awareness-raising, policy enforcement, and continuous client support.

Communication is conducted regularly through calls, emails, media platforms, and other channels to promote sustainability awareness, encourage responsible business conduct, and share ESG best practices and regulatory updates.

As part of its lending processes, Fidelity Bank embeds environmental and social (E&S) conditions in offer letters. Depending on their risk categorization, some clients are required to submit quarterly compliance reports, and site visits are conducted to ensure adherence and provide guidance where needed.

The Bank offers tailored green finance solutions, including the Fidelity Easy Lease Scheme (Solar Power) and Green Energy Financing, and is developing the Fidelity Green App, a digital aggregator platform connecting providers and consumers of green products with embedded financing support. In 2025, Fidelity Bank completed 612 green transactions valued at ₦929.10 million, marking a 27% increase from 2024 and a 446% rise compared to 2023, with the total value increasing by 82.5% from 2024, reflecting strong demand for climate-positive solutions.

Fidelity Bank also advances financial inclusion and supports underserved segments. In 2025:

- Savings accounts grew to 2,369,310 (2024: 644,661; 2023: 761,334)
- USSD banking users increased to 369,072 (2024: 229,373)
- Agency banking network expanded to 41,200 agents supported by 9,075 POS terminals
- MSME financing rose to ₦267.65 billion (2024: ₦164.31 billion; 2023: ₦118.99 billion), with credit turnover at ₦45.93 trillion (2024: ₦36.14 trillion)
- Women-focused initiatives reached thousands of women through financing, digital skills training, and entrepreneurship support

Financial literacy and capacity-building remain central to engagement, with over 8,000 participants trained through SME Hub masterclasses and an estimated 300,000 listeners reached through weekly financial literacy programs.

Through these efforts, Fidelity Bank integrates ESG considerations across its portfolio, supports clients in improving ESG performance, and advances the transition to a low-carbon, inclusive economy, contributing to multiple SDGs.

Principle 4: Stakeholders

Fidelity Bank conducts structured engagement with regulators, communities, investors, employees, customers, suppliers, NGOs, media, government, and industry peers to inform its sustainability strategy and the implementation of the Principles for Responsible Banking. Engagement is guided by inclusiveness, transparency, and accountability, with stakeholders prioritized based on their relevance to operations, potential impact, and interest in sustainability issues.

Insights from these engagements are used to inform materiality assessments, shape policy updates, enhance risk management, and support the continuous improvement of sustainability action plans. Key stakeholder groups and engagement approaches include:

- **Customers:** Feedback forms, social media, focus groups, relationship managers, customer service interactions, and complaints channels to understand needs and expectations.
- **Employees:** Intranet, staff meetings, newsletters, training programs, surveys, performance reviews, employee resource groups, and whistleblowing mechanisms to foster a responsible workplace.
- **Investors & Shareholders:** Annual General Meetings, investor presentations, sustainability reporting, investor relations platforms, and analyst calls to communicate performance and strategy.
- **Regulators:** Regulatory filings, consultations, formal meetings, and participation in industry working groups to ensure compliance and contribute to policy development.
- **Suppliers:** Audits, contractual agreements, workshops, and review meetings to ensure responsible sourcing and alignment with ethical standards.
- **Communities:** Town halls, partnerships with local organizations, social investment programs, and grievance mechanisms to support local development.
- **NGOs & Civil Society:** Collaboration on environmental and social projects, and participation in multi-stakeholder initiatives that promote sustainable development.
- **Media:** Press releases, media briefings, interviews, and social media engagement to maintain transparency.
- **Government:** Meetings, conferences, and joint initiatives with relevant ministries, departments, and agencies, particularly on regulatory and policy matters.
- **Industry Peers:** Participation in associations, benchmarking exercises, and collaborative platforms to exchange knowledge and drive collective sustainability progress.

These engagements are instrumental in shaping Fidelity Bank's sustainability direction, enhancing transparency, and strengthening its social license to operate.

Principle 5: Governance & Culture

At Fidelity Bank, the effective implementation of the Principles for Responsible Banking is underpinned by a strong governance framework that ensures sustainability and climate-related impacts, risks, and opportunities are systematically identified, assessed, and managed across all levels of the organization.

Board Oversight:

The Board of Directors, through the Board Risk Management Committee (BRMC), provides strategic oversight of sustainability and climate-related risks and opportunities, ensuring integration into the Bank's enterprise risk management framework and alignment with overall business strategy. The Board participates in regular ESG and climate-related training to strengthen governance capacity.

Management and Execution:

The Sustainable Banking Governance Committee (SBGC) is chaired by the Managing Director and Chief Executive Officer and comprises a cross-functional team of senior executives, divisional heads, and team leads. The committee drives the execution of the Bank's sustainability strategy and climate action plans. It meets regularly, operates under a defined Terms of Reference, and periodically reviews committee membership and expertise to align with evolving material risks and opportunities. The Head of Sustainable Banking serves as secretary, providing technical guidance on ESG matters, climate-related risks, and impact management.

Policy and Frameworks:

Fidelity Bank embeds sustainability considerations across decision-making through policies such as the Environmental and Social Risk Management Policy, Sustainability Strategy and Implementation Framework, and related internal standards. These frameworks guide credit assessments, product development, and stakeholder engagement, ensuring ESG integration throughout the organization.

Culture and Accountability:

The Bank maintains a strong ethical culture, reinforced by a Code of Business Conduct and Ethics, Anti-Bribery and Corruption measures, and a whistleblowing mechanism. Employees, board members, and third-party partners receive continuous ethics and ESG training, with compliance enforced through tools such as integrity testing, mystery shopping, and mandatory policy attestations.

Through these governance structures, policies, and culture-building initiatives, Fidelity Bank ensures that responsible banking is embedded across the organization, enabling the Bank to manage its most significant impacts, support sustainability objectives, and create long-term value for all stakeholders.

Principle 6: Transparency & Accountability

Fidelity Bank is committed to transparency and accountability in the implementation of the Principles for Responsible Banking. The Bank provides periodic sustainability and climate disclosures, supported by robust ESG data systems. These disclosures track climate and environmental risks, validate data internally, and are continuously strengthened, including reviewing methodologies for measuring and assessing progress, to ensure accuracy, reliability, and completeness.

While no third-party assurance has been conducted to date, Fidelity Bank maintains rigorous internal processes and clear responsibilities across relevant units to safeguard data integrity and support informed decision-making. In alignment with the Financial Reporting Council of Nigeria's amended IFRS Sustainability Adoption Roadmap (2026) assurance requirements, the Bank is strengthening its reporting frameworks and internal controls, with a view to undertaking limited assurance in accordance with the prescribed phased timelines applicable to its reporting category, as the national assurance framework continues to evolve.

Sustainability and climate-related objectives are fully integrated into the Bank's strategic planning and operational decision-making, reinforcing long-term value creation, resilience, and alignment with evolving regulatory and environmental expectations.

The Bank proactively identifies material impacts, risks, and opportunities across short-, medium-, and long-term horizons, advancing a just transition, promoting inclusive economic growth, and contributing to climate resilience and sustainable development. The Sustainable Banking Governance Committee (SBGC) regularly reviews the Bank's environmental and climate risk performance, including methodologies for measuring and assessing progress, while internal validation processes are continuously enhanced. Fidelity Bank remains open to adopting independent assessments in the future to further strengthen transparency and accountability.

Through these efforts, Fidelity Bank ensures that stakeholders are kept informed of progress, risks are effectively managed, and sustainability objectives are embedded across the organization.

Alignment with Women's Empowerment Principles

Fidelity Bank is dedicated to promoting gender equality and empowering women economically within our workforce, marketplace and community. We believe women play a vital role in driving economic growth, and hence we strive to create an environment where they can thrive, fully participate, and access opportunities to succeed. Our commitment aligns with the Women's Empowerment Principles (WEPs), which offer a practical guide for advancing gender equality at work, in the marketplace, and beyond.

WEP 1: Establish High Level Corporate Leadership for Gender Equality

Fidelity Bank actively supports gender equality, guided by a dedicated Women's Economic Empowerment Policy that anchors this commitment across the organization. In line with regulatory expectations set by the Central Bank of Nigeria, we promote gender diversity and inclusion at all levels. We maintain strong female representation within our workforce, with 52% of employees being women and ensure equal access to career growth opportunities, healthcare, and financial support creating an environment where all women are empowered.

WEP 2: Treat All Women and Men Fairly at Work — Respect and Support Human Rights and Nondiscrimination

Fidelity Bank is committed to treating all employees fairly regardless of gender by upholding human rights, promoting equal opportunity, and maintaining a workplace free from discrimination. We foster a safe, respectful, and inclusive environment where every individual is empowered to thrive. Our commitment extends to ensuring that all employees are supported, respected, and given equitable opportunities to succeed in their roles.

WEP 3: Ensure the Health, Safety, and Well-being of All Employees

Fidelity Bank is dedicated to ensuring the health, safety, and well-being of all employees. We are committed to providing a safe and supportive work environment that promotes physical and mental health. By implementing robust health and safety policies, offering resources for well-being, and fostering a culture of care and respect, we strive to protect our employees and empower them to perform at their best.

WEP 4: Promote Education, Training, and Professional Development for Women

Fidelity Bank actively promotes education, training, and professional development for women through its HerFidelity initiative. We provide tailored financial solutions, including loans, grants, and business advisory support to women entrepreneurs. We promote women's skill development through capacity-building programs, helping women gain practical skills to grow their businesses. Our nationwide programs empower women traders and small business owners with financial inclusion and access to formal banking, fostering economic empowerment and sustainable growth.

WEP 5: Implement Enterprise Development, Supply Chain, and Marketing Practices That Empower Women

Fidelity Bank continues to expand and tailor its financial products and services to meet the needs of women led businesses, ensuring they have the right support to grow and succeed. Through targeted lending practices and advisory services, we strengthen women's access to essential resources and business opportunities. This commitment is further demonstrated by the introduction of the FundHer Loan, a dedicated financing solution to provide discounted credit to women entrepreneurs.

WEP 6: Promote Equality Through Community Initiatives and Advocacy

Fidelity Bank drives community level empowerment by organizing financial inclusion programs across markets nationwide, targeting women traders, artisans, and informal workers. Through market activations and community engagements, thousands of women gain access to formal banking, savings opportunities and business support. These community-driven efforts encourage inclusion, visibility, and participation of women in economic systems.

WEP 7: Measure and Publicly Report on Progress to Achieve Gender Equality

As a signatory to the Women's Empowerment Principles, we regularly measure and publicly report on our progress towards gender equality. This transparency ensures accountability and demonstrates our ongoing efforts to create an inclusive and equitable workplace for all.

Alignment with the UN Global Compact Principles

As a responsible corporate institution, Fidelity Bank aligns its operations with the Ten Principles of the UN Global Compact, which serve as a universal framework for ethical, sustainable and socially responsible business conduct. These principles spanning human rights, labor standards, environmental stewardship and anti-corruption guide the way we engage our people, manage our operations, and interact with the communities we serve. By embedding these values into our strategies, policies and daily practices, we strengthen our governance foundations, promote transparency and accountability and ensure that our growth contributes positively to society and the environment.

Respecting Human Rights and Upholding Labor Standards

We are deeply committed to respecting human rights and upholding the highest labor standards across all our operations and business relationships. This commitment goes beyond compliance reflecting our intention to identify, prevent, and address any potential negative impacts on people connected to our activities. We explicitly prohibit any association with forced labor, child labor, human trafficking, discrimination, or harmful practices, ensuring that our operations always uphold dignity and fairness.

We extend this responsibility to the industries and clients we support. We require all partners to maintain safe working environments, uphold labor rights, and prevent exploitation, particularly in sectors where social risks are more pronounced. By promoting decent work, safety, equality, and respect, we help protect both workers and communities and contribute to broader social wellbeing. Internally, we foster a workplace where diversity, equity, and inclusion are core values ensuring that every employee feels safe, respected, and able to thrive. We advocate for fair labor practices across our value chain, engaging with suppliers and partners to ensure alignment with the ethical standards we uphold.

Environmental Stewardship

Our dedication to ethical conduct naturally extends to responsible environmental stewardship. Recognizing the urgency of global environmental challenges, we adopt a proactive and precautionary approach to environmental management. We work to minimize our ecological footprint, promote resource efficiency, and support the transition to a low carbon and

climate resilient economy.

This includes integrating environmental considerations into our operations, investment decisions, and client engagements. We champion climate friendly initiatives, encourage sustainable practices, and support industries and projects that reduce greenhouse gas emissions, improve energy efficiency, and advance innovation in green and low carbon solutions. By supporting responsible environmental behavior across our value chain, we contribute to the protection of natural ecosystems and help build a healthier, more sustainable future for generations to come.

Promoting Transparency and Zero Tolerance for Corruption

Integrity forms the cornerstone of how we do business. We uphold the UN Global Compact's anti-corruption principle through strong governance practices that promote transparency, accountability, and ethical conduct. We maintain strict zero tolerance for corruption, bribery, fraud, money laundering, and all forms of unethical behavior.

To reinforce this commitment, we continually strengthen internal controls, risk management systems, and oversight mechanisms. We promote a culture where employees and stakeholders are encouraged to uphold ethical values, report concerns without fear of retaliation, and contribute to responsible decision making. By prioritizing ethical conduct at every level, we reinforce stakeholder trust, safeguard our reputation, and ensure long term business sustainability.

Conclusion and Future Plans

This report captures our sustainability journey for the 2025 financial year. We reflect with pride on the progress made to strengthen our position as one of the leading sustainable and responsible banks in Nigeria. We remain resolute in our commitment to integrating sustainability into the core of our operations, building on the strong foundations laid in previous years. We will continue to refine and expand our sustainability priorities, embedding them into our business model, risk management, product design and development, and stakeholder engagement frameworks.

Throughout the financial year, we have advanced our sustainability journey in financial inclusion, women's economic empowerment, and support for MSMEs, contributing to inclusive economic growth in Nigeria and reinforcing our purpose to drive positive social and economic

transformation. We also extended loans to environmentally focused businesses and projects that support sustainable development.

We remain committed to evolving our ESG and climate practices to meet changing regulatory expectations, market dynamics, and stakeholder needs. We will continue to enhance climate risk management as part of our enterprise-wide risk framework. Building on previous years' sustainable finance efforts, we will expand financing offers that support renewable energy, low-carbon transition solutions, gender-focused enterprises, and MSME resilience.

We aim to deepen our decarbonization efforts by improving energy efficiency across branches, adopting more renewable energy solutions, reducing waste, and embedding sustainable procurement practices throughout our

operations. Fidelity Bank remains committed to promoting inclusive growth by supporting underserved populations, empowering women-led businesses, and expanding digital financial services.

Looking forward, we are confident in our capacity to be more resilient, competitive, environmentally responsible, and growth driven. Our actions in the current year and beyond will focus on strengthening our systems, partnerships, and innovations needed to thrive in a rapidly evolving sustainability landscape. With a clear strategic direction, enhanced governance, and an unwavering commitment to responsible banking, Fidelity Bank will continue to create enduring value while contributing to a more inclusive, low-carbon, and sustainable future for Nigeria.

List of Abbreviations

Abbreviations	Full Meaning
ACP	Axe Credit Portal
AGM	Annual General Meeting
AML/CFT	Anti-Money Laundering / Countering the Financing of Terrorism
ATM	Automated Teller Machine
BRMC	Board Risk Management Committee
BVN	Bank Verification Number
CBN	Central Bank of Nigeria
CDD	Customer Due Diligence
CIBN	Chartered Institute of Bankers of Nigeria
CSR	Corporate Social Responsibility
DEFRA	Department for Environment, Food & Rural Affairs
DMA	Double Materiality Assessment
ED	Executive Director
EDD	Enhanced Due Diligence
EFCH4	Emission Factor for Methane (CH4)
EFCO2	Emission Factor for Carbon Dioxide (CO2)
EFN2O	Emission Factor for Nitrous Oxide (N2O)
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
ELMS	Electronic Learning Management System
EP	Equator Principles
ERM	Enterprise Risk Management
ESAP	Environmental and Social Action Plan
ESG	Environmental, Social and Governance
ESRM	Environmental and Social Risk Management
ESRS	European Sustainability Reporting Standards
ETR	Effective Tax Rate
FATF	Financial Action Task Force
FHHP	Fidelity Helping Hands Programme
FN-CB	Financials-Commercial Banks
GBF	Global Biodiversity Framework
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HSE	Health, Safety and Environment
IFC PS	International Finance Corporation Performance Standard
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change
ISSB	International Sustainability Standards Board
IT	Information Technology
Kg/TJ	Kilograms per Terajoule
LED	Light Emitting Diode
LTIFR	Lost Time Injury Frequency Rate
MCDA	Multi-Criteria Decision Analysis
MD/CEO	Managing Director / Chief Executive Officer
MSME	Micro, Small and Medium-sized Enterprises
MT	Metric Ton(ne)
MWh	Megawatt-hour

NCF	Nigerian Conservation Foundation
NDPA	Nigeria Data Protection Act
NDPR	Nigeria Data Protection Regulation
NGFS	Network for Greening the Financial System
NIYEEDEP	National Institute for Youth Empowerment and Development
NSBP	Nigerian Sustainable Banking Principles
NYSC	National Youth Service Corps
OHS	Occupational Health and Safety
PBT	Profit Before Tax
PCAF	Partnership for Carbon Accounting Financials
POS	Point of Sale
PPE	Personal protective Equipment
PRB	Principles for Responsible Banking
RCPs	Representative Concentration Pathways
SASB	Sustainability Accounting Standards Board
SBGC	Sustainable Banking Governance Committee
SBMS	Sustainable Banking Management System
SDGs	Sustainable Development Goals
SMART	Specific, Measurable, Achievable, Relevant, Time-bound
SME	Small and Medium-sized Enterprise
SPI	Standard Precipitation Index
UK	United Kingdom
UN	United Nations
UNEP FI	United Nations Environment Programme Finance Initiative
UNGC	United Nations Global Compact
US	United States
USD	United States Dollar
WEP	Women's Empowerment Principles
WRI	World Resources Institute

Corporate Social Responsibility

Building for the Long Term: Creating Sustainable Value Through Our CSR Pillars

Shared prosperity is achieved when communities are empowered to grow, thrive and prosper. Our success is shaped over time and is inseparable from the prosperity of the communities we serve. This conviction informs our commitment to Corporate Social Responsibility (CSR) as a long-term investment in people, the environment and inclusive growth.

In 2025, we advanced our CSR thrust through four focus areas that support sustainable development and enduring impact. These focus areas are **Environmental Sustainability and Conservation** (SDG 13: Climate Action, SDG 15: Life on Land), **Health and Social Welfare** (SDG 3: Good Health and Well-being) **Quality Education** (SDG 4: Quality Education) and **Youth Empowerment** (SDG 8: Decent Work and Economic Growth).

At Fidelity Bank, we believe progress is only possible when it is shared and sustained. Each pillar underscores our resolve to build resilient communities that thrive today and remain strong

for generations. Concentrating our efforts in these areas helps us lay foundations for cleaner environments, healthier lives, economically relevant skills and sustainable livelihoods.

Our Approach to Driving Impact


To create impact that last, we commit a significant portion of our annual earnings to initiatives designed for scale, continuity and relevance. Our CSR strategy prioritises projects that strengthen social systems, promote sustainability and unlock long term economic opportunity.

Through our approach, we strengthen community relationships by identifying and delivering projects with measurable and lasting value. We uphold ethical engagement with government and community stakeholders to ensure trust and accountability. We also lead practical responses to societal challenges by applying our expertise and building purposeful partnerships.

How We Make a Difference


Our CSR strategy is delivered through three structured platforms that enable collaboration, ownership and sustained outcomes. These are:

01




Bank-led Initiatives - which are centrally coordinated projects that are designed for durability and long term relevance.

02



The Fidelity Helping Hands Programme (FHHP) - through which we mobilise our employees as volunteers to support and uplift local communities

03



Collaborations and Partnerships - that connect us with local and international organisations to advance initiatives aligned with global development priorities.

Together, We Make an Impact

At Fidelity Bank, CSR is a long-term commitment to sustainable development. It is how we empower people, safeguard the environment and support economic growth. Every initiative reflects our belief that meaningful impact is built deliberately and sustained through consistent action.

2025 CSR Impact Highlights

In 2025, our CSR efforts were guided by a clear ambition to secure lasting value for our communities and sustainable development. Each activity was designed with longevity in mind, reinforcing our promise to Building for the Long Term.

Here is a summary of our CSR activities in the year

Area of focus	Project Description
Education	Provision of school desks at LEA Primary School, Lugbe, Abuja
Education	Renovation of the School Library at Emotan College, Oredo community, Edo State
Education	Donation of back-to-School materials at Government Secondary School, Elekahia, Port Harcourt, Rivers State.
Education	Renovation of three blocks of seven classrooms, two offices, one toilet, and the construction of 105 school tables and chairs at Kobi Government Primary School, Bauchi LGA of Bauchi State.
Education	Renovation of a school block at Aspada Community Secondary School, Aso, Mararaba, Nasarawa State.
Education	Provision of back-to-school materials at Eko Boys High School, Lagos State.
Education	Installation of solar panels, batteries and inverter at Gombe State University Accounting Dept. to power offices, computers, equipment, and classes, Gombe State.
Education	Provision of back-to-school materials at Adekunle, Makoko, Aiyetoro Communities, Yaba Lagos.
Education	Sponsorship of Abuja Business & Investment Summit
Education	Donation of back-to-school and hygiene materials at Makoko Community, Makoko, Lagos.
Education	Sponsorship of Unusual Entrepreneurs 2025
Education	Fencing of Boys Secondary School, Igbo-Ukwu, Anambra State.
Education	Donation of 3,000 solar powered school bags to select schools in underserved communities across the country.
Education	Donation of school kits to indigent pupils in underserved primary schools in Ikeduru Local Government Area of Imo State.
Environment	Donation of waste bins and other environmental-friendly materials at Nepo Road Market, Ajah, Lagos state.
Environment	Tree-planting and beach-cleaning project at Green Fingers Wildlife Conservation, Elegushi Beach Lekki, Lagos.
Environment	Construction of a Recreation Center at Ohafia LGA, Abia State.
Environment	Installation of solar power system at Nwafor Orizu College of Education, Nsugbe, Anambra.
Environment	Donation of giant recycling bins at Yaba Tech, Lagos.
Environment	Sponsorship and participation in the “2025 Walk For Nature” for The Nigeria Conversation Foundation, Lagos State.
Environment	Support for Green Initiative for Adamawa State Government, Yola, Adamawa State.
Health/Social Welfare	Donation of maternity kits to indigent expectant mothers at Akere Primary Health Care Centre, Ajeromi Ifelodun LGA, Lagos.
Health/Social Welfare	Ramadan intervention for Taraba State Government, Taraba State.
Health/Social Welfare	Donation of essential items at Old People’s Home, 1 Lancaster Road, Yaba Lagos.
Health/Social Welfare	Donation of maternity kits to indigent expecting mothers at Akinola - Hassan Health Center, Satellite PHC, Lagos State.
Health/Social Welfare	Donation of essential items at Orphanage Home, Alaba, Lagos State.

Health/Social Welfare	Donation of maternity kits and other medical equipment at Poly General Hospital, Enugu.
Health/Social Welfare	Donation of boats, back-to-school materials and food items at Makoko Community, Lagos state.
Health/Social Welfare	Donation of essential Items at Lion Village Motherless Babies Home, Lekki phase 1, Lagos State.
Health/Social Welfare	Donation of essential items at Oluyole Cheshire Home, Ibadan.
Health/Social Welfare	Donation of water pumping machines at Ikoyi Fire Service Station, Awolowo, Lagos State.
Health/Social Welfare	Payment of medical bills of indigent patients at Enugu State Teaching Hospital (Parklane), Enugu State.
Health/Social Welfare	Distribution of Fidelity Food Bank packs to underserved communities, nationwide.
Health/Social Welfare	Creating fun time for children with Special Needs and their parents for “Bundles of Joy” Initiative.
Health/Social Welfare	Support for mental health care at Gilgal Rehabilitation Centre, Lagos.
Health/Social Welfare	Partnership with Rainbow Down Syndrome Foundation, Lagos.
Health/Social Welfare	Financial support to the William Anumudu Foundation, Lagos.
Health/Social Welfare	Sponsorship of Paelon Memorial Hospital's 15th Anniversary Conference, Lagos.
Health/Social Welfare	Sallah support for Impakt Feeding Foundation, Abuja.
Health/Social Welfare	Sponsorship of the Vital Community Outreach at Catholic Church of the Holy Trinity, Lagos.
Health/Social Welfare	Financial support towards Nigeria Women's Guild for the Presbyterian Church, Lagos Workshop.
Health/Social Welfare	Financial support to execute a medical outreach at National Orthopaedic Hospital, Lagos.
Health/Social Welfare	Sponsorship for 48th Isanbi Day and Homecoming Week 2025
Health/Social Welfare	Financial support for the thirteenth edition of the President's Dinner for Lagos Business School Alumni Association, Lagos.
Health/Social Welfare	Sponsorship for World Polio Day Celebration for the Rotary Club of Abuja Sapphire, Abuja.
Health/Social Welfare	Sponsorship for 33rd Edition of Bia Were Oji Uvuru Festival for the Uvuru Communities, Imo state.
Health/Social Welfare	Sponsorship for christmas outreach at Gilgal Rehabilitation Community Foundation, Lagos.
Youth Empowerment	Sponsorship for Fashion Games 2025, Abia State.
Youth Empowerment	Sponsorship of the 2nd Edition of Invest in Africa Summit for Capital Garden Ltd, Lagos.
Youth Empowerment	Support for stage play “Bianca” for Duke of Shomolu Foundation, Lagos.
Youth Empowerment	Support towards the National Cocoa Stakeholders' Workshop for Cocoa Association of Nigeria, Akure.
Youth Empowerment	Financial support towards the Africa's BOICT merit / leadership Distinguished lecture/Awards for Communication Week Media Ltd, Lagos.
Youth Empowerment	Sponsorship of Arewa Tech Festival 2.0 for the Katsina State Government, Katsina.
Youth Empowerment	Financial support towards SMEFest Awka 2025 for Artfield Ltd, Awka.
Youth Empowerment	Sponsorship of Workshop on Sustaining Gender Lens Infrastructure Delivery Agenda in Africa for Gender Lens Infrastructure Workshop, Ikeja, Lagos.
Youth Empowerment	Financial support towards the hosting of the Graduation and Prize-Giving Ceremony for Jennada Forte Academy, Lagos.
Youth Empowerment	Financial support to the delivery 'Owning My Space' Leadership and Life Skills Programme for Male NYSC Corp members for Boys-to-Men Foundation.
Youth Empowerment	Sponsorship of the 2nd Edition of Beauty in Motherland 2025, Lagos.
Youth Empowerment	Sponsorship support for SEC-UNIZIK Centre For Capital Market Studies Conference in South-East Nigeria, Lagos.
Youth Empowerment	Financial support for the 2025 Abuja Startup Expo for Artfied Limited.
Youth Empowerment	Financial support for a book launch for Audacity to Transform, Lagos.
Youth Empowerment	Sponsorship for Oramah Football Club and Academy Youth Competition.

Youth Empowerment	Sponsorship for Unusual Entrepreneurs 2025 Initiative for Catholic Church of Divine Mercy, Lagos.
Youth Empowerment	Sponsorship for GYM FEST Championship 2.0 2025 for Tee Tumblers Recreational Services, Lagos.
Youth Empowerment	Sponsorship for 45th Edition of Ahiajoku Lecture at Ahiajoku Centre, Imo state.
Youth Empowerment	Sponsorship for NICARB 2025 International arbitration and ADR Conference for Institute of Chartered Arbitrators, Lagos.
Youth Empowerment	Sponsorship for the Skill Acquisition Center Cultural Emporium and OOEPA Secretariat Building Fund Launch for Oke Ovoro Ezuo People's Assembly, Imo State.
Youth Empowerment	Sponsorship for Afrojazz Fest 2025 for Pasture Travels, Lagos.

Education





Environment



Health and Social Welfare





Youth Empowerment



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 2023 AML, CFT & CPF sanctions regime, regulators across jurisdictions are sending a clear message of zero tolerance for Money Laundering, Terrorist Financing & Proliferation 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 to cope with the ever-evolving regulatory compliance environment and requirements that ensures 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 and Countering Proliferation Financing (AML/CFT/CPF) Framework

Money Laundering (Prevention and Prohibition) Act 2022; the Terrorism (Prevention and Prohibition) Act 2022; The Proceeds of Crime (Recovery and Management) 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 to 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 (Know Your Transaction - KYT Principles)
- 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 have the responsibility of ensuring the implementation of the approved compliance risk policies, procedures, processes and toolsets 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 & 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 full Board on the foregoing to give assurance. The BAC & BRMC provides oversight on the bank's whistleblowing process for transparency and accountability. It also provides oversight to ensure proper implementation of the Anti-Bribery & corruption process of the bank.

The management of the Bank is committed to the AML, CFT & CPF framework, by ensuring that the AML, CFT & 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 & 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 & CPF reports are submitted to the Board and Management:

- Monthly report on AML, CFT & CPF, Anti-

Bribery & Corruption, ethics & whistleblowing and other compliance related issues are rendered to the Board and the Executive Committee.

- Quarterly AML, CFT & CPF reports are submitted to the Board through the Board Audit Committee. AML, CFT & 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 & 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 - (Know Your Transaction - KYT Principles)

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 ₦5 million for individual customers and ₦10 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's 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 & 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 & 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 & 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 & CPF.
- Record keeping and retention policy.
- Antibribery and Corruption
- Whistle blowing/Ethics: Reporting Suspicious activities & Reporting requirements.
- Data Protection & 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 & CPF programs and have implemented policies and procedures that ensures that they have adequately mitigated all their AML, CF T& CPF risks.

We regularly administer questionnaires on these institutions to assess the adequacy of their AML, CFT & 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 & 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 & 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 & 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 & CPF risks the bank is exposed to.

The AML, CFT & 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 & 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 reports of findings to the Board and management, which help 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:

- **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 securi-

ty 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 and device foot printing.
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 scale its digital platforms, customer base, and ecosystem integrations, the cyber risk landscape has evolved in both complexity and intensity.

Threats arising from human factors, advanced attack methodologies, third-party reliance, and stricter data protection requirements continue to shape operational realities. These factors underscore the critical role of cybersecurity, not only as a technology concern, but also as a fundamental enabler of business resilience and stakeholder trust.

Over the past year, the Bank has achieved substantial progress in fortifying its cybersecurity posture. Our approach remains firmly aligned with the Central Bank of Nigeria's (CBN) Risk-Based Cybersecurity Framework, applicable regulatory directives, and globally recognized best practices. Cybersecurity is firmly established as a strategic business priority, supported by sustained investment in people, processes, and technology to

safeguard the confidentiality, integrity, and availability of our digital assets.

A major milestone in our maturity journey is the transition of our Security Operations Center (SOC) into a fully operational, intelligence-driven function. The SOC now delivers continuous monitoring, advanced threat detection, and coordinated incident response across the enterprise. Enhanced visibility, automation, and analytics capabilities enable earlier detection of threats and prompt containment, thereby strengthening our overall cyber resilience.

During the year, we further strengthened our control environment through the deployment of advanced security technologies across endpoints, networks, identities, and data. These investments were complemented by targeted cybersecurity training, clearer accountability structures, and improved incident response playbooks. Lessons learned from security events and simulations are systematically incorporated into our controls, ensuring continuous improvement and organizational learning.

As digital innovation accelerates, the Bank remains focused on maintaining the right balance between growth and protection. Our cybersecurity strategy is designed to scale with the business, support regulatory compliance, and protect stakeholder trust. We remain committed to delivering a secure, resilient, and reliable banking experience for our customers, partners, and shareholders in an increasingly dynamic digital landscape.

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, 2025 are provided in the schedule below:

S/N	Description	Number		Amount Claimed		Amount Refunded	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025 [Million]	31 Dec. 2024 [Million]	31 Dec. 2025 [Million]	31 Dec. 2024 [Million]
1	Pending complaints b/f	47,009	195,838	388,401	22,698	N/A	N/A
2	Received complaints	594,140	839,576	100,145	411,329	N/A	N/A
3	Resolved complaints	638,964	988,405	467,178	45,626	1,088	322
4	Unresolved complaints escalated to CBN for intervention	1	26	184	111	N/A	N/A
5	Unresolved complaints pending with the Bank c/f	2,185	47,009	21,368	388,401	N/A	N/A



Report of Independent Consultant to the Board of Directors of Fidelity Bank Plc on their Appraisal

For the year ended 31 December 2025

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. (Fidelity Bank” or “the Bank”) engaged KPMG Advisory Services to carry out an appraisal of the Board of Directors (“the Board”) for the year ended 31 December 2025. 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 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
1 April 2026

Statement Of Directors' Responsibilities In Relation To The Preparation Of The Financial Statements

For the year ended 31 December 2025

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 of Nigeria (Amendment) Act 2023, 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 of Nigeria (Amendment) Act 2023, 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 of Nigeria (Amendment) Act 2023, 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 9 2026



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 2025

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 2025 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, 2025.
- iii The bank's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2025
- 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 are 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: 9 March 2026



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 2025

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 2025:

- 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 2025 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:

9 March 2026



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 2025.

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
9 March 2026

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 2025

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 2025.

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
 9 March 2026

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 51 to 179, which comprise the consolidated and separate statements of financial position as at 31 December 2025, 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 2025, 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 (BOFIA) 2020 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 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), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements of public interest entities in Nigeria. We have also 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 period. The 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 the matter.



List of partners and partner equivalents available on the website
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Key Audit Matter	How the matter was addressed in the audit
<p>Impairment of loans and advances (Consolidated and Separate)</p> <p>Loans and advances make up a significant portion of the total assets of the Group. As of 31 December 2025, gross loans and advances for the Group were N4.500 trillion, Bank: N4.408 trillion comprising local and foreign denominated loans against which total loan impairment for the Group is N218.766 billion, Bank: N218.285 billion was recorded, resulting in a net loan balance of N4.282 trillion for the Group, Bank: N4.190 trillion. This value represents 40.9% of the Group's total assets and 41.4% of the bank's total assets as at the reporting date.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> (i) Segmentation of loans and advances into portfolios with similar characteristics. (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 stage 2 and default that require movement to stage 3. (iii) Estimation of probability of default (PD), loss given default (LGD (including realization of the collateral) exposure at default (EAD). (iv) Assumptions and weightings applied to the macro-economic variables used as part of the forward-looking information. 	<p>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:</p> <ul style="list-style-type: none"> (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. (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. (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 oil and gas and power. (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,

Key Audit Matter	How the matter was addressed in the audit
<p>(v) The credit conversion factor (CCF) is used when determining the required impairment on off-balance sheet exposures such as undrawn facilities and guarantees.</p> <p>(vi) The accounting treatment applied when loan terms are modified.</p> <p>In view of these above areas where significant estimates and judgements were made and in view of the size of loans and advances portfolio, the audit of loan impairment is considered a key audit matter.</p>	<p>collateral value and timing, the effective interest rate, treatment of foreign denominated loans, modifications, and the multiple economic scenarios and probability weights used for the forward-looking assumptions) were reasonable in light of the requirements of the applicable financial reporting standards, the bank's own historical experience, the economic climate, the current operational processes as well as our own knowledge of practices used by other similar banks.</p> <p>(e) We extracted the required data from the bank's modelling system, determined our own assumptions, and recalculated the impairment for all portfolios using our own model. We compared our results with those of management, to assess whether there was any indication of error or management bias. Where a significant difference occurred, management revisited their own models and assumptions or appropriately challenged ours</p> <p>(f) We selected a sample of the individually significant loans, established the loan, collateral and payment terms and actual performance for each of these and assessed whether the staging and the impairment applied was reasonable.</p> <p>(g) We reviewed the disclosures in the financial statements for reasonableness and compliance with the requirements of IFRS 7.</p> <p>Based on our review, we concluded that the amount of loan impairment losses was comparable with the prevailing economic situations and the estimated loan impairment loss determined was appropriate in the circumstances.</p>

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 Financial Statements for the year ended 31 December 2025", which includes the Directors' Report, Statement of Directors' Responsibilities in relation to the Preparation of the Financial Statements, Statutory Audit Committee's Report, Statement of Corporate Responsibility for the Preparation of the Financial Statements, Corporate Governance Report, and Other National Disclosures as required by the Financial Reporting Council of Nigeria which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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 (BOFIA) 2020, 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:

- 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 directors or those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

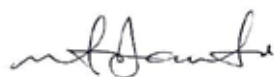
In accordance with the Fifth Schedule of Companies and Allied Matters Act we expressly state that:

- 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 has kept proper books of account, so far as appears from our examination of those books.
- iii) The Group and 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 2025.

In accordance with the requirements of the Financial Reporting Council, 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 2025. The work performed was done in accordance with FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on the procedures we have performed and the evidence obtained, we have issued an Unmodified conclusion in our report dated 11 May 2026. That report is included on page 48 of the financial statements.



Engagement partner: Michael Daudu

FRC/2013/PRO/ICAN/004/00000000845

For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
11 May 2026





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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 2025, 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 Section 88 of Investments and Securities Act 2025. 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 11 May 2026 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 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 Group;
- 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 group are being made only in accordance with authorizations of management and directors of the group; and
- III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group's assets that could have a material effect on the financial statements.



List of partners and partner equivalents available on the website
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

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 2025. 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 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 Group'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.

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 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 & Touche (FRC/2022/COY/091021)
Michael Daudu (FRC/2013/PRO/ICAN/0004/0000000845)
Lagos Nigeria
11 May 2026



lighting young minds

POWERING A BRIGHTER FUTURE

Under our Education CSR pillar, we have distributed over 3,000 school bags, fitted with solar-powered lamps, to school children across Nigeria; giving them more than a means for carrying books but a source of light to study and dream after dark. Because when you put light in a child's hands, you don't just illuminate a page, you brighten the future.



We Are Fidelity, We Keep Our word

Contact Us: 0700 3433 5489

trueserve@fidelitybank.ng



Fidelity Bank Plc
RC 103022

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Financial Statement

A detailed presentation of report on the affairs of Fidelity Bank Plc (The Group), together with the financial statements and External Auditors opinion for the year ended 31 December 2025.



Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025		Group		Bank	
	Notes	2025	2024	2025	2024
		N'million	N'million	N'million	N'million
Gross Earnings		1,519,697	1,043,401	1,488,484	1,021,032
Interest and similar income calculated using effective interest rate method	6	1,114,018	803,054	1,087,716	784,171
Other interest and similar income	12.1	184,508	147,534	184,508	147,534
Interest and similar expense calculated using effective interest rate method	7	(467,173)	(320,818)	(458,700)	(316,648)
Net interest income		831,352	629,770	813,524	615,057
Credit loss expense	8	(21,611)	(56,441)	(21,919)	(55,483)
Net interest income after credit loss expense		809,742	573,329	791,605	559,574
Fee and commission income	9	113,357	78,355	110,362	75,647
Fee and commission expense	9	(19,864)	(8,043)	(19,864)	(8,043)
Net Gain on derecognition on financial assets measured at amortised cost	10	988	-	988	-
Other operating income	11	8,239	2,742	7,467	1,964
Foreign Currency Revaluation Gains	11.1	99,575	11,716	98,431	11,716
Net Gains from financial assets at fair value through profit or loss	12	2,745	721	459	721
Derivative (Losses)/Gains	12.2	(223,790)	57,875	(223,790)	57,875
Personnel expenses	13	(80,557)	(73,450)	(66,660)	(62,284)
Depreciation , amortisation and Impairment	14	(27,489)	(15,335)	(25,132)	(10,497)
Other operating expenses	15	(335,285)	(242,696)	(326,076)	(233,673)
Profit before income and windfall taxes		347,662	385,215	347,790	393,000
Income tax expense	16	(99,549)	(93,777)	(104,854)	(96,811)
Windfall tax		(5,669)	(13,331)	(5,669)	(13,331)
Profit for the year		242,444	278,106	237,267	282,858
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	18,214	28,054	18,214	28,054
Total items that will not be reclassified subsequently to profit or loss		18,214	28,054	18,214	28,054
Items that will be reclassified subsequently to profit or loss					
-Exchange differences on translation of foreign operations		(9,672)	38,144	-	-
- Net change in fair value during the year in FVOCI debt financial Instrument		1,200	(12,712)	1,215	(12,750)
- Changes in allowance for expected credit losses of FVOCI debt financial Instrument		151	(455)	150	(462)
- Reclassification adjustments to profit or loss of FVOCI debt financial Instrument	17	126	(21)	126	(21)
Total items that will be reclassified subsequently to profit or loss		(8,194)	24,956	1,491	(13,233)
Other comprehensive income for the year, net of tax		10,020	53,010	19,705	14,821
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		252,464	331,116	256,972	297,679
Earnings per share					
Basic and diluted (in kobo)	18	580	665	568	677

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

Consolidated & Separate Statement of Financial Position

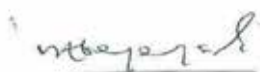
As at 31 December 2025	Notes	Group		Bank	
		2025	2024	2025	2024
		N'million	N'million	N'million	N'million
ASSETS					
Cash and Cash equivalents	19	1,323,194	707,450	1,087,448	505,331
Restricted balances with central bank	20	1,650,910	1,586,350	1,650,910	1,586,350
Loans and advances to customers	22	4,281,688	4,387,108	4,190,409	4,346,049
Derivative financial assets	23	410	50,293	-	50,292
Investment securities:					
Financial assets at fair value through profit or loss	24.1	7,166	5,113	7,166	5,113
Debt instruments at fair value through other comprehensive income	24.2	557,783	186,571	509,075	112,925
Debt instrument at amortised cost	24.3	1,974,622	1,552,347	1,962,955	1,552,347
Equity instruments at fair value through other comprehensive income	24.4	87,849	69,635	87,849	69,635
Other assets	29	278,886	158,116	274,893	154,713
Investment in Subsidiary:	24.4iii	-	-	68,591	68,591
Property, plant and equipment	25	203,719	77,876	203,664	77,785
Right of Use Assets	26	3,493	3,750	2,170	1,736
Goodwill	21	10,561	11,443	-	-
Intangible assets	27	50,439	20,380	48,270	14,371
Deferred tax Assets	28.1	33,095	5,305	27,790	-
TOTAL ASSETS		10,463,815	8,821,737	10,121,189	8,545,237
LIABILITIES					
Deposits from customers	30	6,890,909	5,937,064	6,461,185	5,660,315
Derivative financial liabilities	23	194,376	-	194,376	-
Current income tax payable	16	139,463	113,910	144,768	113,910
Other liabilities	31	1,242,178	938,776	1,358,873	978,435
Provision	32	20,351	3,791	20,351	3,791
Debts issued and other borrowed funds	33	888,950	929,595	888,950	929,595
Deferred tax liabilities	28.1	-	727	-	727
TOTAL LIABILITIES		9,376,227	7,923,863	9,068,503	7,686,773
EQUITY					
Share capital	34	25,100	25,100	25,100	25,100
Share premium	35	280,455	280,455	280,455	280,455
Retained earnings	35	173,461	185,256	173,101	190,073
Other equity reserves:					
Statutory reserve	35	144,289	108,699	144,301	108,711
Small scale investment reserve (SSI)	35	764	764	764	764
Non-distributable regulatory reserve (NDR)	35	299,701	155,665	299,701	155,665
Translation reserve	35	34,523	44,194	-	-
Fair value reserve	35	88,867	69,176	88,836	69,131
AGSMEIS reserve	35	40,428	28,565	40,428	28,565
Total equity		1,087,588	897,874	1,052,686	858,464
TOTAL LIABILITIES AND EQUITY		10,463,815	8,821,737	10,121,189	8,545,237

The accompanying notes to the financial statements are an integral part of these financial statements.

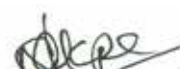
The financial statements were approved by the Board of Directors on 9th March 2026 and signed on its behalf by:



Amaka Onwughalu
Chairman
FRC/2015/CIBN/00000011687



Victor Abejegah
Chief Financial Officer
FRC/2013/ICAN/0000001733



Nneka Onyeali-Ikpe
Managing Director/Chief Executive Officer
FRC/2017/NBA/00000016998

Consolidated and Separate Statement of Changes in Equity

For the year ended 31 December 2025

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 2025	25,100	280,455	185,256	108,699	764	155,665	44,194	69,176	28,565	897,874
Profit for the year	-	-	242,444	-	-	-	-	-	-	242,444
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
- Net change in fair value during the year in FVOCI debt financial Instrument	-	-	-	-	-	-	-	1,200	-	1,200
- Fair value gains on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	18,214	-	18,214
- Changes in allowance for expected credit losses of FVOCI debt financial Instrument	-	-	-	-	-	-	-	151	-	151
- Exchange differences on translation of foreign operations	-	-	-	-	-	-	(9,672)	-	-	(9,672)
- Reclassification adjustments to profit or loss of FVOCI debt financial Instrument	-	-	-	-	-	-	-	126	-	126
Proceed from Issue of Shares	-	-	242,444	-	-	-	(9,672)	19,692	-	252,464
Dividends paid	-	-	(62,750)	-	-	-	-	-	-	-
Transfers between reserves (Note 35) & (Note 43)	-	-	(191,489)	35,590	-	144,036	-	-	11,863	(62,750)
At 31 December 2025	25,100	280,455	173,461	144,289	764	299,701	34,523	88,867	40,428	1,087,588

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 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	-	-	-	-	-	-	-	(12,712)	-	(12,712)
- Net change in fair value during the year in FVOCI debt financial Instrument	-	-	-	-	-	-	-	28,054	-	28,054
- Fair value gains on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(455)	-	(455)
- Changes in allowance for expected credit losses of FVOCI debt financial Instrument	-	-	-	-	-	-	-	-	-	-
- 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

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 2025

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 2025	25,100	280,455	190,073	108,711	764	155,665	69,131	28,565	858,464
Profit for the year	-	-	237,267	-	-	-	-	-	237,267
Other comprehensive income	-	-	-	-	-	-	1,215	-	1,215
- Net change in fair value during the year in FVOCI debt financial Instrument	-	-	-	-	-	-	18,214	-	18,214
- Fair value gains on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	150	-	150
- Changes in allowance for expected credit losses of FVOCI debt financial Instrument	-	-	-	-	-	-	126	-	126
- Reclassification adjustments to profit or loss of FVOCI debt financial Instrument	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	237,267	-	-	-	19,705	-	256,972
Proceed from Issue of Shares	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	(62,750)	-	-	-	-	-	(62,750)
Transfers between reserves (Note 35) & (Note 43)	-	-	(191,489)	35,590	-	144,036	-	11,863	-
At 31 December 2025	25,100	280,455	173,101	144,301	764	299,701	88,836	40,428	1,052,686

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

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 2025

	Notes	Group		Bank	
		31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024
		N'million	N'million	N'million	N'million
Operating Activities					
Cash flows from operations	36	697,786	308,150	701,234	79,696
Interest received	36b	1,276,998	812,434	1,250,696	793,551
Interest paid	36c	(536,994)	(336,029)	(528,521)	(331,859)
Income tax paid	16c	(92,165)	(22,635)	(94,851)	(22,580)
Net cash flows from operating activities		1,345,624	761,921	1,328,558	518,808
Investing activities					
Purchase of property, plant and equipment	25	(142,963)	(38,452)	(142,956)	(38,406)
Proceeds from sale of property plant and equipment	25	795	251	778	251
Purchase of intangible assets	27	(42,217)	(19,020)	(41,657)	(11,246)
Purchase of debt Instruments at FVOCI	36.d	(503,567)	(135,441)	(499,777)	(49,587)
Purchase of debt Instruments at amortised cost	36.e	(1,423,077)	(1,112,823)	(1,366,045)	(1,112,823)
Redemption of financial assets at amortised cost	36.e	1,123,215	432,664	1,066,873	432,664
Redemption of debt financial assets at FVOCI	36.d	227,403	239,330	204,667	174,232
Purchase of equity instruments at FVOCI	36f	-	-	-	-
Acquisition of a subsidiary	36g	-	-	-	-
Dividend received	11	935	741	935	741
Net cash flows used in investing activities		(759,477)	(632,749)	(777,182)	(604,173)
Financing activities					
Dividends paid	SCE	(62,750)	(46,400)	(62,750)	(46,400)
Unclaimed dividend Receipt / (Payment)	36h	643	-	643	-
Lease Payment on Right of Use (ROU) Assets	26	(1,192)	(798)	(1,192)	(798)
Proceeds from Issue of shares		227,045	175,850	227,045	175,850
Proceeds of debts issued and other borrowed funds	33	176,620	298,748	176,620	298,748
Payment of interest portion of debts issued and other borrowed funds	33	(59,776)	(37,137)	(59,776)	(37,137)
Repayment of principal portion of debts issued and other borrowed funds	33	(163,135)	(208,533)	(163,135)	(208,533)
Net cash flows used in financing activities		117,456	181,730	117,456	181,730
Net increase in cash and cash equivalents		703,603	310,902	668,832	96,365
Net foreign exchange difference on cash and cash equivalents	11	(87,859)	32,371	(86,715)	32,371
Cash and cash equivalents as at 1 January	19	707,450	364,177	505,331	376,595
Cash and cash equivalents as at 31 December	19	1,323,973	709,155	1,088,096	506,481

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

Notes to the Financial Statements

1. 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. 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 period ended 31 December 2025 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.

b 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.

Notes to the Financial Statements Contd.

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.

bi 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.

c 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."

d 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.

e 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.”

f 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

2.1.2 Basis of consolidation

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.

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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 currency gain or loss on monetary items is the difference between the amortized cost in the functional currency 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

Notes to the Financial Statements Contd.

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 the Union bank plc (A Nigerian Parent) at a value of \$50 million 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 since 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 periodically. This is reallocated from the previously recognised goodwill and comparatives was adjusted accordingly. The Bank acquired 100% of the United Kingdom Subsidiary. Prior to the acquisition , the United Kingdom component did not and still do 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.

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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)
Exchange rate impact				(882,447)
Goodwill at Year ended - December 31 , 2025	7,334		1,439.93	10,560,764

*** 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.

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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.

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.

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.

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 its 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 War and recent United States of America's world political outlook. However, the financial situation of the group remains healthy and it does not believe that the impact of the Russian-Ukrain War or United State's political disposition will have any material adverse effect on our financial condition or liquidity. Therefore, based on the Group's liquidity 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.

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

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

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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 2025. No further update was done in the current period .

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 Russian/Ukraine war, the United States of America's world political standpoint and its attendant impact across various jurisdictions in the middle east .

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 of 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 IFRS 9 & IFRS 7 - Contracts Referencing Nature-dependent Electricity

In December 2024, the International Accounting Standards Board (IASB) issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs).

Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance. The Amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements Scope of the amendments

The Amendments only apply to contracts that

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reference nature-dependent electricity. These are contracts that expose an entity to variability in an underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions, typically associated with renewable electricity sources such as sun and wind (in-scope contracts').

Contracts referencing nature-dependent electricity include contracts to buy or sell nature-dependent electricity, as well as financial instruments that reference such electricity. The Amendments cannot be applied by analogy to other contracts, items or transactions.

This is effective January 1 2026.

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 banks).

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:
 - o interest and dividends received will always be classified as cash flows from investing activities
 - o interest and dividends paid will always be classified as cash flows from financing activities.

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- for entities that invest in assets or provide financing to customers as a main business activity, the entity is required to:
 - o 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 loss
 - o classify 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)
 - o 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.

e IFRS 19 - Subsidiaries without Public Accountability: Disclosures

IFRS 19 provides reduced disclosure requirements for subsidiaries that do not have public accountability, while maintaining recognition and measurement principles aligned with full IFRS. It is intended to reduce the reporting burden for eligible entities.

Anticipated impact (IAS 8 disclosure): May reduce the volume of disclosures required for eligible subsidiaries, subject to eligibility criteria. **Effective for annual periods beginning on or after 1 January 2027.**

f Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency.

On 13 November 2025, the International Accounting Standards Board (the Board) issued Translation to a Hyperinflationary Presentation Currency to require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index in accordance with paragraph 34 of IAS 29 Financial Reporting in Hyperinflationary Economies to the foreign operation's comparative figures.

The amendments in Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21) are:

- When an entity translates amounts from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy, the entity translates those amounts, including comparative amounts, using the closing rate at the date of the most recent statement of financial position.

When the entity's presentation currency ceases to be the currency of a hyperinflationary economy and its functional currency continues to be the currency of a non-hyperinflationary economy, the entity applies prospectively (without restatement of the comparative amounts) the method currently applicable in IAS 21 to such situations; and

- The entity would have to disclose that it has applied the method, including summarized financial information about its foreign operations translated applying the proposed translation method; it would also have to disclose if the economy concerned ceased to be hyperinflationary.

The amendments apply for annual reporting periods beginning on or after 1 January 2027, earlier application is permitted.

g ISSB finalises Amendments to IFRS S2 on GHG emissions disclosures

On 11 December 2025, the ISSB issued targeted amendments to IFRS S2 in relation to Greenhouse

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Gas (GHG) emissions disclosure requirements in response to challenges faced by stakeholders when implementing IFRS S2 Climate-related Disclosures, and aim to support its application by reducing complexity and the cost of applying specific GHG emissions disclosure requirements in IFRS S2, and also issued consequential amendments to the financed emissions metrics in three Sustainability Accounting Standards Board (SASB) Standards to align them with the corresponding amended IFRS S2 requirement.

The amendments to IFRS S2:

- Permit entities to exclude Scope 3 Category 15 greenhouse gas (GHG) emissions associated with derivatives, facilitated emissions and insurance-associated emissions from the measurement and disclosure of Scope 3 Category 15 GHG emissions.
- Provide relief from using the Global Industry Classification Standard (GICS).
- Clarify that the existing relief for an entity that is required by a jurisdictional authority or exchange on which it is listed to use a method for measuring GHG emissions other than the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol), is also available when such a requirement applies only to a part of the entity, however, only for the relevant part of the entity and only for as long as that requirement is applicable; and
- Extend the jurisdictional relief for measuring GHG emissions so that, if an entity, in whole or in part, is required by a jurisdictional authority or exchange on which it is listed to use global warming potential (GWP) values that are not from the latest Intergovernmental IPCC assessment, the entity would be permitted to use those GWP values instead of the GWP values from the latest IPCC assessment.

The amendments apply for annual reporting periods beginning on or after 1 January 2027.

h 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 Expectations

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

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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.

2.3.3 Foreign currency translation and transaction-continued

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.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting 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

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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

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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.

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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 FVTPL, 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

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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

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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 as 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.

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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.

2.4.5 Financial Liabilities

Initial and Subsequent Measurement

Financial liabilities are initially measured at their fair value, except in the case of financial liabilities recorded at FVTPL, 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

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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.

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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.

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

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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

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 the software 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.

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:

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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.

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

Notes to the Financial Statements Contd.

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 separate financial information is available 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 medium 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 year. 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 year.

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 war and/or pandemic in the inputs and assumptions used for the determination of expected credit losses ("ECLs")

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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, Board Remuneration Nomination and Governance 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 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.

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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 counterparties 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 counterparty 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.

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 its counter-parties. The Group's programmed 9-grade rating model was developed in collaboration with Agosto & Company, a foremost rating agency in Nigeria, to enable comparison between the Group's internal

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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

Notes to the Financial Statements Contd.

(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 -

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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 2025 and 31 December 2025, 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 2025 are set out below. The scenarios “base”, “upside” and “downside” were used for all portfolios.

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		6M	2026	2027	2028
Foreign exchange rate (N)					
	Base Case	1,400.000	1,500.000	1,578.947	1,657.895
	Best Case	1,050.000	1,125.000	1,184.211	1,243.421
	Worse Case	1,750.000	1,875.000	1,973.684	2,072.368
Inflation rate					
	Base Case	16.35%	16.76%	19.89%	20.63%
	Best Case	11.24%	10.79%	12.46%	12.89%
	Worse Case	23.78%	26.02%	31.76%	33.00%
Crude Oil (\$)					
	Base Case	59.77	60.68	61.85	62.49
	Best Case	78.09	85.13	81.31	83.52
	Worse Case	29.62	27.52	26.38	26.28
Foreign Reserves (\$ Bn)					
	Base Case	43.55	41.41	38.55	37.64
	Best Case	48.31	46.79	43.92	44.84
	Worse Case	39.26	36.66	33.84	31.59
USD Index					
	Base Case	97.39	99.17	101.86	103.66
	Best Case	92.06	92.72	94.61	96.16
	Worse Case	103.03	106.10	109.70	111.80
GDP					
	Base Case	3.90	4.13	3.66	4.25
	Best Case	4.87	5.16	4.58	5.32
	Worse Case	2.92	3.09	2.75	3.19
MPR					
	Base Case	26.50%	23.00%	20.00%	18.00%
	Best Case	19.88%	17.25%	15.00%	13.50%
	Worse Case	33.13%	28.75%	25.00%	22.50%
Money Supply					
	Base Case	4.72	4.80	5.21	5.72
	Best Case	5.83	5.98	6.50	7.13
	Worse Case	3.82	3.85	4.17	4.58
Baltic Dry					
	Base Case	1.63	2.23	2.37	2.52
	Best Case	2.68	3.70	3.93	4.17
	Worse Case	1.00	1.35	1.43	1.52

(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, 2025 and 31 December, 2024 is represented by the gross carrying amounts of the financial assets set out below:

Notes to the Financial Statements Contd.

Group	Maximum exposure	Fair value of Collateral held	Surplus collateral	Net exposure
Financial Assets	31 December 2025			
	N'million	N'million	N'million	N'million
Balances with central bank	9,977	-	-	9,977
Restricted balances with central bank	1,650,910			1,650,910
Due from banks	1,291,166	-	-	1,291,166
Loans and advances to customers	4,500,454	33,302,163	28,801,709	62,153
Derivative financial assets	410		-	410
Investments:				
Financial assets at fair value through profit or loss	7,166	-	-	7,166
Debt instruments at fair value through other comprehensive income	557,783	-	-	557,783
Equity instruments at fair value through other comprehensive income	87,849	-	-	87,849
Debt instruments at amortised cost	1,976,386	-	-	1,976,386
Other assets	244,497	-	-	244,497
	10,326,597	33,302,163	28,801,709	5,888,296
Financial Guarantee contracts:				
Performance bonds and guarantees	1,499,281	-	-	1,499,281
Letters of credit	1,111,407	-	-	1,111,407
Undrawn portion of overdraft	205,346			205,346
	2,816,034	-	-	2,816,034
	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 financial 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
Equity instruments at fair value through other comprehensive income	69,635	-	-	69,635
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

*Excluding equity instruments

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Bank	Maximum exposure	Fair value of Collateral held	Surplus collateral	Net exposure
31 December 2025				
	N'million	N'million	N'million	N'million
Balances with central bank	9,977	-	-	9,977
Restricted balances with central bank	1,650,910			1,650,910
Due from banks	1,055,288	-	-	1,055,288
Loans and advances to customers	4,408,694	33,137,683	28,728,989	23,719
Derivative financial assets	-		-	-
Investments:				
Financial assets at fair value through profit or loss	7,166	-	-	7,166
Debt instruments at fair value through other comprehensive income	509,075		-	509,075
Equity instruments at fair value through other comprehensive income	87,849	-	-	87,849
Debt instruments at amortised cost	1,964,617		-	1,964,617
Other assets	244,216	-	-	244,216
	9,937,792	33,137,683	28,728,989	5,552,817
Financial Guarantee contracts:				
Performance bonds and guarantees	1,499,281	-	-	1,499,281
Letters of credit	1,111,407		-	1,111,407
Undrawn portion of overdraft	205,346			205,346
	2,816,034	-	-	2,816,034

The Bank's maximum exposure to credit risk as at 31 December, 2025 and 31 December 2024 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
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 financial 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
Equity instruments at fair value through other comprehensive income	69,635	-	-	69,635
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

*Excluding equity instruments

Notes to the Financial Statements Contd.

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 2025, is set out below:

Group	31 December 2025				
	Cash and balances with Central bank	Due from banks	Loans and advances to customers	Investment securities	Other assets
Financial assets with credit risk:	N'million	N'million	N'million	N'million	N'million
Carrying amount	1,683,718	1,290,386	4,281,689	2,539,570	243,154
Concentration by sector					
Agriculture	-	-	200,020	-	-
Oil and gas	-	-	1,905,610	-	-
Consumer credit	-	-	98,272	-	-
Manufacturing	-	-	303,725	-	-
Mining and Quarrying	-	-	14,235	-	-
Mortgage	-	-	-	-	-
Real estate	-	-	80,040	-	-
Construction	-	-	108,049	-	-
Finance and insurance	-	1,469,376	70,755	3,865	-
Government	-	-	257,621	2,522,384	-
Power	-	-	415,675	-	-
Other public utilities	-	-	-	-	-
Transportation	-	-	555,667	-	-
Communication	-	-	15,491	14,985	-
Education	-	-	6,757	-	-
Central Bank balance (restricted)	1,650,910	-	-	-	-
Other	32,808	-	468,537	-	244,497
Total Gross Amount	1,683,718	1,469,376	4,500,454	2,541,233	244,497
Concentration by location	N'million	N'million	N'million	N'million	N'million
Abroad	-	1,019,794	91,760	60,375	-
Nigeria:					
North East	-	-	45,797	-	-
North Central	1,660,887	-	87,642	-	-
North West	-	-	109,892	-	-
South East	-	-	82,594	-	-
South South	-	-	362,565	-	-
South West	22,831	449,582	3,720,205	2,480,858	244,497
Total gross amount	1,683,718	1,469,376	4,500,454	2,541,233	244,497

Notes to the Financial Statements Contd.

	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	596,161	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	85,450	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	4,626,772	1,745,449	143,154

Notes to the Financial Statements Contd.

Bank	31 December 2025				
	Cash and balances with Central bank	Due from banks	Loans and advances to customers	Investment securities	Other assets
Financial assets with credit risk:	N'million	N'million	N'million	N'million	N'million
Carrying amount	1,683,718	1,054,640	4,190,409	2,479,196	242,873
Concentration by sector					
Agriculture	-	-	183,380	-	-
Oil and gas	-	-	1,990,288	-	-
Consumer credit	-	-	61,632	-	-
Manufacturing	-	-	303,725	-	-
Mining and Quarrying	-	-	5,538	-	-
Mortgage	-	-	-	-	-
Real estate	-	-	53,478	-	-
Construction	-	-	108,049	-	-
Finance and insurance	-	1,048,810	19,227	3,865	-
Government	-	-	221,237	2,462,009	-
Power	-	-	415,675	-	-
Other public utilities	-	-	-	-	-
Transportation	-	-	555,667	-	-
Communication	-	-	15,491	14,985	-
Education	-	-	6,757	-	-
Central Bank balance (restricted)	1,650,910	-	-	-	-
Other	32,808	-	468,549	-	244,216
Total Gross Amount	1,683,718	1,048,810	4,408,694	2,480,858	244,216
Concentration by location	N'million	N'million	N'million	N'million	N'million
Abroad	-	701,686	-	-	-
Nigeria:					
North East	-	-	45,797	-	-
North Central	1,660,887	-	87,642	-	-
North West	-	-	109,892	-	-
South East	-	-	82,594	-	-
South South	-	-	362,565	-	-
South West	22,831	347,124	3,720,205	2,480,858	244,216
Total gross amount	1,683,718	1,048,810	4,408,694	2,480,858	244,216

Notes to the Financial Statements Contd.

	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

Notes to the Financial Statements Contd.

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 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	81,837	130	-	81,966
Standard monitoring	1,316,767	1,604,838	-	2,921,605
Default	-	-	22,222	22,222
Gross carrying amount	1,398,603	1,604,968	22,222	3,025,793
Loss allowance	(2,416)	(138,421)	(11,741)	(152,579)
Carrying amount	1,396,187	1,466,547	10,481	2,873,214
	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

Notes to the Financial Statements Contd.

Bank	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	81,837	130	-	81,966
Standard monitoring	1,363,526	1,591,123	-	2,954,649
Default	-	-	22,222	22,222
Gross carrying amount	1,445,362	1,591,253	22,222	3,058,837
Loss allowance	(2,285)	(138,396)	(11,741)	(152,421)
Carrying amount	1,443,078	1,452,857	10,481	2,906,416
	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

b) Government, Public Sector & NBFIs portfolio

Group	31 December 2025			
	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	13,021	-	-	13,021
Standard monitoring	253,418	17,318	-	270,736
Default	-	-	2,104	2,104
Gross carrying amount	266,439	17,318	2,104	285,860
Loss allowance	(852)	(282)	(845)	(1,979)
Carrying amount	265,587	17,036	1,258	283,881
	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

Notes to the Financial Statements Contd.

Bank	31 December 2025			
	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	13,021	-	-	13,021
Standard monitoring	216,848	17,318	-	234,166
Default	-	-	2,104	2,104
Gross carrying amount	229,869	17,318	2,104	249,291
Loss allowance	(666)	(282)	(845)	(1,793)
Carrying amount	229,203	17,036	1,258	247,497
	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

c) Transport, Communication, Commerce & General portfolio

Group	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	-	-	-	-
Standard monitoring	854,422	49,453	-	903,875
Default	-	-	52,674	52,674
Gross carrying amount	854,422	49,453	52,674	956,550
Loss allowance	(3,805)	(391)	(36,185)	(40,380)
Carrying amount	850,618	49,063	16,490	916,170
	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

Notes to the Financial Statements Contd.

Bank	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	-	-	-	-
Standard monitoring	802,826	49,453	-	852,279
Default	-	-	52,674	52,674
Gross carrying amount	802,826	49,453	52,674	904,954
Loss allowance	(3,736)	(391)	(36,185)	(40,312)
Carrying amount	799,090	49,063	16,490	864,642
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

d) Automobile, Equipment & Mortgage Loans portfolio

Bank	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	-	-	-	-
Standard monitoring	62,777	24,513	-	87,290
Default	-	-	5,278	5,278
Gross carrying amount	62,777	24,513	5,278	92,568
Loss allowance	(22)	(9)	(3,981)	(4,012)
Carrying amount	62,755	24,504	1,297	88,557
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

Notes to the Financial Statements Contd.

e) Medium and Small Scale Enterprises portfolio

Bank	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	-	-	-	-
Standard monitoring	38,220	1,225	-	39,445
Default	-	-	1,967	1,967
Gross carrying amount	38,220	1,225	1,967	41,412
Loss allowance	(63)	(0)	(1,923)	(1,985)
Carrying amount	38,157	1,225	45	39,427
	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

f) Personal & Employee Loans portfolio

Group	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	-	-	-	-
Standard monitoring	74,301	950	-	75,250
Default	-	-	23,021	23,021
Gross carrying amount	74,301	950	23,021	98,272
Loss allowance	(62)	(10)	(17,758)	(17,830)
Carrying amount	74,239	939	5,263	80,441
	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

Notes to the Financial Statements Contd.

Bank	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
Credit grade				
Investment grade	-	-	-	-
Standard monitoring	38,671	195	-	38,866
Default	-	-	22,766	22,766
Gross carrying amount	38,671	195	22,766	61,632
Loss allowance	(13)	(0)	(17,748)	(17,762)
Carrying amount	38,658	195	5,018	43,870
	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

3.2.7 Credit Quality

B Reconciliation of Allowance for Impairment by portfolio

Group	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
At 1 January	(13,515)	(92,882)	(89,208)	(195,605)
Agric, Energy, Manufactur'g, Const'n & Real Estate Portfolio	5,926	(57,048)	19,446	(31,676)
Government, Public Sector & NBFIs portfolio	(656)	(70)	3,624	2,899
Transport, Comm, Commerce & General portfolio	219	10,888	(2,732)	8,376
Automobile, Equipment & Mortgage Loans portfolio	18	(9)	(1,740)	(1,732)
Medium and Small Scale Enterprises portfolio	(8)	11	(631)	(628)
Personal & Employee Loans portfolio	835	13	(1,248)	(400)
At 31 December	(7,181)	(139,097)	(72,489)	(218,766)
	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)

Notes to the Financial Statements Contd.

Bank	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
At 1 January	(13,290)	(92,855)	(89,128)	(195,273)
Agric, Energy, Manufactur'g, Const'n & Real Estate Portfolio	5,818	(57,035)	19,446	(31,770)
Government, Public Sector & NBFIs portfolio	(470)	(70)	3,624	3,084
Transport, Comm, Commerce & General portfolio	287	10,857	(2,732)	8,412
Automobile, Equipment & Mortgage Loans portfolio	18	(9)	(1,740)	(1,732)
Medium and Small Scale Enterprises portfolio	(8)	11	(631)	(628)
Personal & Employee Loans portfolio	861	23	(1,261)	(378)
At 31 December	(6,785)	(139,077)	(72,423)	(218,285)

	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)

Group	31 December 2025				
	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	1,683,718	1,291,166	2,694,867	2,541,334	244,497
Past due and not impaired (0-30 days)	-	-	125,925	-	-
Past due and not impaired (31-90 days)	-	-	1,572,396	-	-
Past due and impaired (aged above 90 days)	-	-	107,266	-	-
Gross	1,683,718	1,291,166	4,500,455	2,541,334	244,497
Impairment allowance	-	(780)	(218,765)	(1,764)	(1,343)
Net	1,683,718	1,290,386	4,281,690	2,539,570	243,154

	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

Notes to the Financial Statements Contd.

Bank	31 December 2025				
	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	1,683,718	1,055,288	2,617,725	2,480,858	244,216
Past due and not impaired (0-30 days)	-	-	119,978	-	-
Past due and not impaired (31-90 days)	-	-	1,563,979	-	-
Past due and impaired (aged above 90 days)	-	-	107,011	-	-
Gross	1,683,718	1,055,288	4,408,694	2,480,858	244,216
Impairment allowance	-	(648)	(218,285)	(1,663)	(1,343)
Net	1,683,718	1,054,640	4,190,409	2,479,196	242,873
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

Notes to the Financial Statements Contd.

(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 2025	N'million	N'million	N'million	N'million	N'million	N'million
Grades:						
1. AAA to AA	453,355	264	103,691	-	103,955	-
2. A+ to A-	124,694	4,163	288,164	-	292,327	-
3. BBB+ to BB-	258,179	562,207	2,690,356	3,047	3,255,610	244,497
4. Below BB-	426,916	3,932	534,017	414	538,363	-
5. Unrated	28,021	99	203,092	-	203,192	-
	1,291,166	570,666	3,819,320	3,461	4,393,447	244,497
Collective Impairment	(780)	(827)	(145,492)	-	(146,478)	(1,343)
Net amount	1,290,386	569,839	3,673,828	3,461	4,246,969	243,154
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
Bank	Due from Banks	Overdrafts	Term loans	Finance lease	Total Loan	Other assets
31 December 2025	N'million	N'million	N'million	N'million	N'million	N'million
Grades:						
1. AAA to AA	453,355	264	103,691	-	103,955	-
2. A+ to A-	124,694	4,163	288,164	-	292,327	-
3. BBB+ to BB-	258,179	562,207	2,975,882	3,047	3,541,136	244,216
4. Below BB-	219,060	3,932	359,819	414	364,165	-
5. Unrated	-	99	-	-	99	-
	1,055,288	570,666	3,727,556	3,461	4,301,683	244,216
Collective Impairment	(648)	(827)	(145,034)	-	(145,861)	(1,343)
Net amount	1,054,640	569,839	3,582,522	3,461	4,155,822	242,873
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

Notes to the Financial Statements Contd.

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	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Financial assets designated at fair value through profit or loss				
• Debt securities				
Federal Government bonds	484	331	484	331
Treasury bills	6,682	4,782	6,682	4,782
Placements	-	-	-	-
	7,166	5,113	7,166	5,113
Derivative financial assets	410	50,293	-	50,292

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 2025 and 31 December 2024:

Group	Investments in Government and other Securities					
	Cash & cash equivalents	Treasury bills	Federal Govt bonds	State bonds	Corporate bonds	Total
31 December 2025	N'million	N'million	N'million	N'million	N'million	N'million
Grades:						
AAA to AA	722,041	1,944,445	558,145	-	-	3,224,631
A+ to A-	124,694	-	-	8,134	18,849	151,677
BBB+ to BB-	258,179	-	-	-	-	258,179
Below BB-	219,060	-	11,768	-	-	230,828
Unrated	-	-	-	-	-	-
	1,323,974	1,944,445	569,913	8,134	18,849	3,865,315

Group	Investments in Government and other Securities					
	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	1,204,461	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

Notes to the Financial Statements Contd.

Investments in Government and other Securities						
Bank	Cash & cash equivalents	Treasury bills	Federal Govt bonds	State bonds	Corporate bonds	Total
31 December 2025	N'million	N'million	N'million	N'million	N'million	N'million
Grades:						
AAA to AA	486,163	1,895,730	558,145	-	-	2,940,039
A+ to A-	124,694	-	-	8,134	18,849	151,677
BBB+ to BB-	258,179	-	-	-	-	258,179
Below BB-	219,060	-	-	-	-	219,060
Unrated	-	-	-	-	-	-
	1,088,096	1,895,730	558,145	8,134	18,849	3,568,955

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

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 re-

Notes to the Financial Statements Contd.

verse 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 collateralise 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 repay-

ment. 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:

Notes to the Financial Statements Contd.

Group	31 December 2025		31 December 2024	
	Exposure	Collateral Value	Exposure	Collateral Value
	N'million	N'million	N'million	N'million
Secured against real estate	826,857	3,175,489	111,632	397,269
Secured by shares of quoted companies	12,816	18,698	3,949	7,598
* Secured by Oil well & vessels	1,531,107	19,382,125	1,464,817	14,654,763
* Secured by All asset Debenture	493,757	1,325,112	910,176	1,112,521
* Secured by others	1,682,299	9,499,028	1,856,946	16,052,106
Advances under finance lease	11,600	11,521	5,104	9,241
* Unsecured	62,153	-	230,087	-
Gross Loans and Advances to Customers	4,620,589	33,411,972	4,582,711	32,233,498
Bank	31 December 2025		31 December 2024	
	Exposure	Collateral Value	Exposure	Collateral Value
	N'million	N'million	N'million	N'million
Secured against real estate	756,207	3,061,774	75,185	397,269
Secured by shares of quoted companies	3,835	9,364	3,949	7,598
* Secured by Oil well & vessels	1,531,107	19,382,125	1,464,817	14,571,304
* Secured by All asset Debenture	493,757	1,325,112	910,176	1,112,521
* Secured by others	1,588,469	9,347,787	1,852,005	16,052,106
Advances under finance lease	11,600	11,521	5,104	9,241
* Unsecured	23,719	-	230,087	-
Gross Loans and Advances to Customers	4,408,694	33,137,683	4,541,322	32,150,039

* These lines were previously reported as "Others". Further detail has been provided as required by IFRS 7.35K and comparatives restated accordingly.

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 Management 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.

Notes to the Financial Statements Contd.

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 un-encumbered liquid assets, which we can use 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.

Notes to the Financial Statements Contd.

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 2025						
Non-derivative assets						
Restricted balances with central bank	-	-	-	1,650,910	-	1,650,910
Cash and Cash equivalents	1,127,177	122,620	73,397	-	-	1,323,194
Loans and advances to customers	960,129	686,859	978,201	1,728,018	3,811,203	8,164,410
	-	-	-	-	-	-
Investment securities	-	-	-	-	-	-
- Financial instrument at FVTPL	867	2,542	3,754	312	1,122	8,597
- Debt instruments at amortised	226,555	471,141	898,740	301,500	897,623	2,795,559
- Debt instruments at FVOCI	82,926	33,003	385,780	184,926	76,768	763,403
Other Assets	24,422	122,108	97,968	-	-	244,498
Total financial assets	2,422,076	1,438,272	2,437,840	3,865,666	4,786,716	14,950,570
Derivative assets						
Trading :						
Gross settled		410		-	-	410
Net settled						
	-	410	-	-	-	410
Total financial assets	2,422,076	1,438,682	2,437,840	3,865,666	4,786,716	14,950,980
Financial liabilities						
Non-derivative liabilities						
Customer deposits	775,396	620,427	1,270,289	2,303,305	2,477,768	7,447,183
Other liabilities	52,139	300,107	381,404	164,136	268,597	1,166,383
Debt issued and other borrowed funds	46,371	89,651	642,923	119,516	115,409	1,013,869
	873,906	1,010,184	2,294,615	2,586,956	2,861,774	9,627,436
Derivative Liabilities						
Trading :						
Gross settled	-	-	194,376	-	-	194,376
Net settled						
	-	-	194,376	-	-	194,376
Total financial liabilities	873,906	1,010,184	2,488,991	2,586,956	2,861,774	9,821,812
Gap (assets-liabilities)	1,548,170	428,498	(51,151)	1,278,710	1,924,942	
Cumulative liquidity gap	1,548,170	1,976,668	1,925,517	3,204,227	5,129,168	
Financial Guarantee Contracts:						
Performance bonds and guarantees	40,140	147,778	701,091	355,921	254,350	1,499,281
Letters of credit	255,278	596,368	273,381	5,760	7,200	1,137,986
	295,418	744,145	974,472	361,681	261,550	2,637,267

Notes to the Financial Statements Contd.

	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
31 December 2024						
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
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
Derivative 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	600,635	128,297	929,595
	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 guarantees	56,194	61,865	304,845	406,985	182,463	1,012,354
Letters of credit	252,570	292,634	218,731	-	-	763,934
Total	308,764	354,499	523,576	406,985	182,463	1,776,288

Notes to the Financial Statements Contd.

Bank	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
31 December 2025						
Non-derivative assets						
Restricted balances with central bank	-	-	-	1,650,910	-	1,650,910
Cash and Cash equivalents	869,713	122,620	73,397	-	-	1,065,730
Loans and advances to customers	585,505	686,859	978,201	1,720,327	3,803,883	7,774,776
			-	-	-	-
Investment securities	-	-	-	-	-	-
- Financial instrument at FVTPL	867	2,542	3,754	312	1,122	8,597
- Debt instruments at amortised	226,555	471,141	898,740	301,500	876,223	2,774,159
- Debt instruments at FVOCI	34,219	33,003	385,780	184,926	76,768	714,696
Other Assets	24,422	122,108	97,686	-	-	244,216
Total financial assets	1,741,281	1,438,272	2,437,558	3,857,974	4,757,996	14,233,082
Derivative assets						
Trading :						
Gross settled		-	-	-	-	-
Net settled						
	-	-	-	-	-	-
Total financial assets	1,741,281	1,438,272	2,437,558	3,857,974	4,757,996	14,233,082
Financial liabilities						
Non-derivative liabilities						
Customer deposits	552,028	556,874	994,984	2,302,075	2,477,768	6,883,728
Other liabilities	52,139	300,107	377,292	164,136	268,597	1,162,271
Debt issued and other borrowed funds	46,371	89,651	642,923	119,516	115,409	1,013,869
	650,538	946,631	2,015,198	2,585,727	2,861,774	9,059,868
Derivative Liabilities						
Trading :						
Gross settled	-	-	194,376	-	-	194,376
Net settled						
	-	-	194,376	-	-	194,376
Total financial liabilities	650,538	946,631	2,209,574	2,585,727	2,861,774	9,254,244
Gap (assets-liabilities)	1,090,744	491,641	227,984	1,272,247	1,896,222	
Cumulative liquidity gap	1,090,744	1,582,384	1,810,369	3,082,616	4,978,838	
Financial Guarantee Contracts:						
Performance bonds and guarantees	40,140	147,778	701,091	355,921	254,350	1,499,281
Letters of credit	228,699	596,368	273,381	5,760	7,200	1,111,407
Total	268,839	744,145	974,472	361,681	261,550	2,610,688

Notes to the Financial Statements Contd.

31 December 2024	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
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
Derivative 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	600,635	128,297	929,595
	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

Notes to the Financial Statements Contd.

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.

Notes to the Financial Statements Contd.

The table below summarises the Bank's exposure to foreign currency exchange risk at 31 December 2025.

Group	31 December 2025				
	USD	GBP	Euro	Naira	Total
Financial assets	N'million	N'million	N'million	N'million	N'million
Restricted balances with central bank	-	-	-	1,650,910	1,650,910
Cash and Cash equivalents	721,948	31,917	49,521	519,809	1,323,195
Loans and advances to customers	2,070,942	142,961	842	2,066,945	4,281,689
Derivative assets	410	-	-	-	410
Investment securities:					
- Financial assets at FVTPL	-	-	-	7,166	7,166
- Debt instruments at FVOCI	42,292	6,194	-	509,296	557,783
- Equity instruments at FVOCI	31,788	-	-	56,061	87,849
- Debt instruments at amortised cost	-	-	-	1,974,622	1,974,622
Other financial assets	80,727	4,981	932	192,247	278,887
	2,948,106	186,053	51,295	6,977,056	10,162,510
Financial liabilities					
Customer deposits	2,809,263	169,926	21,487	3,890,233	6,890,909
Derivative liabilities	194,376	-	-	-	194,376
Other liabilities	277,814	4,573	9,998	949,791	1,242,177
Debt issued and other borrowed funds	711,941	-	-	177,009	888,950
	3,993,394	174,499	31,485	5,017,034	9,216,412
Net on balance sheet position	(1,045,288)	11,554	19,810	1,960,022	946,098
Net exposure	(1,045,288)	11,554	19,810	1,960,022	946,098

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	(1,045,288)	11,554	19,810
Closing Exchange Rate (Naira/ Currency)	1,440	1,941	1,694
10% Currency Depreciation (+)	1,584	2,135	1,864
Net effect of depreciation on Profit or loss (pre-tax)	(104,529)	1,155	1,981
10% Currency Appreciation (-)	1,296	1,747	1,525
Net effect of appreciation on Profit or loss (pre-tax)	104,529	(1,155)	(1,981)

Notes to the Financial Statements Contd.

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	3,460	(27,148)	1,492
10% Currency Appreciation (-)	1,394	1,727	1,432
Net effect of appreciation on Profit or loss	(3,460)	27,148	(1,492)

Notes to the Financial Statements Contd.

Bank	31 December 2025				
	USD	GBP	Euro	Naira	Total
Financial assets	N'million	N'million	N'million	N'million	N'million
Restricted balances with central bank	-	-	-	1,650,910	1,650,910
Cash and Cash equivalents	855,679	23,502	49,216	159,052	1,087,449
Loans and advances to customers	2,191,091	1,297	842	1,997,180	4,190,410
Derivative assets	-	-	-	-	-
Investment securities:	-	-	-	-	-
- Financial assets at FVTPL	-	-	-	7,166	7,166
- Debt instruments at FVOCI	42,292	-	-	466,783	509,075
- Equity instruments at FVOCI	31,788	-	-	56,061	87,849
- Debt instruments at amortised cost	-	-	-	1,962,955	1,962,955
Other financial assets	80,727	259	844	193,063	274,893
	3,201,577	25,058	50,902	6,493,170	9,770,707
Financial liabilities					
Customer deposits	2,942,994	35,482	21,012	3,461,697	6,461,185
Derivative liabilities	194,376	-	-	-	194,376
Other liabilities	397,959	496	9,993	950,424	1,358,872
Debt issued and other borrowed funds	711,941	-	-	177,009	888,950
	4,247,270	35,978	31,005	4,589,130	8,903,383
Net on balance sheet position	(1,045,693)	(10,920)	19,897	1,904,040	867,324
Net exposure	(1,045,693)	(10,920)	19,897	1,904,040	867,324

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	(1,045,693)	(10,920)	19,897
Closing Exchange Rate (Naira/ Currency)	1,440	1,941	1,694
10% Currency Depreciation (+)	1,584	2,135	1,864
Net effect of depreciation on Profit or loss (pre-tax)	(104,569)	(1,092)	1,990
10% Currency Appreciation (-)	1,296	1,747	1,525
Net effect of appreciation on Profit or loss (pre-tax)	104,569	1,092	(1,990)

Notes to the Financial Statements Contd.

The table below summarises the Bank's exposure to foreign currency exchange risk at 31 December 2024.

Bank	31 December 2024				
	USD	GBP	Euro	Naira	Total
	N'million	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	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 financial 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
1% Currency Depreciation (+)	1,704	2,111	1,750
Net effect of depreciation on Profit or loss	(646)	(796)	1,433
1% Currency Appreciation (-)	1,394	1,727	1,432
Net effect of appreciation on Profit or loss	646	796	(1,433)

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.

Notes to the Financial Statements Contd.

3.4.3 Interest Rate Risk

The table below summarises the Bank's interest rate gap position on non-trading portfolios:

Group 31 December 2025	Carrying amount	Variable interest	Fixed interest	Non interest bearing
	N'million	N'million	N'million	N'million
Financial assets				
Restricted balances with central bank	1,650,910	-	-	1,650,910
Cash and Cash equivalents	1,323,194	-	544,872	778,322
Loans and advances to customers	4,281,688	1,378,226	2,903,463	-
Derivative assets	410	-	-	410
Investment securities	-	-	-	-
- Financial assets at FVTPL	7,166	-	7,166	-
- Debt instruments at FVOCI	557,783	-	557,783	-
- Debt instruments at amortised cost	1,974,622	-	1,974,622	-
Other financial assets	274,893	-	-	274,893
	10,070,665	1,378,226	5,987,905	2,704,535
Financial liabilities				
Customer deposits	6,890,909	-	2,990,080	3,900,829
Derivative liabilities	194,376	-	-	-
Other liabilities	1,401,992	-	244,362	1,157,630
Debts issued and other borrowed funds	888,950	69,973	818,977	-
	9,376,227	69,973	4,053,420	5,058,459
Group 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	707,450	-	217,692	489,757
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
	8,618,386	1,146,682	5,202,150	2,269,554
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

Notes to the Financial Statements Contd.

Bank 31 December 2025	Carrying amount	Variable interest	Fixed interest	Non interest bearing
	N'million	N'million	N'million	N'million
Financial assets				
Restricted balances with central bank	1,650,910	-	-	1,650,910
Cash and Cash equivalents	1,087,448	-	353,605	733,843
Loans and advances to customers	4,190,409	1,062,351	3,128,058	-
Derivative assets	-	-	-	-
Investment securities	-	-	-	-
- Financial assets at FVTPL	7,166	-	7,166	-
- Debt instruments at FVOCI	509,075	-	509,075	-
- Debt instruments at amortised cost	1,962,955	-	1,962,955	-
Other financial assets	274,893	-	-	274,893
	9,682,856	1,062,351	5,960,859	2,659,645
Financial liabilities				
Customer deposits	6,461,185	-	2,560,356	3,900,829
Derivative liabilities	194,376	-	-	194,376
Other liabilities	1,523,992	-	244,362	1,279,630
Debts issued and other borrowed funds	888,950	69,973	818,977	-
	9,068,503	69,973	3,623,695	5,374,835
Bank 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

Notes to the Financial Statements Contd.

(a) Interest Rate Sensitivity

Total interest repricing gap

- The repricing gap details each time the interest rates are expected to change.

Group 31 December 2025	Less than 3 months	3-6 months	6-12 months	1-5 years	More than 5 years	Total rate sensitive
	N'million	N'million	N'million	N'million	N'million	N'million
Financial assets						
Restricted balances with central bank	-	-	-	-	-	-
Cash and Cash equivalents	678,466	73,341	-	-	-	751,807
Loans and advances to customers	1,304,247	618,017	186,690	989,146	1,402,355	4,500,455
Derivative financial assets	-	-	-	-	-	-
Investment securities						
- Financial assets at FVTPL	3,338	1,828	1,528	2	469	7,165
- Debt instruments at FVOCI	109,588	250,775	86,263	53,585	57,571	557,782
- Debt instruments at amortised cost	693,164	458,968	375,750	77,306	369,435	1,974,623
Total assets	2,788,803	1,402,929	650,231	1,120,039	1,829,830	7,791,832
Financial liabilities						
Customer deposits	549,531	421,840	296,697	862,748	860,848	2,991,664
Derivative Financial Liabilities	-	-	-	-	-	-
Other liabilities	8,764	2,771	28,926	58,590	133,954	233,006
Debts issued and other borrowed funds	94,045	-	590,492	108,411	96,002	888,950
Total liabilities	652,341	424,612	916,115	1,029,748	1,090,804	4,113,620
Net financial assets/(liabilities)	2,136,462	978,317	(265,884)	90,291	739,026	3,678,212
31 December 2024	Less than 3 months	3-6 months	6-12 months	1-5 years	More than 5 years	Total rate sensitive
	N'million	N'million	N'million	N'million	N'million	N'million
Financial assets						
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 and liabilities	1,504,126	863,473	104,058	(18,093)	628,812	3,082,376

Notes to the Financial Statements Contd.

(b) interest rate sensitivity analysis on variable rates instruments on profit and equity

31 December 2025	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
Asset with variable interest rate		N'million	N'million	N'million	N'million	N'million
			-	-	-	-
Loans and advances to customers	+200bp/- 200bp	1,378,226	27,565	(27,565)	27,565	(27,565)
Debts issued and other borrowed funds	+200bp/- 200bp	69,973	(1,399)	1,399	(1,399)	1,399

31 December 2024	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
Asset with variable interest rate		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

(c) interest rate sensitivity analysis on fixed rate instruments on profit and equity

31 December 2025	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
Asset with variable interest rate		N'million	N'million	N'million	N'million	N'million
Investments:		N'million	N'million	N'million	N'million	N'million
-Financial assets measured at FVTPL	+/-200bp	7,166	143	(143)	143	(143)
-Debts instruments at FVOCI*						
	+/-200bp	557,783	-	-	11,156	(11,156)

31 December 2024	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
Asset with variable interest rate		N'million	N'million	N'million	N'million	N'million
Investments:		N'million	N'million	N'million	N'million	N'million
-Financial assets held for trading	+/-200bp	5,113	102	(102)	102	(102)
-Debts instruments at FVOCI*						
	+/-200bp	186,571	-	-	3,731	(3,731)

Notes to the Financial Statements Contd.

Bank 31 December 2025	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	280,265	73,341	-	-	-	353,605
Cash and Cash equivalents	1,227,498	618,017	186,690	981,455	1,395,035	4,408,694
Loans and advances to customers	-	-	-	-	-	-
Derivative financial assets	-	-	-	-	-	-
Investment securities	3,338	1,828	1,528	2	469	7,166
- Financial assets at FVTPL	60,881	250,775	86,263	53,585	57,571	509,075
- Debt instruments at FVOCI	-	-	-	-	-	-
- Debt instruments at amortised cost	693,164	458,968	375,750	73,197	361,876	1,962,955
Total assets	2,265,144	1,402,928	650,232	1,108,240	1,814,951	7,241,495
Financial liabilities						
Customer deposits	445,838	203,281	188,871	861,518	860,848	2,560,356
Derivative Financial Liabilities	-	-	-	-	-	-
Other liabilities	8,764	2,771	28,926	58,474	133,954	232,890
Debts issued and other borrowed funds	94,045	-	590,492	108,411	96,002	888,950
Total liabilities	548,648	206,052	808,289	1,028,403	1,090,804	3,682,196
Net financial assets/(liabilities)	1,716,497	1,196,876	(158,058)	79,837	724,148	3,559,299
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 and liabilities	824,070	880,318	128,059	(34,708)	654,831	2,452,569

Notes to the Financial Statements Contd.

(b) interest rate sensitivity analysis on variable rates instruments on profit and equity

31 December 2025	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
Asset with variable interest rate		N'million	N'million	N'million	N'million	N'million
Loans and advances to customers	+200bp/-200bp	1,062,351	21,247	(21,247)	21,247	(21,247)
Debts issued and other borrowed funds						
	+200bp/-200bp	69,973	(1,399)	1,399	(1,399)	1,399

31 December 2024	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
Asset with variable interest rate		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

(c) Interest Rate Sensitivity Analysis On Fixed Rate Instruments On Profit And Equity

31 December 2025	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
Asset with variable interest rate		N'million	N'million	N'million	N'million	N'million
Investments:		N'million	N'million	N'million	N'million	N'million
-Financial assets measured at FVTPL	+/-200bp	7,166	143	(143)	143	(143)
-Debts instruments at FVOCI*						
	+/-200bp	509,075	-	-	10,182	(10,182)

31 December 2024	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
Asset with variable interest rate		N'million	N'million	N'million	N'million	N'million
Investments:		N'million	N'million	N'million	N'million	N'million
-Financial assets held for trading	+/-200bp	5,113	102	(102)	102	(102)
-Debts instruments at FVOCI*						
	+/-200bp	112,925	-	-	2,259	(2,259)

*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 26 percent increase in the value of the Group's equity investment at FVOCI at 31 December 2025 would have increased equity investment by N18.21 billion (December 2024: N28.04 billion). An equivalent decrease would have resulted in an equivalent but opposite impact.

Notes to the Financial Statements Contd.

(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 excluded from the fair value table by hierarchy analysed below:

- Cash and cash equivalents
- Due from banks

Group 31 December 2025	Level 1	Level 2	Level 3	Total
	N'million	N'million	N'million	N'million
Financial assets				
Assets measured at fair value				
Financial assets at FVTPL				
- Federal Government bonds	484	-	-	484
- State Government bonds	-	-	-	-
- Treasury bills	6,662	20	-	6,682
- Placement	-	-	-	-
Derivative financial assets	-	-	-	-
Debt instruments measured at FVOCI				
- Treasury bills	397,513	5,561	-	403,074
- Federal Government bonds	124,911	35,358	-	160,269
- State Government bonds	-	-	-	-
- Corporate bonds	-	-	-	-
Equity instruments measured at FVOCI	6,726	81,123	-	87,849
Loans and Advances				
- Term loans	-	-	3,834,094	3,834,094
- Advances under finance lease	-	-	3,517	3,517
- Other loans	-	-	662,844	662,844
Debt instruments at amortised cost				
- Treasury bills	-	-	1,491,527	1,491,527
- Federal Government bonds	-	-	457,774	457,774
- State Government bonds	-	-	8,134	8,134
- Corporate Bonds	-	-	18,849	18,849

Notes to the Financial Statements Contd.

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	-	-	194,376	194,376
Financial liabilities for which fair values are disclosed				-
Financial liabilities carried at amortised cost	-	-	-	-
Debt issued and other borrowed funds	-	-	888,950	888,950
Deposits from customers	-	-	6,890,909	6,890,909

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 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				
Held for trading				
- 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	-	-	-	-
- State Government bonds	-	-	-	-
- Corporate bonds	-	-	-	-
Equity instruments measured at FVOCI	4,018	-	65,617	69,635
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 liabilities at FVTPL				
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.

Notes to the Financial Statements Contd.

Bank 31 December 2025	Level 1	Level 2	Level 3	Total
	N'million	N'million	N'million	N'million
Financial assets				
Assets measured at fair value				
Financial assets at FVTPL				
- Federal Government bonds	484		-	484
- State Government bonds	-		-	-
- Treasury bills	6,662	20	-	6,682
- Placement	-	-		-
Derivative financial assets	-		-	-
Debt instruments measured at FVOCI				-
- Treasury bills	391,960	5,561	-	397,521
- Federal Government bonds	76,196	35,358	-	111,554
- State Government bonds	-		-	-
- Corporate bonds	-	-		-
Equity instruments measured at FVOCI	6,726	81,123	-	87,849
Loans and Advances				
- Term loans	-	-	3,742,336	3,742,336
- Advances under finance lease	-	-	3,517	3,517
- Other loans	-	-	662,841	662,841
Debt instruments at amortised cost				-
- Treasury bills			1,491,527	1,491,527
- Federal Government bonds			446,107	446,107
- State Government bonds	-		8,134	8,134
- Corporate Bonds	-		18,849	18,849
Financial liabilities at FVTPL				
Derivative financial liabilities	-	-	194,376	194,376
Financial liabilities for which fair values are disclosed				
Financial liabilities carried at amortised cost				
Debt issued and other borrowed funds	-	-	888,950	888,950
Deposits from customers	-	-	6,461,185	6,461,185

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 excluded from the fair value table by hierarchy analysed

Notes to the Financial Statements Contd.

Bank 31 December 2024	Level 1	Level 2	Level 3	Total
	N'million	N'million	N'million	N'million
Financial assets				
Assets measured at fair value				
Held for trading				
- 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				
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 excluded from the fair value table by hierarchy 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

Notes to the Financial Statements Contd.

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 2025 and 31 December 2024 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.

The investment valuation policy of the Group provides the framework for accounting for the Group's investment in unquoted equity securities while also providing a broad valuation guideline to be adopted in valuing them. Furthermore, the policy details how the group decides its valuation policies and procedures and analyses changes in fair value measurements every reporting period.

IFRS 13 - Fair Value Measurement outlines three approaches for valuing unquoted equity instruments; market approach, the income approach and the cost approach. The Group estimated the fair value of its investment in each of the unquoted equity securities at the end of the reporting period. The Discounted Cash flow (DCF) technique of the income approach was adopted in valuing each of these equity investments taken into cognizance the suitability of the model to each equity investment and the available financial information. Description of Valuation Methodology and inputs: Discounted Cash flow Technique (DCF). The fair value of the unquoted equity securities was derived using the Discounted Cash Flow technique.

The steps involved in estimating the fair value of the Group's investment in each of the investees (i.e. unquoted equity securities) are as follows:

Step 1: A forecast of the Free Cash Flow to the company (FCFC) for each of the equity investments was made using provided definition, explanation and derivation of the Free Cash Flow to the company).

Step 2: The FCFC forecasts were discounted to present value using the company's WACC.

Step 3: The terminal value at year five was estimated by dividing the compounded (with 'g') year five FCFC by the capitalization rate.

Step 4: The terminal value was discounted to present value using the company's WACC.

Step 5: The firm value was obtained by adding the present value of the five-year FCFC obtained in step (2) above to the present value of terminal value obtained in step (4) above.

Step 6: The equity value of the company was obtained by deducting the value of the debt of the company from the company value obtained in step (5) above (i.e. Company value minus market value of debt = Equity value).

Step 7: The equity value per share was obtained by dividing the Equity value obtained in step (6) above by the number of shares outstanding in the company.

Step 8: The fair value of the group's investment in each of the relevant unquoted equity securities was derived by multiplying the number of the Groups' shares in the investee by the value per share obtained in step (7) above.

(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

Notes to the Financial Statements Contd.

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, escalating awareness on cyber security threats 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 Group's 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.

Notes to the Financial Statements Contd.

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 N500 billion, a review from N25 billion effective April 1, 2026 for banks with International Licence 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 2025 and the comparative year 31 December 2024 is in line with the new circular. The computations are consistent with the requirements of Pillar I of Basel II Accord (Interneal 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 environment.

The Bank's regulatory capital as managed by its Financial Control and Treasury Units is made up of Tier 1 and Tier 2 capital as follows:

Tier 1 capital: This includes only permanent shareholders' equity (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.

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The table below summarises the composition of regulatory capital and the ratios of the Bank as at 31 December 2025 and as at 31 December 2024. 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	31 December
	2025	2024
	N'million	N'million
Tier 1 capital		
Share capital	25,100	25,100
Share premium	280,455	280,455
Retained earnings	173,101	245,459
Statutory reserve	144,301	108,711
Small scale investment reserve	41,192	29,329
Tier 1 Deductions - Intangible Assets	(76,060)	(14,371)
Total qualifying Tier 1 capital	588,089	674,683
Regulatory adjustment	146,516	55,386
Investment In Subsidiary	68,591	68,591
Adjusted qualifying Tier 1 capital	372,982	550,706
Tier 2 capital		
Eurobond Issue	-	-
Local Bond Issue (Discounted at 60%)	42,344	42,261
Revaluation reserve	-	-
Fair value reserve	88,836	69,131
Total Tier 2 capital	131,181	111,392
Qualifying Tier 2 Capital restricted to lower of Tier 2 and 33.33% of Tier 1 Capital	131,181	111,392
Total Tier 1 & Tier 2 Capital	504,163	662,098
Risk-weighted assets:		
Credit Risk Weighted Assets	2,007,958	2,102,092
Market Risk Weighted Assets	30,846	15,559
Operational Risk Weighted Assets	1,072,047	703,571
Total risk-weighted assets	3,110,851	2,821,222
Capital Adequacy Ratio (CAR)	16.21%	23.47%
Minimum Capital Adequacy Ratio	15%	15%

Notes to the Financial Statements Contd.

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, 2025, 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 2025 is as follows:

31 December 2025	Group			
	Retail banking	Corporate banking	Investment banking	Combined
	N'million	N'million	N'million	N'million
Revenue derived from external customers	917,830	311,697	290,170	1,519,697
Revenues from other segments		-	-	-
Total	917,830	311,697	290,170	1,519,697
Interest income	812,858	258,978	226,689	1,298,526
Interest expense	(269,251)	(110,754)	(87,169)	(467,173)
Fees and commission income	65,629	37,042	10,686	113,357
Fee and commission expense	(11,160)	(6,710)	(1,993)	(19,864)
Operating Expense	(233,999)	(99,681)	(82,162)	(415,842)
Profit before tax	202,272	90,478	54,911	347,662
Income tax expense	(58,312)	(21,356)	(19,881)	(99,549)
Profit for the year ended 31 December 2025	143,960	69,123	35,030	248,113
	-			
	-			
Total segment assets	5,548,673	2,851,822	2,063,320	10,463,815
Total segment liabilities	5,334,645	2,199,254	1,842,328	9,376,227
	-			
Other segment information	-			
Depreciation / amortization	(16,845)	(5,512)	(5,131)	(27,489)

Notes to the Financial Statements Contd.

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2024 is as follows:

31 December 2024	Group			
	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)

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 2025 and 31 December 2024. 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 from the United Kingdom component derives from one main activity, commercial and retail banking, which is carried out in the United Kingdom.

Notes to the Financial Statements Contd.

At 31 December 2025	Bank			
	Retail banking	Corporate banking	Investment banking	Combined
	N'million	N'million	N'million	N'million
Revenue derived from external customers	886,617	311,697	290,170	1,488,484
Revenues from other segments	-	-	-	-
Total	886,617	311,697	290,170	1,488,484
Interest income	786,557	258,978	226,689	1,272,224
Interest expense	(260,777)	(110,754)	(87,169)	(458,700)
Fees and commission income	62,634	37,042	10,686	110,362
Fee and commission expense	(11,160)	(6,710)	(1,993)	(19,864)
Operating Expense	(210,893)	(99,681)	(82,162)	(392,736)
Profit before tax	202,400	90,478	54,911	347,790
Income tax expense	(63,617)	(21,356)	(19,881)	(104,854)
Profit for the year ended 31 December 2025	138,783	69,123	35,030	242,936
	-	-	-	-
Total segment assets	5,206,048	2,851,822	2,063,320	10,121,189
Total segment liabilities	5,026,922	2,199,254	1,842,328	9,068,503
	-	-	-	-
Other segment information	-	-	-	-
Depreciation / amortization	(14,488)	(5,512)	(5,131)	(25,132)

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2024 is as follows:

At 31 December 2024	Bank			
	Retail banking	Corporate banking	Investment 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)

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 2025 and 31 December 2024. The cashflow information for the reporting segment is not provided to the chief operating decision maker.

Notes to the Financial Statements Contd.

Segment report by country:

The segment information by country provided to the Executive Committee for the reportable segments for the year ended 31 December 2025 is as follows:

	Group by Country		
	Nigeria	United Kingdom	Combined
At 31 December 2025	N'million	N'million	N'million
Revenue derived from external customers	1,488,484	31,213	1,519,697
Revenues from other segments	-	-	-
Total	1,488,484	31,213	1,519,697
Interest income	1,272,224	26,302	1,298,526
Interest expense	(458,700)	(8,473)	(467,173)
**Fees and commission income	110,362	2,994	113,357
**Fee and commission expense	(19,864)	-	(19,864)
Operating Expense	(392,736)	(23,106)	(415,842)
Profit before tax	347,790	(128)	347,662
Income tax expense	(104,854)	5,305	(99,549)
Profit for the year ended 31 December 2025	242,936	5,177	248,113
	-		
Total segment assets	10,121,189	342,626	10,463,815
Total segment liabilities	9,068,503	307,724	9,376,227
Other segment information			
Depreciation / amortization	(25,132)	(2,357)	(27,489)

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)

Notes to the Financial Statements Contd.

6 Interest and similar income using effective interest rate method

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Loans and advances to customers	813,248	626,283	798,055	617,017
Advances under finance lease	1,008	1,689	1,008	1,689
Treasury bills and other investment securities:				
-Fair value through other comprehensive income	85,560	14,472	82,144	11,360
-Amortised cost	173,731	148,945	173,731	148,945
Placements and short term funds	40,470	11,665	32,778	5,160
	1,114,018	803,054	1,087,716	784,171

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 N12,661.56million (31 December 2024: N8,104.67 million) which is part of interest income recognized in the financial Statement.

7 Interest expense calculated using the effective interest rate method

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Term deposits	235,515	155,200	233,580	155,664
Debts issued and other borrowed funds	132,878	94,012	132,698	93,725
Savings deposits	56,039	41,098	55,950	41,080
Current accounts	35,283	16,387	35,222	16,379
Inter-bank takings	6,511	5,743	304	1,421
Intervention loan	946	8,379	946	8,379
	467,173	320,818	458,700	316,648

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 2025 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)	-	(447)	-	(439)	-	-	(886)
Loans and advances to customers (Note 22)	-	(6,335)	-	46,232	(16,769)	-	23,128
Debt instruments measured at FVOCI (24.6.1)	-	151	-	-	-	-	151
Debt instruments measured at amortised costs (24.6.2)	-	346	-	-	-	-	346
Financial guarantees (Note 32.3.1)	-	(241)	-	-	-	-	(241)
Letters of credit (Note 32.3.2)	-	(883)	-	-	-	-	(883)
	-	(7,410)	-	45,793	(16,769)	-	21,615
Other assets (Note 29)	-	(5)	-	-	-	-	(5)
	-	-	-	-	-	-	-
	-	(7,414)	-	45,793	(16,769)	-	21,610

Notes to the Financial Statements Contd.

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)	4,497	-	-	-	-	-	4,497
	-	-	-	-	-	-	-
	4,497	(7,467)	-	21,477	37,934	-	56,441

The table below shows the ECL charges on financial instruments for the year ended 31 December 2025 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)	-	(502)	-	-	-	-	(502)
Loans and advances to customers (Note 22)	-	(6,505)	-	46,222	(16,705)	-	23,012
Debt instruments measured at FVOCI (24.6.1)	-	150	-	-	-	-	150
Debt instruments measured at amortised costs (24.6.2)	-	245	-	-	-	-	245
Financial guarantees (Note 32.3.1)	-	(241)	-	-	-	-	(241)
Letters of credit (Note 32.3.2)	-	(740)	-	-	-	-	(740)
	-	(7,593)	-	46,222	(16,705)	-	21,924
Other assets (Note 29)	-	(5)	-	-	-	-	(5)
	-	-	-	-	-	-	-
	-	(7,598)	-	46,222	(16,705)	-	21,919

Notes to the Financial Statements Contd.

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

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 2025			
	Retail banking	Corporate banking	Investment banking	Total
	N'million	N'million	N'million	N'million
Fee and commission type:				
ATM charges	11,674	5,820	-	17,494
Accounts maintenance charge	7,135	4,780	1,715	13,630
Commission on E-banking activities	2,230	1,096	872	4,198
Commission on travellers cheque and foreign bills	8,997	5,414	3,454	17,865
Commission on fidelity connect	3,321	1,047	824	5,192
Letters of credit commissions and fees	12,504	8,979	3,228	24,711
Commissions on off balance sheet transactions	5,482	4,563	-	10,045
Other fees and commissions	2,082	219	-	2,301
Commission and fees on banking services	1,268	567	-	1,835
Commission and fees on NXP	101	76	57	234
Collection fees	197	114	79	390
Telex fees	1,612	523	447	2,582
Cheque issue fees	32	15	10	57
Remittance fees	23	18	-	41
Total revenue from contracts with customers	56,658	33,231	10,686	100,575
Other non-contract fee income:				
Credit related fees	8,970	3,812	-	12,782
Total fees and commission income	65,629	37,042	10,686	113,357
Fee and commission expense	(11,160)	(6,710)	(1,993)	(19,864)
Net fee and commission income	54,468	30,332	8,692	93,493

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.

Notes to the Financial Statements Contd.

	Group			
	31 December 2024			
	Retail banking	Corporate banking	Investment banking	Total
	N'million	N'million	N'million	N'million
Fee and commission type:				
ATM charges	6,389	3,206	-	9,595
Accounts maintenance charge	7,024	4,488	1,425	12,937
Commission 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
Commission and fees on banking services	1,182	443	-	1,625
Commission 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.

	Bank			
	31 December 2025			
	Retail banking	Corporate banking	Investment banking	Total
	N'million	N'million	N'million	N'million
Fee and commission type:				
ATM charges	11,674	5,820	-	17,494
Accounts maintenance charge	7,135	4,780	1,715	13,630
Commission on E-banking activities	2,230	1,096	872	4,198
Commission on travellers cheque and foreign bills	8,997	5,414	3,454	17,865
Commission on fidelity connect	3,321	1,047	824	5,192
Letters of credit commissions and fees	10,715	8,979	3,228	22,922
Commissions on off balance sheet transactions	5,482	4,563	-	10,045
Other fees and commissions	877	219	-	1,096
Commission and fees on banking services	1,268	567	-	1,835
Commission and fees on NXP	101	76	57	234
Collection fees	197	114	79	390
Telex fees	1,612	523	447	2,582
Cheque issue fees	32	15	10	57
Remittance fees	23	18	-	41

Notes to the Financial Statements Contd.

Total revenue from contracts with customers	53,664	33,231	10,686	97,580
Other non-contract fee income:				
Credit related fees	8,970	3,812	-	12,782
Total fees and commission income	62,634	37,042	10,686	110,362
Fee and commission expense	(11,160)	(6,710)	(1,993)	(19,864)
Net fee and commission income	51,474	30,332	8,692	90,499

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	Investment banking	Total
	N'million	N'million	N'million	N'million
Fee and commission type:				
ATM charges	6,389	3,206	-	9,595
Accounts maintenance charge	6,735	4,488	1,425	12,648
Commission 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
Commission and fees on banking services	1,182	443	-	1,625
Commission 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.

10 Derecognition loss on financial asset

The table below shows the modification charge on financial instruments recorded in profit or loss :

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Modified Loan Assets (Carrying Amount)	93,465	-	93,465	-
Specific allowances for impairment	(2,040)	-	(2,040)	-
	91,425	-	91,425	-
Derecognition loss	988	-	988	-
	988	-	988	-

Notes to the Financial Statements Contd.

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 asset was derecognised and a new financial asset was recognised. The gross carrying amount of the loan before modification was N93.5 billion (31 December 2024 - Nil). The financial assets is not deemed to be credit impaired.

11 Other operating income

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Dividend income	935	741	935	741
Profit on disposal of property, plant and equipment	97	63	97	63
Loan Recoveries	1,068	986	1,068	986
Other income	6,139	952	5,367	174
	8,239	2,742	7,467	1,964

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 miscellaneous income made during the financial year

11.1 Foreign Currency Revaluation Gains

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Net foreign exchange gains	99,575	11,716	98,431	11,716
	99,575	11,716	98,431	11,716

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.

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
At 1 January	11,716	-	11,716	-
Arising during the period	87,859	-	86,715	-
At 31 December	99,575	-	98,431	-

Notes to the Financial Statements Contd.

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	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Net gains arising from:				
- Bonds	2,577	634	291	634
- Treasury bills	168	87	168	87
- Placements/Foreign exchange	-	-	-	-
	2,745	721	459	721

Amounts reclassified on debt instruments financial assets reclassified from the bank's other comprehensive income amount to a loss of N126 million (31 December 2024: N21 million loss). No additional amounts arose in the group..

12.1 Other interest and similar income measured at FVTPL	184,508	147,534	184,508	147,534
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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 /(Losses)

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
- Derivatives -(Realized)	(29,414)	7,633	(29,414)	7,633
- Derivatives - (Unrealized)	(194,376)	50,242	(194,376)	50,242
	(223,790)	57,875	(223,790)	57,875

13 Personnel expenses

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Wages and salaries	77,905	64,468	65,085	54,282
End of the year bonus (see note 31)	978	7,456	978	7,456
Pension contribution	1,674	1,525	597	546
	80,557	73,450	66,660	62,284

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 during the year

14 Depreciation, Amortisation and Impairment

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Property, plant and equipment (Note 25)	16,433	7,614	16,394	7,423
Computer software (Note 27)	9,497	4,560	7,758	2,276
Goodwill impairment (Note 21)	-	2,353	-	-
Depreciation of ROU asset (Note 26)	1,559	808	980	798
	27,489	15,335	25,132	10,497

Notes to the Financial Statements Contd.

15 Other operating expenses

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Marketing, communication & entertainment	51,718	35,468	51,303	35,124
Banking sector resolution cost	50,986	35,809	50,986	35,809
Outsourced cost	13,796	10,264	13,783	10,253
Deposit insurance premium	26,395	15,918	26,395	15,918
Repairs and maintenance	11,490	13,659	11,416	13,596
Other expenses	13,012	10,975	12,701	9,908
Computer expenses	54,281	56,006	51,108	53,649
Lease expense (Finance Cost)	(43)	59	(43)	59
Security expenses	8,342	3,428	8,342	3,428
Rent and rates	1,865	2,301	1,252	1,141
Cash movement expenses	1,956	1,280	1,717	1,173
Training expenses	1,811	12	1,739	(76)
Travelling and accommodation	13,757	6,258	13,533	6,119
Consultancy expenses	35,323	16,707	34,637	16,229
Corporate finance expenses	12,536	14,841	12,536	14,841
Legal expenses	18,874	2,186	18,583	1,942
Electricity	1,705	1,211	1,674	1,156
Office expenses	1,068	559	722	559
Directors' emoluments	1,659	2,449	1,195	1,903
Insurance expenses	1,205	1,085	913	488
Stationery expenses	2,165	1,800	2,154	1,781
Bank charges	5,934	6,582	5,399	6,148
Auditors' remuneration	1,889	1,576	700	488
Donation	2,386	1,547	2,386	1,547
Telephone expenses	574	447	343	220
Postage and courier expenses	602	270	602	270
	335,285	242,696	326,076	233,673

- 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 sheet)
- 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 N53.88 million. These non-audit services were for Common Reporting Standard (CRS) Reporting (N15.99 million), Corporate Tax Reporting (N13.10 million), Technical And Functional Competency Assessment (N8.13million), TP services (N4.30million) , Risk Management Assessment (N6.99 million). Regulatory verification (N5.38 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 The bank paid a total of N607.94 million as contribution to the Industrial Training Fund, (Annual contribution).

Notes to the Financial Statements Contd.

16 Taxation

	Group		Bank	
	2025	2024	2025	2024
a	N'million	N'million	N'million	N'million
Income tax expense				
Current taxes on income for the period (Minimum tax)	114,726	82,420	114,726	82,420
Tertiary education tax (note 16h)	13,797	9,083	13,797	9,083
Police Trust Fund (note 16f)	-	20	-	20
National Agency for science and engineering infrastructure 0.25%	869	983	869	983
Capital gains tax	500	-	500	-
Information Technology levy (note 16g)	3,478	3,931	3,478	3,931
Current income tax expense	133,371	96,435	133,371	96,435
Deferred tax expense	(33,822)	(2,658)	(28,517)	376
	99,548	93,777	104,854	96,811

b Total income tax expense in profit or loss

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Profit before income tax	347,662	385,215	347,790	393,000
Income tax using the domestic corporation tax rate of 30% (Dec 2024 : 30%)	104,299	115,564	104,337	117,900
Non-deductible expenses	89,483	15,632	89,483	15,632
Tax exempt income	(112,915)	(12,851)	(107,647)	(12,851)
Utilization of previously unrecognised tax losses	-	-	-	-
Balancing Charge	37	98	37	98
Income Tax expense	-	82,420	-	82,420
Effect of concessions (research and development and other allowances)				
Tertiary education tax (note 16h)	13,797	9,083	13,797	9,083
Capital allowance	-	(2,879)	-	(2,879)
Capital Gains Tax	500	-	500	-
Police Trust Fund (note 16f)	-	20	-	20
National Agency for science and engineering infrastructure 0.25%	869	983	869	983
Information Technology levy (note 16g)	3,478	3,931	3,478	3,931
Deferred Tax expense	-	(2,658)	-	376
	99,548	93,777	104,854	96,811

Effective tax rate

The effective income tax rate is 28.63% (31 December 2024: 24.63%).

c The movement in the current income tax payable is as follows:

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
At 1 January	97,894	26,863	100,579	26,835
Income tax paid	(92,165)	(22,635)	(94,851)	(22,580)
WHT recovered	-	(112)	-	(112)
Current income tax expense	128,065	93,777	133,371	96,435
At 31 December	133,793	97,894	139,099	100,579

Notes to the Financial Statements Contd.

d Windfall tax

	Group		Bank	
	2025	2024	2025	2024
Profit before income tax	N'million	N'million	N'million	N'million
At 1 January	13,331	-	13,331	-
Windfall Tax paid	(13,331)	-	(13,331)	-
Current Windfall tax	5,669	13,331	5,669	13,331
At 31 December	5,669	13,331	5,669	13,331

Federal Government of Nigeria Amended the Finance Act (Amendment) 2024 which imposes WINDFALL LEVY on Financial Institutions for the first time in Nigeria tax system. The Act imposes 70% levy in retrospect 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 N5,669 million has been estimated as Windfall levy for period ended December 2025.

- e The Companies Income Tax Act 2004 and as amended, stipulates that Companies be assessed at 30% of taxable income. (Tax ID 2522 5925 12371).
- 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 number of ordinary shares in issue during the period. 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	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Profit attributable to equity holders of the Bank (N'million)	242,444	278,106	237,267	282,858
Number of ordinary shares in issue (N'million)	41,799	41,799	41,799	41,799
Basic & diluted earnings per share (expressed in kobo per share)	580	665	568	677

Notes to the Financial Statements Contd.

- a Basic and diluted earnings per share are the same, as the Bank has no potentially dilutive ordinary shares.

19 Cash and Cash equivalents

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Cash	22,831	35,397	22,831	35,397
Balances with central bank other than mandatory reserve deposits	9,977	75,892	9,977	75,892
Due from banks	1,290,386	596,161	1,054,640	394,042
Total cash and cash equivalents	1,323,194	707,450	1,087,448	505,331

19.1 Due from Banks

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Current accounts with foreign banks	892,964	392,838	701,683	379,618
Placements with other banks and discount houses	398,201	205,027	353,605	15,574
Sub-total	1,291,166	597,866	1,055,288	395,192
Less: Allowance for impairment losses	(780)	(1,666)	(648)	(1,150)
	1,290,386	596,161	1,054,640	394,042

19.2 Movement in allowance for impairment losses

At 1 Jan	1,705	23	1,150	225
Profit or Loss	(886)	1,682	(502)	925
At 31 December	819	1,705	648	1,150

Cash and Cash equivalents

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
	1,323,194	707,450	1,087,448	505,331
Cash and Cash equivalents	780	1,666	648	1,150
At 31 December	1,323,974	709,116	1,088,096	506,481

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

19. Impairment 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.

Notes to the Financial Statements Contd.

Group	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
External rating grade Performing				
High grade	778,694	-	-	778,694
Standard grade	503,967	-	-	503,967
Sub-standard grade	8,504	-	-	8,504
Past due but not impaired	-	-	-	-
Non- performing				-
Individually impaired	-	-	-	-
Total	1,291,166	-	-	1,291,166

	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	452,749	-	-	452,749
Standard grade	105,899	15,610	15,610	137,119
Sub-standard grade	7,999	-	-	7,999
Past due but not impaired	-	-	-	-
Non- performing				-
Individually impaired	-	-	-	-
Total	566,647	15,610	15,610	597,866

Bank	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
External rating grade Performing				
High grade	578,049	-	-	578,049
Standard grade	471,367	-	-	471,367
Sub-standard grade	5,871	-	-	5,871
Past due but not impaired	-	-	-	-
Non- performing				-
Individually impaired	-	-	-	-
Total	1,055,288	-	-	1,055,288

	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

Notes to the Financial Statements Contd.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

Group	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	475,925	14,510	-	490,436
New assets originated or purchased	887,017	-	-	887,017
Assets derecognised or repaid (excluding write offs)	(23,639)	(14,510)	-	(38,149)
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	(48,138)	-	-	(48,138)
At 31 December 2025	1,291,166	-	-	1,291,166

	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	216,318	15,610	-	231,928
Assets derecognised or repaid (excluding write offs)	(214,475)	(14,954)	-	(229,429)
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	582,256	15,610	-	597,866

Bank	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	395,192	-	-	395,192
New assets originated or purchased	708,648	-	-	708,648
Assets derecognised or repaid (excluding write offs)	(415)	-	-	(415)
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	(48,138)	-	-	(48,138)
At 31 December 2025	1,055,288	-	-	1,055,288

Notes to the Financial Statements Contd.

	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

Group	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	1,254	412	-	1,666
New assets originated or purchased	561	-	-	561
Assets derecognised or repaid (excluding write offs)	(970)	(439)	-	(1,408)
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"	(20)	-	-	(20)
Changes in PD/LGD/EAD and Accrued Interest	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	(19)	-	-	(19)
At 31 December 2025	806	(26)	-	780

Notes to the Financial Statements Contd.

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	1,254	412	-	1,666

Bank	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	1,150	-	-	1,150
New assets originated or purchased	403	-	-	403
Assets derecognised or repaid (excluding write offs)	(886)	-	-	(886)
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	(19)	-	-	(19)
At 31 December 2025	648	-	-	648

Notes to the Financial Statements Contd.

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 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	207	-	-	207
At 31 December 2024	1,150	-	-	1,150

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 2025 and at 31 December 2024.

20 Restricted balances with central bank

	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Mandatory reserve deposits with central bank (see note 20.1 below)	1,459,722	1,364,987	1,459,722	1,364,987
Special cash reserve (see note 20.2 below)	191,188	221,362	191,188	221,362
Carrying amount	1,650,910	1,586,350	1,650,910	1,586,350

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 separated into Cash and Cash Equivalent, and Balances with Central Bank to reflect best practice. See Note 44

21 Goodwill

	2025	2024
	N'million	N'million
At 1 January	11,443	8,656
Intangible Assets	-	(2,271)
Impairment of goodwill	-	(2,353)
Foreign currency translation	(882)	2,787
At 31 December	10,561	11,443

Notes to the Financial Statements Contd.

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 goodwill impairment test as of December 31, 2025, by applying Price to Book value multiples of comparable companies to determine the value of Fidelity Bank UK to arrive at a price of \$1.35 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 to nil impairment of the reporting units' goodwill. The valuation is a level 3 fair value. In the prior year, the recoverable amount was determined using similar approach 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 (Fidelity Bank UK)	
Fidelity Bank UK Limited	
Impairment testing as at 31 December 2025	
USD'000	
Recoverable Amount	72,556
Carrying Amount	65,082
Headroom/ (Impairment)	7,474
Decision :	Not Impaired

21.4 Performance Indicators.

For 2025, 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 2024. 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 performances and also deepening its strategic goals with positive outlook.

Notes to the Financial Statements Contd.

21.5 Macroeconomic Indicators.

Despite broad macroeconomic and geopolitical concerns, the global economy continued to grow in 2025.

Firm and Industry Events.

There were no events, entity specific or otherwise, that would have had a more than recognized impact on the valuation of the firm's reporting units during the goodwill Impairment testing

Fair Value Indicators.

Changes in the fair value indicators in the market did not have any negative impact (Impairment) on the valuation of the goodwill.

22 Loans and Advances to Customers

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Loans to corporate and other organisations	4,402,183	4,496,059	4,347,062	4,472,918
Loans to individuals	98,272	86,652	61,632	68,404
	4,500,454	4,582,711	4,408,694	4,541,322
Less: Allowance for ECL/impairment losses	(218,766)	(195,605)	(218,285)	(195,273)
	4,281,689	4,387,108	4,190,409	4,346,049

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Loans to corporate entities and other organisations				
Overdrafts	641,681	487,117	641,681	487,128
Term loans	3,757,366	4,005,403	3,702,245	3,982,251
Advance under finance lease	3,136	3,538	3,136	3,538
	4,402,183	4,496,059	4,347,062	4,472,918
Less: Allowance for ECL/impairment losses	(200,935)	(178,117)	(200,523)	(177,889)
	4,201,248	4,317,942	4,146,539	4,295,029
Loans to individuals				
Overdrafts	21,163	24,230	21,160	24,197
Term loans	76,728	61,762	40,091	43,547
Advance under finance lease	381	661	381	661
	98,272	86,653	61,632	68,404
Less: Allowance for ECL/impairment losses	(17,830)	(17,488)	(17,762)	(17,384)
	80,442	69,165	43,870	51,020
Net loans and advances include	4,281,689	4,387,108	4,190,409	4,346,049

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.

Notes to the Financial Statements Contd.

Group	31 December 2025				
	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)	105,046	295,974	-	-	401,020
Standard grade (BBB - B)	2,514,750	1,390,250	-	-	3,904,999
Sub-standard grade (CCC - CC)	665	-	-	-	665
Past due but not impaired (C)	-	11,253	-	-	11,253
Non- performing:	-	-	-	-	-
Individually impaired	-	-	84,245	-	84,245
Total	2,620,461	1,697,477	84,245	-	4,402,183

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

Notes to the Financial Statements Contd.

Bank	31 December 2025				
	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)	100,308	295,974	-	-	396,282
Standard grade (BBB - B)	2,478,648	1,387,788	-	-	3,866,436
Sub-standard grade (CCC - CC)	99	-	-	-	99
Past due but not impaired (C)	-	-	-	-	-
Non- performing:	-	-	-	-	-
Individually impaired	-	-	84,245	-	84,245
Total	2,579,055	1,683,762	84,245	-	4,347,062

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

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 2025				
	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 2025"	3,301,917	1,122,202	111,607	-	4,535,726
New assets originated or purchased	910,146	5,471	-	-	915,616
Assets derecognised or repaid (excluding write offs)	(920,055)	(133,055)	(13,786)	-	(1,066,895)
Transfers to Stage 1	94,576	(94,439)	(137)	-	(0)
Transfers to Stage 2	(753,221)	753,235	(14)	-	(0)
Transfers to Stage 3	(28,055)	(10,953)	39,008	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	988	-	-	-	988
Unwind of discount	26,567	32,464	2,689	-	61,720
Amounts written off	-	-	(65,879)	-	(65,879)
Changes in PD/LGD/EAD Including Accrued Interest	(5,518)	25,856	10,938	-	31,277
Foreign exchange adjustments	(6,884)	(3,305)	(181)	-	(10,370)
At 31 December 2025	2,620,461	1,697,477	84,245	-	4,402,183

Notes to the Financial Statements Contd.

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	117,669	49,555	744	-	167,968
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	3,262,261	1,122,202	111,607	-	4,496,059

Group	31 December 2025				
	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 2025 under IFRS 9	12,657	92,832	72,642	-	178,131
New assets originated or purchased	25,294	-	-	-	25,294
Assets derecognised or repaid (excluding write offs)	(3,957)	(1,338)	(672)	-	(5,968)
Transfers to Stage 1	5,638	(5,581)	(57)	-	-
Transfers to Stage 2	(20,558)	20,572	(14)	-	-
Transfers to Stage 3	(25,274)	(7,280)	32,555	-	-
Unwind of discount	10,004	26,308	2,325	-	38,636
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-
Changes in PD/LGD/EAD Including Accrued Interest	3,366	13,648	13,795	-	30,809
Changes to models and inputs used for ECL calculations	-	-	-	-	-
Amounts written off	-	-	(65,879)	-	(65,879)
Foreign exchange adjustments	(12)	(58)	(19)	-	(88)
At 31 December 2025	7,157	139,103	54,675	-	200,935

Group	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	20,928	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 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

Notes to the Financial Statements Contd.

Bank	31 December 2025				
	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 2025	3,239,109	1,122,202	111,607	-	4,472,918
New assets originated or purchased	887,184	-	-	-	887,184
Assets derecognised or repaid (excluding write offs)	(885,659)	(133,055)	(13,786)	-	(1,032,499)
Transfers to Stage 1	94,576	(94,439)	(137)	-	-
Transfers to Stage 2	(753,209)	753,224	(14)	-	-
Transfers to Stage 3	(28,055)	(10,953)	39,008	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	988	-	-	-	988
Unwind of discount	26,567	32,464	2,689	-	61,720
Amounts written off	-	-	(65,879)	-	(65,879)
Changes in PD/LGD/EAD Including Accrued Interest	4,456	17,624	10,938	-	33,018
Foreign exchange adjustments	(6,902)	(3,305)	(181)	-	(10,388)
At 31 December 2025	2,579,055	1,683,762	84,245	-	4,347,062

	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	1,871,772	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

Notes to the Financial Statements Contd.

Bank	31 December 2025				
	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 2025 under IFRS 9	12,416	92,832	72,642	-	177,889
New assets originated or purchased	24,806	-	-	-	24,806
Assets derecognised or repaid (excluding write offs)	(3,946)	(1,358)	(672)	-	(5,977)
Transfers to Stage 1	5,638	(5,581)	(57)	-	-
Transfers to Stage 2	(20,558)	20,572	(14)	-	-
Transfers to Stage 3	(25,274)	(7,280)	32,555	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-
Unwind of discount	10,004	26,302	2,325	-	38,631
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-
Changes in PD/LGD/EAD Including Accrued Interest	3,698	13,648	13,795	-	31,141
Changes to models and inputs used for ECL calculations	-	-	-	-	-
Amounts written off	-	-	(65,879)	-	(65,879)
Foreign exchange adjustments	(12)	(58)	(19)	-	(88)
At 31 December 2025	6,771	139,077	54,675	-	200,523

	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	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-
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	6,973	-	32,787
At 31 December 2024	12,416	92,832	72,642	-	177,889

The contractual amount outstanding on loans that have been written off, but were still subject to enforcement activity was nil at 31 December 2025 (31 December 2024: 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.

Notes to the Financial Statements Contd.

Group	31 December 2025				
	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)	24,881	-	-	-	24,881
Standard grade (BBB - B)	47,629	195	255	-	48,079
Sub-standard grade (CCC - CC)	1,791	-	-	-	1,791
Past due but not impaired (C)	-	755	-	-	755
Non- performing	-	-	-	-	-
Individually impaired	-	-	22,766	-	22,766
Total	74,301	950	23,021	-	98,272

	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)	42,008	1,339	-	-	43,347
Sub-standard grade (CCC - CC)	366	-	-	-	366
Past due but not impaired (C)	10	-	-	-	10
Non- performing	-	-	-	-	-
Individually impaired	-	-	29,735	-	29,735
Total	55,579	1,339	29,735	-	86,653

Bank	31 December 2025				
	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)	38,671	195	-	-	38,866
Sub-standard grade (CCC - CC)	-	-	-	-	-
Past due but not impaired (C)	-	-	-	-	-
Non- performing	-	-	-	-	-
Individually impaired	-	-	22,766	-	22,766
Total	38,671	195	22,766	-	61,632

Notes to the Financial Statements Contd.

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

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 2025				
	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 2025	54,445	2,545	29,603	-	86,593
New assets originated or purchased	34,807	-	255	-	35,062
Assets derecognised or repaid (excluding write offs)	(7,942)	(2,362)	(5,628)	-	(15,933)
Transfers to Stage 1	3,053	(12)	(3,041)	-	-
Transfers to Stage 2	(137)	868	(731)	-	-
Transfers to Stage 3	(9,837)	(131)	9,968	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-
Unwind of discount	6	3	2	-	11
Changes in PD/LGD/EAD Including Accrued Interest	-	-	-	-	-
Amounts written off	(119)	41	(7,398)	-	(7,476)
Foreign exchange adjustments	25	(3)	(8)	-	14
At 31 December 2025	74,301	950	23,021	-	98,272

	31 December 2025				
	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 2025	896	23	16,561	-	17,481
New assets originated or purchased	8,505	-	13	-	8,518
Assets derecognised or repaid (excluding write offs)	(171)	(5)	(572)	-	(748)
Transfers to Stage 1	7	-	(7)	-	-
Transfers to Stage 2	(49)	45	4	-	-
Transfers to Stage 3	(9,138)	(18)	9,156	-	-
Impact on year end ECL of exposures transferred between stages during the period	-	10	-	-	10
Unwind of discount	-	-	-	-	-
Changes in PD/LGD/EAD Including Accrued Interest	14	(45)	-	-	(31)
Amounts written off	-	-	(7,397)	-	(7,397)
Foreign exchange adjustments	(3)	-	(1)	-	(3)
At 31 December 2025	62	10	17,758	-	17,830

Notes to the Financial Statements Contd.

	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
Changes in PD/LGD/EAD Including Accrued Interest	(3)	19	1,138	-	1,154
Amounts written off	-	-	(918)	-	(918)
Foreign exchange adjustments	1,781	26	6	-	1,813
At 31 December 2024	56,368	1,336	28,889	-	86,593

	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	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 2025				
	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 2025	39,480	217	28,647	-	68,345
New assets originated or purchased	12,807	-	-	-	12,807
Assets derecognised or repaid (excluding write offs)	(6,699)	(35)	(5,387)	-	(12,121)
Transfers to Stage 1	3,053	(12)	(3,041)	-	-
Transfers to Stage 2	(137)	154	(17)	-	-
Transfers to Stage 3	(9,837)	(131)	9,968	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-
Unwind of discount	6	3	2	-	11
Changes in PD/LGD/EAD Including Accrued Interest	-	-	-	-	-
Amounts written off	-	-	(7,397)	-	(7,397)
Foreign exchange adjustments	(2)	(3)	(10)	-	(14)
At 31 December 2025	38,671	195	22,766	-	61,632

Notes to the Financial Statements Contd.

	31 December 2025				
	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 2025	874	23	16,487	-	17,384
New assets originated or purchased	8,490	-	-	-	8,490
Assets derecognised or repaid (excluding write offs)	(169)	(5)	(543)	-	(716)
Transfers to Stage 1	7	-	(7)	-	-
Transfers to Stage 2	(49)	-	49	-	-
Transfers to Stage 3	(9,138)	(18)	9,156	-	-
Unwind of discount	-	-	-	-	-
Changes in PD/LGD/EAD Including Accrued Interest	2	-	3	-	5
Amounts written off	-	-	(7,397)	-	(7,397)
Foreign exchange adjustments	(3)	-	-	-	(3)
At 31 December 2025	13	-	17,749	-	17,762

	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)	(11,474)	(1,891)	(5,040)	-	(18,404)
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	132	214	1,512	-	1,858
Unwind of discount	-	-	-	-	-
Changes in PD/LGD/EAD Including Accrued Interest	502	62	1,138	-	1,702
Amounts written off	-	-	(859)	-	(859)
Foreign exchange adjustments	1,593	7	6	-	1,606
At 31 December 2024	39,480	217	28,647	-	68,404

	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 amount as at 1 January 2024	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

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.

Notes to the Financial Statements Contd.

22.1 Advances under finance lease may be analysed as follows:

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Gross investment				
- No later than 1 year	2,314	1,397	2,314	1,397
- Later than 1 year and no later than 5 years	2,912	4,185	2,912	4,185
- Later than 5 years	122	24	122	24
Less:	5,348	5,606	5,348	5,606
Allowance for ECL/impairment losses	(46)	(44)	(46)	(44)
Unearned future finance income on finance leases	(1,831)	(1,407)	(1,831)	(1,407)
Net investment	3,471	4,155	3,471	4,155
The net investment may be analysed as follows:				
- No later than 1 year	1,873	1,209	1,873	1,209
- Later than 1 year and no later than 5 years	1,580	2,935	1,580	2,935
- Later than 5 years	10	11	10	11
	3,463	4,155	3,463	4,155

22.2 Nature of security in respect of loans and advances:

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Secured against real estate	826,856	144,149	756,207	75,185
Secured by shares of quoted companies	3,835	3,949	3,835	3,949
* Secured by Oil well & vessels	1,531,107	1,464,817	1,531,107	1,464,817
* Secured by All asset Debenture	493,757	910,176	493,757	910,176
* Secured others (see 22.2.i)	1,571,151	1,807,943	1,588,469	1,852,005
Advances under finance lease	11,599	5,104	11,599	5,104
* Unsecured	62,153	246,574	23,719	230,087
Gross loans and advances to customers	4,500,459	4,582,711	4,408,694	4,541,322

* These lines were previously reported as "Others". Further detail has been provided as required by IFRS 7.35K and comparatives restated accordingly.

Notes to the Financial Statements Contd.

22.2.i Secured others ascollaterals includes Licenses of varied nature , State guarantees , Legal mortgages , Bonds etc

23. Derivative Financial Instruments

The Bank entered into derivative contracts with counter parties; Total Return Swap with Mashreq Bank and Swap with the Central Bank of Nigeria (“CBN”) in the year ended 31 December 2025 . The table below shows the fair values of derivative financial instruments recorded as Assets and Liabilities together with their notional amounts . 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 end of the period and are not indicative of either the market or credit risk. The value of Futures as at December 2024 represent deposit at the exchange (NGX) for Futures transactions.

23a Derivative financial Assets

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Total return swap contracts	410	50,243	-	50,242
Non-deliverable forwards -	-	-	-	-
Futures Contracts	-	50	-	50
Total derivative financial Assets	410	50,293	-	50,292
Notional Amount				
Total return swap contracts	34,558	697,592	-	697,050
Futures Contracts	-	50	-	50
Total	34,558	697,642	-	697,100

23b. Derivative financial Assets

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Total return swap contracts	194,376	-	194,376	-
Non-deliverable forwards	-	-	-	-
Futures Contracts	-	-	-	-
Total derivative financial Liabilities	194,376	-	194,376	-
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 2.4.2 c
- II. During the period, various derivative contracts entered into by the Bank generated a net loss which was recognized in the statement of profit or loss and other comprehensive income.
- III. All derivative contracts are current.

Notes to the Financial Statements Contd.

24. Investment Securities

24.1 Financial assets at fair value through profit and loss (FVTPL)

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Federal Government bonds	484	331	484	331
Treasury bills	6,682	4,782	6,682	4,782
Placements	-	-	-	-
Total financial assets measured at FVTPL	7,166	5,113	7,166	5,113

24.2 Debt instruments at fair value through other comprehensive income (FVOCI)

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Treasury bills	397,513	46,944	397,521	46,944
Federal Government bonds	160,269	139,627	111,554	65,981
State bonds	-	-	-	-
Corporate bonds	-	-	-	-
Total debt instruments measured at FVOCI	557,783	186,571	509,075	112,925

24.3 Debt instruments at amortised cost

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Treasury bills	1,503,295	1,079,081	1,491,527	1,079,081
Federal Government bonds	446,107	449,392	446,107	449,392
State Government bonds	8,134	10,027	8,134	10,027
Corporate bonds	18,849	15,265	18,849	15,265
Sub-total	1,976,386	1,553,765	1,964,617	1,553,765
Allowance for impairment	(1,764)	(1,418)	(1,663)	(1,418)
Total debt instruments measured at amortised cost	1,974,622	1,552,347	1,962,955	1,552,347
Reconciliation of allowance for impairment				
At beginning of year	(1,418)	(2,210)	(1,418)	(2,210)
Write back /Additional allowance for impairment	(346)	793	(245)	793
At end of year	(1,764)	(1,418)	(1,663)	(1,418)

24.4 Equity instruments:

24.4.i Equity instruments at fair value through other comprehensive income (FVOCI)

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Unquoted equity investments:				
- Pay Attitude Global	16	13	16	13
- African Finance Corporation (AFC)	28,758	19,630	28,758	19,630
- Unified Payment Solution (UPSL)	36,974	31,018	36,974	31,018
- Nigerian Inter Bank Settlement System (NIBBS)	8,635	10,492	8,635	10,492
- African Export-Import Bank (AFREXIM BANK)	2,774	1,771	2,774	1,771
- The Central Securities Clearing System (CSCS)	6,555	3,952	6,555	3,952
- Investment in FMDQ	3,855	2,612	3,855	2,612
- Shared Agent Network Expansion Facility (SANEF)	112	80	112	80
Quoted equity investments:				
- Nigerian Exchange Group (NGX)	171	67	171	67
Total equity instruments at FVOCI	87,849	69,635	87,849	69,635

Notes to the Financial Statements Contd.

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 2025, the Bank recognised dividends of N935 million (December 2024 - N741 million) from its FVOCI equities which was recorded in the profit or loss as other operating income.

24.4iii Investment in Subsidiary:

	Group		Bank	
	2025	2024	2025	2024
	% Ownership	% Ownership	N'million	N'million
- Fidelity Bank -UK	100	100	68,591	68,591
Total equity instruments			68,591	68,591

24.4iv. As at the year ended 31 December 2025, the Bank's total investment in the United Kingdom Subsidiary is N68,591million (December 2024 - N68,591million).

Total investments	2,627,420	1,813,666	2,635,636	1,808,610
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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 daily transactions.

The nature and carrying amounts of the assets pledged as collaterals are as follows:

Derivative financial Assets	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Treasury bills - Amortised cost	139,428	139,428	139,428	139,428
Federal Government bonds - Amortised cost	-	-	-	-

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:

Notes to the Financial Statements Contd.

Group	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing		-	-	
High grade	557,783	-	-	557,783
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	557,783	-	-	557,783

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				
High grade	186,571	-	-	186,571
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non-performing	-	-	-	-
Individually impaired	-	-	-	-
Total	186,571	-	-	186,571

Bank	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing				
High grade	509,074	-	-	509,074
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	509,074	-	-	509,074

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

Notes to the Financial Statements Contd.

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

Group	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	186,578	-	-	186,578
New assets originated or purchased	508,831	-	-	508,831
Assets derecognised or matured (excluding write-offs)	(120,605)	-	-	(120,605)
Change in fair value	(22,930)	-	-	(22,930)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes due to modifications not derecognised	-	-	-	-
Unwind of discount	8,909	-	-	8,909
Amounts written off	-	-	-	-
Foreign exchange adjustments	(3,001)	-	-	(3,001)
At 31 December 2025	557,782	-	-	557,782

	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	165	-	-	165
New assets originated or purchased	209	-	-	209
Assets derecognised or matured (excluding write offs)	(68)	-	-	(68)
Impact on period end ECL of exposures transferred between stages during the period	-	-	-	-
	-	-	-	-
Unwind of discount (recognised in interest income)	17	-	-	17
Changes due to modifications not resulting in derecognition	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	(7)	-	-	(7)
At 31 December 2025	316	-	-	316

	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

Notes to the Financial Statements Contd.

	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	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	4	-	-	4
At 31 December 2024	166	-	-	165

Bank	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	112,925	-	-	112,925
New assets originated or purchased	460,116	-	-	460,116
Assets derecognised or matured (excluding write-offs)	(46,944)	-	-	(46,944)
Change in fair value	(22,930)	-	-	(22,930)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes due to modifications not derecognised	-	-	-	-
Unwind of discount	8,909	-	-	8,909
Amounts written off	-	-	-	-
Foreign exchange adjustments	(3,001)	-	-	(3,001)
At 31 December 2025	509,074	-	-	509,074

	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	158	-	-	158
New assets originated or purchased	201	-	-	201
Assets derecognised or matured (excluding write offs)	(61)	-	-	(61)
Impact on year end ECL of exposures transferred between stages during the period	-	-	-	-
	-	-	-	-
Unwind of discount (recognised in interest income)	17	-	-	17
Changes due to modifications not resulting in derecognition	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	(7)	-	-	(7)
At 31 December 2025	309	-	-	309

Notes to the Financial Statements Contd.

	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 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 year	-	-	-	-
	-	-	-	-
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

Notes to the Financial Statements Contd.

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:

Group	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing				
High grade	1,937,635	-	-	1,937,635
Standard grade	38,751	-	-	38,751
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,976,386	-	-	1,976,386

	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	1,528,473	-	-	1,528,473
Standard grade	25,292	-	-	25,292
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,553,765	-	-	1,553,765

Bank	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing				
High grade	1,937,635	-	-	1,937,635
Standard grade	26,983	-	-	26,983
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,964,617	-	-	1,964,617

Notes to the Financial Statements Contd.

	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	1,528,473	-	-	1,528,473
Standard grade	25,292	-	-	25,292
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,553,765	-	-	1,553,765

An analysis of changes in the gross carrying amount and the corresponding ECLs is, as follows:

Bank	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	1,548,765	-	-	1,548,765
New assets originated or purchased	1,411,410	-	-	1,411,410
Assets derecognised or matured (excluding write-offs)	(1,066,873)	-	-	(1,066,873)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes due to modifications not derecognised	-	-	-	-
Unwind of Discount	71,315	-	-	71,315
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2025	1,964,617	-	-	1,964,617

	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	52,593	-	-	52,593
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2024	1,553,765	-	-	1,553,765

Notes to the Financial Statements Contd.

Group	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	1,418	-	-	1,418
New assets purchased	407	-	-	407
Assets derecognised or matured (excluding write offs)	(123)	-	-	(123)
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)	62	-	-	62
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 2025	1,764	-	-	1,764

Group	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

Notes to the Financial Statements Contd.

Bank	31 December 2025			
	Stage 1 Collectively	Stage 2 Collectively	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	1,418	-	-	1,418
New assets purchased	407	-	-	407
Assets derecognised or matured (excluding write offs)	(224)	-	-	(224)
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)	62	-	-	62
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 2025	1,663	-	-	1,663

	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 year				
		-	-	
Unwind of discount (recognised in interest income)	137	-	-	137
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 2024	1,418	-	-	1,418

25 Property, Plant and Equipment

Group	Land	Buildings	Leasehold improvements	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 2025	16,118	21,515	5,666	13,696	3,303	34,766	12,282	11,613	118,957
Additions	4,845	5,275	1,501	6,573	2,532	42,408	11,879	67,950	142,963
Reclassifications	-	3,874	(0)	1,067	304	1,591	660	(7,497)	-
Disposals	(176)	(3)	(5)	(47)	(9)	(2,727)	(297)	-	(3,263)
Translation Difference			(9)	(10)					(29)
At 31 December 2025	20,787	30,661	7,152	21,280	6,131	76,038	24,523	72,066	258,628
Accumulated depreciation									
At 1 January 2025	-	(4,846)	(4,005)	(8,528)	(1,977)	(15,716)	(6,009)	-	(41,081)
Charge for the period	-	(529)	(390)	(2,671)	(641)	(8,671)	(3,530)	-	(16,432)
Reclassifications	-	(0)	(0)	1	(0)	(0)	-	-	-
Disposals	-	1	5	46	9	2,207	297	-	2,565
Translation Difference			12	18					38
At 31 December 2025	-	(5,374)	(4,378)	(11,134)	(2,610)	(22,180)	(9,242)	-	(54,910)
Carrying amount at 31 December 2025	20,787	25,287	2,774	10,146	3,521	53,858	15,282	72,066	203,719
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

Notes to the Financial Statements Contd.

26 Right-of-Use Asset

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Cost				
Balance at beginning of year	11,479	10,853	3,786	3,377
Acquisition of a Subsidiary	-	-		
Additions	1,192	798	1,192	798
Additions / Reclassifications during the year	266	63	266	63
Disposal during the year	(904)	(452)	(904)	(452)
Translation Difference	(2,217)	217		
Balance	9,816	11,479	4,340	3,786
Accumulated Depreciation				
Balance at beginning of year	(7,729)	(4,993)	(2,049)	(1,700)
Depreciation for the year	(1,528)	(1,389)	(980)	(798)
Disposal during the year	859	448	859	448
Translation Difference	2,075	(1,796)		
Balance	(6,322)	(7,729)	(2,170)	(2,049)
Carrying amount	3,493	3,750	2,170	1,736

Expense of Low value Item

The expense for low value items and short term leases is N70.45million (31 December 2024: N50.09million).

27 Intangible Assets

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Cost				
Balance at 1 January	25,320	14,346	19,715	8,980
Acquisition of a Subsidiary	42,217	11,246	41,657	11,246
Write offs during the year	(1,166)	(511)	(1,166)	(511)
Translation Difference	(112)	239		
Balance as at 31 December	66,259	25,320	60,206	19,715
Accumulated amortization				
Balance at 1 January	(10,382)	(4,005)	(5,344)	(3,857)
Amortisation for the year	(7,958)	(2,475)	(7,758)	(2,276)
Write offs during the year	1,166	(428)	1,166	789
Translation Difference	(317)	(3,475)		
Balance as at 31 December	(17,491)	(10,382)	(11,936)	(5,344)
Carrying amount	48,768	14,938	48,270	14,371

Notes to the Financial Statements Contd.

27i UK Intangible Asset from PPA

	Group			
	2025	2024		
	N'million	N'million		
Cost				
Balance at 1 January	7,774	-		
Acquisition of a Subsidiary	-	7,774		
Additions	-	-		
Write offs during the year	-	-		
Translation Difference	(547)	-		
Balance as at 31 December	7,227	7,774		
Accumulated amortization				
Balance at 1 January	(2,332)	-		
Amortisation for the year	(1,445)	(2,332)		
Write offs during the year	-	-		
Translation Difference	(1,779)	-		
Balance as at 31 December	(5,557)	(2,332)		
Carrying amount	1,670	5,442		
Total Carrying Amount	50,439	20,380	48,270	14,371

- i UK Intangible Asset from PPA relate to Core deposits, customer relationship from disaggregation of Goodwill. All intangible assets are non-current with finite useful life of 5 years and currently being amortised over a 5 year period.
- ii The amortisation of intangible asset recognised in depreciation and amortisation in profit or loss was ~~₹~~7,758 bn (Group ~~₹~~9,403bn) for the year ended 31 December 2025 (31 December 2024: ~~₹~~2,276 bn - (Group ~~₹~~4,807 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 period.

Deferred taxes are calculated on all temporary differences under the liability method as there is now various component and rate disclosure is not required.

Notes to the Financial Statements Contd.

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 2025			31 December 2024		
Property, plant and equipment	-	28,280	(28,280)	-	12,421	(12,421)
Allowances for loan losses	43,429	-	43,429	29,536	-	29,536
Uk DT carried forward	3,034	-	3,034	3,034	-	3,034
Uk DT on PPA	2,271	0.19	2,272	2,271	0.19	2,272
Unutilised tax credits (capital allowances)	-	-	-	-	-	-
Foreign exchange difference (Unrealized)	-	48,726	(48,726)	-	16,460	(16,460)
Fair value adjustments	61,126	-	61,126	-	1,443	(1,443)
Other: ROU	241	-	241	61	-	61
Total tax assets/(liabilities)	110,102	77,007	33,095	34,902	30,324	4,579

United Kingdom	Assets	Liabilities	Net	Assets	Liabilities	Net
	N'million	N'million	N'million	N'million	N'million	N'million
	31 December 2025			31 December 2024		
Property, plant and equipment	-	-	-	-	-	-
Allowances for loan losses	-	-	-	-	-	-
Uk DT carried forward	3,034	-	3,034	3,034	-	3,034
Uk DT on PPA	2,271	0.19	2,272	2,271	0.19	2,272
Unutilised tax credits (capital allowances)	-	-	-	-	-	-
Foreign exchange difference (Unrealized)	-	-	-	-	-	-
Fair value adjustments	-	-	-	-	-	-
Other: ROU	-	-	-	-	-	-
Total tax assets/(liabilities)	5,305	0.19	5,305	5,305	0.19	5,305

A deferred tax asset of US\$10,192,976 against losses and temporary differences of US\$40,771,9031 from the United Kingdom component exist in the component and 20% of the asset has been recognized

A deferred Tax of US\$130,000 on Purchase Price adjustment is recognized at the tax rate of 25% which is the ruling rate for the period 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	-	28,280	(28,280)	-	12,421	(12,421)
Allowances for loan losses	43,429	-	43,429	29,536	-	29,536
Tax loss carried forward	-	-	-	-	-	-
Unutilised tax credits (capital allowances)	-	-	-	-	-	-
Foreign exchange difference (Unrealized)	-	48,726	(48,726)	-	16,460	(16,460)
Fair value adjustments	61,126	-	61,126	-	1,443	(1,443)
Other: ROU	241	-	241	61	-	61
Net tax assets/(liabilities)	104,797	77,007	27,790	29,597	30,324	(727)

Notes to the Financial Statements Contd.

29 Other Assets

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Financial assets				
Sundry receivables	114,018	73,838	113,737	73,509
Deposit for Shares - Equit Investment	-	19	-	19
Electronic payment receivables	121,034	60,181	121,034	60,181
Investments in SMESIS	9,445	9,445	9,445	9,445
	244,497	143,483	244,216	143,154
Less:				
Specific allowances for impairment / Write back	(1,343)	(7,857)	(1,343)	(7,857)
	243,154	135,626	242,873	135,297
Non financial assets				
Prepayments	27,235	18,451	25,700	16,987
Others	3,584	1,852	1,407	242
Other non financial assets	4,913	2,187	4,913	2,187
	35,732	22,490	32,020	19,416
Total	278,886	158,116	274,893	154,713

Reconciliation of Allowance for Impairment

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
At 1 January	7,857	3,359	7,857	3,359
Charge for the year	-	4,498	-	4,498
Reversal of provision	(6,509)	-	(6,509)	-
Write-off during the year	(5)	-	(5)	-
At 31 December	1,343	7,857	1,343	7,857

- 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.
- 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.
- 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.

Notes to the Financial Statements Contd.

30 Deposits from Customers

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Demand	1,992,123	1,755,934	1,881,535	1,633,502
Savings	1,303,822	1,134,824	1,295,482	1,132,429
Term	554,594	416,526	243,798	264,605
Domiciliary	2,994,501	2,608,389	2,994,501	2,608,389
Others	45,869	21,390	45,869	21,390
	6,890,909	5,937,064	6,461,185	5,660,315
Current	2,666,111	2,182,946	2,103,886	1,864,217
Non-current	4,224,798	3,754,118	4,357,299	3,796,098
	6,890,909	5,937,064	6,461,185	5,660,315

30a "Others", relate to accrued interest payable of deposit liabilities which are considered to be component of deposits.

31 Other Liabilities

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Customer deposits for letters of credit (see note 31.1)	1,013	1	1,013	1
Accounts payable (see note 31.2)	627,364	461,774	747,336	506,018
FGN Intervention fund (see note 31.3)	232,890	384,459	232,890	384,459
Manager's cheque	6,469	6,295	6,427	6,295
Payable on E-banking transactions (see note 31.4)	141,784	67,113	141,708	67,113
Deposit for shares (see note 31.5)	225,868	8,380	224,493	6,281
Accruals for year end bonus (see note 31.6)	4,565	7,677	4,565	7,677
Lease liability (see note 31.8)	2,225	3,077	441	591
	1,242,178	938,776	1,358,873	978,435

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.

Notes to the Financial Statements Contd.

31.3 FGN Intervention Fund (On Lending facilities)

		2025	2024	2025	2024
		N'million	N'million	N'million	N'million
a	CBN state bailout fund	66,150	79,824	66,150	79,824
bi	Real Sector Support Facility - Differentiated Cash Reserves Requirement - (DCRR)	125,996	155,163	125,996	155,163
ii	Real Sector Support Facility - (RSSF)	219	1,709	219	1,709
c	Commercial Agriculture Credit Scheme - (CACCS)	5	306	5	306
di	Bank of Industry BG backed	10,165	109,914	10,165	109,914
dii	Bank of Industry - Restructured and Refinance scheme	35	90	35	90
diii	Bank of Industry on lending	-	-	-	-
e	Nigeria Export Import Bank - (NEXIM)	11,852	14,450	11,852	14,450
f	Power Airline Intervention Fund - (PAIF)	94	94	94	94
g	CBN 100 for 100 PPP - (Policy on Production and Productivity)	3,585	4,669	3,585	4,669
h	Development Bank of Nigeria - (DBN)	14,772	18,222	14,772	18,222
i	Nigerian Incentive-based Risk Sharing system for Agricultural Lending - (NIRSAL)	18	18	18	18
		232,890	384,459	232,890	384,459

a FGN Intervention fund is CBN Bailout Fund of N7.8billion (31 Dec 2024: N79.82billion). 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 N300 billion Real Sector Support Facility (RSSF). The facility is disbursed to large enterprises and startups with financing needs of N500 million up to a maximum of N10.0 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%

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- 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.
- h 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 Deposit for shares represents additional capital contributions received before the reporting date pursuant to the requirements of the Central Bank of Nigeria circular titled 'Review of Minimum Capital Requirements for Commercial, Merchant and Non-Interest Banks in Nigeria' issued on 28 March 2024, which increased the minimum capital requirement for commercial banks with international authorisation to N500 billion. The related regulatory approval was obtained from the Central Bank of Nigeria in 2026..
- 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 2025	31 December 2024	31 December 2025	31 December 2024
Movement in provision for Year / year end bonus				
At 1 January	7,677	12,055	7,677	12,055
Arising during the year	12,000	19,709	12,000	19,709
Utilised	(15,112)	(24,087)	(15,112)	(24,087)
At 31 December	4,565	7,677	4,565	7,677

Notes to the Financial Statements Contd.

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 ₦428 million. (31 December 2024: ₦591million) for Bank; ₦2,212 million. (31 December 2024: ₦3,077 million) for Group.

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	1,316	1,480	441	591
More than five years	909	1,598	-	-
At end of the Year	2,225	3,077	441	591

32 Provision

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Provisions for litigations and claims	19,816	2,274	19,816	2,274
Provision for guarantees and letters of credit (Note 32.3.1 - 32.3.2)	536	1,517	536	1,517
	20,351	3,791	20,351	3,791

32.1 Movement in provision for litigations and claims

At 1 January	2,274	1,886	2,274	1,886
Arising during the Year	17,542	388	17,542	388
Utilised			-	-
At 31 December	19,816	2,274	19,816	2,274

32.2 Current Provision

Current Provision	536	1,517	536	1,517
Non-current provisions	19,816	2,274	19,816	2,274
	20,351	3,791	20,351	3,791

In April 2025, the Supreme Court delivered judgment in the case of Fidelity Bank v. Sagecom Concepts Limited & Anor. The Sagecom litigation arose from a legacy transaction between the defunct FSB International Bank and Sagecom Concepts Limited. FSB granted a credit facility to G. Cappa Plc in 2002. The facility was secured with a mortgage on property located in Ikoyi. G. Cappa defaulted on the repayment of the loan and, in a bid to prevent FSB from selling the mortgaged property, G. Cappa commenced an action against FSB at the Federal High Court, Lagos in 2005, seeking to restrain the Bank from selling the property. The Federal High Court in its judgment of 2011 ruled that the Bank as legal mortgagor rightfully sold the property to Sagecom but referred the issue of possession to the State High Court. In the meantime, G. Cappa remained in possession of the property and kept collecting rents therefrom.

Sagecom then instituted an action against the Bank and G. Cappa at the Lagos State High Court in 2011 seeking damages against G. Cappa and the Bank for breach of contract and for possession of the property. In 2018, the Lagos High Court awarded judgment in favour of Sagecom against G. Cappa and the Bank. The Bank appealed against the judgment to the Court of Appeal and further to the Supreme Court contending that any loss due to Sagecom was caused by G. Cappa and that G. Cappa alone should be responsible for any damages due to Sagecom. In April 2025, the Supreme Court affirmed the decision of the High Court and the Court of Appeal.

However, the computation of the actual judgment sum became an issue of contention between Fidelity Bank and Sagecom with Sagecom insisting that the judgment sum was in excess of N220 billion while Fidelity Bank maintained the position that the judgment cannot be in excess of about N31 billion. To resolve this, Fidelity applied to the Supreme Court for clarification of the judgment. In December 2025,

Notes to the Financial Statements Contd.

the Supreme Court delivered its ruling providing a clear basis for computing the judgment. From the clarification provided by the Supreme Court in its ruling of December 2025, we now believe that the entire judgment sum will not exceed the provision amount as the bank has adequate provision to cover this liability.

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 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing				
High grade		-	-	-
Standard grade	4,204	-	-	4,204
Sub-standard grade	1,495,077	-	-	1,495,077
Past due but not impaired		-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,499,281	-	-	1,499,281

	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

An analysis of changes in the outstanding exposures and the corresponding ECLs is, as follows:

	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	1,012,354	-	-	1,012,354
New exposures	1,134,612	-	-	1,134,612
Exposure derecognised or matured/lapsed (excluding write-offs)	(634,285)	-	-	(634,285)
Changes due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	(13,400)	-	-	(13,400)
At 31 December 2025	1,499,281	-	-	1,499,281

Notes to the Financial Statements Contd.

32.3.1 Performance bonds and guarantees- continued

	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	415	-	-	415
New exposures	115	-	-	115
Exposure derecognised or matured/lapsed (excluding write-offs)	(354)	-	-	(354)
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	(2)	-	-	(2)
At 31 December 2025	174	-		174

	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

	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 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	32	-	-	32
At 31 December 2024	415	-	-	415

Notes to the Financial Statements Contd.

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 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing				
High grade	-	-	-	-
Standard grade	1,151,572	437	-	1,152,010
Sub-standard grade	562	-	-	562
Past due but not impaired	-	-	-	-
Non- performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,152,134	437	-	1,152,571

	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

Bank	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
Internal rating grade	N'million	N'million	N'million	N'million
Performing				
High grade	-	-	-	-
Standard grade	1,111,407	-	-	1,111,407
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non-performing	-	-	-	-
Individually impaired	-	-	-	-
Total	1,111,407	-	-	1,111,407

Notes to the Financial Statements Contd.

	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

An analysis of changes in the outstanding exposures and the corresponding ECLs is, as follows:

Group	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	780,899	-	-	780,899
New exposures	1,105,198	437	-	1,105,635
Exposure derecognised or matured/lapsed (excluding write-offs)	(730,578)	-	-	(730,578)
Changes due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	(3,385)	-	-	(3,385)
At 31 December 2025	1,152,134	437	-	1,152,571

	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	1,365	-	-	1,365
New exposures	430	-	-	430
Exposure derecognised or matured/lapsed (excluding write-offs)	(1,324)	-	-	(1,324)
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	10	-	-	10
At 31 December 2025	482	-	-	482

Notes to the Financial Statements Contd.

	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 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
Gross carrying amount as at 1 January 2025	737,355	-	-	737,355
New exposures	1,066,715	-	-	1,066,715
Exposure derecognised or matured/lapsed (excluding write-offs)	(689,277)	-	-	(689,277)
Changes due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	(3,385)	-	-	(3,385)
At 31 December 2025	1,111,407	-	-	1,111,407

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	31 December 2025			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	N'million	N'million	N'million	N'million
ECL allowance as at 1 January 2025	1,102	-	-	1,102
New exposures	355	-	-	355
Exposure derecognised or matured/lapsed (excluding write-offs)	(1,096)	-	-	(1,096)
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	1	-	-	1
At 31 December 2025	362	-	-	362

	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

Notes to the Financial Statements Contd.

33 Debts Issued and Other Borrowed Funds

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Long term loan from African Development Bank (ADB) (see note 33.1)	7,485	24,237	7,485	24,237
Bank of Industries (see note 33.2)	12,553	-	12,553	-
Afrexim (see note 33.3)	62,488	100,247	62,488	100,247
\$400 Million Euro Bond issued (see note 33.4)	575,256	625,679	575,256	625,679
Local Bond issued (see note 33.5)	42,344	42,261	42,344	42,261
Other Borrowings (see note 33.6)	-	81,229	-	81,229
Development Bank of Nigeria (see note 33.7))	64,879	55,942	64,879	55,942
Almagamated Bank of South Africa (see note 33.8)	74,973	-	74,973	-
Credicorp (see note 33.9)	3,031	-	3,031	-
Citibank London (see note 33.10)	45,941	-	45,941	-
	888,950	929,595	888,950	929,595

Reconciliation of Borrowings during the year:	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
At 1 January	929,595	577,028	929,595	577,028
Additions during the year	176,620	298,748	176,620	298,748
Accrued interest	14,434	14,348	14,434	14,348
Payment of interest	(59,776)	(37,137)	(59,776)	(37,137)
Repayment of principal during the year	(163,135)	(208,533)	(163,135)	(208,533)
Foreign exchange difference	(8,788)	285,141	(8,788)	285,141
At 31 December	888,950	929,595	888,950	929,595

- 33.1 The amount of N7,485 billion (31 December 2024: N24,237 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 unsecured borrowing.
- 33.2 The amount of N12,553 billion represents the amortised cost of a short term borrowing in respect of BOI Glow women fund from Bank of Industries, to mature 27 July 2025 at an interest rate of 22% per annum. Interest and Principal repayment at maturity with option to rollover. The borrowing is an unsecured borrowing.
- 33.3 The amount of N62,487.84 billion, (31 Dec 2024: N100,247.69 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 N575,236 billion represents the amortised cost of the Issued Notes as at 31 December 2025; N625,679 billion represents the amortised cost for the period ended 31 December 2024.
- 33.5 The amount of N42,344 billion (31 Dec 2024 : N42,261billion) represents the amortized cost of 10-Year N41.2 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

Notes to the Financial Statements Contd.

- 33.6 The amount of ₦81,229 billion represent the Amortised cost of the short term liability with CBN. (₦81, 229bn) as at 31 December 2024 which matured May 2025.
- 33.7 The amount of ₦64,879 billion (31 Dec 2024: ₦55,942 billion) represents the amortised cost of a ₦20 billion of wholesale borrowing from Development Bank of Nigeria, to mature 3rd April, 2026 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
- 33.8 The amount of ₦74,973 billion (31 Dec 2024: Nil) represents the amortised cost of a short term borrowing from Almagamated bank of South Africa, to mature 23 March 2026 at an interest rate of 24% per annum. Interest and Principal repayment at maturity with option to rollover.
- 33.9 The amount of ₦3,031 billion (31 Dec 2024: Nil) represents the amortised cost of a short term borrowing from Credicorp , to mature 12th June 2027 at an interest rate of 18% per annum. Interest and Principal repayment at maturity with option to rollover.
- 33.10 The amount of ₦45,941 billion (31 Dec 2024: Nil) represents the amortised cost of a short term borrowing of ₦24.5bn and ₦28bn from Citibank London, to mature 5th and 12th January 2026 respectively at an interest rate of 24% per annum. Interest and Principal repayment at maturity with option to rollover.
- 33.11 Maturity Analysis is presented in Note 44.

34 Share Capital

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
50.2 billion ordinary shares of 50k each	25,100	25,100	25,100	25,100

Fidelity Bank issued shares through a Private Placement , Rights offer and a Public offer.

To meet the CBN's new regulatory capital requirement of ₦500billion for banks with international authorisation, the Bank undertook a Public Offer and Rights Issue of 18.2billion Ordinary Shares in 2024 and raised additional capital of ₦175.9 billion, which brought its eligible capital to ₦305.5 billion, leaving a margin of N194.5 billion.

In December 2025, the Bank undertook a Private Placement of 12.97 billion Ordinary Shares, raising the sum of ₦227 billion and bringing its eligible capital to ₦532.6 billion, against the regulatory minimum of ₦500billion.

Notes to the Financial Statements Contd.

35 Other Equity Accounts

The nature and purpose of the other equity accounts are as follows:

Impact of Issue (Share Premium)

Post Private Placement issue Premiums will be reported in the statement of changes in equity in Quarter 1 of 2026. The basis is as below:

	Issued Shares	Price	Norminal Value	Premium Price	Premium Value
	Units	N	N'million	N	N'million
Opening Balance					280,455
Private Placement	12.97bn	0.50	6,487	17.00	220,558
	12.97bn		6,487		
Closing Balance					501,013

Retained Earnings

Retained earnings comprise the undistributed profits from previous years and current period, 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 2025	31 December 2024
	N'million	N'million
Balance, beginning of year	-	-
Final dividend declared & paid	62,750	19,200
Interim dividend declared & paid	-	27,200
Payment during the year	(62,750)	(46,400)
Balance, end of year	-	-

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 N144,036 million to statutory reserves during the year ended 31 December 2025 (31 December 2024: N42,431 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.

Notes to the Financial Statements Contd.

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

	Notes	Group		Bank	
		2025 N'million	2024 N'million	2025 N'million	2024 N'million
Profit before income tax		347,662	385,215	347,790	393,000
Adjustments for:					
- Depreciation and amortisation	14	27,489	15,335	25,132	10,497
- Loss on disposal of property, plant and equipment	11	(97)	(63)	(97)	(63)
- Net foreign exchange	36a	(108,363)	273,425	(107,219)	273,425
- Net gains from financial assets at fair value through profit or loss	12	221,045	(58,596)	223,331	(58,596)
- Increase in Provisions	32	16,560	357	16,560	357
- Credit loss expense	8	21,611	56,441	21,919	55,483
- Dividend income	11	(935)	(741)	(935)	(741)
- Gain on debt instruments measured at FVOCI reclassified from equity	17	126	(21)	126	(21)
- Net interest income	SOCI	(831,352)	(629,770)	(813,524)	(615,057)
				-	-
		(306,261)	41,581	(286,922)	58,284
Changes in operating assets					
- Net changes in Cash and balances with the Central Bank (restricted cash)	20	(64,560)	(411,952)	(64,560)	(411,952)
- Loans and advances to customers	22	126,947	(1,156,533)	177,168	(1,245,498)
- Financial assets held for trading	23	49,129	49,067	58,366	21,598
- Other assets	29	(120,771)	245,598	(120,180)	247,423
Changes in operating liabilities					
- Deposits from customers	30	936,944	1,753,981	783,969	1,565,201
- Other liabilities	31	76,357	(213,593)	153,393	(155,360)
Cash flows from/(used in) operations		697,786	308,150	701,234	79,696

Notes to the Financial Statements Contd.

36a Net foreign exchange

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Unrealised foreign exchange gain	(99,575)	(11,716)	(98,431)	(11,716)
Unrealised foreign exchange loss	(8,788)	285,141	(8,788)	285,141
	-	-	-	-
Net foreign exchange loss	(108,363)	273,425	(107,219)	273,425

36b Interest received

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Opening interest receivable	405,366	267,212	405,366	267,212
Interest income	1,298,526	950,588	1,272,224	931,705
Closing interest receivable	(426,894)	(405,366)	(426,894)	(405,366)
Interest received	1,276,998	812,434	1,250,696	793,551

36c Interest paid

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Opening interest payable	21,390	28,968	21,390	28,968
Interest expense	(526,949)	(357,955)	(518,476)	(353,785)
Closing interest payable	(31,435)	(7,042)	(31,435)	(7,042)
Interest paid	(536,994)	(336,029)	(528,521)	(331,859)

36d Debt instrument at FVOCI

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Opening balance	186,578	227,750	112,925	187,751
New assets purchase (by cash)	503,567	135,441	499,777	49,587
Assets derecognised (cash received)	(227,403)	(239,330)	(204,667)	(174,232)
Interests	93,839	68,635	99,826	55,669
Change in fair value	1,200	(5,924)	1,215	(5,850)
Closing balance	557,783	186,571	509,075	112,925

Notes to the Financial Statements Contd.

36e Debt instrument at amortised cost

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Opening balance	1,548,765	818,803	1,548,765	818,803
New assets purchase (by cash)	1,423,077	1,112,823	1,366,045	1,112,823
Assets derecognised (cash received)	(1,123,215)	(432,664)	(1,066,873)	(432,664)
Interests	125,994	53,385	115,017	53,384
Closing balance	1,974,622	1,552,347	1,962,955	1,552,347

36f Equity instruments at FVOCI

	Bank	
	2025	2024
	N'million	N'million
Opening balance	69,635	41,550
New assets purchase	-	-
Assets derecognised	-	-
Change in fair value	18,214	28,085
Closing balance	87,849	69,635

37 Contingent Liabilities and Commitments

37.1 Capital Commitments

At the reporting date, the Bank had capital commitments amounting to ₦56.84 billion (31 Dec 2024: ₦21.62 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	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Performance bonds and guarantees (Note 32.3.1)	1,499,281	1,012,354	1,499,281	1,012,354
Letters of credit (Note 32.3.2)	1,137,986	763,934	1,111,407	737,355
AGSMEIS Disbursement	-	-	-	-
	2,637,267	1,776,288	2,610,688	1,749,709

Included in Performance bonds and guarantees is ₦7.81bn (31 December 2024: ₦97.84bn) 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.

Notes to the Financial Statements Contd.

At reporting date, the Bank is currently involved in 90 cases as defendant (31 December 2024 - 81) and 16 cases as Plaintiff (31 December 2024 - 14). As at 31 December 2025, the aggregate value of claims filed against the Bank is estimated at ₦491.8 billion, (31 December 2024- ₦14 billion). Conversely, the total value of claims by the Bank in sixteen (16) cases, plus counterclaims, is estimated at ₦5.3 billion as at 31 December 2025, (31 December 2024 : ₦3.99 billion, 14 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 ₦19.816 billion (31 December 2024 - ₦2.274 billion) upon conclusion of the cases. A provision for the potential loss of ₦19.816 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 end of the period 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 period, Fidelity Bank Plc earned a total interest income of ₦3.91 billion (31 Dec 2024 ₦3.1 billion) from Fidelity Bank UK Limited. And as at 31 December 2025 a total amount of ₦133.73 billion (31 Dec 2024 ₦189.5 billion) is held as placements with Fidelity Bank UK 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 transactions in the year.

Notes to the Financial Statements Contd.

38.1 Deposits/ Interest Expense from Related Parties

Entity Controlled by Key Management Personnel	Related party	Nature Relationship	Deposits at 31 December 2025	Interest expense 31 December 2025	Deposits at 31 December 2024	Interest expense 31 December 2024
			N	N	N	N
Cy Incorporated Nig Ltd (DSRA)	Insider related	Former Director	100,418	-	105,878	-
Equipment Solutions and Logistics Services Limited	Insider related	Former Director	-	-	-	-
The Genesis Restaurant Limited	Insider related	Former Director	10,711,421	-	3,867,907	-
John Holt Plc	Insider related	Former Director	119,399,376	415	1,225,900	495
Tenderville Ltd	Insider related	Former Director	150,627	-	82,207	-
Genesis Hub Limited	Insider related	Former Director	54,952,793	-	80,645,502	-
Genesis Deluxe Cinemas	Insider related	Former Director	2,031,006	625	14,967,457	-
Sub total			187,345,641	1,040	100,894,851	495
A-Z Petroleum Products Limited	Insider related	Former Director	132,155,535	-	86,730,691	-
Neconde Energy Limited	Insider related	Former Director	2,709,837,890	-	269,472	-
Dangote Industries Limited	Insider related	Former Director	6,043,761,131	41,612,027	183,355,037	-
Agric Int'l Tech and Trade	Insider related	Former Director	2,082,456	-	2,413,726	-
Mr. Mustafa Chike-Obi	Insider related	Former Director	469,570,468	79,480,494	17,354,514	15,777,770
Pastor Kings C. Akuma	Insider related	Former Director	18,522,836	29,585	383,972	17,704
Chief Charles Chidebe Umolu	Insider related	Former Director	53,484,261	5,761	4,647,022	108,176
Mr. Okeke Ezechukwu Michael	Insider related	Former Director	1,275,672	3,645	603,140	3,391
Alhaji Isa Inuwa	Insider related	Former Director	189,250,864	14,624,141	46,469,582	10,132,231

Notes to the Financial Statements Contd.

Mr. Alex Chinelo Ojukwu	Insider related	Former Director	-	750	-	-
Mr. Chidi Agbapu	Insider related	Former Director	4,867,195	7,523	12,142,547	38,700
Mr. Chinedu Okeke	Insider related	Current Director	4,534,185	19,110	10,976,171	21,729
Engr. Henry Obih	Insider related	Current Director	335,751,358	99,726	226,787,897	82,034
Mrs. Amaka Onwughalu	Insider related	Current Director	27,982,611	343,251	9,409,757	572,344
Ms. Obiaku Okam	Insider related	Current Director	36,612,482	-		
Alhaji Abdullahi Mohammed	Insider related	Current Director	18,158,010	774		
Chief Nelson C. Nweke	Insider related	Current Director	458,020,847	20,294	9,029,695	13,306
Mrs. Morohunke Bammeko	Insider related	Current Director	10,669,800	6,814	8,034,919	9,183
Sub total			10,516,537,601	136,253,896	618,608,143	26,776,569
Transactions with Key Management Personnel	Insider related		2,428,020,481	174,612,238	52,579,074	122,731,727
TOTAL			13,131,903,724	310,867,175	772,082,067	149,508,790

Notes to the Financial Statements Contd.

Chief Charles Chidebe Umolu	Former Director	-	-	-	5,710	Credit Card	Performing	Perfected
Okonkwo Nnamdi John	Former Director	39,311,006	7,425,398	35,294,648	1,739,926	Term Loan/ Credit Card	Performing	Perfected
Odinkemelu Aku	Former Director	-	-	-	-	Term Loan	Performing	Perfected
Obaro Alfred Odeghe	Former Director	-	-	54,857,143	2,311,819	Term Loan	Performing	Perfected
Yahaya Umar Imam	Former Director	-	-	-	3,460,889	Overdraft/ Credit Card	Performing	Perfected
SUB-TOTAL		324,955,407	51,365,537	309,552,347	21,490,450			
TOTAL		1,413,565,254	51,365,537	1,398,162,095	49,606,975			

38.3 Bank Gurantees in Favour of Key Management Personnel

December 2025

BENEFICIARY NAME	RELATED ENTITY	NAME OF RELATED BANK DIRECTOR	POSITION IN BANK	AMOUNT (N)
NI	NIL	NIL	NIL	NIL

December 2024

BENEFICIARY NAME	RELATED ENTITY	NAME OF RELATED BANK DIRECTOR	POSITION IN BANK	AMOUNT (N)
NI	NIL	NIL	NIL	NIL

Notes to the Financial Statements Contd.

38.4 Key Management Compensation

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Salaries and other short-term employee benefits (Executive directors only)	1,835	1,437	837	649
Pension cost	444	112	34	30
Post-employment benefits paid- Gratuity	-	-	-	-
Post-employment benefits paid- Retirement	-	-	-	-
Other employment benefits paid	276	214	276	214
	2,555	1,764	1,147	893

38.5 Loan and Advances to Staff members

	Group		Bank	
	2025	2024	2025	2024
	Number	Number	Number	Number
As at January 1	15,095	14,322	14,271	14,117
Granted during the year	10,705	6,253	10,533	6,024
Repayment during the year	(8,611)	(5,876)	(8,467)	(5,870)
As at December 31	17,189	14,698	16,337	14,271

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	
	2025	2024	2025	2024
	Number	Number	Number	Number
Executive directors	9	7	7	5
Management	456	449	447	442
Non-management	3,001	2,726	2,953	2,680
	3,466	3,182	3,407	3,127

The number of employees of the Bank, other than directors, who received emoluments in the following ranges (excluding pension contributions and certain benefits) were:

	Number	Number	Number	Number
	2025	2024	2025	2024
N300,000 - N2,000,000	-	-	-	-
N2,000,001 - N2,800,000	-	-	-	-
N2,800,001 - N3,500,000	-	27	-	-
N3,500,001 - N6,500,000	1,029	1,184	1,029	1,164
N6,500,001 - N7,800,000	223	-	223	-
N7,800,001 - N10,000,000	8	567	-	561
N10,000,001 and above	2,214	1,404	2,155	1,402
	3,474	3,182	3,407	3,127

Notes to the Financial Statements Contd.

40 Directors' Emoluments

Remuneration paid to the Bank's executive and non-executive directors (excluding certain allowances) was:	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Fees and sitting allowances	847	963	498	559
Executive compensation	2,145	1,924	1,147	1,136
Other directors' expenses	691	584	691	584
	3,683	3,471	2,336	2,279
Fees and other emoluments disclosed above include amounts paid to:				
Chairman	60	40	60	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
	2025	2024	2025	2024
Below N1,000,000	-	-	-	-
N1,000,000 - N2,000,000	-	-	-	-
N2,000,001 - N3,000,000	-	-	-	-
N5,500,001 - and above	20	21	14	14
	20	21	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 2025

Schedule of Regulatory Contraventions As At 31 December 2025

Nature of Contravention	Amount (N'000)
Penalty - Report Filing - SEC	2,725
Penalty - Cybesec Assessment - CBN	140,500
Penalty - Cash/ SPO - CBN	150,000
Penalty - Report Filing - CBN	12,000
Penalty - Risk Assessment - CBN	20,000
Penalty - Report Filing - SEC	6,000
Penalty - Report Filing - NGX	9,800
Penalty - RBS - CBN	2,000
Penalty - Report Filing - CBN	2,675
	345,700

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

Notes to the Financial Statements Contd.

41.2 In line with circular FDR/DIR/CIR/GEN/01/20, the returns on customers' complaints for the year ended 31 December 2025 is set as below:

S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED		AMOUNT REFUNDED	
		31 'Dec. 2025	31 'Dec. 2024	31 'Dec. 2025	31 'Dec. 2024	31 'Dec. 2025	31 'Dec. 2024
				N'million	N'million	N'million	N'million
1	Pending complaints b/f	47,009	195,838	388,401	22,698	N/A	N/A
2	Received complaints	594,140	839,576	100,145	411,329	N/A	N/A
3	Resolved complaints	638,964	988,405	467,178	45,626	1,088	322
4	Unresolved complaints escalated to CBN for intervention	1	26	184	111	N/A	N/A
5	Unresolved complaints pending with the Bank c/f	2,185	47,009	21,368	388,401	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 2025

42 Gender Diversity

31 December 2025	WOMEN Number	%	MEN Number	%	TOTAL
Board Members	5	33%	10	67%	15
Management staff (AGM & Above)	21	32%	44	68%	65
Total	26		54		80

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

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:

- Prudential Provisions is greater than IFRS provisions; transfer the difference from the retained earnings to a non-distributable regulatory reserve.
- 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.

Notes to the Financial Statements Contd.

- 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 ₦299.70 billion as at 31 December 2025 (31 December 2024 - ₦155.67 billion)

	31 December 2025	31 December 2024
	N'million	N'million
Transfer to regulatory reserve		
Prudential provision:		
Specific provision	440,838	272,398
General provision	76,964	72,661
Provision for other assets	1,343	13,512
Provision for litigations and claims	19,816	2,498
Provision for investments	2,804	2,726
Provision for off-balance sheet exposure	536	1,517
Total prudential provision (A)	542,300	365,313
IFRS provision:		
Specific impairment (see note 22)	72,424	89,129
Collective impairment	145,862	106,145
Provision for other assets (see note 29)	1,343	7,857
Provision for litigations and claims (see note 32)	19,816	2,274
Provision for investments (see note 24)	2,619	2,726
Provision for off-balance sheet exposure	536	1,517
Total IFRS provision (B)	242,599	209,648
Difference between prudential and IFRS impairment (A-B)	299,701	155,665
Movement in Non-Distributable Regulatory Risk Reserve (RRR)		
Opening balance in RRR	155,665	100,279
	-	-
Net changes in the year	144,036	55,386
Balance in RRR at the end of the year	299,701	155,665

Notes to the Financial Statements Contd.

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 As at 31 December 2025	Maturing within 12 months	Maturing after 12 months	Total
ASSETS	N'million	N'million	N'million
Cash and Cash equivalents	1,249,797	73,397	1,323,194
Restricted balances with central bank	1,650,910	-	1,650,910
Loans and advances to customers	2,625,189	5,539,221	8,164,410
Derivative financial assets	410	-	410
Investments:			
- Financial assets at fair value through profit or loss	7,163	1,434	8,597
- Debt instruments at fair value through other comprehensive income	501,710	261,694	763,403
- Equity instruments at fair value through other comprehensive income	-	87,849	87,849
- Debt instruments at amortised cost	1,596,436	1,199,123	2,795,559
Deferred tax Assets	33,095	-	33,095
Other assets	244,498	-	244,498
Property, plant and equipment	-	203,719	203,719
Right of Use Assets	-	3,493	3,493
Goodwill	-	10,561	10,561
Intangible assets	-	50,439	50,439
TOTAL ASSETS	7,909,207	7,430,930	15,340,136
LIABILITIES			
Deposits from customers	2,666,111	4,781,072	7,447,183
Derivative financial liability	194,376	-	194,376
Current income tax payable	139,463	-	139,463
Deferred tax liabilities	-	-	-
Other liabilities	733,650	432,733	1,166,383
Provision	536	19,816	20,351
Debts issued and other borrowed funds	778,944	234,925	1,013,869
TOTAL LIABILITIES	4,513,079	5,468,546	9,981,625

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	-	3,809	3,809
Goodwill	11,443	-	11,443
Intangible assets	-	29,628	29,628
TOTAL ASSETS	5,978,628	6,709,774	12,688,401

Notes to the Financial Statements Contd.

	Maturing within 12 months	Maturing after 12 months	Total
LIABILITIES	N'million	N'million	N'million
Deposits from customers	2,182,946	4,114,636	6,297,581
Derivative financial liability	-	-	-
Current income tax liability	187,653	-	187,653
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	3,064,683	5,570,581	8,635,265

Bank As at 31 December 2025	Maturing within 12 months	Maturing after 12 months	Total
ASSETS	N'million	N'million	N'million
Cash and Cash equivalents	992,334	73,397	1,065,730
Restricted balances with central bank	-	1,650,910	1,650,910
Loans and advances to customers	2,250,566	5,524,210	7,774,776
Derivative financial assets	-	-	-
Investments:			
- Financial assets at fair value through profit or loss	7,163	1,434	8,597
- Debt instruments at fair value through other comprehensive income	453,002	261,694	714,696
- Equity instruments at fair value through other comprehensive income	-	87,849	87,849
- Debt instruments at amortised cost	1,596,436	1,177,723	2,774,159
Deferred tax Assets	27,790	-	27,790
Other assets	244,216	-	244,216
Property, plant and equipment	-	203,664	203,664
Right of Use Assets	-	2,170	2,170
Goodwill	-	-	-
Intangible assets	-	48,270	48,270
TOTAL ASSETS	5,571,505	9,031,320	14,602,825
LIABILITIES			
Deposits from customers	2,103,886	4,779,843	6,883,728
Derivative financial liability	194,376	-	194,376
Current income tax payable	144,768	-	144,768
Deferred tax liabilities	-	-	-
Other liabilities	729,538	432,733	1,162,271
Provision	536	19,816	20,351
Debts issued and other borrowed funds	778,944	234,925	1,013,869
TOTAL LIABILITIES	3,952,047	5,467,317	9,419,364

Notes to the Financial Statements Contd.

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	-	1,795	1,795
Goodwill	-	-	-
Intangible assets	-	23,619	23,619
TOTAL ASSETS	4,186,323	8,231,866	12,418,189
LIABILITIES			
Deposits from customers	1,864,217	4,102,041	5,966,258
Derivative financial liability	-	-	-
Current income tax liability	187,653	-	187,653
Deferred tax liabilities	-	-	-
Other liabilities	187,653	847,808	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	2,441,704	5,856,779	8,298,482

45 Reclassifications

There were no reclassifications during the year ended December 31, 2025

46 Restatements

There were no significant events requiring restatements during the reporting year which could have had a material effect on the financial position of the Bank as at 31 December 2025 and on the profit or loss and other comprehensive income for the year then ended.

47 Events after reporting period

a. Recapitalization Programme:

On December 31, 2025, the bank successfully issued 12.97 bn new equity shares through a Private Placement, raising a total of N227 bn in fresh Tier 1 Capital. This effectively increased the bank's qualified capital from N305.5 bn to N532.6bn, surpassing the regulatory minimum requirement of N500 bn set for Commercial Banks with International Authorization.

b. Appointment of New Chairman of Board of Directors:

The bank appointed Mrs. Amaka Onwughalu as the Chairman of its Board of Directors effective January 1, 2026 as Mr. Mustafa Chike-Obi retired from the Board on the 31st December 2025.

Notes to the Financial Statements Contd.

Relevant disclosures have been observed in the Directors' report

c Fidelity Bank Secured Win over Sagecom:

On December 15, 2025, the Supreme Court delivered judgement in favour of the bank on its long standing case (legacy debt) with Sagecom Limited. The Court affirmed the bank's position of using the exchange rate in force as at the time the liability arose, and computed at simple interest rate. IAS 37 (Provisions, Contingent Liabilities and Contingent Events) requires that the best estimate required to settle the liability taking cognisance of relevant factors such as exchange rates and time value of money for which impact have been included within the financial statements (Non-Current Liabilities) . Adequate provision been made for this liability as at the reporting date .

d Other events

The Federal Government of Nigeria enacted a new tax legislation for the country taking effect from January 1, 2026. In accordance with IAS 10.3b, this event does not provide any conditions of existence within the accounting year under reference and hence will not have any financial impact in the financial statements under review. The new tax legislation will impact current tax for 2026.

Value Added Statement

For the year ended

Group	31 December 2025	%	31 December 2024	%
	N'million		N'million	
Interest and similar income	1,298,526	302	950,588	187
Interest and similar expense	(467,173)	(109)	(320,818)	(63)
	831,352	193	629,770	124
-Brought in services	(400,838)	(93)	(121,027)	(24)
Value added	430,515	100	508,743	100
Distribution				
Employees:				
Salaries and benefits	80,557	19	73,450	14
Shareholders:				
Dividends paid during the year	62,750	15	46,400	9
Government:				
Income tax	-	-	82,420	16
Tertiary education tax	13,797	3	9,083	2
Police trust fund levy	-	-	20	-
IT levy	3,478	1	3,931	1
The future:				
-Asset replacement (depreciation and amortisation)	27,489	6	15,335	3
-Profit for the year (transfers to reserves)	242,444	56	278,106	55
	430,515	100	508,743	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 Contd.

For the year ended

Bank	31 December 2025	%	31 December 2024	%
	N'million		N'million	
Interest and similar income	1,272,224	243	931,705	187
Interest and similar expense	(458,700)	(88)	(316,648)	(64)
	813,524	155	615,057	124
-Brought in services	(289,714)	(55)	(117,566)	(24)
Value added	523,810	100	497,491	100
Distribution				
Employees:				
Salaries and benefits	66,660	13	62,284	13
Shareholders:				
Dividends paid during the year	62,750	12	46,400	9
Government:				
Income tax	114,726	22	82,420	17
Tertiary education tax	13,797	3	9,083	2
Police trust fund levy	-	-	20	-
IT levy	3,478	1	3,931	1
The future:				
-Asset replacement (depreciation and amortisation)	25,132	5	10,497	2
-Profit for the year (transfers to reserves)	237,267	45	282,858	57
	523,810	100	497,491	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 as at	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
	N'million	N'million	N'million	N'million	N'million
Assets:					
Cash and Cash equivalents	1,323,194	707,450	364,177	300,345	219,253
Restricted balances with central bank	1,650,910	1,586,350	1,174,398	863,090	686,097
Loans and advances to customers	4,281,688	4,387,108	3,092,419	2,116,212	1,658,412
Derivative assets	410	50,293	10,723	4,778	49,575
Investments:					
Financial asset at fair value through profit or loss	7,166	5,113	7,684	2,036	5,207
Debt instruments at fair value through other comprehensive income	557,783	186,571	227,750	28,696	100,009
Equity instruments at fair value through other comprehensive income	87,849	69,635	41,550	27,560	26,207
Debt instruments at amortised cost	1,974,622	1,552,347	818,803	479,592	441,452
Available for sale	-	-	-	-	-
Held to maturity	-	-	-	-	-
Deferred tax Assets	33,095	5,305	23,771	5,306	-
Other assets	278,886	158,116	403,763	112,915	49,357
Property, plant and equipment	203,719	77,876	47,382	42,657	39,440
Right of Use Assets	3,493	3,750	3,270	1,799	1,477
Goodwill	10,561	11,443	8,656	-	-
Intangible assets	50,439	20,380	10,341	4,023	3,968
Total Assets	10,463,815	8,821,737	6,234,688	3,989,009	3,280,454
Financed by:					
Liabilities					
Deposits from customers	6,890,909	5,937,064	4,014,811	2,580,597	2,024,803
Derivative liabilities	194,376	-	-	1,208	425
Current income tax payable	139,463	113,910	26,835	8,445	3,523
Deferred income tax liabilities	-	727	22,905	5,629	-
Other liabilities	1,242,178	938,776	1,152,369	815,407	495,597
Provision	20,351	3,791	3,434	1,896	2,399
Debts issued and other borrowed funds	888,950	929,595	577,028	261,466	468,413
Retirement benefit obligations	-	-	-	-	-
Total Liabilities	9,376,227	7,923,863	5,797,381	3,674,649	2,995,160
Equity					
Share capital	25,100	25,100	16,000	14,481	14,481
Share premium	280,455	280,455	113,705	101,272	101,272
Retained earnings	173,461	185,256	65,508	44,883	55,241
Statutory reserve	144,289	108,699	66,270	51,352	44,343
Small scale investment reserve (SSI)	764	764	764	764	764
Non-distributable regulatory reserve (NDR)	299,701	155,665	100,279	62,144	27,440
Translation reserve	34,523	44,194	6,050	-	-
Fair value reserve/ Remeasurement reserve	88,867	69,176	54,310	30,019	34,644
AGSMEIS reserve	40,428	28,565	14,422	9,445	7,109
Total Equity	1,087,588	897,874	437,307	314,360	285,294
Total Liabilities and Equity	10,463,815	8,821,737	6,234,688	3,989,009	3,280,454

Five Year Financial Summary Contd.

Group Statement of Profit or loss and Other Comprehensive Income For the period ended	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
	N'million	N'million	N'million	N'million	N'million
Operating income					
Net interest income	831,352	629,770	277,366	152,695	94,877
Impairment charge for credit losses	(21,611)	(56,441)	(67,436)	(5,443)	(7,035)
Net interest income after impairment charge for credit losses	809,742	573,329	209,929	147,252	87,842
Commission and other operating income	104,478	73,775	109,271	27,209	33,681
Modification loss on financial asset	988	-	-	-	-
Other operating expenses	(443,331)	(331,481)	(194,939)	(120,784)	(96,308)
Profit before income tax	471,876	315,624	124,260	53,677	25,215
Income tax expense	(99,549)	(93,777)	(24,806)	(6,953)	(2,111)
Profit after tax	372,328	221,846	99,454	46,724	23,104
Other comprehensive Loss/income	10,020	53,010	30,341	(4,628)	(4,971)
Total comprehensive income for the year	382,348	274,856	129,795	42,096	18,133
Per share data in kobo:					
Earnings per share (basic & diluted)	580k	665k	311k	161k	79k
Net assets per share	1,673k	1,789k	1,366k	1,086k	985k

Five Year Financial Summary Contd.

Bank Statement of Financial Position as at	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
Assets:	N'million	N'million	N'million	N'million	N'million
Cash and Cash equivalents	1,087,448	505,331	376,595	300,345	219,253
Restricted balances with central bank	1,650,910	1,586,350	1,174,398	863,090	686,097
Loans and advances to customers	4,190,409	4,346,049	2,962,397	2,116,212	1,658,412
Derivative assets	-	50,292	10,723	4,778	49,575
Investments:					
Financial asset at fair value through profit or loss	7,166	5,113	7,684	2,036	5,207
Debt instruments at fair value through other comprehensive income					
	509,075	112,925	187,751	28,696	100,009
Equity instruments at fair value through other comprehensive income					
	87,849	69,635	41,550	27,560	26,207
Investment in Subsidiary:					
Debt instruments at amortised cost	1,962,955	1,552,347	818,803	479,592	441,452
Available for sale	-	-	-	-	-
Held to maturity	-	-	-	-	-
Deferred tax Assets	27,790	-	22,554	5,306	-
Other assets	274,893	154,713	402,186	112,915	49,357
Property, plant and equipment	203,664	77,785	47,329	42,657	39,440
Right of Use Assets	2,170	1,736	1,556	1,799	1,477
Intangible assets	48,270	14,371	6,223	4,023	3,968
Total Assets	10,121,189	8,545,237	6,123,152	3,989,009	3,280,453
Financed by:					
Liabilities					
Deposits from customers	6,461,185	5,660,315	3,926,842	2,580,597	2,024,803
Derivative liabilities	194,376	-	-	1,208	425
Current income tax payable	144,768	113,910	26,835	8,445	3,523
Deferred income tax liabilities	-	727	22,905	5,629	-
Other liabilities	1,358,873	978,435	1,133,795	815,407	495,597
Provision	20,351	3,791	3,434	1,896	2,399
Debts issued and other borrowed funds	888,950	929,595	577,028	261,466	468,413
Retirement benefit obligations	-	-	-	-	-
Total Liabilities	9,068,503	7,686,773	5,690,839	3,674,649	2,995,160
Equity					
Share capital	25,100	25,100	16,000	14,481	14,481
Share premium	280,455	280,455	113,705	101,272	101,272
Retained earnings	173,101	190,073	65,573	44,883	55,241
Statutory reserve	144,301	108,711	66,282	51,352	44,343
Small scale investment reserve (SSI)	764	764	764	764	764
Non-distributable regulatory reserve (NDR)	299,701	155,665	100,279	62,144	27,440
Fair value reserve/ Remeasurement reserve	88,836	69,131	54,310	30,019	34,644
AGSMEIS reserve	40,428	28,565	14,422	9,445	7,109
Total Equity	1,052,686	858,464	431,335	314,360	285,294
Total Liabilities and Equity	10,121,189	8,545,237	6,122,174	3,989,009	3,280,454

Five Year Financial Summary Contd.

Bank Statement of Profit or loss and Other Comprehensive Income For the period ended	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
	N'million	N'million	N'million	N'million	N'million
Operating income					
Net interest income	813,524	615,057	274,856	152,695	94,877
Impairment charge for credit losses	(21,919)	(55,483)	(67,686)	(5,443)	(7,035)
Net interest income after impairment charge for credit losses	791,605	559,574	207,170	147,252	87,842
Commission and other operating income	98,425	70,289	108,720	27,209	33,681
Modification loss on financial asset	988	-	-	-	-
Other operating expenses	(417,868)	(306,454)	(191,551)	(120,784)	(96,308)
Profit before income tax	473,149	323,409	124,338	53,677	25,215
Income tax expense	(104,854)	(96,811)	(24,806)	(6,953)	(2,111)
Profit after tax	368,295	226,598	99,532	46,724	23,104
Other comprehensive Loss/ income	19,705	14,821	24,291	(4,628)	(4,971)
Total comprehensive income for the period	388,000	241,419	123,823	42,096	18,133
Per share data in kobo:					
Earnings per share (basic & diluted)	568k	677k	311k	161k	79k
Net assets per share	1,620k	1,710k	1,347k	1,086k	985k

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) N	Authorized (Cumulative) N	Issued and Fully Paid (Additional) N	Issued and Fully Paid (Cumulative) N	Consideration
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	26,700,000,000	9,100,000,000	25,100,000,000	Public Offer/ Rights

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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, 2025, the Bank's issued and paid-up capital was ₦25,100,000,000.00 divided into 50,200,000,000 Ordinary shares of 50 Kobo each.

The Bank undertook a Private Placement of 12.97Billion Ordinary shares in December 2025 and raised the sum of ₦227Billion, which increased its eligible capital from ₦305.5Billion to ₦532.6Billion, against the regulatory capital requirement of ₦500Billion for banks with international authorization. The private placement was undergoing regulatory capital verification by the Central Bank of Nigeria as of December 31, 2025.

The Bank's shares are widely held and it had over 525,000 shareholders as at December 31, 2025.

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

OUTSTANDING DIVIDEND BELOW 15 MONTHS

PAYMENT	TOTAL AMOUNT OF DIVIDEND DECLARED	TOTAL DIV. PAID BTW. JUNE & DEC. 2025	TOTAL DIV. PAID UP TO JUNE 30, 2025	TOTAL DIV. PAID UP TO DEC. 31, 2025	DATE OF PAYMENT	AFTER 15 MONTHS			A + B + C + D	
						A	B	C		D
	N	N	N	N		N	N	N	N	
						UNCLAIMED DIVIDEND WITH REGISTRARS FOR PAYT. TO S/HOLDERS	UNCLAIMED DIVIDEND WITH FRISL. TRANSFERRED TO DMO	UNCLAIMED DIVIDEND WITH CLIENT TRANSFERRED TO DMO	UNCLAIMED DIVIDEND RETURNED TO THE COY	
FIDELITY BANK PLC	24,692,311,465.92	205,744,574.57	21,294,643,853.11	21,500,388,407.68	10/25/2024	3,191,923,068.24	NIL	NIL	NIL	3,191,923,068.24
	56,782,361,965.75	1,028,868,932.58	50,780,989,724.72	51,809,858,657.30	05/29/2025	4,972,503,308.45	NIL	NIL	NIL	4,972,503,308.45
TOTAL	81,474,673,431.67		73,310,247,064.98			8,164,426,366.69				8,164,426,366.69

Recommendations and Explanatory Notes

Relating to the business to be conducted at the 38th Annual General Meeting on July 7, 2026

Resolution 1

To lay before the members, the Audited Financial Statements for the year ended December 31, 2025, 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, 2025, 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, 2025, the Reports of the Directors, External Auditors and Audit Committee thereon.

Resolution 2

To elect the following Director who was appointed since the last Annual General Meeting:

(a) Dr. Jonathan Oniovosa Ososuapkor, Non-Executive Director, was appointed to the Board with effect from May 22, 2026.

The Board appointed Dr. Jonathan Oniovosa Ososuapkor as Non-Executive Director in accordance with the Bank's Board Appointment and Directors' Selection Criteria Policy.

The appointment has been approved by the Central Bank of Nigeria. The new Director brings to the Board robust multifunctional experience and his profile detailed below. This information is also available on the Bank's website at www.fidelitybank.ng.

Profile of Dr. Jonathan Oniovosa Ososuapkor, Non-Executive Director

Dr. Jonathan Oniovosa Ososuapkor joins the Board of Fidelity Bank Plc with over 40 years of experience in the financial services industry including Credit and Marketing; Retail; Consumer and Commercial Banking; Public Sector; Banking Operations; and Risk Management.

He enjoyed an illustrious banking career which commenced in 1983 with Union Bank of Nigeria Plc and served in various capacities at notable financial institutions including former Gateway Bank, Oceanic Bank, Ecobank Nigeria Plc and Intercontinental Bank Plc (now Access Bank Plc). He held key leadership and management positions before his appointment as Managing Director/Chief Executive Officer of AMJU Unique Microfinance Bank Limited in 2012, a position he held until his retirement from the bank in July 2025.

He was Chairman of Universal Finance Consult & Investment Limited (2007 to 2017), and V-Capital

Consulting Limited (2015 to 2025) and currently chairs the Board of Directors of Top Rank Oil Services Limited, a leading multifunctional engineering company providing diverse services to the nation's Oil and Gas industry, Public and Private Sectors.

Dr. Ososuakpor holds Bachelor's and Masters degrees in Banking and Finance from University of Benin. He also has both Master of Science and Doctorate Degrees in Economics from Delta State University, Nigeria; and Master of Business Administration (Finance) Degree from Bangor University, Wales, UK.

His professional qualifications include Fellowship of the Chartered Institute of Bankers of Nigeria; Institute of Credit Administration; Institute of Chartered Economists of Nigeria and Association of Enterprise Risk Management Professionals. He is also a Fellow of the Chartered Institute of Taxation of Nigeria; Member of the Nigeria Economic Society and Chartered Banker Institute, Wales, UK;

Dr. Ososuakpor is a Certified Expert in Risk Management and key resource person at local and international trainings. His areas of interest include Risk Management; Data Analytics; Monetary, Macro and Microeconomics; Financial Inclusion; and Corporate Governance.

He brings impressive cross-functional experience to the Board and has attended leadership and executive development programmes at world class institutions including the London Business School and United Nations Institute for Training and Research.

Request:

Shareholders are requested to vote in favour of the resolution for the appointment of Dr. Jonathan Ososuakpor as a Non-Executive Director of the Bank.

Resolution 3

Re-election of Mrs. Amaka Onwughalu as a Non-Executive Director:

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.

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, Mrs. Amaka Onwughalu (Chairman, Non-Executive Director) and Chief Nelson Nweke (Non-Executive Director) are eligible for retirement by rotation and re-election at the 38th Annual General Meeting. Chief Nelson Nweke

has expressed his intention not to seek for re-election and will retain office until the conclusion of the 38th Annual General Meeting. Mrs. Amaka Onwughalu is eligible for retirement by rotation and re-election at the 38th Annual General Meeting and has offered herself for re-election. The Board confirms that a formal evaluation was conducted to assess Mrs. Amaka Onwughalu's performance and recommends her re-election.

The evaluation included her 100% attendance record at Board and Board Committee meetings, robust participation at meetings and significant contributions to the growth and development of the Bank since her appointment to the Board.

The profile of Mrs. Amaka Onwughalu is detailed below and also available on the Bank's website at www.fidelitybank.ng.

Profile of Mrs Amaka Onwughalu, Chairman and Non-Executive Director

Mrs. Amaka Onwughalu was appointed Chairman of the Board of Fidelity Bank effective January 1, 2026. She is currently the Chief Executive Officer of Blueshield Financial Services Limited. Prior to this, she served in executive management positions in different institutions and was the former Group Managing Director of legacy Mainstreet Bank Limited where she led the successful execution of a seamless integration of the bank with Skye Bank Plc where she served as Deputy Managing Director until her retirement in July 2016.

Mrs. Amaka Onwughalu has over thirty-two (32) 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 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); a Fellow 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 and served as member/chair of various Board Committees including the Board Credit Committee and Board Risk Management Committee before her appointment as Board Chair from January 1, 2026.

Request:

Given her extensive experience, skills, background and impactful contributions during the year under review, the Board believes that Mrs. Amaka Onwughalu will continue to add value to the Board and the Company and requests that Shareholders should vote in favour of the resolution for her re-election.

Resolution 4

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 2026.

Resolution 5

To disclose the remuneration 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 2025.

Resolution 6

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 2026 financial year.

Agent List

As at 31 December, 2025

S/N	ACCOUNT NAMES	EMAIL	Address
1	ISAIAH O. EZE	isaiaholuchukwu@gmail.com	Behind Redeemed Church Ang Bako Junction, Kabusa
2	OBINNA D. OBED	cheerfulobaino@gmail.com	3 Oshogbo Cl, Abuja
3	KEHINDE SAWYER	olubisikehinde478@gmail.com	No 18, 85A, Ososami Oke-Ado Ibadan
4	AISHA OYIZA HASSAN	hassaoyiza@gmail.com	New World Restoration Bible Church Kaduna Road, Suleja
5	CHIMEZIE PETER UMEH	chimexumeh665@gmail.com	Saburi Village Dei Dei, Abuja
6	EMMANUEL ABIODUN	abiodunemmanuel768@gmail.com	Dei Dei, Abuja
7	GRACE IJEOMA ONUOHA	graceijeoma0706@gmail.com	Umuguma, Umuagu, Abuja
8	HALIMAT ABDULMALIK	abdulmalikhalimat@gmail.com	Saburi, Dei Dei, FCT
9	HAWAWU IBRAHIM	hawawuibrahim93@gmail.com	After Brilliant Primary School, Angwan, Boro, Abuja
10	ISLAMİYAT BOLA KANABAR	islamiyatkanabar98@gmail.com	Saburi, Dei Dei, FCT
11	KEVIN CHIJOKE UGWU	nwaogazi2023@gmsil.com	Jiwa, Abuja
12	LOVEDAY CHIBUZOR OBIMBA	lovedayobimba62@gmail.com	No 1, Abakwam Ossinna Street Gawaka, Tafa LGA, Niger State
13	MONDAY VICTOR	victormonday123@gmail.com	Mr. Monday Residence un- painted bungalow beside ECWA Church, Karisna Estate, FCT Abuja.
14	MUHAMMED ABDULLAHI	abdullahison003@gmail.com	Dei Dei Junction, Abuja
15	QUEENNET SERONIA IDAKWO	idakwo57@gmail.com	Dei Dei, Abuja
16	UGOCHI NWOYE	ugochinwoye863@gmail.com	No 3 Opp Christ Assension Church One Man Vill Tasha 1 After Bridge, Gwa Gwa, Abuja
17	VIVIAN LARFA	vivianlarfa21@gmail.com	Opp Mangu Mini Stadium, Ang. Sarki, Mangu, Abuja
18	MARVELLOUS IKEAGWU	goldenfrank56@gmail.com	Awo-Omamma, Umuezukwe, Anambra State
19	ADEYANJU OLUYEMI ELIZABETH	emmyte34@gmal.com	No 18 off Sawmill Area, Irewolede, Ilorin, Kwara State
20	TIMOTHY EPUTE	timobesty@gmail.com	off Ubiaja Road, Edo State
21	TIMILEYIN GOODNESS ADEBARE	Adebareoluwatimileyin@gmail.com	Gbopa Olodo, Ologuneru, Ibadan, Oyo State
22	NNENNA BENITA CHUKWUEMEKA	benitachukwuemeka198@gmail.com	Akpalo Daniel Compound, opposite Okada Park Tudun Wada, Lugbe, Abuja
23	ABUYA COMFORT AJAYI	comx004@yahoo.com	54, Zamba Street, Surulere, Lagos
24	MICHAEL OGBONNAYA OKORO	michaelpaul6019@gmail.com	Festus House back of Primary School, Jiwa, Abuja
25	MARIA AGBO ODEY	monlinagold@gmail.com	No 3 Makarious Street, Ajah Lagos.
26	CHIOMA SANDRA ABBAH	sandraabah694@gmail.com	Lugbe Phase 2, Abuja
27	GODWIN UGWU	ugwugodwin597@gmail.com	Tudun Wada, Lugbe, Abuja

To view the comprehensive schedule, please visit www.fidelitybank.ng/areakconnect/agent-locations/



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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 include 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 Compliance Officer ensures compliance.

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Forms and 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.



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Fidelity Bank Plc Proxy Form



PROXY FORM FOR THE 38TH ANNUAL GENERAL MEETING OF MEMBERS OF FIDELITY BANK PLC TO BE HELD VIRTUALLY VIA [HTTPS://WWW.FIDELITYBANK.NG/AGM/](https://www.fidelitybank.ng/agm/) AT 10.00A.M. ON TUESDAY, JULY 7, 2026.

I/We

of being a Shareholder(s) of Fidelity Bank Plc hereby appoint **Mrs. Amaka Onwughalu** or failing her, **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 7th day of July , 2026 and at any adjournment thereof.

Dated the ____ day of ____ 2026

Shareholder's Signature Account Number

	No	Ordinary Business	For	Against
I/We desire this proxy to be used in favour of/or against the resolution as indicated alongside (strike out whichever is not required).		To consider and if thought fit, pass the following as Ordinary Resolutions:		
	1.	To lay before the members, the Audited Financial Statements for the year ended December 31, 2025, and the Reports of the Directors, External Auditors, Board Evaluation Consultants and Statutory Audit Committee thereon.		
	2.	To elect Dr. Jonathan O. Ososuaqpor as a Non-Executive Director.		
	3.	(a.) To re-elect Mrs. Amaka Onwughalu as a Non-Executive Director.		
		(b.) To note the retirement by rotation of Chief Nelson Nweke, Non-Executive Director.		
	4.	To authorize the Directors to fix the remuneration of the External Auditors for 2026.		
	5.	To disclose the remuneration of the managers of the Company.		
	6.	To elect members of the Statutory Audit Committee.		

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.

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) 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).

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:

Fidelity Bank Plc <input style="width: 30px; height: 20px;" type="checkbox"/>	Shareholders Account Number (If known) <input style="width: 100%; height: 20px;" type="text"/>
---	---

Shareholder's Account Information

Surname/Company

Other Names

Previous Address

City	State
<input style="width: 100%; height: 25px;" type="text"/>	<input style="width: 100%; height: 25px;" type="text"/>

Present/New Address

City	State
<input style="width: 100%; height: 25px;" type="text"/>	<input style="width: 100%; height: 25px;" type="text"/>

Mobile 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.

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